

# PROSPECTUS

## SES

(incorporated as a société anonyme under the laws of Luxembourg)

## SES GLOBAL AMERICAS HOLDINGS GP

(established as a general partnership under the laws of the State of Delaware)

€4,000,000,000

### Euro Medium Term Note Programme

This document comprises two base prospectuses (together, the **Prospectus**): (i) the base prospectus for SES in respect of non-equity securities within the meaning of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) (the **Notes**) to be issued by it under this €4,000,000,000 Euro Medium Term Note Programme (the **Programme**) and (ii) the base prospectus for SES Global Americas Holdings GP (**SES Americas**) in respect of Notes to be issued by it under this Programme. Under the Programme, SES and SES Americas (each an **Issuer** and, together, the **Issuers**) may from time to time issue Notes denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below).

The payment of all amounts due in respect of the Notes issued by SES Americas will be unconditionally and irrevocably guaranteed by SES and the payment of all amounts due in respect of the Notes issued by SES will, subject to the provisions of Condition 17 in “*Terms and Conditions of the Notes*”, be unconditionally and irrevocably guaranteed by SES Americas (each in its capacity as guarantor, the **Guarantor**).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €4,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the relevant Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

**An investment in Notes issued under the Programme involves certain risks.** For a discussion of these risks, see “*Risk Factors*” on pages 5 to 27.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under the Luxembourg Act dated 16 July 2019 on prospectuses for securities, as amended (the **Prospectus Law**), for the approval of this Prospectus comprising two base prospectuses for the purposes of Article 8 of the Prospectus Regulation. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme described in the Prospectus to be listed on the official list of the Luxembourg Stock Exchange (the **Official List**) and admitted to trading on the regulated market of the Luxembourg Stock Exchange (the **Regulated Market**). References in this Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been listed on the Official List and admitted to trading on the Regulated Market. The Luxembourg Stock Exchange’s Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU (as amended, **MiFID II**)).

This Prospectus has been approved by the CSSF as competent authority under the Prospectus Law and the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers or the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

By approving a prospectus, in accordance with Article 20 of Regulation 2017/1129, the CSSF does not engage in respect of the economic and financial opportunity of the operation or the quality and solvency of the Issuers or of the Notes to be issued hereunder. Pursuant to the Prospectus Law, the CSSF is not competent to approve prospectuses for the offering to the public or for the admission to trading on regulated markets of money market instruments (as defined in point (17) of Article 4(1) of Directive 2014/65/EU) having a maturity at issue of less than 12 months.

This Prospectus is valid for a period of twelve months from the date of approval and the obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply following the expiry of that period.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any final terms not contained herein which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in a final terms document (the **Final Terms**). The minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or the United Kingdom or offered to the public in a Member State of the European Economic Area or the United Kingdom in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the relevant Issuer, the relevant Guarantor and the relevant Dealer. The Issuers may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The rating of a certain Series (as defined under “*Terms and Conditions of the Notes*”) of Notes to be issued under the Programme may be specified in the applicable Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or the United Kingdom and registered under the Regulation (EC) No 1060/2009 (as amended) (the **CRA Regulation**) (and such registration has not been withdrawn or suspended).

Notes may be issued in bearer or registered form (respectively **Bearer Notes** and **Registered Notes**). Bearer Notes of each Tranche will initially be represented by a temporary global Note (each a **Temporary Bearer Global Note**) which will be deposited on the issue date thereof with a common depositary (the **Common Depositary**) or a common safekeeper (the **Common Safekeeper**), as the case may be, on behalf of Euroclear Bank SA/NV (**Euroclear**), and Clearstream Banking S.A. (**Clearstream, Luxembourg**) and/or any other agreed clearance system which will be exchangeable, as specified in the applicable Final Terms, for either a permanent global Note (each a **Permanent Bearer Global Note** and, together with a Temporary Bearer Global Note, the **Bearer Global Notes**) or Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. If the Bearer Global Notes are stated in the applicable Final Terms to be issued in new global note (NGN) form, the Bearer Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg. A Permanent Bearer Global Note will be exchangeable for definitive Notes in certain limited circumstances, all as further described in “*Form of the Notes*” below.

Registered Notes of each Tranche will initially be represented by a global note in registered form (a **Registered Global Note**) which will be deposited with a Common Depositary or a Common Safekeeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg. If a Registered Global Note is held under the New Safekeeping Structure (the **NSS**) the Registered Global Note will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. A Registered Global Note will be exchangeable for definitive Notes, in certain limited circumstances, all as further described in “*Form of the Notes*” below.

Bearer Global Notes which are not issued in NGN form and Registered Global Notes which are not held under the NSS will be deposited on the issue date of the relevant Tranche with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg.

Arranger

BNP PARIBAS

Dealers

Banca IMI

BBVA

BNP PARIBAS

Bank of China

Banque et Caisse d’Epargne de l’Etat, Luxembourg

Commerzbank

**Deutsche Bank**  
**HELABA**  
**ING Bank N.V., Belgian Branch**  
**Landesbank Baden-Württemberg**  
**MUFG**  
**SMBC Nikko**

**Goldman Sachs International**  
**HSBC**  
**J.P. Morgan**  
**Mizuho Securities**  
**NatWest Markets**  
**Société Générale Corporate & Investment Banking**

The date of this Prospectus is 29 May 2020

Each of SES and SES Americas (the *Responsible Persons*) accepts responsibility for the information contained or incorporated by reference in this Prospectus (including, for the avoidance of doubt, any information contained in the Final Terms relating to an issue of Notes under the Programme). To the best of the knowledge of each of SES and SES Americas, the information contained or incorporated by reference in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The only persons authorised to use this Prospectus in connection with an offer of Notes are the persons named as the relevant Dealer or the Managers in relation to the offer of Notes.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*” below). This Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Prospectus.

Save for the Issuers, no party has independently verified the information contained or incorporated by reference herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger or the Dealers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by SES or SES Americas in connection with the Programme. To the fullest extent permitted by law, none of the Dealers or the Arranger accepts any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuers, the Guarantors, or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

None of the Arranger, the Dealers or any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus or any responsibility for any act or omission of the Issuers, the Guarantors, or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes.

No person is or has been authorised to give any information or to make any representation not contained or incorporated by reference in or not consistent with this Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by SES or SES Americas or the Arranger or any of the Dealers.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by SES or SES Americas or the Arranger or any of the Dealers that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of SES and/or SES Americas. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of SES or

SES Americas or the Arranger or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained or incorporated by reference herein concerning SES or SES Americas is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of SES or SES Americas during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. The Notes and the guarantees have not been and will not be registered under the United States Securities Act of 1933, as amended, (the *Securities Act*) and include Notes in bearer form that are subject to U.S. tax law requirements unless such Notes are considered issued in registered form for U.S. federal income tax purposes (see “*Form of the Notes*”). Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see “*Subscription and Sale*”).

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. SES, SES Americas, the Arranger and the Dealers do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by SES, SES Americas, the Arranger or the Dealers which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area, United Kingdom and Japan (see “*Subscription and Sale*” below).

Amounts payable under the Notes may be calculated by reference to the Euro Interbank Offered Rate (*EURIBOR*) or the London Interbank Offered Rate (*LIBOR*) which are provided by the European Money Markets Institute (*EMMI*) and the ICE Benchmark Administration Limited (*ICE*) respectively. As at the date of this Prospectus, both ICE and EMMI appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (*ESMA*) pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the *BMR*).

Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*” below), references to websites or uniform resource locators (“*URLs*”) in this Prospectus are inactive textual references. The contents of any such website or URL shall not form part of this Prospectus.

All references in this document to “U.S. dollars”, “U.S.\$” and “\$” refer to United States dollars and all references to “euro” and “€” refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended.

**MiFID II product governance / target market** – The Final Terms in respect of any Notes and any drawdown prospectus may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a *distributor*) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the *MiFID Product Governance Rules*), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**PROHIBITION OF SALES TO EEA and UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (*EEA*) or in the United Kingdom (*UK*). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the *Insurance Distribution Directive*), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the *PRIPs Regulation*) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

**SINGAPORE SFA PRODUCT CLASSIFICATION** - In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the SFA) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the CMP Regulations 2018), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

## OVERVIEW OF THE PROGRAMME

The following overview of the programme does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms.

This Overview constitutes a general description of the Programme for the purposes of the Prospectus Regulation and Article 25 of Commission Delegated Regulation (EU) 2019/980. Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this description.

Issuers:	SES and SES Global Americas Holdings GP.
Issuer Legal Entity Identifier (LEI):	SES: 5493008JPA4HYMH1HX51  SES Global Americas Holdings GP: 52990000YGN3VJ3R60481
Guarantors:	SES (in respect of Notes issued by SES Global Americas Holding GP) and SES Global Americas Holdings GP (in respect of Notes issued by SES).
Description of the Programme:	Euro Medium Term Note Programme.
Risk Factors:	There are certain factors that may affect the ability of SES and SES Americas to fulfil their respective obligations as Issuer under Notes issued under the Programme and their respective obligations as Guarantor under the relevant Guarantee. These are set out in the “ <i>Risk Factors</i> ” section and include the factors set out in the following paragraphs. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are also set out under “ <i>Risk Factors</i> ” and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.

### Risks Relating to the Group’s Business

- The Group may experience a launch delay or failure or other satellite damage or destruction during launch, which could lead to a total or partial loss of the satellite.
- The Group’s satellites may experience in-orbit destruction, damage or other failures or degradations in performance that could impair the satellites’ commercial performance.
- The actual lives of the Group’s satellites may be shorter than their estimated initial design lives.

- The Group relies on a limited number of launch providers to launch its satellites.
- The Group is primarily dependent on a small number of satellite manufacturers and secondary suppliers.
- Satellites may be subject to damage or loss from events that might not be covered by insurance policies.
- A portion of the Group's in-orbit insurance policies are maintained through self-insurance.
- The Group may not be able to obtain adequate insurance or the desired level of coverage, and insurance premiums may increase.
- The Group may not be successful in renewing its existing commercial agreements, or in renewing them on terms that are similar to their current terms.
- The Group has several large customers, the loss of any of which could materially reduce the Group's revenue and materially adversely affect the Group's business.
- The Group is exposed to general customer counterparty risk.
- The Group's operations and systems are subject to external threats, including sabotage, terrorist attacks and natural disasters.
- The Group relies on information systems, satellite control and operations networks and other technology, and a disruption or failure of such systems, networks or technology as a result of unauthorised access, misappropriation of data or other malfeasance may disrupt the Group's business.
- The Group's international operations are subject to a number of risks that could negatively affect future operating results or subject the Group to criminal and civil enforcement actions.
- The Group's operations are subject to external threats such as COVID-19.



### **Risks Relating to the Group's Strategic Development**

- The Group is exposed to risks inherent in doing business in developing markets.
- The Group is subject to general risks associated with its strategic investments.
- Forward-looking information included in this Prospectus may differ materially from actual results and investors should not place undue reliance on it.
- The Group may not be able to retain and/or attract personnel who are critical to the Group's business.
- Pursuing external growth opportunities may not yield the expected benefits.

### **Risks Relating to the Satellite Communications Market**

- The telecommunications market is highly competitive and SES faces competition from satellite, terrestrial (fixed and wireless) networks, and associated value add service providers.
- Changes in technology or the satellite communications market could make the Group's satellite telecommunications system obsolete or subject to lower or reduced demand.
- SES is subject to risks from legal and arbitration proceedings.

### **Risks Related to Regulation**

- If the Group or its customers fail to obtain and maintain required regulatory approvals, the Group may not be able to operate its existing satellites or maintain or expand its operations.
- The Group's business is subject to extensive regulation and is sensitive to regulatory changes in each of the countries in which it provides services.
- The ITU or national administrations may not allocate orbital slots and associated frequencies to permit the Group to maintain or augment its satellite systems, or may restrict the Group's access to frequencies on its satellite systems.
- The Group's ability to use a satellite at a given orbital location or satellite system in its orbit and assigned frequencies for its proposed service or

coverage area may be adversely affected by coordination issues.

- If the Group does not occupy unused orbital locations or satellite orbits by specified deadlines, or does not maintain satellites in the orbital locations the Group currently uses, those orbital locations or satellite orbits may become available for use by other satellite companies.
- The Group is subject to export control laws including those of the United States, which may preclude exporting satellites for launch, satellite-related hardware, technology, data and services or preclude sourcing these items in the United States.
- The Group's ability to provide services in certain countries may be restricted or prohibited due to sanctions compliance laws and regulations.

#### **Risks Relating to Finance**

- Each of SES and SES Americas is a holding entity.
- Failure to generate cash flow or access other capital resources could force the Group to reduce its operations or default on debt service obligations.
- Negative changes in SES's debt rating may have a material adverse effect on the Group's financial condition.
- The Group's financial results may be materially adversely affected by unforeseen additional tax assessments or other tax liabilities.
- The Group is exposed to liquidity, currency and foreign exchange, interest rate and counterparty risks.
- The Group is exposed to risks associated with macroeconomic conditions in the global economy, both in developing markets and developed markets.
- The Group is exposed to asset impairment risk.

#### **Risks Relating to an Investment in the Notes**

- There are risks related to the structure of a particular issue of Notes, including optional redemption features which may limit their market value and consequences of a Noteholder's failure to purchase Notes in an integral multiple of the minimum Specified Denomination. Notes that

convert from fixed rate to floating rate or vice versa may involve more risk where the relevant Issuer has the right to effect such a conversion and, finally, some Notes may be issued at a substantial discount or premium, which means their market value may fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.

- There are risks related to all Notes issued under the Programme, including modifications implemented by a majority of Noteholders, withholding systems imposed by the United States which may mean that additional tax would be payable in certain member states, changes in the law generally, ongoing regulatory reform in relation to benchmarks such as EURIBOR and LIBOR that may affect the value of and amount payable under the Notes, and generally, the risk that credit ratings of the Notes may not reflect the potential impact of all risks on them. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.
- Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations and review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.
- There are risks related to the market. Noteholders should be aware of the prevailing global market conditions and the secondary market for instruments similar to the Notes. Potential investors should also be aware of exchange rate and interest rate risks.

Arranger:

BNP Paribas

Dealers:

Banca IMI S.p.A.  
Banco Bilbao Vizcaya Argentaria, S.A.  
Bank of China Limited, London Branch  
Banque et Caisse d'Epargne de l'Etat, Luxembourg  
BNP Paribas  
Commerzbank Aktiengesellschaft  
Deutsche Bank AG, London Branch  
Goldman Sachs International  
HSBC Bank plc

ING Bank NV, Belgian Branch  
 J.P. Morgan Securities plc  
 Landesbank Baden-Württemberg  
 Landesbank Hessen-Thüringen Girozentrale  
 Mizuho International plc  
 Mizuho Securities Europe GmbH  
 MUFG Securities (Europe) N.V.  
 NatWest Markets N.V.  
 NatWest Markets Plc  
 SMBC Nikko Capital Markets Europe GmbH  
 SMBC Nikko Capital Markets Limited  
 Société Générale

and any other Dealers appointed in accordance with the Programme Agreement.

**Certain Restrictions:**

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*”) including the following restrictions applicable at the date of this Prospectus.

**Notes having a maturity of less than one year**

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, (see “*Subscription and Sale*”).

**Principal Paying Agent:**

BNP Paribas Securities Services, Luxembourg Branch

**Registrar and Transfer Agent:**

BNP Paribas Securities Services, Luxembourg Branch

**Distribution:**

Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

**Programme Size:**

Up to €4,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. SES and SES Americas may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

**Currencies:**

Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer(s).

Maturities:	The Notes will have such maturities as may be agreed between the relevant Issuer and the relevant Dealer(s), subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par. The Issue Price will be disclosed in the Final Terms.
Form of Notes:	The Notes will be issued in bearer or registered form as described in “ <i>Form of the Notes</i> ”. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> (save that holders of Bearer Notes issued by SES will have the right to exchange such Notes for “registered notes” in the manner and form contemplated within the provisions of Luxembourg law of 10 August 1915 on commercial companies, as amended).
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer(s).
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service as indicated in the relevant Final Terms. The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes.
Other provisions in relation to Floating Rate Notes:	<p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer(s).</p>
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
Redemption:	The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders

upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices specified or, in the case of an Issuer Make Whole Call, in accordance with the provisions specified in Condition 7.4 or, in the case of redemption at the option of the Noteholders on a Change of Control, in accordance with the provisions specified in Condition 7.5A.

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s) save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or the United Kingdom or offered to the public in a Member State of the European Economic Area or the United Kingdom in circumstances which require the publication of a prospectus under the Prospectus Regulation shall be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see “*Certain Restrictions – Notes having a maturity of less than one year*” above.

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 8. In the event that any such deduction is made, the relevant Issuer or, as the case may be, the relevant Guarantor will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of the Notes will contain a negative pledge provision as further described in Condition 4.

Events of Default:

The terms of the Notes will contain, amongst others, the following events of default:

- a) default in payment of any principal or interest due in respect of the Notes, continuing for a specified period of time;
- b) non-performance or non-observance by the Issuer of any of its other obligations under the Terms and Conditions or the Guarantee continuing for a specified period of time;
- c) cross default provision as further described in Condition 10; and
- d) events relating to the insolvency or winding up of

SES and SES Americas.

Status of the Notes:

The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the relevant Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Issuer, from time to time outstanding.

Guarantee:

The Notes will be unconditionally and irrevocably guaranteed in the case of Notes issued by SES Americas, by SES and in the case of Notes issued by SES (and subject to the provisions of Condition 17, which allows a termination of the relevant guarantee upon satisfaction of certain conditions), by SES Americas. The obligations of the relevant Guarantor under such guarantee will be direct, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and will rank *pari passu* and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Guarantor from time to time outstanding.

In respect of Notes issued by SES, the Guarantee contains provisions which for so long as SES Americas remains Guarantor, permit a termination of the Guarantee *provided that*:

- (i) there is no Event of Default that has occurred and is continuing;
- (ii) the Total Assets (as defined in the Conditions) of SES Americas, as of the end of the previous two Fiscal Periods (as defined in the Conditions) prior to the date of such termination, represented less than 10 per cent of the Total Assets of SES;
- (iii) the EBITDA (as defined in the Conditions) of the Guarantor, in respect of the previous two Fiscal Periods prior to the date of such termination, represented less than 10 per cent of the EBITDA of SES;
- (iv) each rating agency which has assigned a credit rating to the Notes confirms that upon such termination becoming effective the Notes will either have the same credit rating as immediately prior to the termination or the credit rating will not be adversely affected; and
- (v) a certificate signed by two Authorised Signatories of the Issuer has been delivered to

the Principal Paying Agent confirming that the requirements of this Condition 17 have been fulfilled prior to such termination taking effect.

Use of Proceeds:	The net proceeds from each issue of Notes will be applied by the relevant Issuer for its general corporate purposes, which include making a profit. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.
Rating:	The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms.
Listing, approval and admission to trading:	<p>Application has been made to the <i>Commission de Surveillance du Secteur Financier (CSSF)</i> to approve this document for the purposes of the Prospectus Law. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including France and the Republic of Italy), the United Kingdom, Japan, Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see “ <i>Subscription and Sale</i> ”).



## **RISK FACTORS**

*Each of the Issuers believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur. Each of the Issuers believes that the factors described below represent the principal risks inherent in investing in the Notes, but the relevant Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for unknown other reasons at the date of this Prospectus.*

*Factors which each of the Issuers believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*Any investment in the Notes involves a high degree of risk. Prospective investors should carefully consider, in the light of their own financial circumstances and investment objectives, the following risks before making an investment decision with respect to the Notes. If any of the following risks actually occur, they could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects and the market value of the Notes may be adversely affected.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein), consult their own professional advisers and reach their own views prior to making any investment decision.*

*For the purposes of the Risk Factors, references to **SES** and to the **Group** are to SES and its subsidiaries.*

### **Risks Relating to the Group's Business**

***The Group may experience a launch delay or failure or other satellite damage or destruction during launch, which could lead to a total or partial loss of the satellite.***

Including predecessor companies, since 1988, the Group has launched more than 80 satellites, three of which resulted in launch failures and some of which experienced launch delays. Future launches may be delayed for a variety of reasons including the late availability of the satellite for shipment to the launch site, the late availability of the launch service, unfavourable weather conditions or last-minute technical problems arising on the satellite, the co-passenger satellite or the launcher. Launch failures can occur due to a number of factors, including technical failure of the satellite or launch vehicle, and/or human error.

A launch delay or failure could result in significant delays in the deployment of satellites because of the need to secure another launch opportunity and, in the case of failure, to construct a replacement satellite, which involves significant replacement cost (which may or may not be covered by insurance) and may take two years or longer. Moreover, while it may be possible in some cases to transfer the launch to another launch service provider, the limited number of launch service providers and the process of scheduling a replacement launch may involve further delay and limit SES's options. Failures or delays could also potentially cause the loss of frequency rights at certain orbital positions, reduced satellite lifetime in the case of an incorrect orbit injection, reduced functionality of the satellite, total loss of a mission and, to the extent that there are no other satellites that can be readily redeployed to carry the traffic that had been contracted for the satellite that was lost, delays in the onset of projected revenue streams or loss of revenue.

In addition, since commercial agreements signed ahead of launch generally include provisions allowing a customer to terminate the agreement if the launch fails or delays or failures are not remedied before an agreed date, any launch failure or delay could cause the Group to lose customers

to competing satellite operators. Even where launch failures or delays are remedied, such failures or delays could damage the Group's reputation. Satellite launch and in-orbit insurance policies generally do not compensate for lost revenue due to the loss of customers to competitors because of interruption to services or for consequential losses resulting from any launch delay or failure.

The occurrence of launch failures and launch delays could therefore have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's satellites may experience in-orbit destruction, damage or other failures or degradations in performance that could impair the satellites' commercial performance.***

Due to the nature of the environment in which they operate, satellites are subject to significant operational risks while in orbit. One or more of the Group's satellites may suffer an in-orbit failure ranging from a partial impairment of commercial capabilities to a total loss of the asset. Satellite malfunctions, commonly referred to as anomalies, can occur as a result of:

- the satellite manufacturer's error, including an undetected design, manufacturing or assembly defect, or the use of a new technology that proves to be faulty;
- problems with the satellite's power systems, including circuit failures or other array degradation causing reductions in the power output of the solar arrays on the satellites;
- problems with the satellite's control systems; or
- general failures, including premature component failure.

Certain of the Group's satellites have experienced, and may in the future experience, anomalies or failures, which could lead to:

- a degradation in commercial performance;
- a reduction in transmission capacity;
- a reduction in the satellite's operational life;
- outages;
- a reduction in the quantity of operating transponders; or
- the total loss of a satellite,

any of which could result in lost revenue until a replacement satellite is launched as well as increased expenses to replace the satellite. In addition, to the extent that the Group has multiple satellites with similar designs, problems experienced with one satellite may be experienced with other satellites.

In the event of a geostationary orbit (*GEO*) satellite failure, the Group may not be able to continue to provide service to its customers from the same orbital position or at all, which could harm the Group's reputation and adversely affect its ability to retain existing customers or attract new customers. The Group has an in-orbit backup strategy at certain key orbital positions where customers of an impaired satellite can be transferred to another satellite in the Group's fleet. In addition, the Group has in place a restoration agreement with another satellite operator pursuant to which customers on an impaired satellite may possibly be transferred to another satellite in that satellite operator's fleet in order to protect continuity of service. However, there is no guarantee that these mitigations will be effective, especially in the event of the failure of several satellites.

In the event of a medium earth orbit (**MEO**) satellite failure, a limited amount of in-orbit spare capacity could be utilised to mitigate the loss, or alternatively, the satellites in the constellation could be re-phased in orbit in order to allow operations to continue with a smaller number of active satellites.

The occurrence of any of the risks above could have a material adverse effect on the Group's business, financial condition and results of operations.

***The actual lives of the Group's satellites may be shorter than their estimated initial design lives.***

The initial design life of a satellite is typically 15 years for GEO satellites and 10 years for MEO satellites. The value of a satellite is normally depreciated on a straight-line basis over this period. In the event of changes in the expected fuel life of the satellite, in-orbit anomalies or other technical or commercial factors, its actual life may be shorter than its design life. Under these circumstances, depreciation may be accelerated as well as the lifetime revenue generated reduced, leading to a reduction in the return on investment for the asset.

***The Group relies on a limited number of launch providers to launch its satellites.***

There are a limited number of commercial launch providers. The Group currently has launch services contracts with Arianespace S.A. (**Arianespace**) and Space Exploration Technologies (**SpaceX**) for satellite launches. Relying on a limited number of launch providers exposes the Group to certain risks. For example, dependency on a small number of launch providers may reduce SES's negotiating power in relation to the fees it pays for satellite launches. In addition, the Group may experience significant delays in launching new satellites in the event of a prolonged unavailability of a launch provider. The unavailability of a launch provider could cause a global shortage in launch service capacity, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is primarily dependent on a small number of satellite manufacturers and secondary suppliers.***

SES is primarily dependent on six major satellite manufacturers for the construction of its satellites and a small number of suppliers of key components of communications satellites (referred to as secondary suppliers). Dependency on a small number of satellite manufacturers and secondary suppliers may reduce the Group's negotiating power and access to advanced technologies, which may only be available from certain suppliers. This dependence may also result in a higher concentration of risk. SES may experience significant delays in procuring new satellites in the event of prolonged problems, operational difficulties or financial difficulties at one of these satellite manufacturers. Further, the difficulties caused by any technical problems with the design of a particular model of satellite may be multiplied if several satellites of that design are purchased. SES may experience significant delays in acquiring and launching new satellites in the event of prolonged problems at one of its secondary suppliers.

The occurrence of the defects or delays described above could have a material adverse effect on the Group's business, financial condition and results of operations.

***Satellites may be subject to damage or loss from events that might not be covered by insurance policies.***

SES maintains pre-launch, launch and initial in-orbit insurance, as well as third party liability insurance for its satellites. SES also maintains in-orbit insurance for its satellites that have book value. The insurance policies generally contain exclusions from losses resulting from:

- military or similar action;

- any anti-satellite device;
- electromagnetic and radio interference (except for physical damage to a satellite directly resulting from this interference);
- confiscation by any governmental body;
- insurrection and similar acts or governmental action to prevent such acts;
- nuclear reaction or radiation contamination;
- wilful or intentional acts by the insured causing the loss or failure of satellites;
- terrorism; and
- cyber-attacks.

Furthermore, these insurance policies do not provide compensation for business interruption, loss of market share, reputational damage, incidental and consequential damages and similar losses that might arise from the failure of a satellite launch, incorrect orbital placement or the failure of a satellite to perform according to specifications and the in-orbit insurance only covers losses in excess of the potentially high-risk retention level or deductible selected by SES. SES self-insures up to the retention level or deductible. In addition, the Group's third-party liability insurance (which covers losses arising from third party bodily injury and property damage caused by, amongst other things, launch failures and satellite collisions) is subject to a single limit of €500 million of coverage for any one occurrence.

The Group's insurance policies do not cover loss of revenue. Furthermore, SES will not be fully reimbursed if the cost of a replacement satellite exceeds the sum insured. As a result of such exclusions and compensation and risk level arrangements, SES could be exposed to significant losses under any of the circumstances specified above or if it has inaccurately estimated the appropriate risk retention level.

In addition, SES will not be reimbursed under the in-orbit insurance policies other than for a major event because isolated minor incidents relating to defects may fall within SES's insurance policy deductibles. Losses arising from any of the factors above could result in material increases in costs or reductions in expected revenue and profits, either of which could have a material adverse effect on the Group's business, financial condition and results of operations.

***A portion of the Group's in-orbit insurance policies are maintained through self-insurance.***

SES has adopted a policy of limited self-insurance for in-orbit insurance. Insurance of SES's fleet is provided by two wholly-owned subsidiaries that re-insure part of the risk with external insurance companies, which reduces the amount of insurance premiums paid to such insurance companies, but leaves the Group with exposure in the event of loss. Although SES self-insures only a chosen aggregate deductible as well as amounts above a certain aggregate limit of insurance, and external insurance policies cover losses in excess of the aggregate deductible up to the limit of insurance, the Group retains significant risk both below and above those thresholds.

If any event occurs that is covered by the in-orbit self-insurance deductible, it would not be compensated by an outside insurer and thus there could be a material increase in the Group's costs, which would decrease profits and could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group may not be able to obtain adequate insurance or the desired level of coverage, and insurance premiums may increase.***

Satellite insurance is a cyclical market and the price, terms and availability of satellite insurance has fluctuated over the years. Losses experienced by this market in recent years have resulted in a significant hardening of market conditions, which could result in increases in the amount of insurance premiums paid by SES to cover its risks and affect its ability to obtain the desired levels of coverage. This would in turn increase the Group's costs and have an adverse effect on its business, risk profile, financial condition and results of operations.

***The Group may not be successful in renewing its existing commercial agreements, or in renewing them on terms that are similar to their current terms.***

The Group's commercial contracts vary in length depending on the type of customer. Contracts with video customers tend to be longer-term, with typical durations of five to seven years (and up to 15 years in certain cases) for customers in North America and Europe, and between three to five years for customers in developing markets. Contracts with data customers are typically one to five years in length, and contracts with governmental customers depend on the type of service and can vary from one to ten years in duration. If SES is unsuccessful in obtaining the renewal of its commercial agreements when they come up for renewal or is unable to obtain commercial terms similar to those currently reflected in its agreements, such as due to budget cuts affecting governmental or other customers, revenue could be adversely affected for some time.

The inability to renew commercial agreements on terms as favourable as existing agreements could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group has several large customers, the loss of any of which could materially reduce the Group's revenue and materially adversely affect the Group's business.***

The Group generates its revenue primarily from commercial agreements to provide satellite transponder capacity and associated services and solutions to its customers. Certain customers have major or significant contracts with the Group. The Group's ten largest commercial customers represented 32.9 per cent of the Group's revenue in 2019. However, the Group's customer base is subject to constant change, both in terms of volume and type of service purchased. Some of the Group's major customers could decide not to renew their contracts, seek to renew them on scope or terms that are less favourable to the Group or, where a contract contains an early-termination right, to terminate a contract before the end of its term. Moreover, because of the typically long-term nature of some material satellite capacity contracts and the costs to customers of switching providers, if a customer decides not to renew an agreement (for example, as the result of developing or increasing relationships with other operators or moving to other telecommunications solutions), it may be a number of years before the Group has the opportunity to win back or replace the business. Also, if key customers reduce their reliance on SES by developing or increasing relationships with other satellite solution providers (or moving to other telecommunications solutions) and such key customer cannot be replaced, SES's revenue may be impacted negatively.

In addition, key customers may go bankrupt or combine with other customers in mergers and acquisitions. Consolidation in the industries in which the Group's customers operate may increase their bargaining power and leverage when negotiating agreements with the Group, leading to pressure on pricing. Budget cuts may also be imposed on SES's governmental customers.

The loss of large customers or the reduction in demand for services from customers for any of the reasons above could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is exposed to general customer counterparty risk.***

The Group is exposed to risks associated with the financial condition of its customers and their ability to fulfil their contractual obligations. If any customer experiences financial difficulties or fails to fulfil its contractual commitments to the Group, the Group may incur costs enforcing its contractual rights and may incur significant losses. The Group has a number of customer contracts where the customer's payments to the Group are scheduled towards the end of the contractual term but the revenue is recognised in the Group's accounts on a linear basis under IFRS accounting standards. As a result, if a customer experiences financial difficulties or fails to fulfil its contractual commitments to the Group, the Group may not only fail to receive the revenue due from the customer but may also have to record a loss to offset the revenue already recognised in its financial statements.

The level of customer credit risk faced by the Group may increase as it grows revenue in developing markets because credit risk tends to be higher in these markets (compared to the markets of Europe and North America). Any failure of the Group's customers to fulfil their contractual commitments to the Group could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's operations and systems are subject to external threats, including sabotage, terrorist attacks and natural disasters.***

As a satellite operator, SES is subject to a number of risks that could impair its operations and systems, including sabotage, terrorist acts, piracy, attack by anti-satellite devices, jamming, unintentional interference and natural disasters.

The risks of terrorist attacks are beyond SES's control and such an attack could cause substantial damage to the Group's network. In addition, natural disasters could damage or destroy the Group's earth stations, resulting in a disruption or termination of service to its customers. Although the Group takes measures to prevent the effects of such natural disasters, such as using technology to safeguard antennas and to protect earth stations during natural disasters such as a hurricane, there is no guarantee that the measures will be effective.

Such occurrences are generally excluded from the Group's insurance coverage. For further information, see "—Satellites may be subject to damage or loss from events that might not be covered by insurance policies" above.

The occurrence of any of these risks may lead to a temporary or permanent interruption in service and/or result in a loss of customers, reputational damage or reduced revenue, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group relies on information systems, satellite control and operations networks and other technology, and a disruption or failure of such systems, networks or technology as a result of unauthorised access, misappropriation of data or other malfeasance may disrupt the Group's business.***

Since information systems, satellite control, operations and communication networks and other technologies are critical to the Group's operating activities and the fulfilment of its commercial obligations to its customers, disruptions or shutdowns caused by events such as computer hacking, malware, dissemination of computer viruses, worms and other destructive or disruptive software and other malicious activity or forms of cyberattack pose significant risks. Due to the fast-moving pace of technological advancements, the high sophistication of certain attackers and an increasingly hostile cyberattack environment, it may be difficult to detect, determine the scope of, contain and remediate every such event. Any such event could have an adverse impact on the Group's operations, including service disruption or malfunctions, loss of customers, non-compliance with legal and regulatory

requirements, inadvertent violations of data protection, export control and other relevant laws, damage to the Group's reputation or result in damage to the Group's properties, equipment and data. Such an event also could result in large expenditures necessary to repair or replace such networks or information systems or to protect them from similar events in the future. Third parties may also experience errors or disruptions that could adversely impact the Group's business operations and over which the Group has limited control.

SES has been the target of cyberattacks in the past. While the impact of such attacks has not been significant to date, there can be no assurance that any future attacks would not have a material effect on the Group's business. Any inability to prevent the occurrence of cyberattacks could result in a disruption to services, malfunctions and/or inadvertent violations of data protection and other relevant laws and regulations. In addition, commercial satellite companies have been the victims of a number of attempts to intentionally jam broadcasts from their satellites. Such attempts could lead to disruptions in service, which could have a material effect on revenue and/or cause reputational damage.

In addition, the Group's operating activities could be subject to risks caused by misappropriation, misuse, leakage, falsification and accidental release or loss of information maintained in the Group's information technology systems and networks, including customer, partner, personnel and vendor data. The Group could be exposed to significant costs, fines and penalties if such risks were to materialise, and such events could damage the Group's reputation and credibility and have a negative impact on its revenue.

The occurrence of any such events or security breaches could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's international operations are subject to a number of risks that could negatively affect future operating results or subject the Group to criminal and civil enforcement actions.***

SES conducts business around the world. International business is subject to a variety of risks, including:

- lack of developed and/or independent legal systems to enforce commercial, legal and regulatory rights;
- greater risk of uncollectible accounts and longer collection cycles;
- foreign currency exchange volatility;
- inflation and deflation;
- fraud and political corruption;
- anticompetitive or protectionist behaviour;
- uncertain and changing tax rules, regulations and rates;
- logistical and communication challenges; and
- economic, political and financial conditions in the markets in which the Group operates;

In addition, SES may be subject to civil or criminal liability under the U.S., United Kingdom, EU, Canada and other laws and regulations pertaining to economic sanctions, export controls, competition and anti-bribery requirements. SES has procedures, policies and controls in place that are

designed to detect and prevent instances of non-compliance with such requirements. There have nonetheless been a few instances when SES has identified activities that may have constituted violations of applicable requirements. For example, SES has previously submitted a voluntary self-disclosure report to OFAC (for more information see “*Regulation—The United States—U.S. Export Controls and Sanctions Regulations*”). In such circumstances, SES has taken prompt action to investigate and remediate such activities and to adjust its controls to prevent such occurrences in the future. Any failure by SES to obtain or maintain required licences and authorisations or failure to comply with sanctions, export control, competition and anti-bribery laws and regulations may render it impossible for SES to provide satellite capacity and services to certain countries or customers and potential customers. Further, any failure by SES to obtain or maintain required licences and authorisations or failure to comply with sanctions, export control, competition, and anti-bribery laws and regulations may render it impossible for SES to provide satellite capacity or services to countries that are subject to sanctions, to purchase satellites and equipment from certain vendors (including U.S. manufacturers and suppliers), restrict SES’s ability to conduct business with U.S. government entities, expose the Group and its employees to significant fines and other penalties and/or cause reputational damage. Additionally, the failure of the Group’s vendors or suppliers to obtain the necessary export and other authorisations could affect SES’s ability to acquire, launch or operate satellites.

Risks and violations of international and national laws and regulations may negatively affect future operations or subject the Group to criminal or civil enforcement actions, including potential financial penalties. Although the Group has policies and procedures to monitor and address legal and regulatory compliance, there can be no guarantee that such policies and procedures will prevent all violations of applicable regulations. Moreover, there can be no guarantee that the Group’s employees or agents will not violate these requirements or will not engage in activities that result in the Group’s direct or indirect violation of such applicable regulations.

See “*—Risks Relating to Regulation—The Group is subject to export control laws including those of the United States, which may preclude exporting satellites for launch, satellite-related hardware, technology, data and services or preclude sourcing these items in the United States*” below for further information.

SES’s business with the U.S. government is subject to U.S. national security laws and regulations. As a result of the indirect ownership by a non-U.S. parent company and the classified nature of its business, SES Government Solutions, Inc. (**SESGS**) is subject to a proxy agreement (the **Proxy Agreement**) with the U.S. government. The imposed proxy structure is common practice for businesses serving certain segments of the U.S. government. The Proxy Agreement places strict limitations on the information that may be shared between SESGS and SES and its subsidiaries. The Proxy Agreement also imposes various restrictions on the control of SESGS by SES. In particular, the Proxy Agreement places strict limitations on control by SES. SESGS operates under the leadership of an independent proxy board approved by the U.S. Department of Defense. SES’s internal controls and SES’s internal audit may not be fully effective or implemented due to the restrictions imposed by the Proxy Agreement. Further, a breach of the Proxy Agreement could place all or part of the SESGS business with the U.S. government at risk.

The occurrence of any of the risks above could have a material adverse effect on the Group’s business, financial condition and results of operations.

### ***The Group’s operations are subject to external threats such as COVID-19***

The Group’s business requires that certain operational functions are performed on site. During a pandemic such as the one caused by the Coronavirus pandemic (**COVID-19**), the availability of operators could be reduced due to any of (i) their having tested positive for the virus, (ii) their having had a known exposure to one or more people that have either tested positive for the virus or have symptoms which suggest they may have the virus, or (iii) their having symptoms which are similar to the virus (meaning they need to self-quarantine until they have established whether or not they have



the virus). The occurrence of any of the above could result in a lack of operators available to carry out the Group's operational activities. Moreover, Governments may not allow those changes in shift patterns deemed necessary by management to address a potential lack of operators. Even where certain Group operations can be carried out remotely (which is not the case for all of the Group's operations), a failure of the Group's IT Systems may prevent employees that are working remotely from performing the necessary functions as planned – see further “The Group relies on information systems, satellite control and operations networks and other technology, and a disruption or failure of such systems, networks or technology as a result of unauthorised access, misappropriation of data or other malfeasance may disrupt the Group's business.”

In addition to the risk of a direct operational impact on the Group, the COVID-19 pandemic has dampened economic activity and eroded financial conditions worldwide, and there is significant and growing uncertainty about the economic impact on the global economy. In the April 2020 World Economic Outlook (the *April WEO*), the International Monetary Fund projected the global economy to contract sharply by –3 per cent. in 2020, which is a greater reduction than the one which took place during the 2008–09 financial crisis<sup>1</sup>. If there is such an economic contraction, and the economy does not rebound quickly, then there could be an impact on demand for the Group's products and services, as its customers (who are based around the world) may themselves be adversely impacted by COVID-19 and so reduce their spending

All of the above could have a material adverse effect on the Group's business and financial condition.

### **Risks Relating to the Group's Strategic Development**

#### ***The Group is exposed to risks inherent in doing business in developing markets.***

The Group's development strategy involves targeting new geographical areas and developing markets, such as in Africa, Latin America and Asia and potentially developing joint ventures or partnerships with local telecommunications, media and financial businesses in such markets in order to improve market access for its services.

Expansion into these regions may not be successful, and even if successful, SES is exposed to the inherent risks of doing business in those regions, such as instability arising from political or economic factors or differences in legal and regulatory regimes. See “—Risks Relating to the Group's Business—The Group's international operations are subject to a number of risks that could negatively affect future operating results or subject the Group to criminal and civil enforcement actions” above. Such instability could cause difficulties in the Group's ability to operate, increase costs or lead to an unexpected reduction in the demand for the Group's services. In addition, in some developing markets, customers may be less financially secure and run a higher risk of insolvency than in more developed markets. The failure of a customer to make payments for the Group's services or honour its agreements would lead to a reduction in the Group's revenue. Protectionist policies on foreign satellite capacity (national operator preference) as well as sanction regimes in certain countries pose further risks, mainly in developing markets.

The occurrence of any of the risks above could have a material adverse effect on the Group's business, financial condition and results of operations.

#### ***The Group is subject to general risks associated with its strategic investments.***

The Group has a number of strategic investments that it does not fully control and may enter into similar arrangements in the future. As a result, the Group is dependent in part on the cooperation

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<sup>1</sup> Source: International Monetary Fund, <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>

of other investors and partners in protecting and realising the full potential of certain investments. The Group may not be able to prevent strategic partners from taking actions that are contrary to the Group's business interests or objectives or are inconsistent with the Group's views of what is the best strategy for the investment. In certain circumstances, it may become necessary for the Group to invest further funds or fulfil its contractual obligations, or the Group may be restricted from realising the value of its investment.

Any of these risks could have a material adverse effect on the Group's business, financial condition and results of operations.

For more information about the Group's strategic investments, see "*Business—Strategic Investments*".

The Group is exposed to the risk of increasing the sales of lower margin value-add services compared to the typically higher margin satellite capacity sales.

The Group's development strategy includes an increased focus on sales of value-add services to counter competition and commoditisation of traditional satellite capacity sales. An unsuccessful execution of this strategy may lead to significantly higher costs, that may not be compensated by identical or higher revenues, or the loss of operational efficiency, leading to customer dissatisfaction.

Any of these risks could have a material adverse effect on the Group's business, financial condition and results of operations.

***Forward-looking information included in this Prospectus may differ materially from actual results and investors should not place undue reliance on it.***

The forward-looking information set forth in this Prospectus regarding SES represents SES's current view of such information and is based on assumptions including, but not limited to, issues not arising concerning satellite health; satellite launches occurring when anticipated; no changes to prevailing global macroeconomic and political conditions (in particular where SES has significant levels of operation); no deterioration in the financial condition or solvency of SES's key customers; no change in market conditions within the satellite industry, including in relation to customer demand or competitive environment; no change in currency exchange rates between the euro and the currencies in which the Group operates (including, most significantly, the U.S. dollar); no changes in inflation, interest or tax rate assumptions in SES's principal markets compared with SES's budgeted estimates; no adverse event impacting SES's financial performance; no changes in legislation or regulatory requirements, including accounting principles or materiality thresholds; the conclusion of negotiations for new and renewed capacity agreements in line with SES's expectations; and no material issues arising in respect of SES's contracts. While any forward-looking information contained in this Prospectus is based on the assumptions that SES currently believes are appropriate, it is inevitable that there is a degree of uncertainty relating to any forward-looking revenue, performance and trend information. Such information should therefore be read in this context and construed accordingly.

The assumptions on which forward-looking information is based are inherently subject to significant business, operational, economic, market and other risks, many of which are outside of SES's control. Accordingly, such assumptions may change, potentially materially, or the expected effects of these assumptions may not materialise at all. In addition, unanticipated events may adversely affect the actual results that SES achieves in future periods whether or not its assumptions relating to the forward-looking information for future periods otherwise prove to be correct. As a result, SES's actual results may vary materially from the forward-looking information included in this document, and investors should not place undue reliance upon it.

***The Group may not be able to retain and/or attract personnel who are critical to the Group's business.***

SES has a number of key employees with highly specialised skills and extensive experience in their fields. If several of these employees were to leave, SES may have difficulty replacing them immediately. The risk of the loss of key employees may increase as SES continues with organisational changes. Although SES operates retention programmes, in-house back-up solutions, knowledge transfer, succession planning and development plans, there can be no assurance that SES would be successful in hiring and training suitable replacements without undue costs or delays.

If SES is unable to retain key employees or attract new highly qualified employees, it could have a negative impact on SES's business, financial situation and results.

***Pursuing external growth opportunities may not yield the expected benefits.***

As part of its strategy, the Group regularly evaluates opportunities to make strategic acquisitions or to increase its stake in ventures in which it currently has an interest. Such growth opportunities may not yield the expected benefits due to a number of factors, some of which are not entirely within the Group's control, such as associated costs, regulatory approvals, antitrust reviews, diversion of management time and challenges posed by integration operations. In addition, the Group may fail to obtain, in a timely manner, the necessary financing on satisfactory terms to allow the transaction to proceed. Acquisitions also may adversely affect the Group's financial ratios as a result of related financing incurred or the performance of the acquired business following the acquisition. The Group may incur significant costs arising from its efforts to pursue strategic acquisitions which exceed the returns realised. Failure to pursue or complete strategic growth opportunities may prevent the Group from growing the business, which could in turn result in a material adverse effect on the Group's business, financial condition and results of operations.

## **Risks Relating to the Satellite Communications Market**

***The telecommunications market is highly competitive and SES faces competition from satellite, terrestrial (fixed and wireless) networks, and associated value add service providers.***

The Group is subject to a number of risks relating to competition. The Group's traditional competitors are the other major international fixed satellite operators, namely Intelsat S.A., Eutelsat S.A. and Telesat Holdings Inc. The Group also faces significant and increasing competition in different regions around the world from national and regional fixed satellite operators and vertically integrated service providers (such as ViaSat, Inmarsat and Hughes Network Systems, a division of Echostar). In addition, the Group may face competition from new market entrants providing satellite networks and solutions from Low Earth Orbit and MEO in the future.

The development of national satellite programmes may hinder the Group's ability to compete in those countries on standard economic terms. The new capacity (which may be significant) may also negatively impact the transponder supply/demand dynamics in those markets and result in lower transponder capacity pricing. The implementation of national satellite systems may also increase the risk that market access for foreign satellite operators will be restricted. In addition, some national operators enjoy advantages in their domestic markets, such as tax and regulatory advantages or government funding, that are not available to SES. These or other competitive advantages could result in a reduction in the Group's business in such regions.

The Group's business is vulnerable to increasing presence from non-traditional Video distributors such as Netflix, Amazon and other online video (*OTT*) players. While relying on a distribution architecture that does not include satellites, in many cases, these players compete directly with SES's customers and increasingly drive up the costs for premium sports and other content for them.

Developments and competition in the media market could result in a demand reduction for the Group's satellite services and/or pricing changes resulting in a significant negative impact on its revenues. Changing consumer behaviour and the emergence of terrestrial technological substitution, particularly non-linear over the top services, could lead to horizontal consolidation among satellite service providers and to a reduction in demand for satellite-based distribution.

SES also faces competition from other forms of communications technology and services, such as providers of mobile satellite communications solutions as well as terrestrial (fixed and wireless) networks, including cable, fibre optic, digital subscriber line (*DSL*), radio relay broadcasting, very-high-frequency/ultra-high-frequency transmission, worldwide interoperability for microwave access (*WiMAX*), advanced Wi-Fi, 2G, 3G, 4G/long-term evolution (*LTE*) and 5G. Any increase in the technical and commercial effectiveness or geographic spread of these competing service providers and technologies could result in a reduction in demand for the Group's satellite service offering and could make it more difficult for the Group to retain or develop its customer portfolio. Some terrestrial (fixed and wireless) operators may receive state aid and subsidies not available to SES, which could give them a competitive advantage over the Group.

The technological advancement of competitors to bolster cost efficiency and disruption of existing business models by non-satellite players, and significant competition between satellite solution providers could lead to oversupply, greater pressure on prices or a reduction in the demand for the Group's services, which could negatively impact its profits or revenue.

***Changes in technology or the satellite communications market could make the Group's satellite telecommunications system obsolete or subject to lower or reduced demand.***

Although, on the whole, the satellite services market has experienced growth over the past years, in the future the market may not grow as much as expected, may not grow at all or it may shrink. Technological innovations that serve as alternatives to satellites could render satellite technology obsolete or less cost-competitive, and consumer viewing preferences may shift in a way that makes other technologies better suited to delivering the broadcast content that currently accounts for most of the demand for the Group's commercial offering. The use of new technology to improve signal compression rates or changes in consumer preferences (such as increased demand for new forms of video distribution, in particular non-linear or linear content provision via broadband technologies by existing Pay TV providers or "over-the-top" by new entrants, or increased consumption via devices not fed directly or indirectly via satellite), or future trends in viewing not yet anticipated, could lead to a reduction in demand for the Group's satellite capacity and associated services and solutions. Existing technologies, such as fibre optic cable, are currently competing with satellite technology and expanding their geographic reach and may experience innovations that make them more effective competition for satellites. See "*The telecommunications market is highly competitive and SES faces competition from satellite, terrestrial and wireless networks*" above.

Similarly, demand for the current generation and future generations of high definition television (*HDTV*) and ultra-high definition television (*UHDTV*) which the Group expects to be a major driver of demand for satellite capacity in future periods, may fail to reach the levels the Group currently expects, which could lead to lower than expected demand for the Group's capacity.

If the Group cannot quickly and efficiently adapt to these changes, its satellites could become obsolete or less competitive, leading to an inability to retain existing customers or attract new customers, a reduction in demand for its services, and a negative impact on revenue.

Any of these risks could have a material adverse effect on the Group's business, financial condition and results of operations.

***SES is subject to risks from legal and arbitration proceedings.***

Disputes in relation to SES's business arise from time to time and can result in legal or arbitration proceedings. There can be no assurance that the Group will not become involved in legal or arbitration disputes involving material claims for damages or other payments. The outcome of these and any other proceedings cannot be predicted. In the event of a negative outcome in respect of any material legal or arbitration proceeding, whether based on a judgment or a settlement agreement, SES could be required to make payments that could have a material adverse effect on the Group's business, financial condition and results of operations. In addition, the costs related to litigation and arbitration proceedings may be significant.

### **Risks Relating to Regulation**

The telecommunications industry is highly regulated. As a result, SES is subject to a number of risks, as described below. For more information on the regulation of the satellite industry and associated risks, see "*Regulation*".

***If the Group or its customers fail to obtain and maintain required regulatory approvals, the Group may not be able to operate its existing satellites or maintain or expand its operations.***

The Group must obtain and maintain approvals from authorities to operate or offer satellite capacity or services. This often involves significant time and expense. For example, the Group must obtain authorisation or landing rights (i.e., permission to offer services or capacity) in certain countries to permit the Group's satellites to transmit or receive signals to, from or within these countries. The failure to obtain or maintain the necessary authorisations to operate satellites or to obtain the requisite landing rights or approvals to provide services in certain countries could lead to loss of revenue. In addition, licensing authorities may revoke rights to use frequencies at an orbital location if that orbital location is left vacant beyond the period permitted by such regulator. If the Group cannot obtain, is delayed in obtaining or does not maintain in good standing, the required regulatory approvals or loses authorisations as a result of changes to regulations or other government actions, it may not be able to provide existing or future services to customers or expand to new customers or into new services.

In addition, customers are responsible for obtaining and maintaining certain regulatory approvals for their operations. As a result, there may be governmental regulations of which SES is not aware or which may adversely affect the operations of customers. The Group could lose revenue if customers fail to comply with such approvals, if regulations are changed and customers are unable to satisfy the terms of any new regulations, if necessary approvals are not granted on a timely basis or at all, in any jurisdictions in which customers wish to operate or provide services or if applicable restrictions in those jurisdictions become unduly burdensome.

The occurrence of any of the risks above could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's business is subject to extensive regulation and is sensitive to regulatory changes in each of the countries in which it provides services.***

The operation of the Group's business is and will continue to be subject (i) to the laws and regulations of the governmental authorities of the countries where the Group operates, uses radio spectrum, offers satellite services and/or capacity, and (ii) to the frequency coordination process of the International Telecommunication Union (*ITU*). Regulation and legislation is extensive and outside the Group's direct control. New or modified rules, regulations, legislation or decisions by a relevant governmental, inter-governmental entity or the ITU could materially and adversely affect operations.

In particular, the operations of the Group's existing satellites are authorised by, among others, the Grand Duchy of Luxembourg, the United States, the Netherlands, Germany, the United Kingdom, Gibraltar, the Bailiwick of Jersey (*Jersey*), Mexico, Canada, Sweden, Bermuda, the Andean

Community and Brazil, and therefore subject to the regulatory authority of those jurisdictions. Although SES believes that the Group is substantially in compliance with regulatory requirements in these countries and the countries in which it operates and offers satellite capacity and services, there can be no assurance that the Group will maintain the authorisations necessary to operate its existing satellites or obtain required authorisations in the future, which would affect future prospects.

In addition, the Group may in the future become subject to laws and regulations of which it is not presently aware. If the Group fails to comply with all applicable laws and regulations, it could lose revenue from services provided to the countries covered by those laws and regulations and subject the Group to criminal or civil penalties.

Failure to obtain or maintain the required authorisations described above could have a material adverse effect on the Group's business, financial condition and results of operations.

***The ITU or national administrations may not allocate orbital slots and associated frequencies to permit the Group to maintain or augment its satellite systems, or may restrict the Group's access to frequencies on its satellite systems.***

SES needs access to orbital slots and associated frequencies to permit it to maintain or grow its satellite system.

The ITU establishes radio regulations and is responsible for the allocation of spectrum for particular uses, and the allocation to particular national administrations of orbital locations and/or spectrum. SES can only access spectrum through ITU filings made by national administrations.

Orbital slots, satellite orbits and associated frequencies are a limited resource. The ITU and national regulators may reallocate spectrum from satellite to terrestrial uses. National administrations are increasingly charging for access to spectrum by way of fees and auctions. In addition, national administrations may revoke SES's rights to use spectrum, even when SES has an established business at a particular orbital location.

The most recent World Radiocommunication Conference in 2015 did not reallocate significant amounts of spectrum from satellite to terrestrial uses. In addition, national administrations are studying the alleged spectrum needs of terrestrial mobile and considering the reallocation or increased sharing of spectrum used by satellites (such as portions of the C-band and Ka-band), which they can do independently of ITU radio regulations so long as they avoid international interference.

Any reallocation of spectrum from satellite to terrestrial uses or fees by national administrations may have a significant adverse effect on the Group's business, financial condition and results of operations.

***The Group's ability to use a satellite at a given orbital location or a satellite system in its orbit and assigned frequencies for its proposed service or coverage area may be adversely affected by coordination issues.***

Like other satellite operators, SES is required to record, through relevant national administrations, frequencies and orbital locations used by its satellites with the ITU and to coordinate the operation of its satellites with the satellite networks filed with the ITU through other national administrations so as to prevent or reduce harmful interference between its satellites and the satellites of other operators. It may not always be possible to achieve successful coordination. This could affect the planned operation by SES of its satellites. In certain cases, SES might also be required to coordinate any replacement satellite that has performance characteristics which differ from those of the satellite that it replaces.

As a result of such coordination, SES may be required to modify the proposed satellite coverage areas or satellite design or transmission plans in order to eliminate or minimise harmful interference with other satellites or ground-based facilities. Those modifications may mean that use of a particular orbital position or frequencies is restricted, possibly to the extent that it may not be economical to replace a satellite. In addition, interference concerns of a country may affect the ability of the Group's satellite network to generate revenue due to the operational restrictions that the country may impose. Among others, such operational restrictions may include not allowing transponders to be operated at the maximum power over the intended area, requiring receiving or transmitting earth stations to use a minimum antenna size or using steerable coverage to avoid a specific geographical area.

Similarly, if and to the extent that ITU regulations or other contractual or regulatory constraints fail to prevent competing satellite operators from operating their satellites in a manner that causes harmful interference with existing or future satellites operated by the Group, the performance of the Group's satellites in the affected areas could be adversely affected.

Coordination issues with other satellite operators arise from time to time, and the Group may not always be able to resolve such issues quickly, or at all, which could lead to reputational harm, loss of customers, deterioration of the Group's relationships with other operators, degradation of signal quality resulting from interference from satellites of other operators, operating or design restrictions that make the Group's services in a particular region less competitive or non-economic or limit the ability to fully utilise the capabilities of a particular satellite or satellite system, and, to the extent an issue is not resolved in the Group's favour, potential loss of rights. Such issues also expose the Group to the risk of litigation.

In addition, certain of the Group's frequency assignments are governed by specific national laws and regulations. If any country decides to exercise its rights under these laws and regulations, or if these specific regimes are amended, the Group could be forced to change or discontinue the use of its frequency assignments, which could have a significant negative impact on its ability to operate its satellites.

Any of the factors above could have a material adverse effect on the Group's business, financial condition and results of operations.

***If the Group does not occupy unused orbital locations or satellite orbits by specified deadlines, or does not maintain satellites in the orbital locations the Group currently uses, those orbital locations or satellite orbits may become available for use by other satellite companies.***

Orbital locations, satellite orbits or frequency bands that SES uses or is planning to use may become available for other satellite operators to use if SES does not:

- occupy unused orbital locations or satellite orbits by specified deadlines;
- maintain satellites in their orbital locations or satellite orbits; and/or
- operate in all the frequency bands that have been filed at the ITU and for which a licence has been received.

SES has access to orbital locations and satellite orbits that have been filed at the ITU through various national administrations. For each filing, the ITU and the national regulators impose conditions that must be met in order to secure use of the spectrum and SES must determine, based on those conditions, which frequencies it will bring into use and on what schedule. Operational issues like satellite launch failure, construction or launch delay or in-orbit failure can compromise SES's access to the spectrum at specific orbital locations and satellite orbits. SES is committed to the highest quality in satellite procurement and launch, which helps to reduce this risk. In addition, the Group's

large fleet may permit the relocation of in-orbit satellites in order to meet the regulatory conditions . However, there is no guarantee that SES will always be able to prevent this risk and the loss of an orbital location could have a material adverse effect on SES's business, financial condition and results of operations.

***The Group is subject to export control laws including those of the United States, which may preclude exporting satellites for launch, satellite-related hardware, technology, data and services or preclude sourcing these items in the United States.***

The Group must comply with applicable export control laws and regulations including applicable U.S. export control laws in connection with any information, data, services, products or materials that it provides to, or receives from, non-U.S. companies relating to communications satellites, launch vehicles and associated equipment, customer equipment and data related to each. The Group's U.S. operations may not be able to maintain normal international business activities and the Group's non-U.S. operations may not be able to source or ship satellites, satellite related hardware, ground equipment software, data, technology and services in the United States if:

- export licences or approvals cannot be, or are not, obtained or are obtained but later withdrawn due to breach of or changes in policy;
- export licences or approvals are not timely obtained;
- export licences or approvals do not permit transfer of some or all items requested;
- launches are not permitted by particular suppliers or in the locations that SES prefers; or
- the requisite licence, when granted, contains conditions or restrictions that pose significant commercial or technical issues.

Such occurrences could impede construction and delay the launch of any future satellites, negatively impacting current or future revenue, which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's ability to provide services in certain countries may be restricted or prohibited due to sanctions compliance laws and regulations.***

As an international company, SES's business is subject to applicable financial and trade sanctions compliance laws and regulations. Sanctions laws and regulations restrict SES's ability to provide services or export hardware or software in or to certain countries, persons or specific entities. In some cases, SES may be able to obtain an authorisation from the relevant sanctioning country in order to provide service that would otherwise be prohibited by sanctions; however, there is no guarantee that such authorisation will be granted. As a result, SES may be required to forgo commercial opportunities that are subject to sanctions.

SES has policies and systems in place designed to monitor the company's activities and to prevent engaging in prohibited activities or dealing with sanctioned parties. Failure to obtain or maintain required sanctions authorisations or failure to comply with applicable sanctions laws and regulations could have a material adverse effect on the Group's business.

## **Risks Relating to Finance**



***Each of SES and SES Americas is a holding entity.***

SES and SES Americas are holding entities, and each of them conducts substantially all of its operations through subsidiaries. As a result, the right to receive payments under the Notes and the guarantees will be structurally subordinated to the liabilities of SES's subsidiaries other than SES Americas. The ability of SES or SES Americas to meet their respective financial obligations is dependent upon the availability of cash flows from their domestic and foreign subsidiaries and affiliated companies through dividends, intercompany advances, management fees and other payments.

The Notes are obligations of SES or SES Americas, as the case may be, and are guaranteed exclusively by either SES Americas or SES, as the case may be. The other subsidiaries of SES and SES Americas are separate and distinct legal entities and have no obligation to pay any amounts due on the Notes or the guarantees or to provide SES or SES Americas with funds for its payment obligations thereunder. As holding entities, the rights of SES and SES Americas to receive any assets of any of their subsidiaries upon liquidation or reorganisation, and therefore the right of the holders of the Notes to participate in those assets, will be structurally subordinated to those claims (including trade payables) of those subsidiaries' creditors. The Notes and the guarantees do not restrict the ability of those subsidiaries to incur additional indebtedness or other liabilities. Even if SES or SES Americas were a creditor of any of its subsidiaries, its rights as a creditor would be subordinate to any security interest in the assets of its subsidiaries and any indebtedness of its subsidiaries might be senior to its rights as a creditor.

***Failure to generate cash flow or access other capital resources could force the Group to reduce its operations or default on debt service obligations.***

If, for any reason, SES is not successful in implementing its business model, cash flow and capital resources may not be sufficient to repay indebtedness. If SES were unable to meet debt service obligations or comply with covenants, a default under debt agreements would occur. To avoid a possible default or upon a default, SES could be forced to reduce or delay the completion or expansion of the satellite fleet, sell assets, obtain additional equity capital or restructure its debt. Any such action could have a material adverse effect on the Group's business, financial condition and results of operations.

***Negative changes in SES's debt rating may have a material adverse effect on the Group's financial condition.***

A change in the SES's debt rating could affect the cost and terms of its debt as well as its ability to raise funds. SES currently has and seeks to retain or possibly improve its BBB- rating (stable outlook) with S&P Global Ratings Europe Limited (**S&P**) and a Baa2 (negative outlook) rating with Moody's Italia S.r.l (**Moody's**). The 2018 affirmation of SES's long-term issuer rating by Moody's was on the basis of SES being designated as a Government-Related Issuer (**GRI**), which provided for a one notch rating uplift to the Baseline Credit Assessment (**BCA**). A reduction in the collective economic ownership stake in SES held by the Grand Duchy of Luxembourg, both directly and indirectly, could result in the loss of GRI status and related credit rating uplift. There can be no guarantee that the Grand Duchy of Luxembourg will maintain, directly or indirectly, its current level of economic ownership interest in SES (see also "*Principal Shareholders*").

Among other things, an increase in financial leverage ratios beyond the thresholds recommended by the rating agencies could result in a downgrade. If SES's credit rating were to be downgraded, it would affect SES's ability to obtain financing and the terms associated with that financing. Furthermore, a downgrade of SES's corporate family rating to non-investment grade by Moody's would likely result in the loss of the 50 per cent equity credit ("Basket C") attributed by Moody's to the two series of Deeply Subordinated Fixed Rate Securities (with a total principal

amount of €1.3 billion), which would adversely impact SES's credit metrics in Moody's overall credit assessment. SES cannot guarantee that it will be able to maintain its credit ratings.

S&P and Moody's are established in the European Union and are registered under the CRA Regulation. S&P and Moody's also appear on the latest available update (as of 14 November 2019) of the European Securities and Markets Authority's list of credit rating agencies currently available on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>).

***The Group's financial results may be materially adversely affected by unforeseen additional tax assessments or other tax liabilities.***

SES does business in many different countries and is subject to tax liabilities on its business operations in multiple tax jurisdictions. SES makes provisions in its accounts for current and deferred tax liabilities and tax assets based on a continuous assessment of tax laws relating to it.

However, SES cannot be certain of a tax authority's application and interpretation of the tax law. SES may be subjected by tax authorities to unforeseen material tax claims including late payment interest and/or penalties. These unforeseen tax claims may arise through a large number of reasons including identification of a taxable presence of a non-indigenous group company in a taxing jurisdiction, transfer pricing adjustments, application of indirect taxes on certain business transactions after the event and disallowance of the benefits of a tax treaty. In addition, SES may be subject to tax law changes in a taxing jurisdiction, which could lead to retroactive tax claims.

Although SES has implemented a tax risks mitigation charter based (among other things) on a framework of tax opinions for the financially material tax positions taken by SES, transfer pricing documentation for the important intra-Group transactions of SES and a transfer pricing policy and procedures for accurate tax compliance in all taxing jurisdictions, there is no guarantee that the charter will be effective. If the Group becomes subject to a significant amount of unanticipated tax liabilities or has its transfer pricing arrangements successfully challenged, it could have a material adverse effect on the Group's effective tax rate, business, financial condition and results of operations.

***The Group is exposed to liquidity, currency and foreign exchange, interest rate and counterparty risks.***

The Group is exposed to risks in relation to liquidity, foreign exchange rates, interest rates and counterparties. For further details, see note 18 to the consolidated financial statements for SES for the year ended 31 December 2019, which are incorporated by reference in this Prospectus.

Failure to adequately manage these risks could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is exposed to risks associated with macroeconomic conditions in the global economy, both in developing markets and developed markets.***

An economic slowdown in the countries where the Group operates may have a negative effect on the Group's performance if potential customers face difficulties funding their business plans, which could in turn delay the onset of new revenue. This situation could be further affected by measures concerning the currencies adopted in the countries where the Group operates, as well as by political instability and governments' inability to take timely action to deal with the crisis. In addition, the coronavirus disease (COVID-19) could negatively affect performance of the Group or its customers. All this could, in turn, result in decreased profitability, with significant negative consequences for the Group's business, financial condition and results of operations.

***The Group is exposed to asset impairment risk.***

SES's non-current intangible and tangible assets are valued at historic cost less amortisation, depreciation (where relevant) and accumulated impairment charges. The resulting net book values are subject to validation each year through impairment testing procedures, where they are compared to the higher of fair value or value-in-use of the asset, representing the present value of the future cash flows expected to be derived from the asset. Where future assumptions for a specific asset, as set out in the approved business plan, become less favourable, or the discount rates applied to the future cash flows increase, then this may result in the need for material asset impairment charges.

In the SES S.A. annual accounts, impairment testing – using value-in-use procedures similar to those outlined above – is performed on the carrying value of the shares in affiliate undertakings, or on the carrying value of groups of shareholdings where the Board of Directors believes that it is more appropriate under the circumstances, and better reflects the substance of the activities, the interdependency of the associated cash flows and their level of integration. If the carrying value of the relevant investment, or group of investments, is not substantiated by its value-in-use, and any shortfall is assessed as being of an other than temporary nature, then this could result in an impairment charge being recorded to the income statement of the SES S.A. annual accounts in the period concerned.

### **Risks Relating to an Investment in the Notes**

#### ***Risks related to the structure of a particular issue of Notes which may be issued under the Programme.***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

#### ***Notes subject to optional redemption by the relevant Issuer***

The optional redemption feature is likely to limit the Notes' market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### ***Fixed/Floating Rate Notes***

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

*Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

*The value of and return on any Notes linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks*

So-called benchmarks such as EURIBOR and other indices which are deemed “benchmarks” (each a **Benchmark** and together, the **Benchmarks**), to which the interest on securities may be linked, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause the relevant benchmarks to perform differently than in the past, or have other consequences which may have a material adverse effect on the value of and the amount payable under the Notes.

International proposals for reform of Benchmarks include the European Council’s Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the **Benchmark Regulation**) which was published in the Official Journal on 29 June 2016. In addition to the aforementioned regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks.

LIBOR, EURIBOR and other interest rates or other types of rates and indices which are deemed to be “benchmarks” are the subject of ongoing national and international regulatory reform. Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. For example, on 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **FCA Announcement**). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Subsequent announcements by the FCA have emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the interest provisions of the terms and conditions, or result in other consequences, in respect of any Notes linked to such benchmark (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR which may, depending on the manner in which the LIBOR benchmark is to be determined under the terms and conditions, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available). Any such consequence could have a material adverse effect on the value of and return on any such Notes.

### *Notes where denominations involve integral multiples: definitive Notes*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination. If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### ***Risks related to all Notes issued under the Programme.***

Set out below is a brief description of certain risks relating to the Notes:

#### *Modification, waivers and substitution*

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

#### *Common Reporting Standard*

Under the terms of the CRS Law (as defined below), SES is likely to be treated as a Reporting Financial Institution. As such, SES may require Noteholders or Couponholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the CRS Law. Should SES become subject to penalties as a result of non-compliance under the CRS Law, the value of the Notes or Coupons held by the Noteholders or Couponholders may be materially affected. Any Noteholder or Couponholder that fails to comply with SES's documentation requests may be charged with any penalties imposed on the SES as a result of such Noteholder or Couponholder's failure to provide the information.

#### *Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the United Kingdom and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances while the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU or non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or UK-registered credit rating agency or the relevant non-EU or non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

*Legal investment considerations may restrict certain investments.*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

### ***Risks related to Taxation.***

#### *U.S. Information Reporting and Withholding Tax May Apply to Notes*

Certain U.S. withholding tax rules under sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**), together with agreements described in section 1471(b)(1) of the Code and intergovernmental agreements implementing such provisions of the Code or any laws, regulations, agreements, undertakings or official interpretations implementing any of the foregoing (collectively, **FATCA**), will apply to Notes issued by SES Americas with a maturity of more than 183 days. Under these rules payments of interest (including any original issue discount) generally will be subject to U.S. withholding tax if paid to persons that fail to meet certain certification, reporting, or related requirements under FATCA. These requirements will apply in addition to any requirements for avoiding U.S. withholding tax on such payments (see “*Taxation—U.S. Taxation of Notes*”). Similar rules may apply to payments on Notes issued by SES that are made more than two years after the date on which final regulations defining “foreign passthru payments” (the **Final Passthru Regulations**) are published in the U.S. Federal Register if (i) such payments are treated as attributable to “withholdable payments” (as defined under FATCA) and (ii) such Notes are either (x) issued or materially modified after the date falling six months after the date on which the Final Passthru Regulations are published in the U.S. Federal Register or (y) treated as equity for U.S. federal income tax purposes. No additional amounts will be paid in respect of any amounts withheld under FATCA. Potential investors should consult their tax advisers regarding the implications of FATCA for their investment in Notes, including the implications resulting from the status under these rules of each financial intermediary through which they hold Notes.

#### *The proposed financial transactions tax (FTT)*

The European Commission published a proposal (the **Commission’s Proposal**) for a Directive for a common FTT in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia; in December 2015 Estonia withdrew from the group of states willing to introduce the FTT (the **participating Member States**).

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States, and the scope of any such tax remains uncertain. Additional European Union Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

*The value of the Notes could be adversely affected by a change in English law or administrative practice*

The Conditions of the Notes are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus.

***Risks related to the market.***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*Global credit market conditions*

Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Prospectus), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the Issuer. The Issuers cannot predict which of these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

*The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

*Exchange rate risks and exchange controls*

The relevant Issuer may issue Notes in any currency. The relevant Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the ***Investor's Currency***) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*Interest rate risks relevant to Fixed Rate Notes*

The Issuers may issue notes which pay a fixed rate of interest. Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.



## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and have been filed with the CSSF shall be incorporated by reference in, and form part of, this Prospectus:

- (a) the following information set out in the audited consolidated SES financial statements and audited non-consolidated SES annual accounts as of and for the financial year ended 31 December 2018 (available at <http://dl.bourse.lu/dlp/105431e72b79de4e5893f530d6c7aa521b> and <http://dl.bourse.lu/dlp/100d8ca21189c14a68a3c9dc7f76e1548f> respectively):

*(i) Consolidated:*

Independent auditors' report	Pages 3-9
Consolidated income statement	Page 10
Consolidated statement of comprehensive income	Page 11
Consolidated statement of financial position	Page 12
Consolidated statement of cash flows	Page 13
Consolidated statement of changes in shareholders' equity	Pages 14-15
Notes to the consolidated financial statements	Pages 16-80

*(ii) Non-consolidated:*

Independent auditors' report	Pages 1-5
Balance Sheet	Pages 6-7
Profit and loss account	Page 8
Statement of changes in shareholders' equity	Page 9
Notes to the accounts	Pages 10-32

The consolidated financial statements are drawn up in accordance with the International Financial Reporting Standards as adopted by the European Union (*IFRS*) and the non-consolidated annual accounts are drawn up in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts (*LuxGAAP*);

- (b) the following information set out in the audited consolidated SES financial statements and audited non-consolidated SES annual accounts as of and for the financial year ended 31 December 2019 (available at <http://dl.bourse.lu/dlp/10f66e6e9dd948421b936b096af966e834> and <http://dl.bourse.lu/dlp/10ac93c43fee5e48d4b0cc5058c9b54419> respectively):

*(i) Consolidated:*

Independent auditors' report	Page 3-9
Consolidated income statement	Page 10
Consolidated statement of comprehensive income	Page 11
Consolidated statement of financial position	Page 12
Consolidated statement of cash flows	Page 13
Consolidated statement of changes in shareholders' equity	Pages 14-15
Notes to the consolidated financial statements	Pages 16-76

(ii) *Non-consolidated:*

Independent auditors' report	Pages 1-5
Balance Sheet	Pages 6-7
Profit and loss account	Page 8
Statement of changes in shareholders' equity	Page 9
Notes to the accounts	Pages 10-32

The consolidated financial statements are drawn up in accordance with IFRS and the non-consolidated annual accounts are drawn up in accordance with LuxGAAP;

- (c) the following information set out in the SES Americas consolidated financial statements as of and for the financial year ended 31 December 2018 (available at <http://dl.bourse.lu/dlp/10725935f0480a4ee398ff2053b5709782>):

Independent auditors' report	Pages 2-4
Consolidated income statement	Page 5
Consolidated statement of comprehensive income	Page 6
Consolidated statement of financial position	Page 7
Consolidated statement of cash flows	Page 8
Consolidated statement of changes in shareholders' equity	Page 9
Notes to the consolidated financial statements	Pages 10-54

The SES Americas consolidated financial statements as of and for the financial year ended 31 December 2018 are drawn up in accordance with IFRS;

- (d) the following information set out in the SES Americas consolidated financial statements as of and for the financial year ended 31 December 2019 (available at <http://dl.bourse.lu/dlp/10b2d344f2d0284caea682b7cef35e4046>):

Independent auditors' report	Pages 2-4
Consolidated income statement	Page 5
Consolidated statement of comprehensive income	Page 6
Consolidated statement of financial position	Page 7
Consolidated statement of cash flows	Page 8
Consolidated statement of changes in partners' equity	Page 9
Notes to the consolidated financial statements	Pages 10-51

The SES Americas consolidated financial statements as of and for the financial year ended 31 December 2019 are drawn up in accordance with IFRS;

- (e) the section entitled "Operational review" set out on pages 4-6 of the financial results of SES for the three months ended 31 March 2020 and the section entitled "Consolidated Income Statement" on page 9 and the supplementary information on page 10 (available at <http://dl.bourse.lu/dlp/10bd8134b512b947fcad5108c52bc3a3f4>);
- (f) the Terms and Conditions set out on pages 34 to 64 of the prospectus dated 24 September 2010 (available at <http://dl.bourse.lu/dlp/109b918ae251244919a428993815dac23a>);
- (g) the Terms and Conditions set out on pages 36 to 66 of the prospectus dated 19 September 2011 (available at <http://dl.bourse.lu/dlp/10a0ae84dcdbac48e1a1d90afcfb74c476>);
- (h) the Terms and Conditions set out on pages 44 to 73 of the prospectus dated 15 November 2012 (available at <http://dl.bourse.lu/dlp/102141a10a50d74f7495f560e698333745>);

- (i) the Terms and Conditions set out on pages 55 to 87 of the prospectus dated 12 March 2018 (available at <http://dl.bourse.lu/dlp/10f46cecb9988e4fcfa6d571e03ce4a480>); and
- (j) the Terms and Conditions set out on pages 55 to 88 of the prospectus dated 22 May 2019 (available at <http://dl.bourse.lu/dlp/10d1d54b193a424b3287ad21aef5182888>).

Following the publication of this Prospectus a supplement to the Prospectus may be prepared by the Issuers and approved by the CSSF in accordance with Article 13 of the Prospectus Law. Statements contained in any such supplement to the Prospectus (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus can be obtained, without charge, from the registered office of SES at Château de Betzdorf, L-6815 Betzdorf, and from the specified offices of the Principal Paying Agent for the time being in Luxembourg. This Prospectus and each document incorporated by reference will also be published on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)).

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus. Where only certain parts of the documents referred to above are incorporated by reference in this Prospectus, the parts of the document which are not incorporated by reference are either not relevant for the prospective investors in the Notes or the relevant information is included elsewhere in this Prospectus. The parts of the documents which are not incorporated by reference are the parts which are not listed in the above cross reference lists.

Each of SES and SES Americas will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to the Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Notes.

## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

### **Financial Data**

Unless otherwise indicated, financial information included in this Prospectus has been prepared in accordance with IFRS.

The Group's financial year ends on 31 December.

### **Rounding**

Some financial information in this Prospectus has been rounded, and as a result the numbers shown as totals may vary slightly from the exact arithmetical aggregation of the relevant figures.

### **Currency Presentation**

In this Prospectus, references to "€," "EUR" or "euro" are to the single currency of the participating member states (*Member States*) in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time. References to "U.S. dollars," "U.S.\$" and "\$" are to the United States dollar, the lawful currency of the United States of America.

### **Alternative Performance Measures**

The Group presents certain financial measures which are not recognised by IFRS. These measures may not be comparable to similarly titled measures used by other companies and are not measurements under IFRS or any other body of generally accepted accounting principles, and thus should not be considered substitutes for the information contained in the Group's financial statements.

Net debt, Net debt to EBITDA ratio, EBITDA, EBITDA margin, operating profit, free cash flow before financing activities and operating profit margin as of and for the year ended 31 December 2018 and 2019 are each reconciled to the relevant statement of financial position and income statement line items from which they are derived in Note 2 to the audited consolidated financial statements of the Group as of and for the year ended 31 December 2019, which are incorporated by reference in this Prospectus.

### ***Net debt***

Net debt is defined as current and non-current borrowings less cash and cash equivalents, all as disclosed on the consolidated statement of financial position. SES believes that net debt is relevant to investors, since it gives an indication of the absolute level of non-equity funding of the business. This can be compared to the income and cash flows generated by the business, and available undrawn facilities.

### ***EBITDA and EBITDA margin***

EBITDA is defined as profit for the period before the impact of depreciation, amortisation, net financing cost, income tax, the Group's share of the results of joint ventures and associates and discontinued operations and any extraordinary line item between revenue and profit before tax in the Group's consolidated income statement. EBITDA margin is defined as EBITDA divided by revenue. SES believes that EBITDA and EBITDA margin are useful supplemental indicators that may be used to assist in evaluating a company's operating performance.

### ***Operating profit and operating profit margin***

Operating profit is defined as profit for the period before the impact of net financing charges, income tax, the Group's share of the results of joint ventures and associates and discontinued operations and includes any extraordinary line item between revenue and profit before tax in the Group's consolidated income statement. The Group uses operating profit to monitor its financial return after both operating expenses and a charge representing the cost of usage of both its property, plant and equipment and definite-life intangible assets.

Operating profit margin is defined as operating profit as a percentage of revenue. SES believes that operating profit margin is a useful measure to demonstrate the proportion of revenue that has been realised as operating profit, and therefore an indicator of profitability.

### ***Net debt to EBITDA ratio***

Net debt to EBITDA ratio is defined as net debt divided by EBITDA. SES believes that net debt to EBITDA ratio is a useful measure to demonstrate to investors its ability to generate the income needed to be able to settle borrowings as they fall due.

### ***Free cash flow before financing activities***

Free cash flow is defined as net operating cash flow less net cash absorbed by investing activities. Available free cash flow is used for the payment of dividends, the servicing and repayment of borrowings and other financing activities, and SES believes it is therefore a useful measure for investors.

### **Constant FX presentation**

To assist investors in isolating the impact of exchange rates on its results and therefore improve the comparability of its financial information, the Group reports changes in its operating results on a constant currency (***constant FX***) basis. To do this, the Group reconsolidates figures on a month-by-month basis by applying the exchange rate used for a given month from the current year to the corresponding month in the prior year. For example, January 2018 financial information would be reconsolidated using the January 2019 exchange rate.

The measures presented on a constant currency basis should not be considered in isolation or as an alternative to the measures presented on a reported basis on the Group's income statement or the notes thereto and should not be construed as a representation that the relevant currency could be or was converted into euro at that rate or at any other rate.

### ***Constant FX Adjustments: 12-month period ended 31 December 2019***

The following table shows revenue for each of the Group's verticals for the 12-month periods ended 31 December 2018 and 2019. The figures for the 12-month period ended 31 December 2018 are provided as reported and on a constant FX basis calculated in the manner described above. It also shows growth between the two periods on a reported basis and on a constant FX basis.

<b>(EUR million)</b>	<b>For year ended 31 December 2019</b>	<b>For year ended 31 December 2018 (reported)</b>	<b>Adjustments for constant FX<sup>2</sup></b>	<b>For year ended 31 December 2018 (at constant FX)</b>	<b>Year on year growth (reported)</b>	<b>Year on year growth (at constant FX)</b>
Video Distribution <sup>3</sup>	909.8	983.1	15.6	998.7	-7.5%	-8.9%
Video Services <sup>4</sup>	303.6	323.2	4.1	327.3	-6.1%	-7.2%
<b><u>Overall Video</u></b>	1,213.4	1,306.3	19.7	1,326.0	-7.1%	-8.5%
Fixed Data <sup>5</sup>	259.6	255.8	12.1	267.9	+1.5%	-3.1%
Mobility <sup>6</sup>	207.8	164.5	8.8	173.3	+26.3%	+19.9%
Government <sup>7</sup>	294.6	275.4	10.9	286.3	+7.0%	+2.9%
<b><u>Overall Networks</u></b>	762.0	695.7	31.8	727.5	+9.5%	+4.7%
Other <sup>8</sup>	8.5	8.3	0.3	8.6	n/m	n/m
<b><u>Total</u></b>	1,983.9	2,010.3	51.8	2,062.1	-1.3%	-3.8%

The above information is also provided in respect of the three month period ended 31 March 2019 and 2020 in the financial results of SES for the three months ended 31 March 2020 which are incorporated by reference in this Prospectus. In respect of such data, the period average EUR/USD exchange rate was \$1.1088.

### Underlying and Periodic Revenue

“Underlying” revenue represents the core business of capacity sales, as well as associated services and equipment. This is impacted by changes in launch schedule and satellite health status. For the years ended 31 December 2017, 2018 and 2019 underlying reported revenue for Video was €1,373.2 million, €1,292.1 million and €1,210.0 million respectively and for Networks was €606.6 million, €671.1 million and €734.1 million respectively.<sup>9</sup>

<sup>2</sup> See “–Constant FX presentation” above. The year average EUR/USD exchange rate was \$1.1213.

<sup>3</sup> €1,053.8 million for the year ended 31 December 2017 (reported).

<sup>4</sup> €329.2 million for the year ended 31 December 2017 (reported).

<sup>5</sup> €254.8 million for the year ended 31 December 2017 (reported).

<sup>6</sup> €145.4 million for the year ended 31 December 2017 (reported).

<sup>7</sup> €245.9 million for the year ended 31 December 2017 (reported).

<sup>8</sup> €5.9 million for the year ended 31 December 2017 (reported).

<sup>9</sup> In Video, a reduction of 7.8 per cent between 2018 and 2019 at constant FX (based on an adjustment of €19.6 million). In Networks, an increase of 4.5 per cent between 2018 and 2019 at constant FX (based on an adjustment of €31.3 million).

“Periodic” revenue separates revenues that are not directly related to or would distort the underlying business trends. This includes: the outright sale of capacity; accelerated revenue from hosted payloads during the course of construction; termination fees; insurance proceeds; certain interim satellite missions and other such items when material. For the years ended 31 December 2017, 2018 and 2019 periodic revenue for Video was €9.8 million, €14.2 million and €3.4 million respectively and for Networks was €39.5 million, €24.6 million and €27.9 million respectively.

SES believes that demonstrating the split between “underlying” and periodic” revenue is a helpful indicator to investors given the periodic revenues can distort the underlying business trends.

“Underlying” and “periodic” revenue for the three-month period ended 31 March 2019 and 2020 is disclosed in the financial results of SES for the three months ended 31 March 2020 which are incorporated by reference in this Prospectus.

### **Trademark**

The SES trademark appearing on the front cover of this Prospectus and variations thereon are registered trademarks of SES and are registered with, or subject to pending trademark applications with, the relevant registries of the Grand Duchy of Luxembourg and various other countries.

### **Third-Party Data**

In this Prospectus, SES relies on and refers to information and statistics regarding its industry. SES obtained this market data from independent industry publications or other publicly available information. These and other third-party reports, publications and surveys from which certain information contained in this Prospectus has been extracted, as well as the Group’s internal estimates, rely on the application of various assumptions. While SES believes that these assumptions are reasonable, SES cannot assure investors that these assumptions are true, nor can SES guarantee that an independent party applying different assumptions or using different methods to assemble, analyse or compute market or other industry data would obtain or generate the same results.

SES confirms that this information has been accurately reproduced and, as far as SES is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **Websites**

Websites included in the Prospectus are for information purposes only and do not form part of the Prospectus.

## FINANCIAL OVERVIEW

The following information presents certain financial and other operating data in relation to SES and SES Americas and should be read in conjunction with the respective financial statements which are incorporated in this Prospectus by reference.

### Selected Audited Consolidated Financial Information of SES as of, and for the 12-month period ended, 31 December (amounts in millions of Euro)

	2018	2019
<b>Revenue</b>	2,010.3	1,983.9
<b>Total Equity</b>	6,250.6	6,256.5
<b>Net Debt</b>	3,475.8	3,273.0
<b>Total Assets</b>	12,859.3	13,233.2

### Selected Audited Consolidated Financial Information of SES Americas as of, and for the 12-month period ended, 31 December (amounts in millions of US Dollar)

	2018	2019
<b>Revenue and other income</b>	449.7	457.9
<b>Total Assets</b>	1,250.3	1,291.1
<b>Equity attributable to the partners</b>	(322.3)	203.9
<b>Net debt</b>	970.3	470.0

### EBITDA, EBITDA margin, operating profit, operating profit margin and free cash flow before financing activities of the Group for the years ended 31 December 2018 and 2019

EBITDA, EBITDA margin, operating profit, operating profit margin and free cash flow before financing activities of the Group for the years ended 31 December 2018 and 2019 are set out in the below table and are reconciled to the relevant statement of financial position and income statement line items from which they are derived in Note 2 to the audited consolidated financial statements of the Group as of and for the year ended 31 December 2019, which are incorporated by reference in this Prospectus.



<i>(EUR million)</i>	<b>2018 (reported)</b>	<b>2019</b>
<b>EBITDA<sup>10</sup></b>	1,255.5	1,216.6
<b>EBITDA margin</b>	62.5%	61.3%
<b>Operating profit<sup>11</sup></b>	391.1	365.4
<b>Operating profit margin</b>	19.5%	18.4%
<b>Free cash flow before financing activities</b>	870.5	826.3

The reconciliation of free cash flow before financing activities of the Group for the years ended 31 December 2018 and 2019 are set out in the below table and are reconciled to the relevant statement of cash flows line items from which they are derived:

<i>(EUR million)</i>	<b>2018 (reported)</b>	<b>2019</b>
Net cash generated by operating activities	1,191.3	1,134.1
Net cash absorbed by investing activities	(320.8)	(307.8)
<b>Free cash flow before financing activities</b>	<b>870.5</b>	<b>826.3</b>

**EBITDA, EBITDA margin, operating profit, operating profit margin and free cash flow before financing activities of the Group for the three months ended 31 March 2019 and 2020**

EBITDA, EBITDA margin, operating profit, operating profit margin and free cash flow before financing activities of the Group for the three months ended 31 March 2019 and 2020 are set out in the below table and, in the case of EBITDA, EBITDA margin, operating profit and operating profit margin, reconciled to the relevant income statement line items from which they are derived in the table on pages 9 to 10 of the financial results of SES for the three months ended 31 March 2020, which are incorporated by reference in this Prospectus.

<sup>10</sup> EBITDA on a constant FX basis was €1,286.8 million for the 12-month period ended 31 December 2018 (the 2019 average EUR/USD exchange rate was \$1.1213). The EBITDA margin on a constant FX basis was 62.4 per cent for the 12-month period ended 31 December 2018.

<sup>11</sup> Operating profit on a constant FX basis was €395.7 million for the 12-month period ended 31 December 2018 (the 2019 average EUR/USD exchange rate was \$1.1213).

<i>(EUR million)</i>	<b>Three month period ended 31 March 2019 (reported)</b>	<b>Three month period ended 31 March 2020</b>
<b>EBITDA<sup>12</sup></b>	290.1	284.7
<b>EBITDA margin</b>	60.4%	59.5%
<b>Operating profit<sup>13</sup></b>	113.2	104.3
<b>Operating profit margin<sup>14</sup></b>	23.6%	21.8%
<b>Free cash flow before financing activities<sup>15</sup></b>	84.3	82.6

<sup>12</sup> EBITDA on a constant FX basis was €294.4 million for the three month period ended 31 March 2019 (the period average EUR/USD exchange rate was \$1.1088). EBITDA margin on a constant FX basis was therefore 60.3 per cent for the three month period ended 31 March 2019.

<sup>13</sup> Operating profit on a constant FX basis was €113.9 million for the three month period ended 31 March 2019 (the period average EUR/USD exchange rate was \$1.1088).

<sup>14</sup> For the three month period ended 31 March 2020, calculated by taking operating profit of €104.3 million (which is in turn reconciled back to relevant financial statement line items on page 9 of the financial results of SES for the three months ended 31 March 2020, which are incorporated by reference in this Prospectus) as a percentage of revenue of €478.9 million. For the three month period ended 31 March 2019, calculated by taking operating profit of €113.2 million (which is in turn reconciled back to relevant financial statement line items on page 9 of the financial results of SES for the three months ended 31 March 2019, which are incorporated by reference in this Prospectus) as a percentage of reported revenue of €480.6 million.

<sup>15</sup> For the three month period ended 31 March 2020, calculated by subtracting investing activities of €55.7 million from net operating cash flow of €138.3 million and for the three month period ended 31 March 2019, calculated by subtracting investing activities of €129.0 million from net operating cash flow of €213.3 million.

### Net debt to EBITDA of the Group

The following table reconciles the net debt to EBITDA ratio to net debt and EBITDA. EBITDA is calculated in the manner set out above.

	<b>For the year ended 31 December 2018</b>	<b>For the year ended 31 December 2019</b>
EBITDA (EUR million)	1,255.5	1,216.6
	<b>As of 31 December 2018</b>	<b>As of 31 December 2019</b>
Reported net debt (EUR million)	3,475.8	3,273.0
50 per cent of hybrid bonds (EUR million)	650.0	650.0
“Rating agency” net debt (EUR million)	4,125.8	3,923.0
	<b>As of 31 December 2018</b>	<b>As of 31 December 2019</b>
Reported net debt to EBITDA ratio	2.77	2.69
“Rating agency” net debt to EBITDA ratio	3.29	3.22

	<b>For the last twelve month period ended 31 March 2019</b>	<b>For the last twelve month period ended 31 March 2020</b>
Twelve-month rolling EBITDA (EUR million) <sup>16</sup>	1,241.2	1,211.2
	<b>As of 31 March 2019</b>	<b>As of 31 March 2020</b>
Reported net debt (EUR million)	3,569.0	3,369.6
50 per cent of hybrid bonds (EUR million)	650.0	650.0
“Rating agency” net debt (EUR million)	4,219.0	4,019.6

<sup>16</sup> For the last twelve month period ended 31 March 2020, calculated by taking EBITDA for the three months ended 31 March 2020 of €284.7 million, adding EBITDA for the year ended 31 December 2019 of €1,216.6 million and deducting EBITDA for the three months ended 31 March 2019 of €290.1 million and for the last twelve month period ended 31 March 2019 calculated by taking EBITDA for the three months ended 31 March 2019 of €290.1 million, adding EBITDA for the year ended 31 December 2018 of €1,255.5 million and deducting EBITDA as at for the three months ended 31 March 2018 of €304.4 million.

	As of 31 March 2019	As of 31 March 2020
Reported net debt to EBITDA ratio	2.88	2.78
“Rating agency” net debt to EBITDA ratio	3.40	3.32

#### **Certain Financial Measures in relation to SES Americas**

In respect of Notes issued by SES, the Guarantee contains provisions which for so long as SES Americas remains Guarantor, permit a termination of the Guarantee *provided that*, among other matters, the Total Assets (as defined in the Conditions) of SES Americas, as of the end of the previous two Fiscal Periods (as defined in the Conditions) prior to the date of such termination, represented less than 10 per cent of the Total Assets of SES and the EBITDA (as defined in the Conditions) of the Guarantor, in respect of the previous two Fiscal Periods prior to the date of such termination, represented less than 10 per cent of the EBITDA of SES.

	<b>As of and for the year ended 31 December 2017<sup>17</sup></b>	<b>As of and for the year ended 31 December 2018<sup>18</sup></b>	<b>As of and for the year ended 31 December 2019<sup>19</sup></b>
SES Americas EBITDA (\$m)	261.0	144.9	124.5
SES Americas EBITDA (€m)	232.0	122.4	111.0
Percentage of Group EBITDA	17.5%	9.7%	9.1%
SES Americas Total Assets (\$m)	2,059.3	1,250.3	1,291.1
SES Americas Total Assets (€m)	1,717.1	1,092.0	1,149.3
Percentage of Group Total Assets	14.1%	8.5%	8.7%

### **Indebtedness of the Group**

As of 31 December 2019, the Group had a debt profile with an average maturity of 7.0 years and an average cost of 3.63 per cent per annum. The Group's liquidity position was €2,355.3 million as of 31 December 2019, taking into account cash and cash equivalents of €1,155.3 million as of 31 December 2019 combined with the Group's fully undrawn syndicated multi-currency loan facility of €1,200 million signed in January 2014 and renewed in June 2019.

<sup>17</sup> Conversion of US\$ to € at the average rate of \$1.1249 and closing rate of \$1.1993

<sup>18</sup> Conversion of US\$ to € at the average rate of \$1.1838 and closing rate of \$1.1450

<sup>19</sup> Conversion of US\$ to € at the average rate of \$1.1213 and closing rate of \$1.1234

## FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (**Regulation S**).

### Bearer Notes

Each Tranche of Bearer Notes will initially be issued in the form of a temporary bearer global note (a **Temporary Bearer Global Note**) or, if so specified in the applicable Final Terms, a permanent bearer global note (a **Permanent Bearer Global Note**, and together with the Temporary Bearer Global Note, the **Bearer Global Notes**) which, in either case, will:

- (i) if the Bearer Global Notes are intended to be issued in new global note (**NGN**) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); and
- (ii) if the Bearer Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for, Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation (unless the Temporary Bearer Global Note is in NGN form) of the Temporary Bearer Global Note and in any event only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent; provided, however, that no such certification will be required for (a) Notes issued by SES Americas which (i) have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), (ii) a minimum denomination of U.S.\$500,000 (or the equivalent amount of another currency, determined based on the spot exchange rate on the date of issue) and (iii) as specified in the applicable Final Terms, are intended to comply with U.S. Treasury Regulation section 1.6049-5(b)(10), or (b) Notes issued by SES that, as specified in the applicable Final Terms, are issued in compliance with the procedures of U.S. Treasury Regulation section 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the Code) (the **TEFRA C Rules**). On and after the date (the **Exchange Date**) which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as specified in the applicable Final Terms either for (a) interests in a Permanent Bearer Global Note of the same Series or (b) for definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case (other than (x) Notes issued by SES Americas which (i) have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), (ii) a minimum denomination of U.S.\$500,000 (or the equivalent amount of another currency, determined based on the spot exchange rate on the date of issue) and (iii) as specified in the applicable Final Terms, are intended to comply with U.S. Treasury Regulation section 1.6049-5(b)(10), or (y) Notes issued by SES that, as specified in the applicable Final Terms, are issued in compliance with the procedures of the TEFRA C Rules. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after

the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) (unless the Permanent Bearer Global Note is in NGN form) of the Permanent Bearer Global Note and in any event without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, or (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

SES Americas will not issue any Bearer Notes with a maturity of more than 183 days (taking into consideration unilateral rights to roll or extend). All Notes issued by SES Americas with a maturity of more than 183 days (taking into consideration unilateral rights to roll or extend) will be Registered Notes (as defined below).

The following legend will appear on all Bearer Notes that are issued by SES in compliance with the TEFRA D rules, as specified in the applicable Final Terms and on all interest coupons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The following legend will appear on all Notes issued by SES Americas which (i) have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), (ii) a minimum denomination of U.S.\$500,000 (or the equivalent amount of another currency, determined based on the spot exchange rate on the date of issue) and (iii) as specified in the applicable Final Terms, are intended to comply with U.S. Treasury Regulation section 1.6049-5(b)(10):

“BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

### **Registered Notes**

Each Tranche of Registered Notes will initially be represented by a global note in registered form (a ***Registered Global Note***).

Registered Global Notes will be deposited with a Common Depositary or a Common Safekeeper, for Euroclear and Clearstream, Luxembourg and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg or in the name of a nominee of the Common Safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6.4) as the registered holder of the Registered Global Notes. None of the relevant Issuer, the relevant Guarantor, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, ***Exchange Event*** means that (i) an Event of Default has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such



interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions; see “*Subscription and Sale*”.

### **General**

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the relevant Issuer and the Principal Paying Agent.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the ***Deed of Covenant***) dated 19 October 2016 and executed by the relevant Issuer.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be included into each Global Note (as defined below) and each definitive Note by reference, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes shall complete the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of the Notes” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by SES (**SES**) or SES Global Americas Holdings GP (**SES Americas** and together with SES, the **Issuers** and each an **Issuer**) pursuant to the Agency Agreement (as defined below). If this Note is issued by SES it shall, subject to the matters set out in Condition 17, be unconditionally and irrevocably guaranteed by SES Americas and if this Note is issued by SES Americas it shall be unconditionally and irrevocably guaranteed by SES (each in such capacity a **Guarantor**).

The Notes may be issued in bearer form (**Bearer Notes**) or in registered form (**Registered Notes**), as set out in the applicable Final Terms.

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note in bearer form (a **Bearer Global Note**) or in registered form (a **Registered Global Note** and, together with the **Bearer Global Notes**, the **Global Notes**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form issued in exchange for a Bearer Global Note; and
- (d) any definitive Notes in registered form (whether or not issued in exchange for a Registered Global Note).

The Notes and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 19 October 2016 and made between SES Americas in its capacity both as Issuer and as Guarantor of Notes issued by SES, SES in its capacity both as Issuer and as Guarantor of Notes issued by SES Americas, BNP Paribas Securities Services, Luxembourg Branch as issuing and principal paying agent and agent bank (the **Principal Paying Agent**, which expression shall include any successor agent), and together with any additional or successor paying agents, the **Paying Agents**), BNP Paribas Securities Services, Luxembourg Branch as registrar (the **Registrar**, which expression shall include any additional or successor registrars) and as transfer agent and the other transfer agents named therein (together with the Registrar, the **Transfer Agents**, which expression shall include any additional or successor transfer agents). The expression “**Agents**” shall mean any Paying Agent, Transfer Agent and the Registrar or any one of them, each an “**Agent**”.

Interest bearing definitive Bearer Notes have interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a

reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the **Conditions**) and may simplify the Conditions by dis-applying the non-applicable provisions. References to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The payment of all amounts in respect of this Note have been guaranteed by the **relevant** Guarantor pursuant to a guarantee (the **Guarantee**) dated (i) 6 December 2005 (as amended and restated on 28 October 2009, 27 September 2010, 15 November 2012, 4 October 2013, 3 October 2014, 23 September 2015, 19 October 2016 and 12 March 2018), in the case of SES Americas and (ii) 6 December 2005 (as amended and restated on 28 October, 2009, 27 September 2010, 15 November 2012, 4 October 2013, 3 October 2014, 23 September 2015 and 19 October 2016) in the case of SES, and in each case executed by the relevant Guarantor. The original of the Guarantee is held by the Principal Paying Agent on behalf of the Noteholders and the Couponholders at its specified office.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean (in the case of Bearer Notes) the bearers for the time being of the Notes and (in the case of Registered Notes) the persons in whose name the Notes for the time being are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Serie** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the **Deed of Covenant**) dated 19 October 2016 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement, the Guarantee and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Paying Agents. Copies of the applicable Final Terms are available for viewing at the registered office of SES at Château de Betzdorf, L-6815 Betzdorf and at the specified office of the Principal Paying Agent and will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation, as amended, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuers or to the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Guarantee, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise

requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## 1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Final Terms in the Specified Currency and the Specified Denomination(s) and, in the case of definitive Notes, serially numbered. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*. Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same Series at any time (save that holders of Bearer Notes issued by SES will have the right to exchange such Notes for “registered notes” in the manner and form contemplated within the provisions of Luxembourg law of 10 August 1915 on commercial companies, as amended).

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The relevant Issuer, the Guarantor and the Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Bearer Global Note held on behalf of Euroclear Bank SA/NV (***Euroclear***) and/or Clearstream Banking S.A. (***Clearstream, Luxembourg***) or by a Registered Global Note, registered in the name of a nominee for a common depository or common safekeeper for Euroclear or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the Issuer, the Guarantor and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions ***Noteholder*** and ***holder of Notes*** and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

SES Americas will not issue Notes with an initial maturity of more than 183 days (taking into consideration unilateral rights to roll or extend) unless the relevant Global Notes are Registered Global Notes.

In the case of Registered Notes issued by SES only, the Issuer will maintain a register of holders of Registered Notes at its registered office in accordance with the provisions of the Luxembourg law of 10 August 1915 on commercial companies, as amended, which shall match the Register with regard to the entries therein. In the event of any discrepancies between the Register and the register held by the Issuer at its registered office, the register held by the Issuer at its registered office shall prevail for Luxembourg law purposes.

The Agency Agreement contains provisions which, in the case of Registered Notes issued by SES only, oblige the Registrar to promptly provide an updated copy of the Register to SES on the issue date of a relevant Series of Registered Notes and at any time following any amendment to the Register, in order to allow SES to update the register held by it at its registered office to reflect the Register.

## **2. TRANSFERS OF REGISTERED NOTES**

### **2.1 Transfers of interests in Registered Global Notes**

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Registered Notes in definitive form or for a beneficial interest in another Registered Global Note of the same Series, in each case only in the Specified Denomination(s) set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

### **2.2 Transfers of Registered Notes in definitive form**

Subject to the below (in relation to registration of transfers upon partial redemption, costs of registration and exchanges and transfers of Registered Notes generally), upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the Specified Denomination(s) set out in the applicable Final Terms and provided that, if transferred in part, the aggregate nominal amount of the balance of that definitive Registered Note not so transferred is an amount of at least the minimum Specified Denomination(s)). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or its or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 4 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the

transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

### **2.3 Registration of transfer upon partial redemption**

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

### **2.4 Costs of registration**

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and/or transfer.

## **3. STATUS OF THE NOTES AND THE GUARANTEE**

### **3.1 Status of the Notes**

The Notes and any relative Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

### **3.2 Status of the Guarantee**

The obligations of the Guarantor under the Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

## **4. NEGATIVE PLEDGE**

### **4.1 Negative Pledge**

So long as any of the Notes remains outstanding:

- (a) the Issuer will not create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a ***Security Interest***) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness;  
or

- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided in favour of the Noteholders; as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders; and
- (b) the Guarantor will ensure that no Relevant Indebtedness of the Guarantor or any of its Subsidiaries (as defined below) will be secured by any Security Interest upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Guarantor or any of its Subsidiaries unless the Guarantor, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Guarantee are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or
  - (ii) such other Security Interest or guarantee or other arrangement (whether or not it includes the giving of a Security Interest) is provided in favour of the Noteholders as shall be approved by an Extraordinary Resolution of the Noteholders.

## 4.2 Interpretation

For the purposes of these Conditions:

- (a) **Relevant Indebtedness** means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, and (ii) any guarantee or indemnity in respect of any such indebtedness; and
- (b) **Subsidiary** means, in relation to the Issuer or the Guarantor, any individual, partnership, corporation, limited liability company, association, trust, unincorporated organisation (i) in which the Issuer or, as the case may be, the Guarantor holds a majority of the voting rights or (ii) of which the Issuer or, as the case may be, the Guarantor is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the Issuer or the Guarantor is a member and controls a majority of the voting rights, and includes any individual, partnership, corporation, limited liability company, association, trust, unincorporated organisation which is a Subsidiary of a Subsidiary of the Issuer or, as the case may be, the Guarantor.

## 5. INTEREST

### 5.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest

Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, ***Fixed Interest Period*** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

***Day Count Fraction*** means, in respect of the calculation of an amount of interest in accordance with this Condition 5.1:

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the ***Accrual Period***) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
    - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and



- (b) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

**Calculation Amount** means the amount specified as such in the relevant Final Terms;

**Determination Period** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**sub unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

## 5.2 Interest on Floating Rate Notes

### (a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the **Interest Commencement Date**) to (but excluding) the next (or first) Interest Payment Date) unless otherwise specified in the applicable Final Terms.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 5.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (b)(ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the

next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, **Business Day** means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (**TARGET2**) System (the **TARGET2 System**) is open.

(b) *Rate of Interest - Screen Rate/Reference Bank Determination*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) (the **Specified Time**) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (A) above, no offered quotation appears or, in the case of (B) above, fewer than three offered quotations appear, in each case as at the Specified Time, the Principal Paying Agent shall request each of the Reference Banks to provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the relevant Issuer suitable for the purpose) informs the Principal Paying Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

For purposes of this Condition **Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuer or as specified in the applicable Final Terms and **Relevant Screen Page** means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

(c) *Linear Interpolation*

Where Linear Interpolation is specified in the applicable Final Terms as applicable in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if

there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Issuer shall determine such rate at such time and by reference to such sources as it determines appropriate.

For purposes of this Condition ***Applicable Maturity*** means the period of time designated in the Reference Rate.

(d) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(e) *Determination of Rate of Interest and calculation of Interest Amounts*

The Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the ***Interest Amount***) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

***Day Count Fraction*** means, in respect of the calculation of an amount of interest in accordance with this Condition 5.2:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

(f) *Notification of Rate of Interest and Interest Amounts*

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(g) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5.2, whether by the Principal Paying Agent shall (in the absence of wilful default, bad faith or manifest error or proven error) be binding on the Issuer, the Guarantor, the Principal Paying Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the

Issuer, the Guarantor, the Noteholders or the Couponholders shall attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

### **5.3 Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14.

## **6. PAYMENTS**

### **6.1 Method of payment**

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

### **6.2 Presentation of definitive Bearer Notes and Coupons**

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 6.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of

principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmaturing Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmaturing Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

### **6.3 Payments in respect of Bearer Global Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Bearer Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Bearer Global Note, where applicable against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Bearer Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

### **6.4 Payments in respect of Registered Notes**

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will (subject as provided below and to the provisions of Condition 6.5) be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the Noteholder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the **Register**) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg or any other relevant clearing system are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth calendar day (or, if such fifteenth day is not a day on which banks are open for business in the city where the specified office of the Registrar is located, the first such day prior to such fifteenth day) before the relevant due date (in each case, the **Record Date**). Notwithstanding the previous sentence, if (a) a holder does not have a Designated Account or (b) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as



defined below). For these purposes, ***Designated Account*** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and ***Designated Bank*** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be (i) Sydney or (ii) Auckland or Wellington, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the Record Date at its address shown in the Register on the Record Date and at its risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

## **6.5 General provisions applicable to payments**

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;

- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

## 6.6 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 9) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (i) the relevant place of presentation (save, in the case of a Global Note, where presentation is not required); and
  - (ii) each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

## 6.7 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 8;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7.6); and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

## **7. REDEMPTION AND PURCHASE**

### **7.1 Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount in the relevant Specified Currency on the Maturity Date, each as specified in the applicable Final Terms.

### **7.2 Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent or the Registrar, as the case may be, and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Principal Paying Agent or the Registrar, as the case may be, a certificate signed by two Authorised Signatories of the Issuer or, as the case may be, two Authorised Signatories of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment. In these Conditions, *Authorised Signatory* has the meaning given to it in the Agency Agreement.

Notes redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.6 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### **7.3 Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (a) not less than 10 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (b) not less than 10 days before the giving of the notice referred to in (a) above, notice to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (***Redeemed Notes***) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the ***Selection Date***). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 7.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

#### **7.4 Redemption at the option of the Issuer (Issuer Maturity Par Call and Issuer Make Whole Call)**

- (a) If Issuer Maturity Par Call is specified in the applicable Final Terms, the Issuer may, on giving not less than 10 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption (the ***Par Call Redemption Date***)), redeem the Notes in whole, but not in part, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the Final Redemption Amount thereof together with interest accrued (if any) to (but excluding) the Par Call Redemption Date.
- (b) If Issuer Make Whole Call is specified in the applicable Final Terms, the Issuer may, on giving not less than 10 nor more than 30 days' notice (or such other notice period as may be specified in the applicable Final Terms) to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption (the ***Make Whole Optional Redemption Date***)), redeem the Notes in whole, but not in part, at the Make Whole Redemption Price together with interest accrued (if any) to (but excluding) the Make Whole Optional Redemption Date.

In this Condition:

***Determination Agent*** means an independent investment bank, financial institution or financial adviser of international standing appointed by the Issuer for the purpose of determining the Make Whole Redemption Price;

***Make Whole Redemption Price*** means, in respect of each Note, (a) the nominal amount of such Note or, if this is higher, (b) the sum of the present values of the nominal amount outstanding of such Note to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis (based on the Day Count Fraction specified in the applicable Final Terms) at the Reference Dealer Rate (as defined below) plus any applicable Margin specified in the applicable Final Terms, in each case as determined by the Determination Agent;

***Reference Dealers*** means those Reference Dealers specified in the applicable Final Terms;

***Reference Dealer Rate*** means with respect to the Reference Dealers and the Make Whole Optional Redemption Date, the average of the five quotations of the mid-market annual yield to maturity of the Reference Stock specified in the applicable Final Terms or, if the Reference Stock is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers, at the Determination Time specified in the applicable Final Terms on the Determination Date specified in the applicable Final Terms quoted in writing to the Determination Agent by the Reference Dealers; and

***Remaining Term Interest*** means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to maturity of such Note (or, if Issuer Maturity Par Call is specified as being applicable in the applicable Final Terms, the remaining term up to the Par Call Period Commencement Date as specified in the applicable Final Terms) determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to Condition 7.4(b).

## **7.5 Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 10 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a ***Put Notice***) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg

or any Common Depositary or Common Safekeeper, as the case may be, for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 7.5 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 7.5 and instead to declare such Note forthwith due and payable pursuant to Condition 10.

#### **7.5A Redemption at the Option of the Noteholders upon a Change of Control (Investor Put)**

If Change of Control Put Option is specified in the applicable Final Terms and at any time while any Note remains outstanding there occurs (i) a Change of Control and within the Change of Control Period (if at the time that the Change of Control occurs the Notes are rated by a Rating Agency) a Rating Downgrade in respect of that Change of Control occurs; or (ii) a Change of Control (if at such time the Notes are not rated) (in either case, a **Put Event**), the holder of each Note will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Notes under Condition 7.2) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Redemption Date (Put) (as defined below) at the Change of Control Redemption Amount specified in the applicable Final Terms.

A **Change of Control** shall be deemed to have occurred at each time (whether or not approved by the Board of Directors or Executive Committee of the Issuer) that any person (the **Relevant Person**) or persons acting in concert or any person or persons acting on behalf of any such person(s), at any time directly or indirectly acquire(s) (A) more than 50 per cent of the issued or allotted ordinary share capital of the Issuer or (B) such number of the shares in the capital of the Issuer carrying more than 50 per cent of the voting rights normally exercisable at a general meeting of the Issuer, provided that a Change of Control shall not be deemed to have occurred if all or substantially all of the shareholders of the Relevant Person are, or immediately prior to the event which would otherwise have constituted a Change of Control were, the shareholders of the Issuer with the same (or substantially the same) pro-rata interests in the share capital of the Relevant Person as such shareholders have, or as the case may be, had, in the share capital of the Issuer.

**Change of Control Period** means the period ending 120 days after the public announcement of the Change of Control having occurred.

**Rating Agency** means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. or Moody's Investors Service, Inc. and their respective successors or any other rating agency of equivalent international standing specified from time to time by the Issuer.

A **Rating Downgrade** shall be deemed to have occurred in respect of a Change of Control if within the Change of Control Period the rating previously assigned to the Notes by any Rating Agency is (x) withdrawn or (y) changed from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) to a non-investment grade rating (BB+/Ba1, or their respective equivalents for the time being, or worse) or (z) if the rating previously assigned to the Notes by any Rating Agency shall be below an investment grade rating (as described above), lowered one full rating category (for example from BB+ to BB or such similar lower or equivalent rating), provided that a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in rating to which this definition would otherwise apply does not publicly

announce or publicly confirm that the reduction was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a ***Put Event Notice***) to the Noteholders in accordance with Condition 14 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 7.5A. To exercise the option to require redemption or, as the case may be, purchase of a Note under this Condition 7.5A the holder of that Note must, if the Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver such Note, on any Business Day (as defined in Condition 5.2) in the city of the specified office of the relevant Paying Agent falling within the period (the ***Put Period***) of 45 days after a Put Event Notice is given, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a ***Put Option Notice***) and in which the holder may specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 7.5A accompanied by the Note or evidence satisfactory to the Paying Agent concerned that the Note will, following delivery of the Put Notice, be held to its order or under its control.

The Paying Agent to which such Note and Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt (a ***Put Option Receipt***) in respect of the Note so delivered. The Issuer shall redeem or at the option of the Issuer purchase (or procure the purchase of) the Notes in respect of which Put Option Receipts have been issued on the date which is the seventh day after the last day of the Put Period (the ***Change of Control Redemption Date (Put)***), unless previously redeemed and purchased. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Put Option Notice to which payment is to be made, on the Change of Control Redemption Date (Put) by transfer to that bank account and in every other case on or after the Change of Control Redemption Date (Put), in each case against presentation and surrender or (as the case may be) endorsement of such Put Option Receipt at the specified office of any Paying Agent in accordance with the provisions of this Condition 7.5A.

If the Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption or, as the case may be, purchase of a Note under this Condition 7.5A the holder of the Note must, within the Put Period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on this instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

## **7.6 Early Redemption Amounts**

For the purpose of Condition 7.2 above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (a) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (b) in the case of a Zero Coupon Note, at an amount (the ***Amortised Face Amount***) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

**y** is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms.

## **7.7 Purchases**

The Issuer, the Guarantor or any Subsidiary of the Issuer or the Guarantor may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, surrendered to any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) for cancellation.

## **7.8 Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 7.7 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

## **7.9 Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 7.1, 7.2, 7.3, 7.4(a), 7.4(b) or 7.5 above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.6(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.



## **7.10 Multiple Notices**

If more than one notice of redemption is given pursuant to this Condition 7, the first of such notices to be given shall prevail.

## **8. TAXATION**

All payments of principal and interest in respect of the Notes and Coupons by the Issuer or the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6.6); or
- (c) where such withholding or deduction is required to be made on a payment to an individual beneficial owner resident in Luxembourg in accordance with the provisions of the Luxembourg law dated 23 December 2005, as amended; or
- (d) where such withholding or deduction is required pursuant to an agreement described in section 1471(b) of the Code, or is otherwise imposed pursuant to sections 1471 through 1474 of the Code and any regulations, agreements or undertakings thereunder or official interpretations thereof or other law implementing an intergovernmental approach thereto; or
- (e) in the case of Notes (other than Notes with a maturity of 183 days or less (taking into consideration unilateral rights to roll or extend)) issued by SES Americas, presented for payment by or on behalf of (i) any 10 per cent shareholder of SES Americas within the meaning of Section 871(h)(3)(B) of the Code, (ii) any controlled foreign corporation related to SES Americas within the meaning of Section 864(d)(4) of the Code or (iii) any bank whose acquisition of Notes constitutes an extension of credit pursuant to a loan agreement entered into in the ordinary course of its business, or (iv) any holder, any tax, assessment or governmental charge that would not have been imposed or withheld but for the failure of the holder, if required, to comply with certification, identification or information reporting or any other requirements under United States income tax laws and regulations, without regard to any tax treaty, with respect to the payment, concerning the nationality, residence, identity or connection with the United States of the holder or a beneficial owner of such Note, Coupon or Talon, if such compliance is required by United States income tax laws and regulations, without regard to any tax treaty, as a precondition to relief or exemption from such tax, assessment or governmental charge, including, failure of the or of the beneficial owner of such Note, Coupon, or Talon to provide a valid U.S. IRS Form

W-8 (or successor form) or other documentation as permitted by official IRS guidance.

As used herein:

- (i) **Tax Jurisdiction** means Luxembourg or the United States or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer or the Guarantor, as the case may be); and
- (ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

## 9. PRESCRIPTION

The Notes (whether in bearer or registered form) and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6.2 or any Talon which would be void pursuant to Condition 6.2.

## 10. EVENTS OF DEFAULT

If any one or more of the following events (each an **Event of Default**) shall occur and be continuing:

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of three days from the due date for payment thereof; or
- (b) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Conditions or the Guarantee and the failure continues unremedied for 30 days after written notice thereof, addressed to the Issuer and the Guarantor by any Noteholder, has been delivered to the Issuer and the Guarantor; or
- (c)
  - (i) any Indebtedness of the Issuer or the Guarantor or any Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period;
  - (ii) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or the Guarantor or (as the case may be) the relevant Subsidiary or (provided that no event of default, howsoever described, has occurred) any person entitled to such Indebtedness; or
  - (iii) the Issuer or the Guarantor or any Subsidiary fails to pay when due any amount payable by it under any guarantee of any Indebtedness;

*provided that* the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds €50,000,000 (or its equivalent in any other currency or

currencies) and *provided further that* for purposes of this paragraph (c), neither the Issuer nor the Guarantor nor any Subsidiary shall be deemed to be in default with respect to such Indebtedness or guarantee of any Indebtedness if it shall be contesting in good faith by appropriate means its liability to make payment thereunder and has been advised by legal advisers of internationally recognised standing that it is reasonable for it to do so; or

- (d) a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any Material Subsidiary and such action is not stayed or discharged within 21 days; or
- (e) if any order is made by any competent court or effective resolution passed for the winding up or dissolution of the Issuer, the Guarantor or any Material Subsidiary (otherwise than in the case of SES Americas: (i) for the purposes of or pursuant to an amalgamation, reorganisation or restructuring while solvent and pursuant to which SES assumes all of the assets, liabilities and obligations of SES Americas; or (ii) in the case of Notes issued by SES, after a termination of the Guarantee in accordance with the provisions of Condition 17); or
- (f) the Issuer, the Guarantor or any Material Subsidiary becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer, the Guarantor or any Material Subsidiary or the whole or any part of the undertaking, assets and revenues of the Issuer, the Guarantor or any Material Subsidiary is appointed, or (iii) the Issuer, the Guarantor or any Material Subsidiary takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it; or
- (g) any event occurs which under the laws of the United States of America or the Grand Duchy of Luxembourg has an analogous effect to any of the events referred to in paragraphs (d) to (f) above; or
- (h) if the Issuer or the Guarantor or any Subsidiary (i) ceases or threatens to cease to carry on a Major Part of the business of the Group; or (ii) sells, transfers or otherwise disposes of a Major Part of the assets of the Group, unless either (A) such cessation, sale, transfer or disposal is for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement not involving the insolvency of the Issuer, the Guarantor or such Subsidiary and under which all or substantially all of the relevant business or assets are transferred to the Issuer, the Guarantor or a Subsidiary or a transferee which upon acquiring the relevant business or assets thereupon becomes a Subsidiary or (B) the consideration received for such sale, transfer or disposal is utilised (by one transaction or a series of transactions occurring within 18 months of such sale, transfer or disposal) in acquiring assets for the purposes of the business of the Group; or
- (i) any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable each of the Issuer and the Guarantor lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes and the Guarantee, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Notes, the Coupons and the Guarantee admissible in evidence in the courts of the United States of America or the Grand Duchy of Luxembourg is not taken, fulfilled or done within 10 business days of such action, condition or thing being required to be taken, fulfilled or done; or

- (j) unless otherwise permitted under Condition 10(e), it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any of its obligations under or in respect of the Notes or the Guarantee; or
- (k) unless otherwise permitted under Condition 10(e) or Condition 17, if the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect, other than in accordance with its terms,

then any holder of a Note may, by written notice addressed to the Issuer and the Guarantor and delivered to the Issuer and the Guarantor, effective upon the date of receipt thereof by the Issuer and the Guarantor, declare any Note held by it to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of paragraph (h) above, a ***Major Part of the business of the Group*** means a part of the business of the Group exceeding one third of Consolidated Gross Assets and ***Major Part of the assets of the Group*** means assets of the Group exceeding one third of Consolidated Gross Assets.

In the Conditions:

***Consolidated Gross Assets*** means, as of any date, the total assets of SES and its consolidated Subsidiaries that would be shown as assets on a consolidated balance sheet of SES and its Subsidiaries as of such date prepared in accordance with IFRS; *provided that* for purposes of calculating Consolidated Gross Assets, if SES owns directly or indirectly less than a majority of the economic ownership interests in any subsidiary, such subsidiary shall be consolidated only to the extent of SES's direct or indirect economic ownership in such subsidiary;

***Finance Lease*** means, at any time, a lease with respect to which the lessee is required concurrently to recognise the acquisition of an asset and the incurrence of a liability in accordance with IFRS;

***Group*** means SES and its Subsidiaries taken as a whole;

***IFRS*** means International Financial Reporting Standards issued by the International Accounting Standards Board (***IASB***) adopted by the European Union, and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);

***Indebtedness*** with respect to any Person means, at any time, without duplication:

- (a) its liabilities for borrowed money and its redemption obligations in respect of mandatorily redeemable Preferred Stock;
- (b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable arising in the ordinary course of business but including all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);
- (c) all liabilities appearing on its balance sheet in accordance with IFRS in respect of Finance Leases;
- (d) all liabilities for borrowed money secured by any Security Interest with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities);

- (e) all its liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions (whether or not representing obligations for borrowed money);
- (f) Swaps of such Person; and
- (g) any guarantee of such Person with respect to liabilities of a type described in any of (a) through (f) above.

Indebtedness of any Person shall include all obligations of such Person of the character described in (a) through (g) above to the extent it remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under IFRS;

**Material Subsidiary** means any Subsidiary of the Issuer or the Guarantor:

- (a) whose gross revenues (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent no less than 5 per cent of the consolidated gross revenues of the Group, all as calculated by reference to the last audited (consolidated or, as the case may be, unconsolidated) accounts of the Subsidiary and the latest audited consolidated accounts of SES and its Subsidiaries; or
- (b) whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent no less than 5 per cent of the consolidated total assets of the Group, all as calculated by reference to the latest audited (consolidated or, as the case may be, unconsolidated) accounts of the Subsidiary and the latest audited consolidated accounts of SES and its Subsidiaries; or
- (c) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer or the Guarantor which immediately before the transfer is a Material Subsidiary of the Issuer or the Guarantor (whereupon such transferor Subsidiary shall cease to be a Material Subsidiary until the next publication of audited consolidated accounts of SES and its Subsidiaries following such transfer),

*provided that* in the case of a Subsidiary acquired or an entity which becomes a Subsidiary after the end of the financial period to which the latest audited consolidated accounts of SES and its Subsidiaries relate, the reference to the latest audited consolidated accounts for the purposes of the calculation above shall, until audited consolidated accounts of SES and its Subsidiaries are published for the financial period in which the acquisition is made or, as the case may be, in which such entity becomes a Subsidiary, be deemed to be a reference to the latest consolidated accounts of SES and its Subsidiaries adjusted in such manner as SES shall consider appropriate to consolidate the latest audited accounts of such Subsidiary in such accounts; and a certificate signed by two Authorised Signatories of the Issuer or the Guarantor that in their opinion a Subsidiary of the Issuer or the Guarantor is or is not or was or was not at any time or throughout any specified period a Material Subsidiary shall, in the absence of manifest or proven error, be conclusive and binding;

**Person** means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organisation, or a government or agency or political subdivision thereof;

**Preferred Stock** means any class of capital stock of a corporation that is preferred over any other class of capital stock of such corporation as to the payment of dividends or the payment of any amount upon liquidation or dissolution of such corporation;

**Swaps** means, with respect to any Person, payment obligations with respect to interest rate swaps, currency swaps and similar obligations obligating such Person to make payments,

whether periodically or upon the happening of a contingency. For the purposes of these Conditions, the amount of the obligation under any Swap shall be the amount determined in respect thereof as of the end of the then most recently ended fiscal quarter of such Person, based on the assumption that such Swap had terminated at the end of such fiscal quarter, and in making such determination, if any agreement relating to such Swap provides for the netting of amounts payable by and to such Person thereunder or if any such agreement provides for the simultaneous payment of amounts by and to such Person, then in each such case, the amount of such obligation shall be the net amount so determined.

## **11. REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes, Coupons or Talons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## **12. AGENTS**

The names of the initial Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent and (in the case of Registered Notes) a Registrar; and
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.3. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## **13. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the

final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

#### **14. NOTICES**

All notices regarding the Bearer Notes will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London and (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange and the rules of such stock exchange so require, a daily newspaper of general circulation in Luxembourg, and/or on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)) or any other manner considered as equivalent by the Luxembourg Stock Exchange. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the Noteholders (or the first named of joint Noteholders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **15. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or the Guarantor and shall be convened by the Issuer if required in writing by Noteholders holding not less than ten per cent in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent in

nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than three-quarters in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-quarter in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent in nominal amount of the Notes outstanding or consent given by holders of not less than 75 per cent in nominal amount of the Notes by electronic consent through the clearing systems shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. A resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

## **16. SUBSTITUTION**

- (a) The Issuer may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as the principal debtor under the Notes and the Coupons the Guarantor or any other member of the Group (such substitute, a *New Issuer*) *provided that*:
  - (i) a deed poll and such other documents (if any) shall be executed by the New Issuer and, to the extent necessary, the other parties to the Agency Agreement, as may be necessary to give full effect to the substitution and pursuant to which the New Issuer shall undertake in favour of each Noteholder and each Accountholder (as defined in the Deed of Covenant) to be bound by these conditions, the Deed of Covenant and the Agency Agreement as principal debtor in respect of the Notes in place of the Issuer;
  - (ii) each rating agency which has assigned credit rating to the Notes confirms that upon the substitution of the New Issuer becoming effective the Notes



will either have the same credit rating as immediately prior to the substitution or the credit rating will not be adversely affected;

- (iii) the Principal Paying Agent shall have received legal opinions addressed to the Noteholders from legal advisers of internationally recognised standing approved by it to the effect, *inter alia*, that (A) the New Issuer has obtained all governmental and regulatory approvals and consents necessary for its assumption of the obligations and liabilities as principal debtor under these Conditions, the Deed of Covenant and the Agency Agreement in place of the Issuer, the holders of the Notes and Coupons have rights against the New Issuer at least equivalent to the rights they have against the Issuer, subject to the other Conditions in this Condition 16 having been satisfied such assumption is fully effective and such obligations and liabilities are legally valid and binding on, and enforceable against, the New Issuer; (B) such approvals and consents are in full force and effect at the time of substitution; and (C) confirming, with respect to the New Issuer, compliance with sub-paragraph (iv) below;
  - (iv) all payment of principal and interest in respect of the Notes and Coupons by or on behalf of the New Issuer shall be made free and clear of and without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the tax jurisdiction to which it is subject or any political subdivision thereof or any authority thereof or therein having power to tax;
  - (v) any stock exchange on which the Notes are listed shall have confirmed to the Issuer and the Principal Paying Agent that, after giving effect to the substitution the Notes will continue to be listed on such stock exchange(s);
  - (vi) two officers of the New Issuer shall have certified to the Principal Paying Agent that the New Issuer is solvent at the time at which the substitution or appointment is proposed to be effected; and
  - (vii) where the substitution of Issuer is the substitution of SES Americas as a result of the winding-up, dissolution or other similar process of SES Americas for the purposes of or pursuant to an amalgamation, reorganisation or restructuring while solvent and pursuant to which SES assumes all of the assets, liabilities and obligations of SES Americas, then the New Issuer shall be SES and no guarantee of the Notes shall be required from any person following such substitution.
- (b) Upon execution and delivery of the deed poll or the other documents referred to in paragraph (a)(i) above and delivery of the legal opinions and other documents referred to in paragraph (a)(ii) to (iv) above the New Issuer shall be deemed to be named in the Notes, the Deed of Covenant and the Agency Agreement as the principal debtor in place of the Issuer and the Notes, the Deed of Covenant, the Agency Agreement and any other documents related to the Notes shall thereupon be deemed to be amended to give effect to the substitution, and the Issuer shall be released from all of its obligations under or in respect of the Notes, the Deed of Covenant, and the Agency Agreement and any other documents related to the Programme.

- (c) Not later than 14 days after the substitution of a New Issuer, notice shall be given to the Noteholders in accordance with Condition 14 (Notices).

*In the event of any such substitution as described in Condition 16 (Substitution) the Issuer and the Guarantor will, to the extent required by the Luxembourg Stock Exchange, prepare a supplement to this Prospectus containing information in relation to the substitution.*

## **17. TERMINATION OF GUARANTEE**

- (a) In respect of Notes issued by SES, notwithstanding the provisions of Clause 2.1 of the Guarantee relating to the Guarantee being unconditional and irrevocable, the Guarantee contains provisions which for so long as SES Americas remains Guarantor, permit a termination of the Guarantee *provided that*:
- (i) there is no Event of Default that has occurred and is continuing;
  - (ii) the Total Assets of the Guarantor, as of the end of the previous two Fiscal Periods prior to the date of such termination, represented less than 10 per cent of the Total Assets of SES;
  - (iii) the EBITDA of the Guarantor, in respect of the previous two Fiscal Periods prior to the date of such termination, represented less than 10 per cent of the EBITDA of SES;
  - (iv) each rating agency which has assigned a credit rating to the Notes confirms that upon such termination becoming effective the Notes will either have the same credit rating as immediately prior to the termination or the credit rating will not be adversely affected; and
  - (v) a certificate signed by two Authorised Signatories of the Issuer has been delivered to the Principal Paying Agent confirming that the requirements of this Condition 17 have been fulfilled prior to such termination taking effect.

In the Conditions:

**EBITDA** means, in respect of SES Americas or SES, profit for the period before the impact of (i) depreciation, amortisation, net financing cost, income tax, the share of the results of joint ventures and associates and discontinued operations; and (ii) any extraordinary line item between revenue and profit before tax, calculated by reference to the annual audited consolidated financial statements of SES or, as the case may be, SES Americas prepared in accordance with IFRS in respect of the relevant Fiscal Period.

**Fiscal Period** means each fiscal year ending 31 December, or such other period in respect of which SES and SES Americas prepare annual audited consolidated financial statements.

**Total Assets** means, in respect of SES Americas or SES, the figure in the line item identified as “total assets” in the statement of financial position in the annual audited consolidated financial statements of SES or, as the case may be, SES Americas prepared in accordance with IFRS in respect of the relevant Fiscal Period.

- (b) Upon any such termination pursuant to Condition 17(a) taking effect, SES Americas shall be released from all of its obligations under or in respect of these Conditions, the Agency Agreement, the Guarantee and any other related documents.

- (c) Not later than 14 days after any such termination in accordance with the provisions of this Condition 17, notice shall be given to the Noteholders in accordance with Condition 14.
- (d) The certificate signed by two Authorised Signatories of the Issuer confirming that the requirements of this Condition 17 have been fulfilled shall, in the absence of manifest or proven error, be conclusive and binding.

## **18. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## **19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **20. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **20.1 Governing law**

The Agency Agreement, the Guarantee, the Deed of Covenant, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law. The provisions of articles 470-3 to 470-19 (inclusive) of the Luxembourg law of 10 August 1915 on commercial companies, as amended shall be expressly excluded.

### **20.2 Submission to jurisdiction**

The Issuer irrevocably agrees, for the benefit of the Noteholders and the Couponholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Agency Agreement, the Notes and the Coupons) and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Noteholders and the Couponholders, may take any suit, action or proceedings (together referred to as Proceedings) arising out of or in connection with the Notes and the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes and the Coupons), against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

### **20.3 Appointment of Process Agent**

The Issuer appoints Freshfields Bruckhaus Deringer LLP at its registered office at 65 Fleet Street, London EC4Y 1HS (marked for the attention of the Dispute Resolution DMP and Mr. Christopher Barratt, reference 123182-0058) as its agent for service of process, and undertakes that, in the event of Freshfields Bruckhaus Deringer LLP ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.*

[Date]

**[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**) or in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (**MiFID II**)]**[MiFID II]**; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

**[SINGAPORE SFA PRODUCT CLASSIFICATION** - In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes [are] / [are not] prescribed capital markets products (as defined in the CMP Regulations 2018) and [are] [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.)<sup>20</sup>

**[SES/SES GLOBAL AMERICAS HOLDINGS GP]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] by [SES/SES Global Americas Holdings GP]**

**Legal entity identifier (LEI): [SES: 5493008JPA4HYMH1HX51/SES Global Americas Holdings GP: 5299000YGN3VJ3R60481]**

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<sup>20</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

[Guaranteed by SES/SES Global Americas Holdings GP]

under the €4,000,000,000

## Euro Medium Term Note Programme

### PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated [●] 2020 [and the supplement(s) to it dated [●]] which [together] constitute[s] a base prospectus (the **Prospectus**) of each of SES and SES Global Americas Holdings GP for the purposes of Regulation (EU) 2017/1129, as amended or superseded (the **Prospectus Regulation**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Prospectus. Full information on the Issuer, the Guarantor, the Notes and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing during normal business hours at Château de Betzdorf, L-6815 Betzdorf and from BNP Paribas Securities Services, Luxembourg Branch at 60, avenue J.F. Kennedy, L-2085 Luxembourg and has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).]

*The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved base prospectus to tap a previous issue under a pre – 1 July 2012 approved base prospectus, the final terms in the post – 1 July 2012 base prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Prospectus dated [24 September 2010/19 September 2011/15 November 2012/12 March 2018/ 22 May 2019] which are incorporated by reference in the Prospectus dated [●] 2020. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of Regulation (EU) 2017/1129, as amended or superseded (the **Prospectus Regulation**) and must be read in conjunction with the Prospectus dated [●] 2020 [and the supplement(s) to it dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Prospectus**), save in respect of the Conditions which are extracted from the Prospectus dated [24 September 2010/19 September 2011/15 November 2012/12 March 2018/22 May 2019]. Full information on the Issuer, the Guarantor, the Notes and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Prospectus [and the supplement(s) dated [●]]. Copies of the Prospectuses and these Final Terms are available for viewing during normal business hours at Château de Betzdorf, L-6815 Betzdorf, Luxembourg, from BNP Paribas Securities Services, Luxembourg Branch at 60, avenue J.F. Kennedy, L-2085 Luxembourg and has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).]

*[Include whichever of the following apply or delete if not applicable. Italics denote directions for completing the Final Terms.]*

1. (a) Series Number: [   ]
- (b) Tranche Number: [   ]

2. Specified Currency or Currencies: [   ]
3. Aggregate Nominal Amount:
- (a) [Series: [   ]
- (b) [Tranche: [   ]]
- (c) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert amount, interest rate, maturity date and issue date of the Series] on [insert date/the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 22 below [which is expected to occur on or about [insert date]]]]]
4. Issue Price: [   ] per cent of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (a) Specified Denominations: [   ]

*(Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:*

*“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”*

*(N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange or United Kingdom exchange; and (ii) only offered in the European Economic Area or in the United Kingdom in circumstances where a prospectus is not required to be published under the Prospectus Regulation the €100,000 minimum denomination is not required.)*

- (b) Calculation Amount: [   ]

*(If only one Specified Denomination, insert the Specified Denomination.*

*If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*

6. (a) Issue Date: [ ]
- (b) Interest Commencement Date: [*specify*/Issue Date/Not Applicable]
7. Maturity Date: [ ]
8. Interest Basis: [[ ] per cent Fixed Rate]  
[[LIBOR/EURIBOR] +/- [ ] per cent Floating Rate]  
[Zero Coupon]  
(See paragraph [13/14/15] below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [[●]/[100]] per cent of their nominal amount.  
  
*(Note – the Notes will always be redeemed at least 100 per cent of their nominal value)*
10. Change of Interest Basis: [*Specify details*/[Not Applicable]]
11. Put/Call Options: [Investor Put]  
[Change of Control Put Option]  
[Issuer Call]  
[Issuer Maturity Par Call]  
[Issuer Make Whole Call]
12. [Date [Board] approval for issuance of Notes and Guarantee obtained: [ ] [and [ ], respectively]]  
  
*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)*

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
*(N.B. This will need to be amended in the case of long or short coupons)*
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form.)*
- (d) Broken Amount(s): [ ] per Calculation Amount, payable on the

	<i>(Applicable to Notes in definitive form.)</i>	Interest Payment Date falling [in/on] [ ]
(e)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA)]
(f)	Determination Date(s):	[ ] in each year
		<i>[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]</i>
		<i>N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration</i>
		<i>N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)]</i>
14.	Floating Rate Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a)	Interest Period(s):	[[ ] [, subject to adjustment in accordance with the Business Day Convention set out in (d) below/, not subject to any adjustment, as the Business Day Convention in (d) below is specified to be Not Applicable]]
(b)	Specified Period(s)/Specified Interest Payment Dates:	[[ ] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (d) below/, not subject to any adjustment, as the Business Day Convention in (d) below is specified to be Not Applicable]]
(c)	First Interest Payment Date:	[ ]
(d)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(e)	Additional Business Centre(s):	[ ]
(f)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	[ ]
(g)	Screen Rate Determination:	[ ]
	• Reference Rate:	[[•] month [LIBOR/EURIBOR]]
	• Interest Determination Date(s):	[ ] <i>(Second London business day prior to the start</i>



*of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*

- Relevant Screen Page: [   ]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate)*
  - (h) [Linear Interpolation: Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
  - (i) Margin(s): [ +/- ] [   ] per cent per annum
  - (j) Minimum Rate of Interest: [   ] per cent per annum
  - (k) Maximum Rate of Interest: [   ] per cent per annum
  - (l) Day Count Fraction: [Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]  
*(See Condition 5 for alternatives)*
15. Zero Coupon Note Provisions [Applicable/Not Applicable]
- (If not applicable delete the remaining subparagraphs of this paragraph)*
- (a) Accrual Yield: [   ] per cent per annum
  - (b) Reference Price: [   ]
  - (c) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 7.6(b) and 7.9 apply]  
*(Consider applicable day count fraction if not U.S. dollar denominated)*

## PROVISIONS RELATING TO REDEMPTION

16. Issuer Call: [Applicable/Not Applicable]
- (If not applicable delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [   ]

- (b) Optional Redemption Amount of each Note: [ ] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [ ] per Calculation Amount
- (ii) Minimum Redemption Amount: [ ] per Calculation Amount
17. Issuer Maturity Par Call: [Applicable/Not Applicable]
- (If not applicable delete the remaining subparagraphs of this paragraph)*
- (a) Notice period: [ ]
- (b) Par Call Period: From (and including [ ]) (the **Par Call Period Commencement Date**) to (but excluding) the Maturity Date
- (The Par Call Period Commencement Date is the day that is 90 days prior to the Maturity Date)*
18. Issuer Make Whole Call [Applicable/Not Applicable]
- (If not applicable delete the remaining subparagraphs of this paragraph)*
- (a) Notice period: [[ ]/Not Applicable]
- (b) Margin: [[ ]/Not Applicable]
- (c) Reference Dealers: [[ ]/Not Applicable]
- (d) Reference Stock: [[ ]/Not Applicable]
- (e) Determination Time: [[ ]/Not Applicable]
- (f) Determination Date: [[ ]/Not Applicable]
19. Investor Put: [Applicable/Not Applicable]
- (If not applicable delete the remaining subparagraphs of this paragraph)*
- (c) Optional Redemption Date(s): [ ]
- (d) Optional Redemption Amount(s) of each Note: [ ] per Calculation Amount
20. Change of Control Put Option: [Applicable/Not Applicable]

*(If not applicable delete the remaining subparagraphs of this paragraph)*

- (a) Change of Control Redemption Amount of each Note: [ ] per Calculation Amount together with (or, where purchased, together with an amount equal to) accrued interest per Calculation Amount to but excluding the Change of Control Redemption Date (Put)
21. Final Redemption Amount of each Note: [ ] per Calculation Amount
22. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. (a) Form of Notes: **[Bearer Notes:**
- [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note on and after the Exchange Date which is exchangeable for Definitive Notes only upon an Exchange Event]
- [Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Bearer Global Note exchangeable for Definitive Notes only upon an Exchange Event]]
- [N.B. Notes with a maturity of more than 183 days (taking into consideration unilateral rights to roll or extend) may not be issued by SES Americas in bearer form, and must be issued as Registered Notes.]*
- [Registered Notes:**
- [Registered Global Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)]]
- (b) New Global Note/NSS: [Yes][No]
24. Additional Financial Centre(s): [Not Applicable/give details] *(Note that this item relates to the place of payment and not*

*Interest Period end dates to which item 13(b) and 14(a) relate)*

25. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [No/Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left]

### **THIRD PARTY INFORMATION**

*[(Relevant third party information)]* has been extracted from *[specify source]*. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of [SES/SES Global Americas Holdings GP]

Signed on behalf of [SES/SES Global Americas Holdings GP]

By: .....

By: .....

Duly authorised

*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

(i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange] and listing on [the official list of the Luxembourg Stock Exchange] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange] and listing on [the official list of the Luxembourg Stock Exchange] with effect from [ ].] [Not Applicable.]

(ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings: [Not Applicable/The Notes to be issued [have been/are expected to be] rated/The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[name of the rating agency] : [●]

[and endorsed by [insert details]]\*\*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating. Include a brief explanation of the meaning of the ratings if this has previously been published by the ratings provider.)*

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[Save for any fees payable to the Managers/Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. – Amend as appropriate if there are other interests]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to*

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\*\* Insert this wording where one or more of the ratings included in the Final Terms has been endorsed by an EU registered credit rating agency for the purposes of Article 4(3) of the CRA Regulation.

*the Prospectus under Article 23 of the Prospectus Regulation.))]*

**4. YIELD (Fixed Rate Notes only)**

Indication of yield: ☐ [Not Applicable]

**5. USE AND ESTIMATED NET AMOUNT OF PROCEEDS**

Use of Proceeds: ☐ [See “Use of Proceeds” wording in the Prospectus]

Estimated Net Amount of Proceeds: ☐

**6. OPERATIONAL INFORMATION**

(i) ISIN: ☐

(ii) Common Code: ☐

(iii) CFI: ☐ , as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]

(iv) FISN: ☐ , as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]

(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A., the relevant address and the identification number(s): ☐ [Not Applicable/give name(s) and numbers(s)]

(vi) Delivery: ☐ Delivery [against/free of] payment

(vii) Intended to be held in a manner which would allow Eurosystem eligibility: ☐ [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as a common safekeeper,] *[include this text for registered notes]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being

satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[ (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper) [*include this text for registered notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

## **7. DISTRIBUTION**

(a) Method of distribution: [Syndicated/Non-syndicated]

(b) If syndicated: [Not Applicable/*give names*]

(A) Names of Managers:

(B) Stabilisation Manager(s) [Not Applicable/*give names*]  
(if any):

(c) If non-syndicated, name of [Not Applicable/*give names*]  
Dealer:

U.S. Selling Restrictions: [Reg. S Category [3]; TEFRA D; TEFRA C;  
TEFRA not applicable]

## BUSINESS

### Overview

As a world leading integrated satellite-enabled solutions provider, SES considers it has a bold vision to deliver amazing experiences everywhere on earth by distributing the highest quality video content and providing seamless connectivity around the world. SES is a trusted partner to the world's leading telecommunications companies, mobile network operators, governments, connectivity (aero and mobility) and Cloud service providers, broadcasters, video platform operators and content owners. SES is providing services through its two market-leading businesses: Networks and Video.

SES Networks operates the world's only multi-orbit constellation of satellites with the unique combination of global coverage and high performance, low-latency Medium Earth Orbit O3b system. By leveraging a vast and intelligent, Cloud-enabled network, SES is able to deliver high quality connectivity solutions anywhere on land, at sea or in the air. SES's Video has an unparalleled reach of 367 million households, serving over 1 billion people worldwide with high quality viewing experiences, and delivers managed media services for both linear and non-linear content.

SES believes that the Group benefits from the following key strengths:

***A leading satellite-embedded solution provider with global reach.*** SES is a leading global satellite operator, based on operating a fleet of 55 GEO<sup>21</sup> satellites and 20 MEO satellites serving markets around the world. Its business supports a range of applications, foremost of which is the transmission of DTH television broadcasts, a high-value application with persistent characteristics. SES also provides connectivity and cloud services, including very small aperture terminal (VSAT) networks, broadband internet access and mobile backhaul, to enterprises, institutions and governments.

***Strong and predictable cash flows.*** The Group had a contract backlog of approximately €6.3 billion as of 31 December 2019 delivered by a strong customer base consisting predominantly of broadcasters in developed markets. This customer profile generates a predictable, high-margin revenue stream, resulting in a strong cash flow conversion factor.

***Clear and consistent financial strategy.*** The Group is committed to maintaining its investment grade credit rating and stable outlook. This has facilitated access on favourable terms to the capital markets. While the Group has adequate liquidity at hand as of the date of this Prospectus, it continues to seek to diversify and extend its debt funding base and to optimise its debt maturity profile.

***Experienced management team.*** SES has a highly experienced management team, led by the Executive Committee, each of whose members combine decades of experience in a wide variety of disciplines.

***Unique access to spectrum.*** SES has a unique access to multiple frequencies (C-, Ku- and Ka-band) globally, including the entire equatorial MEO Ka-band spectrum.

### Strategic Priorities

The Group aims to deliver sustained and profitable growth by building on the Group's core competencies and pursuing the following strategic priorities:

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<sup>21</sup> 55 of these in-orbit.



- reinforce and drive value through SES's core video neighbourhoods;
- develop OTT and orchestration capabilities to support SES's video customers in reaching new markets and audiences;
- take advantage of opportunities to maximise efficiency and create value in video;
- leverage SES's market-leading position in delivering unique high throughput, low latency GEO-MEO solutions with end-to-end managed solutions, driving business growth in networks;
- enable cloud adoption on a global scale, through partners and customers; and
- harness emerging trends and technologies such as 5G, industrial 'Internet of Things', analytics and cloud to integrate fully within the broader network ecosystem, making satellite mainstream.

As SES implements its strategy, the business is undergoing a significant transformation, building new market-focused businesses that will enable SES to capture exciting growth. This transformation includes the business organisation, as well as innovative technology.

SES's future growth is underpinned by the successful launches of SES-10, SES-11 and SES-15 in 2017 and (in 2018) SES-14, SES-16/GovSat-1 and four additional satellites for the O3b constellation in April 2019 which are specifically designed to maximise the advantages of MEO for SES's target customers. In 2021 the launch of SES-17 is scheduled with Thales Alenia Space (*Thales*) committing to a long-term commercial agreement for service over the Americas and Atlantic Ocean.

In September 2017, SES Networks announced the launch of O3b mPOWER which will be the most powerful, flexible and scalable satellite-based system launched by SES. O3b mPOWER will combine innovative space and ground technology advancements, as well as software intelligence and will enable SES Networks to deliver fully managed services to meet exponentially accelerating demand in the dynamic fixed data, mobility and government markets. The investment also unlocks important capital efficiencies from SES's unique GEO-MEO network architecture with synergies equivalent to two replacement GEO satellites.

As part of the O3b mPOWER ecosystem, SES has contracted Boeing Satellite Systems to build seven super-powered MEO satellites, scheduled for launch in 2021. The constellation will deliver unrivalled cloud-scale connectivity and managed services globally, offering:

- unique levels of flexibility with 5000 fully-shapeable and steerable beams per satellite that can be shifted and switched in real time, making O3b mPOWER the most bandwidth-efficient system;
- unrivalled coverage of an area of nearly 400 million square kilometres, representing 80 per cent of the Earth's surface;
- highest performance based on the combination of multiple terabits of throughput and low latency, which will be seamlessly integrated with SES Networks existing GEO-MEO and terrestrial capabilities; and
- improved economics with lower cost-per-bit and cheaper ground equipment, including small, fast and easy-to-install O3b mPOWER Customer Edge Terminals.

In September 2019, SES decided to appoint SpaceX as launcher for its satellites.

## History

SES was founded in 1985 as Europe's first private satellite operator, originally under the name of Société Européenne des Satellites. The Group's first satellite, ASTRA 1A, was launched in December 1988 for broadcasting in Western Europe with transmission beginning in February 1989. The satellite had 16 transponders, most of which targeted specific markets in the United Kingdom, Scandinavia and Germany. By the end of 1990, ASTRA 1A was able to reach over 16 million cable and DTH households in Europe. The launch of ASTRA 1A was followed by the launches of the ASTRA 1B, ASTRA 1C and ASTRA 1D satellites to meet increasing demand, in 1991, 1993 and 1994, respectively. SES developed and pioneered satellite co-location during this period, as these satellites shared the same orbital slot (19.2°E) as ASTRA 1A. This was a first in the industry and substantially increased the number of channels that could be transmitted from that orbital position.

In the years that followed, the Group reached further milestones, including the inauguration of its digital technical facilities for the reception, monitoring, multiplexing, encryption and uplinking of hundreds of digital channels on the ASTRA system, the launching of further satellites and the expansion of its footprint across Europe.

In 1998, SES became a publicly listed company through an initial public offering and listing on the Luxembourg Stock Exchange. In 1999, the Group began its transition from a single-market business to a global operator through a strategy of acquiring minority interests in regional operators, such as Asian operator AsiaSat, Nordic operator NSAB, and Brazilian operator Star One.

In 1998, SES opened a second orbital location for Europe at 28.2°E with the launch of ASTRA 2A in August 1998. This satellite mainly served the DTH markets in the United Kingdom and Ireland.

In 2001, SES acquired a 100 per cent interest in General Electric's (*GE*) satellite communications unit - American Communications, for a consideration in cash and shares, following which GE became a significant shareholder in SES. This formed SES AMERICOM and the acquisition included 13 satellites serving the North American market, as well as six other satellites covering Asia, Latin American and certain Oceanic regions. The transaction also included a U.S. government services unit that formed the basis of what is today SESGS.

In 2003, the Group created a strategic partnership that linked SES AMERICOM (North America's largest satellite operator at the time) with EchoStar (the U.S.'s second-largest DTH

network) by which the Group procures satellites and then fully contracts the capacity of the satellites to EchoStar.

In May 2004, SES's securities were listed on the Euronext Paris Stock Exchange in order to further facilitate trading in SES's securities.

Also in 2004, SES acquired DPC from the Kirch Group. Renamed SES Platform Services, this entity provided broadcasters with playout, multiplexing and encrypted satellite uplinks as well as other media broadcast services (in 2016, upon the acquisition of RR Media (for €216 million) a new service company was created, MX1, which SES Platform services was rolled into).

In 2006, SES extended its footprint to deliver global coverage through the acquisition of New Skies Satellites, a Dutch operator, and through this created SES New Skies. This acquisition gave the Group global coverage that was based on 100 per cent-owned satellites, thereby shifting its strategy away from minority interests such as AsiaSat and Star One. In a €1.2 billion spin-off transaction in 2007, these and certain other assets and cash were contributed to GE in exchange for its remaining shareholding in the Group, shares which were then cancelled. SES New Skies and SES AMERICOM were later merged in 2009 to create SES World Skies, which was merged into SES S.A. in 2011.

In 2008, the Group began using a new orbital position, 31.5°E, to serve markets in Eastern Europe. Operations were initiated with the Sirius 2 satellite, renamed ASTRA 5A. Following its retirement from service, operations subsequently continued on ASTRA 2C and then ASTRA 1G. ASTRA 5B was launched on 22 March 2014 and operates at 31.5°E.

In 2009, SES continued to expand despite the global economic downturn, with robust demand for capacity in its developing markets. In particular, the Group entered into a partnership with Star Satellite Communications Company PJSC (*YahSat*) to offer DTH television in the Middle East and North Africa. The Group also announced its strategic investment in O3b.

Also in 2009, SES launched HD+, a B2C German HD platform, offering viewers more than 50 channels in HD quality, including 23 of the largest commercial broadcasters in Germany.

By 2010, the Group had more than 40 satellites in operation and celebrated its 25-year anniversary.

In 2011, SES announced its new operating model that brought the market facing entities, SES ASTRA and SES WORLD SKIES, under a streamlined management structure and consolidated its activities.

In 2012, the Group expanded its fleet through the launch of three new satellites, SES-4, SES-5 and ASTRA 2F. The ASTRA satellite system is still deeply rooted in Europe where it continues to provide satellite services to 37 countries in its geographic footprint coverage.

In 2013, the Group broadcasted its first Ultra HD Demo Channel, and launched three new satellites, SES-6, SES-8, and ASTRA 2E. Each of these satellites were targeted to particular customer uses including key video and mobility services over the Americas, service to the Asia-Pacific region, and extended service capabilities to Europe, the Middle East and Africa.

With the launch of SES-8 in 2013 on a SpaceX Falcon 9 rocket, the first commercial launch of the rocket, the Group began what has since become a beneficial partnership with SpaceX to pioneer in new areas of rocket launching, thereby expanding access to space by pursuing lower launch costs.

In September 2015, SES Platform Services unveiled several innovative new products, which would help to shape the future of video distribution across multiple devices. These included FLUID HUB, which provided managed cloud-based services on a variety of video platforms.

In 2016, SES announced that SES Platform Services would merge with RR Media to form MX1. In July 2016, SES completed the merger of RR Media with SES Platform Services. The combination of these two complementary businesses created what SES believes is a leading media solutions provider. The new company, MX1, enhances and expands SES's capabilities to deliver and monetise a range of video services across both linear and non-linear platforms. MX1 provides a global network and cloud-based technologies to deliver a full suite of innovative digital video and media end-to-end solutions.

On 1 August 2016, SES acquired 100 per cent of O3b through the exercise of a call option, later creating the SES Networks business unit in 2017 through this transaction. In connection with the acquisition of O3b, on 31 May 2016 SES raised gross proceeds of €908.8 million through an issuance of 39,857,600 new fiduciary depositary receipts placed with institutional investors and the issuance of 19,928,800 B shares of SES to existing B shareholders (the **Capital Raise**) and carried out two issuances of Deeply Subordinated Fixed Rate Resettable Securities, in aggregate of €1.3 billion, which settled on 10 June 2016 and 29 November 2016 (the **Hybrid Issuances**). For more information on O3b, see section “—O3b” below.

On 15 December 2016, SES completed the refinancing of the entire USD 1.4 billion of O3b debt. The refinancing was funded using available cash, which included the proceeds of the Deeply Subordinated Fixed Rate Resettable Securities issued on 29 November 2016.

In March 2017, SES pioneered reusable technology when SES-10 was launched by SpaceX on a Falcon 9 flight-proven rocket. SES-10 went operational on 15 May 2017 at 67° West and now serves what SES believes to be thriving markets in the Latin Americas region.

In April 2017, the Board of SES approved a restructuring of SES's go-to-market organisation model with the creation of two highly focused business units – SES Video and SES Networks. The new organisation model, which started to be implemented in May 2017, allows SES to deliver increasingly differentiated and essential satellite-enabled communication solutions to customers in the video and data-centric verticals. Ferdinand Kayser, formerly Chief Commercial Officer, was appointed CEO of SES Video. Steve Collar, formerly CEO of O3b, was appointed CEO of SES Networks, which includes the Fixed Data, Mobility and Government verticals, integrating the staff and services of O3b.

On 18 May 2017, the SES-15 satellite was launched on board a Soyuz launch vehicle from the Guiana Space Center in Kourou, French Guiana. SES-15 marks the entry of the first of three planned hybrid satellites, which have both wide beam and high throughput (**HTS**) capabilities. SES-15 carries a hybrid payload, comprising Ku-band wide beams and Ku-band HTS capability, with connectivity to gateways in Ka-band. On 15 January 2018, SES announced that the new SES-15 spacecraft had become operational at the 129° West orbital position on 1 January 2018. As planned, the all-electric satellite took six months to reach its orbital position and complete its testing.

On 11 October 2017, SES-11 was launched to support the continued development of the U.S. orbital arc media distribution neighborhood and to provide coverage over North America, including Hawaii, Mexico and the Caribbean. The spacecraft's Ku-band capacity will replace AMC-15 at 105° West, an orbital position where EchoStar has been an anchor customer since 2006. The spacecraft's C-band capacity will provide replacement capacity for AMC-18 at the same position. On 29 November 2017 SES announced that the SES-11 satellite was fully operational.

On 26 January 2018, SES-14 was launched to replace NSS-806 and support SES's cable neighbourhood in Latin America, the Caribbean, and across the North Atlantic. SES-14 also carried the Global-Scale Observations of the Limb and Disk (GOLD) as a hosted payload for NASA.

On 31 January 2018, GovSat-1, a brand operated by LuxGovSat S.A., a public-private joint venture between the Luxembourg Government and SES, launched its first satellite (**GovSat-1**). Its mission is to provide secure, reliable and accessible satellite communication services for governments, addressing connectivity demands for defence and institutional security applications. GovSat-1 will be a multi-mission satellite that will use X-band and military Ka-band frequencies on high-power and fully steerable mission beams to support multiple operations.

On 12 February 2018, the Board of Directors of SES announced its decision to appoint Steve Collar as the President & CEO of SES and Andrew Browne as the CFO of SES.

On 8 March 2018, SES launched four O3b satellites. These additional MEO satellites augmented SES's existing O3b constellation of 12 satellites to deliver low latency, fibre-like connectivity to people and businesses in the growing mobility, fixed data and government markets.

On 4 June 2018, SES launched SES-12 to replace NSS-6 and expand SES's capabilities to provide DTH broadcasting, VSAT, Mobility and High Throughput Satellite (**HTS**) data connectivity services in the Middle East and the Asia-Pacific region, including rapidly growing markets such as India and Indonesia. The satellite was co-located with SES-8 and is capable of supporting requirements in multiple verticals from Cyprus in the West to Japan in the East, and from Russia in the North to Australia in the South.

On 27 September 2018, the C-Band Alliance (**CBA**) was established by Intelsat, SES, Eutelsat and Telesat to implement the safe and efficient clearing and repurposing of C-band spectrum, supporting the United States in its goal of leadership in 5G deployment and innovation. While implementing the breakthrough, market-based proposal to clear spectrum, the CBA will also protect the quality and reliability of existing C-band services, providing current users certainty and operational integrity.

At the end of February 2019, SES-12 started to operate at 95° East, co-located with SES-8, and is relying on its combination of wide-beam and HTS capacities to deliver new services over the Asia-Pacific region.

In April 2019, the final four O3b satellites (satellites 17-20) were launched, completing the first generation of SES's successful and unique MEO constellation. The four additional satellites entered operation very recently, enhancing coverage across the globe and enabling SES Networks to provide greater service availability and reliability.

### **Recent Developments – most significant trends since the end of the 2019 financial year**

On 28 February 2020, the U.S. Federal Communications Commission (**FCC**) adopted a Report and Order of Proposed Modification in connection with the repurposing of 280 MHz of C-band spectrum to support deployment of terrestrial 5G services in the contiguous United States. This decision represents a milestone in clearing 280 megahertz of C-Band spectrum and in doing so protecting the 120 million US households and critical broadcast customers and communities that fully use the C-band today.

On 2 March 2020, SES launched the next phase of strategic transformation that includes consideration of the potential separation of the Networks business within SES. This next phase of strategic transformation is to position itself for future growth and deliver maximum value to

customers and stakeholders. The programme, called Simplify and Amplify, is to be executed throughout 2020 and comprises a series of strategic actions to enable SES to best deliver against its declared purpose of doing the extraordinary in space to deliver amazing experiences everywhere on Earth. It is the next phase in a process that began in 2017 when SES first established distinct units for its video and data businesses. The programme comprises four major initiatives:

- **Create Pure-Play Verticals:** SES will investigate the creation of two ‘pure-play’ market verticals through the potential separation of its Networks business within SES in order to drive strategic and operational focus, provide increased external visibility and appropriately configure SES’s overall business for the future. Consideration will include an analysis of a separate capital structure for the Networks business, potentially providing it with access to external capital to accelerate growth and build on the unique value proposition that has been established in the market. This structure would also facilitate a sharp focus on the cash generating and value sustaining priorities within SES's market-leading video business, leveraging its premier direct-to-home (*DTH*) neighbourhoods and superior global reach. As a result of the recent adoption by the FCC of its order regarding the repurposing of part of the C-Band spectrum, SES is putting in to place a dedicated team to execute what is, in its view, one of the most complex and demanding spectrum-repurposing contemplated to date. This team will leverage SES’s in-house expertise to ensure a seamless process that meets the critical needs of its current customers as well as the FCC's desire to enable 5G leadership for the United States on an accelerated timeline. This is an opportunity to protect SES’s neighbourhoods and current customers, support the nearly 120 million U.S. households that rely on the C-band for their cable and broadcast programming, and create shareholder value for SES.
- **Focus on Core Strengths:** The markets in which SES operates have become both more resource intensive and the subject of technological disruption. SES will focus its capabilities and offerings across each of its markets on profitable segments that play to the Group's core strengths, doubling down where it makes sense to do so, while exiting, reducing exposure to, or establishing alliances and partnerships to serve, other market segments. This will result in a stronger, more focused SES with world-leading products and solutions in the areas where it excels.
- **Simplify Operations:** SES expects to realign its resources to support the above initiatives, to simplify operations, maximise efficiency, and make SES easier to do business with. Activities will include the consolidation and reorganisation of some functions to reflect any changes in business scope and structure. In addition, SES plans to conduct a comprehensive review of its global footprint.
- **Innovate for the Future:** SES will deepen its commitment to innovation to drive the customer solutions demanded in the market today and in the future. SES has led the industry in the development of low-latency Non-Geostationary and now multi-orbit architectures along with the integration of network functions and automation. This further commitment to innovation will broaden SES’s leadership in cloud integration through the development of a "cloud practice" focused on creating and driving cloud scale across all target market segments. In addition, SES intends to establish an innovation hub to co-create and incubate solutions together with customers and partners, and develop new technologies and business models through corporate venturing.
- **COVID-19 impacts and responses:** SES has implemented a number of measures in response to the COVID-19 global pandemic which focus on ensuring the safety of employees and

business continuity, mitigating impact on financial performance, and ensuring access to liquidity and financing. SES has not experienced any material supply chain impact resulting from Covid-19.

Since early March 2020, SES has maintained a worldwide ‘work from home’ policy for the majority of its 2,100+ full-time employees and additional part-time staff/contractors, before any government regulation. SES has well established and tested contingency plans in place to address a number of scenarios across all technical facilities around the world and, accordingly, does not anticipate any impact on the services provided to SES’ customers. All operations centres across the SES network remain 100% in service and operational.

The fixed and long-term nature of SES’ commercial contracts provide strong cash flow visibility and security. SES is closely monitoring development across all business segments, most notably Aeronautical, Cruise and Sports & Events. At the same time, SES is focused on driving opportunities to support additional demand for content connectivity solutions in Fixed Data and Government.

- On 2 April 2020, shareholders approved all annual general meeting resolutions and elected Frank Esser as Chairperson.

## **SES Video**

SES Video delivers high-quality media content to 367 million households worldwide across 40 video neighbourhoods. As of 31 December 2019, the SES fleet distributes over 8,300 TV channels to global audiences including nearly 3,000 High Definition (HD) and Ultra HD (UHD) TV channels. Globally, this is done via Direct-to-Home (DTH) platforms, Direct-to-Cable (DTC) neighbourhoods, digital terrestrial, and Internet Protocol Television (IPTV) networks.

As at 31 December 2019, SES carried a total of 8,324 TV channels to viewers around the world including 2,956 channels in High Definition (up 6 per cent year-on-year) and 48 commercial Ultra High Definition channels (up 17 per cent year-on-year)]. 68 per cent of the total TV channels carried on the SES fleet are now broadcast in MPEG-4 with an additional 4 per cent in High Efficiency Video Coding.

SES Video delivers a full suite of innovative end-to-end value-added services for both linear and non-linear distribution on premises software and now via Cloud. Every day, SES Video manages playout for more than 525 channels, and delivers more than 8,400 hours of online video streaming, including over 620 hours of premium sports and live events.

Those connectivity solutions and services are delivered to a broad range of global customers. Key customers include Sky, Dish, Canal+, BBC, Pro7 Group, ARD, ZDF IMG, Telefonica, Amazon, Discovery, Disney, Fox and Turner.

For the year ended 31 December 2019, SES Video generated revenue of EUR 1,213.4 million, including periodic revenue of EUR 3.4 million. Underlying revenue (excluding periodic) of EUR 1,210.0 million was 7.8 per cent lower than the prior year at constant FX reflecting lower distribution (-7.9 per cent) and services (-7.2 per cent) revenue, including from U.S. wholesale and reduced exposure to low-margin services contracts.

In the SES Video Distribution segment, underlying revenue was 7.9 per cent lower (constant FX) in 2019 than the prior year. As expected, North American revenue decreased, primarily driven by the reduction in wholesale business related to a specific satellite used by a single customer while the ongoing switch-off of Standard Definition TV channels also contributed to the lower (year-on-year)

revenue development in this region. In Europe, the effect of modest volume reductions on certain long-term renewals secured in late 2018 and the reversal of some short-term capacity contracts that ended during the second half of 2018 contributed to lower (year-on-year) revenue. While trading conditions remained challenging, SES has made progress in its international business with new customer contracts signed, albeit not yet offsetting the impact of challenges in specific markets.

In the Video Services segment, underlying revenue was 7.2 per cent lower (constant FX) in 2019 compared with the prior year. Lower hardware sales, as the business is shifting towards a software-based model in partnership with leading TV set manufacturers such as Panasonic and Samsung, led to HD+ revenue being lower (year-on-year) while the number of paying subscribers remained stable. In MX1, the discontinuation of certain low-margin services led to lower overall (year-on-year) revenue and held back the positive contribution from other, more value-added products and services. This included the Sports & Events business, where SES Video continued to build commercial momentum with major sports rights holders, as well as SES's OU Flex solution. Since the beginning of September 2019, MX1 has been combined with SES's video infrastructure teams to create a single market-facing entity and improved value proposition for customers. See "*Presentation of Financial and Other Information*".

## **SES Networks**

SES Networks provides managed global connectivity and data service solutions for a wide range of fixed and mobile applications. By combining a global GEO / MEO network and end-to-end solutions capability, SES Networks enables major Government, Fixed Data (Telco, MNO and Cloud) and Mobility (Aeronautical and Maritime) customers to extend their network reach across the entire world. SES is the first, and only, satellite operator to have been certified with the Metro Ethernet Forum (MEF) 2.0 standard, used to rate the latency of terrestrial networks. By adopting these practices and standards of the terrestrial network system, SES is making it easier for customers to integrate satellite-based networks into a global ecosystem. This also includes the integration of software-defined networking (SDN) capabilities and the flexibility and control that come with it opening new opportunities such as the optimisation of the traffic between MEO or GEO over an intelligent multi-orbit network. Further, SES is working with Amdocs to host an Open Networking Automation Platform (ONAP) within a Microsoft Azure domain. This is a first for the satellite industry leveraging standards developed within the Telco and Cloud industries to bring the same automation and programmability to Satellite.

Network customers vary depending on the data application. For mobility applications, customer examples are Thales, Panasonic, Gogo, Global Eagle. In contrast, in the cruise industry, SES directly partners with the cruise companies including Carnival, Royal Caribbean, Genting, MSC. Examples of government customers are the Luxembourg State, US DoD, Nasa, ESA, Hughes. Besides, SES Telco customer examples are Orange, Teleglobal and Telefonica.

For the year ended 31 December 2019, SES Networks generated revenue of EUR 762.0 million including periodic revenue of EUR 27.9 million. Underlying revenue (excluding periodic) of EUR 734.1 million was 4.5 per cent higher than the prior year.

In the Government vertical, 2019 underlying revenue grew by 4.9 per cent (year-on-year) at constant FX on the back of a second successive year of growth in both U.S. and Global Government revenue. Revenue from the U.S. Government continued to grow, supported by MEO and a solid base of GEO-enabled network solutions, albeit with some delays experienced which impacted the timing of revenues. Growth across the Global Government portfolio was driven by the expansion in managed



services for government-funded connectivity projects, humanitarian operations, as well as strong execution in institutional projects.

In the Fixed Data vertical, 2019 underlying revenue was 4.2 per cent lower (year-on-year) at constant FX. Growth in the Americas, and notably Latin America, was supported by new and incremental managed services to tier one telecommunications companies and Mobile Networks Operators to deploy 4G networks and government-funded rural WiFi projects, as well as ongoing MEO adoption provided to leading service providers in the Energy segment. The business also saw growth in Asia, especially in the second half of 2019, following the successful deployment of broadband access and mobile connectivity services to rural communities in support of government-funded universal service obligation projects and in partnership with telecommunications companies. Lower revenue from wholesale capacity in Europe, the Middle East and Africa, and services in Asia Pacific, led to overall 2019 revenue in the Fixed Data vertical, being lower than 2018 which benefited from an exceptionally strong fourth quarter and has yet to be offset by the timing of customer upgrades and new business secured during 2019 but not yet contributing to a full year of revenue.

In the Mobility vertical, 2019 underlying revenue grew by 16.6 per cent (year-on-year) at constant FX with double-digit growth in both Aeronautical and Maritime. Aeronautical once again delivered strong growth driven by the steady increase in the fill rate of SES-15 and SES-14, capturing the significant demand for bandwidth and services from Aero Service Providers supporting airlines operating flights across North America and Latin America; the expansion of SES's Ka-based aero network; the first contribution from managed connectivity services delivered to the business aviation segment and the restoration of services on behalf of Intelsat as part of the restoration agreement between the two companies that was activated during Q2 2019. In Maritime, the cruise segment continued to lead growth with the expansion of agreements with existing cruise customers and contributions from new cruise operators signed. As at 31 December 2019, SES is now supporting four of the top five global cruise operators, representing significant vessel expansion potential and highlighting SES's market-leadership in this important and valuable part of the market. See "*Presentation of Financial and Other Information*".

## **Industry Overview and Trends**

### ***Overview***

SES operates in the Fixed Satellite Service (**FSS**) sector of the satellite industry, which forms an integral part of the global communications infrastructure. According to NSR, revenue of FSS operators reached \$13.7 billion in 2018 (Source: Satellite Industry Financial Analysis (9th Edition) - NSR October 2019).

Over the last several years, deregulation and privatisation have significantly reshaped the FSS sector. In addition, the sector has seen an increase in export financing from countries such as China, France and the U.S. that has contributed to the development of national satellite programmes. The sector has also undergone consolidation, with regional and national operators being acquired by larger companies or seeking to partner with other providers.

There are currently three FSS operators in addition to SES that provide services globally. This is increasingly important as broadcasters, enterprises and governments seek global connectivity. The number of FSS operators having invested in HTS capacity has grown to 35 by 2020 (Source: Euroconsult, High Throughput Satellites, March 2020). In addition, there are a number of operators with fewer satellites that provide regional and/or national services.

## ***Satellite Communication***

Satellite operators compete with terrestrial (fixed and wireless) network operators (e.g., cable, DSL, fibre optic, microwave broadcasting and 3G/4G/5G networks) in the market for video, data and voice communication services. Satellite services have several advantages over these competing communication platforms, such as:

- the ability to extend beyond terrestrial network end points, or provide an alternative path to terrestrial infrastructure, thus avoiding points of congestion or unreliability;
- cost-effectiveness and efficiency in content distribution through the ability to broadcast high-quality signals (TV, radio and internet) from a single location to many locations simultaneously;
- fast network deployments, with network performance easily replicated across each site regardless of geography or infrastructure, and efficient centralised control and management;
- the ability to provide ubiquitous coverage over a large geographic region allowing for the addition of sites at a lower marginal cost. Unlike cable and fibre lines, satellites can readily provide broadcast and communication services over large areas and to remote locations where the population density may not be high enough to warrant the expense of building a terrestrial-based communications network;
- the ability to reach mobile sites that cannot be connected by terrestrial means;
- superior end-to-end network availability compared to terrestrial networks;
- sufficient bandwidth to support the introduction of new technologies and video and data offerings, such as HD and UHD television; and
- rapid communications capabilities for disaster recovery.

Terrestrial alternatives, such as fibre optic cable, may be more advantageous than satellite in some circumstances and can be used in conjunction with satellite to provide a hybrid network that takes advantage of the inherent abilities of both technologies. Generally, in densely populated areas well served by terrestrial networks or for point-to-point communications, terrestrial alternatives may have a cost advantage, while in remote areas point-to-multi-point communications may be better served by satellite.

In recent years, the growth in both linear and non-linear TV viewing and the demand for the delivery of broadcast and broadband networks to subscribers through a single user interface have led to the development of Hybrid Terrestrial-Satellite solutions. This trend of hybridisation combines the satellite's broadcast quality, reach and economics with the interactivity of non-linear and terrestrial networks. Pay TV operators increasingly bundle their offerings with non-linear video services, as consumers require convenient access to content irrespective of distribution technology.

## ***Supply and Demand for Fixed Satellite Services***

### ***Supply***

The supply of satellite capacity is affected by significant requirements for financial, technical, human, natural and other resources. For instance, there are a limited number of orbital locations and limited radio frequency spectrum available to commercial communications satellite operators. As a result, a limited number of satellites can be placed into service over any particular geographic area.

New entrants face the significant capital costs of procuring and launching a satellite and must maintain the financial and highly specialised technical resources required to operate a satellite system and market its services. Other regulatory requirements must also be satisfied before a new entrant can provide services to, from or within a specific country. As such the supply of satellite capacity is also constrained by a number of regulatory requirements at national, regional and supra-national levels.

Available supply of satellite capacity varies significantly by region, frequency and market segment. With respect to video distribution, “neighbourhoods” develop where many thousands or even millions of consumer satellite dishes or cable head-ends are pointed at a specific orbital location or locations. Due to the commercial attractiveness of those neighbourhoods developed over time as a result of significant investments by satellite operators, video distribution networks prefer to secure expansion of satellite capacity from satellites located at the orbital location(s), or neighbourhoods, to which their or their customers’ satellite dishes are already pointed.

### *Demand*

Demand for satellite services is primarily driven by economic growth, both generally and within a particular geographic area, growth in product or service markets, growth in demand for bandwidth-intensive applications, technical advancements and improved regulatory access to new and existing markets.

In particular, SES believes the following factors will drive FSS growth in the next decade:

#### Proliferation of Video content and format

FSS operators are experiencing stable demand for both video distribution and contribution, evidenced by the continued growth in the number of channels being broadcast. Demand is also driven by the increasing volume of high-quality display formats, including a significant number of HDTV channels, which require two or three times more bandwidth than standard definition channels for a given compression format. Demand for UHD (4K) is growing, driven by the availability of UHD screens in the market and the heightened focus by DTH operators on premium quality which will enable further differentiation among operators. Demand for higher picture quality largely compensates for advances in compression technology. In addition, an increasing number of movies and digital cinema are now shot in UHD. Commercial UHD broadcasts started in 2015, their number is growing, and they are expected to become widespread by around 2025. Mobile and fixed telecommunication companies are also turning to satellite as they face significant consumer demand for video content, both as an add-on to complete triple-play bundles as well as embedding satellites in hybrid solutions to compensate for a lack of terrestrial broadband coverage.

#### Proliferation of Data-centric applications

The market for data-centric applications is expected to show strong growth, with global industry revenue across the Mobility, Fixed Data and Government market verticals projected to more than double between 2020 and 2028, with a compound annual growth rate (**CAGR**) of over 10 per cent (source: Northern Sky Research, Global Satellite Capacity Supply & Demand, 16<sup>th</sup> Edition, June 2019).

*Mobility.* Applications such as maritime communications and aeronautical services are fuelling demand for satellite bandwidth. Significant technology advancements are enabling the provision of broadband connectivity to a wide range of commercial passenger and business aircraft and different kinds of maritime vessels. The same technologies are also able to furnish these links to manned and unmanned aeronautical platforms and naval ships used by government and/or defence users.

*Fixed Data networks and applications.* Corporate VSAT networks are being widely implemented in developing regions and markets as economic growth and foreign trade expands. Banking is among the sectors driving this growth, along with multinational corporations in such regions and markets. Rapid growth in cellular services in developing regions is expected to transition demand for voice-only services to demand for data and video services over time, resulting in increased network bandwidth requirements. Given the low penetration of fixed-line telephone services in developing markets and the introduction of smart phones, tablets and netbooks, internet access in these markets may be primarily served by satellite connectivity.

The use of satellite networks has expanded in recent years to support oil and gas extraction and other resource sectors such as mining. In more developed regions such as North America, oil and gas companies increasingly rely on satellite since deposits are often located far from terrestrial infrastructure and the use of remote real-time operations monitoring continues to increase. Demand for satellite capacity has been driven both by growth in this sector as well as an increase in the use of bandwidth-intensive applications by such operations.

Ka- and Ku-band satellite services support broadband internet access for consumers and small businesses. The capabilities of today's high-throughput satellites allow internet satellite providers (*ISPs*) to offer high-speed internet access comparable to terrestrial alternatives.

*Government.* Government digital inclusion projects to bring broadband services to rural and remote communities and those with limited terrestrial infrastructure are an important and growing application being led by civilian agencies in both developed and developing nations. These projects coincide with strong government demand from national broadband programmes for rural connectivity and universal mobile coverage obligations.

Demand for satellite capacity from defence and military agencies around the world continues to grow. The U.S. government remains the single largest user of commercial satellite communications capacity and most of this use relates to U.S. Department of Defense operations.

## **Customers and Services**

### ***Overview***

SES provides its services to customers worldwide, including broadcasters, telecommunications companies, content and internet service providers, mobile and fixed network operators, network integrators and corporate and government customers. As of 31 December 2018, the Group served over 700 broadcasters, enterprises, institutions and governments in over 130 countries.

#### **Customer Segment**

#### **Key Services Sold**

Video

DTH broadcasting and Video contribution including HD and UHD TV channels (>8,300 channels worldwide)

Ground services i.e. teleport services and managed digital media services

Consumer TV platforms, e.g. HD+

Fixed Data

Wide-beam and GEO/MEO HTS capacity and teleport services

Network/platform services (e.g. mobile backhaul for Telcos and Mobile

<b><u>Customer Segment</u></b>	<b><u>Key Services Sold</u></b>
	Network Operators (MNO))
	Managed networks for consumer/SME applications (e.g. VSAT networks, broadband internet access)
Mobility	Trans-oceanic and landmass wide-beam and GEO/MEO HTS capacity and teleport services
	Mobility network/platform services (e.g. aeronautical connectivity, maritime connectivity)
Government	Wide-beam and GEO/MEO HTS capacity and secure teleport services communications link
	C-/Ku-/Ka- and Military frequency capacity
	Fully managed end-to-end service to the end customer including hosted payloads

### ***Services Agreements***

The Group provides its satellite transponder capacity and related services under a variety of contract terms. Satellite capacity contracts vary in length and content depending on the type of customer. The Group's contracts are up for renewal at various times in the future. The Group's contracts generally do not have break clauses and therefore must be honoured in full.

*Broadcasters.* Contracts with broadcasters are generally long-term, with typical durations of five to ten years (and up to 15 years in certain cases) for customers in North America and Europe, and two to five years for customers in developing markets. Such contracts can sometimes be for the whole of a satellite's operational life and can be for single or multiple transponders.

*Commercial enterprises.* Contracts with commercial enterprises are generally three to five years in length, and the capacity contracted for will generally cover more than one geographic region.

*Government.* Contracts with government customers are generally no longer than one year in length, as government customers generally cannot pre-empt an annual budget allocation. The Group has multi-year framework agreements with many of its government customers pursuant to which the customer agrees that the contract will be renewed as long as the agency receives the necessary funds. SES has recently signed five-year agreements with U.S. government customers, signalling a move to consider longer-term contracts, to facilitate operational requirements and secure capacity on more favourable terms.

Under the Group's standard capacity allotment agreement, customers must obtain operating licences from the relevant regulatory authorities, comply with regulations governing the content of audio-visual programmes, obtain the rights to operate their earth stations and comply with the Group's technical specifications. The Group may also require a customer to provide a bank or other guarantee as security for payment with regard to allotted capacity and in respect of the customer's contractual obligations.

## **Product Development and Management**

### ***Overview***

In order to ensure an effective client-solutions based approach, SES is building differentiated capabilities in two market verticals where satellites have a predominant usage, SES Video and SES Networks - which includes Fixed Data, Mobility and Government. Each vertical is addressed by a functional group that develops and deploys commercial solutions and “go-to-market” strategies in their respective verticals. Furthermore, these groups will ensure that developed solutions are fully leveraged across SES’s products & services portfolio. The groups act in close collaboration with the various business support functions at the core of SES, including the business development and engineering teams of SES.

In the Video segment, SES has also expanded its capabilities beyond satellite infrastructure into service provisioning. SES also offers specialised digital media services such as content aggregation, content management, channel payout, OTT, VOD and content distribution via satellite, fibre and Internet Protocol (*IP*) for broadcasters, TV channels, content owners, content aggregators, rights holders, sports organisations and more. These services are provided globally, with principal business coming from Europe, the United States, the Middle East, Africa and Asia. The suite of services is orchestrated by SES 360, a media platform for managing and delivering linear and non-linear content to any broadcast, VOD or OTT platform.

SES also operates a separate business unit. HD+, which is organised and structured as an individual entity. Created in 2009, HD+ provides broadcasters in Germany with a method to deliver their HD content to paying audiences via satellite. In 2019, HD+ launched what it believes to be the first HbbTV operator app (“HD+ integrated in TV”). HD+ integrated in TV works like a virtual set-top box directly in the television set - in the “look and feel” of HD+. The consumer does not need to purchase an additional set-top box or CI+ module to use HD+. An integral part of HD+ integrated in TV is the “HD+ Komfort-Funktion” (value added services). It includes the instant restart of programmes, direct access to 7-day-catch-up TV and an innovative TV guide. The new HD+ has so far been integrated into television sets from two leading TV manufacturers. Further manufacturers are expected to follow.

Since 2019, HD+ subscribers have also benefited from new services, including exclusive live sports content from Eurosport. Football matches as well as tennis Grand Slams, cycling highlights and MotoGP are all part of the extended HD+ offer thanks to a partnership with the leading media company Discovery Networks Germany, Eurosport’s parent company. Additionally, in 2017, HD+ expanded its service to meet consumer demand for multi-screen and multi-room viewing by launching HD+ ExtraScreen. It uses Sat>IP technology, an in-home IP delivery technology, to enable viewers to enjoy HD quality video delivered via satellite on their tablets or smartphones in their homes.

### **Satellite Fleet**

#### ***Network and Technology***

##### ***Network***

The Group’s global network is comprised of 53 GEO and 20 MEO satellites as well as ground facilities, including teleports and leased fibre, which support the Group’s commercial services and the operation and control of its satellites. Features of the Group’s network include:

- prime orbital locations, reflecting a valuable portfolio of coordinated fixed satellite spectrum rights;

- currently 99.999 per cent space service availability of commercialisable transponders on the SES fleet;
- flexibility, subject to contractual restrictions in some cases, to relocate satellites to other orbital locations, such as when there are changes in demand patterns or requirements of new customers;
- design features and steerable beams on many of the Group's satellites, enabling the Group to reconfigure capacity to provide different areas of coverage and to operate in different frequency bands; and
- multiple satellites serving each region, allowing for alternatives if a satellite anomaly should occur.

### *Satellite Systems*

All of the Group's GEO satellites are located approximately 22,300 miles, or 35,700 kilometres, above the equator. GEO satellites can receive radio frequency communications from an origination point, and distribute those signals to a single or multiple receivers within the coverage areas of the satellites' transmission beams.

All of the Group's MEO satellites are located approximately 5000 miles, or 8000 kilometres, above the Equator. MEO satellites can receive and transmit radio frequency communications bidirectionally between large earth stations ("gateways") and customer terminals, serving data centric applications. The proximity of the satellites to the earth enables a shorter time between transmission and reception of signals by customer terminals ("**low latency**") than the GEO fleet. This is important for those applications which require low latency transmissions.

The SES MEO fleet uses a part of the radio frequency spectrum denoted as "Ka-band", with high power, very narrow beams facilitating high throughput primarily to serve cost effective data applications; Ka-band is more susceptible to rain fade than the other bands typically used for satellite transmission. The SES GEO fleet transmit using a variety of sub bands of the radio frequency spectrum depending on the spectrum available for use at each orbital location, which may include one or more of the following bands:

- C-band – low power, broad beams that require use of relatively large reception antennae; the spectrum least susceptible to weather-related transmission impairments.
- Ku-band – high power, narrow to medium size beams facilitating use of smaller antennae which are favoured by businesses and private end customers; optimal for DTH applications; generally highly reliable and seldom affected by weather-related impairments.
- Ku-band – high power, very narrow beams facilitating high throughput and use of smaller customer antennas primarily optimised for data applications. Generally highly reliable and seldom affected by weather-related impairments. This form of Ku-band is used on HTS.
- Ka-band – high power, very narrow beams facilitating high throughput and use of smaller customer antennas primarily for data applications; Ka-band is more susceptible to rain fade than lower bands. The Ka-band is optimised for data applications. This implementation of Ka-band is used in Military Ka-band (GovSat-1) – a specific part of the Ka-band reserved for governmental applications.
- X-band – medium power with medium size beams used exclusively for governmental applications like communications on the move.

- L-Band – low power with broad beams used for global navigation satellite systems.

A GEO satellite is identified as geostationary (or station-kept) when it is operated in an assigned segment of the geo-stationary arc, which is designated by a specific range of latitudes and longitudes. GEO satellites revolve around the earth at an angular velocity that corresponds to that of the earth's rotation and thus appear to stay above a fixed point on the Earth's surface at all times.

GEO satellites that are only station-kept in longitude are said to be in inclined orbit. The daily north-south motion of a satellite in inclined orbit exceeds the specified range of latitudes of its assigned station-keeping box, and the satellite appears to oscillate slowly, moving above and below the equator every day. An operator will typically operate a satellite in inclined orbit toward the end of its service life because significant amounts of propellant will be saved by not controlling the north-south position of the satellite, therefore substantially extending the service life of the satellite. The kinds of services and customers that can access an inclined orbit satellite have traditionally been limited due to the movement of the satellite relative to a fixed ground antenna. However, recent innovations now allow the use of inclined orbit capacity for certain applications. As a result, if these applications are successfully introduced, the Group anticipates that demand for inclined orbit capacity may increase over the next few years. As of the date of this Prospectus, 14 of the Group's satellites were operating in an inclined orbit, with half continuing to earn revenue beyond SES's original estimated life for each of these satellites.

HTS are a relatively new class of satellites at GEO or MEO orbits, configured to optimise the available frequencies, typically Ku-band or Ka-band, via frequency re-use. This is achieved by the re-use of parts of the available frequencies in segregated spot beams, enabling higher data rates to be offered at a lower cost per bit than traditionally configured satellites (so called "Widebeam" satellites). HTS offer high capacities, typically feeding datacentric applications for fixed or mobile terminals. The MEO fleet is fully classified as a Ka HTS architecture. In the GEO arc, SES has three Ku HTS satellites in operation (SES-12, SES-14 and SES-15), and one Ka HTS SES-17 planned for 2021).

#### *In-Orbit Satellites*

The Group's operations and engineering staff are involved from the design stage through to the decommissioning of each satellite procured. The Group's employees work at the manufacturers' and launchers' sites to monitor progress, which enables the Group to maintain close technical collaboration with its contractors during the process of designing, manufacturing and launching a satellite. Extensive monitoring of earth station operations and constant satellite control and network operations support ensure consistent operational quality, as well as timely corrections when problems arise. In addition, the Group has established contingency plans for technical problems that may occur during the lifetime of a satellite.

These features also contribute to the resilience of the Group's network, which enables the Group to ensure the continuity of service that is important for its customers and to retain flexibility in the event that it needs to move customers to alternative capacity. The design flexibility of some of the Group's satellites enables it to meet customer demand and respond to changing market conditions.

#### *End of Design Life*

End of design life is the point beyond which successful operation of the satellite is no longer covered by the manufacturers' qualification programmes and reliability predictions. Various elements are considered in satellite design, such as the length of the mission, equipment reliability and redundancy schemes, limited life terms and impacts of the space environment, as well as required



power generation levels. Satellites that have reached the end of their design lives may be de-orbited and placed in a “graveyard orbit” beyond the geostationary orbit, or in some instances, may remain in operation, as in many cases those satellites are launched with enough on-board propellant to enable station-keeping, or inclined-orbit operations, beyond their design lives.

As of 31 December 2019, the 54 GEO operational satellites of SES have depreciable lives between 10 and 18 years, with an average depreciable life currently of 14.9 years. 22 of the satellites have already reached the end of their depreciable life; for the other satellites the average remaining depreciable life is 8.1 years.

#### *Network Operations and Current Ground Facilities*

The Group has satellite operations centres in Betzdorf (Grand Duchy of Luxembourg), Princeton (New Jersey), and Douglas (Isle of Man), from which the Group controls and operates each of its satellites and payloads (with the exception of QuetzSat-1, SES-7 and the YahLive payload, which are operated by third parties) and manages the communications services for which each satellite is used. These centres utilise a network of ground facilities, including earth stations that provide tracking, telemetry and control (**TT&C**) services for the Group’s satellites. This network also includes teleports, leased fibre and network performance monitoring systems. Through these ground facilities, the Group continually monitors signal quality, endeavours to protect bandwidth from any interference and maintains customer-installed equipment and analyses telemetry from the Group’s satellites in order to monitor their status and track their location. In the event that one centre is unavailable or disabled, each other centre has the ability to provide instantaneous restoration of services on behalf of the other.

#### *Capacity Sparing and Backup and General Satellite Risk Management*

As part of the Group’s satellite risk management, the Group continually evaluates and designs plans to mitigate the risks posed to its fleet. The Group attempts to mitigate the risk of in-orbit failure by careful vendor selection, stringent satellite design and test requirements and active procurement oversight and high-quality in-orbit operations. The impacts of such failures on customer service and related revenue are mitigated by an in-orbit backup strategy where customers on an impaired satellite can be transferred to another satellite in the fleet. The Group maintains some form of backup capacity for each satellite designated as being in primary operating service, which may include:

- designated reserve transponders on the satellite or other on-board backup systems or designed-in redundancies;
- co-location of satellites at the same orbital position;
- an in-orbit spare satellite; or
- interim restoration capacity on other satellites.

SES also has satellite control backup capability utilising European and U.S.-based satellite operations centres. Each satellite control centre is able to take over operations of all, or a portion thereof, satellite operations, to ensure full redundancy in contingency operations.

For information on the insurance policies the Group obtains for its fleet, see section “*Insurance*” below.

## ***Investment Programme***

### ***Recent and forthcoming satellite launches***

Four launches took place in 2018:

- SES-14, embarked on Ariane 5 launched on 26 January 2018, located at 47.5°W;
- GovSat-1, on board SpaceX Falcon 9 launch vehicle on 31 January 2018, located at 21.5°W;
- Four MEO O3b satellites (satellites 13-16), on board Soyuz rocket on 8 March 2018 and;
- SES-12, on board SpaceX Falcon 9 rocket, launched on 4 June 2018, located at 95° E.

A further four O3b MEO satellites (satellites 17-20) were launched in March 2019 to accommodate rapidly-expanding demand and will increase the size of the current fleet from 16 to 20 satellites (including three satellites currently flying as in-orbit back-up).

In 2021, the new O3b generation (O3b mPower) composed of 7 satellites will be added to the O3b existing fleet. This new constellation being built by Boeing Satellite Systems will deliver multiple terabits of throughput globally and will have 35,000 fully-shapeable and steerable beams that can be shifted and switched in real time to align with customers' quickly changing growth opportunities. O3b mPower will provide coverage to an area of nearly 400 million square kilometers, four fifths of the Earth's surface.

In 2021, SES-17 is also expected to be launched. This GEO satellite is a powerful high throughput satellite being built by Thales Alenia Space. SES has simultaneously entered into a long-term commercial agreement with Thales to offer FlytLIVE, a new inflight connectivity service over the Americas and the Atlantic Ocean region. SES will operate the satellite infrastructure for FlytLIVE, as well as the complementary ground network.

### ***Capital Expenditure***

SES expects to continue to invest in satellites, both to replace existing satellites before their end of life, and to make available new capacity at new or existing orbital positions to meet growing demand. GEO-MEO capital expenditure (growth and replacement capacity) was EUR 321 million in 2018, EUR 307.8 million in 2019 and is expected to be EUR 340 million in 2020, EUR 1,310 million in 2021 (principally relating to the investment in O3b mPOWER), EUR 390 million in 2022, EUR 390 million in 2023, and EUR 250 million in 2024. The majority of projected future capital expenditure relates to satellite investment and is based on the Group's current launch and service schedule in respect of procured satellites.

### ***Financing***

The financing of ongoing satellite procurement programmes is done through a range of structures, including, without limitation, through a mix of available resources, cash flow from operations, and drawings under existing funding arrangements where needed.

### ***Procurement Contracts***

The Group regularly enters into satellite construction contracts to procure satellites from manufacturers. The typical time required to manufacture and launch a satellite is approximately 30-36 months (but can take more time depending on the complexity of the satellite). These contracts

generally provide for payments to be made at certain milestones. In addition, the manufacturer may have to pay damages to the Group in the event that construction of the satellite is not completed on time.

### ***Launch Agreements***

SES enters into launch agreements from time to time and has not entered into a multi-year agreement with a launcher provider.

### ***Satellite Health***

The Group's fleet is diversified by manufacturer and satellite type, which reduces the likelihood of widespread technical problems and therefore any substantial negative impact on the Group's customers and operations. The anomalies experienced to date have had little long-term impact on the overall transponder availability in the Group's fleet, due to an ability to deploy back-up transponders or satellites to ensure adequate coverage. All of the Group's satellites have been designed to withstand an expected rate of equipment failure with adequate redundancy to meet or exceed their orbital design lives with a probability of 75 per cent or more. The Group has contingency plans in place that are tailored to a number of factors, including the mission, the strategic importance of the satellite, the location of the satellite and the type of anomaly. After anomalies, SES has usually been able to restore service on the affected satellite, provide alternative capacity on another satellite in its fleet or provide capacity purchased from another satellite operator. However, see the risk factor *"The Group's satellites may experience in-orbit destruction, damage or other failures or degradations in performance that could impair the satellites' commercial performance"*.

### ***Insurance***

SES maintains launch and initial in-orbit insurance (i.e., one policy typically covers the launch and an initial period (usually 12 to 16 months) after the launch), an in-orbit insurance which covers satellites that have book value after the initial 12 or 16 months post the launch as well as third party liability insurance for its satellites. The insurance policies generally contain exclusions from losses resulting from:

- military or similar action;
- any anti-satellite device;
- electromagnetic and radio interference except for physical damage to a satellite directly resulting from this interference;
- confiscation by any governmental body;
- insurrection and similar acts or governmental action to prevent such acts;
- nuclear reaction or radiation contamination;
- wilful or intentional acts of the named insured causing the loss or failure of satellites; and
- terrorism, including unlawful seizure or wrongful exercise control of satellite.

Insurance policies also contemplate technical margins relating to the propellant lifetime and solar array power generating capability of the satellites.

The Group generally purchases insurance with reputable insurers having S&P's and AM-best ratings of A- or better. The Group may use unrated or less than A- rated insurers but their participation is limited to a small percentage.

It is the Group's policy to obtain launch insurance for its satellites. Launch plus one year (L+1) insurance provides coverage from the moment of launch until one year in orbit thereafter (or in some cases a slightly longer period such as 16 months), in an amount equal to the fully capitalised cost of the satellite, which generally includes the construction costs, the L+1 insurance premium, the cost of the launch services, project management costs, non-reusable ground segment costs and capitalised interest (but may exclude portions of the ground segment which may be reused in case of launch failure).

Upon expiration of their L+1 policies, all the Group's satellites, excluding only satellites owned through joint venture share of less than 50 per cent, are insured through the Group's in-orbit fleet insurance policy. SES has adopted a policy of limited self-insurance by which SES self-insures a chosen deductible and external insurance covers losses in excess of the deductible up to a cap. In-orbit insurance premiums are paid to a wholly owned subsidiary, which assume only part of the risk, and a portion of the risk is reinsured with external insurance companies. In-orbit insurance coverage, which may initially be for an amount comparable to launch insurance levels, generally decreases over time and is typically based on the net book value of the satellite which declines every year. The Group does not currently insure against lost revenue in the event of a total or partial loss of a satellite.

As of 1 January 2020, four satellites in orbit were covered by an L+1 policy and 43 of the satellites in the Group's fleet with book value were covered by in-orbit insurance.

The Group also procures in-orbit third party liability insurance for all its satellites. Such insurance is renewed annually and provides a yearly combined single limit of €500 million of coverage.

### ***Sales and Marketing***

The Group's global headquarters are located in Betzdorf (Grand Duchy of Luxembourg). It operates worldwide through dedicated regional teams in local sales, technical, marketing and customer support offices in key locations around the world for the markets it serves.

SES combines local experience close to its customers and a commercial approach focused on taking initiative in its markets. Its collaborative way of doing business delivers solutions that facilitate success for customers and market partners.

### **O3b**

SES completed the full acquisition of O3b in 2016 and fully integrated the company into SES in 2017.

Through O3b, SES operates a constellation of High Throughput Satellites (HTS) in a MEO around 8,000 kilometres from Earth. O3b satellites deliver "fibre in the sky" connectivity to businesses and their end consumers. The system is designed to provide wide bandwidth and high throughputs so as to offer fibre-like connectivity for trunking and backhaul services for telcos, MNOs and ISPs, as well as connectivity to the energy, maritime and government segments.

The constellation of satellites rotates the globe approximately four times per day and features steerable 700-km diameter Ka-band beams. Each beam is connected to a gateway, with multiple

layers of redundancy, to give operators a reliable, high-speed service. The network provides throughputs and low-latency backhaul compatible with all forms of last-mile solutions, including 2G, 3G, 4G, LTE, and WiFi, which allows them to deliver high-quality voice and data. O3b is the first operator able to deliver 1.2 Gigabits per second of bandwidth over a single transponder. The high-throughput MEO service provides uncongested, single-hop connectivity to a global IP backbone.

The O3b constellation is considerably closer to the Earth (approximately 8,000 kilometres) than a geostationary orbit (approximately 36,000 kilometres). As a result, the signal delay is significantly reduced and is comparable with that of terrestrial fibre networks. O3b's target service area is located between 45°N and 45°S of the Equator, with a specific focus on emerging markets and insufficiently connected regions in developed markets. The satellites are capable of delivering up to 2.0 Gbps of throughput per beam, with ultra-low latency of less than 150 milliseconds, a significant improvement over geostationary connectivity. O3b's satellite beams are also steerable, which allows for greater flexibility of coverage.

## **Strategic Investments**

### ***Investment in YahLive***

#### *Overview*

The Group, through its subsidiary SES Finance S.à r.l, holds a 35 per cent interest in Al Maisan Satellite Communications LLC, UAE (***Al Maisan***), a company formed in 2009 with YahSat based in Abu Dhabi. YahSat holds the remaining 65 per cent interest.

Al Maisan operates under the brand name “YahLive” and was formed to create a DTH satellite neighbourhood at 52.5 degrees East enabling broadcasting services in the Middle East, North Africa and Western Asia. YahLive is an independent company and is utilising 23 Ku-band transponders, which were successfully launched on YahLive 1A in April 2011, providing capacity for DTH broadcasting in the Middle East, North Africa and Western Asia.

#### *Shareholders' Agreement*

YahLive is governed by a shareholders' agreement between SES Finance S.à r.l and YahSat dated 1 October 2011. Under the agreement, SES has the right to appoint three of the company's five board members and to appoint its chief executive officer. The control arising under such right (***control***) may not be transferred by SES Finance S.à r.l to another party. However, control shall transfer to YahSat in the event of a change of control at the SES level, cessation of business by SES Finance S.à r.l or SES Finance S.à r.l's shareholding in Al Maisan falling below 25 per cent.

In the event that financing is needed for any payments or expenditure contemplated in YahLive's investment plan, and one party does not agree to third-party financing, both parties shall contribute the required amounts in the form of shareholder loans in proportion to their shareholdings in the company.

The shareholders' agreement also contains customary provisions in relation to competition, rights of first refusal, tag along rights, transfers to third parties and change of control.

#### *Accounting*

Because SES has management control of YahLive, SES fully consolidates the company's results into its financial statements.

#### *Operations*

In addition to the YahLive service carrying more than 360 channels by early 2018, recent studies (held in January 2018) indicate that YahLive currently has some 62 million viewers in the Middle East and North Africa (*MENA*) region and therefore placed YahLive as the Number 1 Farsi-language operator. This consistent growth in viewership over the past years allows YahLive to remain the most popular supplier of Farsi programming in the Middle East and South-West Asia region for the fourth year in a row.

### ***Other Investments***

For a complete list of the Group's material minority investments, see note 21 to the Group's consolidated financial statements for the year ended 31 December 2019 which are incorporated by reference in this Prospectus.

### **Financing structure of the Group**

The Group has a well-balanced financing structure with access to various sources of funding, including the Eurobond markets, the U.S. Dollar bond markets, commercial paper markets and bank financing. As of 31 December 2019, the Group had a debt profile with an average maturity of 7.0 years and an average cost of 3.63 per cent per annum. The Group's liquidity position was €2,355.3 million as of 31 December 2019, taking into account cash and cash equivalents of €1,155.3 million as of 31 December 2019 combined with the Group's fully undrawn syndicated multi-currency loan facility of €1,200 million signed in January 2014 and renewed in June 2019.

### **Competition**

The Group competes in the communication market for the provision of satellite communication services to broadcasters, content owners and ISPs, mobile and fixed network operators and corporate and governmental customers worldwide. Communication services are provided using various communication technologies, including satellite networks, which provide services as a substitute for, or as a complement to, the capabilities of terrestrial networks. The Group's main competitors are other major international satellite operators, such as Intelsat, Eutelsat and Telesat as well as many regional operators active across Asia, the Middle East, Latin America, Africa, North America and Europe. All these FSS providers offer a combination of point-to-multipoint and point-to-point services. The Group also faces competition from suppliers of terrestrial communications capacity which may be transcontinental, regional, national or metropolitan in scope, and delivered via fibre copper lines or coaxial cables, as well as via 2G/3G/4G/5G or microwave systems. All of the above may also be provided by re-sellers, who purchase FSS or non-satellite capacity and then resell it in the market.

In Europe, the Group's principal competition is from terrestrial distribution technologies and competing satellite operators. SES's main competitor in the European space market is Eutelsat, a French satellite operator. Other competitors include smaller operators in the region such as HispaSat, Telenor, Hellas Sat, Arabsat, Turksat and Spacecom.

In North America, the Group's principal satellite competitor is Intelsat, with Telesat, Eutelsat and some others also providing capacity in the market. Vertically integrated player Viasat is also a competitor in the North American Networks segment, DTH television in North America has long been a service provided by vertically integrated companies DirecTV and EchoStar, both of whom own their own satellite fleets. SES supplies EchoStar and affiliated companies with transmission capacity to supplement that of EchoStar's own fleet.

In the rest of the world, there are several other, well established, regional satellite operators that compete with SES, the most prominent ones being StarOne of Brazil, AsiaSat, APT and China Satcom of China, MEASAT of Malaysia, ISRO of India, RSCC of Russia, JSAT of Japan and Arabsat of Saudi Arabia. Competitors vary according to the region being served.

Use of export credit financing from China's EXIM Bank, COFACE and the U.S. Ex-Im Bank have enabled the funding of national satellite programmes. Chinese and Russian satellite manufacturers have also offered attractive terms and vendor financing to developing countries. Together, they have engendered a wave of national satellite programmes in countries such as Venezuela, Kazakhstan, Vietnam, Nigeria, Pakistan, Ukraine, Belarus, Bolivia, Laos, Sri Lanka and several others. This is adding to the supply of satellite capacity in many regions of the world.

Please also see section "*Industry Overview and Trends*" above.

## **Property, Plant and Equipment**

### ***Offices and satellite operation centres***

The Group's administrative headquarters are located in Luxembourg. These headquarters also house one of the Group's main offices and one of the prime satellite operations centres. The land that underlies these buildings is partially owned and partially leased on a long-term basis from the Grand Duchy of Luxembourg government pursuant to a lease that expires in 2029. The Group also has key offices in The Hague (the Netherlands), Princeton (New Jersey), McLean (Virginia), Reston (Virginia), Washington (DC), Unterföhring (Germany), Bucharest, London and Singapore. In Israel, SES has its main offices at Airport City (near Tel Aviv) and also owns a teleport at Emek HaEla.

In total, the Group has more than 60 sites including satellite services centres and more than 20 offices in nearly 40 countries around the world, a substantial majority of which it leases.

The satellite operations facility of LuxGovSat S.A., a joint venture between SES and the Luxembourg government, is also located in Luxembourg.

### ***Assets***

The Group's principal assets are its satellites, its teleports and its ground network.

The Group uses a worldwide ground network to operate its satellite fleet and to manage the communications services that it provides to its customers. The ground infrastructure network is mainly composed of TT&C and/or data/video service uplink/downlink sites and communications systems monitoring (*CSM*) sites. The earth stations in the Group's ground network provide commercial TT&C and/or data/video service uplink/downlink and beam-monitoring services. The Group owns teleports in the United States, Luxembourg, Germany and Gibraltar and leases facilities at more than 50 other locations for satellite/commercial operations worldwide (excluding SESGS sites and SOHO (Small Office / Home Office) type offices). The Group also contracts with the owners of some of these facilities for the provision of additional services. The Group's network also consists of the leased communications links that connect the teleports and service gateways to its satellite operations centres or platform locations as well as to customer sites and general carrier POPs (points of presence for network carriers/providers).

The leases relating to the Group's teleports, points of presence and office space expire at various times. SES does not believe that any such properties are individually material to the Group's business or operations, and expect that the Group could find suitable properties to replace such locations if the leases were not renewed at the end of their respective terms.

## **Property, Plant and Equipment - O3b legacy**

### ***Offices***

O3b legacy is now fully integrated into SES's business unit "SES Networks". Its main offices are located in The Hague (the Netherlands) and in Virginia, USA (Manassas). The Hague office premises are leased from New Skies Satellites BV. SES Networks also has additional offices in Jersey in the Channel Islands, Washington DC, London, Dubai, Singapore and Rio de Janeiro, Brazil, with a Network Operations Centre (and backup Satellite Operations Centre) and warehousing facilities in Virginia, USA (Manassas) and a Satellite Operations Centre (and backup Network Operations Centre) in Luxembourg. SES Networks entities lease all of their premises and do not own any real estate.

### ***Assets***

SES Networks' principal assets are its satellites, its teleports (TT&C and data) and its ground network.

SES Networks uses a worldwide ground network to operate its satellite fleet and to manage the communications services that it provides to its customers. The ground infrastructure network is mainly composed of nine data gateway sites (four of which are also TT&C sites) and the NOC and SOC sites. SES Networks utilises space at existing gateway facilities/antenna farms owned and operated by third party operators under teleport service agreements, except for the facility at Sunset Beach, Hawaii, the owner/service provider of which (New Skies Satellites BV) is a related party under the same common ownership as SES Networks. SES Networks entities own all equipment located at the gateway sites. SES Networks also contracts with the owners of some of these facilities for the provision of additional services. SES Networks' network also consists of the leased communications links that connect the teleports to the NOC and SOC.

The leases/agreements relating to SES Networks' teleports, points of presence and office space expire at various times. SES Networks does not believe that any such properties are individually material to the SES Networks' business or operations, and expects that SES Networks could find suitable properties to replace such locations if the leases were not renewed at the end of their respective terms.

### **Employees**

As of 31 December 2019, the Group employed 2,185 individuals worldwide. This breaks down to 610 in its Luxembourg headquarters, 552 in the rest of Europe, 656 in the US, and 367 in the rest of the world. SES is a truly international company represented by 81 different nationalities with the U.S. (658 employees), Germany (333), Israel (200), the UK (132) and France (125) as top five nationalities by number of employees.

### ***Arrangements involving the employees in the capital of SES***

SES offers stock-based compensation plans to employees and executives. The purpose of the plans is to enhance the competitiveness of the Group in attracting and retaining the best global executive talent, and to position SES as a global employer of choice.

Moreover, the plans are designed to make sure that SES employees and executives become shareholders of SES, feel a sense of ownership and benefit from their contribution to increasing shareholder value.

Executives are eligible to participate in the Equity Based Compensation Plan (***EBCP***), which is composed of three different elements:



- stock options, representing one third of the total equity grant and which are vesting in quarters on 1 January of each of the first four years following their grant and remain exercisable until 10 years after the grant;
- restricted shares, representing one sixth of the total equity grant, which are FDRs granted with the sole condition that at the day the shares vest, the beneficiary is employed by SES. The Restricted Shares vest on the third year following the year of the grant; and
- performance shares, representing half of the total equity grant and which is subject to both individual performance criteria and the company's financial performance. The latter is measured by the compounded Economic Value Added over the vesting period of three years.

Employees are eligible to participate in the Stock Appreciation Rights (**STAR**) Plan. Under this plan, employees are granted annually simulated restricted stock units which are cash-settled awards vesting over a three-year vesting period.

### **Intellectual Property**

SES has a significant portfolio of international patents managed by its patent board and internationally registered trademarks to operate its business worldwide. The Group protects its proprietary business information, products, services and branding in a variety of ways, including relying on trade secret, patent and trademark laws, entering into confidentiality and non-disclosure agreements, including confidentiality and data protection clauses in commercial agreements and following internal corporate policies and procedures in relation to intellectual property.

SES is currently not involved in any litigation as a result of a breach of its intellectual property by any party or as a result of SES's breach of another party's intellectual property.

### **Environmental Matters**

The Group's operations are subject to various laws and regulations relating to the protection of the environment. The Group, as an owner or operator of property and in connection with current and historical operations at some of its sites, could incur significant costs, including clean-up costs, fines, sanctions and third-party claims, as a result of violations of or liabilities under environmental laws and regulations. For instance, some of the Group's operations require continuous power supply, and, as a result, current and past operations at its teleport and other technical facilities have included fuel storage and batteries for back-up power generators. However, the Group believes that its operations are in compliance with environmental laws and regulations.

In addition, the Group is committed to further limiting the environmental impact of its activities, such as by designing and building new technical facilities according to the imperatives of sustainability and energy efficiency. The Group also regularly conducts carbon footprint measurements in order to monitor and control the greenhouse gas emissions generated by its operations.

In 2018, SES's activities related to operating and commercialising SES's satellite fleet, as well as general administration, finance and marketing, generated approximately 50,523 tons of CO<sub>2</sub> emissions worldwide, an increase of 8 per cent compared to 2017. This increase was due to the growth of the company in number of employees and sites.

Emissions from Scope 2, electricity consumption, represented the largest component of SES's total emissions (approximately 61 per cent). Scope 2 location-based emissions factors were chosen in line with the Greenhouse Gas Protocol recommendations. For low occupancy sites, assumptions were

made based on average electricity, gas and travel data at the main office sites. A data collection questionnaire in relation to Scope 2 emissions was circulated to all main SES global sites and a large sample of low occupancy and unmanned SES sites.

The Group also seeks to apply best practices to minimise the environmental impact of outsourced activities, including the manufacture and launch of spacecraft.

SES does itself does not manufacture or launch the spacecraft; SES contracts these services from third party providers (see: *SES CDP Climate Change Questionnaire 2019: C0.1 Introduction*)<sup>22</sup>. However, SES applies a responsible fleet management approach together with its satellite manufacturer to mitigate the environmental impact and to minimise space debris (see Annual Report 2019 page 49).

### **Governmental, Legal or Arbitration Proceedings**

Neither SES nor any member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the 12 months preceding the date of this Prospectus which may have, or have had in such period, a significant effect on the financial position or profitability of the Group.

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<sup>22</sup> See <https://www.cdp.net/en/guidance>

## ORGANISATIONAL STRUCTURE OF THE GROUP

As of 15 April 2020, the Group comprised SES and its subsidiaries, along with its associates, and includes the following types of entities, a substantial portion of which are wholly owned:

- Operating companies (38 entities), which perform substantially all of the Group’s satellite operations. These companies have historically owned the bulk of satellites, orbital slot licences and/or ground infrastructure. They are also responsible for a substantial portion of the Group’s payroll for employees in all fields of satellite operations. Operating companies are the market-facing entities of the Group, entering into customer contracts and providing the Group’s core satellite communication services and value-added services to external customers.
- Single satellite companies (32 entities), each of which is individually insured for in-orbit failures with the Group’s captive insurance company.
- Marketing companies (13 entities), which give the Group a local marketing presence in key markets and are often associated with local affiliates. Marketing affiliates do not enter into customer contracts.
- Engineering companies (6 entities), which supports the SES Engineering function.
- Holding companies (19 entities<sup>23</sup>), which hold the Group’s financial assets. Historically, many of these companies were established for management reporting purposes and/or corporate organisational reasons.
- Regulatory companies (13 entities), which are incorporated in those jurisdictions that do not permit foreign entities to sell capacity to local customers or obtain licences, enter into concession agreements or acquire landing rights.
- Finance companies (6 entities), are responsible for the Group’s captive finance and insurance operations. Finance companies perform centralised funding, cash management, foreign exchange and interest rate hedging and insurance activities for Group entities. They also play important roles in external or internal funding or cash flows of the Group.

SES’s subsidiaries and affiliates at 15 April 2020 were:

	<b>Economic interest ( per cent)</b>
Al Maisan Satellite Communications (YahSat) LLC, UAE	35.00
ALCAN Systems GmbH, Germany	14.17
AMC-1 Holdings LLC, U.S.A.	100.00
AMC-10 Holdings LLC, U.S.A.	100.00
AMC-11 Holdings LLC, U.S.A.	100.00
AMC-12 Holdings LLC, U.S.A.	100.00
AMC-15 Holdings LLC, U.S.A.	100.00
AMC-16 Holdings LLC, U.S.A.	100.00
AMC-2 Holdings LLC, U.S.A.	100.00
AMC-3 Holdings LLC, U.S.A.	100.00
AMC-4 Holdings LLC, U.S.A.	100.00
AMC-6 Holdings LLC, U.S.A.	100.00

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<sup>23</sup> This total is to be understood “**without SES S.A.**”.

AMC-7 Holdings LLC, U.S.A.	100.00
AMC-8 Holdings LLC, U.S.A.	100.00
AMC-9 Holdings LLC, U.S.A.	100.00
AMERICOM Asia Pacific LLC, U.S.A.	100.00
AOS Inc., U.S.A.	100.00
ASTRA (GB) Limited, United Kingdom	100.00
ASTRA CEE Sp. z o.o, Poland	100.00
ASTRA Deutschland GmbH, Germany	100.00
ASTRA France S.A., France	100.00
Ciel Satellite Holdings Inc., Canada	100.00
Ciel Satellite Limited Partnership, Canada	100.00
GSN GoSat Distribution Network Ltd, Cyprus	100.00
HD Plus GmbH, Germany	100.00
LuxGovSat S.A. , Luxembourg	50.00
MX1 C.E.E. S.A., Romania	100.00
MX1 Inc, U.S.A	100.00
MX1 Korea Ltd., Korea	100.00
MX1 Ltd, Israel	100.00
MX1 (Thailand) Ltd, Thailand	100.00
New Skies Satellites Argentina B.V., The Netherlands	100.00
New Skies Satellites Australia Pty Ltd, Australia	100.00
New Skies Satellites B.V., The Netherlands	100.00
New Skies Satellites Licensee B.V., The Netherlands	100.00
New Skies Satellites Ltda, Brazil	100.00
New Skies Satellites Mar B.V., The Netherlands	100.00
New Skies Satellites, Inc., U.S.A.	100.00
Northern Americas Satellite Ventures, Inc., Canada	100.00
O3b Africa Limited, Mauritius	100.00
O3b America LLC, U.S.A	100.00
O3b Cooperatief UA, The Netherlands	100.00
O3b Limited, Jersey, Channel Islands	100.00
O3b Networks (Brasil) Ltda, Brazil	100.00
O3b Networks Limited, Jersey, Channel Islands	100.00
O3b Networks USA LLC, U.S.A	100.00
O3b Sales B.V., The Netherlands	100.00
O3b Services (Portugal) Lda, Portugal	100.00
O3b Teleport Services (Australia) Pty Ltd, Australia	100.00
O3b Teleport Services (Peru) SAC, Peru	100.00
O3b Teleport Serviços (Brasil) Ltda, Brazil	100.00
O3b USA LLC, U.S.A	100.00
PT MX1 SmartCast Indonesia, Indonesia	100.00
QuetzSat Directo, S. de R.L. de C.V., Mexico	100.00
QuetzSat S. de R.L. de C.V., Mexico	100.00
Redu Operations Services S.A., Belgium	48.00
Redu Space Services S.A., Belgium	52.00
Satellites Globales S. de R.L. de C.V., Mexico	100.00
Satellite Ventures (Bermuda), Ltd, Bermuda	50.00
SES 5G Customer Services, LLC	100.00
SES AMERICOM (Asia 1A) LLC, U.S.A.	100.00

SES AMERICOM, Inc., U.S.A.	100.00
SES Asia S.A., Luxembourg	100.00
SES ASTRA 1KR S.à r.l., Luxembourg	100.00
SES ASTRA 1L S.à r.l., Luxembourg	100.00
SES ASTRA 1M S.à r.l., Luxembourg	100.00
SES ASTRA 1N S.à r.l., Luxembourg	100.00
SES ASTRA 2E S.à r.l., Luxembourg	100.00
SES ASTRA 2F S.à r.l., Luxembourg	100.00
SES ASTRA 2G S.à r.l., Luxembourg	100.00
SES ASTRA 3B S.à r.l., Luxembourg	100.00
SES ASTRA 5B S.à r.l., Luxembourg	100.00
SES ASTRA AB, Sweden	100.00
SES ASTRA Africa (Proprietary) Ltd, South Africa	100.00
SES ASTRA Iberica S.A., Spain	100.00
SES ASTRA Real Estate (Betzdorf) S.A., Luxembourg	100.00
SES ASTRA Romania S.r.l., Romania	100.00
SES ASTRA S.A., Luxembourg	100.00
SES ASTRA Services Europe S.A., Luxembourg	100.00
SES Belgium S.p.r.l, Belgium	100.00
SES Defence UK Ltd, United Kingdom	100.00
SES Digital Distribution Services AG, Switzerland	100.00
SES DTH do Brasil Ltda, Brazil	100.00
SES ENGINEERING (Luxembourg) S.à r.l., Luxembourg	100.00
SES ENGINEERING (Netherlands) B.V., The Netherlands	100.00
SES ENGINEERING (U.S.) Inc., U.S.A.	100.00
SES Finance S.à r.l. Luxembourg	100.00
SES Finance Services AG, Switzerland	100.00
SES Germany GmbH (previously MX1 GmbH)	100.00
SES GLOBAL Americas Holdings General Partnership,U.S.A.	100.00
SES GLOBAL South America Holding S.L., Spain	100.00
SES GLOBAL-Americas Inc., U.S.A.	100.00
SES Government Solutions, Inc., U.S.A.	100.00
SES Holdings (Netherlands) B.V., Netherlands	100.00
SES Insurance International (Luxembourg) S.A., Luxembourg	100.00
SES Insurance International Re (Luxembourg) S.A., Luxembourg	100.00
SES Latin America S.A., Luxembourg	100.00
SES Media Solutions GmbH, Germany	100.00
SES mPower (previously O3b Lux), Luxembourg	100.00
SES Networks GmbH, Germany	100.00
SES Networks Lux S.à r.l., Luxembourg	100.00
SES Networks Satellites S.à r.l., Luxembourg	100.00
SES NEW SKIES Marketing B.V., The Netherlands	100.00
SES Participations S.A., Luxembourg	100.00
SES Satelites Directo Ltda, Brazil	100.00
SES Satellite Ghana Ltd, Ghana	100.00
SES Satellite Leasing Ltd, Isle of Man	100.00
SES Satellite Nigeria Limited, Nigeria	100.00
SES Satellites (Gibraltar) Ltd, Gibraltar	100.00
SES Satellites India Private Limited, India	100.00

SES Satellites International, Inc., U.S.A.	100.00
SES SIRIUS Ukraine, Ukraine	100.00
EMP Media Port Limited, Cyprus	100.00
SES Techcom Afrique S.A.S.U., Burkina Faso	100.00
SES Techcom S.A., Luxembourg	100.00
SES Telecomunicaciones de Colombia S.A.S	100.00
SES Telecomunicaciones de Colombia Zona Franca S.A.S	100.00
SES Telecomunicações do Brasil Ltda, Brazil	100.00
SES Telecomunicações do Mexico, Mexico	100.00
SES US Satellite Holdings, LLC	100.00
SES World Skies Singapore Pte Ltd, Singapore	100.00
SES-1 Holdings, LLC, U.S.A.	100.00
SES-10 S.à r.l. Luxembourg	100.00
SES-11 Holdings, LLC, U.S.A.	100.00
SES-15 S.à r.l., Luxembourg	100.00
SES-17 S.à.r.l., Luxembourg	100.00
SES-2 Holdings LLC, U.S.A.	100.00
SES-3 Holdings LLC, U.S.A.	100.00
SES-9 Holdings LLC, U.S.A.	100.00
Sirius Satellite Services SIA, Latvia	100.00
Sistemas Satelitales de Mexico S. de R.L. de C.V., Mexico	100.00
West Africa Platform Services Ltd. Ghana	51.00

## REGULATION

### Introduction

SES's business is regulated by a number of national and international regulatory authorities. SES is subject to the regulatory authority of the Grand Duchy of Luxembourg, the United States, The Netherlands, Germany, the United Kingdom, Gibraltar, the Isle of Man, the Bailiwick of Jersey (*Jersey*), Mexico, Canada, Sweden, the EU, Bermuda, the Andean Community, Brazil and of the countries and regions in which it operates, as well as the Radio Regulations and frequency coordination process of the ITU.

The regulation of the Group's business can be divided into three broad categories:

- Rules governing the operation of the Group's satellite networks, including rules relating to the:
  - launch and operation of satellites;
  - allocation and licensing of space orbital locations and spectrum;
  - licensing of ground infrastructure; and
  - licensing of communications services;
- antitrust and competition laws, anti-bribery and anti-corruption laws which are generally applicable to national and international businesses; and
- other regulations, including rules restricting the export of satellite-related equipment and technology, regulations related to sanctions and other provisions applicable to the Group's business.

Countries vary in their approaches to satellite licensing. Some countries grant licences based on orbital locations (*GEO*), orbit (*NGSO*) and/or frequencies, while others grant licences based on a specific satellite at a particular orbital location and the associated frequencies. In addition, SES is subject to the laws and regulations of countries to, from or within which it provides services or offers satellite capacity. Numerous markets in which SES does business require some form of market access approval or authorisation prior to SES offering capacity or services in those markets. SES seeks such approvals or authorisations as required, but cannot be certain that all such approvals or authorisations will be granted in a timely manner or at all. Such approvals and authorisations may also be subject to conditions that constrain operations and/or impose heavy licensing and/or spectrum fees to be paid to national governments.

Countries or regulatory authorities may adopt or modify laws, policies or regulations, or change their interpretation of existing laws, policies or regulations, that could cause existing authorisations to be changed or cancelled, require SES to incur additional costs or otherwise adversely affect operations or revenue. Any regulatory approvals are subject to modification, rescission, expiration and renewal.

If SES fails to obtain or maintain particular approvals, including for market access, on acceptable terms, such failure could delay or prevent the offering of some or all of its services and adversely affect the results of its operations, business prospects and financial condition. In particular, SES may not be able to obtain all of the required regulatory approvals for the construction, launch and operation of any future satellites, or for use of the orbital positions planned for these satellites. Even if SES is able to obtain the necessary approvals and orbital positions, the licences obtained may impose

significant operational restrictions or permit interference by others that could affect the use of the satellites.

## Regulation of the Group's Satellite Systems

### *Luxembourg*

SES ASTRA, S.A. (**SES ASTRA**) (a subsidiary of the Group) holds its rights to operate from Luxembourg pursuant to a concession agreement granted by the Grand Duchy of Luxembourg, pursuant to Article 20 of the 1991 Law of Electronic Media as amended (*la loi du 27 juillet 1991 sur les médias électroniques*), and an associated term sheet (the *Cahier des Charges*). The concession agreement, which was amended in 1998, 2001, 2004, 2010, 2018 and 2020, is in effect until 31 December 2021 (the **Concession Agreement** or the **Concession**).

Under the Concession Agreement, as amended, SES ASTRA has the right to operate satellites in the orbits and frequencies listed in a Register of Rights of Use, including satellites in the Ku-band and the Ka-band at the following nominal orbital positions: 19.1°-19.3° East, 23.4°-23.6° East, 28.1-28.6° East and 31.0-31.5° East. The Concession Agreement also permits the operation of one or more satellites in the Ka-band and the military X-band frequencies at the 21.4-21.6° East orbital position. Additional frequencies, orbital positions and/or orbits may be added to the Register under the Concession upon two months prior notice to the Luxembourg government (the **Government**). The Government may object to any such addition by sending written notice one month prior to the expected date for the commencement of operations at that slot.

The Concession includes the right to make satellite capacity available to users for the transmission of electronic media and other electronic communications services. It also includes the right to establish, on Luxembourg territory, mobile or fixed earth stations to operate the satellites, to perform telemetry, tracking and command operations and to provide communications links with the satellites.

Under the Concession, SES ASTRA is required, within a typical timeframe, to regularly improve its services to users through the implementation of economically justifiable new techniques whose financing could legitimately be expected from SES ASTRA. SES ASTRA may not abandon or interrupt the exploitation of the Concession other than in exceptional circumstances, as a result of *force majeure* or after prior written approval of the Government.

Until 31 December 2021, SES ASTRA has a priority right in the event that the Government contemplates granting rights to third parties to establish and operate a satellite system using Luxembourg frequencies. If SES ASTRA cannot reach an agreement with Luxembourg on those rights, Luxembourg can grant those rights to third parties on terms and conditions similar to those offered to SES ASTRA.

The Concession is not transferable and expires on 31 December 2021. A new concession agreement was signed on 5 February 2020 and will come into effect from 1 January 2022 (the **New Concession Agreement** or the **New Concession**). The New Concession Agreement is on substantially similar terms to the Concession Agreement, except for an annual Concession fee of EUR 1 million and the loss of SES ASTRA's priority right with respect to the grant of rights to third parties to establish and operate a satellite system using Luxembourg frequencies. The New Concession Agreement will be in force until 31 December 2041, after which it will be automatically extended unless either party formally initiates a re-negotiation within a specified time before its expiry.



### *Customers and other Commercial Arrangements*

Both the Concession Agreement and the New Concession Agreement authorise SES ASTRA to enter into agreements for the use of satellite capacity with customers on such commercial and other terms as SES ASTRA may agree so long as:

- the customers agree to comply with all relevant conditions of the *Cahier des Charges*;
- the customers are required to comply with the relevant national legislation and any applicable international conventions; and
- the Government does not object to the operations of the relevant customer.

Any total or partial transfer to a third party by a customer of its satellite capacity is subject to the written and prior approval of SES ASTRA and the absence of objection by the Government. To date, the Government has not exercised its right to object to a customer or any transferee that SES ASTRA has approved. If a customer seriously breaches either its transponder agreement or the provisions of the associated term sheet and continues to do so notwithstanding any notice that SES ASTRA may have given to it, the Government can require SES ASTRA to suspend transmission of that customer's services. If a transponder contract is suspended for such a breach, neither SES ASTRA nor the Government is liable to the customer for any compensation for the cessation of the transmissions. Similarly, SES ASTRA is not indemnified by the Government for any losses incurred as a result of a justified/legitimate interruption of transmission. To date, the Government has not required SES ASTRA to suspend a customer's transmissions.

Further, the use of the Ka-band and the military X-band frequencies at the 21.4-21.6° East orbital position are reserved for use by countries, intergovernmental organisations or associated agencies approved by the Government and which are not subject to applicable United Nations or EU sanctions. The frequencies must be used in compliance with national and international law. SES ASTRA must suspend or terminate any service determined by the Government to violate such laws. For further information, please see "*Satellite Fleet – Investment Programme*" above.

### *Government Supervision*

Pursuant to the Concession Agreement, the Government is entitled to appoint up to three commissioners to supervise SES ASTRA's compliance with the Concession Agreement and associated term sheet. Under the New Concession Agreement, the Government is entitled to appoint up to two commissioners. Currently, Luxembourg has two appointed commissioners who may participate in general meetings of SES ASTRA's shareholders and meetings of the Board of Directors or any of its committees. The commissioner may oppose any measure taken or envisaged by SES ASTRA that would, amongst others, be contrary to Luxembourg law or international conventions applicable to the Government, or compromise the exploitation of the concession or the public order of Luxembourg. The commissioner may oppose and suspend any measure taken by SES ASTRA. SES ASTRA has five days to appeal against any suspension failing which the suspension becomes a permanent veto. Appeals are to the cabinet of the Government which is required to decide any appeal within 21 days.

The articles of incorporation of SES ASTRA may not be modified without the Government's prior written approval. The Government may only oppose any modifications of the articles of incorporation of SES ASTRA in the case where such changes (i) will be contrary to national law or international conventions or (ii) will compromise the exploitation of the Concession. In addition, under the Concession Agreement and the New Concession Agreement, certain allocations or transfers of shares of SES ASTRA require the Government's written approval.

### *Modification of the Concession Terms*

The Government can unilaterally amend the terms and conditions of the Concession Agreement or the New Concession, as set out in the *Cahier des Charges*. If a modification adversely affects the financial and commercial benefits of the Concession Agreement or of the New Concession Agreement, the Government must indemnify SES ASTRA for any detriment and loss of income SES ASTRA suffers, failing which (or if such indemnification is not reasonably acceptable) SES ASTRA can terminate the concession on 12 months' notice without liability for compensation and without prejudice to SES ASTRA's right to claim damages. Any substantial modification of the *Cahier des Charges* which definitively disrupts the financial and commercial balance between the Government and SES ASTRA will be treated as an outright termination of the Concession or of the New Concession that is in contravention of the Electronic Media Law. In such an event, the Government will be liable to indemnify SES ASTRA for losses incurred and other damages, including consequential damages such as any depreciation in value of assets, reduced ability to repay debts and fulfil other obligations, and loss in future profit.

The Government is not responsible for any loss that SES ASTRA suffers (not attributable to the Government or to SES ASTRA) if the economic conditions under which it operates change dramatically in a manner which could not have been reasonably foreseen at the time the Concession or the New Concession was granted. However, if such a change occurs, SES ASTRA has the right to require that the *Cahier des Charges* be revised to reflect the new circumstances. If the Government refuses or if SES ASTRA reasonably considers the proposed amendment to be insufficient, SES ASTRA may terminate the concession on 12 months' notice without liability to the Government.

### *Withdrawal of Concession*

The Concession or the New Concession may only be withdrawn by the Government in accordance with Article 20(4) of the Electronic Media Law: (a) if the conditions required for obtaining it are no longer met; or (b) if the obligations entered in the specifications are not respected; or (c) if it is not regularly exploited, in accordance with the terms and conditions. Under the terms of the Concession and the New Concession, the Government may withdraw the concession in whole or in part if SES ASTRA remains in breach of the concession or *Cahier des Charges* after notice from the Government to remedy the specified breach within a reasonable time set by the state. A withdrawal requires the Government to request SES ASTRA and the commissioner to present their views in writing. The Government may also deprive SES ASTRA of all or part of the exclusive rights if SES ASTRA fails to continuously and regularly exploit the concession at an optimum level to obtain long-term maximum financial profitability. The procedure applicable is the same as for a withdrawal.

Upon the withdrawal of the concession by reason of a breach of the Concession Agreement or the New Concession Agreement, or of the associated *Cahier des Charges*, SES ASTRA will forfeit all rights associated with the Concession and the Government may seek to become the owner of the ASTRA satellites, control facilities and other equipment and be substituted as a party to any agreements necessary for the exploitation of the Concession. SES ASTRA will be entitled to fair and equitable indemnification before any property rights are so transferred.

SES ASTRA has no reason to believe that the Government has grounds for or intends to withdraw the Concession or the New Concession.

## ***The United States***

### ***FCC Regulation and Licences***

SES AMERICOM holds FCC authorisations for the following operational satellites at the following nominal orbital locations utilising the specified frequency bands:

<b>Nominal Orbital Slot</b>	<b>Operational Satellite(s)</b>	<b>Frequency Bands</b>
37.5°W.L.	AMC-12 (also known as NSS-10)	C-band
72°W.L.	AMC-3	C- and Ku-bands
83°W.L.	AMC-6	C- and Ku-bands
85°W.L.	AMC-16	Ka-band
85°W.L.	AMC-2	C- and Ku-bands
87°W.L.	SES-2	C- and Ku-bands
101°W.L.	SES-1	C- and Ku-bands
103°W.L.	SES-3	C- and Ku-bands
105°W.L.	AMC-15	Ka- and Ku-bands
105°W.L.	SES-11	Ku-band
131°W.L.	AMC-1	Ku-band and TT&C in C-band
131°W.L.	AMC-11	C-band
135°W.L.	AMC-4	C- and Ku-bands
139°W.L.	AMC-8	C-band
139°W.L.	AMC-18	C-band

For details of the Group's satellites located in these orbital slots, see “*Business—Satellite Fleet—Fleet.*”

SES AMERICOM's FCC licences are subject to compliance with the terms and conditions therein. SES AMERICOM must obtain prior FCC approval before modifying its licensed operations. The licences are also subject to modification by the FCC on its own motion under Section 316 of the U.S. Communications Act of 1934, as amended (***Communications Act***), but only after reasonable notice to the licensee and an opportunity to protest. The burden of justifying any such modification is on the FCC. FCC licences may not be assigned or transferred to another party without prior FCC approval.

The FCC typically issues each space station licence for an initial term expiring 15 years after the commencement of the operation of a satellite. FCC policy allows a space station licensee to replace an operational satellite that is nearing the end of its useful life with a new satellite, assuming the licensee continues to meet applicable FCC requirements. At the end of a licence term, a satellite typically is allowed to continue operations for additional time based on remaining fuel life, either

through an extension of the licence term or temporary authority granted by the FCC. The FCC also generally will grant authority for a satellite to be moved to a vacant orbital position after launch of its replacement so that it can be operated until the end of its useful life.

Various SES entities including Americom, MX1 and O3b (collectively *SES licencees*) also hold FCC authorisations to operate earth stations in the U.S. These earth station licences are granted on a relatively routine basis, subject to FCC rules regarding transmission to or reception from satellites, and interference coordination with other parties. In December 2017, MX1 notified the FCC that it had been operating a limited number of earth stations without the appropriate authority and requested authority to operate the earth stations. The FCC did not act or issue a penalty within the one year that it had to respond to the MX1 notification.

In March 2020, the FCC adopted a Report and Order reassigning the 3700-4000 MHz band from FSS to terrestrial flexible use within the contiguous United States (CONUS). The Report and Order established a time frame during which eligible satellite operators, including SES, must relocate services from the reassigned portion of the spectrum to the 4000-4200 MHz band. The deadline for relocating services is 5 December 2025, but eligible satellite operators can elect by 29 May 2020 to accelerate clearing in two phases in return for defined accelerated relocation payments. At least 80% of the accelerated relocation payments must be accepted by eligible satellite operators in order for the accelerated timeframes to apply. As a result, even if SES elects to accelerate clearing, accelerated clearing may not occur if other large satellite operators decline to accelerate clearing. If 80% of the accelerated relocations payments are accepted, SES must clear services from the 3700-3820 MHz by 5 December 2021, and from the 3820-4000 MHz by 5 December 2023. If accelerated clearing is not triggered, SES will lose its primary rights to transmit commercial services in the 3700-4000 MHz band on 5 December 2025.

SES AMERICOM is required to submit periodic reports to the FCC providing information about its operations.

#### *FCC Regulatory Fees*

SES licencees are required to pay annual fees with respect to many of their FCC licences and other operations. In 2019, the FCC significantly increased the regulatory fees owed for both satellite and earth station licencees by approximately 20 per cent and 23.5 per cent respectively.

#### *U.S. Market Access*

New Skies Satellites B.V. (New Skies), SES Satellites (Gibraltar) Ltd. (SES Gibraltar), SES DTH do Brasil Ltda (SES DTH Brasil) and SES-17 S.à r.l. have been granted U.S. market access by the FCC for a number of satellites licensed by The Netherlands, the United Kingdom on behalf of Gibraltar, and Brazil. They include:

<b>Nominal Orbital Slot</b>	<b>Operational Satellites</b>	<b>Frequency Bands</b>
20°W.L.	NSS-7	C-band
22°W.L.	SES-4	C- and Ku-bands
40.5°W.L.	SES-6	C- and Ku-bands
47.5°W.L.	SES-14	C- and Ku-bands
67°W.L.	SES-10	Ku-band

<b>Nominal Orbital Slot</b>	<b>Operational Satellites</b>	<b>Frequency Bands</b>
67°W.L.	SES-17	Ku- and Ka-bands
105°W.L.	SES-11	C-band
125°W.L.	AMC-21	Ku-band
129.15°W.L.	SES-15	Ku-, Ka-, L- and C-band
169.5°W.L.	NSS-6	Ku-band
177°W.L.	NSS-9	C-band

For details of the Group’s satellites located in these orbital slots, see “*Business—Satellite Fleet—Fleet*”.

In addition, both QuetzSat-1 and Ciel-2 are authorised to serve the U.S. market through blanket earth station licences held by a customer. O3b Limited also has market access authority using its non-geostationary satellite constellation of 20 satellites operating at 8,062 km in MEO in the Ka-band.

#### *Foreign Ownership Restrictions*

Section 310(a) of the Communications Act precludes a foreign government or representative thereof from directly holding any FCC radio frequency licence. The FCC is aware of SES AMERICOM’s foreign ownership, including partial ownership by the government of Luxembourg, and does not consider SES AMERICOM to be a foreign government or representative thereof for purposes of Section 310(a).

Section 310(b) of the Communications Act imposes restrictions on foreign ownership of FCC common-carrier, broadcast and aeronautical service licencees. SES does not currently hold any such licences, and therefore is not directly subject to the restrictions in Section 310(b). For SES’s FCC licences, the FCC retains general discretion to consider foreign ownership issues as part of its public interest analysis.

On 4 April 2020, President Trump issued an Executive Order on Establishing the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector. The Executive Order formalizes a process through which FCC applications and existing licenses may be reviewed if they relate to foreign participation in the United States telecommunications services sector. As noted above, several SES entities incorporated outside of the United States hold authorizations to operate satellites in the United States. Additionally, SES Americom, Inc., which holds several satellite and earth station licenses is wholly-owned by a Luxembourg entity. These licenses and authorizations may be reviewed pursuant to the Executive Order. Any future applications submitted by any SES entity may also be subject to review as a result of their foreign ownership.

#### *Universal Service Fund*

Section 254 of the Communications Act, as amended, establishes a Universal Service Fund (*USF*) to subsidize the provision of basic telecommunications service to rural and other high-cost areas. To fund this subsidy, a USF contribution is levied on all “providers of interstate telecommunications” (with limited exceptions). The USF contribution factor (or rate) is a percentage of gross revenue received from the provision of U.S.-interstate and U.S.-international telecommunications. The “telecommunications” on which USF contributions are levied include

certain satellite services but not bare transponder capacity. Broadband Internet access is also currently exempt from contributions, pending new FCC rules on how such services are to be treated under the USF scheme upon their reclassification as “telecommunications.” This factor changes quarterly and is 19.6 per cent for the second quarter of 2020. SES licences and SES entities granted market access currently pay USF contributions but does not receive any subsidy from the USF.

Since 2010, the FCC has taken a number of steps to reform the USF subsidy scheme, including expanding it to subsidise broadband services and capping the overall size of the fund. In April 2012, the FCC released a Notice of Proposed Rulemaking to reform the USF contribution scheme, which included potential ways to broaden the USF contribution base and a new method of calculating USF contributions based on something other than revenue (e.g., telephone numbers or IP addresses and/or number of connections). In February 2015, the FCC reclassified broadband Internet access as a common carrier service. The FCC, however, forbore from immediately applying existing USF rules to broadband Internet access revenues, pending its consideration of broader USF reforms. It is uncertain how the FCC’s proposed USF reforms will impact SES’s business, but it is possible that SES would have to pay more in USF contributions if the FCC were to re-define the range of services subject to USF contributions, eliminate certain exemptions, or revoke its forbearance.

#### *U.S. Law Enforcement and National Security Requirements*

In the U.S., the Exon-Florio Amendment to the Defense Production Act (***Exon-Florio***), as amended, gives the U.S. President the authority to review the acquisition of control by a foreign person of a U.S. person to determine whether the acquisition raises any national security concerns. This authority enables the U.S. President to block or restrict a transaction if it presents national security concerns. The U.S. President has delegated review authority to the Committee for Foreign Investment in the United States (***CFIUS***). There is no legal obligation to notify CFIUS of a transaction. SES is a foreign person within the meaning of Exon-Florio.

SES has requested CFIUS review and has received clearance for certain previous U.S. transactions, including SES’s acquisitions of SES AMERICOM in 2001, New Skies in 2006 and its acquisition of a greater interest in O3b in 2016. As part of these processes, the foreign ownership of SES, including partial ownership by the government of Luxembourg, was disclosed to CFIUS. CFIUS’s prior approval of the SES AMERICOM, New Skies and O3b transactions provides a “safe harbor” from further challenge under that provision. Future U.S. acquisitions may be subject to CFIUS review.

#### *Proxy Agreement and Defense Security Clearances*

As a result of U.S. national security laws and regulations, SESGS, a wholly-owned subsidiary of SES AMERICOM, is subject to a proxy agreement with the U.S. Department of Defense (***DOD***). SES, SES AMERICOM, SESGS and the DOD are all party to the proxy agreement (the ***Proxy Agreement***).

A proxy agreement is an instrument intended to negate or mitigate the risk of foreign ownership, control or influence when a foreign person acquires or merges with a U.S. entity that has a facility security clearance. A proxy agreement conveys a foreign owner’s voting rights to proxy holders, comprising the proxy board. Proxy holders are cleared U.S. citizens approved by the U.S. government.

The DOD’s Defense Security Services, reorganised as the Defense Counterintelligence and Security Agency (***DCSA***) during 2019, required that SESGS enter into a proxy agreement because SESGS is indirectly owned by SES, a foreign company, and SESGS has classified contracts with

DOD which contain certain proscribed information. The Proxy Agreement enables SESGS to participate in classified contracts with the U.S. government. The Proxy Agreement can be terminated prior to the end of its five-year period if DCSA determines that it is no longer necessary, if there has been a violation of its terms or if requested by SES AMERICOM and SESGS. The Proxy Agreement was subject to renewal upon agreement with DCSA during 2019. The Proxy Agreement is executed by the SES parties. Final DCSA signature of the Proxy Agreement is pending.

As a result of the Proxy Agreement, strict limitations are placed on the information that may be shared and the interaction that may occur between SESGS, SES AMERICOM and SES. DCSA monitors compliance with the Proxy Agreement by, at a minimum, reviewing SESGS' activities on an annual basis.

Security clearances must be sought and maintained with the issuing authority in order to participate in classified U.S. government programmes. Failure to maintain security clearances, material violations of the terms of security clearances or loss of required security clearances or of the Proxy Agreement may result in SESGS' inability to satisfy existing obligations under any classified U.S. government contracts, termination by the U.S. government of classified contracts with SESGS and the inability to participate in new classified programmes. Any material violations of U.S. law by SES, SES AMERICOM or its subsidiary holding security clearances could prevent SES and its subsidiaries from holding security clearances and could result in SES, SES AMERICOM and their subsidiaries being barred from U.S. government contracts, including unclassified contracts, and they could be subject to civil or criminal enforcement actions and penalties.

#### *U.S. Export Controls and Sanctions Regulations*

The U.S. Commerce Department regulates the export and re-export of commercial communications satellites and most satellite-related components, subsystems, software and technology under the Export Administration Act following the implementation of export control reform in November 2014. The Commerce Department also regulates exports of certain network equipment, including earth stations. Exports of these items and related technology from the U.S., and their subsequent re-transfer outside the U.S. may require licensing by the Commerce Department. For overseas launches of U.S. satellites and foreign-manufactured satellites containing regulated U.S.-origin components, the launch location and launch-related technical arrangements require approval by the U.S. Department of State pursuant to the Arms Export Control Act. The timing of the receipt of licences from the Commerce Department or State Department can be difficult to predict. Licences are often issued with commercially significant conditions and restrictions, and some launch locations that may have pricing or other advantages may not be approved.

These licensing requirements affect technical cooperation among SES entities. They also affect SES's satellite procurement and launch activities. In engaging in satellite-related export activities in the U.S. and in sourcing satellites, satellite-related hardware, technology and services in the U.S., there can be no guarantee that requisite export licences will be obtained in a timely fashion, that those licences will permit transfer of all items requested, that launches will be permitted in locations that the Group may prefer or that licences, when granted, will not contain conditions or restrictions that pose significant commercial or technical problems. Such occurrences could delay the launch of future satellites. The licensing requirements also affect SES's ability to ship network equipment to customers. There can be no guarantee that the necessary export licences will be obtained in a timely fashion or that the required export will be approved, which could impact SES's ability to provide service and collect revenue.

As an international company with subsidiaries in its countries of operations, SES is subject to the financial and export sanctions laws of the jurisdictions where it operates, including the following:

- the Arms Export Control Act, implemented by ITAR and administered by the U.S. State Department;
- the Export Administration Act/International Emergency Economic Powers Act, implemented by the Export Administration Regulations (**EAR**) and administered by the U.S. Commerce Department; and
- the trade sanctions laws, executive orders and related regulations, including those administered by the U.S. Treasury Department's Office of Foreign Assets Control (**OFAC**).

These laws impose restrictions on SES's ability to provide services in, or export hardware to, certain countries or specific entities. In certain cases, SES may be able to obtain authorisation from the relevant sanctioning country in order to provide service that would otherwise be subject to sanctions; however, there is no guarantee that such authorisation will be granted. As a result, SES may be required to forgo commercial opportunities that are subject to sanctions.

U.S. sanctions laws and regulations administered by OFAC apply directly to the activities of the Group's U.S. subsidiaries and U.S. persons employed by the Group. Certain of the Group's U.S. subsidiaries have customers in jurisdictions where sanctions apply, but in each case the activities are carried out pursuant to licences granted by OFAC and other relevant U.S. government authorities or in compliance with U.S. sanctions laws and regulations. In addition, the activities of the Group's non-U.S. subsidiaries directly or indirectly in sanctioned countries or with persons named on the Specially Designated Nationals list maintained by OFAC (the **SDN list**) could put the Group at risk for any resulting violation of such laws and regulations. The Group has policies and systems in place designed to monitor the Group's activities and to prevent the Group from engaging in prohibited activities or dealing with entities on the SDN list. Failure to obtain or maintain required export or sanctions authorisations or failure to comply with applicable export control and sanctions laws and regulations could have a material adverse effect on business. This may render it difficult or impossible to obtain the necessary licences for exports related to satellites, launch services, TT&C, and equipment. Additionally, failure of SES's vendors or suppliers to obtain the necessary export authorisations could affect SES and its subsidiaries' and affiliates' ability to acquire, launch or operate satellites or provide service to customers.

Within the last five years, SES and its subsidiaries have filed one voluntary disclosure with the U.S. State Department's Directorate of Defense Trade Controls (**DDTC**) regarding possible violations of the ITAR. The matter was closed by DDTC without penalty.

On 1 September 2016, SES filed a notice of voluntary disclosure to the Commerce Department regarding a potential unauthorised hardware export to Germany. An internal review was completed and a final voluntary disclosure report was filed on 29 March 2017. In June 2016, O3b Networks USA, LLC, which became a subsidiary of SES on 1 August 2016, filed a notice of voluntary disclosure to the Commerce Department regarding a potential unauthorised export to the United Nations in Sudan. The final report was filed on 5 December 2016, and O3b received notice from the Commerce Department on 12 January 2017 that it would close the matter without issuing penalties.

On 19 March 2020, O3b USA Networks LLC submitted an initial notice of voluntary self-disclosure to the Commerce Department identifying a potential violation of the EAR. Specifically, O3b may have released export controlled information to a Syrian national hired to provide support on



a contract basis without obtaining prior authorization from the Commerce Department. SES is conducting an internal review and will provide a full report to the Commerce Department as soon as possible.

SES submitted an initial notice of voluntary self-disclosure to OFAC on 23 May 2017 concerning potential compliance concerns in connection with a contract that MX1 (formerly RR Media and acquired by SES on 6 July 2016) entered into with a United Kingdom entity in July 2015, to transfer content produced by an Iranian entity subject to U.S. sanctions. SES filed its final report with OFAC on 5 June 2019 and received notice from OFAC on 25 October 2019 that it would close the matter without issuing penalties.

On 10 July 2019, SES S.A. filed an initial notification of voluntary self-disclosure to OFAC concerning potential compliance concerns in connection with satellite and related support services provided to maritime customers that in turn resold those services to ships either owned or controlled by sanctioned entities or operating in sanctioned territorial waters. SES is completing an internal review and will provide a full report to OFAC as soon as possible.

### ***The Netherlands***

On 16 November 1998, the government of The Netherlands issued New Skies Satellites N.V. (in 2004 changed to New Skies Satellite B.V. or *New Skies*) a Licence Letter setting forth the rights of New Skies to exploit geostationary arc orbital locations and associated frequencies in accordance with ITU obligations, including the ITU Radio Regulations. In compliance with applicable laws and regulations of The Netherlands and countries in which services are provided, New Skies has located operational satellites at the following orbital locations:

<b>Nominal Orbital Slot</b>	<b>Frequency Bands</b>
20°W.L.	C- and Ku-bands
22°W.L.	C- and Ku-bands
40.5°W.L.	C and Ku-bands
50.5°E.L.	C- and Ku-bands
57°E.L.	C- and Ku-bands
95°E.L.	Ku- and Ka-bands
108.2°E.L.	Ku-band
131°W.L.	Ku-band
169.5°W.L.	Ku-band
177°W.L.	C- and Ku-bands

For details of the Group's satellites located in these orbital slots, see "*Business—Satellite Fleet—Fleet*". An SES Gibraltar licensed satellite is operated at the 108.2 ° E.L orbital location.

New Skies is subject to the provisions of The Netherlands Telecommunications Act as amended (the *NTA*). The NTA does not require a licence for the operation of activities that New Skies performs in The Netherlands and for the exploitation of satellite frequencies. New Skies notifies The Netherlands government and requests updates to the Licence Letter in advance of the launch or

modification of satellites at particular orbital locations. There is no guarantee that The Netherlands government will approve such requests. Denial of such requests could have a material adverse effect on SES's business. The Radiocommunications Agency (Agentschap Telecom) regulates the New Skies licence under the NTA and may impose penalties, or revoke or amend the New Skies licence. New Skies is not aware of any infringements and has no reason to believe that it is in violation of any part of its licence.

The Space Activities Act (the *Wet Ruimtevaartactiviteiten*) effective 1 January 2008 regulates space activities falling under Dutch jurisdiction. New Skies operates under a licence effective 19 December 2008 pursuant to Article 3 of this Act. The Space Activities Act licence requires New Skies to ensure communications with, control of and sufficient power to operate the space object. It also requires that New Skies operate the space object so that it will not damage the environment in outer space and that, at the end of the object's life, adequate fuel supply is on board to transport the object to a proper decommissioning orbit. The Act also requires that New Skies maintain third party liability insurance coverage of €500 million per incident with The Netherlands government as a beneficiary. Additionally, New Skies must have the financial security to guarantee continuity of its space activities. New Skies is required to inform The Netherlands government in advance of launch, relocation or decommissioning of a space object or should there be technical or other changes related to the licence, including changes of control or composition of the legal entity (licencee).

Compliance with the terms of the Space Activities Act licence is also regulated by the Radio Communications Agency. The Radio Communications Agency conducts audits of New Skies' operations every four years to ensure compliance with the licence. The first audit concluded in December 2008. The 2012 and 2016 audits were successfully concluded. The next audit is anticipated for 2020.

The Space Activities Act enables the revocation of the licence if New Skies fails to comply with the Space Activities Act or the terms of the licence. The licence may also be revoked for failure to comply with a treaty or binding decisions of an international institution, or if there is good reason to believe that maintenance of the licence will jeopardise the safety of persons or goods, the space environment, public order or national security. The regulator also has authority to amend the licence rather than revoke it, and may require certain actions prior to revocation to ensure safety of people, goods and the environment. Failure to comply with the licence may result in financial penalties of up to €450,000 or 10 per cent of the annual sales of New Skies, whichever is greater. The penalty is required to be commensurate with the seriousness of the violation, degree of fault and duration of the infringement. There is a five-year statute of limitations on infringements and the Space Activities Act provides for a process under which parties may contest penalties or administrative actions against them. New Skies has no reason to believe that it is in violation of its licence and is not aware of any infringements.

### ***Germany***

SES ASTRA operates parts of satellites at the 23.5°E.L. and 28.5°E.L. orbital locations under German frequency rights assigned by the German "Bundesnetzagentur" to SES ASTRA.

SES ASTRA has operations at 23.5°E.L. with ASTRA 3B using German rights and Luxembourg rights. In addition, SES has procured and operates three satellites at 28.2°E.L./28.5°E.L. under German and Luxembourgish rights.

<b>Nominal Orbital Slot</b>	<b>Frequency Bands</b>
23.5°E.L.	Ku-band

Nominal Orbital Slot	Frequency Bands
28.2-28.5°E.L.	Ku-band

For details of the Group's satellites located in these orbital slots, see "*Business—Satellite Fleet—Fleet*".

### ***The United Kingdom and Gibraltar***

SES Gibraltar, a company formed under the laws of Gibraltar, and a wholly owned, indirect subsidiary of SES, has established and has operational satellites at the following orbital slots and associated frequency bands under the authority of the Gibraltar Regulatory Authority (GRA) and ITU satellite network filings submitted by the United Kingdom on behalf of Gibraltar:

Nominal Orbital Slot	Frequency Bands
86.5°W.L.	Ku-band
105°W.L.	C-band
108.2°E.L.	Ku- and Ka-bands
125°W.L.	Ku-band
129°W.L.	Ku- and Ka-bands

For details of the Group's satellites located in these orbital slots, see "*Business—Satellite Fleet—Fleet*".

Because Gibraltar is an overseas territory of the United Kingdom, satellites authorised by Gibraltar are notified to the ITU by the United Kingdom. The satellite licensing procedures followed by Gibraltar are substantially similar to the procedures followed by the United Kingdom. Like the United Kingdom, Gibraltar does not issue space station licences. Rather, the United Kingdom and Gibraltar defer to the international frequency coordination process dictated by the ITU Radio Regulations. The ITU satellite network filings for SES's orbital slots and frequencies that are submitted by the United Kingdom on behalf of Gibraltar lists SES Gibraltar as the operating entity.

SES Gibraltar also holds licences issued by the GRA pursuant to the Outer Space Act of 1986 (**OSA**) (a United Kingdom statute extended to Gibraltar by the Outer Space Act of 1986 (Gibraltar) Order 1996) for the AMC-18, AMC-21, NSS-11, SES-7, SES-9 and SES-15 satellites. The OSA licences authorise the launch and/or operation of the satellite. The OSA as applied to Gibraltar is intended to secure compliance with the United Kingdom's international obligations with respect to the launching and operation of space objects and the carrying on of other activities in outer space by persons connected with Gibraltar. A licence issued pursuant to the OSA, as extended to Gibraltar, is not a radio-communication licence and does not grant authority to use particular orbital positions or ITU-registered frequencies. The OSA licence allows the regulatory authorities of Gibraltar to conduct due diligence on, for example, the relevant contracts with the satellite manufacturer, launch services provider and insurer(s), in order to ensure that the satellite to be launched will be in accordance with the United Kingdom's international treaty obligations. An OSA licence is conditioned upon maintaining adequate third party liability insurance coverage for the satellite. ***Isle of Man***

SES, through its Isle of Man entity, SES Satellite Leasing Limited (**SES Leasing**), has obtained various launch licences from the United Kingdom Space Agency (**UKSA**). Prior to the satellite launch that it has procured, SES Leasing must obtain a licence from the UKSA pursuant to

the OSA (the United Kingdom statute extended to the Isle of Man by the Outer Space Act 1986 (Isle of Man) Order 1990), which authorises the launch of the satellite. The OSA as applied is intended to secure compliance with the international obligations of the United Kingdom with respect to the launch of space objects and the carrying on of other activities in outer space by persons connected with the Isle of Man. More specifically, the UKSA will not issue a licence unless it is satisfied that activities authorised by the licence will not:

- jeopardise public health or the safety of persons or property;
- be inconsistent with the international obligations of the United Kingdom or Isle of Man; or
- impair the national security of the United Kingdom or Isle of Man.

The licence issued pursuant to the OSA is not a radio-communication licence and does not grant authority to use particular orbital slots or frequencies.

In order to obtain an OSA licence, SES Leasing may need to provide the UKSA with access to relevant documents such as the contracts with the satellite manufacturer, the launch services provider and the insurer(s). This is in order to ensure compliance with the United Kingdom's international treaty obligations (particularly with respect to launch, maintenance in orbit and disposal of satellites and their associated risks).

SES Leasing may not launch (or procure the launch of) a satellite, operate a satellite or conduct any other activity in outer space from the Isle of Man without appropriate licences which generally contain various conditions. Failure to comply with these conditions could result in a loss of the licence.

### *Jersey*

The operation of the O3b constellation is subject to the regulatory authority of Jersey and the United Kingdom. As a British Crown Dependency, Jersey's space and ITU activities are handled by the United Kingdom. Accordingly, the UKSA is responsible for licensing O3b's space activities under the OSA. The UKSA will not issue a licence unless it is satisfied that activities authorised by the licence will not:

- jeopardise public health or the safety of persons or property;
- be inconsistent with the international obligations of the United Kingdom or the Bailiwick of Jersey; or
- impair the national security of the United Kingdom or the Bailiwick of Jersey.

The UKSA has issued licences to O3b for O3b's first twenty satellites.

O3b's use of spectrum is regulated by Ofcom. The United Kingdom does not issue licences for satellite use of spectrum. O3b brought into use its assigned frequencies prior to the deadline of 23 October 2014.

O3b's MEO network today operates via a number of gateway earth station facilities located around the world: Vernon, Texas and Sunset Beach, Hawaii in the United States; Nemea, Greece and Sintra, Portugal in Europe; Lurín, Peru; Hortolandia, Brazil; Hawkesbay, Pakistan; and Dubbo and Perth, Australia. O3b's gateways in Hawaii, Greece, Australia (Perth) and Peru perform TT&C as well as communications functions for the O3b satellite system. All of O3b's gateways have received applicable licences and permits.

In the 18.8-19.3 GHz and 28.6-29.1 GHz band, O3b must coordinate with all prior filed satellite networks. O3b expects to be able to coordinate to prevent harmful interference to such networks. In the 17.8-18.6 GHz and 27.6-28.4 GHz bands, O3b must protect geostationary satellite networks irrespective of O3b's ITU filing dates. O3b must also coordinate with all non-geostationary Ka-band satellite networks filed ahead of it regardless of the frequency bands being used. According to Ofcom procedures, O3b must also complete coordination with operators that have United Kingdom ITU filings. In most of these cases, there is a mixed priority situation where both parties have ITU priority over the other for some of their frequencies or filings.

In some countries, terrestrial operators may use parts of O3b's Ka-band spectrum. This may preclude the use of overlapping O3b frequencies unless frequency coordination with terrestrial operators can be completed.

### ***Bermuda***

In 2013, the Bermuda Ministry of Economic Development and the Bermuda Regulatory Authority (the **BRA**) granted to Satellite Ventures (Bermuda) Ltd. (**SVBL**) (formerly SES Satellites (Bermuda) Ltd.), an SES joint venture incorporated under the laws of Bermuda, the rights to occupy the orbital position 96.2°W.L. and develop the corresponding Ku-band BSS frequency bands (12.2-12.7 GHz, 17.3-17.8 GHz). The 96.2°W.L. orbital position is assigned to Bermuda pursuant to the Appendix 30/30A Region 2 Plan of the ITU and the associated rights were granted to SVBL as a result of an application by SVBL to the BRA. SVBL is obliged to report regularly to the BRA on the development and use of spectrum at the 96.2°W.L. orbital position and to make fee payments based on the use of spectrum. The right of Bermuda and SVBL to occupy and develop the Ku BSS frequency bands at the 96.2°W.L. orbital position has been historically disputed by a third party, Spectrum Five LLC. SES and SVBL have successfully defended all such claims. SES is not aware of any current activities by Spectrum Five to continue the dispute, however, there can be no assurance that Spectrum Five will not take such actions in the future.

SVBL's operations at 96.2°W.L. are subject to the applicable provisions of a Licence, a Certificate of Compliance, a Certificate of Competence, a Certificate of Coordination issued by the BRA, an Orbital Resource Use Agreement entered into between Bermuda and SVBL, Bermuda's Telecommunications Act 1986, the Satellite Network Notification and Coordination Regulations 2007, as well as the Radio Regulations of the ITU, international treaties, laws, resolutions, orders, bulletins, agreements, decrees, standards and other applicable regulatory, legal and administrative instruments.

Because Bermuda is an overseas territory of the United Kingdom, satellites licensed by Bermuda are notified to the ITU by the United Kingdom. Except for its notification role, the United Kingdom government does not regulate the provision of service by SVBL.

### ***Mexico***

In 2004, Mexico's Secretariat of Communications and Transport (**SCT**) granted to QuetzSat, a wholly-owned SES affiliate incorporated under the laws of Mexico, a concession to occupy orbital position 77°W.L. and develop its corresponding frequency bands (12.2-12.7 GHz, 17.3-17.8 GHz) in the Broadcasting Satellite Service (Ku-BSS), including the rights to broadcast and receive signals (all such rights under the concession hereinafter referred to as "market access"). The 77°W.L. orbital position is assigned to Mexico pursuant to the Appendix 30/30A Region 2 Plan of the ITU, and the related concession was awarded to QuetzSat following its successful bid at auction. The concession is for a renewable term of 20 years.

QuetzSat's operations at 77°W.L. are subject to the applicable provisions of the following: its concession, including the conditions set forth in the concession and its technical annexes; Mexico's Federal Law of Telecommunications and Broadcasting as amended in 2014 (see below) and Regulations of Communication via Satellite of Mexico; the Political Constitution of the United Mexican States; the Radio Regulations of the ITU; international treaties; laws; resolutions; orders; bulletins; agreements; decrees; official Mexican standards and other regulatory, legal or administrative provisions issued by the Mexican government.

In 2013, Mexico addressed a major reform of its Constitution and Federal Telecommunications regulations. Pursuant to the new Federal Law of Telecommunications and Broadcasting (the *LFTR*), all concessions for the use of radio-frequencies are issued by the regulator, the Federal Institute of Telecommunications (*IFT*). The reform included a relaxation of foreign investment limitations in telecommunications, from 49 per cent to 100 per cent. QuetzSat's concession is considered a telecommunications service under the new law so 100 per cent of foreign investment is authorised.

Pursuant to its concession QuetzSat is required to make semi-annual payments for fees based on the use of frequencies for the provision of service under the concession and file annual audited financial statements. Moreover consistent with the conditions established under the concession, QuetzSat reserves a portion of satellite capacity in each frequency band for use by the state for national security networks and for social services, with coverage of all of the national territory.

With respect to system operations, QuetzSat must provide SCT with any information or resources required to conclude the international coordination process or any other process required for operation of the satellite system. QuetzSat is responsible for satellite control and operations. As required by the concession, the main and alternate satellite system control and operation centres are established and maintained in Mexican territory. QuetzSat is capable of limiting or interrupting satellite transmissions upon IFT's request. QuetzSat is also obligated under the concession to maintain continuity and quality of service and to provide coverage of the national territory.

QuetzSat is 100 per cent indirectly foreign-owned. Majority ownership (51 per cent) in QuetzSat is held by Satélites Globales, S. de R.L. de C.V. (Satélites Globales), a Mexican entity. SES Global South America Holdings, S.L. owns 49 percent of QuetzSat.

In 2001, SCT granted to Sistemas Satelitales de Mexico, S. de R.L. de C.V. (*SSM*), a wholly-owned SES affiliate incorporated under the laws of Mexico, a concession for rights to transmit and receive frequencies associated with foreign satellites that cover and provide service within Mexican territory, for a term of ten years. This authorisation was renewed in 2011 for a term of ten years. To date, SSM is authorised to offer capacity on 21 satellites and the O3b satellite network in Mexico under this concession.

More recently on 7 January 2019, in accordance with the LFTR, SSM was awarded by IFT an authorisation to transmit and receive frequencies associated with foreign satellites that cover and provide service within Mexican territory. This authorisation includes the same satellites covered under the existing concession. Further, it replaced the original SSM concession as soon as SSM submits to IFT the requisite documents to implement the authorisation, SSM will then return its concession to SCT as it will no longer be necessary.

Consistent with Mexican law prior to the recent reform, majority ownership in SSM is held by a Mexican entity. SSM complies with obligations to make monthly reports on the use of satellite capacity on each of the satellites listed on its concession, and to make semi-annual payments for fees

based on the use of frequencies for the provision of service under the concession. Pursuant to its concession, SSM files annual audited financial statements.

The QuetzSat and SSM concessions and authorisations allow the provision of satellite capacity only and do not authorise provision of end-user services. Rather, QuetzSat and SSM must each ensure that it contracts with customers which are duly authorised holders of concessions or other permits or authorisations to provide services to end-users. Contracts for the provision of space segment to customers must be approved in advance by the regulator IFT.

In May 2017, SES Telecomunicaciones de México S. de R.L. de C.V. (**SES Telecomunicaciones**), a wholly-owned indirect subsidiary of SES, received a *concesión única* (“sole concession”) which permits SES Telecomunicaciones to provide managed satellite services in Mexico.

The SES Mexican concessionaires are subject to the laws and regulations of Mexico. QuetzSat and SSM are also subject to the laws and regulations of countries to, from or within which QuetzSat or SSM provide services. Such laws and regulations may limit or prohibit QuetzSat’s or SSM’s ability to sell services in certain markets.

Mexico, the countries served by QuetzSat or SSM, or their regulatory authorities may adopt new laws, policies or regulations, or change their interpretation of existing laws, frequency allocations, policies or regulations, which could cause existing authorisations to be changed or cancelled, require QuetzSat, SSM or SES Telecomunicaciones to incur additional costs or otherwise adversely affect operations or revenue. If QuetzSat, SSM or SES Telecomunicaciones fail to remain compliant with the terms of its concession or should QuetzSat, SSM or SES Telecomunicaciones be unable to obtain any necessary government approvals, such failure could delay or prevent QuetzSat, SSM or SES Telecomunicaciones from offering some or all of its services.

## **Brazil**

In 2014, Brazil’s National Telecommunication Agency (**Anatel**) granted SES DTH do Brasil Ltda. (**SES DTH do Brasil**), a SES affiliate incorporated under the laws of Brazil, concessions to occupy orbital positions 48°W.L. and 64°W.L., and develop the corresponding FSS and BSS frequency bands. The related concessions were awarded to SES DTH do Brasil following its successful bid at an auction. Both concessions are for a renewable term of 15 years.

SES DTH do Brasil’s operations at 48°W.L. and 64°W.L. are subject to the following: its concession, including the conditions set forth in the concession and its technical annexes; applicable provisions of Brazil’s Federal Telecommunications Law and Regulations of Communication via Satellite of Brazil; the Radio Regulations of the ITU; laws; resolutions; orders; agreements; and other regulatory, legal or administrative provisions issued by the Brazilian government.

With respect to system operations, SES DTH do Brasil must provide Anatel with any information or resources required to conclude the international coordination process or any other process required for operation of the satellite system. SES DTH do Brasil assumes responsibility for satellite control and operations. As required by the concession, the main satellite system control and operation centres will be established and maintained in Brazil. Such centres will be capable of limiting or interrupting satellite transmissions upon Anatel’s request. SES DTH do Brasil is also obligated under the concession to maintain continuity and quality of service, to provide coverage of national territory and to dedicate to the Brazilian territory 25 per cent of the total transponders of the satellite that will occupy the 47.5°W.L. (previously the 48°W.L. orbital position prior to amendment by Anatel dated 20 December 2017) orbital position and 50 per cent of the total transponders of the

satellite that will occupy 64°W.L. orbital position. SES-14 was launched on 25 January 2018, is located at 47.5°W.L. and serves the Latin America region. In 2020, SES DTH do Brazil returned to Anatel its licence to develop the BSS frequency bands at 64°W.L.

In addition, New Skies, SES AMERICOM and SES ASTRA AB, through New Skies Satellites Ltda (*New Skies Ltda*), a Brazilian entity, have been granted Brazil market access for the following operational satellites at the following orbital locations:

<b>Nominal Orbital Slot</b>	<b>Frequency Bands</b>
20°W	C- and Ku-bands
22°W	C- and Ku-bands
40.5°W	C- and Ku-bands (AP30B)
5°E	C-band
67°W	Ku-band

O3b Limited, through O3b Networks (Brasil) Ltda (*O3b Networks Ltda*), a Brazilian entity, has been granted market access using its non-geostationary MEO satellite constellation. In March 2019, New Skies Ltda. was designated as a second legal representative for O3b Limited in Brazil authorizing it to provide MEO capacity within the Brazilian territory.

SES DTH do Brasil, New Skies Ltda and O3b Networks Ltda are obligated to make semi-annual reports on the use of satellite capacity at the authorised orbital positions listed above and to make annual payments for fees based on the maintenance of licences in Brazil.

The concessions held by SES DTH do Brasil, New Skies Ltda, and O3b Networks Ltda authorise market access only and do not authorise provision of end-user services. Rather, SES DTH do Brasil, New Skies Ltda, and O3b Networks Ltda must each ensure that it contracts only with duly authorised holders of concessions or other authorisations to provide telecommunication services to end-users.

SES holds authorisations to provide telecommunications services, separate from its market access concessions. SES DTH do Brazil in June 2016 was granted two concessions for the provision of telecommunication services to special aeronautical services. One concession is for the provision of fixed telecommunication service referred to as Private Limited Service (*SLP*), which allows SES to provide telecommunication services (IP connectivity) to corporate VSAT networks using the Ku- or Ka-bands. The SLP concession is necessary to connect the ground section of the network. The second concession is for the provision of Global Mobile Satellite Service (*SMGS*), which allows SES to provide IP connectivity to VSATs on the move (e.g., airplanes, ships) using the Ku- or Ka-bands. Both concessions are necessary for the provision of aeronautical services. The SMGS concession allows SES to connect VSAT antennas on airplanes to the satellite. In 2018, SES was granted a licence to provide multimedia services (*SCM*), which allow SES to provide internet connectivity to its customers and/or end-users. O3b Teleport Serviços (Brasil) Ltda (*O3b Teleport Serviços Ltda*) also holds an SLP authorisation, which allows it to provide fixed telecommunication service to telcos, ISPs, and fixed offshore oil platforms, as well as to conduct gateway operations, using the Ka-band. Each concession was granted for an unlimited term and cover all of Brazil.

Brazilian regulatory authorities may adopt new laws, policies or regulations, or change their interpretation of existing laws, policies or regulations, which could cause existing authorisations to be changed or cancelled, require SES DTH do Brasil, New Skies Ltda or O3b Teleport Serviços Ltda to



incur additional costs or otherwise adversely affect operations or revenue. If SES DTH do Brasil, New Skies Ltda, or O3b Teleport Serviços Ltda fails to remain compliant with the terms of its concession, such failure could delay or prevent SES DTH do Brasil, New Skies Ltda or O3b Teleport Serviços Ltda from offering some or all of its services.

### **Canada**

Ciel is a limited partnership organised under the laws of the Province of Ontario, Canada that is indirectly majority-owned by SES. Ciel holds a Canadian spectrum licence (previously referred to as “radio licences”) permitting operation by Ciel of the Ciel-2 Ku-BSS satellite at the 129°W.L. orbital position and the Ciel-5i Ka-BSS payload on SES-2 at the 86.5°W.L. orbital position. Ciel intends to develop a new satellite at the 86.5°W.L. orbital position (and maintenance of approval to develop in this location is subject to compliance with milestones).

For details of Ciel’s satellites located in these orbital slots, see “*Business—Satellite Fleet—Fleet*”.

Ciel is subject to the laws of Canada and regulation by authorities of the Canadian government, primarily Industry, Science and Economic Development Canada (**ISED**). Ciel’s operations are subject to regulation and licensing by ISED pursuant to the Radiocommunication Act (the **Radio Act**). The Radio Act empowers ISED to regulate the orderly development and efficient operation of radio communications in Canada. ISED has the authority to issue licences, establish standards, assign Canadian orbital slots and plan the allocation and use of the radio spectrum, including the radio frequencies upon which satellites and earth stations depend.

Ciel requires licences issued by the Minister of Industry pursuant to the provisions of the Radio Act to operate satellites and develop radio spectrum. The Minister has broad discretion to issue these licences, to fix terms and conditions on such licences, to amend those terms and conditions and to suspend or revoke such licences. Terms of the licences with which Ciel must comply in order to operate the licensed satellites include public benefit commitments, the payment of annual fees, satellite coverage of all areas of Canada visible from the orbital slot and compliance with foreign ownership restrictions applicable to holders of radio licences. ISED issues guidelines and procedures on the spectrum licensing process which provide a framework within which decisions under the Radio Act are made.

In addition, members of the SES Group have been granted Canadian market access for the following operational satellites at the following orbital locations:

<b>Nominal Orbital Slot</b>	<b>Operational Satellite(s)</b>	<b>Frequency Bands</b>
20°W.L.	NSS-7	C- and Ku-bands
22°W.L.	SES-4	C- and Ku-bands
37.5°W.L.	AMC-12	C-band
40.5°W.L.	SES-6	C- and Ku-bands
47.5°W.L.	SES-14	C- and Ku-bands
83°W.L.	AMC-6	C- and Ku-bands

<b>Nominal Orbital Slot</b>	<b>Operational Satellite(s)</b>	<b>Frequency Bands</b>
85°W.L.	AMC-16	Ka- and Ku-bands
87°W.L.	SES-2	C- and Ku-bands
101°W.L.	SES-1	C- and Ku-bands
103°W.L.	SES-3	C- and Ku-bands
105°W.L.	AMC-15	Ka- and Ku-bands
105°W.L.	SES-11	C- and Ku-bands
131°W.L.	AMC-11	C-band
139°W.L.	AMC-8	C-band
125°W.L.	AMC-21	Ku-band
129.15°W.L.	SES-15	Ku- and Ka-bands
177°W.L.	NSS-9	C-band

O3b Limited also has market access authority using its KA-band MEO constellation.

### ***Sweden***

SES, through its wholly-owned Swedish subsidiary SES ASTRA AB, holds the rights to use Swedish orbital locations at 5.0°E.L. and 13°W.L. and their associated frequencies. SES ASTRA AB is permitted by PTS to operate in the C-, Ku- (FSS and BSS) and Ka-bands on the ASTRA 4A and SES-5 satellites. SES ASTRA AB has a space activities licence for the ASTRA 4A satellite and its frequency bands (Regeringsbeslut N2007/8282/FIN). It also has a licence for space activities for the SES-5 satellite including the L-, Ku- (FSS and BSS), C- and Ka-bands (Regeringsbeslut U2011/3375/F).

The Swedish National Space Board, acting on the mandate of the Ministry of Education and Research, acts as the regulator for the launch of Swedish space objects. Outer space activities are governed by the Swedish Law on Outer Space (Lag (1982:963) *om Rymdverksamhet*) of 1982. A Swedish satellite operator is required to have a licence for space activities and to place objects in outer space. A licence for space activities is granted to a Swedish satellite operator on a per satellite basis. The definition of a Swedish satellite operator is, however, at the discretion of the Swedish National Space Board; it is not defined in the Law on Outer Space. A licence may be subject to conditions to be determined upon issuance of the licence and may be revoked if the licensee violates the terms of the licence, which are also at the discretion of the Swedish National Space Board.

A licence is required to (i) perform activities towards outer space (i.e., TT&C) and (ii) to place objects in outer space. However, a licence is not required to receive signals from outer space.

The PTS, mandated by the Ministry of Infrastructure, is the official regulator of satellite communications and frequency use in Sweden. Currently, frequencies are coordinated with PTS in accordance with a document entitled “Routines for Frequency Coordination,” a non-binding set of guidelines outlining the basic procedures for coordination and allocation of satellite frequencies. The

guidelines specify among other rights and remedies that in order to submit frequency filings through the PTS, such company must be a Swedish legal entity.

No Swedish definition of a satellite operator exists. The factors contributing to SES ASTRA AB's status as a Swedish satellite operator are at the discretion of the PTS and the Swedish National Space Board.

### ***Andean Community***

On 10 December 2009, the Andean Community granted exclusive rights to New Skies to operate and commercialize 67°W.L. orbital location for an initial term of 30 years, renewable. This Andean Satellite identified as "Simon Bolivar 2" includes Ku-band frequencies only. The Colombian Administration (on behalf of the Andean Community) is the notifying administration responsible for the international coordination of, interference protection of and interference resolution for the SIMON BOLIVAR 2 ITU network filing, with New Skies obligated to participate in all coordination activities related to satellites at the orbital location.

The applicable conditions for use of the satellite are set forth in Decisions 654 and 725 of the Andean Community. Decision 725 ("*Community Authorisation for Operation and Commercialisation for Member Countries' Orbit-Spectrum Resources at the 67° West Orbital Location*") mandates that New Skies determine prices, terms and conditions for the provision of capacity and services from the 67°W.L. orbital location, and that New Skies has the right to retain all revenue for such capacity and services. Decision 654 (the "*Regulatory Framework for Commercial Utilisation of Member Countries' Orbit-Spectrum Resources*") authorises the Andean Community Secretary General to enter into an agreement with New Skies and provides that the authorisation granted becomes null and void upon failure of New Skies to comply with its terms.

In February 2010, New Skies and the Andean Community signed a contract as provided in Decision 725 for the use and exploitation of orbit/spectrum resources of the Simon Bolivar 2 satellite network. In conformity with Decision 725 and the 2010 contract, the SES-10 (***Simon Bolivar 2***) satellite was launched at the 67° W.L. orbital position on 30 March 2017 and standard operations on August 2017, providing replacement capacity for AMC-4 and AMC-6. In consideration for the authorisation and pursuant to the terms of the contract, SES must provide Andean Community Member States with a portion of the Ku-band orbit/spectrum resource at the 67°W.L. location, in a manner consistent with technical specifications set forth in the contract. The contract terms also include a requirement to provide a small amount of C-band capacity on an SES satellite at a separate location.

### ***The European Union***

#### ***Telecommunications Regulations & Audiovisual Regulations***

The European Electronic Communications Code (the EEC Code) was adopted in December 2018, replacing the EU's regulatory Framework for Electronic Communications (***Telecoms Package***). The EEC Code covers EU spectrum policies, licensing, access/interconnection issues, universal service and consumers' rights. SES's and its customers' activities are governed by the principles of the Code, in particular those regarding spectrum policy and those related to the procedures and conditions to authorise the delivery of wireless services including satellite services.

The EEC Code also sets new EU objectives to provide very high capacity connectivity to everyone in Europe by 2025 (with a minimum of 100 Mbps), and 5G communications to the main public and private locations (cities, hospitals, schools). The revised rules still broadly follow the principle of technology neutrality, but they prioritise fibre and terrestrial wireless and also emphasize

the need to govern radio spectrum in a more flexible manner, by further promoting spectrum sharing policies.

More recently, the EU Commission has proposed an agenda for “Shaping Europe’s Digital Future” with emphasis on cyber-security, artificial intelligence, the rollout of ultra-fast broadband and super-computing (quantum) capacity in medicine, transport and environment areas. As part of this agenda, the EU workplan notably includes review of the responsibility of online platforms and facilitation of cross-border transfer of data.

The EU remains committed to preserving principles of freedom to establish and freedom to receive and retransmit audiovisual media within the EU Single Market based on the Audiovisual Media Services (**AVMS**) Directive, despite intense activities on the exact interpretation and conditions to implement these principles due to the negotiations for Brexit (see below). In the EU, the “country of origin principle” applies to the distribution of traditional TV broadcasts and on-demand services. Because satellite transmissions are often international in nature (*i.e.*, uplinked from one country and received in another or several other countries), the country of origin principle avoids the cumulative burden on satellite broadcasters (or service providers) of complying with the laws and regulations of multiple Member States.

The AVMS Directive, which was reviewed and finalised in December 2018, is important to SES’s business. To the extent the service providers whose content are transmitted via SES’s satellites are appropriately licensed in an EU Member State, there are no additional broadcasting licensing requirements for SES. SES undertakes to confirm that broadcasters (or service providers) transmitting via its satellites have all necessary licences.

The UK has formally left the EU, but the exact terms of this Brexit and of the future EU-UK relationship are still to be negotiated under the form of a new trade deal between the two parties. A transition period is currently in effect such that the UK will abide by the EU rules despite not being a member while the future terms of the UK’s relationship with the EU is being negotiated, and such transition period will continue (unless extended) until 31 December 2020. It is still unclear how this will affect the audiovisual sector. In the case of “no deal” in this sector, UK broadcasters that rely on ASTRA satellites to broadcast into the EU will likely need to come under the jurisdiction of an EU member state (as defined by the AVMS Directive) in order to continue broadcasting into the EU. The EU member state with jurisdiction under the AVMS Directive would be either (in order) the state in which the broadcaster is established, the state from which the broadcaster is uplinking its service, or the state to which the satellite capacity appertains. Several UK broadcasters have already brought their European broadcasting operations under the jurisdiction of an EU member state.

### *Sanctions Regulations*

Certain EU sanctions regulations restrict SES’s ability to provide services in, or export hardware to, certain countries or specific persons or entities. In certain cases, SES may be able to obtain authorisation from an EU Member State in order to provide service that would otherwise be subject to sanctions. However, there is no guarantee that such authorisation will be granted. As a result, SES may be required to forgo commercial opportunities that are subject to sanctions. Failure to obtain or maintain required sanctions authorisations or failure to comply with applicable sanctions laws and regulations could have a material adverse effect on its business.

## **International Telecommunication Union Filings and Coordination Procedures**

### *International Regulation*

The Grand Duchy of Luxembourg, the U.S., The Netherlands, Brazil, Canada, Colombia, Germany, Mexico, Sweden and the United Kingdom are members of the ITU. The ITU, a specialized agency of the United Nations of which most countries in the world are members, establishes rules and regulations relating, among other things, to the coordination of the international use of the radio frequency spectrum and orbital positions. All members of the ITU have the same rights as other members to use frequency spectrum and corresponding orbital positions. The Group is required to comply with all provisions of the ITU Convention, including its Radio Regulations, and other applicable international treaties to which the aforementioned countries are parties.

### *Assignment of Frequency and Orbital Resources*

Through the Radio Regulations, which are in part designed to prevent harmful interference, the ITU supervises the use of orbital positions and associated frequencies. The Radiocommunication Bureau is the ITU's body which administers the ITU's Radio Regulations. Each ITU member nation is required to register its proposed use of orbital slots with the ITU's Radiocommunication Bureau.

Once spectrum at an orbital slot has been requested by a country and the Radiocommunication Bureau is notified, other countries may inform the Radiocommunication Bureau of any conflicts with their present or proposed use of the spectrum at that orbital location. When a conflict or potential conflict is noted, countries must negotiate in an effort to coordinate the proposed uses and resolve any interference concerns. The Radiocommunication Bureau may be asked to assist in resolving any dispute arising in connection with proposed uses of frequencies and orbital locations. However, no binding dispute resolution mechanism applies, and, if there is no agreement, a satellite system will not be entitled to protection from interference under international law. Any country may place a satellite or earth station in operation without coordination and notification. However, if it does so the satellite or earth station is not entitled to registration in the ITU's Master International Frequency Register and the associated protections from harmful interference associated with such registration.

The governments of the Grand Duchy of Luxembourg, the U.S., The Netherlands, Brazil, Canada, Colombia, Germany, Mexico, Sweden and the United Kingdom are each responsible for filing and coordinating SES's or its affiliates' applications for the use of frequencies at specified orbital locations with the Radiocommunication Bureau under the provisions of the ITU Convention. When a conflict or potential conflict is noted in the Group's use of an orbital slot or affecting a satellite it operates, the relevant filing administration is responsible for negotiating to resolve any intended use or interference concerns. In many instances these governments delegate authority to the operator, SES ASTRA, New Skies, SES AMERICOM, SES Gibraltar, SES ASTRA AB, Ciel, SES DTH do Brasil or QuetzSat, to coordinate use of the spectrum at an orbital location directly with other potentially affected operators. Agreements reached with other operators are forwarded to their respective governments for ratification. Coordination between SES AMERICOM and other U.S.-licensed operators is not subject to the ITU Radio Regulations, as it is considered a domestic U.S. matter. As British Overseas Territories, Gibraltar and Bermuda are not members of the ITU, the Group must make a request to the ITU to coordinate the use of certain frequencies in connection with a satellite network to the Office of Communications (*Ofcom*) in the United Kingdom through the Gibraltar or Bermuda regulatory authorities, in accordance with the international obligations of the United Kingdom as set out in the Radio Regulations of the ITU.

The operation of satellites at all orbital slots is done in accordance with the ITU Constitution and Convention and its Radio Regulations.

#### *Regulation of Earth Stations*

SES, its subsidiaries and its affiliates operate earth stations in a number of jurisdictions including but not limited to the U.S., the Grand Duchy of Luxembourg, the Isle of Man, Brazil, Sweden, Gibraltar, Bermuda, Australia, Israel, Romania, Germany and Belgium. SES or its subsidiaries and affiliates hold the relevant earth station licences in these jurisdictions. Fees are paid in connection with these antenna applications and licences. Renewal fees and/or annual regulatory fees are also assessed on earth stations. Violations of rules applicable to earth station licensing may result in sanctions, fines, loss of authorisations and denials of authorisations for new earth stations and for renewals of existing authorisations.

#### *Spectrum Reallocation*

The ITU and a number of national governments have announced or commenced efforts to find more spectrum to support projected growth in demand for terrestrial broadband services. Typically these efforts focus on spectrum below the frequencies that SES deploys on the Group's satellites. In some countries, however, parts of the C-band frequencies (3.4-3.6 GHz or 3.4-3.8 GHz) have been or will soon be designated for shared terrestrial use, thereby inhibiting use by the Group's satellites and limiting growth of services using these bands in those countries. This is typically the case in the US and in the EU. In addition, a few countries are contemplating expansion of terrestrial operations in the 3.8-4.2 GHz band. It is expected that pressure to designate C-band or parts of the C-band for terrestrial broadband will continue, which could further limit the use of satellite services in this band.

More recently, there have been attempts to introduce or increase terrestrial use or "sharing" of the Ku- and Ka-band frequencies the Group uses for satellite services. A number of countries, including the U.S., Canada, South Korea, Singapore, Taiwan, Chile and Japan, have introduced or are considering terrestrial fixed or mobile operations (to varying degrees) in Ka-band frequencies used by the Group outside of the ITU World Radiocommunications Conference process.

The fact that the Group, and the satellite industry generally, use this spectrum extensively on its satellites to provide services to its customers may be a bulwark against arbitrary reallocation, especially in major markets. However, the Group cannot be certain that some countries in which it does business will not reallocate the satellite spectrum that it uses today in favour of terrestrial services or introduce constraints on the Group's operations through spectrum sharing.

#### *Spectrum Auctions and Spectrum Fees*

A small number of countries today use, or have proposed to introduce, an auction mechanism to assign spectrum for the provision of satellite services in their national territory. A number of other countries have introduced, or are considering, market-based spectrum fees (*e.g.*, based on "opportunity cost" pricing) for all spectrum use, including satellite spectrum use. The Group cannot be certain that the use of such auctions and/or fees will not increase. If they do, they could create significant barriers to entry and significantly increase the Group's costs of doing business in those countries.

#### *Insurance*

The Group is required by certain governments to purchase third-party liability insurance to cover damage that may be caused by its satellites. In its insurance policy, the Group designates the

governments of the Grand Duchy of Luxembourg, the U.S., The Netherlands, Sweden, the United Kingdom, Gibraltar, the Isle of Man, Jersey, Mexico, Canada, Brazil and the Andean Community (including its member countries: Colombia, Ecuador, Peru, and Bolivia) as additional insured parties and pays premiums for coverage broad enough to cover these parties against liability as a “launching state” under international conventions.

#### *Market Access and Authorisations of Other National Authorities*

Legal and regulatory restrictions and requirements governing satellite service vary among countries. As a provider of satellite services and capacity, SES is subject to the national communications, space and broadcasting laws and other regulations in each of the jurisdictions in which it operates. Many countries have liberalized their regulations to permit entities to provide voice, data or video services using non-domestic satellites. This trend accelerated with the implementation of commitments made by many WTO members, in the context of the 1997 WTO Agreement on Basic Telecommunications Services, to open their home satellite markets to greater or full competition on defined schedules. For these countries, often no approval or licence is required or, alternatively, an approval or licence is required but typically granted to the satellite operator or its customers.

Other countries require the satellite operator to obtain a licence to provide satellite services or capacity within their national boundaries, or otherwise place legal or *de facto* restrictions on market access by a foreign satellite operator. In such markets, the provision of service from foreign-licensed satellites may be complicated or prohibited altogether.

Some of these countries require SES to obtain licences, authorisation or approval before SES may offer satellite services or capacity in those countries. As SES launches or relocates satellites, it seeks the requisite licences, authorisations or approvals. There is no guarantee that such licences, authorisations or approvals will be timely or ever granted. This would delay or prevent market access by SES.

Sometimes the only means to access a market is by selling through a third-party provider in that country. In order to provide its services and capacity in these countries, SES must negotiate sales of service or capacity agreements with these third parties. Third party service providers using satellites operated by SES are also required to obtain local approvals necessary to transmit to or receive from these satellites.

In addition, the laws, regulations and practices of some countries may make it harder to compete against a domestic or regional satellite system operator from that country. Obtaining and maintaining regulatory approvals involves significant time and expense.

#### *Antitrust and Competition Laws*

SES is subject to and must comply with applicable competition laws and regulations in the jurisdictions in which it does business. Based on market conditions and SES’s commercial interests in a particular country, these laws and regulations may limit SES’s ability to provide service in a country. In certain cases, SES may be required to obtain approval from the relevant governmental authority in order to provide service or complete a transaction, merger, joint venture or other activity in which it would have a controlling interest. Depending on how any relevant market is defined, SES may be deemed to operate in a highly concentrated market and hold strong market positions in several countries.

As a result, there is no guarantee that competition authority approval will be granted for such transaction or activity. In some circumstances, competition authorities may allow a venture or activity to proceed but would place limitations or conditions upon SES’s activities. SES may be required to

forego commercial opportunities should competition authorities not allow a transaction, merger, joint venture or other activity to proceed or should the limitations imposed by that authority be determined to be overly burdensome.

In its SES/DPC merger control decision in December 2004, the German Competition Authority (*Bundeskartellamt*) found that SES held a dominant position in the market for the provision of satellite capacity for DTH services in Germany (or the German-speaking territory). The Bundeskartellamt concluded that SES's satellite transponder business in Germany must comply with special, more stringent competition rules for dominant companies. In particular, the Group must not discriminate against business partners, refuse to supply satellite capacity without objective reasons, enter into exclusive purchase agreements with or grant loyalty rebates to customers, or tie the sale of satellite capacity and other services.



## DESCRIPTION OF SES AND CORPORATE GOVERNANCE

### SES

The corporate name of SES is SES and its business name is SES. SES was incorporated under the laws of the Grand Duchy of Luxembourg on 16 March 2001 as a public limited liability company (*société anonyme*) and is registered with Luxembourg Trade and Company Register under number B 81.267. SES is governed by Luxembourg law. SES's registered address is Château de Betzdorf, L-6815 Betzdorf (Grand Duchy of Luxembourg) and its telephone number is + 352 710 725-1. SES is incorporated for an unlimited term.

### Share Capital

SES has issued two classes of shares: A Shares and B Shares. Although they constitute separate classes of shares, A Shares and B Shares carry the same rights except that (i) the B Shares, held by the Grand Duchy of Luxembourg and by two entities wholly-owned by the Grand Duchy of Luxembourg, entitle their holders to only 40 per cent of the dividend, or in case SES is dissolved, to 40 per cent of the net liquidation proceeds paid to holders of A Shares and (ii) that the B Shares are entitled to a preferential subscription right for all capital increases of SES. Each Share, whether of A or B, is entitled to one vote. For the number of issued shares of each class as of 28 May 2020 (being the latest practicable date prior to the publication of this Prospectus) see "Principal Shareholders" below.

All the Shares issued by SES are fully paid and represent capital. SES has not issued convertible securities exchangeable securities or securities with warrant.

Other than as set out in the Articles of Association there are no acquisition rights and or obligations over authorised but unissued capital of SES or any undertaking to increase the capital.

### *Shares in SES held by or on behalf of SES itself*

On 31 December 2019, SES held 4,708,584 FDRs, with no par value, and with a carrying value of €90.0 million.

### *History of the share capital of SES on the last 3 financial years*

On 7 April 2016, the extraordinary shareholders' meeting of SES authorised the Board of Directors to issue, from time to time, up to 61,848,000 Shares (i.e. 41,232,000 new A Shares and 20,616,000 new B Shares). On 7 April 2016 the Board of Directors approved the issue of up-to 39,857,600 new A Shares and of up-to 19,928,800 new B Shares and mandated the Chairman's Office to accept the relevant subscription. On 31 May 2016, the share capital of SES was increased by issuing 59,786,400 new shares (39,857,600 of A Shares and 19,928,800 of B Shares).

On 5 April 2018, the extraordinary shareholders' meeting of SES has set the authorised share capital of SES including the issued share capital at €790,881,300 represented by 421,803,360 A-shares and 210,901,680 B-shares and as of 5 April 2018 the subscribed capital of SES was set at €718,983,000 consisting of 575,186,400 Shares with no par value, all of which are fully paid up and divided into two categories of Shares, 383,457,600 A Shares and 191,728,800 B Shares.

### *Dividend policy*

The Board of SES proposed a dividend of EUR 0.40 for each A class share for 2019. This dividend, which was approved at SES's annual general meeting on 2 April 2020, was paid to shareholders on 23 April 2020.

***Description of the rights preferences and restrictions attaching to each class of existing shares***

A Shares and B Shares constitute two separate classes of shares in SES but rank *pari passu* in all respects save as specifically provided herein.

The A Shares and the B Shares are freely transferable.

In case of an increase of the share capital of SES by a contribution that is either in kind or in cash, the shareholders of B Shares have a preferential subscription right for additional B Shares in order for the proportion of one issued B Share for two issued A Shares to be maintained at all times.

B Shares are issued each time for an issuing price equal to 40 per cent of the issuing price of a share of A.

The economic rights of one B Share compared to one A Share are 40 per cent.

SES does not have any preferred shares of SES outstanding and the Articles do not provide for the issuance of such shares by SES.

***Actions necessary to change the rights of holders of the Shares***

A change of the rights of the holders of the Shares requires an amendment of the Articles of Association. Amendments of the Articles of Association require shareholder consent in accordance with the Articles and article 450-3 and 450-4 of the Luxembourg Company Law.

***Description of any provision of the Articles of Association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer***

No shareholder of class A may, directly or indirectly, hold or acquire by any means more than 20 per cent, 33 per cent or 50 per cent of the Shares unless he has obtained prior approval from the General Meeting of Shareholders. Such limit will be calculated by taking into account the Shares of all classes held by a shareholder of class A Shares. It will not apply to the shareholders issuing fiduciary certificates in agreement with SES.

Pursuant to the Articles of Association, a shareholder or a potential shareholder who plans to acquire by whatever means, directly or indirectly, more than 20 per cent, 33 per cent or 50 per cent of the Shares must inform the Chairperson of the Board of Directors of such intention.

The Chairperson of the Board of Directors will then inform the government of the Grand Duchy of Luxembourg of the planned acquisition, which may only be opposed by the government within three months of receiving such information, should it determine that such an acquisition is against the general public interest.

If the government of the Grand Duchy of Luxembourg has not raised any opposition to the acquisition by a shareholder or a potential shareholder of more than 20 per cent, 33 per cent or 50 per cent of the Shares, the Board of Directors shall convene an extraordinary meeting of Shareholders, which may decide at a majority provided for in article 450-3 of the Luxembourg law of 10 August 1915, as amended, regarding commercial companies (the ***Luxembourg Company Law***), to authorise the shareholder or potential shareholder to acquire more than 20 per cent, 33 per cent or 50 per cent of the Shares. If the demanding party is a shareholder of SES, it may attend the General Meeting of Shareholders and will be included in the count for the quorum but may not take part in the vote.

In the event of a breach of such ownership threshold or restrictions by a person or a group of persons acting together or under the control of one person, the ownership of Shares above the

thresholds or in breach of the relevant restriction may not be enforced *vis-à-vis* SES and the Board is authorised to suspend the voting rights and any rights to dividends and other distributions of the non-compliant shareholder. For the purposes of this restriction, the method of acquisition of the Shares is irrelevant.

***An indication of the articles of association, statutes, charter or bylaws provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed***

In accordance with article 8 of the Luxembourg law of 11 January 2008 as amended, on transparency obligations for issuers of securities, any shareholder or FDR holder acquiring or disposing of shares or FDRs respectively, is required to inform SES and the *Commission de Surveillance du Secteur Financier* within four trading days of the proportion of voting rights held as a result of such acquisition or disposal where that proportion reaches, exceeds or falls below the thresholds of 5 per cent, 10 per cent, 15 per cent, 20 per cent, 25 per cent, 33 1/3 per cent 50 per cent or 66 2/3 per cent.

Pursuant to the Articles of Association, a shareholder or a potential shareholder who plans to acquire by whatever means, directly or indirectly, more than 20 per cent, 33 per cent or 50 per cent of the Shares of SES must inform the Chairperson of the Board of Directors of such intention.

***Description of the conditions imposed by the memorandum and articles of association statutes, charter or bylaws governing changes in the capital, where such conditions are more stringent than is required by law***

In case of an increase of the share capital of SES by a contribution that is either in kind or in cash, the shareholders holding B Shares have a preferential subscription right for additional B Shares in order for the proportion of one issued B Share for two issued A Shares to be maintained at all times.

## **Objects and Purposes**

According to Article 2 of the Articles of Association, SES's objects and purposes are to take generally any interest whatsoever in electronic media and to be active, more particularly, in the area of communications via satellite. In this context, SES's purpose is the holding of participations, in any form whatsoever, in Luxembourg companies and foreign companies, and any other form of investment, the acquisition by purchase, subscription, or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind, and the administration, control and development of its portfolio. In addition, SES may conduct all kinds of commercial, industrial and financial business, with movable as well as with immovable assets, which it may deem useful in the accomplishment of its purpose. SES may also hold any kind of interest, in any form, by way of participations, guarantees or otherwise, in any Luxembourg or foreign enterprise, company or association likely to further SES's purpose to the best use.

## **General Meetings**

Under Luxembourg Company Law, SES's annual and/or extraordinary general meetings of Shareholders represent the entire body of shareholders of SES. They have the widest powers, and resolutions passed by such meetings are binding upon all shareholders, whether absent, abstaining from voting or voting against the resolutions.

The meetings are presided over by the Chairman of the Board of Directors or, in his absence, by one of the Vice Chairmen of the Board of Directors or, in their absence, by any other person hereto appointed by the meeting. Any shareholder who is recorded in SES's shareholders' register on the 14<sup>th</sup>

day before the meeting at 24 hours (Luxembourg time) is authorised to attend and to vote at the meeting. A shareholder may act at any meeting by appointing a proxy who does not need to be a shareholder.

Each registered shareholder receives written notice of a General Meeting of Shareholders, including the time of the meeting, the agenda and the draft resolutions, at least 30 days prior to the meeting. Holders of FDRs are represented at the meeting by Banque et Caisse d'Epargne de l'Etat, Luxembourg, acting as Fiduciary. Each FDR represents one A Share. If a holder of FDRs wants to attend the General Meeting of Shareholders in person, that shareholder needs to convert at least one FDR into an A Share. In order to facilitate the attendance of the meeting by FDR holders, SES pays the applicable charge for a conversion of up to 10,000 FDRs for a short period prior to the annual general meeting for any FDR holder who is not yet a shareholder of SES.

Notice of the meeting and of the proposed agenda is published in the press. The Fiduciary circulates the draft resolutions to both international clearing systems, Euroclear and Clearstream, allowing FDR holders to give their voting instructions to the Fiduciary in time for the meeting. At the same time, the draft resolutions are made available on SES's website. Unless the Fiduciary has received specific instructions from the FDR holder, the Fiduciary must vote in favour of the proposals submitted by the Board of Directors. One or more shareholders owning together at least 5 per cent of the shares of SES have the right to request to add items on the agenda of the General Meeting of Shareholders and may deposit draft resolutions regarding items listed in the agenda or proposed to be added to the agenda. This request will need to be made in writing (via mail or e-mail) and received no later than the twenty-second day preceding the General Meeting of Shareholders and will need to include a justification or draft resolution to be adopted at the General Meeting of Shareholders. The written request must include a contact address to which SES can confirm receipt within 48 hours from the receipt of the request. SES will then, at the latest fifteen days preceding the General Meeting of Shareholders publish a revised agenda.

The meeting may deliberate validly only if at least half of the A Shares and at least half of the B Shares are represented. In the event that the required quorum is not reached, the meeting must be reconvened in accordance with the form prescribed by the Articles of Association. It may then validly deliberate without consideration of the number of represented shares.

The proceedings are held in French, but an English translation is provided by SES. A French version of the General Meeting of Shareholders minutes and the results of the shareholders' votes are published on SES's website within 15 days after the General Meeting of Shareholders. With the exception of the procedure described above (in respect of a shareholder intending to hold more than 20 per cent, 33 per cent or 50 per cent, respectively, of the shares of SES), all the resolutions of the meeting are adopted by a simple majority vote except if otherwise provided for by Luxembourg Company Law.

### ***Extraordinary General Meetings***

If the government of the Grand Duchy of Luxembourg has not raised any opposition to the acquisition by a shareholder of more than 20 per cent, 33 per cent or 50 per cent of the Shares, the Board of Directors shall convene an extraordinary meeting of Shareholders which may decide at a two-thirds majority as provided for in article 450-3 of the Luxembourg Company Law, to authorise a shareholder or a potential shareholder to acquire more than 20 per cent, 33 per cent or 50 per cent of the Shares.

Without prejudice to the quorum requirements, the Articles of Association may be amended with a two-thirds majority in accordance with article 450-3 of the Luxembourg Company Law.

## ***Annual General Meetings***

The annual general meeting is held on the first Thursday in April of each year at 10.30 a.m., or if such day is a legal holiday, on the preceding business day.

## **Board of Directors**

The Board of Directors is responsible for defining SES's strategic objectives as well as its overall corporate plan. The Board of Directors approves, upon proposal from the Executive Committee, the annual consolidated accounts of SES and the appropriation of results, the Group's medium-term business plan, the consolidated annual budget of SES and the management report to be submitted to the General Meeting of Shareholders. It also approves major investments and is responsible *vis-à-vis* shareholders and third parties for the management of SES, which it delegates to the Executive Committee.

Following a decision taken by the shareholders at the annual general meeting in April 2020, the Board of Directors is composed of 12 non-executive directors. In accordance with the Articles of Association, two-thirds of the Board of Directors members represent holders of A Shares (nine directors) and one-third of the Board of Directors members represent holders of B Shares (five directors). The mandates of the current Board of Directors members will expire at the annual General Meeting of Shareholders in April 2021, 2022 and 2023 respectively.

On 2 April 2020, Mr. Frank Esser was elected by the Board of Directors to the position of Chairman of the Board of Directors for one year. Mr. Bausch is currently assisted by two Vice Chairpersons, Ms. Tsega Gebreyes and Ms. Anne-Catherine Ries, each of whom are also elected for one year.

In the event of a vacancy on the Board of Directors, the remaining Board of Directors members may, upon a proposal from the Nomination Committee and on a temporary basis, fill such a vacancy by a majority vote. In this case, the next General Meeting of Shareholders will definitively elect the new Director who will complete the term of the Director whose seat became vacant.

In accordance with internal regulations, (amended in September 2019), the maximum tenure for any member of the Board of Directors is fixed at 12 years. Furthermore, at least one-third of the Board of Directors members must be independent Directors. A Board of Directors member is considered independent if he or she has no relationship of any kind with SES or management which may impact his or her judgment. Independence for these purposes is defined as:

- not having been an employee or officer of SES over the previous five years;
- not having had a material business relationship with SES over the last three years; and
- not representing a significant shareholder holding directly or indirectly more than 5 per cent of SES's voting shares.

Eight of the current Board members are considered independent: Mrs. Tsega Gebreyes, Mrs. Katrin Wehr-Seiter, Mrs. Béatrice De Clermont-Tonnerre, Mr. Romain Bausch, Mr. Peter Van Bommel, Mr. Frank Esser, Mr. Ramu Potarazu and Mr. Kaj-Erik Relander.

Five of the currently elected non-executive directors are female.

The following table sets forth the name, age and position of each member of the Board of Directors as of 2 April 2020.

<b>Name</b>	<b>Position</b>	<b>Term of mandate</b>
Mr Frank ESSER	Independent Non-executive Director and Chairman	2023
Mrs. Tsega GEBREYES	Independent Non-executive Director and Vice-Chairperson	2022
Mrs. Anne-Catherine RIES	Non-executive Director and Vice- Chairperson	2023
Mr. Serge ALLEGREZZA	Non-executive Director	2021
Mr. Romain BAUSCH	Independent Non-executive Director	2022
Mr. Peter VAN BOMMEL	Independent Non-executive Director	2022
Mrs Béatrice DE CLERMONT- TONNERRE	Independent Non-executive Director	2022
Mr. Paul KONSBRUCK	Non-executive Director	2023
Mr. Ramu POTARAZU	Independent Non-executive Director	2023
Mr. Kaj-Erik RELANDER	Independent Non-executive Director	2023
Ms. Françoise THOMA	Non-executive Director	2022
Mrs. Katrin WEHR-SEITER	Independent Non-executive Director	2021

The business address of the members of the Board of Directors is Château de Betzdorf, L-6815 Betzdorf, (Grand Duchy of Luxembourg) and its telephone number is + 352 710 725-1.

### **Board Practices**

According to Article 9 of SES's the Articles of Association, SES is managed by the Board of Directors. The General Meeting of Shareholders elects the Board of Directors and determines the number of members on the Board of Directors, their remuneration and the term of office (which may not exceed six years). The members of the Board of Directors shall be natural persons but need not be shareholders.

The Board of Directors is composed of a number of directors, based on a list of candidates submitted by the Nomination Committee and representing the holders of B Shares, that is equal to one third of the total number of members of the Board of Directors and a number of Directors, based on a list of candidates submitted by the Nomination Committee and representing the holders of A Shares, that is equal to the difference between the total number of Board of Directors members and the number of Board of Directors members representing the shareholders of B Shares. The shareholders may submit to the Nomination Committee a number of candidates at least equal to the number of posts to be filled for each of their classes.

The members of the Board of Directors shall be elected among the candidates on the list presented by the Nomination Committee and shall be appointed and may be removed at any time with or without cause by a simple majority vote of the Shares present or represented at the General Meeting of Shareholders, without considering abstentions.

According to Article 10 of the Articles of Association, the Board of Directors may grant special powers and delegate the daily management of SES, as well as the representation of SES in relation to this management, to one or several Directors, managers or other agents, shareholders or not, acting alone, jointly or in a committee. The Board of Directors may create from time to time, one or several committees pursuant to article 441-6 of the Luxembourg Company Law composed of Board of Directors members and/or external persons and to which it may delegate powers and roles as appropriate. On that basis, the Board of Directors shall create an Executive Committee, a Nomination Committee, a Remuneration Committee and an Audit and Risk Committee.

According to Article 11 of the Articles of Association, the Board of Directors elects from among its members a Chairperson. The Board of Directors shall further choose two vice-chairpersons of the Board of Directors, one of whom shall be chosen from among the Directors nominated by the holders of A Shares, and one from among the Directors nominated by the holders of B Shares.

Pursuant to Article 12 of the Articles of Association, the Board of Directors shall meet every time when required by SES's business, but generally once in a quarter. The Board of Directors shall further meet upon the written demand of two Directors. The Board of Directors may deliberate or act validly only if a majority of the Directors are present or represented. If such quorum is not achieved at a first meeting, the Board of Directors may validly deliberate at a second meeting convened in accordance with the above formalities, whatever the number of Directors present or represented.

Pursuant to Article 13 of the Articles of Association, the resolutions of the Board of Directors are passed by a simple majority of votes of the voting Directors present or represented, without considering abstentions. In the case of a tie, the Chairperson has no casting vote. In addition, any material contract that is proposed to be signed by SES or any of its wholly controlled operating subsidiaries with a shareholder owning, directly or indirectly, at least 5 per cent of the shares of SES is subject to a prior authorisation by the Board of Directors. It is specified that, each Director who has a direct or indirect financial interest contrary to SES's interest in a matter submitted to the approval of the Board of Directors, must inform the Board of Directors. Such Director may not deliberate or vote on this matter.

## **Committees**

In accordance with article 441-6 of the Luxembourg Company Law, the Board of Directors governs through clearly identified board committees to which it delegates certain powers. SES's committees include the Remuneration Committee, the Audit and Risk Committee, the Nomination Committee and the Strategic and Investment Committee, as well as the Executive Committee, which is responsible for the day-to-day management of SES. Pursuant to the Articles of Association, the committees are assisting the Board of Directors and may take certain decisions acting on behalf of SES's Board of Directors within the parameters laid down by the Board of Directors. The Board of Directors is kept fully informed of the work of these committees. Any issues requiring resolution must be referred to the full Board of Directors.

### ***The Remuneration Committee***

In accordance with general corporate governance standards, the Board of Directors established a Remuneration Committee, which determines the remuneration of the members of the Executive Committee, and which advises on the overall remuneration policies applied throughout SES. It also makes a recommendation to shareholders as to the remuneration of members of the Board of Directors, which is determined by shareholder vote at SES's annual general meeting. The Remuneration Committee reports to the Board of Directors at each meeting through its chairman. The Remuneration Committee is composed of six members, at least a third of whom are independent

Board of Directors members in line with SES's internal regulations. The members are Ms. Françoise Thoma, Mr. Serge Allegrezza, Mr. Frank Esser (independent), Mr. Ramu Potarazu (independent), Mr. Peter van Bommel (independent) and Mrs. Katrin Wehr-Seiter (independent).

The Remuneration Committee also oversees the implementation of the decision under which the members of the Executive Committee must within five years hold at least the equivalent of an annual salary's worth of registered shares in SES (with the Chief Executive Officer of SES having to hold shares worth at least two years of his salary).

#### ***The Audit and Risk Committee***

As part of its overall corporate governance, the Board of Directors established an Audit and Risk Committee, which assists the Board of Directors in carrying out its oversight responsibilities in relation to corporate policies, risk management, internal control, internal and external audit and financial and regulatory reporting practices. The committee has an oversight function and provides a link between the internal and external auditors and the Board of Directors.

The Audit and Risk Committee is composed of five members, three of whom are independent Board of Directors members. The members of the committee are Mrs. Katrin Wehr-Seiter (independent), Mr. Serge Allegrezza, Mr. Kaj-Erik Relander (independent), Ms. Françoise Thoma and Mr. Peter van Bommel (independent).

#### ***The Nomination Committee***

In line with best practice in corporate governance, the Board of Directors established a Nomination Committee whose role is to identify and nominate suitable candidates for the Board of Directors, for election by the annual General Meeting of Shareholders. Such proposals are based on submissions from shareholders for a number of candidates at least equal to the number of posts to be filled for each class of shareholders. The Nomination Committee also proposes candidates for Executive Committee membership for election by the Board. The Nomination Committee is composed of six non-executive members, at least a third of whom are independent Board of Directors members in line with the Issuer's internal regulations. The members include Ms. Anne-Catherine Ries, Mrs. Béatrice de Clermont-Tonnerre (independent), Mr. Frank Esser (independent), Ms. Tsega Gebreyes (independent), Mr. Paul Konsbruck and Mr. Kaj-Erik Relander.

#### ***The Strategic and Investment Committee***

The Strategy Committee, established in 2019, has been replaced with regular informal Board calls as of April 2020.

#### ***The Executive Committee***

The Executive Committee, which is the senior decision-making body in the Group's corporate governance framework, reviews the Group's financial reporting and generates proposals for the allocation of company resources which are submitted to the Board of Directors, ensuring that the strategic interests of the Group are coordinated and prioritised at the highest executive level.

With effect from 5 April 2018, Steve Collar has been appointed as CEO of SES. With effect from 1st January 2019, Ruy Pinto was appointed Chief Technology Officer in replacement of Martin Halliwell (retired) and John Baughn was appointed to the newly created position of Chief Services Officer. The CFO Mr. Andrew Browne, left SES in November 2019. The new CFO, Mr. Sandeep Jalan, will join SES in May 2020.



The Executive Committee is comprised of the following executives who lead the Group's nine primary business functions:

1. the Chief Executive Officer;
2. the Chief Executive Officer of SES Video;
3. the Chief Strategy and Development Officer;
4. the Chief Executive Officer of SES Networks;
5. the Chief Financial Officer;
6. the Chief Human Resources Officer;
7. the Chief Legal Officer;
8. the Chief Technology Officer; and
9. the Chief Services Officer.

This organisational and management structure supports streamlined and efficient decision-making and has delivered operational synergies as well as enhanced business development.

The Executive Committee is in charge of the daily management of the Group. It functions as a collegial body. The Executive Committee is mandated to prepare and plan the overall policies and strategies of SES for approval by the Board of Directors. It may approve intra-group transactions, irrespective of the amount, provided that they are consistent with the consolidated annual budget of SES as well as specific transactions with third parties for an amount up to €10 million per project. It informs the Board of Directors at its next meeting on each such transaction, it being understood that the aggregate amount for such projects can at no time be higher than €30 million. The Executive Committee may approve any external credit facilities or external guarantees, pledges, mortgages and any other encumbrances of SES, or any wholly-owned affiliate, for as long as SES will not lose its investment grade rating as a result of such facility or guarantee. It may approve increases of up to 5 per cent in the capital expenditure budget for a satellite procurement already approved by the Board of Directors, it being understood that the Internal Rate of Return will need to comply with certain specific thresholds defined by the Board of Directors. The Executive Committee must inform the Board of Directors at its next meeting of each such increase.

The Executive Committee submits to the Board of Directors those measures which it deems necessary to be taken in order to meet the purposes of SES. Prior to the beginning of each fiscal year, the Executive Committee submits to the Board of Directors a consolidated budget for approval.

The Executive Committee is in charge of implementing all decisions taken by the Board of Directors and by the committees specially mandated by the Board of Directors. The Executive Committee may, in the interests of SES, sub-delegate part of its powers and duties to its members acting individually or jointly. The Chairman of the Executive Committee organises the work of the Executive Committee and coordinates the activities of its members, who report directly to him. In order to facilitate the implementation by the Board of Directors of its overall duty to supervise the affairs of SES, the Chairman of the Executive Committee informs the Chairman of the Board of Directors on a regular basis of SES's activities. The latter receives the agenda and the minutes of all meetings of the Executive Committee in due time.

(i) Composition

The Executive Committee is made up of non-directors who are elected by the Board of Directors upon a proposal of the Nomination Committee.

The following persons are members of the Executive Committee: the Chief Executive Officer, who assumes the chairmanship of the Executive Committee, the Chief Financial Officer, the Chief Executive Officer of SES Networks, the Chief Executive Officer of SES Video, the Chief Strategy and Development Officer, the Chief Technology Officer, the Chief Legal Officer, the Chief Human Resources Officer and the Chief Services Officer.

<b>Name</b>	<b>Position</b>
Mr. Steve COLLAR	Chief Executive Officer
Mr. Sandeep JALAN (in May 2020)	Chief Financial Officer
Mr. John-Paul HEMINGWAY	Chief Executive Officer of SES Networks
Mr. Ferdinand KAYSER	Chief Executive Officer of SES Video
Mr. Christophe DE HAUWER	Chief Strategy and Development Officer
Mr. Ruy PINTO	Chief Technology Officer
Mr. John PURVIS	Chief Legal Officer
Mrs. Evie ROOS	Chief Human Resources Officer
Mr. John BAUGHN	Chief Services Officer

The chairmanship of the Executive Committee is assumed by the President and Chief Executive Officer.

The business address of the members of SES's Executive Committee is Château de Betzdorf, L-6815 Betzdorf, (Grand Duchy of Luxembourg) and its telephone number is + 352 710 725-1.

### ***Biographical information – Board of Directors***

#### ***Mr. Frank Esser***

Mr. Frank Esser became a director on 11 February 2020. He is the former Chairman and CEO of SFR, the leading private French Telecom Operator. In this function he served also as a Board Member of Vivendi Group. Prior to joining SFR, Mr Esser held several managerial positions with Mannesmann group. He was elected as Chairman of the Board on 2 April 2020. He also serves as Vice Chair of Swisscom and is a Director of Interxion Holding. Mr Esser holds a PhD in Managerial Economics and an MS in Economics both from the University of Cologne. He is a member of the Remuneration Committee and of the Nomination Committee of SES.

Mr. Esser is a German national. He is an independent director.

#### ***Ms. Tsega Gebreyes***

Ms. Tsega Gebreyes became a director on 4 April 2013. She is the Founding Director of Satya Capital Limited. She served as Chief Business Development and Strategy Officer of Celtel International BV and Senior Advisor to Zain. She was also Founding Partner of the New Africa Opportunity Fund, LLP and has worked with Mc Kinsey and Citicorp. Ms. Gebreyes is a director of Satya Capital Limited and Sonae. She is a Senior Advisor to TPG Growth. She has a double major in Economics and International Studies from Rhodes College and holds an M.B.A. from Harvard Business School. She is Vice-Chairperson of the Board and a member of the Nomination Committee of SES.

Ms. Gebreyes is an Ethiopian national. She is an independent director.

#### ***Ms. Anne-Catherine Ries***

Ms. Ries became a director on 1 January 2015. Ms. Ries is Senior Policy Advisor to the Prime Minister and Minister for Media and Communications in Luxembourg, in charge of media, telecom and digital policy. Ms. Ries holds a law degree from the Université de Paris II and the University of Oxford, and a postgraduate LL.M degree with honours from the London School of Economics, where she specialised in Telecommunications, Information Technology and European Competition Law. After starting her professional career in a law firm in Paris, she joined the Permanent Representation of Luxembourg to the EU in Brussels. Upon her return to Luxembourg and for over 15 years, her focus was on attracting and developing tech companies in Luxembourg. She sits on the Board of Directors of POST Luxembourg. Ms. Ries is the Chairperson of the Nomination Committee of SES.

Ms. Ries is a Luxembourg and French national. She is not an independent director because she represents an important shareholder.

*Mr. Serge Allegrezza*

Mr. Allegrezza became a director on 11 February 2010. He is currently the Director General of Stateg, the Luxembourg Institute for Statistics and Economic Studies, a post he has held since April 2003. He was Conseiller de Gouvernement 1ère classe at the Ministry of Economics, responsible for internal market policy, and is the Chairman of the Observatory for Competitiveness. He is also the Chairman of the Board of Directors of POST Luxembourg and of the Board of LuxTrust i.n.c and a member of the Conseil Economique et Social. Mr. Allegrezza, was a part-time lecturer at the IAE/University of Nancy 2, has a Master's in economics and a PhD. in applied economics. Mr. Allegrezza is a member of the Audit and Risk Committee and of the Remuneration Committee of SES.

Mr. Allegrezza is a Luxembourg national. He is not an independent director because he represents an important shareholder

*Mr. Romain Bausch*

Mr. Bausch became a director on 4 April 2013. Following a career in the Luxembourg civil service (Ministry of Finance) where he occupied key positions in the banking, media and telecommunications sectors, including a five-year term as a Director and Vice Chairman of SES, Mr. Bausch was President and CEO of SES from May 1995 to April 2014. Mr. Bausch was the Chairman of the Board of Directors of SES from January 2015 to April 2020. He is a Director of SES ASTRA. He is also a member of the Boards of Directors of Aperam, Banque Raiffeisen Société Coopérative, Compagnie Financière La Luxembourgeoise and the Luxembourg Future Fund, as well as the Chairman of the CNFP (Conseil National des Finances Publiques) of Luxembourg. He graduated with a degree in economics (specialisation in business administration) from the University of Nancy. He holds an honorary doctorate from the Sacred Heart University in Luxembourg.

Mr. Bausch is a Luxembourg national. He is an independent director.

*Mr. Peter van Bommel*

Mr. Peter van Bommel is Chief Financial Officer and member of the Board of Management of ASM International. He has more than twenty years of experience in the electronics and semiconductor industry. He spent most of his career at Philips, which he joined in 1979. Mr. van Bommel sits on the Board of ASM Pacific Technology, Neways Electronics International, Bernhoven Foundation and the Amsterdam Business School, where he is the Chair of the EMFC Curatorium. He was also a Director of KPN from 2012-2020. Mr. van Bommel holds an MSc in Economics from Erasmus University in Rotterdam. Mr. van Bommel is a member of the Audit and Risk Committee and of the Remuneration Committee of SES.

Mr. van Bommel is a Dutch national. He is an independent director.

*Mrs. Béatrice de Clermont-Tonnerre*

Mrs. Béatrice de Clermont-Tonnerre is the former Director, AI Partnerships EMEA of Google, having left Google in Q3 2019 after six years. Before that, Mrs. de Clermont-Tonnerre worked for Groupe Lagardère in different positions including Senior VP for Business Development. She previously worked at Groupe Canal Plus, having started her career with Radio France Internationale. She is a member of the Board of Directors of Grupo Prisa (Spain) and Klépierre (France). She is also Senior Advisor of Kayros, a leading Asset Observation global platform. Mrs. de Clermont-Tonnerre holds a Master's degree in politics and Economics from the Institut d'Etudes Politiques in Paris and an MBA from ESSEC Business School, France. Mrs. Clermont-Tonnerre is a member of the Nomination Committee of SES.

Mrs. de Clermont-Tonnerre is a French national. She is an independent director.

*Mr. Paul Konsbruck*

Mr. Konsbruck became a director on 13 June 2019. He is currently Chief of Staff to the Prime Minister and Minister for Media and Communications in Luxembourg. Mr. Paul Konsbruck holds a master's degree in Literature and Linguistics from the University of Heidelberg, and participated in the Senior Executive Fellow Programme at the Harvard Kennedy School. He is a Director of ENCEVO SA and is the government commissioner to CLT-UFA/RTL Luxembourg. After starting his professional career as a Journalist and News Presenter at RTL, he became Editor in Chief at Eldorado. Mr. Konsbruck entered the public service in 2014 as communications adviser to the Luxembourg government and was named Chief of Staff and First Government Councillor at the Ministry of State on 1 January 2016. He is a member of the Nomination Committee of SES.

Mr. Konsbruck is a Luxembourg national. He is not an independent director because he represents an important shareholder.

*Mr. Ramu Potarazu*

Mr. Potarazu became a director on 20 February 2014. He is the CEO of Binary Fountain. He is the Founder and former CEO of Vubiquity. Prior to founding Vubiquity, Mr Potarazu spent 15 years in various positions at Intelsat (1991-2006). He became Intelsat's Vice President of Operations and CIO in 1996 and its Vice President, Commercial Restructuring in 2000. In 2001, Mr Potarazu became President of Intelsat Global Service Corporation and from 2002 to 2006 he was President and Chief Operating Officer of Intelsat Ltd. Prior to joining Intelsat, Mr. Potarazu held several engineering positions. Mr. Potarazu graduated with a BS in Computer Science and in Mathematics

from the Oklahoma Christian University. He also holds an MSc in Electrical Engineering from the John Hopkins University and was a member of the Stanford Executive Program. He is a member of the Remuneration Committee of SES.

Mr. Potarazu is a U.S. national. He is an independent director.

*Mr. Kaj-Erik Relander*

Mr. Relander became a director on 6 April 2017. He is Senior Independent Advisor of Mubadala Development Company. Mr. Relander worked for the Finnish National Fund for Research and Development prior to joining Sonera Corporation where he held several management positions, including the position of CEO. He left Sonera in 2001 to join Accel Partners, a private equity and venture capital group before joining the Emirates Investment Authority in 2009 where he was a member of its Investment and Management Committees. Mr. Relander graduated from the Helsinki School of Economics with an MSC in Economics. He also holds an MBA from the Helsinki School of Economics having completed part of it at the Wharton School, University of Pennsylvania (USA), and studied also for a PhD at the Wharton School and the Aalto University, Helsinki. He is Chairman of the Investment Committee at the private equity fund Apis.pe and a board director of Starzplay Arabia and Emirates Integrated Telecommunications Company PJSC in Dubai. He is a member of the Audit and Risk Committee and of the Nomination Committee of SES.

Mr. Relander is a Finnish national. He is an independent director.

*Ms. Françoise Thoma*

Ms. Thoma became a director on 16 June 2016. Ms. Thoma is President and Chief Executive Officer of Banque et Caisse d'Épargne de l'État, and a member of the Boards of Directors of Cargolux International Airlines S.A. Luxair S.A., the Luxembourg Stock Exchange and of Enovos Luxembourg S.A. She was a member of the Luxembourg Council of State from 2000-2015 and holds a PhD in Law from the Université de Paris II Panthéon-Assas and an LL.M. from Harvard Law School. Ms. Thoma is the Chairperson of the Remuneration Committee and a member of the Audit and Risk Committee of SES.

Ms. Thoma is a Luxembourg national. She is not an independent director because she represents an important shareholder.

*Mrs. Katrin Wehr-Seiter*

Mrs. Wehr-Seiter became a director on 1 January 2015. She is a Managing Director of BIP Investment Partners SA and a Managing Director/Partner of BIP Capital Partners SA. Prior to joining BIP, she served as a Principal at global investment firm Permira and worked also as an independent strategy consultant as well as a Senior Advisor to international private equity group Bridgepoint. She started her professional career at Siemens AG where she held various positions in strategy consulting and engineering. She serves as a director of several non-listed corporations. Mrs. Wehr-Seiter holds an MBA from INSEAD and an MSc in Mechanical Engineering from the Technical University of Chemnitz. Mrs. Wehr-Seiter is the Chairperson of the Audit and Risk Committee and a member of the Remuneration Committee of SES.

Mrs. Wehr-Seiter is a German national. She is an independent director.

## ***Biographical information – Executive Committee***

### ***Mr. Steve Collar***

Mr. Steve Collar was appointed CEO of SES in April 2018. He had been the CEO of SES Networks since May 2017. Prior to SES Networks, Mr. Collar was CEO of O3b Networks and guided the company through the successful build and launch of its constellation of state-of-the-art satellites. In 2015, O3b Networks became the fastest growing satellite operator in history. In 2016, O3b was fully acquired by SES and now forms an integral part of SES Networks.

Mr. Collar is a satellite industry veteran, having previously worked in a variety of commercial, business development and technical roles at SES WORLD SKIES, New Skies Satellites, Astrium and Matra Marconi Space (now Airbus).

Mr. Collar is British national.

### ***Mr. Christophe De Hauwer***

Mr. Christophe De Hauwer was appointed Chief Development Officer of SES on 1 August 2015. He is a member of the Board of SES ASTRA. Mr. De Hauwer joined SES in 2003, holding several positions of responsibility in the areas of Strategic Marketing, Strategic and Business Planning and Corporate Development, as well as Fleet Development and Yield Management. Mr. De Hauwer played an instrumental role in the execution of key business transactions, namely the acquisition of New Skies in 2005, the GE share redemption in 2006 and the investment in O3b Networks in 2009. Prior to joining SES, Mr. De Hauwer worked in the Strategy Consulting practice of the European Telecommunication and Media Industry with Arthur Andersen. He holds an Engineering and a PhD Degree from the Université Libre de Bruxelles.

Mr. Hauwer is a Belgian national.

### ***Mr. Ferdinand Kayser***

Mr. Ferdinand Kayser was appointed Chief Executive Officer, SES Video in April 2017. Previously, he had been Chief Commercial Officer of SES since 2011. He is a member of the Boards of SES ASTRA and YahLive. Mr. Kayser joined SES in 2002 as President and Chief Executive Officer of SES ASTRA. He has worked in senior roles in media companies such as Premiere Medien GmbH and Co. KG and CLT Multimedia. Prior to his appointment as Chief Commercial Officer of SES, he was President and Chief Executive Officer of SES ASTRA. Mr. Kayser holds a Master of Economics from the University of Paris 1, Panthéon-Sorbonne, and has concluded specialized university studies in Media Law and Management of Electronic Media.

Mr. Kayser is a Luxembourg national.

### ***Mr. John-Paul Hemingway***

Mr. John-Paul (JP) Hemingway is the newly-appointed Chief Executive Officer of SES Networks. SES Networks provides end-to-end network solutions to some of the world's largest telecommunications, maritime, aeronautical and energy companies as well as to governments around the world.

Prior to this, Mr. Hemingway served as the Executive Vice President, Product, Marketing and Strategy of SES Networks where he led Product Management, Marketing, Business Development and Corporate Strategy and was responsible for driving development of the company's products and vertical market segments.

Before SES acquired O3b and formed SES Networks, Mr. Hemingway was Chief Marketing Officer for O3b Networks where he oversaw the company's Product Management, Product Marketing, Business Development, Marketing Communications and Strategy teams, and was integral in the success of O3b's success.

Mr. Hemingway is a networking industry veteran, having previously held a variety of senior management roles within Ciena, a leading network specialist which includes Regional General Manager Sales and Operations, Regional CTO and VP Product Management. Mr. Hemingway started off his career at Corning Cables and Netscient.

Mr. Hemingway holds a PhD in Optical Communications and BSc (Hons) from Manchester Metropolitan University, UK.

Mr. Hemingway is a British national.

#### *Mr. Sandeep Jalan*

Mr. Sandeep Jalan was appointed CFO of SES in May 2020.

Prior to SES, he had 30 years of experience in financial and operational leadership roles across Asia and Europe. His last role was as the CFO of Aperam, a global leader in the stainless, electrical and specialty steel industry, a role he has held since 2014. Previously, he worked for the ArcelorMittal Group since 1999 where he held various roles including the CFO of ArcelorMittal Long Carbon Europe and was part of the M&A team responsible for numerous acquisitions in both steel and mining. He was also the CFO & Company Secretary for Ispat Alloys Ltd from 1993 to 1999.

Mr. Sandeep is a Commerce Graduate from Banaras Hindu University (BHU), Chartered Accountant (equivalent to CPA) and Company Secretary from the respective Institutes in India.

He is an Indian national and a resident of Luxembourg.

#### *Mr. John Purvis*

Mr. John Purvis was appointed Chief Legal Officer in February 2017. He has served as EVP & General Counsel of SES since 2007. Mr. Purvis oversees the legal teams globally, and he is responsible for SES's corporate governance, compliance and risk management. Mr. Purvis joined SES in 2001 as part of SES's acquisition of GE Americom. Previously, he had been a lawyer in GE Lighting and a City law firm in London. Mr. Purvis qualified as a solicitor of England & Wales in 1986. He has a law degree from Jesus College, Cambridge University.

Mr. Purvis is a British national.

#### *Mrs. Evie Roos*

Mrs. Evie Roos was appointed Chief Human Resources Officer in February 2017. Prior to that, Mrs. Roos held the position of Executive Vice-President Human Resources of SES. She oversees SES's human capital activities worldwide. Mrs. Roos is also an elected member of the Luxembourg Chamber of Commerce. Before joining SES, Mrs. Roos held various management positions at ArcelorMittal, a multinational steel manufacturing and mining corporation. She holds two degrees in Law and European Studies from the University of Leuven in Belgium and the Europa Institut in Saarbrücken in Germany.

Mrs. Roos is a Belgian, Luxembourg and U.S. national.

### *Mr. Ruy Pinto*

Mr. Ruy Pinto was appointed Chief Technology Officer (CTO) at SES in January 2019. He had been the Deputy Technology Officer since 2017 and took on the additional role of Chief Information Officer (CIO) at SES in 2018, responsible for starting a Digital Transformation program at SES.

Mr. Pinto joined SES from Inmarsat where he covered various technical and managerial roles between 1990 to 2016, including two years as CTO of the company. His last position at Inmarsat, from December 2013, was Group Chief Operations Officer (COO), responsible for all Inmarsat operational functions.

His external positions portfolio included two years as the Chairman of UKSpace, the UK space industry trade association, and four years as a Director and VP of Space for the Association of Defence, Security and Aerospace Companies (ADS). Mr. Pinto has just completed a six-year appointment as Non-Executive Director of the Space Application Catapult, established by the UK government to foster the development of space applications in the UK. Previously, Mr. Pinto worked with VSAT data communication networks and data communications software.

Mr. Pinto holds a degree in Electronics Engineering and completed post-graduate studies in Digital Telecommunications Systems, both from the Rio de Janeiro Catholic University (PUC-RJ).

Mr. Pinto is a dual British and Brazilian national.

### *Mr. John Baughn*

Mr. John Baughn was appointed Chief Services Officer (CSO) in January 2019. He had been EVP, Global Services at SES Networks since 2017, responsible for the delivery of end-to-end services to customers and proving to be a change agent and innovator, driving modernization and monetization of networks.

Mr. Baughn joined SES Networks from O3b Networks, where, as a key member of the O3b Senior Management team since early 2015, he led the Global Services team, driving service strategy.

Previously, between 2008 and 2015, Mr. Baughn was VP Global Services at Ciena, where he was responsible for regional and global managed services and consulting. His vast Telco experience included leadership roles in Motorola between 1992 and 2008 where he led the company's strategy towards continuous profitable business growth in managed, professional service operations.

Mr. Baughn holds an MBA from the University of Warwick. Mr. Baughn is a British national.

## **Remuneration**

### ***Remuneration of the Members of the Board of Directors***

The annual general meeting of Shareholders determines the remuneration of the members of the Board of Directors for attending Board of Directors and committee meetings. In 2020, the shareholders approved to maintain the fees paid to the Directors at the previous year's level with a majority of 97.62 per cent. Directors receive a fixed fee of €40,000 per year, whereas the Vice Chairmen receive an annual fixed fee of €48,000 and the Chairman receives €100,000 per year.

A Director chairing one of the committees set up by the Board of Directors, if not the Chairman of the Board of Directors, receives an additional remuneration of €8,000 per year. A Director, chairing the



Audit and Risk Committee, if not the Chairman of the Board of Directors, receives an additional remuneration of €9,600 per year.

The shareholders also maintained the fees at €1,600 for each meeting of the Board of Directors or a Committee of the Board of Directors attended, except for the meetings of the Audit and Risk Committee for which directors receive €1,920 per meeting. A director participating in more than one Committee meeting on the same day will receive the attendance fee for one meeting only. €880 is paid if the director participates in the meeting via telephone.

All these fees are net of any Luxembourgish withholding taxes. The total net remuneration fees paid in the year 2019 to the members of the Board of Directors amounted to EUR 922,880 of which EUR 250,880 was paid as variable fees, with the remaining EUR 672,000 representing the fixed part of the Board fees. The gross overall figure for the year 2019 was EUR 1,153,600.

Further information on the remuneration policy or on the 2019 remuneration is published on the website: <https://www.ses.com/about-us/corporate-governance/remuneration>.

### ***SES stock owned by members of the Board of Directors***

As of 31 December 2019, the members of the Board of Directors then in place and their closely associated family members owned a combined total of 773,165 shares and FDRs (representing 0.13% of the Issuer's share capital).

Transactions made by the members of the Board of Directors are published on the company's website under Management Disclosures. In accordance with the company's dealing code, directors require prior permission before dealing in SES's shares or FDRs.

### ***Remuneration of the Members of the Executive Committee***

The remuneration of the members of the Executive Committee is determined by the Remuneration Committee. The total gross remuneration paid to the members of the Executive Committee for 2019 amounted to €10,818,396.46. It is composed of a fixed and a variable part. The fixed part (€6,105,484.31) is composed of the base salaries (€3,812,112.32) as well as the company's social security contributions, the company's pension contributions, life and disability insurance, and other benefits (€2,293,371.99). The variable part (€4,712,912.14) is composed of the bonuses, the 2019 exercised Performance and Restricted shares granted in 2016 and stock options that were exercised in 2019. In 2019, no additional indemnities were paid for the departing Executive Committee members.

During 2019, the members of the Executive Committee were awarded a combined total of 729,309 options to acquire company FDRs at an exercise price of €15.005, the price being based on the average of the closing price on Euronext Paris of the first 15 trading days following the Remuneration Committee meeting at which the options were authorised. With regard to the options granted in 2019, a quarter vested on 1 January 2020, and the remaining quarters vest on 1 January 2021, 1 January 2022, and 1 January 2023 respectively. In 2019, members of the Executive Committee were granted 36,744 restricted shares as part of the Issuer's long-term incentive plan, as well as 110,232 performance shares. These shares will vest on 1 June 2021.

During 2019, Messrs Ferdinand Kayser, Christophe de Hauwer, John Purvis and Ruy Pinto sold some or all of the restricted and performance shares which vested on 1 June 2019. Ferdinand Kayser and John Baughn exercised some of their stock options and sold the corresponding shares while Steve Collar, John Baughn, Evie Roos, John-Paul Hemingway and John Purvis bought additional shares during 2019. Christophe De Hauwer sold some of his shares during the year. Also, during 2018, Mr Steve Collar exercised stock options from the 2018 stock option grant to acquire A-shares.

SES publishes the details of all transactions made by its Board of Directors members and by the members of its Executive Committee on its website: <https://www.ses.com/investors/shareholder-information/shares/management-disclosures>.

Each member of the Executive Committee is entitled to two years of base salary in case his/her contract is terminated without cause. If a member resigns, he/she is not entitled to any such compensation.

#### ***SES stock owned by members of the Executive Committee***

On 31 December 2019, the members of the Executive Committee then in place owned a combined total of 210,238 shares and FDRs (representing 0.04 per cent of Issuer's share capital), 327,240 unvested restricted and performance shares and 3,240,305 options. Transactions made by members of the Executive Committee are published on SES's website <http://www.ses.com/management-disclosures>.

#### **Pension retirement or similar benefits**

The Issuer has defined contribution plans for members of the Executive Committee. For further details see "*Accounting for pension obligations*" on note 2 to the Group's consolidated financial statements which are incorporated by reference in this Prospectus.

There is no other amount set aside or accrued by SES or its Subsidiaries to provide pension, retirement or similar benefits or arrangements to the members of the Executive Committee and the members of the Board of Directors do not benefit from pension retirement or similar benefits or arrangements.

#### **Conflicts of Interests**

None of the members of SES's management or Board of Directors have been subject to any bankruptcy, receivership or liquidation proceedings, nor have any of them been convicted of any fraudulent offense or been subject to any official public incrimination or sanctions by statutory or regulatory authorities (including designated professional bodies) in acting as founder, Director or senior manager of any company for the last five years, nor has any of them been disqualified by a court from acting as a member of the management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for the last five years.

#### **Interests of Directors**

As at 28 May 2020 (being the latest practicable date prior to the publication of this Prospectus), there are no outstanding transactions other than in the ordinary course of business undertaken by SES in which SES's Directors were interested parties. Certain members of the Board of Directors and Executive Committee have direct or beneficial interests in SES's ordinary shares. See "*Remuneration of the Members of the Executive Committee*" "*Remuneration of the Members of the Board of Directors*"

Except as described in section "*Related-party Transactions*" below and section "*Conflicts of Interests*" above, there are no potential conflicts of interest between the private interests or other duties of the Directors of SES and their duties to SES.

#### **Information regarding services contracts providing for benefits upon termination of employment**

The members of the Executive Committee as well as the members of the Board of Directors, do not benefit from services contracts with SES or any of its Subsidiaries providing for benefits upon termination of their employment.

### **Internal control procedures**

Please refer to the Chairman's report on Corporate Governance and Internal Procedures 2019 for further information, which is available for viewing at <https://www.ses.com/about-us/corporate-governance/documents>.

### **Statement of Compliance**

SES has been listed on the Luxembourg Stock Exchange since 1998 and on Euronext Paris since 2004. The company follows the 'Ten Principles of Corporate Governance' adopted by the Luxembourg Stock Exchange (its home market), as revised in 2017, a copy of which can be found at [www.bourse.lu/corporate-governance](http://www.bourse.lu/corporate-governance). SES also complies with the governance rules for companies listed in Paris, where the majority of the trading in SES FDRs takes place. In the instance of conflicting compliance requirements, SES follows the rules of the home market.

SES meets all the recommendations made by the 'Ten Principles' except with regard to Recommendation 3.9, which states that the committees created by the Board of Directors should only have advisory powers. The SES Board of Directors has delegated some decision-making powers to the Remuneration Committee. For the full details of these powers, see the charter of the Remuneration Committee on the SES website (<http://www.ses.com>). After each meeting of the Remuneration Committee, its Chairman reports to the Board about the latest Remuneration Committee discussions and decisions.

## PRINCIPAL SHAREHOLDERS

SES has issued two classes of shares: A Shares and B shares.

As of 28 May 2020, the Grand Duchy of Luxembourg held a direct 11.58 per cent voting interest in SES and two indirect interests, both of 10.88 per cent, through two state owned banks, Banque et Caisse d'Epargne de l'Etat, Luxembourg, and Société Nationale de Crédit et d'Investissement. These shares constitute the B Shares. The collective economic ownership stake in SES held by the Grand Duchy of Luxembourg, both directly and indirectly through the forementioned state owned banks, includes these B Shares and collective holdings of Fiduciary Depositary Receipts, FDRs.

Although they constitute separate classes of shares, A Shares and B Shares carry the same rights except that (i) the B Shares entitle their holders to only 40 per cent of the dividend, or in case SES is dissolved, to 40 per cent of the net liquidation proceeds paid to shareholders of A and (ii) that the B Shares are entitled to a preferential subscription right for all capital increases of SES. B Shares are not listed on a regulated market. Each Share, whether of A or B, is entitled to one vote. In accordance with the Articles of Association, no shareholder of A Shares may hold, directly or indirectly, more than 20 per cent (twenty per cent), 33 per cent (thirty-three per cent) or 50 per cent (fifty per cent) of SES's Shares unless he has obtained prior approval from the General Meeting of Shareholders. Such limit will be calculated by taking into account the Shares of all classes held by a shareholder of A Shares. It will not apply to the shareholders issuing fiduciary certificates in agreement with SES.

The number of issued shares of each class as of 28 May 2020 being the latest practicable date prior to the finalisation of this Prospectus) was as follows:

<b>The Issuer's Shareholders</b>	<b>Number of Shares</b>	<b>% Voting Shareholding</b>	<b>% Economic Participation<sup>(1)</sup></b>
A Shares			
Nouvelle Santander Telecommunications S.A.	4 500 000	0.78%	0.98%
Kerla S.à.r.l	2 600 000	0.45%	0.57%
Other shareholders	938 598	0.16%	0.20%
FDRs (free float)	375 419 002	65.27%	81.59%
<b>Total A Shares</b>	<b>383 457 600</b>	<b>66.67%</b>	<b>83.33%</b>
<b>B Shares</b>			
BCEE	62 572 893	10.88%	5.44%
SNCI	62 565 085	10.88%	5.44%
Etat du Grand-Duché de Luxembourg	66 590 822	11.58%	5.79%

<b>Total B Shares</b> <sup>(2) (3)</sup>	<b>191 728 800</b>	33.33%	16.67%
<b>Total Shares (Actual)</b>	<b>575 186 400</b>		
<b>Total Shares (Economic)</b>	<b>460 149 120</b>		

- (1) Economic Participation means the pro rata right of a Share to any dividend and to any liquidation surplus
- (2) B Shares carry 40 per cent of the economic rights of A Shares.
- (3) The collective economic ownership stake in SES held by the Grand Duchy of Luxembourg, both directly and indirectly through Banque et Caisse d'Épargne de l'État, Luxembourg, and Société Nationale de Crédit et d'Investissement, includes the B Shares and collective holdings of Fiduciary Depositary Receipts, FDRs.

## DESCRIPTION OF SES GLOBAL AMERICAS HOLDINGS GP

### Establishment, domicile and duration

SES Americas is a Delaware general partnership formed in the State of Delaware, United States of America under Delaware law by SES and SES ASTRA (together the **Partners**) on 9 April 2003 pursuant to a partnership agreement dated 9 April 2003, as amended by Amendment No 1 thereto, dated 15 July 2004 (as amended, the **Partnership Agreement**) and the Delaware Revised Uniform Partnership Act. The Organisational ID number for SES Americas is 3646475. The term of SES Americas shall continue until dissolution pursuant to the provisions of the Partnership Agreement. SES Americas is domiciled in the United States of America and its principal place of business is at 4 Research Way, Princeton, New Jersey 08540 (telephone: +1 609 987 4000).

### Business Overview

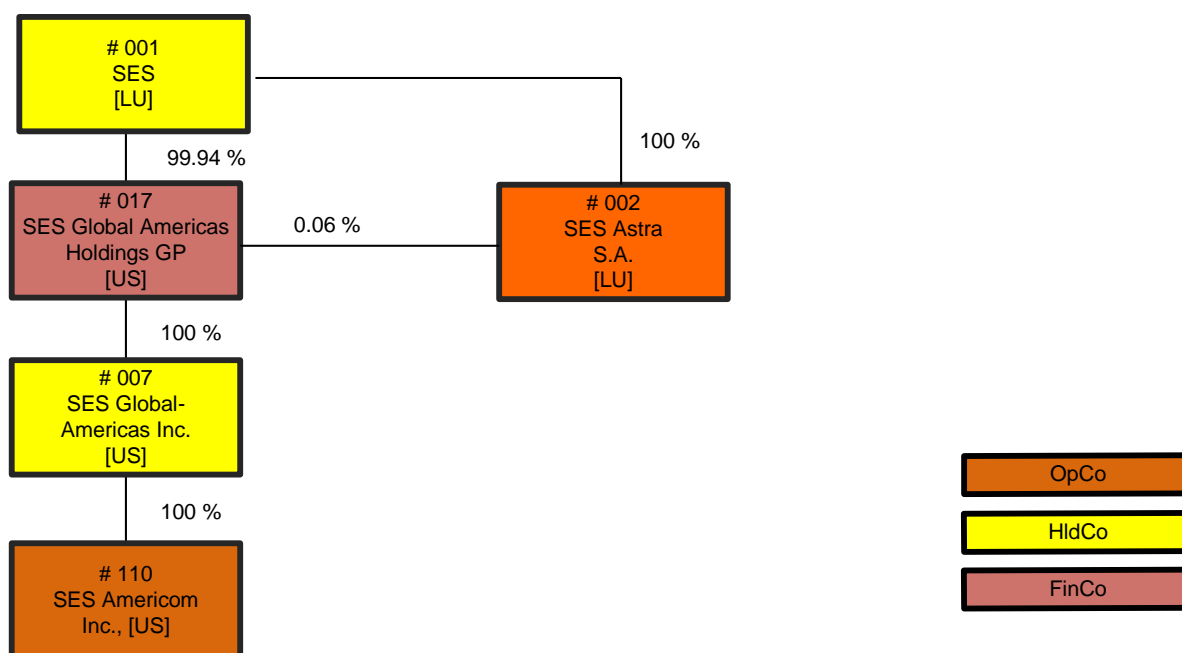
According to Article 1.3 of the Partnership Agreement, the purpose and character of the business of SES Americas is to engage in any lawful business or activity permitted by the Delaware Revised Uniform Partnership Act or the laws of any jurisdiction in which SES Americas may do business as the Partners may agree from time to time, including, without limitation, (i) to hold SES's existing interest in SES Global-Americas, Inc. (**Global Americas**), a Delaware corporation, and a wholly owned subsidiary of SES, (ii) to incur certain indebtedness for the purposes of refinancing certain existing debt of Global Americas, (iii) to make additional capital contributions to Global Americas in exchange for additional interest in Global Americas as the Partners may agree from time to time, (iv) to acquire, hold or dispose of interests in subsidiaries and affiliates of SES and (v) to engage in activities and transactions which the Partners deem necessary, convenient, incidental or advisable in connection with the foregoing, including, the entering into of loan agreements, the lending or borrowing of funds, the purchase or sale of securities and the purchase or sale of derivative instruments.

SES Americas is part of the Group.

SES Americas re-funds its own capital maturities in the capital markets to support SES's funding goals whenever the markets provide SES Americas with favourable access and rates. SES Americas enters into derivative transactions whenever it is necessary to hedge its financial risks.

### Organisational Structure

The following chart shows the position of SES Americas in the Group.



As a holding entity, SES Americas is dependent on the performance of the operating companies in the Group. A description of the Group and the operating companies in the Group appears in “*Description of SES and the Group - Organisational Structure of the Group*”.

## Management

The Partners of SES Americas are:

- SES, Château de Betzdorf, L-6815 Luxembourg; and
- SES ASTRA, Château de Betzdorf, L-6815 Luxembourg.

The Partners have full, exclusive and complete discretion in the management and control of the business of SES Americas and can make all decisions affecting the business of SES Americas. The Partners exercise their respective management power and authority through representatives. Each Partner may appoint one representative (a ***Representative***) from time to time and one or more alternates who may serve in the absence of such Partner’s Representative. The current Representatives are:

(a) for SES:

<u>Name</u>	<u>Function</u>	<u>Principal Activities outside SES Americas</u>
Pierre Margue	Representative	Vice President Legal Services Corporate and Finance, Secretary to the Board of SES
Steve Collar	Alternate Representative	President and Chief Executive Officer of SES S.A.

(b) for SES ASTRA:

<u>Name</u>	<u>Function</u>	<u>Principal Activities outside SES Americas</u>
Ferdinand Kayser	Representative	Chief Executive Officer of SES Video
Mathis Prost	Alternate Representative	Senior Legal Counsel of SES S.A.

The business address for each of the above persons is Château de Betzdorf, L-6815 Luxembourg.

### **Management Bodies' Conflicts of Interests**

There are no potential conflicts of interest between the duties to SES Americas of the persons listed above as Partners or Representatives and their private interests or other duties.

### **Compliance with Corporate Governance Regime**

SES Americas is subject to the Delaware Revised Uniform Partnership Act as it is a general partnership and not a corporation.

### **Audit Committee**

SES Americas does not have an audit committee.

### **Partnership Interests**

SES holds a 99.94 per cent interest in SES Americas and SES ASTRA holds a 0.06 per cent interest in SES Americas. SES Americas is controlled by the Partners through the terms of the Partnership Agreement.



### **Use and estimated net amount of proceeds**

The estimated net proceeds of the issue of the Notes, after deduction of commissions, fees and estimated expenses from each issue of Notes, will be applied by the relevant Issuer for its general corporate purposes, which include making a profit. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## **TAXATION**

### **A. LUXEMBOURG TAXATION**

The following is a general description of certain tax considerations, under the existing laws of Luxembourg as currently applied by the Luxembourg tax authorities, relating to a holding of the Notes and Coupons. It does not purport to be a complete analysis of all tax considerations relating to the Notes and Coupons. Prospective purchasers of the Notes and Coupons should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of any other jurisdiction of acquiring, holding, redeeming and disposing of the Notes and Coupons receiving payments and/or other amounts thereunder.

This summary is based upon the law as in effect on the date hereof and is subject to any change in law that may take effect after such date, and may be retroactively applicable.

The residence concept used below applies for Luxembourg income tax assessment purposes only. Any reference in this section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. A reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), and personal income tax (*impôt sur le revenu des personnes physiques*).

Corporate taxpayers may also be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and solidarity surcharge. Under certain circumstances, where individual taxpayers act in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

#### ***Luxembourg tax residency of the Noteholders and Couponholders***

A Noteholder and Couponholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding of the Notes and Coupons or the execution, performance, delivery and/or enforcement of the Notes and Coupons.

#### ***Withholding Tax***

##### ***Non-resident Noteholders and Couponholders***

Under the Luxembourg tax laws currently in effect, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest) made to a Luxembourg non-resident Noteholder or Couponholder. There is also no Luxembourg withholding tax upon repayment of the principal, sale, refund, redemption or exchange of the Notes and Coupons.

##### ***Resident Noteholders and Couponholders***

Under Luxembourg general tax laws currently in force and subject to the amended law of 23 December 2005 (the ***Relibi Law***), there is no withholding tax on payments of principal, premium or interest (paid or accrued) made to Luxembourg resident Noteholders and Couponholders, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes or Coupons held by Luxembourg resident Noteholders and/or Couponholders.

In accordance with the Relibi Law, a 20 per cent Luxembourg withholding tax is levied on interest or similar income payments made by Luxembourg paying agents to or for the immediate benefit of an individual beneficial owner who is resident in Luxembourg. This withholding tax also applies on accrued interest received upon disposal, redemption or repurchase of the Notes and Coupons. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of tax in application of the Relibi Law is assumed by the Luxembourg paying agent within the meaning of the Relibi Law.

Further, Luxembourg resident individuals acting in the course of the management of their private wealth, who are the beneficial owners of interest payments and other similar income made by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area may opt for a final 20 per cent levy. In such case, the 20 per cent levy is calculated on the basis of the same amounts as for the payments made by Luxembourg paying agents. The option of the 20 per cent final levy must cover all interest payments made by paying agents to the beneficial owner over the full civil year. The Luxembourg resident individual who is the beneficial owner of interest is responsible for the declaration and the payment of the 20 per cent final levy.

### ***Income Taxation***

#### *Taxation of Luxembourg non - residents*

Noteholders and Couponholders who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Notes and Coupons are attributable are not liable to any Luxembourg income tax, irrespective of whether they receive payments of principal or interest (including accrued but unpaid interest) or realise capital gains upon redemption, repurchase, sale or exchange, in any form whatsoever of any Notes and Coupons.

Noteholders and Couponholders who are non-residents of Luxembourg and who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes and Coupons are attributable, are liable to pay Luxembourg income tax on any interest received or accrued, as well as any capital gain realised on the sale or disposal of the Notes and Coupons in their taxable income for Luxembourg income tax assessment purposes.

#### *Taxation of Luxembourg residents*

##### Luxembourg resident individuals

An individual Noteholder and Couponholder acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts under the Notes and Coupons except if a final withholding tax has been levied on such payments in accordance with the Relibi Law.

Under Luxembourg domestic tax law, gains realised upon the sale, disposal or redemption, in any form whatsoever, of the Notes and Coupons which do not constitute Zero Coupon Notes, by an individual Noteholder and Couponholder who is a resident of Luxembourg for tax purposes and who acts in the course of the management of his/her private wealth, are not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the acquisition of the Notes and Coupons. Gains realised upon the sale, disposal or redemption, in any form whatsoever, of Zero Coupon Notes by an individual Noteholder and Couponholder who is a resident of Luxembourg for tax purposes and who acts in the course of the management of his/her private wealth must be included in their taxable income for Luxembourg income tax assessment purposes.

An individual Noteholder and Couponholder who acts in the course of the management of his/her private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gain corresponding to accrued but unpaid income in respect of the Notes and Coupon in his/her taxable income, insofar as the accrued but unpaid interest is indicated separately in the agreement, except if a final withholding tax or levy has been levied in accordance with the Relibi Law.

Luxembourg resident individual Noteholders and Couponholders acting in the course of the management of a professional or business undertaking to which the Notes and Coupons are attributable, have to include any interest received or accrued, as well as any gain realised on the sale or disposal of the Notes and Coupons in their taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes and Coupons sold or redeemed. The 20 per cent Luxembourg withholding tax levied will be credited against their final income tax liability.

#### Luxembourg corporate residents

Luxembourg corporate Noteholders and Couponholders must include any interest received or accrued, as well as any gain realised on the sale or disposal in any form whatsoever of the Notes and Coupons in their taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price (including acquired but unpaid interest) and the lower of the cost or book value of the Notes and Coupons sold or redeemed.

#### Luxembourg residents benefiting from a special tax regime

Luxembourg Noteholders and Couponholders who benefit from a special tax regime, such as, (i) undertakings for collective investment subject to the amended law of 17 December 2010 or (ii) specialised investment funds subject to the amended law of 13 February 2007 or (iii) family wealth management companies governed by the amended law of 11 May 2007 or (iv) reserved alternative investment funds treated as specialised investment funds for Luxembourg tax purposes and governed by the law of 23 July 2016, are exempt from income taxes in Luxembourg and profits derived from the Notes and Coupons are thus not subject to Luxembourg income tax.

#### ***Net Wealth Tax***

Luxembourg resident Noteholders and Couponholders, and Luxembourg non-resident Noteholders and Couponholders who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes and Coupons are attributable, are subject to Luxembourg net wealth tax on such Notes and Coupons, except if the Noteholder or Couponholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the amended law of 17 December 2010, (iii) a securitisation vehicle governed by the amended law of 22 March 2004 on securitisation, (iv) a company governed by the amended law of 15 June 2004 on venture capital vehicles; (v) a specialised investment fund governed by the amended law of 13 February 2007; (vi) a family wealth management company governed by the amended law of 11 May 2007; (vii) a professional pension institution governed by the amended law dated 13 July 2005; or (viii) a reserved alternative investment fund governed by the law of 23 July 2016.

However, (i) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (ii) an opaque company governed by the amended law of 15 June 2004 on venture capital vehicles, (iii) a professional pension institution governed by the amended law dated 13 July 2005, and (iv) an opaque reserved alternative investment fund treated as a venture capital vehicle for

Luxembourg tax purposes and governed by the law of 23 July 2016 remain subject to the minimum net wealth tax.

### ***Other Taxes***

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the Noteholders and Couponholders as a consequence of the issuance of the Notes and Coupons nor will any of these taxes be payable as a consequence of a subsequent transfer of redemption or repurchase of the Notes and Coupons, unless recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg (which is generally not mandatory). There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes and Coupons or in respect of the payment of interest or principal under the Notes and Coupons or the transfer of the Notes and Coupons. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

Under current Luxembourg tax law, where an individual Noteholder or Couponholder is a resident of Luxembourg for inheritance tax purposes at the time of his/her death, the Notes or Coupons are included in his/her taxable estate for inheritance tax purposes. On the contrary, no inheritance tax is levied on the transfer of the Notes or Coupons upon death of an individual Noteholder or Couponholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his/her death. Luxembourg gift tax may be due on a gift or donation of Notes and Coupons if the gift is recorded in a deed passed in front of a Luxembourg notary or otherwise registered in Luxembourg.

### ***Exchange of information***

Capitalized terms used in this section should have the meaning as set forth in the CRS Law as defined below, unless provided otherwise herein.

SES may be subject to the Common Reporting Standard (the “**CRS**”) as set out in the Luxembourg law of 18 December 2015, as amended or supplemented from time to time (the “**CRS Law**”) implementing Directive 2014/107/EU which provides for an automatic exchange of financial account information between EU Member States, as well as the OECD’s multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect as of 1 January 2016.

Under the terms of the CRS Law, SES is likely to be treated as a Luxembourg Reporting Financial Institution.

As such, SES may be required to annually report to the Luxembourg tax authorities (*Administration des contributions directes – LTA*), personal and financial information related, *inter alia*, to the identification of, holdings by and payments made to i) certain Noteholder and/or Couponholder qualifying as Reportable Person that is an Account Holder, ii) and Controlling Person(s) of passive non-financial entities (“**NFEs**”) which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the “**Information**”) will include personal data related to the Reportable Persons.

SES’s ability to satisfy its reporting obligations under the CRS Law will depend on each Noteholder and/or Couponholder providing SES with the Information, along with the required supporting documentary evidence.

SES is responsible for the processing of personal data and each Noteholder and/or Couponholder has a right to access the data communicated to the LTA and to correct such data (if necessary). Any data obtained by SES is to be processed in accordance with the applicable data protection legislation. The Noteholders and/or Couponholders qualifying as passive NFEs undertake to inform their Controlling Persons, if applicable, of the processing of their Information by SES.

The Noteholders and Couponholders are further informed that the Information related to Reportable Persons will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. The Luxembourg tax authorities will, under their own responsibility, eventually exchange the reported information to the competent authority of the Reportable Jurisdiction(s). In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

Similarly, the Noteholders and Couponholders undertake to inform SES within thirty (30) days of receipt of these statements should any included personal data not be accurate. The Noteholders and Couponholders further undertake to immediately inform the SES of, and provide the SES with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Although SES will attempt to satisfy any obligation imposed on it, to avoid any penalties imposed by the CRS Law, no assurance can be given that SES will be able to satisfy these obligations. If the SES becomes subject to a penalty as result of the CRS Law, the value of the Notes and/or Coupons held by the Noteholders and/or Couponholders may suffer material losses.

Any Noteholder and/or Couponholder that fails to comply with SES's documentation or personal data requests may be held liable for penalties imposed on SES and attributable to such Noteholder or Couponholder's failure to provide the personal data to SES, and the Issuer may, in its sole discretion, redeem the Notes and/or Coupon of such Noteholder and/or Couponholder.

## **B. UNITED STATES TAXATION**

The following is a summary based on present law of certain U.S. federal income tax considerations for prospective purchasers of the Notes. It addresses only Non-U.S. Holders that hold Notes as capital assets. It does not consider the circumstances of particular purchasers, such as entities or arrangements treated as partnerships or trusts for U.S. federal income tax purposes, that are subject to special tax rules. The discussion is a general summary. It is not a substitute for tax advice. It deals only with Notes with a term of 30 years or less and it assumes the Notes will be treated as debt for U.S. federal income tax purposes.

In this discussion, a **Non-U.S. Holder** is a beneficial owner of a Note that is not for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity organised in or under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of a U.S. person and the primary supervision of a U.S. court or (iv) an estate the income of which is subject to U.S. federal income taxation regardless of its source.

### ***Withholding Tax***

Interest paid to a Non-U.S. Holder on a Note issued by SES will be exempt from U.S. withholding tax. Interest (including any original issue discount) paid to a Non-U.S. Holder on a Note issued by SES Americas with a maturity of more than 183 days (taking into account unilateral rights to roll or extend) generally will be exempt from U.S. withholding tax if (i) the Non-U.S. Holder does not actually or constructively own 10 per cent or more of SES Americas capital or profits interests,

(ii) the Non-U.S. Holder is not a controlled foreign corporation related to SES Americas through share ownership, (iii) the Non-U.S. Holder is not treated as a bank holding a Note as an extension of credit in the ordinary course of its banking business for U.S. federal income tax purposes, (iv) payments on the Notes are not contingent interest ineligible for the portfolio interest exemption from U.S. withholding tax (generally interest determined by reference to income, profits, cash flow, sales, dividends or other similar attributes of SES Americas or any related person), and (v) a properly executed W-8 (or successor form) has been received.

Interest paid to a Non-U.S. Holder on a Note issued by SES Americas with a maturity of 183 days or less (taking into consideration unilateral rights to roll or extend) will be subject to U.S. withholding tax unless (i) the Note has a minimum denomination of not less than U.S.\$500,000 (or, if issued in a currency other than U.S. dollars, the equivalent amount in such currency determined based on the spot rate on the date of issuance), or (ii) the Notes are issued as Registered Notes.

Gain realised by a Non-U.S. Holder on the disposition of a Note generally will not be subject to U.S. withholding tax.

Notwithstanding the foregoing, in the case of Notes issued by SES America with a maturity of more than 183 days, payments of interest (including any original issue discount) generally will be subject to U.S. withholding tax under FATCA if paid to persons that fail to meet certain certification, reporting, or related requirements under FATCA. Similar rules may apply to payments on Notes issued by SES that are made more than two years after the date on which the Final Passthru Regulations are published in the U.S. Federal Register if (i) such payments are treated as attributable to “withholdable payments” (as defined under FATCA) and (ii) such Notes are either (x) issued or materially modified after the date falling six months after the date on which the Final Passthru Regulations are published in the U.S. Federal Register or (y) treated as equity for U.S. federal income tax purposes.

### ***Net Income Tax***

If a Non-U.S. Holder is engaged in a trade or business within the United States, interest on a Note (although exempt from U.S. withholding tax) generally will be subject to U.S. federal income tax on a net income basis if it is effectively connected with such holder’s conduct of a U.S. trade or business (and, if required by an applicable income tax treaty applies, is attributable to such holder’s U.S. permanent establishment). Additionally, gain realised by a Non-U.S. Holder on the disposition of a Note generally will be subject to U.S. federal income tax on a net income basis if (i) it is effectively connected with such holder’s conduct of a U.S. trade or business (and, if required by an applicable income tax treaty applies, is attributable to such holder’s U.S. permanent establishment) or (ii) such holder is an individual present in the United States for at least 183 days during the taxable year of disposition and certain other conditions are met.

### ***Information Reporting and Backup Withholding***

Payments of principal and interest on the Notes, except for interest exempt from U.S. federal income tax, and proceeds from the sale or other disposition of a Note may be subject to U.S. information reporting and backup withholding if the sale or payment is effected through a U.S. broker or another middleman with certain connections in the United States. Any amount withheld may be credited against a Non-U.S. Holder’s U.S. federal income tax liability or refunded to the extent it exceeds such holder’s liability and the relevant information is timely furnished to the U.S. Internal Revenue Service.

**THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX**

**ADVISOR ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN THE NOTES IN LIGHT OF THE INVESTOR'S OWN CIRCUMSTANCES.**



## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement dated 29 May 2020 (the **Programme Agreement**), agreed with SES and SES Americas a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, SES and SES Americas have agreed to reimburse the Dealers for certain of their expenses in connection with any update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes and the guarantees have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in these paragraphs have the meanings given to them by Regulation S.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the **Code**), and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering or the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes, other than (i) Notes with an initial maturity of one year or less (or 183 days or less in the case of Notes issued by SES Americas) (taking into consideration unilateral rights to roll or extend), and (ii) Registered Notes, will be issued in accordance with the provisions of either U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the Code) (the **TEFRA D Rules**) or, in the case of Notes issued by SES, the TEFRA C Rules, as specified in the applicable Final Terms. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the TEFRA D Rules and TEFRA C Rules. Notes issued by SES Americas with an initial maturity of more than 183 days (taking into consideration unilateral rights to roll or extend) will only be issued as Registered Notes.

Notes issued by SES Americas with maturities at issuance of 183 days or less (taking into consideration unilateral rights to roll or extend) that, as specified in the applicable Final Terms, are intended to comply with U.S. Treasury Regulation section 1.6049-5(b)(10) will be issued in compliance with the TEFRA D Rules (excluding the certification requirement) and will have a minimum denomination of not less than U.S.\$500,000 (or, if issued in a currency other than U.S.

dollars, the equivalent amount in such currency determined based on the spot rate on the date of issuance).

In addition, where the TEFRA C Rules are specified in the Final Terms as being applicable to any Tranche of Notes, the Notes must, in accordance with their original issuance, be issued and delivered outside the United States and its possessions and, accordingly, each Dealer represents, warrants and undertakes to the Issuer that, in connection with the original issuance of such Notes: (a) it will not offer, sell or deliver, directly or indirectly, any Notes within the United States or its possessions or to a United States person; and (b) it will not communicate, directly or indirectly, with a prospective purchaser if such Dealer or such prospective purchaser is within the United States or its possessions and will not otherwise involve the U.S. office of such Dealer in the offer and sale of Notes.

In addition, in respect of Notes issued in accordance with the TEFRA D Rules, each Dealer has represented, warranted and undertaken that:

- (a) except to the extent permitted under the TEFRA D Rules: (i) it has not offered or sold, and during the restricted period will not offer or sell, directly or indirectly, any Notes to a person who is within the United States or its possessions or to a United States person; and (ii) it has not delivered and will not deliver within the United States or its possessions any Notes sold during the restricted period;
- (b) it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that the Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;
- (c) if it is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance and, if it retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation section 1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the Code);
- (d) with respect to each affiliate of such Dealer that acquires Notes from such Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer either (i) repeats and confirms the representations, warranties and undertakings contained in subclauses (a), (b) and (c) above on behalf of such affiliate or (ii) undertakes to the Issuers that it will obtain from such affiliate for the benefit of the Issuer the representations, warranties and undertakings contained in subclauses (a), (b) and (c) above; and
- (e) with respect to any person other than an affiliate of such Dealer with whom such Dealer enters into a written contract, as defined in U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(4) (or any successor rules in substantially the same form that are applicable for purposes of section 4701 of the Code), for the offer or sale during the restricted period of Notes, such Dealer undertakes to the Issuer that it will obtain from such non-affiliate for the benefit of the Issuer the representations, warranties and undertakings contained in subclauses (a), (b), (c) and (d) above.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

## Prohibition of Sales to EEA and UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, *MiFID II*) or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the *Insurance Distribution Directive*), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the *Prospectus Regulation*); and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

## United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (*FSMA*) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to either Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## France

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or

sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) and/or a limited circle of investors (*cercle restreint*), acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**) Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and shall not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, “resident of Japan” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan, as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended).

## Republic of Italy

The offering of the Notes has not been registered with *Commissione Nazionale per le Società e la Borsa* (the **CONSOB**) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to any Notes be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or distributed, and will not offer, sell or deliver any Notes or distribute any copy of this Prospectus or any other document relating to the Notes in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended from time to time (the **Financial Services Act**) and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (the **Issuers Regulation**); or
- (ii) in other circumstances which are expressly exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Issuers Regulation.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under paragraphs (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended from time to time (the **Banking Act**);

- (b) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB or the Bank of Italy or other competent authority.

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

## **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief in all material respects) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of SES, SES Americas and any other Dealer shall have any responsibility therefor.

The Programme Agreement provides that the obligation of any Dealer to subscribe for Notes under any such agreement is subject to certain conditions and that, in certain circumstances, a Dealer shall be entitled to be released and discharged from its obligations under any such agreement prior to the issue of the relevant Notes.

None of SES, SES Americas, the Arranger and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the relevant Issuer and the relevant Dealer.

## **GENERAL INFORMATION**

### **Authorisation**

The establishment of the Programme, the issue of Notes and the giving of the Guarantee by SES Americas have been duly authorised by a resolution of the partners of SES Americas dated 28 November 2005. The establishment of the Programme, the issue of Notes and the giving of the Guarantee by SES have been duly authorised by a resolution of the Board of Directors of SES dated 4 August 2005. The increase in the size of the Programme has been duly authorised by a resolution of the partners of SES Americas dated 15 June 2007 and by a resolution of the Board of Directors of SES dated 5 April 2007. The update of the Programme has been duly authorised by a resolution of the partners of SES Americas dated 29 May 2020 and by a resolution of the Board of Directors of SES dated 5 April 2007.

### **Approval, Listing and Admission to Trading**

Application has been made to the CSSF to approve this document as base prospectuses for the Issuers. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II.

### **Documents Available**

So long as Notes are outstanding, copies of the following documents will be available for inspection from the registered office of SES and SES Americas and from the specified office of the Principal Paying Agent for the time being in Luxembourg:

- (a) the articles of association (with an English translation thereof) of SES and the partnership agreement of SES Americas;
- (b) the consolidated audited financial statements of SES Americas for the year ended 31 December 2018 and 31 December 2019 and the audited consolidated financial statements and non-consolidated annual accounts of SES in respect of the financial years ended 31 December 2018 and 31 December 2019, in each case together with the audit reports prepared in connection therewith. SES currently prepares consolidated financial statements and non-consolidated annual accounts on an annual basis and SES Americas prepares consolidated financial statements on an annual basis;
- (c) the most recently published audited annual financial statements and unaudited interim financial statements (if any) of SES and SES Americas, including the financial results of SES for the three months ended 31 March 2020, in each case together with any audit or review reports prepared in connection therewith. SES currently prepares unaudited consolidated interim financial statements on a half-yearly basis and SES Americas prepares unaudited consolidated interim financial statements on a half-yearly basis;
- (d) the Agency Agreement, the Guarantee, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (e) a copy of this Prospectus; and
- (f) any future prospectus, supplement to the Prospectus, information memoranda and any Final Terms (save that a Final Terms relating to a Note which is neither admitted to trading on a

regulated market in the European Economic Area or in the United Kingdom nor offered in the European Economic Area or in the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer and the Paying Agent as to its holding of Notes and identity) to this Prospectus and any other documents incorporated herein or therein by reference.

In addition:

- copies of this Prospectus, any supplements to the prospectus and each Final Terms relating to Notes which are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and each document incorporated by reference are available on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu));
- so long as Notes are outstanding, the articles of association (with an English translation thereof) of SES and the partnership agreement of SES Americas will be available for inspection at

- articles of association (with an English translation thereof) of SES:

<http://dl.bourse.lu/dlp/106e90ac357b6c40d0bd8b536df9f9288d>

- partnership agreement of SES Americas:

<http://dl.bourse.lu/dlp/10379ef8e397654f44ab71b290d1ebf75e>

and

- so long as Notes are outstanding, the Deed of Covenant and Guarantee, in respect of each of SES and SES Americas will be available for inspection at:

- Deed of Covenant in relation to SES:

<http://dl.bourse.lu/dlp/109ff9d64a3306496dbf176649752e7232>

- Deed of Covenant in relation to SES Americas:

<http://dl.bourse.lu/dlp/10f476bce019e142c4ad9aa4679798e21a>

- Guarantee in relation to SES:

<http://dl.bourse.lu/dlp/10c5b52f11ff7b4806985e3c88f2274422>

- Guarantee in relation to SES Americas:

<http://dl.bourse.lu/dlp/100c126171450f4dbd91ce8c28cf79f2b0>

## Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.



The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42, Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuers and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **Significant or Material Change**

There has (i) been no significant change in the financial position or financial performance of SES since 31 March 2020 and (ii) been no material adverse change in the prospects of SES since 31 December 2019. There has been (i) no significant change in the financial position or financial performance of SES Americas since 31 December 2019 and (ii) there has been no material adverse change in the prospects of SES Americas since 31 December 2019.

### **Litigation**

Neither SES nor any member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the 12 months preceding the date of this Prospectus which may have, or have had in such period, a significant effect on the financial position or profitability of the Group.

## **Auditors**

PricewaterhouseCoopers, *Société coopérative (PwC)* are the independent auditors (*réviseur d'entreprises agréé*) of SES and SES Americas.

PwC have audited the consolidated financial statements and non-consolidated annual accounts of SES, without qualification, the consolidated financial statements being drawn up in accordance with IFRS and the non-consolidated annual accounts being prepared in accordance with LuxGAAP relating to the preparation of the annual accounts as of and for each of the two financial years ended 31 December 2019 and 31 December 2018.

PwC have audited the consolidated financial statements of SES Americas, without qualification, the consolidated financial statements being drawn up in accordance with IFRS as of and for each of the two financial years ended 31 December 2019 and 31 December 2018. PwC are members of the Luxembourg body of registered auditors (*Institut des Réviseurs d'Entreprises*).

## **Dealers transacting with SES and SES Americas**

The Dealers and their affiliates have engaged in, and may in the future engage in financing, in investment banking and other commercial dealings in the ordinary course of business with each of SES, SES Americas or their affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of its business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of SES, SES Americas or their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with SES and/ or SES Americas routinely hedge their credit exposure to SES and/or SES Americas, as the case may be, consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in SES and/or SES Americas' securities, including potentially the Notes offered hereby. Any such positions could adversely affect future trading prices of the Notes offered hereby.

The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the avoidance of doubt, the term "affiliates" also includes parent companies.

**Yield**

In relation to any Tranche of Fixed Rate Notes, the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date (as specified in the relevant Final Terms) on the basis of the relevant Issue Price. The yield that will be specified in the Final Terms will not be an indication of future yield.

**Legal Entity Identifier**

The Legal Entity Identifier code of SES is 5493008JPA4HYMH1HX51. The Legal Entity Identifier code of SES Global Americas Holdings GP is 5299000YGN3VJ3R60481.

**Website**

The website of each Issuer is <https://www.ses.com>. The information on <https://www.ses.com> does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.

## **GLOSSARY**

### ***Analogue***

Transmission method for conveying voice, data, images or video information using a continuous signal.

### ***Bandwidth***

Part of the electromagnetic frequency spectrum used for radio frequency transmission.

### ***Beam***

Term used to describe the radiation pattern of a satellite antenna. The intersection of a satellite beam with the surface of the Earth is called the footprint (of the beam).

### ***C-band***

Frequency range assigned to satellite communications systems, approximately 4 GHz for the downlink and 6 GHz for the uplink. The associated transmission power is relatively low in comparison with Ku-band, for example. Larger antennae are therefore required for C-band operation. Considered to be the frequency range least susceptible to transmission impairments such as rain.

### ***Capacity***

Quantity of information transmitted. By analogy, there is often reference to spectrum width and to the associated power needed to transmit this quantity of information.

### ***Contract backlog***

The minimum future revenue due to the Group under its existing customer contracts. In relation to contracts where customers have discretionary termination rights, the minimum future revenue represents the revenue up to the earliest termination point as well as the applicable termination fee (if any).

### ***Digital***

Format for recording, processing, transmitting and broadcasting data via a digital binary code signal (and not by the modulation of a continuous signal as in analogue transmission).

### ***Digital Subscriber Line (DSL)***

A technology enabling the use of the copper lines connecting customers of a switched telephone network for purposes of digital broadband connectivity.

### ***Direct-to-Cable (DTC)***

A method of transmission that transmits satellite programmes directly to cable networks.

### ***Direct-to-home (DTH)***

A method of transmission that transmits satellite programmes directly to customers' homes.

### ***Downlink***

Transmission path for data or other signals from a communications satellite to an earth station.

### ***Earth station***

Installation required in order to receive a signal from a satellite and/or transmit a signal to a satellite. The facility consists of an antenna and communications equipment on the ground and is also known as a ground station.

### ***Fixed Satellite Service (FSS)***

Geostationary communications satellites between earth stations located at fixed points used for broadcast feeds for television stations, radio stations and broadcast networks, as well as for telephony, telecommunications and data communications.

### ***Frequency***

Number of vibrations produced by unit of time during a given period. Frequency relates to the rate of variation per second of the carrier wave or modulating signal. Satellite transmissions are generally in GHz (see “C-band,” “Ka-band” and “Ku-band”).

### ***Geostationary orbit (GEO)***

The orbit whose altitude above the equator is 36,000 km, where a satellite travels at the same angular speed as the rotating earth. Objects situated in this orbit appear motionless from a ground observer.

### ***High definition television (HDTV)***

Television that offers a clearer and more detailed picture and requires two or three times more bandwidth than standard definition channels.

### ***HD+***

Proprietary access system developed by SES to enable the reception of encrypted Free-To-Air High Definition TV signals.

### ***High Throughput Satellite (HTS)***

A satellite whose payload is configured to re-use frequency spectrum available at a given orbital position, with the objective of increasing the maximum bandwidth available and delivering it at lower unit cost.

### ***Hosted payloads***

Payloads carried on a satellite for third parties, which are additional to the primary mission of the satellite.

### ***IPTV***

Internet Protocol Television. Television signals delivered via IP technology.

### ***Ka-band***

A frequency range assigned to satellite communications systems, approximately 20 GHz for the downlink and 30 GHz for the uplink. These frequencies have the shortest wavelength of the three principal frequency bands used by geostationary satellites. Small antennae can be used, but Ka-band requires the use of high-power beams that are tightly concentrated over fairly small geographical

areas. The Ka-band is optimized for applications such as broadband services. Considered to be less reliable due to risk of weather-related transmission impairments.

***Ka-band (GovSat-1)***

A part of the Ka-band spectrum reserved by the ITU for governmental use.

***Ku-band***

A frequency range assigned to satellite communications systems, approximately 14 GHz for the uplink and 11 GHz for the downlink. Used for radio and television, this band is the most widespread in Europe as a result of the small size of the antennae needed for reception. Generally highly reliable and seldom affected by weather-related impairments.

***L-band***

The frequency range between 1 and 2 GHz. Mainly used for maritime mobile satellite services.

***Low Earth Orbit (LEO)***

Describing the orbit below about 2,000 km altitude.

***Medium Earth Orbit (MEO)***

Describing the orbit between LEO (~2,000 km) and GEO (~36,000km).

***MNO***

Mobile Network Operator.

***Mobile backhaul***

The transmission of mobile cellular traffic using satellite to connect cells which do not have terrestrial linkage.

***Payload***

Set of satellite equipment used for reception, frequency conversion, processing and retransmission of the communications signals after they have been amplified, but excluding add-on equipment such as the platform (physical structure and subsystems such as electrical, thermal and altitude control etc.).

***Radio frequency***

Electromagnetic frequency generally higher than 20 kHz, used to transmit information.

***Redundancy***

Integral satellite design feature involving the use of several identical components, each able to replace any of the others in the event of failure.

***Steerable beam***

Beam of a satellite antenna that can be directed onto a particular geographical region using ground-based controls.

***Telemetry, tracking and control (TT&C)***

System that provides an important communication link between the satellite and the earth station. It enables an uplink for command and a downlink for monitoring the health of satellite components, as well as providing tracking information for monitoring the satellite's position in orbit.

### ***Transponder***

Name given to the retransmitter on board a satellite whose function is to retransmit the signals received from the earth uplink station into the designated geographic coverage area of the satellite.

### ***Ultra-High Definition Television (UHDTV)***

A further enhancement of video display quality, delivering about four times the resolution of HD and requiring correspondingly greater amounts of bandwidth to transmit. UHDTV significantly enhances the colour range, contrast and audio quality of the broadcast beyond that delivered by HD TV.

### ***Uplink***

Transmission of data or other signals from an earth station to a communications satellite.

### ***Very small aperture terminal (VSAT)***

A station, located on Earth, used in satellite communications of data, voice and video signals. Typically part of a network, the antenna size can range from 80 cm to 2 m.

### ***X-band***

Frequency range from approximately 8 – 12 GHz, reserved for governmental use.

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