qurate RETAIL, INC.

2022 ANNUAL REPORT
2023 PROXY STATEMENT

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FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding business, product and marketing strategies; future financial performance; direct and indirect impacts of the COVID-19 pandemic; the expected benefits of our turnaround plan designed to stabilize and differentiate our core HSN and QVC U.S. brands and expand our leadership in video streaming commerce ("Project Athens"); the impact of the fire at the Rocky Mount fulfillment center; insurance recoveries; the sale leaseback transactions; the remediation of a material weakness; new service offerings; revenue growth at QVC; synergies; the recoverability of goodwill and other intangible assets; projected sources and uses of cash; repayment of debt; fluctuations in interest rates and foreign currency exchange rates; and the anticipated impact of certain contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business. In particular, statements in our "Letter to Shareholders" and under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" contain forward-looking statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. The following include some but not all of the factors that could cause actual results or events to differ materially from those anticipated:

- the continuing global and regional economic impacts of the COVID-19 pandemic and other public health-related risks and events on our customers, our vendors and our businesses generally;
- customer demand for our products and services and our ability to attract new customers and retain existing customers by anticipating customer demand and adapting to changes in demand;
- competitor responses to our products and services;
- increased digital TV penetration and the impact on channel positioning of our programs;
- the levels of online traffic to our businesses' websites and our ability to convert visitors into customers or contributors;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our future financial performance, including availability, terms, deployment of capital and our level of indebtedness;
- our ability to effectively manage our installment sales plans and revolving credit card programs;
- the cost and ability of shipping companies, manufacturers, suppliers, digital marketing channels, and vendors to deliver products, equipment, software and services;
- the outcome of any pending or threatened litigation;
- availability of qualified personnel;
- the impact of the seasonality of our businesses;
- changes in, or failure or inability to comply with, government regulations, including, without limitation, regulations of the Federal Communications Commission, and adverse outcomes from regulatory proceedings;
- changes in the nature of key strategic relationships with partners, distributors, suppliers and vendors;
- domestic and international economic and business conditions and industry trends, including the impact of the "Brexit" withdrawal of the United Kingdom from the European Union and the impact of inflation and increased labor costs;
- increases in market interest rates;
- changes in the trade policy and trade relations with China;
- consumer spending levels, including the availability and amount of individual consumer debt and customer credit losses;
- system interruption and the lack of integration and redundancy in the systems and infrastructures of our businesses;
- advertising spending levels;
- changes in distribution and viewing of television programming, including the expanded deployment of video on demand technologies and Internet protocol television and their impact on home shopping programming;
- rapid technological changes;
- failure to protect the security of personal information, subjecting us to potentially costly government enforcement actions and/or private litigation and reputational damage;
- the regulatory and competitive environment of the industries in which we operate;
- natural disasters, public health crises (including COVID-19), political crises, and other catastrophic events or other events outside of our control;
- threatened terrorist attacks, political and economic unrest in international markets and ongoing military action around the world;

- failure to successfully implement Project Athens; and
- fluctuations in foreign currency exchange rates.

These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this Annual Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. When considering such forward-looking statements, you should keep in mind any risk factors identified and other cautionary statements contained in this Annual Report and in our publicly filed documents, including our most recent Forms 10-K and 10-Q. Such risk factors and statements describe circumstances which could cause actual results to differ materially from those contained in any forward-looking statement.

LETTER TO SHAREHOLDERS

April 2023

Dear Fellow Shareholders,

Our business is in the midst of a substantial turnaround. Beginning in June 2022, we laid the foundation for our transformation with Project Athens, a multiyear strategic plan to return to stable revenue and double-digit OIBDA and free cash flow growth in 2023 and 2024. We made encouraging progress in 2022, though it did not yet materialize in our financial results.

We underdelivered in 2022, with large declines in revenue, OIBDA and free cash flow. Our results were influenced by several external challenges: historic high inflation, lower consumer sentiment, a war in Ukraine, post-pandemic supply chain challenges and notably the downstream impacts of the tragic Rocky Mount fire (including a massive loss of inventory, delivery failures and longer delivery times that impacted customer satisfaction and retention). Our results also reflected underperformance on our own execution (including insufficient focus on our core customers and inadequate rigor on important aspects of our experience). Addressing these execution missteps are key pieces of Project Athens, and the work is well underway.

Despite these challenges, we continued to keep customers engaged on our platforms in 2022. Minutes viewed on QVC US and HSN's linear TV channels rose 7% to more than 70 billion, and customers participated in over 1 billion digital sessions across our websites, mobile websites and apps. On average, existing customers ordered nearly 30 items during the year, consistent with purchase rates in prior years. We continue to have the attention of millions of enthusiastic shoppers, which positions us for better results through increased conversion.

Following substantial analysis of our business, we developed and activated Project Athens, launched hundreds of change initiatives across our businesses, and made hard choices to reset our costs. We have also assembled a stellar executive leadership team for this transformation, combining tenured Qurate Retail executives—some with 20+ years in our video commerce brands—and external talent with new perspectives from Amazon, Stitch Fix, Macy's, digital-first retail start-ups, and more.

We enter 2023 with an intense focus on execution and with the confidence that we can deliver on our commitments. Here is a closer look.

QVC US and HSN are reenergizing their live linear video shopping experiences.

Both QVC and HSN appeal most to a specific demographic—women over 50 with above average disposable income who love to shop, are highly engaged with video, and are trend-setters for family and friends. The US Census Bureau estimates that there will be more than 80 million women over 45 in the US by 2030; this cohort is growing and controls the vast majority of household purchase decisions.

Within this audience, QVC and HSN each target a different segment. We separated the two brands in early 2022 to allow for more tailored approaches. QVC focuses on slightly more affluent women who like being "in the know" and want to explore high quality items with people they trust. QVC positions its hosts as knowledgeable guides who chat with experts and demonstrate product features. HSN focuses on women who see products as a form of self-expression and want to stand out. HSN gives them a faster, more trend-forward shopping experience with more celebrities.

QVC and HSN are focused on expanding their assortment to give customers more variety. In June 2022, we announced our plan to reduce inventory by 20%-30% in the next 18 months. We delivered on this objective well ahead of schedule and reduced inventory 25% year-over-year by the end of 2022. This creates greater flexibility in our fulfillment network for new product (in addition to the positive impacts on delivery times, cost and cash flow). Across QVC and HSN, we are expanding in fashion and developing proprietary brands across multiple categories. QVC is leaning into wellness and culinary and recentlyintroduced an Accessible & Adaptive category as part of a broader accessibility initiative. Actress, best-selling author and disability advocate Selma Blair is serving as QVC's Brand Ambassador for Accessibility. QVC is also focusing on driving higher price points, leaning into leather handbags and premium jewelry and apparel. HSN continues to add celebrity collections, with launches such as C. Wonder by Christian Siriano, an acclaimed American fashion designer. HSN is also building its jewelry business. Both brands are expanding capabilities to enhance pricing and reward our best customers for their loyalty.

We continue to better execute on our live linear TV channels, which remain powerful tools to gather and motivate large audiences of shoppers. We have returned our Today's Special Value at QVC and our Today's Special at HSN to single-day offers with time-limited pricing to restore urgency to the model. We are making smaller buys for these deals, which is driving more sellouts. Our hosts and guests are back together in our studios for livelier, authentic conversations, and we have relaunched our live audience shows to enthusiastic response. Both QVC and HSN continue to create new shows tailored to their audiences, and we are augmenting our data analytics capabilities to optimize programming across our five US channels.

Our fulfillment team has restored order-to-delivery times to pre-Rocky-Mount-fire levels, and we are working on further improvements. By the close of 2025, our goal is to deliver more than 90% of orders in less than five days.

vCommerce Ventures is rapidly expanding our reach, engagement and original content on streaming.

We launched the new vCommerce Ventures business unit in early 2022 to accelerate our growth on streaming. We are making progress, with revenue attributed to streaming nearly doubling in 2022.

We now reach more US homes via digital livestreaming TV and our streaming service than we do on traditional pay TV. In 2022, we extended our linear TV channels on FAST (free ad-supported streaming TV) and on subscription streaming TV, with launches on The Roku Channel, Pluto TV, Fubo and others. We also introduced a web version of our QVC+ and HSN+ streaming service and added our streaming app to Samsung Smart TVs and Cox platforms.

Creativity and engagement on QVC+ and HSN+ continued to surge. Minutes viewed rose double-digits in each of Q3 2022 and in Q4 2022 sequentially, as we launched dozens of original videos that blend shopping and entertainment in new ways. We now feature over 200 streaming-only videos, ranging from catch-up formats to category deep dives with series such as *“(Pretty Much)—Conversations About Beauty with People Over 40.”* Our service also boasts a range of lifestyle shows, such as *“In the Spirit”* with celebrity chef Curtis Stone or *“My Best Friend’s Kitchen,”* where celebrity chef Gaby Dalkin cooks with her famous friends including Hilary Duff and Meghan Trainor. We also created our first holiday movie, *“Holly and the Hot Chocolate”* featuring QVC host David Venable.

By becoming the only shopping focused destination TV app, we attract audiences by developing exclusive newsworthy content with pop culture celebrities and brands. We also leverage digital marketing and promotions across our own platforms and on the streaming services that host our app. We are able to create high quality content in a cost-efficient way, leveraging our robust in-house production capabilities.

QVC International is working to restore growth in Europe and build momentum in Japan.

Our QVC International team continues to be a source of innovation for the entire company. QVC UK launched our first Integrated Experience, which targets a passionate customer group (in this case, gardeners) with seamless, 360-degree video shopping, spanning product, special shows, interactive livestreams, an online community with our experts, and more. QVC Germany plans to launch an Integrated Experience for culinary fans soon. QVC UK also launched *“Menopause Your Way,”* a customer engagement campaign in which women from all walks of life share their own journeys around menopause.

Zulily is repositioning its platform with a lower cost base.

In 2022, Zulily substantially reduced cost by closing its Bethlehem, PA, fulfillment center and cutting SG&A expenses nearly 15%. At the same time, we repositioned Zulily to offer moms a better combination of convenience, affordability and fun. Zulily now presents exclusive daily deals alongside always-available everyday collections so moms can complete more shopping in one visit. More than 300 national brands have signed up for the virtual “stores within a store” at the heart of this concept. In addition, we are seeing greater availability of excess inventory in the marketplace, which we believe will benefit Zulily.

Cornerstone Brands continues to gain market share with our upper income demographic.

Our Cornerstone Brands—Ballard Designs, Frontgate, Garnet Hill and Grandin Road—each delivered record revenue in 2022, as demand for our proprietary home products remained strong. We continue to see growth opportunities in retail expansion, as each store helps promote the brand in the surrounding area. Since January 1, 2022, we opened three Ballard Designs stores (including our new design studio concept), bringing our total footprint across Cornerstone to 29 stores[1]. In the remainder of 2023, we plan to open four more Ballard Designs stores, a Frontgate store and a Garnet Hill store.

1 As of April 1, 2023

Capital Structure

Project Athens-related cost and margin initiatives are expected to benefit our adjusted OIBDA and free cash flow primarily in the back half of 2023 and ramp fully in 2024. We took a number of steps in 2022 to strengthen our balance sheet and provide necessary runway for these turnaround efforts to take effect. We closed a number of sale and leaseback transactions in 2022 and early 2023, providing capital against a challenging debt market. These transactions generated $875 million of aggregate proceeds. In addition, we took a series of actions at the end of 2022 that resulted in a distribution of cash such that all levels of our capital structure have sufficient cash balances to satisfy respective obligations for multiple years. Free cash flow will be applied to debt repayment as we work to return to our stated leverage target of 2.5x. We have sufficient cushion relative to the 4.5x maximum leverage covenant threshold in our credit facility. In addition to the gains from the sale leaseback transactions, our credit agreement allows us to add back to our covenant EBITDA a portion of the next twelve-months of expected cost savings. This, combined with our expected higher adjusted OIBDA relative to 2022, will provide incremental cushion under our leverage covenant. We have additional sources of potential liquidity through other non-core assets at Qurate Retail. We have a manageable maturity schedule and will continue to assess incremental opportunities to improve the balance sheet.

We are confident in our strategies and our team.

Thanks to our foundational work in 2022, we are executing full force against the right strategies, with focus, optimism and grit. This is a critical year for our turnaround, and we are on track to deliver on our commitments.

Thank you for your support, and we look forward to updating you on our progress.

Very truly yours,

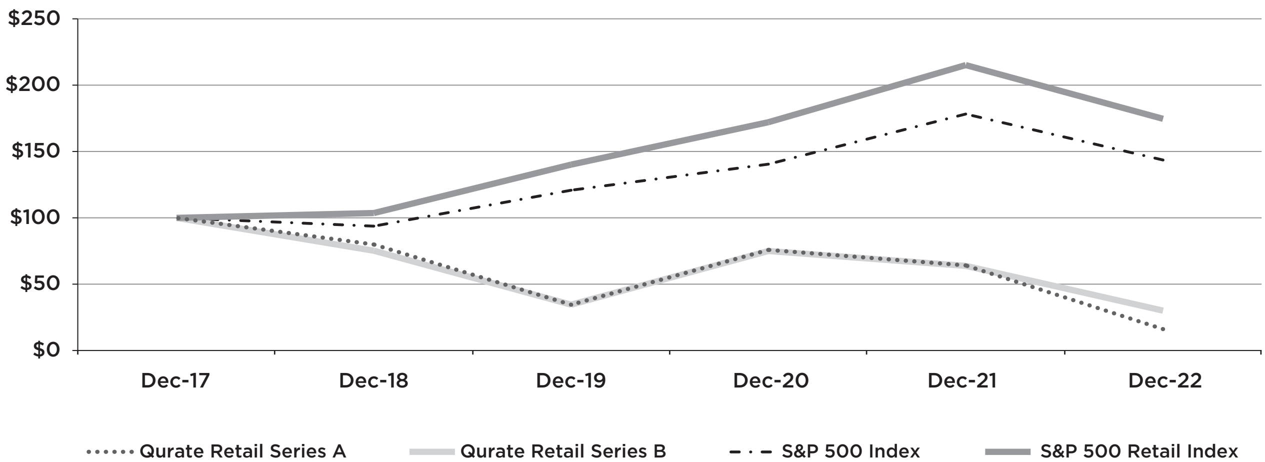
David Rawlinson II
President & Chief Executive Officer

Gregory B. Maffei
Executive Chairman of the Board

STOCK PERFORMANCE

The following graph compares the percentage change in the cumulative total stockholder return on an investment in Qurate Retail Series A and Series B common stock (formerly referred to as the Series A and Series B QVC Group common stock) from December 31, 2017 through December 31, 2022 to the percentage change in the cumulative total return on the S&P 500 Index and the S&P 500 Retail Index. This chart includes the impact of (i) the special dividend of 0.03 of a share of Qurate Retail's newly-created preferred stock per share of common stock which was distributed to shareholders in September 2020, including the ongoing distributions of quarterly dividends paid to preferred stockholders and assuming reinvestment of such dividends into Qurate Retail's preferred stock, and (ii) the distribution of special cash dividends, assuming reinvestment of the cash proceeds into our common stock.

QURATE RETAIL COMMON STOCK VS. S&P 500 and S&P 500 RETAIL INDICES
12/31/17 TO 12/31/22



	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
Qurate Retail Series A	$100.00	$ 79.93	$ 34.52	$ 75.87	$ 64.16	$ 16.14
Qurate Retail Series B	$100.00	$ 75.23	$ 34.58	$ 75.02	$ 63.82	$ 30.07
S&P 500 Index	$100.00	$ 93.76	$120.84	$140.49	$178.27	$143.61
S&P 500 Retail Index	$100.00	$103.63	$140.14	$172.11	$215.16	$174.66

Note: Trading data for the Series B shares is limited as they are thinly traded.

INVESTMENT SUMMARY

(Based on publicly available information as of January 31, 2023) www.qurateretail.com/about/asset-list

The following table sets forth some of Qurate Retail, Inc.'s assets which may be held directly and indirectly through partnerships, joint ventures, common stock investments and/or instruments convertible into common stock. Ownership percentages in the table are approximate and, where applicable, assume conversion to common stock by Qurate Retail, Inc. and, to the extent known by Qurate Retail, Inc., other holders. In some cases, Qurate Retail, Inc.'s interest may be subject to buy/sell procedures, repurchase rights or dilution.

QURATE RETAIL, INC.			
ENTITY	**DESCRIPTION OF OPERATING BUSINESS**	**ATTRIBUTED SHARE COUNT(1) (in millions)**	**ATTRIBUTED OWNERSHIP(2)**
Comscore, Inc.	Global information and analytics company that measures advertising, content, and the consumer audiences across media platforms.	27.5	15.7%(3)
Cornerstone Brands	Cornerstone is comprised of interactive, aspirational home and apparel lifestyle brands including Frontgate, Ballard Designs, Garnet Hill and Grandin Road.	N/A	100%
LIC Sound, LLC	Venture investment fund focused on technology companies.	N/A	Various(4)
Liberty Technology Venture Capital II, LLC	Investment fund focused on Israeli technology companies.	N/A	80%
NetBase Solutions, Inc.	Social media analytics platform that global companies use to run brands, build businesses, and connect with consumers every second. NetBase platform processes millions of social media posts daily for actionable business insights for marketing research, customer service, sales, PR, and product innovation.	N/A	3.3%
QVC, Inc.	QVC, Inc. is a world leader in video commerce ("vCommerce"), which includes video-driven shopping across linear TV, ecommerce sites, digital streaming and social platforms. QVC offers an ever-changing collection of familiar brands and fresh new products—from home and fashion to beauty, electronics, and jewelry—and connects shoppers to interesting personalities, engaging stories, and award-winning customer service. QVC, Inc. includes QVC U.S., QVC International and HSN.	N/A	100%
Zulily, LLC	Zulily is an online retailer that launches a new store on its mobile apps and website every day. By creating an immersive and entertaining shopping experience featuring hundreds of sales and thousands of products at great prices, Zulily invites shoppers around the world to discover a wide assortment of curated products for themselves, their families, and their homes.	N/A	100%

Note: Tables above include holdings with owned asset value greater than $5 million.

1) Applicable only for publicly-traded entities.
2) Represents undiluted ownership interest.
3) Comscore ownership on an as-converted basis based on outstanding shares as of February 24, 2023.
4) Includes portfolio of assets with varying non-controlling ownership percentages.

QURATE RETAIL, INC.

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5300

DEAR FELLOW STOCKHOLDER:

You are cordially invited to attend the 2023 annual meeting of stockholders of Qurate Retail, Inc. (**Qurate Retail**) to be held at 8:15 a.m., Mountain time, on June 6, 2023. The annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting ***www.virtualshareholdermeeting.com/QRI2023***. To enter the annual meeting, you will need the 16-digit control number that is printed on your Notice of Internet Availability of Proxy Materials or proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on June 6, 2023.

At the annual meeting, you will be asked to consider and vote on the proposals described in the accompanying notice of annual meeting and proxy statement, as well as on such other business as may properly come before the meeting.

Your vote is important, regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, please read the enclosed proxy materials and then promptly vote via the Internet or telephone or by completing, signing and returning the proxy card if you received a paper copy of the proxy materials by mail. Doing so will not prevent you from later revoking your proxy or changing your vote at the meeting.

Thank you for your cooperation and continued support and interest in Qurate Retail.

Very truly yours,

David Rawlinson II

President and Chief Executive Officer

April 20, 2023

The Notice of Internet Availability of Proxy Materials is first being mailed on or about April 25, 2023, and the proxy materials relating to the annual meeting will first be made available on or about the same date.

qurate RETAIL, INC.

QVC

HSN

zulily

BALLARD DESIGNS

FRONTGATE

Garnet Hill
Beautiful, Naturally.™

grandinroad

NOTICE OF 2023 ANNUAL MEETING OF STOCKHOLDERS

Notice is hereby given of the annual meeting of stockholders of Qurate Retail, Inc. (**Qurate Retail**). The annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders.

MEETING DATE & TIME	VIRTUAL MEETING LOCATION	RECORD DATE
June 6, 2023, at 8:15 a.m. MT	You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting ***www.virtualshareholdermeeting.com/QRI2023***.	5:00 p.m., New York City time, on April 10, 2023

To enter the annual meeting, you will need the 16-digit control number that is printed on your Notice of Internet Availability of Proxy Materials or proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on June 6, 2023.

At the annual meeting, you will be asked to consider and vote on the following proposals. Our Board of Directors (**Board** or **Board of Directors**) has unanimously approved each proposal for inclusion in the proxy materials.

	PROPOSAL	BOARD RECOMMENDATION	PAGE
1	A proposal (which we refer to as the **election of directors proposal**) to elect Fiona P. Dias, Evan D. Malone and Larry E. Romrell to continue serving as Class I members of our Board until the 2026 annual meeting of stockholders or their earlier resignation or removal.	FOR each director nominee	14
2	A proposal (which we refer to as the **reverse stock split proposal**) to approve the adoption of an amendment to our Restated Certificate of Incorporation to effect a reverse stock split of our Series A common stock, par value $0.01 per share, and our Series B common stock, par value $0.01 per share, at a ratio of at least 1-for-2 and up to 1-for-20, with the exact ratio within the foregoing range to be determined by our Board of Directors (or a committee thereof) and publicly disclosed prior to the effectiveness of the reverse stock split.	FOR	37
3	A proposal (which we refer to as the **auditors ratification proposal**) to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2023.	FOR	45
4	A proposal (which we refer to as the **say-on-pay proposal**) to approve, on an advisory basis, the compensation of our named executive officers as described in this proxy statement under the heading "Executive Compensation."	FOR	48
5	A proposal (which we refer to as the **say-on-frequency proposal**) to approve, on an advisory basis, the frequency at which future say-on-pay votes will be held.	3 YEARS	49
	You may also be asked to consider and vote on such other business as may properly come before the annual meeting.		

We describe the proposals in more detail in the accompanying proxy statement. We encourage you to read the proxy statement in its entirety before voting.

YOUR VOTE IS IMPORTANT. Voting promptly, regardless of the number of shares you own, will aid us in reducing the expense of any further proxy solicitation in connection with the annual meeting. You may vote electronically during the annual meeting or by proxy prior to the meeting by telephone, via the Internet or by mail:

Internet
Vote online at ***www.proxyvote.com***

Virtual Meeting
Vote live during the annual meeting at the URL above

Phone
Vote by calling 1-800-690-6903 (toll free) in the United States or Canada

Mail
Vote by returning a properly completed, signed and dated proxy card

WHO MAY VOTE

Holders of record of our Series A common stock, par value $0.01 per share, and our Series B common stock, par value $0.01 per share, as of the record date will be entitled to notice of the annual meeting and to vote at the annual meeting or any adjournment or postponement thereof.

These holders will vote together as a single class on each proposal.

WHO MAY NOT VOTE

Holders of record of our 8% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share, are not entitled to any voting powers, except as specified in the Certificate of Designations relating to such shares or as required by Delaware law, and may not vote on the proposals to be presented at the annual meeting.

A list of stockholders entitled to vote at the annual meeting will be available at our offices at 12300 Liberty Boulevard, Englewood, Colorado 80112 for review by our stockholders for any purpose germane to the annual meeting for at least ten days prior to the annual meeting. If you have any questions with respect to accessing this list, please contact Qurate Retail Investor Relations at (866) 876-0461.

Important Notice Regarding the Availability of Proxy Materials For the Annual Meeting of Stockholders to be Held on June 6, 2023: our Notice of Annual Meeting of Stockholders, Proxy Statement and 2022 Annual Report to Stockholders are available at *www.proxyvote.com*.

By order of the Board of Directors,

Katherine C. Jewell

Katherine C. Jewell

Vice President and Secretary
Englewood, Colorado
April 20, 2023

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE PROMPTLY VIA TELEPHONE OR ELECTRONICALLY VIA THE INTERNET. ALTERNATIVELY, PLEASE COMPLETE, SIGN AND RETURN THE PROXY CARD IF YOU RECEIVED A PAPER COPY OF THE PROXY MATERIALS BY MAIL.

Table of Contents

Proxy Summary

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all information you should consider. Please read the entire proxy statement carefully before voting.

NEW

What's new with this year's proxy statement?

- 2022 Year in Review
- Reverse Stock Split Proposal on pages 37 – 38
- Say-on-Pay Proposal on page 48
- Say-on-Frequency Proposal on page 49

ABOUT OUR COMPANY

Qurate Retail is a Fortune 500 company comprised of seven leading retail brands—QVC, HSN, Zulily, Ballard Designs, Frontgate, Garnet Hill, and Grandin Road (collectively, **Qurate Retail Group**)—all dedicated to providing a more human way to shop. Qurate Retail Group is the largest player in video commerce, which includes video-driven shopping across linear TV, ecommerce sites, digital streaming, and social platforms. The retailer reaches more than 200 million homes worldwide via 14 television networks and reaches millions more via multiple streaming services, social pages, mobile apps, websites, print catalogs and in-store destinations.

2022 YEAR IN REVIEW

- Announced Project Athens, a five-point turnaround plan designed to stabilize and differentiate Qurate Retail's core brands and expand its leadership in video streaming commerce
- Hired key executive talent at Qurate Retail Group, including Bill Wafford as Chief Financial Officer in 2023, Stacy Bowe as Chief Merchandising Officer, QVC, Soumya Sriraman as President of Streaming, Scott Barnhart as Chief Operating Officer and Linda Aiello as Chief People Officer
- Achieved inventory clearance commitments ahead of plan, ending 2022 down 25% year-over-year

Our Defining Attributes

FORWARD-LOOKING

We take advantage of the benefits and minimize the risks associated with the digital transition in the industries in which we invest.

NIMBLE

We structure our team to allow us to move quickly when opportunities arise, and we can be creative in our deal structures.

FINANCIALLY SOPHISTICATED

We have experience in mergers, divestitures, investing, capital deployment, credit analysis and setting capital structures.

LONG-TERM FOCUSED

We take a long-term, strategic view in our various operating businesses and are less concerned with short-term bouts of volatility.

STOCKHOLDER CENTRIC

We think like owners and are focused on long-term gains rather than short-term results. The compensation structure of our management team is closely tied to the long-term performance of our stock.

VOTING ROADMAP

Proposal 1: Election of Directors Proposal (see page 14)

OUR BOARD RECOMMENDS A VOTE FOR EACH DIRECTOR NOMINEE

The Board of Directors recommends that you vote **FOR** each director nominee. These individuals bring a range of relevant experiences and overall diversity of perspectives that is essential to good governance and leadership of our company. See pages 14 – 23 for further information.

OUR DIRECTOR NOMINEES

FIONA P. DIAS

Director Since: 2017 **Committee(s):** Audit

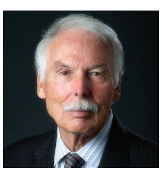
Independent Director

Ms. Dias brings to our Board significant experience in senior policy-making roles both as a member of other public company boards and as a senior marketing executive. She also brings extensive experience in digital commerce, marketing and managing consumer and retail brands.

EVAN D. MALONE

Director Since: 2008

Dr. Malone brings an applied science and engineering perspective to the Board. Dr. Malone's perspectives assist the Board in developing business strategies and adapting to technological changes facing the industries in which our company competes. In addition, his entrepreneurial experience assists the Board in evaluating strategic opportunities.



LARRY E. ROMRELL

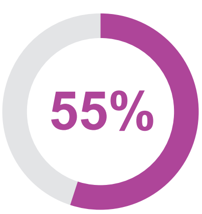
Director Since: 1999 **Committee(s):** Compensation (Chair), Audit Committee

Independent Director

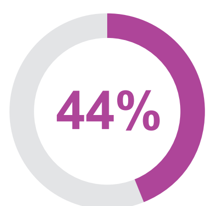
Mr. Romrell brings extensive experience, including venture capital experience, in the telecommunications industry to our Board and is an important resource with respect to the management and operations of companies in the media and telecommunications sector.

CURRENT BOARD OF DIRECTORS AT A GLANCE

INDEPENDENCE



GENDER/DEMOGRAPHIC DIVERSITY



BOARD AND CORPORATE GOVERNANCE HIGHLIGHTS

Effective Independent Oversight

- Majority of our directors are independent
- Separate Chairman of the Board and Chief Executive Officer
- Executive sessions of independent directors held without the participation of management
- Independent directors chair the audit, compensation and nominating and corporate governance committees
- Ability to engage with independent consultants or advisors
- No compensation committee interlocks or compensation committee engagement in related party transactions in 2022

Strong Governance Practices

- 100% director participation at 2022 meetings of the Board and its committees
- Succession planning
- Stockholder access to the director nomination process
- Corporate Governance Guidelines, Code of Business Conduct and Ethics and various policies (including Enterprise Risk Management Policy, Human Rights Policy and Tax Policy) which are published online
- Directors have unabridged access to senior management and other company employees
- Anonymous "whistleblowing" channels for any concerns
- Well-established risk oversight process
- Leverages collaborative approach to enhancing Environmental, Social and Governance (**ESG**) practices

Proposal 2: Reverse Stock Split Proposal (see page 37)

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote **FOR** this proposal because it will allow our Board of Directors flexibility to effect a reverse stock split in order to bring the trading price of our common stock back to a normalized level in light of recent market volatility as well as help ensure continued listing of our QRTEA (as defined below) shares on The Nasdaq Stock Market LLC (**Nasdaq**). See pages 37 – 38 for more further information.

Proposal 3: Auditors Ratification Proposal (see page 45)

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote **FOR** this proposal because KPMG LLP is an independent firm with few ancillary services and reasonable fees, and has significant industry and financial reporting expertise. See pages 45 – 46 for further information.

Proposal 4: Say-on-Pay Proposal (see page 48)

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote **FOR** this proposal because our compensation structure is aligned with our ultimate goal of appropriately motivating our executives to increase long-term stockholder value. See page 48 for further information.

Proposal 5: Say-on-Frequency Proposal (see page 49)

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote in favor of the **3 YEARS** frequency option with respect to this proposal because it is compatible with our compensation philosophy, which focuses on compensating our executives in a way that ensures they have a continuing stake in our long-term success. See page 49 for further information.

3 YEARS

ENVIRONMENTAL, SOCIAL AND GOVERNANCE HIGHLIGHTS

Qurate Retail participates in a collaborative approach to ESG issues. We believe that this approach allows us to have the largest impact, and unlock the greatest value, as it enables us to draw on the partnership spanning our company, Liberty Media Corporation (**Liberty Media**), Liberty TripAdvisor Holdings, Inc. (**Liberty TripAdvisor**) and Liberty Broadband Corporation (**Liberty Broadband**), as well as with the portfolio of assets within each of these public companies.

Qurate Retail Group has a long-standing commitment to doing business the right way and creating positive change for all the communities we touch. Qurate Retail Group's corporate responsibility strategy builds on its materiality assessment, which identified our core material topics based on extensive research and stakeholder engagement. These material topics have been organized around three strategic pillars to demonstrate how our people, our networks and our brands all support us in the pursuit of our corporate responsibility commitments as outlined at *www.qurateretailgroup.com*.

EXECUTIVE COMPENSATION HIGHLIGHTS

Compensation Philosophy

Our compensation philosophy seeks to align the interests of the named executive officers with those of our stockholders, with the ultimate goal of appropriately motivating our executives to increase long-term stockholder value.

To that end, the compensation packages provided to the named executive officers include significant performance-based bonuses and significant equity incentive awards, including equity awards that vest multiple years after initial grant.

WHAT WE DO

- A significant portion of compensation is at-risk and performance-based.
- Performance targets for our executives support the long-term growth of the company.
- We have clawback provisions for equity-based incentive compensation.
- We have stock ownership guidelines for our executive officers.
- We review our executives' base salaries on an annual basis.

WHAT WE DO NOT DO

- Our compensation practices do not encourage excessive risk taking.
- We do not provide tax gross-up payments in connection with taxable income from perquisites.
- We do not engage in liberal share recycling.

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

We are furnishing this proxy statement in connection with the Board of Directors' solicitation of proxies for use at our 2023 Annual Meeting of Stockholders to be held at 8:15 a.m., Mountain time, on June 6, 2023, or at any adjournment or postponement of the annual meeting. The annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/QRI2023*. At the annual meeting, we will ask you to consider and vote on the proposals described in the accompanying Notice of Annual Meeting of Stockholders. The proposals are described in more detail in this proxy statement. We are soliciting proxies from holders of our Series A common stock, par value $0.01 per share (**QRTEA**), and Series B common stock, par value $0.01 per share (**QRTEB**). The holders of our 8% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (**QRTEP**), are not entitled to any voting powers, except as specified in the Certificate of Designations relating to QRTEP or as required by Delaware law, and may not vote on the proposals to be presented at the annual meeting. We refer to QRTEA and QRTEB together as our **common stock**. We refer to our common stock together with QRTEP as our **capital stock**.

The Annual Meeting

NOTICE AND ACCESS OF PROXY MATERIALS

We have elected, in accordance with the Securities and Exchange Commission's (**SEC**) "Notice and Access" rule, to deliver a Notice of Internet Availability of Proxy Materials (the **Notice**) to our stockholders and to post our proxy statement and our annual report to our stockholders (collectively, the **proxy materials**) electronically. The Notice is first being mailed to our stockholders on or about April 25, 2023. The proxy materials will first be made available to our stockholders on or about the same date.

The Notice instructs you how to access and review the proxy materials and how to submit your proxy via the Internet. The Notice also instructs you how to request and receive a paper copy of the proxy materials, including a proxy card or voting instruction form, at no charge. We will not mail a paper copy of the proxy materials to you unless specifically requested to do so. The Notice is not a form for voting and presents only an overview of the more complete proxy materials, which contain important information and are available to you on the Internet or by mail. We encourage you to access and review the proxy materials before voting.

Important Notice Regarding the Availability of Proxy Materials For the Annual Meeting of Stockholders to be Held on June 6, 2023: our Notice of Annual Meeting of Stockholders, Proxy Statement and 2022 Annual Report to Stockholders are available at *www.proxyvote.com*.

We have adopted a procedure, approved by the SEC, called "householding." Under this procedure, stockholders of record who have the same address and last name and did not receive a Notice of Internet Availability or otherwise receive their proxy materials electronically will receive only one copy of this Proxy Statement, unless we are notified that one or more of these stockholders wishes to continue receiving individual copies. This procedure will reduce our printing costs and postage fees.

If you are eligible for householding, but you and other stockholders of record with whom you share an address currently receive multiple copies of this Proxy Statement or if you hold our common stock in more than one account, and in either case you wish to receive only a single copy of each of these documents for your household, please contact Broadridge Financial Solutions, Inc. by writing to Broadridge Financial Solutions, Inc., Attn: Householding Department, 51 Mercedes Way, Edgewood, New York 11717 or by calling, toll-free in the United States, 1-866-540-7095. If you participate in householding and wish to receive a separate copy of this Proxy Statement or if you do not wish to continue to participate in householding and prefer to receive separate copies of these documents in the future, please contact Broadridge Financial Solutions, Inc. as indicated above.

ELECTRONIC DELIVERY

Registered stockholders may elect to receive future notices and proxy materials by e-mail. To sign up for electronic delivery, go to *www.proxyvote.com*. Stockholders who hold shares through a bank, brokerage firm or other nominee may sign up for electronic delivery when voting by Internet at *www.proxyvote.com*, by following the prompts. Also, stockholders who hold shares through a bank, brokerage firm or other nominee may sign up for electronic delivery by contacting their nominee. Once you sign up, you will not receive a printed copy of the notices and proxy materials, unless you request them. If you are a registered stockholder, you may suspend electronic delivery of the notices and proxy materials at any time by contacting our transfer agent, Broadridge, at (888) 789-8461 (outside the United States (626) 427-6421). Stockholders who hold shares through a bank, brokerage firm or other nominee should contact their nominee to suspend electronic delivery.

TIME, PLACE AND DATE

The annual meeting of stockholders is to be held at 8:15 a.m., Mountain time, on June 6, 2023. The annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/QRI2023*. To enter the annual meeting, you will need the 16-digit control number that is printed on your Notice or proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on June 6, 2023.

PURPOSE

At the annual meeting, you will be asked to consider and vote on each of the following:

- the election of directors proposal, to elect Fiona P. Dias, Evan D. Malone and Larry E. Romrell to continue serving as Class I members of our Board until the 2026 annual meeting of stockholders or their earlier resignation or removal;
- the reverse stock split proposal, to approve the adoption of an amendment to our Restated Certificate of Incorporation to effect a reverse stock split of our issued and outstanding common stock at a ratio of at least 1-for-2 and up to 1-for-20, with the exact ratio within the foregoing range to be determined by our Board of Directors (or a committee thereof) and publicly disclosed prior to the effectiveness of the reverse stock split;
- the auditors ratification proposal, to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2023;
- the say-on-pay proposal, to approve, on an advisory basis, the compensation of our named executive officers as described in this proxy statement under the heading "Executive Compensation"; and
- the say-on-frequency proposal, to approve, on advisory basis, the frequency at which future say-on-pay votes will be held.

You may also be asked to consider and vote on such other business as may properly come before the annual meeting, although we are not aware at this time of any other business that might come before the annual meeting.

RECOMMENDATION OF OUR BOARD OF DIRECTORS

Our Board of Directors has unanimously approved each of the proposals for inclusion in the proxy materials and recommends that you vote "**FOR**" the election of each director nominee, "**FOR**" each of the reverse stock split proposal, auditors ratification proposal, and say-on-pay proposal, and "**3 YEARS**" for the say-on-frequency proposal.

QUORUM

In order to conduct the business of the annual meeting, a quorum must be present. This means that the holders of at least a majority of the aggregate voting power represented by the shares of our common stock outstanding on the record date and entitled to vote at the annual meeting must be represented at the annual meeting either in person or by proxy. Virtual attendance at the annual meeting constitutes presence in person for purposes of a quorum at the meeting. For purposes of determining a quorum, your shares will be included as represented at the meeting even if you indicate on your proxy that you abstain from voting. If a broker, who is a record holder of shares, indicates on a form of proxy that the broker does not have discretionary authority to vote those shares on a particular proposal or proposals, or if those shares are voted in circumstances in which proxy authority is defective or has been withheld, those shares (**broker non-votes**) will nevertheless be treated as present for purposes of determining the presence of a quorum. See "— Voting Procedures for Shares Held in Street Name—Effect of Broker Non-Votes" below.

WHO MAY VOTE

Holders of shares of our common stock, as recorded in our stock register as of 5:00 p.m., New York City time, on April 10, 2023 (such date and time, the **record date** for the annual meeting), will be entitled to notice of the annual meeting and to vote at the annual meeting or any adjournment or postponement thereof.

VOTES REQUIRED

Each director nominee who receives a plurality of the combined voting power of the outstanding shares of our common stock present in person or represented by proxy at the annual meeting and entitled to vote on the election of directors at the annual meeting, voting together as a single class, will be elected to office.

Approval of the reverse stock split proposal requires the affirmative vote of the holders of record of a majority of the voting power of the outstanding shares of our common stock entitled to vote on this proposal, voting together as a single class.

Approval of each of the auditors ratification proposal and say-on-pay proposal requires the affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class.

The say-on-frequency proposal provides for stockholders to vote for one of three potential frequencies (every one year, two years or three years) for future say-on-pay votes. Stockholders also have the option to abstain from such vote if they do not wish to express a preference. If one of such frequencies receives the affirmative vote of a majority of the votes cast on the say-on-frequency proposal by the holders of shares of our common stock that are present, in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class, the frequency receiving such majority vote will be the frequency selected by our Board of Directors for future say-on-pay votes. If no frequency receives the requisite majority, our Board of Directors will carefully consider the outcome of the vote and decide the frequency at which future advisory votes on executive compensation will be held.

Virtual attendance at the annual meeting constitutes presence in person for purposes of each required vote.

VOTES YOU HAVE

At the annual meeting, holders of shares of QRTEA will have one vote per share and holders of shares of QRTEB will have ten votes per share, in each case, that our records show are owned as of the record date. Holders of QRTEP will NOT be eligible to vote at the annual meeting.

SHARES OUTSTANDING

As of the record date, 379,933,996 shares of QRTEA and 8,700,380 shares of QRTEB were issued and outstanding and entitled to vote at the annual meeting.

NUMBER OF HOLDERS

There were, as of the record date, 2,181 and 57 record holders of QRTEA and QRTEB, respectively (which amounts do not include the number of stockholders whose shares are held of record by banks, brokers or other nominees, but include each such institution as one holder).

VOTING PROCEDURES FOR RECORD HOLDERS

Holders of record of our common stock as of the record date may vote via the Internet at the annual meeting or prior to the annual meeting by telephone or through the Internet. Alternatively, if they received a paper copy of the proxy materials by mail, they may give a proxy by completing, signing, dating and returning the proxy card by mail.

Holders of record may vote their shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/QRI2023*. To enter the annual meeting, holders will need the 16-digit control number that is printed on their Notice or proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that they are logged in when the meeting starts. Online check-in will start shortly before the meeting on June 6, 2023.

Instructions for voting prior to the annual meeting by using the Internet are printed on the Notice or the proxy voting instructions attached to the proxy card. In order to vote prior to the annual meeting through the Internet, holders should have their Notices or proxy cards available so they can input the required information from the Notice or proxy card, and log onto the Internet website address shown on the Notice or proxy card. When holders log onto the Internet website address, they will receive instructions on how to vote their shares. Unless subsequently revoked, shares of our common stock represented by a proxy submitted as described herein and received at or before the annual meeting will be voted in accordance with the instructions on the proxy.

YOUR VOTE IS IMPORTANT. It is recommended that you vote by proxy even if you plan to attend the annual meeting. You may change your vote at the annual meeting.

If you submit a properly executed proxy without indicating any voting instructions as to a proposal enumerated in the Notice of Annual Meeting of Stockholders, the shares represented by the proxy will be voted "**FOR**" the election of each director nominee, "**FOR**" each of the reverse stock split proposal, auditors ratification proposal and say-on-pay proposal and, in the case of the say-on-frequency proposal, will be voted in favor of the "**3 YEARS**" frequency option.

If you submit a proxy indicating that you abstain from voting as to a proposal, it will have no effect on the election of directors proposal or the say-on-frequency proposal and will have the same effect as a vote "**AGAINST**" each of the other proposals.

If you do not submit a proxy or you do not vote at the annual meeting, your shares will not be counted as present and entitled to vote for purposes of determining a quorum, and your failure to vote will have no effect on determining whether any of the proposals are approved (if a quorum is present).

VOTING PROCEDURES FOR SHARES HELD IN STREET NAME

GENERAL

If you hold your shares in the name of a broker, bank or other nominee, you should follow the instructions provided by your broker, bank or other nominee when voting your shares or to grant or revoke a proxy. The rules and regulations of the New York Stock Exchange and Nasdaq prohibit brokers, banks and other nominees from voting shares on behalf of their clients without specific instructions from their clients with respect to numerous matters, including, in our case, the election of directors, the say-on-pay, and say-on-frequency proposals. Accordingly, to ensure your shares held in street name are voted on these matters, we encourage you to provide promptly specific voting instructions to your broker, bank or other nominee.

EFFECT OF BROKER NON-VOTES

Broker non-votes are counted as shares of our common stock present and entitled to vote for purposes of determining a quorum but will have no effect on any of the proposals. You should follow the directions your broker, bank or other nominee provides to you regarding how to vote your shares of common stock or how to change your vote or revoke your proxy.

REVOKING A PROXY

If you submitted a proxy prior to the start of the annual meeting, you may change your vote by attending the annual meeting online and voting via the Internet at the annual meeting or by delivering a signed proxy revocation or a new signed proxy with a later date to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. Any signed proxy revocation or later-dated proxy must be received before the start of the annual meeting. In addition, you may change your vote through the Internet or by telephone (if you originally voted by the corresponding method) not later than 11:59 p.m., New York City time, on June 5, 2023 for shares held directly.

Your attendance at the annual meeting will not, by itself, revoke a prior vote or proxy from you.

If your shares are held in an account by a broker, bank or other nominee, you should contact your nominee to change your vote or revoke your proxy.

SOLICITATION OF PROXIES

We are soliciting proxies by means of our proxy materials on behalf of our Board of Directors. In addition to this mailing, our employees may solicit proxies personally or by telephone. We pay the cost of soliciting these proxies. We also reimburse brokers and other nominees for their expenses in sending paper proxy materials to you and getting your voting instructions. We have also retained D.F. King & Co., Inc. (**D.F. King**) to assist in the solicitation of proxies at a cost of $12,500, plus disbursements and we agree to indemnify D.F. King and its affiliates against certain claims, liabilities, losses, damages and expenses for their services as the company's proxy solicitor.

If you have any further questions about voting or attending the annual meeting, please contact Qurate Retail Investor Relations at (866) 876-0461, Broadridge at (888) 789-8461 (outside the United States (626) 427-6421) or our proxy solicitor, D.F. King, at (212) 269-5550 (brokers and banks only) or (800) 817-5468 (toll free).

OTHER MATTERS TO BE VOTED ON AT THE ANNUAL MEETING

Our Board of Directors is not currently aware of any business to be acted on at the annual meeting other than that which is described in the Notice of Annual Meeting of Stockholders and this proxy statement. If, however, other matters are properly brought to a vote at the annual meeting, the persons designated as proxies will have discretion to vote or to act on these matters according to their best judgment. In the event there is a proposal to adjourn or postpone the annual meeting, the persons designated as proxies will have discretion to vote on that proposal.

STOCKHOLDER PROPOSALS

This proxy statement relates to our annual meeting of stockholders for the calendar year 2023 which will take place on June 6, 2023. Based solely on the date of our 2023 annual meeting and the date of this proxy statement, (i) a stockholder proposal must be submitted in writing to our Corporate Secretary and received at our executive offices at 12300 Liberty Boulevard, Englewood, Colorado 80112, by the close of business on December 27, 2023 in order to be eligible for inclusion in our proxy materials for the annual meeting of stockholders for the calendar year 2024 (the **2024 annual meeting**), and (ii) a stockholder proposal, or any nomination by stockholders of a person or persons for election to the Board of Directors, must be received at our executive offices at the foregoing address not earlier than March 8, 2024 and not later than April 8, 2024 to be considered for presentation at the 2024 annual meeting. We currently anticipate that the 2024 annual meeting will be held during the second quarter of 2024. If the 2024 annual meeting takes place more than 30 days before or 30 days after June 6, 2024 (the anniversary of the 2023 annual meeting), a stockholder proposal, or any nomination by stockholders of a person or persons for election to the Board of Directors, will instead be required to be received at our executive offices at the foregoing address not later than the close of business on the tenth day following the first day on which notice of the date of the 2024 annual meeting is communicated to stockholders or public disclosure of the date of the 2024 annual meeting is made, whichever occurs first, in order to be considered for presentation at the 2024 annual meeting. In addition, to comply with the universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than Qurate Retail nominees must provide notice that sets forth the information required by Rule 14a-19 under the Securities Exchange Act of 1934, as amended (the **Exchange Act**), no later than April 8, 2024.

All stockholder proposals for inclusion in our proxy materials will be subject to the requirements of the proxy rules adopted under the Exchange Act, our charter and bylaws and Delaware law.

FORWARD-LOOKING STATEMENTS

In this proxy statement, we make "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as "may," "will," "intend," "continue," "believe," "expect," "anticipate," "should," "could" or similar terminology. These statements are based upon management's current expectations and assumptions and are not guarantees of timing, future results or performance. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties and other factors, including, among other things, the impact of the reverse stock split (if effected) on our stock price and our ability to meet the continued listing requirements of The Nasdaq Global Select Market. Additional information regarding risks, uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is included from time to time in our filings with the SEC, including under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 (the **2022 Form 10-K**), which was filed with the SEC on March 1, 2023, and in our subsequent periodic reports. Forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise we believe these forward-looking statements are reasonable; however, you should not place undue reliance on forward looking statements, which are based on current expectations. Any or all of our forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors which are beyond our control."

ADDITIONAL INFORMATION

We file periodic reports, proxy materials and other information with the SEC. You may inspect such filings on the Internet website maintained by the SEC at *www.sec.gov*. Additional information can also be found on our website at *www.qurateretail.com*. Information contained on any website referenced in this proxy statement is not incorporated by reference in this proxy statement. **If you would like to receive a copy of the 2022 Form 10-K, or any of the exhibits listed therein, please call or submit a request in writing to Investor Relations, Qurate Retail, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112, Tel. No. (866) 876-0461, and we will provide you with the 2022 Form 10-K without charge, or any of the exhibits listed therein upon the payment of a nominal fee (which fee will be limited to the expenses we incur in providing you with the requested exhibits).**

Proposal 1—The Election of Directors Proposal

BOARD OF DIRECTORS OVERVIEW

What am I being asked to vote on and how should I vote?

We are asking our stockholders to elect Fiona P. Dias, Evan D. Malone and Larry E. Romrell to continue serving as Class I members of our Board until the 2026 annual meeting of stockholders or their earlier resignation or removal.

Our Board of Directors currently consists of nine directors, divided among three classes. Our Class I directors, whose term will expire at the 2023 annual meeting, are Fiona P. Dias, Evan D. Malone and Larry E. Romrell. These directors are nominated for election to our Board to continue serving as Class I directors, and we have been informed that each of Messrs. Malone and Romrell and Ms. Dias are willing to continue serving as a director of our company. The term of the Class I directors who are elected at the annual meeting will expire at the annual meeting of our stockholders in the year 2026. Our Class II directors, whose term will expire at the annual meeting of our stockholders in the year 2024, are Richard N. Barton, David Rawlinson II and Gregory B. Maffei. Our Class III directors, whose term will expire at the annual meeting of our stockholders in the year 2025, are John C. Malone, M. Ian G. Gilchrist and Andrea L. Wong.

If any nominee should decline election or should become unable to serve as a director of our company for any reason before election at the annual meeting, votes will be cast by the persons appointed as proxies for a substitute nominee, if any, designated by the Board of Directors.

The following lists the three nominees for election as directors at the annual meeting and the six directors of our company whose term of office will continue after the annual meeting, and includes as to each person how long such person has been a director of our company, such person's professional background, other public company directorships and other factors considered in the determination that such person possesses the requisite qualifications and skills to serve as a member of our Board of Directors. For additional information on our Board's evaluation of director candidates or incumbent directors seeking re-election, see "Corporate Governance—Board Criteria and Director Candidates." All positions referenced in the biographical information below with our company include, where applicable, positions with our predecessors. The number of shares of our capital stock beneficially owned by each director is set forth in this proxy statement under the caption "Security Ownership of Certain Beneficial Owners and Management."

The members of our nominating and corporate governance committee have determined that Messrs. Malone and Romrell and Ms. Dias, who are nominated for election at the annual meeting, continue to be qualified to serve as directors of our company and such nominations were approved by the entire Board of Directors.

VOTE AND RECOMMENDATION

A plurality of the combined voting power of the outstanding shares of our common stock present in person or represented by proxy at the annual meeting and entitled to vote on the election of directors at the annual meeting, voting together as a single class, is required to elect each of Fiona P. Dias, Evan D. Malone and Larry E. Romrell as a Class I member of our Board of Directors.

OUR BOARD RECOMMENDS A VOTE FOR EACH DIRECTOR NOMINEE

The Board of Directors recommends that you vote **FOR** each director nominee. These individuals bring a range of relevant experiences and overall diversity of perspectives that is essential to good governance and leadership of our company.

OUR BOARD AT A GLANCE

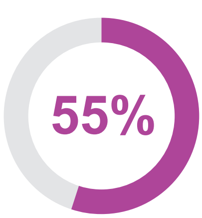
Name and Principal Occupation	Director Since	Committee Memberships: Executive	Committee Memberships: Compensation	Committee Memberships: Nominating & Corporate Governance	Committee Memberships: Audit	Non-Liberty Public Board Directorships(1)
Class I directors who will stand for election this year						
FIONA P. DIAS	2017			M	M	2
EVAN D. MALONE	2008					—
LARRY E. ROMRELL	1999(2)		C		M	1
Class II directors who will stand for election in 2024						
RICHARD N. BARTON	2016			M		2
GREGORY B. MAFFEI (BOARD CHAIRMAN)	2005	M				1
DAVID RAWLINSON II	2022	M				1
Class III directors who will stand for election in 2025						
JOHN C. MALONE	1994	M				2
M. IAN G. GILCHRIST	2009		M		C	—
ANDREA L. WONG	2010		M	C		2

(1) Does not include service on the Board of Directors of Liberty Media, Liberty Broadband, Liberty TripAdvisor, Sirius XM Holdings Inc. (**Sirius XM**), Tripadvisor, Inc. (**Tripadvisor**), Charter Communications, Inc. (**Charter**) or Live Nation Entertainment, Inc. (**Live Nation**). See "Corporate Governance—Board Criteria and Director Candidates—Outside Commitments."

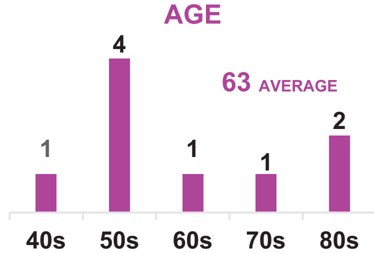
(2) Mr. Romrell briefly stepped down from the Board of Directors from September 2011 to December 2011. Please see his biography below.

C = Chairperson **M** = Member = Independent

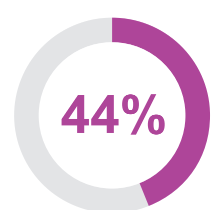
INDEPENDENCE



AGE



GENDER/DEMOGRAPHIC DIVERSITY



DIRECTOR SKILLS AND EXPERIENCE

BOARD AND COMMITTEE MEETINGS

16
Board and Committee Meetings in 2022

100%
Attendance at 2022 Board and Committee Meetings

NOMINEES FOR ELECTION AS DIRECTORS

Fiona P. Dias

Director Since: December 2017
Age: 57
Committees: Audit; Nominating & Corporate Governance
Independent Director

Ms. Dias was appointed to our Board in connection with the closing of the HSN, Inc. acquisition and pursuant to the terms of the merger agreement for the transaction.

Ms. Dias brings to our Board significant experience in senior policy-making roles both as a member of other public company boards and as a senior marketing executive. She also brings extensive experience in digital commerce, marketing and managing consumer and retail brands.

Professional Background:

- Principal Digital Partner at Ryan Retail Consulting, LLC, a global consulting firm, since January 2015
- Chief Strategy Officer of ShopRunner, an online shopping service, from August 2011 to October 2014
- Executive Vice President, Strategy & Marketing, of GSI Commerce, Inc., a provider of digital commerce solutions, from February 2007 to June 2011
- Previously Executive Vice President and Chief Marketing Officer of Circuit City Stores, Inc., a specialty retailer of consumer electronics, and also held senior marketing positions with PepsiCo, Pennzoil-Quaker State Company and The Procter & Gamble Company

Public Company Directorships:

Non-Liberty Public Company Directorships:

- Berkshire Grey Inc. (July 2021 – present)
- Realogy Holdings Corp., a real estate brokerage company (June 2013 – present)

Former Public Company Directorships:

- Advance Auto Parts, Inc. (September 2009 – May 2019)
- HSN, Inc. (July 2016 – December 2017)
- Choice Hotels International, Inc. (November 2004 – April 2012)

Evan D. Malone

Director Since: August 2008
Age: 52

Dr. Malone brings an applied science and engineering perspective to the Board. Dr. Malone's perspectives assist the Board in developing business strategies and adapting to technological changes facing the industries in which our company competes. In addition, his entrepreneurial experience assists the Board in evaluating strategic opportunities.

Professional Background:

- President of NextFab Studio, LLC (provides manufacturing-related technical training, product development, and business acceleration services) since June 2009
- Owner and manager of 1525 South Street LLC (real estate property and management company) since January 2008
- Co-owner and director of Drive Passion PC Services, CC (Internet café, telecommunications and document services company) in South Africa since 2007
- Applied physics technician for Fermi National Accelerator Laboratory, part of the national laboratory system of the Office of Science, U.S. Department of Energy, from 1999 until 2001
- Director and president of the NextFab Foundation (IRS 501(c)(3) private operating foundation, which provides manufacturing-related technology and education to communities affected by economic or humanitarian distress) since November 2016

Public Company Directorships:

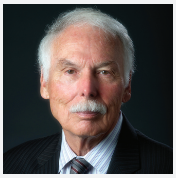
- Liberty Media (September 2011 – present)
- Sirius XM (May 2013 – present)

Non-Liberty Public Company Directorships:

- None

Former Public Company Directorships:

- None



Larry E. Romrell

Director Since: December 2011, previously served March 1999 – September 2011
Age: 83
Committees: Audit; Compensation (Chair)
Independent Director

Mr. Romrell brings extensive experience, including venture capital experience, in the telecommunications industry to our Board and is an important resource with respect to the management and operations of companies in the media and telecommunications sector.

Professional Background:

- Held numerous executive positions with Tele-Communications, Inc. (**TCI**) from 1991 to 1999
- Previously held various executive positions with Westmarc Communications, Inc.

Public Company Directorships:

- Liberty Media (September 2011 – present)
- Liberty TripAdvisor (August 2014 – present)

Non-Liberty Public Company Directorships:

- Liberty Global plc (**LGP**) (July 2013 – present)

Former Public Company Directorships:

- Liberty Global, Inc. (**LGI**) (LGP's predecessor) (June 2005 to June 2013)
- Liberty Media International, Inc. (**LMI**) (LGI's predecessor) (May 2004 – June 2005)

DIRECTORS WHOSE TERM EXPIRES IN 2024

Richard N. Barton

Director Since: December 2016
Age: 55
Committees: Nominating & Corporate Governance
Independent Director

Mr. Barton brings to our Board a broad range of relevant leadership and technical skills resulting from his roles as a founder and former chief executive officer of companies in the mobile and Internet industries. Mr. Barton also provides experience in launching and promoting new technologies and marketing internet-based products to consumers.

Professional Background:

- Co-founder and Chief Executive Officer of Zillow Group, Inc. (**Zillow**) since February 2019, and Chief Executive Officer December 2004 – September 2010
- Co-founder of Glassdoor, Inc. (**Glassdoor**) and served as its Non-Executive Chairman from June 2007 to June 2018
- Venture partner at Benchmark Capital, a venture capital firm, from 2005 to 2018
- Founded Expedia as a group within Microsoft Corporation (**Microsoft**) in 1994, which was spun out as Expedia, Inc. in 1999; served as its Chief Executive Officer and President from 1999 to 2003

Public Company Directorships:

Non-Liberty Public Company Directorships:

- Zillow (December 2004 – present, Executive Chairman, September 2010 – February 2019)
- Netflix, Inc. (2002 – present)

Former Public Company Directorships:

- Altimeter Growth Corp. 2 (January 2021 – March 2022)
- Altimeter Growth Corp. (September 2020 – December 2021)
- Glassdoor (Non-Executive Chairman, June 2007 – June 2018)
- Expedia, Inc. (1999 – 2003)
- Ticketmaster Entertainment, Inc. (December 2001 – August 2002)

Gregory B. Maffei

Chairman of the Board
Director Since: November 2005, Chairman since March 2018
Age: 62
Committees: Executive

Mr. Maffei brings to our Board significant financial and operational experience based on his current senior policy making positions at our company, Liberty Media, Liberty TripAdvisor and Liberty Broadband, and his previous executive positions at GCI Liberty, Inc. (**GCI Liberty**), Oracle Corporation (**Oracle**), 360networks Corporation (**360networks**) and Microsoft, as well as his public company board experience. He provides our Board with an executive leadership perspective on the strategic planning for, and operations and management of, large public companies and risk management principles.

Professional Background:

- President and Chief Executive Officer of our company from February 2006 to March 2018, having served as its CEO-Elect from November 2005 through February 2006; Chairman of the Board since March 2018
- President and Chief Executive Officer of Liberty Media since May 2007
- President and Chief Executive Officer of Liberty Broadband since June 2014
- President and Chief Executive Officer of Liberty TripAdvisor since July 2013
- President and Chief Executive Officer of GCI Liberty from March 2018 until its combination with Liberty Broadband in December 2020
- President and Chief Executive Officer of Liberty Media Acquisition Corp. (**LMAC**) from November 2020 until its liquidation and dissolution in December 2022
- Previously President and Chief Financial Officer of Oracle, Chairman, President and Chief Executive Officer of 360networks, and Chief Financial Officer of Microsoft

Public Company Directorships:

- Liberty Media (May 2007 – present)
- Sirius XM (March 2009 – present, Chairman of the Board, April 2013 – present)
- Live Nation (February 2011 – present, Chairman of the Board, March 2013 – present)
- Liberty TripAdvisor (July 2013 – present, Chairman of the Board, June 2015 – present)
- Tripadvisor (Chairman of the Board, February 2013 – present)
- Liberty Broadband (June 2014 – present)
- Charter (May 2013 – present)

Non-Liberty Public Company Directorships:

- Zillow (February 2015 – present)

Former Public Company Directorships:

- LMAC (November 2020 – December 2022, Chairman of the Board, April 2021 – December 2022)
- GCI Liberty (March 2018 – December 2020)
- Zillow, Inc. (Zillow's predecessor) (May 2005 – February 2015)
- DIRECTV and predecessors (February 2008 – June 2010)
- Electronic Arts, Inc. (June 2003 – July 2013)
- Barnes & Noble, Inc. (September 2011 – April 2014)
- STARZ (Chairman of the Board, January 2013 – December 2016)
- Pandora Media, Inc. (September 2017 – February 2019)

David Rawlinson II

President and Chief Executive Officer
Director Since: January 2022
Age: 47
Committees: Executive

Mr. Rawlinson brings to our company and our Board significant experience in global e-commerce, consumer trends, customer data and digital business-to-business operations. In addition to his background in information solutions, Mr. Rawlinson brings deep leadership experience on a global scale and adds another expert perspective to our Board with his track record of success in digital commerce.

Professional Background:

- Chief Executive Officer and President of our company and QVC, Inc. since October 2021, previously President and CEO-Elect from August 2021 to September 2021
- Chief Executive Officer of NielsenIQ (formerly Nielsen Global Connect) from February 2020 to March 2021
- President of Global Online Business at W. W. Grainger, Inc. (**Grainger**) from November 2015 to February 2020, joined Grainger in July 2012 and previously held other executive roles with Grainger
- Previously held executive roles at Exelis, Inc. (formerly ITT Corp.) from 2009 to 2012
- Previously served as a White House Fellow and held appointed positions in both the Bush and Obama administrations; in the Obama administration served as a senior advisor for economic policy with the White House National Economic Council.

Public Company Directorships:

Non-Liberty Public Company Directorships:

- Discover Financial Services (February 2021 – present)

Former Public Company Directorships:

- Nielsen Holdings plc (February 2017 – March 2021)
- MonotaRO Co., Ltd. (2014 – 2019)

DIRECTORS WHOSE TERM EXPIRES IN 2025

John C. Malone

Director Since: 1994
Age: 82
Committees: Executive

Mr. Malone, as President of TCI, co-founded our former parent company and is considered one of the preeminent figures in the media and telecommunications industry. He is well known for his sophisticated problem solving and risk assessment skills.

Professional Background:

- Director of our company since its inception in 1994 and Chairman of the Board from its inception in 1994 to March 2018 and Chief Executive Officer from August 2005 to February 2006
- Chairman of the Board of TCI from November 1996 to March 1999 when it was acquired by AT&T Corp., and Chief Executive Officer of TCI from January 1994 to March 1997

Public Company Directorships:

- Liberty Media (December 2010 – present, Chairman of the Board, August 2011 – present)
- Liberty Broadband (Chairman of the Board, November 2014 – present)

Non-Liberty Public Company Directorships:

- Warner Bros. Discovery, Inc. (**Warner Bros. Discovery**) (April 2022 – present)
- LGP (Chairman of the Board, June 2013 – present)

Former Public Company Directorships:

- GCI Liberty (Chairman of the Board, March 2018 – December 2020)
- Liberty Expedia Holdings, Inc. (Chairman of the Board, November 2016 – July 2019)
- Liberty Latin America Ltd. (December 2017 – December 2019)
- Discovery, Inc. (formerly Discovery Communications, Inc. (**Discovery Communications**)) (Warner Bros. Discovery's predecessor) (September 2008 – April 2022)
- Discovery Holding Company (predecessor of Discovery Communications) (March 2005 – September 2008; Chairman of the Board, May 2005 – September 2008)
- LGI (Chairman of the Board, June 2005 – June 2013)
- LMI (March 2004 – June 2005)
- UnitedGlobalCom, Inc. (January 2022 – June 2005)
- Lions Gate Entertainment Corp. (March 2015 – September 2018)
- Charter (May 2013 – July 2018)
- Expedia, Inc. (December 2012 – December 2017; August 2005 – November 2012)
- Liberty TripAdvisor (August 2014 – June 2015)
- Sirius XM (April 2009 – May 2013)
- Ascent Capital Group, Inc. (January 2010 – September 2012)
- Live Nation (January 2010 – February 2011)
- DIRECTV (including predecessors) (Chairman of the Board, February 2008 – June 2010)
- IAC/InterActiveCorp (May 2006 – June 2010)

M. Ian G. Gilchrist

Director Since: July 2009
Age: 73
Committees: Audit (Chair); Compensation
Independent Director

Mr. Gilchrist's field of expertise is in the media and telecommunications sector, having been involved with companies in this industry during much of his 32 years as an investment banker. Mr. Gilchrist brings to our Board significant financial expertise and a unique perspective on the company and the media and telecommunications sector. He is also an important resource with respect to the financial services firms that our company engages from time to time.

Professional Background:

- Director and President of Trine Acquisition Corp. from March 2019 to December 2020
- Various officer positions including Managing Director at Citigroup Inc./Salomon Brothers Inc. from 1995 to 2008, CS First Boston Corporation from 1988 to 1995, and Blyth Eastman Paine Webber from 1982 to 1988 and served as a Vice President of Warburg Paribas Becker Incorporated from 1976 to 1982
- Previously worked in the venture capital field and as an investment analyst

Public Company Directorships:

- Liberty Media (including predecessors) (September 2011 – present)

Non-Liberty Public Company Directorships:

- None

Former Public Company Directorships:

- Trine Acquisition Corp. (March 2019 – December 2020)
- Ackerley Communications, Inc. (1995 – 2000)

Andrea L. Wong

Director Since: April 2010
Age: 56
Committees: Compensation; Nominating & Corporate Governance (Chair)
Independent Director

Ms. Wong brings to our Board significant experience in the media and entertainment industry, having an extensive background in media programming across a variety of platforms, as well as executive leadership experience with the management and operation of companies in the entertainment sector. Her experience with programming development and production, brand enhancement and marketing brings a pragmatic and unique perspective to our Board. Her professional expertise, combined with her continued involvement in the media and entertainment industry, makes her a valuable member of our Board.

Professional Background:

- President, International Production for Sony Pictures Television and President, International for Sony Pictures Entertainment from September 2011 to March 2017
- President and Chief Executive Officer of Lifetime Entertainment Services from 2007 to April 2010
- Served as an Executive Vice President with ABC, Inc., a subsidiary of The Walt Disney Company, from 2003 to 2007

Public Company Directorships:

- Liberty Media (September 2011 – present)

Non-Liberty Public Company Directorships:

- Hudson Pacific Properties, Inc. (August 2017 – present)
- Roblox Corporation (August 2020 – present)

Former Public Company Directorships:

- Oaktree Acquisition Corp. II (September 2020 – June 2022)
- Oaktree Acquisition Corp. (July 2019 – January 2021)
- Social Capital Hedosophia Holdings Corp. (September 2017 – October 2019)
- Hudson's Bay Company (September 2014 – March 2020)

Corporate Governance

DIRECTOR INDEPENDENCE

It is our policy that a majority of the members of our Board of Directors be independent of our management. For a director to be deemed independent, our Board of Directors must affirmatively determine that the director has no direct or indirect material relationship with us. To assist our Board of Directors in determining which of our directors qualify as independent for purposes of Nasdaq rules as well as applicable rules and regulations adopted by the SEC, the nominating and corporate governance committee of our Board of Directors follows Nasdaq's corporate governance rules on the criteria for director independence.

Our Board of Directors has determined that each of Richard N. Barton, Fiona P. Dias, M. Ian G. Gilchrist, Larry E. Romrell and Andrea L. Wong qualifies as an independent director of our company

BOARD COMPOSITION

As described above under "Proposal 1—The Election of Directors Proposal," our Board is comprised of directors with a broad range of backgrounds and skill sets, including in media and telecommunications, science and technology, venture capital, investment banking, auditing and financial engineering. Our Board is also chronologically diverse with our members' ages spanning five decades. For more information on our policies with respect to Board candidates, see "—Board Criteria and Director Candidates" below.

BOARD CLASSIFICATION

As described above under "Proposal 1—The Election of Directors Proposal," our Board of Directors currently consists of nine directors, divided among three classes. Our Board believes that its current classified structure, with directors serving for three-year terms, is the appropriate board structure for our company at this time and is in the best interests of our stockholders for the following reasons.

LONG-TERM FOCUS & ACCOUNTABILITY

Our Board believes that a classified board encourages our directors to look to the long-term best interest of our company and our stockholders, rather than being unduly influenced by the short-term focus of certain investors and special interests. In addition, our Board believes that three-year terms focus director accountability on the Board's long-term strategic vision and performance, rather than short-term pressures and circumstances.

CONTINUITY OF BOARD LEADERSHIP

A classified board allows for a greater amount of stability and continuity providing institutional perspective and knowledge to both management and less-tenured directors. By its very nature, a classified board ensures that at any given time there will be experienced directors serving on our Board who are fully immersed in and knowledgeable about our businesses, including our relationships with current and potential strategic partners, as well as the competition, opportunities, risks and challenges that exist in the industries in which our businesses operate. We also believe the benefit of a classified board to our company and our stockholders comes not from continuity alone but rather from the continuity of highly qualified, engaged and knowledgeable directors focused on long-term stockholder interests. Each year, our nominating and corporate governance committee works actively to ensure our Board continues to be comprised of such individuals.

BOARD DIVERSITY

Our Board understands and appreciates the value and enrichment provided by a diverse board. As such, we actively seek diverse director candidates (see "— Board Criteria and Director Candidates").

Board Diversity Matrix (as of April 20, 2023)

Total Number of Directors	**9**			
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	2	7	—	—
Part II: Demographic Background				
African American or Black	—	1	—	—
Alaskan Native or American Indian	—	—	—	—
Asian	2	—	—	—
Hispanic or Latinx	—	—	—	—
Native Hawaiian or Pacific Islander	—	—	—	—
White	—	6	—	—
Two or More Races or Ethnicities	—	—	—	—
LGBTQ+	1			
Did Not Disclose Demographic Background	—			

BOARD LEADERSHIP STRUCTURE

Our Board has separated the positions of Chairman of the Board and Chief Executive Officer (principal executive officer). Gregory B. Maffei holds the position of Chairman of the Board, leads our Board and Board meetings and provides strategic guidance to our Chief Executive Officer. David Rawlinson II, our President, holds the position of Chief Executive Officer, leads our management team and is responsible for driving the performance of our company. We believe this division of responsibility effectively assists our Board in fulfilling its duties.

BOARD ROLE IN RISK OVERSIGHT

The Board as a whole has responsibility for risk oversight, with reviews of certain areas being conducted by the relevant Board committees. Our audit committee oversees management of financial risks and risks relating to potential conflicts of interest. Our compensation committee oversees the management of risks relating to our compensation arrangements with senior officers. Our nominating and corporate governance committee oversees the nomination of individuals with the judgment, skills, integrity and independence necessary to oversee the key risks associated with our company, as well as risks inherent in our corporate structure. These committees then provide reports periodically to the full Board. In addition, the oversight and review of other strategic risks are conducted directly by the full Board.

The oversight responsibility of the Board and its committees is enabled by management reporting processes that are designed to provide visibility to the Board about the identification, assessment and management of critical short-, intermediate- and long-term risks. These areas of focus include existing and emerging strategic, operational, financial and reporting, succession and compensation, legal and compliance, cybersecurity and other risks, including those related to material environmental and social matters such as climate change, human capital management, diversity, equity and inclusion, and community relations. Our management reporting processes include regular reports from our Chairman of the Board and Chief Executive Officer, which are prepared with input from our senior management team, and also include input from our internal audit group and our Vice President, Investor Relations, who manages our company's ESG efforts and remains in regular contact with senior ESG leaders across our portfolio of companies who provide feedback and disclosure on material issues. Our company also receives the benefit of Liberty Media's Corporate Responsibility Committee, which has cross-functional representation across all reaches of Liberty Media's leadership, as well as Qurate Retail Group's Corporate Responsibility Executive Steering Committee, which aims to effectively integrate corporate responsibility strategies into Qurate Retail Group's major business functions and operations to accomplish business objectives. With our Board's oversight, we seek to collaborate across our portfolio of companies to drive best practices through regular ESG-focused internal meetings and discussions, including on topics such as ESG disclosure, diversity and inclusion, cybersecurity and sustainability.

CODE OF ETHICS

We have adopted a code of business conduct and ethics that applies to all of our employees, directors and officers, which constitutes our "code of ethics" within the meaning of Section 406 of the Sarbanes-Oxley Act. Our code of business conduct and ethics is available on our website at *www.qurateretail.com/investors/corporate-governance/governance-documents.*

FAMILY RELATIONSHIPS; LEGAL PROCEEDINGS

There is no family relationship between any of our executive officers or directors, by blood, marriage or adoption, other than Evan D. Malone, who is the son of John C. Malone.

During the past ten years, none of our directors and executive officers has had any involvement in such legal proceedings as would be material to an evaluation of his or her ability or integrity.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has four standing committees: audit, compensation, executive and nominating and corporate governance. The key responsibilities and focus areas of each committee, as well as their current members and information on number of meetings during 2022 are set forth below. The written charters for the audit, compensation and nominating and corporate governance committees as adopted by each such committee, as well as our corporate governance guidelines (which were developed by the nominating and corporate governance committee), can be found on our website at *www.qurateretail.com*.

Our Board of Directors, by resolution, may from time to time establish other committees of our Board of Directors, consisting of one or more of our directors. Any committee so established will have the powers delegated to it by resolution of our Board of Directors, subject to applicable law.

The Board of Directors has determined that all of the members of each of the audit, compensation and nominating and corporate governance committees are independent. See "—Director Independence."

AUDIT COMMITTEE OVERVIEW

5 meetings in 2022

Chair
M. Ian G. Gilchrist*

Other Members
Fiona P. Dias
Larry E. Romrell

*Our Board of Directors has determined that Mr. Gilchrist is an "audit committee financial expert" under applicable SEC rules and regulations

Audit Committee Report, page 47

The audit committee reviews and monitors the corporate accounting and financial reporting and the internal and external audits of our company. The committee's functions include, among other things:

- Appointing or replacing our independent auditors;
- Reviewing and approving in advance the scope and the fees of our annual audit and reviewing the results of our audits with our independent auditors;
- Reviewing and approving in advance the scope and the fees of non-audit services of our independent auditors;
- Reviewing compliance with and the adequacy of our existing major accounting and financial reporting policies;
- Reviewing our management's procedures and policies relating to the adequacy of our internal accounting controls and compliance with applicable laws relating to accounting practices;
- Confirming compliance with applicable SEC and stock exchange rules; and
- Preparing a report for our annual proxy statement.

EXECUTIVE COMMITTEE OVERVIEW

1 meeting in 2022

Members
John C. Malone
Gregory B. Maffei
David Rawlinson II

Our executive committee may exercise all the powers and authority of our Board of Directors in the management of our business and affairs (except as specifically prohibited by the General Corporation Law of the State of Delaware). This includes the power and authority to authorize the issuance of shares of our capital stock.

COMPENSATION COMMITTEE OVERVIEW

4 meetings in 2022

Chair
Larry E. Romrell

Other Members
M. Ian G. Gilchrist
Andrea L. Wong

Compensation Committee Report, page 66

The compensation committee assists the Board in discharging its responsibilities relating to compensation of the company's executives. The committee's functions include, among other things:

- Review and approve corporate goals and objectives relevant to the compensation of our Chairman of the Board, Chief Executive Officer and our other executive officers;
- Review and approve the compensation of our Chief Executive Officer, Chief Legal Officer, Chief Administrative Officer, Chief Accounting Officer, Principal Financial Officer and Chief Corporate Development Officer;
- Oversee the compensation of the chief executive officers of our non-public operating subsidiaries;
- Make recommendations to our Board and administer any incentive-compensation plans and equity-based plans; and
- Produce a report on executive compensation for our annual proxy statement.

For a description of our processes and policies for consideration and determination of executive compensation, including the role of our Chairman of the Board and outside consultants in determining or recommending amounts and/or forms of compensation, see "Executive Compensation—Compensation Discussion and Analysis." A subcommittee, whose members are Larry E. Romrell and Andrea L. Wong, was formed in 2017 to review compensation matters for purposes of Section 16 of the Exchange Act and Section 162(m) of the Internal Revenue Code of 1986, as amended (the **Code**).

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OVERVIEW

1 meeting in 2022

Chair
Andrea L. Wong

Other Members
Richard N. Barton
Fiona P. Dias

The nominating and corporate governance committee functions include, among other things:

- Identify individuals qualified to become Board members consistent with criteria established or approved by our Board of Directors, with the assistance of the committee, from time to time;
- Identify director nominees for upcoming annual meetings;
- Develop corporate governance guidelines applicable to our company; and
- Oversee the evaluation of our Board and management.

BOARD CRITERIA AND DIRECTOR CANDIDATES

BOARD CRITERIA. The nominating and corporate governance committee believes that nominees for director should possess the highest personal and professional ethics, integrity, values and judgment and should be committed to the long-term interests of our stockholders. To be nominated to serve as a director, a nominee need not meet any specific minimum criteria. As described in our corporate governance guidelines, director candidates are identified and nominated based on broad criteria, with the objective of identifying and retaining directors that can effectively develop the company's strategy and oversee management's execution of that strategy. In the director candidate identification and nomination process, our Board seeks a breadth of experience from a variety of industries and from professional disciplines, along with a diversity of gender, ethnicity, age and other characteristics. When evaluating a potential director nominee, including one recommended by a stockholder, the nominating and corporate governance committee will take into account a number of factors, including, but not limited to, the following:

- independence from management;
- his or her unique background, including education, professional experience, relevant skill sets and diversity of gender, ethnicity, age and other characteristics;
- judgment, skill, integrity and reputation;
- existing commitments to other businesses as a director, executive or owner;
- personal conflicts of interest, if any; and
- the size and composition of the existing Board of Directors, including whether the potential director nominee would positively impact the composition of the Board by bringing a new perspective or viewpoint to the Board of Directors.

The nominating and corporate governance committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees.

OUTSIDE COMMITMENTS. In recent years, some investors and proxy advisors have instituted "bright-line" proxy voting policies on the number of outside public company boards that a director may serve on. Our Board of Directors recognizes investors' concerns that highly sought-after directors could lack the time and attention to adequately perform their duties and responsibilities, and considers each director's performance and commitment to ensure their continued effectiveness as a director. Given our company's ownership interests in other public companies, our company and our Board values the positions our directors and members of management hold on the boards of these entities, as they provide our company with unique insight and input into those businesses and their operations. The nominating and corporate governance committee also recognizes and values the benefits derived by our directors from their service on other public company boards, as such service provides our directors with diverse perspectives, in-depth industry knowledge and cross-industry insights, all of which enhance the knowledge base and skill set of our Board as a whole.

Our Board also recognizes the uniqueness of the relationships among Liberty Media, Qurate Retail, Liberty Broadband and Liberty TripAdvisor, including the collaborative approach to addressing ESG, as well as with the portfolio of assets within each of these public companies. To the extent our directors serve on more than one of the boards of these companies, we believe that such service is an important aspect of our directors' (including Messrs. Malone and Maffei) service, as it capitalizes on various synergies between and among these boards. For this reason, we believe that a better presentation of these directors' outside commitments is to consider the number of their "non-Liberty" public company board directorships (see "Proposal 1—The Election of Directors Proposal—Our Board at a Glance"). Based on this perspective, we have considered the facts-and-circumstances of the roles of our directors with our company, including the following considerations:

- from a historical perspective, the significant time and resources each of these directors has regularly dedicated to our company;
- the nature of their board commitments relating to their respective roles with these companies;
- the synergies between their respective service on these other boards and ours;
- their respective service on "non-Liberty" public company board directorships; and
- the respective directors' personal skills, expertise and qualifications (including the broad industry knowledge of each such director).

We believe that the outside service of our directors does not conflict with, and instead enhances, their respective roles and responsibilities at our company.

DIRECTOR CANDIDATE IDENTIFICATION PROCESS. The nominating and corporate governance committee will consider candidates for director recommended by any stockholder provided that such recommendations are properly submitted. Eligible stockholders wishing to recommend a candidate for nomination as a director should send the recommendation in writing to the Corporate Secretary, Qurate Retail, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112. Stockholder recommendations must be made in accordance with our bylaws, as discussed under "The Annual Meeting—Stockholder Proposals" above, and contain the following information:

- the name and address of the proposing stockholder and the beneficial owner, if any, on whose behalf the nomination is being made, and documentation indicating the number of shares of our common stock owned beneficially and of record by such person and the holder or holders of record of those shares, together with a statement that the proposing stockholder is recommending a candidate for nomination as a director;
- the candidate's name, age, business and residence addresses, principal occupation or employment, business experience, educational background and any other information relevant in light of the factors considered by the nominating and corporate governance committee in making a determination of a candidate's qualifications, as described below;
- a statement detailing any relationship, arrangement or understanding between the proposing stockholder and/or beneficial owner(s), if different, and any other person(s) (including their names) under which the proposing stockholder is making the nomination and any affiliates or associates (as defined in Rule 12b-2 of the Exchange Act) of such proposing stockholder(s) or beneficial owner (each a **Proposing Person**);
- a statement detailing any relationship, arrangement or understanding that might affect the independence of the candidate as a member of our Board of Directors;
- any other information that would be required under SEC rules in a proxy statement soliciting proxies for the election of such candidate as a director;
- a representation as to whether the Proposing Person intends (or is part of a group that intends) to deliver any proxy materials or otherwise solicit proxies in support of the director nominee;
- a representation by each Proposing Person who is a holder of record of our common stock as to whether the notice is being given on behalf of the holder of record and/or one or more beneficial owners, the number of shares held by any beneficial owner along with evidence of such beneficial ownership and that such holder of record is entitled to vote at the annual stockholders meeting and intends to appear in person or by proxy at the annual stockholders meeting at which the person named in such notice is to stand for election;
- a written consent of the candidate to be named in the proxy statement and to serve as a director, if nominated and elected;
- a representation as to whether the Proposing Person has received any financial assistance, funding or other consideration from any other person regarding the nomination (a **Stockholder Associated Person**) (including the details of such assistance, funding or consideration); and
- a representation as to whether and the extent to which any hedging, derivative or other transaction has been entered into with respect to our company within the last six months by, or is in effect with respect to, the Proposing Person, any person to be nominated by the proposing stockholder or any Stockholder Associated Person, the effect or intent of which transaction is to mitigate loss to or manage risk or benefit of share price changes for, or increase or decrease the voting power of, the Proposing Person, its nominee, or any such Stockholder Associated Person.

In connection with its evaluation, the nominating and corporate governance committee may request additional information from the proposing stockholder and the candidate. The nominating and corporate governance committee has sole discretion to decide which individuals to recommend for nomination as directors. The nominating and corporate governance committee will evaluate a prospective nominee suggested by any stockholder in the same manner and against the same criteria as any other prospective nominee identified by the nominating and corporate governance committee.

When seeking candidates for director, the nominating and corporate governance committee may solicit suggestions from incumbent directors, management, stockholders and others. After conducting an initial evaluation of a prospective nominee, the nominating and corporate governance committee will interview that candidate if it believes the candidate might be suitable to be a director. The nominating and corporate governance committee may also ask the candidate to meet with management. If the nominating and corporate governance committee believes a candidate would be a valuable addition to our Board of Directors, it may recommend to the full Board that candidate's nomination and election.

Prior to nominating an incumbent director for re-election at an annual meeting of stockholders, the nominating and corporate governance committee will consider the director's past attendance at, and participation in, meetings of the Board of Directors and its committees and the director's formal and informal contributions to the various activities conducted by the Board and the Board committees of which such individual is a member. In addition, the nominating and corporate governance committee will consider any outside directorships held by such individual. See "Proposal 1—The Election of Directors Proposal—Outside Commitments" above.

BOARD MEETINGS

During 2022, there were four meetings of our full Board of Directors.

DIRECTOR ATTENDANCE AT ANNUAL MEETINGS

Our Board of Directors encourages all members of the Board to attend each annual meeting of our stockholders. Six of our ten directors then-serving attended our 2022 annual meeting of stockholders.

STOCKHOLDER COMMUNICATION WITH DIRECTORS

Our stockholders may send communications to our Board of Directors or to individual directors by mail addressed to the Board of Directors or to an individual director c/o Qurate Retail, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112. All such communications from stockholders will be forwarded to our directors on a timely basis. Stockholders are also encouraged to send communications to Qurate Retail Investor Relations, which conducts robust stockholder engagement efforts for our company and provides our Board with insight on stockholder concerns.

EXECUTIVE SESSIONS

In 2022, the independent directors of our company, then serving, met at two executive sessions without management participation.

Any interested party who has a concern regarding any matter that it wishes to have addressed by our independent directors, as a group, at an upcoming executive session may send its concern in writing addressed to Independent Directors of Qurate Retail, Inc., c/o Qurate Retail, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112. The current independent directors of our company are Richard N. Barton, Fiona P. Dias, M. Ian G. Gilchrist, Larry E. Romrell and Andrea L. Wong.

Director Compensation

NONEMPLOYEE DIRECTORS

DIRECTOR FEES

Each of our directors who is not an employee of our company is paid an annual fee for 2023 of $248,850 (which, in 2022, was $237,000) (which we refer to as the **director fee**), of which $130,200 ($124,000 in 2022) was payable in QRTEA restricted stock units (**RSUs**) that will vest (or did vest) one year from the grant date with the remaining $118,650 ($113,000 in 2022) of the director fee payable in cash. The awards issued to our directors with respect to their service on our Board in 2023 were issued in December 2022. See "—Director RSU Grants" below for information on the incentive awards granted in 2022 to the nonemployee directors with respect to service on our Board in 2023.

Fees for service on our audit committee, compensation committee and nominating and corporate governance committee are the same for 2023 and 2022, with each member thereof receiving an additional annual fee of $30,000, $10,000 and $10,000, respectively, for his or her participation on each such committee, except that the chairperson of each such committee instead receives an additional annual fee of $40,000, $20,000 and $20,000, respectively, for his or her participation on that committee. The cash portion of the director fees and the fees for participation on committees are payable quarterly in arrears.

CHARITABLE CONTRIBUTIONS

If a director makes a donation to our political action committee, we will make a matching donation to a charity of his or her choice in an amount not to exceed $10,000.

EQUITY INCENTIVE PLAN

Awards granted to our nonemployee directors under the Qurate Retail, Inc. 2020 Omnibus Incentive Plan (the **2020 incentive plan**) are administered by our Board of Directors or our compensation committee. Our Board of Directors has full power and authority to grant nonemployee directors the awards described below and to determine the terms and conditions under which any awards are made. The 2020 incentive plan is designed to provide our nonemployee directors with additional remuneration for services rendered, to encourage their investment in our common stock and to aid in attracting persons of exceptional ability to become nonemployee directors of our company. Our Board of Directors may grant non-qualified stock options, stock appreciation rights (**SARs**), restricted shares, restricted stock units and cash awards or any combination of the foregoing under the 2020 incentive plan.

The maximum number of shares of our common stock with respect to which awards may be issued under the 2020 incentive plan is 48,499,046, subject to anti-dilution and other adjustment provisions. Under the 2020 incentive plan, no nonemployee director may be granted during any calendar year awards having a value determined on the date of grant in excess of $1 million. Shares of our common stock issuable pursuant to awards made under the 2020 incentive plan are made available from either authorized but unissued shares or shares that have been issued but reacquired by our company.

DIRECTOR RSU GRANTS

Pursuant to our director compensation policy described above and the 2020 incentive plan, we granted the following RSU awards in December 2022:

Name	# of QRTEA RSUs
Richard N. Barton	60,558
Fiona P. Dias	60,558
M. Ian G. Gilchrist	60,558
Evan D. Malone	60,558
Larry E. Romrell	60,558
Andrea L. Wong	60,558

The RSUs granted in December 2022 will vest on the first anniversary of the grant date, or on such earlier date that the grantee ceases to be a director because of death or disability and, unless our Board of Directors determines otherwise, will be forfeited if the grantee resigns or is removed from the Board before the vesting date.

STOCK OWNERSHIP GUIDELINES

Our Board of Directors has adopted stock ownership guidelines that generally require each nonemployee director to own shares of our company's stock equal to at least three times the value of their annual cash retainer fees. Nonemployee directors have five years from the director's initial appointment to our Board to comply with these guidelines.

DIRECTOR DEFERRED COMPENSATION PLAN

Effective beginning in the fourth quarter of 2013, directors of our company were eligible to participate in the Qurate Retail, Inc. Nonemployee Director Deferred Compensation Plan (the **director deferred compensation plan**), pursuant to which eligible directors of our company could elect to defer all or any portion of their annual cash fees that they would otherwise be entitled to receive. The deferral of such annual cash fees shall was effected by a reduction in the quarterly payment of such annual cash fees by the percentage specified in the director's election. Elections were required to be made in advance of certain deadlines, which generally were on or before the close of business on December 31 of the year prior to the year to which the director's election would apply, and elections included the form of distribution, such as a lump-sum payment or substantially equal installments over a period not to exceed ten years. Compensation deferred under the director deferred compensation plan that otherwise would have been received prior to 2015 would earn interest income at the rate of 9% per annum, compounded quarterly, for the period of the deferral. Compensation deferred under the director deferred compensation plan that otherwise would have been received on or after January 1, 2015 will earn interest income at a rate that is intended to approximate our company's general cost of 10-year debt. For 2021, 2022 and 2023, the rate was, and is 6.5%, 6.5% and 9.125%, respectively.

Effective December 8, 2022, our Board of Directors amended and restated the director deferred compensation plan in order to freeze the plan as of December 8, 2022, which closed the director deferred compensation plan to new participants and provided that no deferrals or deferral elections could be made under the director deferred compensation plan with respect to annual cash fees for services performed in any plan year commencing on or after January 1, 2023. Deferrals made on or before December 31, 2022 will continue to accrue interest income at the rate specified above.

JOHN C. MALONE

Mr. Malone's employment agreement (as amended) and his deferred compensation arrangements with us, as described below, were assumed by Liberty Media's predecessor and later Liberty Media. The term of Mr. Malone's employment agreement is extended daily so that the remainder of the employment term is five years. The employment agreement was amended in June 1999 to provide for, among other things, an annual salary of $2,600 (which was increased to $3,900 in 2014), subject to increase with the approval of Liberty Media's board of directors. The employment agreement was amended in 2003 to provide for payment or reimbursement of personal expenses, including professional fees and other expenses incurred by Mr. Malone for estate, tax planning and other services, and for personal use of corporate aircraft and flight crew. The aggregate amount of such payments or reimbursements and the value of his personal use of corporate aircraft was originally limited to $500,000 per year but increased to $1 million effective January 1, 2007 by our compensation committee. Although the "Director Compensation Table" below reflects the portion of the aggregate incremental cost of Mr. Malone's personal use of our corporate aircraft attributable to our company, the value of his aircraft use for purposes of his employment agreement is determined in accordance with the Standard Industry Fare Level (**SIFL**), which aggregated $42,792 for use of the aircraft by our company and Liberty Media during the year ended December 31, 2022. A portion of the costs, calculated in accordance with Part 91 of the Federal Aviation Regulations, incurred with respect to Mr. Malone were allocated to our company and reimbursed to Liberty Media under the services agreement (as defined and described below).

In December 2008, the compensation committee determined to modify Mr. Malone's employment arrangements to permit Mr. Malone to begin receiving fixed monthly payments in 2009, while he remains employed by Liberty Media, in satisfaction of our obligations to him under a 1993 deferred compensation arrangement, a 1982 deferred compensation arrangement and an installment severance plan, in each case, entered into with him by our predecessors (and which had been assumed by our company). At the time of the amendment, the amounts owed to Mr. Malone under these arrangements aggregated approximately $2.4 million, $20 million and $39 million, respectively. As a result of these modifications, Mr. Malone receives 240 equal monthly installments, which commenced February 2009, of: (1) approximately $20,000 under the 1993 deferred compensation arrangement, (2) approximately $237,000 under the 1982 deferred compensation arrangement and (3) approximately $164,000 under the installment severance plan. Interest ceased to accrue under the installment severance plan once these payments began; however, interest continues to accrue on the 1993 deferred compensation arrangement at a rate of 8% per annum and on the 1982 deferred compensation arrangement at a rate of 13% per annum. Following certain termination events, Mr. Malone (or, in the event of Mr. Malone's death, his beneficiaries) would be entitled to receive the remaining payments under these arrangements, subject to certain conditions. In 2011 and 2013, Liberty Media's predecessor and Liberty Media, respectively, assumed all outstanding obligations under these deferred compensation arrangements and the installment severance plan.

Under the terms of Mr. Malone's employment agreement, he is entitled to receive upon the termination of his employment for any reason (other than for death or "cause"), a lump sum equal to his salary for a period of five full years following termination (calculated on the basis of $3,900 per annum, the **lump sum severance payment**).

As described above, Liberty Media assumed Mr. Malone's employment agreement and all outstanding obligations thereunder, and we will reimburse Liberty Media for our allocated portion of any such lump sum severance payments made thereunder.

DIRECTOR COMPENSATION TABLE

The following table sets forth information concerning the compensation of our nonemployee directors for 2022.

Name(1)	Fees Earned or Paid in Cash ($)	Stock Awards ($)(2)(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(4)	All other compensation ($)(5)	Total ($)
John C. Malone	—	—	—	300,987(6)(7)(8)	300,987
Richard N. Barton	123,000(4)	122,933	13,154	—	259,087
Fiona P. Dias	148,444	122,933	—	2,145(9)	273,522
M. Ian G. Gilchrist	158,444	122,933	—	—	281,377
Evan D. Malone	113,000	122,933	—	—	235,933
Larry E. Romrell	163,000	122,933	—	—	285,933
Mark C. Vadon(10)	60,589(4)	—	27,120	—	87,709
Andrea L. Wong	143,000(4)	122,933	58,487	—	324,420

(1) Gregory B. Maffei and David Rawlinson, each of whom is a director of our company and a named executive officer, and John C. Malone, who is a director of our company, received no compensation for serving as directors of our company during 2022. However, we are allocated a portion of the compensation paid to Mr. Malone by Liberty Media. See footnotes (6), (7) and (8) below.

(2) As of December 31, 2022, our directors (other than Messrs. Maffei and Rawlinson, whose equity awards are listed in the "Outstanding Equity Awards at Fiscal Year-End" table below) held the following equity awards:

	John C. Malone	Richard N. Barton	Fiona P. Dias	M. Ian G. Gilchrist	Evan D. Malone	Larry E. Romrell	Mark C. Vadon	Andrea L. Wong
Options (#)								
QRTEA	—	191,890	—	136,354	—	190,449	557,559	46,059
RSUs & Deferred Share Units (#)								
QRTEA	—	60,558	75,299	60,558	60,558	60,558	—	60,558
QRTEP	—	—	269	—	—	—	—	—

(3) The aggregate grant date fair value of the RSU awards has been computed in accordance with Financial Accounting Standards Board, Accounting Standards Codification (**FASB ASC**) Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 11 to our consolidated financial statements for the year ended December 31, 2022 (which are included in the 2022 Form 10-K).

(4) Includes 2022 compensation that was earned but not paid in cash because it was deferred under the director deferred compensation plan. Amounts deferred are reflected below:

Name	2022 Deferred Compensation ($)	2022 Above Market Earnings on Accrued Interest ($)
Richard N. Barton	123,000	13,154
Mark C. Vadon	60,589	27,120
Andrea L. Wong	143,000	58,487

(5) Liberty Media makes available to our directors tickets to various sporting events with no aggregate incremental cost attributable to any single person.

(6) Includes the amount of Mr. Malone's base salary of $975 and the following amounts, in each case, which were allocated to our company under the services agreement:

	Amounts ($)
Reimbursement for personal accounting services	15,000
Compensation related to personal use of corporate aircraft (a)	53,530
Tax payments made on behalf of Mr. Malone	221,768

(a) Calculated based on aggregate incremental cost of such usage to our company.

Also includes miscellaneous personal expenses, such as courier charges.

Liberty Media owns an apartment in New York City which is primarily used for business purposes. Mr. Malone makes use of this apartment and a company car and driver for personal reasons. From time to time, we also pay the cost of miscellaneous shipping and catering expenses for Mr. Malone.

(7) Includes $7,625 in matching contributions allocated to our company with respect to the Liberty Media 401(k) Savings Plan.

(8) Includes $927 in life insurance premiums allocated to our company for the benefit of Mr. Malone.

(9) Includes regular quarterly cash dividends paid on shares of QRTEP to the extent such amounts were not factored into the grant date fair value of the underlying awards computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures.

(10) Mr. Vadon elected to retire from our Board effective June 14, 2022.

Proposal 2—The Reverse Stock Split Proposal

What am I being asked to vote on and how should I vote?

We are asking our stockholders to approve the adoption of an amendment to our Restated Certificate of Incorporation to effect a reverse stock split of our issued and outstanding QRTEA and QRTEB shares at a ratio of at least 1-for-2 and up to 1-for-20, with the exact ratio within the foregoing range to be determined by our Board of Directors (or a committee thereof) and publicly disclosed prior to the effectiveness of the reverse stock split.

Our Board of Directors has unanimously approved and declared advisable an amendment to our Restated Certificate of Incorporation (our **restated charter**) to effect a reverse stock split of each issued and outstanding QRTEA and QRTEB share, in a ratio of at least 1-for-2 and up to 1-for-20, in order to among other reasons, increase the per-share price of our common stock and help ensure the continued listing of our QRTEA shares on Nasdaq.

The precise ratio of the proposed reverse stock split shall be a whole number within this range, determined in the sole discretion of our Board of Directors (or a duly authorized committee thereof). We are asking our stockholders to give our Board of Directors and a duly authorized committee discretion to effect the reverse stock split at any time, which could occur as soon as practicable following stockholder approval of this proposal or at any other time prior to our 2024 annual meeting of stockholders. By approving this proposal, stockholders would give our Board of Directors and a duly authorized committee authority, but not the obligation, to effect the reverse stock split and full discretion to approve the ratio at which shares of common stock will be reclassified, from and including a ratio of 1-for-2 and up to and including a ratio of 1-for-20 at any time. Our Board of Directors believes that providing this generalized grant of authority with respect to setting the split ratio and determining the timing for implementation of the reverse stock split, rather than mere approval of a pre-defined reverse stock split ratio or a specific date for implementation is in the best interest of our stockholders because it will give our Board of Directors or a duly authorized committee the flexibility to set the ratio and timing in accordance with current market conditions and therefore allow our Board of Directors or a duly authorized committee to effect the reverse stock split if our Board of Directors or a duly authorized committee determines the reverse stock split would be in the best interests of our company and our stockholders. The Reverse Stock Split Amendment would not impact the total authorized number of shares of our capital stock or the par value of such capital stock. Any reverse stock split ratio determined by our Board of Directors or a duly authorized committee within the range described above will be on an equal per share basis for the QRTEA and QRTEB shares as required by our restated charter. If our Board of Directors does not abandon the reverse stock split as described below, the exact ratio for the reverse split within the range described above will be set by our Board of Directors or a duly authorized committee and publicly announced prior to the effectiveness of the reverse stock split.

In determining the ratio following the receipt of stockholder approval, our Board of Directors or a duly authorized committee may consider, among other things, factors such as:

- the historical trading price and trading volume of our QRTEA and QRTEB shares;
- the then-prevailing trading price and trading volume of our QRTEA and QRTEB shares and the anticipated impact of the reverse stock split on the trading market for these shares;
- the number of QRTEA and QRTEB shares then outstanding, and the number of QRTEA and QRTEB shares issuable upon exercise of options and RSUs then outstanding;
- the potential decline of our market capitalization as a result of the reverse stock split;
- the anticipated impact of a particular ratio on our ability to reduce administrative and transactional costs;
- prevailing market, industry and general economic conditions; and
- Nasdaq’s continued listing criteria.

If our stockholders approve this proposal, our Board of Directors or a duly authorized committee determines to effect the reverse stock split, and our Board of Directors does not otherwise abandon the amendment contemplating the reverse stock split, we will file a Certificate of Amendment to our restated charter with the Secretary of State of the State of Delaware (the **Delaware Secretary of State**) to effect the proposed reverse stock split, in the form attached to this proxy statement as Annex A. Our Board of Directors has approved and declared advisable the proposed amendment to our restated charter as set forth in the Certificate of Amendment, in the form attached to this proxy statement as Annex A. If the proposed reverse stock split is effected, then the number of issued and outstanding QRTEA and QRTEB shares would be reduced. Our Board of Directors has reserved the right to abandon the amendment at any time before the effectiveness of the filing of the Certificate of Amendment with the Delaware Secretary of State, even if the adoption of the amendment is approved by our stockholders. Thus, our Board of Directors, at its discretion, may cause the filing of the Certificate of Amendment (following stockholder approval) to effect the reverse stock split or abandon the amendment and not affect the reverse stock split if it determines that any such action is or is not in the best interests of our company and stockholders.

VOTE AND RECOMMENDATION

The affirmative vote of the holders of record of a majority of the voting power of the outstanding shares of our common stock entitled to vote on this proposal, voting together as a single class, will be required for approval of this proposal.

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote **FOR** the reverse stock split proposal because it will allow our Board of Directors flexibility to effect a reverse stock split in order to bring the trading price of our common stock back to a normalized level in light of recent market volatility as well as and help ensure continued listing of our QRTEA shares on Nasdaq.

PURPOSE OF PROPOSED REVERSE STOCK SPLIT

The primary purpose for effecting the reverse stock split, should our Board of Directors or a duly authorized committee choose to effect it, would be to increase the per share price of our common stock. In determining to seek authorization for this reverse stock split proposal, our Board of Directors considered that, by effectively condensing a number of pre-split shares into one share of our common stock, the market price of a post-split share is generally greater than the market price of a pre-split share. This will also help us to maintain the listing of our QRTEA shares on Nasdaq. Under our restated charter, the reverse stock split of our QRTEB shares on an equal per share basis is required if we effect a reverse stock split of our QRTEA shares.

Our QRTEA and QRTEB shares are listed on the Nasdaq Global Select Market. Between March 1, 2023 and April 14, 2023, our QRTEA shares have traded between $1.64 and $0.80 per share. The market volatility in response to economic disruptions and uncertainties created by concerns about the banking systems and inflationary pressures has generally contributed to the depressed stock price QRTEA has experienced in recent weeks. The reverse stock split proposal is intended primarily to increase the per share price of our QRTEA shares, and, as a result, help ensure continued compliance with Nasdaq's minimum bid price continued listing requirement of at least $1.00 per share. Reducing the number of outstanding QRTEA shares should, absent other factors, increase its per share market price, although we cannot provide any assurance that we will be able to meet or maintain a share price over the minimum bid price requirement for continued listing on Nasdaq or any other exchange.

A lower stock price (and the potential delisting of the QRTEA shares from Nasdaq) may adversely affect our ability to raise additional financing through the public or private sale of equity securities, may significantly affect the ability of investors to trade our securities and may negatively affect the value and liquidity of our common stock. Delisting of the QRTEA shares also could have other negative results, including the potential loss of employee confidence, the loss of institutional investors or the loss of interest in business development opportunities. An increase in the per share trading value of our QRTEA shares would be beneficial because it would:

- improve the perception of our common stock as an investment security;
- reset our QRTEA share price to more normalized trading levels in the face of potentially extended market dislocations;
- assist with future potential capital raises;

- appeal to a broader range of investors to generate greater investor interest in us;
- to the extent the broker commissions paid by our investors depend on the value of the QRTEA shares being traded, reduce stockholder transaction costs because investors would pay a lower commission to trade a fixed dollar amount of our QRTEA shares if our QRTEA share price were higher than they would if our QRTEA share price were lower; and
- increase the likelihood that our common stock will remain eligible for listing on Nasdaq.

If our QRTEA shares are delisted from Nasdaq and they are not able to be listed on another exchange, our QRTEA shares could be quoted on the OTC Bulletin Board or in the “pink sheets.” As a result, we could face significant adverse consequences including, among others:

- a limited availability of market quotations for our securities;
- a determination that QRTEA is a “penny stock” which will require brokers trading in our QRTEA shares to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and little or no analyst coverage of our company;
- we would no longer qualify for exemptions from state securities registration requirements, which may require us to comply with applicable state securities laws; and
- a decreased ability to issue additional securities (including pursuant to short-form registration statements on Form S-3) or obtain additional financing in the future.

Although our Board of Directors believes that a reverse stock split will in fact increase the trading price of our QRTEA shares, in many cases, because of variables outside of our control (such as recent market volatility in response to economic disruptions and uncertainties created by uncertainty in the banking system and inflationary pressures, investor response to the news of a proposed reverse stock split, and other prevailing market, industry and general economic conditions), the market price of our QRTEA shares may in fact decline in value after effecting the reverse stock split. You should also keep in mind that the implementation of a reverse stock split does not have an effect on the actual or intrinsic value of our business or a stockholder’s proportional ownership in our company (except to the extent of cash paid in lieu of fractional shares). However, should the overall value of our QRTEA shares decline after the proposed reverse stock split, then the actual or intrinsic value of our QRTEA shares held by you will also proportionately decrease as a result of the overall decline in value.

POTENTIAL EFFECTS OF THE PROPOSED REVERSE STOCK SPLIT

If this proposal is approved and the reverse stock split is effected, the reverse stock split will be realized simultaneously and in the same ratio for all of our issued and outstanding QRTEA and QRTEB shares. The immediate effect of a reverse stock split would be to reduce the number of QRTEA and QRTEB shares outstanding and to increase the per share trading price of our QRTEA and QRTEB shares. The reverse stock split is not expected to have an effect on the per share price of our QRTEP shares or the number of QRTEP shares outstanding.

However, we cannot predict the effect of any reverse stock split upon the market price of our QRTEA and QRTEB shares over an extended period. We cannot assure you that the trading price of our QRTEA and QRTEB shares after the reverse stock split will rise in inverse proportion to the reduction in the number of outstanding QRTEA and QRTEB shares as a result of the reverse stock split. Also, we cannot assure you that a reverse stock split would lead to a sustained increase in the trading price of our QRTEA and QRTEB shares. The trading price of our common stock may change due to a variety of other factors, including our operating results and other factors related to our future performance.

EXAMPLES OF POTENTIAL REVERSE STOCK SPLIT AT VARIOUS RATIOS

The table below provides examples of reverse stock splits at various ratios from 1-for-2 up to 1-for-20, without giving effect to the treatment of fractional shares. The actual number of shares outstanding after giving effect to the reverse stock split and the amount of cash to be paid in lieu of the issuance of fractional shares, if effected, will depend on the actual ratio that is determined by our Board of Directors or a duly authorized committee and publicly announced prior to the effective time (as defined below) in accordance with the proposed amendment to our restated charter.

QRTEA Shares Outstanding at February 28, 2023(1)	QRTEB Shares Outstanding at February 28, 2023(1)	Reverse Stock Split Ratio	QRTEA Shares Outstanding after Reverse Stock Split(1)	QRTEB Shares Outstanding after Reverse Stock Split(1)	Reduction in Shares Outstanding
374,408,845	8,373,512	1-for-2	187,204,422	4,186,756	50%
374,408,845	8,373,512	1-for-5	74,881,769	1,674,702	80%
374,408,845	8,373,512	1-for-10	37,440,884	837,351	90%
374,408,845	8,373,512	1-for-20	18,720,442	418,675	95%

(1) Excludes shares of common stock issuable upon exercise of stock options and vesting of RSUs.

The resulting decrease in the number of shares of our QRTEA and QRTEB shares outstanding could potentially adversely affect their respective liquidity, especially in the case of larger block trades.

EFFECTS ON OWNERSHIP BY INDIVIDUAL STOCKHOLDERS

If we implement a reverse stock split, the number of QRTEA and QRTEB shares held by each stockholder would be reduced by multiplying the number of shares of QRTEA or QRTEB held immediately before the reverse stock split by the ratio determined by our Board of Directors or a duly authorized committee and publicly announced prior to the effective time and then rounding down to the nearest whole share of each series. We would pay cash to each stockholder in lieu of any fractional interest in a share to which each stockholder would otherwise be entitled as a result of the reverse stock split, as described in further detail below. The reverse stock split would not affect any stockholder's percentage ownership interest in our company or proportionate voting power, except to the extent that interests in fractional shares would be paid in cash.

EFFECT ON RESTRICTED STOCK, RSUs AND OPTIONS

Outstanding shares of restricted stock would be reduced in the reverse stock split in the same manner as other outstanding shares of our common stock. In addition, we would adjust the number of unissued shares underlying any RSUs and options entitling the holders to purchase shares of our common stock as a result of the reverse stock split, as required by the terms of these securities. In particular, we would reduce the number of shares underlying each RSU or option, and would increase the exercise price of each option, in each case, in accordance with the terms of these equity awards and based on the 1-for-2, up to 1-for-20 ratio of the reverse stock split (i.e., the number of shares issuable under such securities would decrease by 50%, up to 95%, respectively, and the exercise price per share would be multiplied by 2, up to 20, respectively). Also, we would reduce the number of shares reserved for issuance under our 2020 incentive plan, proportionately based on the ratio of the reverse stock split. A reverse stock split would not otherwise affect any of the rights currently accruing to holders of our restricted stock, RSUs or options exercisable for our common stock.

EFFECT ON QRTEB SHARES

One of the continued listing requirements applicable to our QRTEB shares is that there be at least 100,000 publicly held shares of QRTEB outstanding that are not held by any of our directors, executive officers or beneficial holders of 10% or more of our QRTEB shares (the **Nasdaq publicly held shares minimum**). Our restated charter requires the QRTEB shares to be reclassified on an equal per share basis as the QRTEA shares in the reverse split. As of February 28, 2023, there were approximately 988,124 publicly held QRTEB shares. If a 1-for-10 ratio were applied to our QRTEB shares in the reverse split, resulting in a 90% reduction in the number of issued and outstanding QRTEB shares, we expect that the QRTEB shares would be subject to delisting from Nasdaq, unless the number of publicly held QRTEB shares is later increased to satisfy the Nasdaq publicly held shares minimum.

If our QRTEB shares are delisted from Nasdaq and they are not able to be listed on another exchange, our QRTEB shares could be quoted on the OTC Markets or in the "pink sheets." If our QRTEB shares are quoted on the OTC Markets, it could result in more limited availability of market quotations for our QRTEB shares and could lead to a determination that QRTEB is a “penny stock,” which will require brokers trading in those shares to adhere to more stringent rules and possibly result in even further reduced levels of trading activity in the secondary trading market for our QRTEB shares as our QRTEB shares are currently thinly traded.

QRTEB shares are convertible into QRTEA shares on a one-for-one basis, and a holder’s ability to convert their QRTEB shares will remain unchanged following the reverse split. Any QRTEA shares that are issued upon conversion of QRTEB shares will automatically be listed on Nasdaq following such conversion, provided that the QRTEA shares continue to satisfy Nasdaq’s continued listing standards.

OTHER EFFECTS ON OUTSTANDING SHARES

A reverse stock split would have no effect on the rights pertaining to the outstanding QRTEA and QRTEB shares as provided for under our restated charter. Each share of our common stock issued following the reverse stock split would be fully paid and nonassessable.

The reverse stock split would result in some stockholders owning “odd-lots” of less than 100 shares of our common stock. Brokerage commissions and other costs of transactions in odd-lots are generally higher than the costs of transactions in “round-lots” of even multiples of 100 shares.

After the effective time, our QRTEA and QRTEB shares will have new Committee on Uniform Securities Identification Procedures (**CUSIP**) numbers, which are numbers used to identify our equity securities, and stock certificates with the older CUSIP numbers will need to be exchanged for shares of common stock with the new CUSIP number by following the procedures described below. However, until such exchange is made, the old stock certificates will automatically represent the new, post-split number of shares. After the reverse stock split, we will continue to file periodic reports and comply with other requirements of the Exchange Act. We expect that our QRTEA shares will continue to be listed on Nasdaq under the symbol “QRTEA” subject to any decision of our Board of Directors to list our securities on a different stock exchange; however, Nasdaq may determine to delist our QRTEB shares following the proposed reverse stock split as even a 1-for-10 ratio would reduce the number of publicly held QRTEB shares below the Nasdaq publicly held shares minimum.

INTERESTS OF DIRECTORS AND EXECUTIVE OFFICERS

Our directors and executive officers have no substantial interests, directly or indirectly, in the matters set forth in this reverse stock split proposal except to the extent of their ownership of shares of our common stock.

AUTHORIZED SHARES OF STOCK

The reverse stock split would affect all issued and outstanding QRTEA and QRTEB shares and outstanding rights to acquire QRTEA and QRTEB shares on an equal per share basis. We will not change the number of QRTEA and QRTEB shares currently authorized. However, upon the effectiveness of the reverse stock split, the number of authorized QRTEA and QRTEB shares that are not issued or outstanding would increase due to the reduction in the number of QRTEA and QRTEB shares issued and outstanding as a result of the reverse stock split.

As of February 28, 2023, we had authorized (i) 4,000,000,000 QRTEA shares, of which 374,408,845 shares were issued and outstanding, (ii) 150,000,000 QRTEB shares, of which 8,373,512 shares were issued and outstanding, (iii) 4,000,000,000 shares of Series C common stock, par value $0.01 per share, of which there were no shares issued or outstanding, and (iv) 50,000,000 shares of preferred stock, par value $0.01 per share, of which 13,500,000 shares are designated QRTEP and 36,500,000 shares are undesignated as to series. As of February 28, 2023, there were 12,673,171 QRTEP shares issued and outstanding.

We do not have any plans, arrangements or understandings for the remaining portion of the authorized but unissued shares that will be available following the reverse stock split.

PROCEDURE FOR EFFECTING THE PROPOSED REVERSE STOCK SPLIT AND EXCHANGE OF STOCK CERTIFICATES

If stockholders approve this proposal, our Board of Directors or a duly authorized committee determines to effect the reverse stock split, and our Board of Directors does not otherwise abandon the amendment providing for the reverse stock split, we will file with the Delaware Secretary of State a Certificate of Amendment to our restated charter, in the form attached to this proxy statement as Annex A. The reverse stock split will become effective at the time and on the date of filing of, or at such later date and time as may be specified in, the Certificate of Amendment, which we refer to as the **effective time**. Beginning at the effective time, until exchanged for a new certificate as referenced below, each certificate representing QRTEA and QRTEB shares will be deemed for all corporate purposes to evidence ownership of the number of whole shares into which the shares previously represented by the certificate were combined pursuant to the reverse stock split.

Upon the reverse stock split, we intend to treat stockholders holding our QRTEA and QRTEB shares in "street name," through a bank, broker or other nominee, in the same manner as registered stockholders whose shares are registered in their names. Banks, brokers or other nominees will be instructed to effect the reverse stock split for their beneficial holders holding our QRTEA and QRTEB shares in "street name." However, these banks, brokers or other nominees may have different procedures for processing the reverse stock split. If you hold your shares with a bank, broker or other nominee and if you have any questions in this regard, we encourage you to contact your nominee.

Following the reverse stock split, stockholders holding physical certificates must exchange those certificates for new certificates and a cash payment in lieu of any fractional shares.

Our transfer agent will advise registered stockholders of the procedures to be followed to exchange certificates in a letter of transmittal to be sent to stockholders. No new certificates or cash payments in lieu of fractional shares will be issued to a stockholder until the stockholder has surrendered the stockholder's outstanding certificate(s), together with the properly completed and executed letter of transmittal, to the transfer agent. Any certificates that have not yet been exchanged that are submitted in connection with any transfer of QRTEA or QRTEB shares following the effective time, whether pursuant to a sale, other disposition or otherwise, will automatically be exchanged for new certificates. Stockholders should not destroy any stock certificate(s) and should not submit any certificate(s) until requested to do so. Registered stockholders of QRTEA and QRTEB shares in book-entry form will have their accounts automatically updated for the new share balances.

FRACTIONAL SHARES

We will not issue fractional shares in connection with the reverse stock split. Instead, any fractional share resulting from the reverse stock split because the stockholder owns a number of shares not evenly divisible by the ratio would instead receive cash upon surrender to the exchange agent of the certificates and a properly completed and executed letter of transmittal. Holders of common stock in book-entry form will receive cash in accordance with the exchange agent's customary procedures with respect to book-entry shares. The cash amount to be paid to each stockholder would be equal to the resulting fractional interest in one QRTEA share or one QRTEB share to which the stockholder would otherwise be entitled, multiplied by the fair value of one QRTEA share or one QRTEB share, as applicable, at the effective time, as determined in good faith by our Board of Directors or a duly authorized committee. We do not anticipate that the aggregate cash amount paid by our company for fractional interests will be material to us.

NO APPRAISAL RIGHTS

No appraisal rights are available under the General Corporation Law of the State of Delaware or under our restated charter or restated bylaws with respect to the reverse stock split.

ACCOUNTING CONSEQUENCES

The par value of our QRTEA and QRTEB shares would remain unchanged at $0.01 per share after the reverse stock split. Also, our capital account (for accounting purposes) would remain unchanged, and we do not anticipate that any other accounting consequences would arise as a result of the reverse stock split.

NO GOING PRIVATE TRANSACTION

Notwithstanding the decrease in the number of outstanding shares following the reverse stock split, our Board of Directors does not intend for this transaction to be the first step in a "going private transaction" within the meaning of Rule 13e-3 of the Exchange Act.

POTENTIAL ANTI-TAKEOVER EFFECT

SEC rules require disclosure and discussion of the effects of any proposal that could be used as an anti-takeover device. This proposal, if adopted and implemented, will result in a relative increase in the number of authorized but unissued QRTEA and QRTEB shares vis-à-vis the outstanding QRTEA and QRTEB shares and could, under certain circumstances, have an anti-takeover effect, although that is not the purpose or intent of the proposal. A relative increase in the number of authorized but unissued shares of common stock could have other effects on our stockholders, depending upon the exact nature and circumstances of any actual issuances of authorized shares. A relative increase in our authorized but unissued shares of common stock could potentially deter takeovers, including takeovers that our Board of Directors determines are not in the best interest of our stockholders, in that additional shares could be issued (within the limits imposed by applicable law) in one or more transactions that could make a change in control or takeover more difficult. Our Board of Directors is not aware of any attempt to take control of our business and has not considered the reverse stock split to be a tool to be utilized as a type of anti-takeover device. We currently have no plans, proposals or arrangements to issue any shares of common stock that would become newly available for issuance as a result of the reverse stock split.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT

The following discussion is a summary of the material U.S. federal income tax consequences of the reverse stock split to U.S. Holders (as defined below). This summary is based on the Code, the U.S. Treasury regulations promulgated thereunder, and administrative rulings and court decisions in effect as of the date of this proxy statement, all of which may be subject to change or differing interpretation. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a U.S. Holder. We have not sought and will not seek any ruling from the Internal Revenue Service (the **IRS**) or an opinion from counsel with respect to the U.S. federal income tax consequences discussed below. There can be no assurance that the tax consequences discussed below would be accepted by the IRS or a court. The tax treatment of the reverse stock split to holders may vary depending upon a holder’s particular facts and circumstances.

For purposes of this discussion, a **U.S. Holder** is a beneficial owner of our common stock that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (1) its administration is subject to the primary supervision of a court within the United States and all of its substantial decisions are subject to the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code), or (2) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

This discussion is limited to U.S. Holders who hold their shares of our common stock as capital assets within the meaning of the Code (generally, property held for investment). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to holders subject to special tax treatment, such as financial institutions, dealers in securities, insurance companies, foreign persons and tax-exempt entities. In addition, this discussion does not consider the effects of any other U.S. federal tax laws or any applicable state, local or foreign tax laws and does not consider the effects with respect to QRTEP or any restricted stock, options or RSUs. If a partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner thereof will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner in a partnership holding our common stock, you should consult your tax advisor regarding the tax consequences of the reverse stock split.

STOCKHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO ANY U.S. FEDERAL, STATE, LOCAL OR FOREIGN TAX CONSEQUENCES APPLICABLE TO THEM THAT COULD RESULT FROM THE REVERSE STOCK SPLIT.

A U.S. Holder generally should not recognize gain or loss upon the reverse stock split, except with respect to cash received in lieu of a fractional share of our common stock, as discussed below. A U.S. Holder’s aggregate adjusted tax basis in their shares of our common stock held immediately after the reverse stock split should equal their aggregate adjusted tax basis of their shares of our common stock held immediately before the reverse stock split (generally reduced by the amount of such basis that is allocated to any fractional share of our common stock deemed received). The U.S. Holder's holding period in their shares of our common stock held immediately after the reverse stock split should include the holding period in their shares of our common stock held immediately before the reverse stock split. U.S. Treasury regulations provide detailed rules for allocating the tax basis and holding period among shares of our common stock which were acquired by a stockholder on different dates and at different prices. U.S. Holders of shares of our common stock acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period among such shares.

A U.S. Holder who receives cash in lieu of a fractional share of common stock will be treated as first receiving such fractional share and then receiving cash in redemption of such fractional share. A U.S. Holder generally should recognize capital gain or loss on such deemed redemption in an amount equal to the difference between the amount of cash received and the portion of the U.S. Holder's aggregate adjusted tax basis in the shares of our common stock surrendered that is allocated to such fractional share. Such capital gain or loss will be treated as long term capital gain or loss if the pre-reverse stock split shares of our common stock were held by the U.S. Holder for more than one year at the time of the reverse stock split. However, special rules may apply to cause all or a portion of the cash received in lieu of a fractional share of our common stock to be treated as dividend income with respect to certain U.S. Holders who own more than a minimal amount of our common stock or who exercise some control over the affairs of our company. U.S. Holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of receiving cash in lieu of fractional shares of our common stock based on their particular circumstances.

A payment of cash made in lieu of a fractional share of our common stock may, under certain circumstances, be subject to information reporting and backup withholding. To avoid backup withholding, each U.S. Holder of our common stock that does not otherwise establish an exemption should furnish on applicable IRS forms (generally, an IRS Form W-9) its taxpayer identification number and comply with the applicable certification procedures.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle such holder to a refund, provided the required information is timely furnished to the IRS. U.S. Holders of our common stock should consult their own tax advisors regarding the application of the information reporting and backup withholding rules to them.

BOARD DISCRETION TO IMPLEMENT THE REVERSE STOCK SPLIT

Our Board of Directors has reserved the right to abandon the amendment at any time before the effectiveness of the filing of the Certificate of Amendment with the Delaware Secretary of State, even if the adoption of the amendment is approved by our stockholders.

Proposal 3—The Auditors Ratification Proposal

What am I being asked to vote on and how should I vote?

We are asking our stockholders to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2023.

Even if the selection of KPMG LLP is ratified, the audit committee of our Board of Directors in its discretion may direct the appointment of a different independent accounting firm at any time during the year if our audit committee determines that such a change would be advisable. In the event our stockholders fail to ratify the selection of KPMG LLP, our audit committee will consider it as a direction to select other auditors for the year ending December 31, 2023.

A representative of KPMG LLP is expected to be available to answer appropriate questions at the annual meeting and will have the opportunity to make a statement if he or she so desires.

VOTE AND RECOMMENDATION

The affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class, is required to approve the auditors ratification proposal.

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote **FOR** this proposal because KPMG LLP is an independent firm with few ancillary services and reasonable fees, and has significant industry and financial reporting expertise.

AUDIT FEES AND ALL OTHER FEES

The following table presents fees for professional audit services rendered by KPMG LLP for the audit of our consolidated financial statements for 2022 and 2021 and fees billed for other services rendered by KPMG LLP:

	2022	2021
Audit fees	$ 9,774,700	8,399,200
Audit related fees	—	—
Audit and audit related fees	9,774,700	8,399,200
Tax fees(1)	731,000	766,000
Total fees	$10,505,700	9,165,200

(1) Tax fees consist of tax compliance and consultations regarding the tax implications of certain transactions.

Our audit committee has considered whether the provision of services by KPMG LLP to our company other than auditing is compatible with KPMG LLP maintaining its independence and believes that the provision of such other services is compatible with KPMG LLP maintaining its independence.

POLICY ON PRE-APPROVAL OF AUDIT AND PERMISSIBLE NON-AUDIT SERVICES OF INDEPENDENT AUDITOR

Our audit committee has adopted a policy regarding the pre-approval of all audit and permissible non-audit services provided by our independent auditor. Pursuant to this policy, our audit committee has approved the engagement of our independent auditor to provide the following services (all of which are collectively referred to as **pre-approved services**):

- audit services as specified in the policy, including (i) financial audits of our company and our subsidiaries, (ii) services associated with registration statements, periodic reports and other documents filed or issued in connection with securities offerings (including comfort letters and consents), (iii) attestations of management reports on our internal controls and (iv) consultations with management as to accounting or disclosure treatment of transactions;
- audit related services as specified in the policy, including (i) due diligence services, (ii) financial statement audits of employee benefit plans, (iii) consultations with management as to the accounting or disclosure treatment of transactions, (iv) attest services not required by statute or regulation, (v) certain audits incremental to the audit of our consolidated financial statements, (vi) closing balance sheet audits related to dispositions, and (vii) general assistance with implementation of the requirements of certain SEC rules or listing standards; and
- tax services as specified in the policy, including federal, state, local and international tax planning, compliance and review services, and tax due diligence and advice regarding mergers and acquisitions.

Notwithstanding the foregoing general pre-approval, if, in the reasonable judgment of our Chief Accounting Officer and Principal Financial Officer, an individual project involving the provision of pre-approved services is likely to result in fees in excess of $100,000, or if individual projects under $100,000 are likely to equal or exceed $500,000 during the period between the regularly scheduled meetings of the audit committee, then such projects will require the specific pre-approval of our audit committee. Our audit committee has delegated the authority for the foregoing approvals to the chairman of the audit committee, subject to his subsequent disclosure to the entire audit committee of the granting of any such approval. M. Ian G. Gilchrist currently serves as the chairman of our audit committee. In addition, the independent auditor is required to provide a report at each regularly scheduled audit committee meeting on all pre-approved services incurred during the preceding quarter. Any engagement of our independent auditors for services other than the pre-approved services requires the specific approval of our audit committee.

Our pre-approval policy prohibits the engagement of our independent auditor to provide any services that are subject to the prohibition imposed by Section 201 of the Sarbanes-Oxley Act.

All services provided by our independent auditor during 2022 were approved in accordance with the terms of the policy in place.

Audit Committee Report

Each member of the audit committee is an independent director as determined by our Board of Directors, based on the listing standards of Nasdaq. Each member of the audit committee also satisfies the SEC's independence requirements for members of audit committees. Our Board of Directors has determined that Mr. Gilchrist is an "audit committee financial expert" under applicable SEC rules and regulations.

The audit committee reviews our financial reporting process on behalf of our Board of Directors. Management has primary responsibility for establishing and maintaining adequate internal controls, for preparing financial statements and for the public reporting process. Our independent auditor, KPMG LLP, is responsible for expressing opinions on the conformity of our audited consolidated financial statements with U.S. generally accepted accounting principles. Our independent auditor also expresses its opinion as to the effectiveness of our internal control over financial reporting.

Our audit committee has reviewed and discussed with management and KPMG LLP our most recent audited consolidated financial statements, as well as management's assessment of the effectiveness of our internal control over financial reporting and KPMG LLP's evaluation of the effectiveness of our internal control over financial reporting. Our audit committee has also discussed with KPMG LLP the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (the **PCAOB**) and the SEC, including that firm's judgment about the quality of our accounting principles, as applied in its financial reporting.

KPMG LLP has provided our audit committee with the written disclosures and the letter required by the applicable requirements of the PCAOB regarding KPMG LLP's communications with the audit committee concerning independence, and the audit committee has discussed with KPMG LLP that firm's independence from the company and its subsidiaries.

Based on the reviews, discussions and other considerations referred to above, our audit committee recommended to our Board of Directors that the audited financial statements be included in the 2022 Form 10-K.

Submitted by the Members of the Audit Committee

M. Ian G. Gilchrist
Fiona P. Dias
Larry E. Romrell

Proposal 4—The Say-on-Pay Proposal

What am I being asked to vote on and how should I vote?

We are asking our stockholders to approve, on an advisory basis, the compensation of our named executive officers as described in this proxy statement under the heading "Executive Compensation."

We are providing our stockholders the opportunity to vote to approve, on an advisory basis, the compensation of our named executive officers as described below in accordance with Section 14A of the Exchange Act. This advisory vote allows our stockholders to express their views on the overall compensation paid to our named executive officers. Our company values the views of our stockholders and is committed to the efficiency and effectiveness of our company's executive compensation program.

Our most recent advisory vote on the compensation of our named executive officers was held at our 2020 annual meeting of stockholders on May 21, 2020, at which stockholders representing a majority of our aggregate voting power present and entitled to vote on the say-on-pay proposal voted in favor of, on an advisory basis, our executive compensation as disclosed in our proxy statement for our 2020 annual meeting of stockholders. At our 2017 annual meeting of stockholders on May 24, 2017, stockholders elected to hold a Say-on-Pay vote every three years and our Board of Directors adopted this as the frequency at which future Say-on-Pay votes would be held. We currently expect that our next advisory vote on executive compensation will be held in 2026.

We are seeking stockholder approval of the compensation of our named executive officers as disclosed in this proxy statement in accordance with applicable SEC rules, which include the disclosures under "Executive Compensation—Compensation Discussion and Analysis," the compensation tables (including all related footnotes) and any additional narrative discussion of compensation included herein. Stockholders are encouraged to read the "Executive Compensation—Compensation Discussion and Analysis" section of this proxy statement, which provides an overview of our company's executive compensation policies and procedures and how they were applied for 2022.

In accordance with Section 14A of the Exchange Act, and Rule 14a-21(a) promulgated thereunder, and as a matter of good corporate governance, our Board of Directors is asking stockholders to approve the following advisory resolution at the 2023 annual meeting of stockholders:

> **RESOLVED,** that the stockholders of Qurate Retail, Inc. hereby approve, on an advisory basis, the compensation paid to our company's named executive officers, as disclosed in this proxy statement pursuant to the rules of the SEC, including the Compensation Discussion and Analysis, compensation tables and any related narrative discussion.

ADVISORY VOTE

Although this vote is advisory and non-binding on our Board and our company, our Board and the compensation committee, which are responsible for designing and administering our company's executive compensation program, value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation policies and decisions for named executive officers.

VOTE AND RECOMMENDATION

This advisory resolution, which we refer to as the Say-on-Pay proposal, will be considered approved if it receives the affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class.

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote **FOR** this proposal because the compensation structure is aligned with our ultimate goal of appropriately motivating our executives to increase long-term stockholder value.

Proposal 5—The Say-on-Frequency Proposal

What am I being asked to vote on and how should I vote?

We are asking our stockholders to approve, on an advisory basis, the frequency at which future Say-on-Pay votes will be held.

In accordance with the requirements of Section 14A of the Exchange Act and Rule 14a-21(b) promulgated thereunder, and as a matter of good corporate governance, we are submitting for stockholder consideration a separate resolution for an advisory vote as to whether a stockholder vote to approve the compensation paid to our named executive officers should occur every one, two or three years.

At our 2017 annual meeting of stockholders on May 24, 2017, a majority of the votes cast on the Say-on-Frequency proposal by our stockholders that were present, in person or by proxy, and entitled to vote at the 2017 annual meeting of stockholders, voting together as a single class, voted in favor of holding future advisory votes on executive compensation at a frequency of once every three years, and our Board of Directors adopted this as the frequency at which future advisory votes on executive compensation would be held.

After consideration, our Board of Directors has determined that an advisory vote on executive compensation that occurs every three years continues to be the most appropriate policy for us.

Our Board of Directors believes an advisory vote every three years would allow stockholders to focus on overall compensation objectives rather than the details of individual compensation decisions. Doing so would be compatible with our compensation philosophy which focuses on compensating our executives in a way that ensures that they have a continuing stake in our long-term success. An advisory vote every three years would allow stockholders to consider the achievement of performance objectives by our executives that focus on mid- to long-term strategies as opposed to immediate results and would allow stockholders to engage in more thoughtful analysis of our company's executive compensation program by providing more time between votes. As a result, our Board of Directors recommends a vote for the holding of advisory votes on named executive officer compensation every three years.

You may cast your vote on your preferred voting frequency by choosing the option of one year, two years, three years or abstaining from voting when you vote in response to the following resolution:

> "**RESOLVED**, that the option of once every one year, two years or three years that receives a majority of the affirmative votes cast for this resolution will be determined to be the frequency for the advisory vote on the compensation of the named executive officers as disclosed pursuant to the SEC's compensation disclosure rules that has been selected by Qurate Retail, Inc.'s stockholders."

ADVISORY VOTE

Although this vote is advisory and non-binding on our Board and our company, our Board and the compensation committee, which are responsible for designing and administering our company's executive compensation program, value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation policies and decisions for named executive officers.

VOTE AND RECOMMENDATION

Stockholders will be able to cast their vote for one of four choices for this proposal on the proxy card: one year, two years, three years or abstain. Stockholders are not being asked to vote to approve or disapprove our Board of Directors' recommendation.

If one of the frequencies receives the affirmative vote of a majority of the votes cast on the Say-on-Frequency proposal by the holders of shares of our common stock that are present, in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class, the frequency receiving such majority vote will be the frequency selected by our Board of Directors for future executive compensation votes. If no frequency receives the requisite majority, our Board of Directors will carefully consider the outcome of the vote and decide the frequency at which future advisory votes on executive compensation will be held.

OUR BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL

The Board of Directors recommends that you vote in favor of the **3 YEARS** frequency option with respect to this proposal because it is compatible with our compensation philosophy, which focuses on compensating our executives in a way that ensures they have a continuing stake in our long-term success.

3 YEARS

Executive Officers

The following lists the executive officers of our company (other than David Rawlinson II, our President and Chief Executive Officer, and Gregory B. Maffei, our Chairman of the Board, each of whom also serve as directors of our company and who are listed under "Proposal 1—The Election of Directors Proposal"), their ages and a description of their business experience, including positions held with our company. All positions referenced in the table below include, where applicable, positions with the respective company's predecessors.

Our executive officers will serve in such capacities until their respective successors have been duly elected and have been qualified, or until their earlier death, resignation, disqualification or removal from office.

Brian J. Wendling

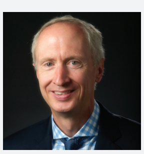
Principal Financial Officer and Chief Accounting Officer
Age: 50

Current Positions

- Chief Accounting Officer and Principal Financial Officer of our company since January 2020 and July 2019, respectively
- Chief Accounting Officer and Principal Financial Officer of Liberty Media and Liberty Broadband since January 2020 and July 2019, respectively
- Senior Vice President and Chief Financial Officer of Liberty TripAdvisor since January 2016
- Director of comScore, Inc. since March 2021

Prior Positions/Experience

- Chief Accounting Officer and Principal Financial Officer of LMAC from November 2020—December 2022
- Chief Accounting Officer and Principal Financial Officer of GCI Liberty from January 2020 and July 2019, respectively—December 2020
- Senior Vice President and Controller of each of our company, Liberty Media and Liberty Broadband from January 2016—December 2019 and GCI Liberty from March 2018—December 2019
- Senior Vice President and Controller of Liberty TripAdvisor from August 2014—December 2015
- Senior Vice President of Liberty Expedia from March 2016—July 2019
- Vice President and Controller of our company from November 2011—December 2015, Liberty Media from November 2011—December 2015 and Liberty Broadband from October 2014—December 2015
- Various positions with Liberty Media and Qurate Retail since 1999



Albert E. Rosenthaler

Chief Corporate Development Officer
Age: 63

Current Positions

- Chief Corporate Development Officer of our company since October 2016
- Chief Corporate Development Officer of Liberty Media, Liberty TripAdvisor and Liberty Broadband since October 2016
- Director of Tripadvisor since February 2016
- Director of Liberty TripAdvisor since August 2014

Prior Positions/Experience

- Chief Corporate Development Officer of LMAC from November 2020—December 2022
- Chief Corporate Development Officer of GCI Liberty from March 2018—December 2020
- Chief Corporate Development Officer of Liberty Expedia from October 2016—July 2019
- Chief Tax Officer of our company, Liberty Media, Liberty TripAdvisor and Liberty Broadband from Jan 2016—September 2016
- Chief Tax Officer of Liberty Expedia from March 2016—September 2016
- Senior Vice President of our company from April 2002—December 2015, Liberty Media from May 2007—December 2015, Liberty TripAdvisor from July 2013—December 2015, Liberty Broadband from June 2014—December 2015

Renee L. Wilm

Chief Legal Officer and Chief Administrative Officer
Age: 49

Current Positions

- Chief Legal Officer and Chief Administrative Officer of our company since September 2019 and January 2021, respectively
- Chief Executive Officer of Las Vegas Grand Prix, Inc. since January 2022
- Chief Legal Officer and Chief Administrative Officer of Liberty Media, Liberty TripAdvisor and Liberty Broadband since September 2019 and January 2021, respectively

Prior Positions/Experience

- Chief Legal Officer and Chief Administrative Officer of LMAC from November 2020 – December 2022 and January 2021 – December 2022, respectively
- Director of LMAC from January 2021 – December 2022
- Chief Legal Officer of GCI Liberty from September 2019 – December 2020
- Prior to September 2019, Senior Partner with the law firm Baker Botts L.L.P., where she represented our company, Liberty Media, Liberty TripAdvisor, Liberty Broadband and GCI Liberty and their predecessors for over twenty years, specializing in mergers and acquisitions, complex capital structures and shareholder arrangements, as well as securities offerings and matters of corporate governance and securities law compliance; while at Baker Botts, was a member of the Executive Committee, the East Coast Corporate Department Chair and Partner-in-Charge of the New York office

Executive Compensation

This section sets forth information relating to, and an analysis and discussion of, compensation paid by our company to the following persons (who we collectively refer to as our **named executive officers**):

GREGORY B. MAFFEI
Chairman of the Board

DAVID RAWLINSON II
President and Chief Executive Officer

BRIAN J. WENDLING
Chief Accounting Officer and Principal Financial Officer

ALBERT E. ROSENTHALER
Chief Corporate Development Officer

RENEE L. WILM
Chief Legal Officer and Chief Administrative Officer

Compensation Philosophy

Our compensation philosophy seeks to align the interests of the named executive officers with those of our stockholders, with the ultimate goal of appropriately motivating our executives to increase long-term stockholder value.

WHAT WE DO

- A significant portion of compensation is at-risk and performance-based.
- Performance targets for our executives support the long-term growth of the company.
- We have clawback provisions for equity-based incentive compensation.
- We have stock ownership guidelines for our executive officers.
- We review our executives' base salaries on an annual basis.

WHAT WE DO NOT DO

- Our compensation practices do not encourage excessive risk taking.
- We do not provide tax gross-up payments in connection with taxable income from perquisites.
- We do not engage in liberal share recycling.

COMPENSATION DISCUSSION AND ANALYSIS

COMPENSATION OVERVIEW

Our compensation committee of our Board of Directors has responsibility for establishing, implementing and regularly monitoring adherence to our compensation philosophy. That philosophy seeks to align the interests of the named executive officers with those of our stockholders, with the ultimate goal of appropriately motivating our executives to increase long-term stockholder value. To that end, the compensation packages provided to the named executive officers include significant performance-based bonuses and significant equity incentive awards, including equity awards that vest multiple years after initial grant and equity awards that are performance-based.

Our compensation committee seeks to approve a compensation package for each named executive officer that is commensurate with the responsibilities and proven or expected performance of that executive and that is competitive relative to the compensation packages paid to similarly situated executives in other companies. Our compensation committee believes that our compensation packages should assist our company in attracting and retaining key executives critical to our long-term success.

Our feedback from stockholders on this pay philosophy has been positive. At our 2020 annual stockholder meeting, stockholders representing a majority of the aggregate voting power of Qurate Retail present and entitled to vote on our say-on-pay proposal voted in favor of, on an advisory basis, our executive compensation disclosed in our proxy statement for the 2020 annual meeting of stockholders. No material changes were implemented to our executive compensation program as a result of this vote. At our 2017 annual stockholder meeting, stockholders elected to hold a say-on-pay vote every three years and our Board of Directors adopted this as the frequency at which future say-on-pay votes would be held. At our 2023 annual stockholder meeting, we are submitting for consideration (i) a separate resolution for an advisory vote as to whether a stockholder vote to approve the compensation paid to our named executive officers should occur every one, two or three years, and (ii) a proposal to approve, on an advisory basis, our executive compensation. See "Proposals of Our Board—Proposal 4—The Say-On-Pay Proposal" and "Proposals of Our Board—Proposal 5—the Say-On-Frequency Proposal."

SERVICES AGREEMENT

In September 2011, we entered into a services agreement with our former subsidiary (the **services agreement**), which agreement was assumed in January 2013 by its former subsidiary, then-known as Liberty Spinco, Inc. (currently known as Liberty Media). In December 2019, the services agreement was amended (the **amended services agreement**) in connection with Liberty Media entering into a new five-year employment agreement with Mr. Maffei (the **2019 Maffei Employment Agreement**). Under the amended services agreement, our company establishes, and pays or grants directly to Mr. Maffei, our allocable portion of his annual performance-based cash bonus, his annual equity-based awards and his Upfront Awards (as defined below), and we reimburse Liberty Media for our allocable portion of the other components of Mr. Maffei's compensation, which are described in more detail below in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement." Under the 2019 Maffei Employment Agreement, Mr. Maffei's compensation is allocated across Liberty Media, our company and each of Liberty Broadband and Liberty TripAdvisor (each a **Service Company**, or, collectively the **Service Companies**) based on two factors, each weighted 50%: (i) the relative market capitalization of each series of stock of each company and (ii) the average of (a) the percentage allocation of time for all Liberty Media employees across all companies and (b) Mr. Maffei's percentage allocation of time across all companies, unless a different allocation method is agreed. Our allocable portion of Mr. Maffei's annual compensation was 13% in 2022. Pursuant to the amended services agreement, in 2022, we also reimbursed Liberty Media for the portion of the base salary and certain other compensation Liberty Media paid to our employees that was allocable to us for estimated time spent by each such employee related to our company. All of Mr. Rawlinson's compensation was paid by QVC, and none of his time was allocated to Liberty Media because Mr. Rawlinson did not provide any services to Liberty Media in 2022. The 2022 performance-based bonuses earned by the named executive officers of our company were paid directly by our company. During 2022, the estimate of the allocable percentages of time spent performing services for Liberty Media, on the one hand, and our company, on the other hand, were reviewed quarterly by our audit committee for appropriateness. The salaries and certain perquisite information included in the "Summary Compensation Table" below (other than with respect to Mr. Rawlinson, whose cash compensation is paid directly by QVC) include the portion of the compensation allocable to our company and for which we reimbursed Liberty Media and do not include the portion of the compensation allocable to Liberty Media or any of the other Service Companies. During the year ended December 31, 2022, the weighted average percentage of each such named executive officer's time that was allocated to our company was: Mr. Wendling—20%; Mr. Rosenthaler—9%; and Ms. Wilm—11%.

ROLE OF INDEPENDENT COMPENSATION CONSULTANT

Prior to entering into the amended services agreement with Liberty Media in connection with the 2019 Maffei Employment Agreement, our compensation committee engaged Frederic W. Cook & Co., Inc. (**FW Cook**), an independent and experienced compensation consultant, to assist in determining the reasonableness of compensation to be allocated to our company under the amended services agreement.

In order to assess the reasonableness of compensation, FW Cook evaluated the market value of Mr. Maffei's role at our company and the proposed allocation to our company under the service arrangement. Given the unique nature of Mr. Maffei's role at our company, FW Cook evaluated the market value of the executive job at our company through two different lenses: Chairman of the Board and managing partner of a private equity firm.

In assessing the reasonableness of pay as Chairman of the Board, FW Cook and the compensation committee reviewed pay data for companies comparable to ours, including companies in the retail industry, and companies with which we may compete for executive talent and stockholder investment and also included companies in those industries that are similar to our company in size, geographic location or complexity of operations. In assessing the reasonableness of pay as a managing partner of a private equity firm, FW Cook and the compensation committee reviewed survey data regarding the compensation of private equity professionals.

SETTING EXECUTIVE COMPENSATION

Pay-Setting

In making its compensation decision for each named executive officer, our compensation committee considers the following:

- each element of the named executive officer's compensation, including salary, performance-based bonus, equity compensation, perquisites and other personal benefits, and weights equity compensation most heavily;
- the financial performance of our company compared to internal forecasts and budgets;
- the scope of the named executive officer's responsibilities;
- the competitive nature of the compensation packages offered based on general industry knowledge of the retail and commerce industries and periodic use of survey information provided by Mercer (US), Inc. and FW Cook; and
- the performance of the group reporting to the named executive officer.

In addition, when setting compensation, our compensation committee considers the recommendations obtained from Mr. Maffei as to all elements of the compensation packages of Messrs. Rawlinson, Wendling, and Rosenthaler and Ms. Wilm. To make these recommendations, Mr. Maffei evaluates the performance and contributions of each such named executive officer. He also considers whether the pay packages afforded to such named executive officers are competitive and are aligned internally. He also evaluates the named executive officer's performance against individual, department and corporate goals.

In December 2019, our compensation committee approved the amended services agreement, which established the terms and conditions of our allocable portion of Mr. Maffei's compensation for the term of the 2019 Maffei Employment Agreement. See "—Services Agreements" above. Prior to entering into the amended services agreement with Liberty Media, our compensation committee reviewed information from FW Cook with respect to Chairman of the Board compensation packages at comparable retailers and e-commerce companies.

In July 2021, our compensation committee approved a new employment agreement with Mr. Rawlinson running through December 31, 2024 (the **Rawlinson Employment Agreement**) and granted equity awards in connection with the execution of the Rawlinson Employment Agreement. Prior to our compensation committee's approval of the Rawlinson Employment Agreement, our compensation committee reviewed relevant comparable CEO cash and equity compensation components as a reference point for the proposed new compensation arrangements and considered the recommendation of Mr. Maffei with respect to Mr. Rawlinson's annual compensation package, which had been structured giving consideration to components of cash and equity compensation paid to CEOs of comparable retailers and e-commerce companies. Based on this review, our compensation committee determined to confirm and approve the proposed arrangements. See "—Executive Compensation Arrangements—David Rawlinson II" for a description of Mr. Rawlinson's employment agreement.

ELEMENTS OF 2022 EXECUTIVE COMPENSATION

For 2022, the principal components of compensation for the named executive officers were:

- base salary;
- a performance-based bonus, payable in cash;
- performance-based restricted stock units; and
- perquisites and other limited personal benefits.

BASE SALARY

Our compensation committee believes base salary should be a relatively smaller portion of each named executive officer's overall compensation package, allowing for a greater portion to be performance based, thereby aligning the interests of our executives more closely with those of our stockholders. The base salaries of the named executive officers are reviewed on an annual basis (other than Mr. Maffei's base salary, which is set by the terms of his employment agreement), as well as at the time of any change in responsibilities. Typically, after establishing a named executive officer's base salary, salary increases are limited to cost-of-living adjustments, adjustments based on changes in the scope of the named executive officer's responsibilities, and adjustments to align the named executive officer's salary level with those of our other named executive officers.

After completion of the annual review in December 2021, the 2022 base salaries of Messrs. Wendling and Rosenthaler and Ms. Wilm were increased by 3%, reflecting a cost-of-living adjustment. For 2022, Mr. Maffei's salary remained at $3,000,000 as prescribed by the 2019 Maffei Employment Agreement. For 2022, Mr. Rawlinson's base salary was $1,250,000 per the terms of the Rawlinson Employment Agreement.

2022 PERFORMANCE-BASED BONUSES

Overview. For 2022, our compensation committee adopted an annual, performance-based bonus program for each of Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm. Mr. Rawlinson participated in a separate performance-based bonus program, described under "—QVC Bonus Award" below. The 2022 bonus program was comprised of two components: a bonus amount payable based on each participant's individual performance (the **Individual Performance Bonus**) and a bonus amount payable based on the corporate performance of our company, Liberty Media, Liberty TripAdvisor and Liberty Broadband (the **Corporate Performance Bonus**).

Individual Performance Bonus (60% weighting)

- Based on each named executive officers' personal, department and corporate related goals
- Named executive officer provided a self-evaluation of their achievements, and in the case of Messrs. Wendling and Rosenthaler and Ms. Wilm, Mr. Maffei also provided an evaluation
- Compensation committee reviewed goals, evaluations and achievements before approving a specific payout for each named executive officer

Corporate Performance Bonus (40% weighting)

- 30% based on consolidated financial results of all subsidiaries and major investments within our company, Liberty Media, Liberty TripAdvisor and Liberty Broadband
  - 10% based on consolidated revenue results
  - 10% based on consolidated Adjusted OIBDA results
  - 10% based on consolidated free cash flow results
- 10% based on corporate level achievements such as merger and acquisition activity, investments, financings, ESG initiatives, SEC/audit compliance, litigation management and tax compliance

Pursuant to the 2019 Maffei Employment Agreement, Mr. Maffei was assigned a target bonus opportunity under the performance-based bonus program equal to $17 million in the aggregate for Liberty Media, our company and each of the other Service Companies. That bonus amount was split among, and payable directly by, our company, Liberty Media and each of the Service Companies, with payment subject to the achievement of one or more performance metrics as determined by the applicable company's compensation committee. In 2022, the portion of Mr. Maffei's aggregate target bonus amount allocated to our company was 13% or $2,210,000. The portions of Mr. Maffei's aggregate target bonus amount allocated to each of Liberty Media, Liberty Broadband and Liberty TripAdvisor pursuant to the amended services agreements were 49% (or $8,330,000), 33% (or $5,610,000) and 5% (or $850,000), respectively.

Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm were assigned in March 2022 a maximum bonus opportunity under the performance-based bonus program, which would be allocated to each of Qurate Retail, Liberty Media, Liberty Broadband and Liberty TripAdvisor in the same percentage as the allocation for Mr. Maffei's target bonus opportunity (the **Maximum Performance Bonus**). The portion of the Maximum Performance Bonus allocated to the Qurate Retail program were $4,420,000, $161,182, $294,899 and $295,008 for Messrs. Maffei, Wendling, Rosenthaler and Ms. Wilm, respectively (the **Qurate Retail Maximum Performance Bonus**). The Qurate Retail Maximum Performance Bonus amounts are up to 200% of Mr. Maffei's target annual bonus allocated to our company under the 2019 Maffei Employment Agreement and our company's allocable portion of up to 200% of base pay for each of Messrs. Wendling and Rosenthaler and Ms. Wilm. The portion of the Maximum Performance Bonus allocated to Liberty Media, Liberty Broadband and Liberty TripAdvisor were $16,660,000, $11,220,000 and $1,700,000, respectively, for Mr. Maffei, $607,533, $409,155 and $61,993, respectively, for Mr. Wendling, $1,111,543, $748,590 and $113,423, respectively, for Mr. Rosenthaler and $1,111,955, $748,868 and $113,465, respectively, for Ms. Wilm.

Each participant was entitled to receive from our company an amount (the **Qurate Retail Maximum Individual Bonus**) equal to 60% of the Qurate Retail Maximum Performance Bonus for that participant. The Qurate Retail Maximum Individual Bonus was subject to reduction based on a determination of the participant's achievement of qualitative criteria established with respect to the services to be performed by the participant on behalf of our company. Under the corollary programs of Liberty Media and the other Service Companies, each participant was entitled to receive from Liberty Media and the other Service Companies a maximum individual bonus equal to 60% of his or her Maximum Performance Bonus allocable to Liberty Media and each other Service Company subject to reduction based on a determination of the participant's achievement of qualitative criteria established with respect to the services to be performed by the participant on behalf of Liberty Media and the other Service Companies. Our compensation committee believes this construct was appropriate in light of the amended services agreement and the fact that each participant splits his or her professional time and duties.

Each participant was entitled to receive from our company an amount (the **Qurate Retail Maximum Corporate Bonus**) equal to 40% of his or her Qurate Retail Maximum Performance Bonus, of which 30% would be based on a determination of the consolidated corporate performance of our company, Liberty Media and the other Service Companies and 10% would be based on corporate-level achievements. Under the corollary programs of Liberty Media and the other Service Companies, each participant was entitled to receive from Liberty Media and the other Service Companies a bonus that is 40% of each of Liberty Media's and the other Service Companies' allocable portion of the Maximum Performance Bonus, which were based on a determination of the consolidated corporate performance of our company, Liberty Media and the other Service Companies and a determination of corporate-level achievements.

In December 2022, our compensation committee, the Liberty Media compensation committee and the compensation committees of the other Service Companies reviewed contemporaneously our respective named executive officers' individual performance and consolidated corporate performance under each company's program. Notwithstanding this joint effort, our compensation committee retained sole and exclusive discretion with respect to the approval of award terms and amounts payable under our bonus program.

Individual Performance Bonus. Our compensation committee reviewed the individual performance of each participant to determine the reductions that would apply to each participant's Qurate Retail Maximum Individual Bonus. Our compensation committee took into account a variety of factors, without assigning a numerical weight to any single performance measure. This determination was based on reports to our Board, the observations of committee members throughout the year, executive self-evaluations and, with respect to the participants other than Mr. Maffei, the observations and input of Mr. Maffei. In evaluating the performance of each of the participants for determining the reduction that would apply to each named executive officer's Qurate Retail Maximum Individual Bonus, the following performance objectives related to our company which had been assigned to each participant for 2022 were considered:

GREGORY B. MAFFEI

Chairman of the Board

Performance Objectives:

- Provide leadership to Qurate Retail Group to drive strategies, improve brand and increase shareholder value
- Assess capital allocation strategies, capital structure and tax efficiency initiatives
- Support new CEO with business strategies, enhancement of talent base, and recruitment of certain senior officers
- Monitor cost synergies and new cost saving initiatives against plan
- Support development and goals of management team
- Continue development of ESG program

BRIAN J. WENDLING

Chief Accounting Officer and Principal Financial Officer

Performance Objectives:

- Ensure timely and accurate internal and external financial reports
- Support improvements to the company's internal control structure
- Manage company's capital expenditure plan with a particular focus on information technology
- Continued development and training of accounting, reporting and internal audit staff
- Assist other executives in accounting and financial related due diligence for strategic investments
- Assist treasury and management on capital allocation

ALBERT E. ROSENTHALER

Chief Corporate Development Officer

Performance Objectives:

- Evaluate strategic investment opportunities
- Assess capital structure and capital allocation
- Continue oversight of tax and corporate development departments

RENEE L. WILM

Chief Legal Officer and Chief Administrative Officer

Performance Objectives:

- Support corporate development in the evaluation of strategic investments; provide legal support for execution of selected opportunities
- Support treasury and management in evaluation of capital structures, capital allocation and liquidity solutions
- Support subsidiary legal departments with regard to litigation, corporate matters and compliance matters, including privacy and cyber security concerns
- Continue to develop and refine active government affairs program
- Manage executive compensation arrangements and equity award programs
- Oversee executive recruiting and talent development at our company and assist with succession planning at QVC
- Provide support for ESG initiatives

Following a review of the participants' performance and a review of the time allocated to matters for our company, our compensation committee determined to pay each participant the following portion of his or her Qurate Retail Maximum Individual Bonus:

Name	Qurate Retail Maximum Individual Bonus	Percentage Payable	Aggregate Dollar Amount
Gregory B. Maffei	$2,652,000	56.25%	$1,491,750
Brian J. Wendling	$ 96,709	81.25%	$ 78,576
Albert E. Rosenthaler	$ 176,940	81.25%	$ 143,763
Renee L. Wilm	$ 177,005	93.75%	$ 165,942

Corporate Performance Bonus. Our compensation committee then made a determination as to the portion, if any, that would be payable to each participant for his or her Qurate Retail Maximum Corporate Bonus, a portion of which is attributable to consolidated financial measures of the Operating Companies (as defined below) as a group and a portion of which is attributable to corporate-level achievements. In making this determination, our compensation committee reviewed forecasts of 2022 Adjusted OIBDA (as defined below), revenue and free cash flow (**financial measures**) for QVC, HSN, Inc., Cornerstone Brands, Inc., Zulily, LLC, Sirius XM, Braves Holdings, LLC, Formula 1, GCI Holdings, LLC and proportionate shares of Live Nation, Charter and Tripadvisor (collectively, the **Operating Companies**), all of which forecasts were prepared in December 2022 and are set forth in the table below. Also set forth in the table below are the corresponding actual financial measures achieved for 2022, which deviated from our forecasts as indicated below. Although forecasted revenue, Adjusted OIBDA and free cash flow deviated from the actual result, none of the deviations would have affected the amounts paid under the Corporate Performance Bonus portion of the program.

For purposes of the bonus program, Adjusted OIBDA is defined as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, transaction related costs (including acquisition, restructuring, integration, and advisory fees), impairments and fire related costs. Sirius XM, Live Nation Entertainment, Inc., Charter, and Tripadvisor do not report Adjusted OIBDA information. As a result, in order to determine their financial results, we used the most similar non-GAAP measures reported by each of these companies. We used Adjusted EBITDA as reported by Sirius XM, Charter, and Tripadvisor and Adjusted Operating Income, or AOI, as reported by Live Nation. For a definition of Adjusted EBITDA as defined by Sirius XM, see Sirius XM's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 2, 2023. For a definition of Adjusted EBITDA as defined by Charter, see Charter's Annual Report on Form 10-K for the year ended December 31, 2022, filed on January 27, 2023. For a definition of Adjusted EBITDA as defined by Tripadvisor, see Tripadvisor's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 17, 2023. For a definition of AOI as defined by Live Nation, see Live Nation's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 23, 2023.

	(dollar amounts in millions)		
	2022 Forecast	2022 Actual	Actual / Forecast
Revenue(1)	$47,876	$48,060	0.38%
Adjusted OIBDA(1)	$12,309	$12,217	(0.75)%
Free Cash Flow(1)(2)	$ 4,697	$ 4,945	5.28%

(1) Revenue, Adjusted OIBDA and Free Cash Flow amounts represent the consolidated summation of the Operating Companies. All calculations were performed on a constant currency basis.

(2) Defined for purposes of the bonus program as Adjusted OIBDA less all other operating and investing items on a constant currency basis.

Based on a review of the above forecasts and consideration of Operating Company performance against plan for these financial measures by the compensation committees of our company, Liberty Media, Liberty Broadband and Liberty TripAdvisor, the compensation committees determined that the financial measures relating to the Operating Companies were achieved to the extent described below:

Financial Measure	Percentage Payable
Revenue(1)	6% of a possible 10%
Adjusted OIBDA(1)	4% of a possible 10%
Free Cash Flow(1)(2)	3% of a possible 10%

Percentage payable was based on 2022 forecasted financial measures compared to 2022 budgeted financial measures, with a 7% possible payout if forecasted financial measures equaled budgeted financial measures, and a payout range of 0% to 10% if forecasted financial measures were less than or greater than budgeted financial measures. Our compensation committee then translated the achievement of these financial measures into a percentage payable (13% of a possible 30%, or 43.33%) to each participant of his or her Qurate Retail Maximum Corporate Bonus related to financial measures, as follows:

Name	Qurate Retail Maximum Corporate Bonus Related to Financial Measures	Percentage Payable	Aggregate Dollar Amount
Gregory B. Maffei	$1,326,000	43.33%	$574,600
Brian J. Wendling	$ 48,355	43.33%	$ 20,954
Albert E. Rosenthaler	$ 88,470	43.33%	$ 38,337
Renee L. Wilm	$ 88,503	43.33%	$ 38,351

In December 2022, our compensation committee considered combined corporate-level achievements for our company, Liberty Media and each of the other Service Companies in determining that 8.5% of a possible 10% of a portion of the Qurate Retail Maximum Corporate Bonus would be payable to each participant. In making this determination, the compensation committee considered merger and acquisition activity, investments, financings, ESG initiatives, SEC/audit compliance, litigation management and tax compliance. The achievements and percentage payable translated to the following payment for each participant:

Name	Qurate Retail Maximum Corporate Bonus Related to Corporate-Level Achievements	Percentage Payable	Aggregate Dollar Amount
Gregory B. Maffei	$442,000	85%	$375,700
Brian J. Wendling	$ 16,118	85%	$ 13,700
Albert E. Rosenthaler	$ 29,490	85%	$ 25,066
Renee L. Wilm	$ 29,501	85%	$ 25,076

Aggregate Results. The following table presents information concerning the aggregate 2022 performance-based bonus amounts payable to each named executive officer by our company (other than Mr. Rawlinson), after giving effect to the determinations described above.

Name	Individual Performance Bonus	Corporate Performance Bonus Related to Financial Measures	Corporate Performance Bonus Related to Corporate-Level Achievements	Total Bonus
Gregory B. Maffei	$1,491,750	$574,600	$375,700	$2,442,050
Brian J. Wendling	$ 78,576	$ 20,954	$ 13,700	$ 113,231
Albert E. Rosenthaler	$ 143,763	$ 38,337	$ 25,066	$ 207,167
Renee L. Wilm	$ 165,942	$ 38,351	$ 25,076	$ 229,369

Our compensation committee then noted that, when combined with the total 2022 performance-based bonus amounts paid by Liberty Media and the other Service Companies to the overlapping named executive officers, Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm received $23,158,250, $871,004, $1,593,590 and $1,764,377, respectively. For more information regarding these bonus awards, please see the “Grants of Plan-Based Awards” table below.

QVC Bonus Award.

Mr. Rawlinson's 2022 performance-based bonus was structured to align with the 2022 performance-based bonus program established at QVC for QVC senior global officers. Pursuant to the program, Mr. Rawlinson was paid a cash bonus based upon 2022 Revenue and 2022 Adjusted OIBDA (in each case for QVC, HSN, Inc., Cornerstone Brands, Inc., Zulily, LLC) performance on a constant currency basis. His target bonus amount was 125% of his base salary and his maximum bonus amount was 200% of his base salary, as required by the terms of his employment agreement.

For any bonus to be paid, 2022 Revenue would need to equal or exceed $12,939 million and 2022 Adjusted OIBDA would need to equal or exceed $1,713 million. While 2022 Revenue was $12,106 million and 2022 Adjusted OIBDA was $1,089 million, therefore not meeting the threshold for a cash bonus, our Chairman, at his discretion, recommended that Mr. Rawlinson be paid $781,250, or 50% of his target bonus amount, in recognition of individual performance. Upon review of this recommendation, our compensation committee awarded Mr. Rawlinson a bonus of $781,250, or 62.5% of his base salary.

EQUITY INCENTIVE COMPENSATION

The 2020 incentive plan provides, and the Qurate Retail, Inc. 2016 Omnibus Incentive Plan, as amended (the **2016 incentive plan**), before its replacement by the 2020 incentive plan, and the Liberty Interactive Corporation 2012 Incentive Plan (the **Qurate Retail, Inc. 2012 Incentive Plan**) (as amended), before its expiration, provided, for the grant of a variety of incentive awards, including stock options, restricted shares, RSUs, SARs and performance awards. Subject to share availability considerations, our compensation committee has a preference for grants of stock-based incentive awards (RSUs, restricted stock and options) as compared with cash incentive awards based on the belief that they better promote retention of key employees through the continuing, long-term nature of an equity investment. It is the policy of our compensation committee that stock options be awarded with an exercise price equal to fair market value on the date of grant, typically measured by reference to the closing price on the grant date. In consultation with the compensation committees of each of Liberty Media and the other Service Companies, our compensation committee determined that each of our company, Liberty Media and the other Service Companies would grant a proportionate share of the aggregate equity grant value to each named executive officer other than Mr. Rawlinson, who receives equity awards from our company only, for their service to our company and each of Liberty Media and the other Service Companies. The proportionate share for each company was determined based 50% on relative market capitalization and 50% on relative time spent by Liberty Media's employees working for such issuer. With respect to awards made to Mr. Maffei, the 2019 Maffei Employment Agreement provides that Mr. Maffei's aggregate annual equity award value will be granted across Liberty Media and the Service Companies by Liberty Media's compensation committee, our compensation committee and the compensation committees of Liberty TripAdvisor and Liberty Broadband based on two factors, each weighted 50%: (i) the relative market capitalization of each series of stock of each company and (ii) the average of (a) the percentage allocation of time for all Liberty Media employees across all companies and (b) Mr. Maffei's percentage allocation of time across all companies, unless a different allocation method is agreed.

Maffei Equity Awards

Maffei Annual Equity Awards. The 2019 Maffei Employment Agreement provides Mr. Maffei with the opportunity to earn annual equity awards during the employment term. See "—Executive Compensation Arrangements—Gregory B. Maffei—Annual Awards" for additional information about the annual awards provided under the 2019 Maffei Employment Agreement.

When structuring the 2019 Maffei Employment Agreement, to further align Mr. Maffei's interests with those of the other stockholders, the compensation committee structured his annual equity award grants as either option awards or performance-based restricted stock units with meaningful payout metrics determined annually. This structure was designed to provide for alignment of interests with the company's stockholders and flexibility to the compensation committee to incent achievement of strategic objectives that may change or evolve over the term of the agreement.

The 2019 Maffei Employment Agreement provided that Mr. Maffei was entitled to receive from our company, Liberty Media and the other Service Companies in 2022 a combined target equity award value of $17.5 million comprised of time-vested stock options, performance-based restricted stock units or a combination of award types, at Mr. Maffei's election. In 2022, our compensation committee granted performance-based RSUs to Mr. Maffei in satisfaction of our obligations under the 2019 Maffei Employment Agreement for 13% of Mr. Maffei's aggregate annual equity award for 2022, or

$2,275,000. Our compensation committee believed that Mr. Maffei's RSU grants should be subject to performance metrics that incentivize and reward Mr. Maffei for successful completion of our company's strategic initiatives.

As a result, our compensation committee granted to Mr. Maffei 326,868 performance-based RSUs with respect to QRTEB shares (the **2022 Maffei RSUs)**. Our compensation committee granted to Mr. Maffei the 2022 Maffei RSUs on March 10, 2022, which vest only upon attainment of the performance objectives described below.

Our compensation committee reviewed the financial performance of our company along with the personal performance of Mr. Maffei. Based on the compensation committee's assessment of his individual performance against the goals established in connection with the performance cash bonus program and general observation of his leadership and executive performance, our compensation committee approved vesting of all of the 2022 Maffei RSUs previously granted to Mr. Maffei.

For more information regarding Mr. Maffei's equity awards as provided in the 2019 Maffei Employment Agreement, see the "Grants of Plan-Based Awards" table below and "Executive Compensation—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Annual Equity Awards" in Liberty Media's Definitive Proxy Statement on Schedule 14A with respect to its 2023 annual meeting of stockholders; "Executive Compensation—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Annual Equity Awards" in Liberty TripAdvisor's Definitive Proxy Statement on Schedule 14A with respect to its 2023 annual meeting of stockholders; and "Executive Compensation—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Annual Equity Awards" in Liberty Broadband's Definitive Proxy Statement on Schedule 14A with respect to its 2023 annual meeting of stockholders.

Multiyear Equity Awards

Maffei Restricted Share Award. In June 2021, pursuant to the Waiver Letter and Amendment of 2019 Maffei Employment Agreement dated June 3, 2021 between Liberty Media and Mr. Maffei (the **Letter Agreement**), Mr. Maffei received a grant of 1,101,321 QRTEB restricted shares, which vest in two equal tranches on December 10, 2024 and the fifth anniversary of the grant date (the **2021 Maffei Restricted Share Award**). See "Certain Relationships and Related Party Transactions—Waiver Letter and Amendment of 2019 Maffei Employment Agreement," and the "Grants of Plan-Based Awards" and the "Outstanding Equity Awards at Fiscal Year-End" tables below for more information on the 2021 Maffei Restricted Share Award.

Multiyear Stock Options and RSUs. Consistent with its previous practices, our compensation committee has made larger stock option grants (equaling approximately three to five years' value of the named executive officer's annual grants) that vest between two and five years after grant, rather than making annual grants over the same period. These multiyear grants provide for back-end weighted vesting and generally expire seven to ten years after grant to encourage executives to remain with the company over the long-term and to better align their interests with those of the stockholders.

In line with this philosophy, in connection with entering into, and pursuant to the terms of, the Rawlinson Employment Agreement, Mr. Rawlinson was entitled to two upfront equity awards. In August 2021, Mr. Rawlinson received a grant of options to purchase 1,185,053 QRTEA shares with an exercise price of $10.50, which vest 50% on each of December 31, 2023 and December 31, 2024 (the **2021 Rawlinson Term Options**). Such options expire on the seventh anniversary of the grant date. Also in August 2021, Mr. Rawlinson received a grant of 508,865 QRTEA RSUs of which 13% vested on December 10, 2021, 29% vested on December 10, 2022 and 29% will vest on each of December 10, 2023 and December 10, 2024 (the **2021 Rawlinson Term RSUs**). See the "Grants of Plan-Based Awards" and the "Outstanding Equity Awards at Fiscal Year-End" tables below for more information about the 2021 Rawlinson Term Options and 2021 Rawlinson Term RSUs.

Messrs. Wendling and Rosenthaler and Ms. Wilm each received a multiyear stock option award in December 2020 (the **2020 NEO Multiyear Options**), which equaled, for Messrs. Wendling and Rosenthaler, the value of the annual grants that were expected to be granted to each for the period from January 1, 2021 through December 31, 2023, and for Ms. Wilm, a top up in value over grants already made for the same period to reflect the increased responsibilities associated with her new role beginning in 2021 of Chief Administrative Officer. One-half of each named executive officer's 2020 NEO Multiyear Options vested on December 10, 2022 and the remaining one-half will vest on December 10, 2023. See the "Outstanding Equity Awards at Fiscal Year-End" table below for more information about the 2020 NEO Multiyear Options.

Annual Performance Awards

Chief RSU Awards. Consistent with our practice since December 2014 of granting a combination of multiyear stock options and annual performance awards to senior officers, our compensation committee granted annual performance RSUs to Messrs. Wendling and Rosenthaler and Ms. Wilm in March 2022. Our compensation committee granted to Messrs. Wendling and Rosenthaler and Ms. Wilm 16,747, 30,253 and 30,253 QRTEA performance-based RSUs, respectively, on March 10, 2022 (collectively, the **2022 Chief RSUs**). The 2022 Chief RSUs would vest subject to the satisfaction of the performance objectives described below.

Our compensation committee adopted an annual, performance-based program for payment of the 2022 Chief RSUs and reviewed each named executive officer's performance against that performance program to determine what portion of the award would be paid. Our compensation committee reviewed the 2022 personal performance of Messrs. Wendling and Rosenthaler and Ms. Wilm and considered the recommendations from Mr. Maffei. Mr. Maffei recommended that our committee vest 100% of the 2022 Chief RSUs based on his assessment of their individual performance against the goals established in connection with the performance cash bonus program and his general observation of their leadership and executive performance. Accordingly, our compensation committee approved vesting in full of the 2022 Chief RSUs previously granted to Messrs. Wendling and Rosenthaler and Ms. Wilm.

QVC CEO RSUs.

Pursuant to the Rawlinson Employment Agreement, Mr. Rawlinson is eligible for an annual $4 million grant of performance-based RSUs with respect to QRTEA stock. Accordingly, our compensation committee granted to Mr. Rawlinson 596,125 QRTEA performance-based RSUs (the **2022 Rawlinson RSUs**) on March 10, 2022. The amount earned under the performance based program was based 60% on objective performance criteria and 40% on subjective performance criteria. The 2022 Rawlinson RSUs would vest only upon attainment of the performance objectives described below.

Our compensation committee adopted an annual, performance-based program for payment of the 2022 Rawlinson RSUs. Regarding the objective portion of the performance-based RSUs, none of the 2022 Rawlinson RSUs would vest unless 2022 Adjusted OIBDA equaled or exceeded $1,713 million. For purposes of the 2022 Rawlinson RSUs, 2022 Adjusted OIBDA was defined in the same manner as the cash performance bonus program for Mr. Rawlinson. See "—Elements of 2022 Executive Compensation—2022 Performance-based Bonuses—QVC Bonus Award" above.

After review of our company's 2022 Adjusted OIBDA results, our compensation committee determined and certified that 0% of the amount of 2022 Rawlinson RSUs related to objective performance criteria could be paid to Mr. Rawlinson. In addition, our compensation committee reviewed the personal performance self-evaluation of Mr. Rawlinson and adopted the recommendation of Mr. Maffei as to the payout of the subjective portion of the 2022 Rawlinson RSUs. Mr. Maffei recommended 100% payout of the amount of 2022 Rawlinson RSUs related to subjective performance criteria. Based on the combined subjective and objective performance criteria, our compensation committee determined to vest 40% of the 2022 Rawlinson RSUs, or 238,450 RSUs.

PERQUISITES AND OTHER PERSONAL BENEFITS

The perquisites and other personal benefits available to our executives (that are not otherwise available to all of our salaried employees) consist of:

- limited personal use of Liberty Media's corporate aircraft (pursuant to aircraft time sharing agreements between our company and Liberty Media);
- in the case of Mr. Maffei and Mr. Rawlinson, payment of legal expenses pertaining to their respective employment arrangements; and
- occasional, personal use of Liberty Media's apartment in New York City (pursuant to a sharing arrangement between our company and Liberty Media), which is primarily used for business purposes, and occasional, personal use of a company car and driver.

Taxable income may be incurred by our executives in connection with their receipt of perquisites and personal benefits. We have not provided gross-up payments to our executives in connection with any such taxable income incurred during the past three years.

Aircraft Usage. On occasion, and with the appropriate approvals, executives may have family members and other guests accompany them on Liberty Media's corporate aircraft when traveling on business. Under the terms of the employment arrangements with our Chairman, our Chairman and his guests may use the corporate aircraft we share with Liberty Media for non-business purposes subject to specified limitations.

Pursuant to a February 5, 2013 letter agreement between Liberty Media and Mr. Maffei, Mr. Maffei is entitled to 120 hours per year of personal flight time through the first to occur of (i) the termination of his employment, subject to any continued right to use the corporate aircraft as described below or pursuant to the terms of his employment arrangement in effect at the time of the termination or (ii) the cessation of ownership or lease of corporate aircraft. During 2022, pursuant to November 11, 2015 and December 13, 2019 letter agreements between Liberty Media and Mr. Maffei, Mr. Maffei was entitled to 50 additional hours per year of personal flight time if he reimbursed Liberty Media for such usage through the first to occur of (i) the termination of his employment or (ii) the cessation of ownership or lease of corporate aircraft. If Mr. Maffei's employment is terminated due to disability, for good reason or without cause, Mr. Maffei would be entitled to continued use of the corporate aircraft for 12 months after termination of his employment. Mr. Maffei incurs taxable income, calculated in accordance with the SIFL rates, for all personal use of the corporate aircraft under the February 5, 2013 letter agreement. Mr. Maffei incurs taxable income at the SIFL rates minus amounts paid under time sharing agreements with Liberty Media for travel. Flights where there are no passengers on company-owned aircraft are not charged against the 120 hours of personal flight time per year allotted to Mr. Maffei if the flight department determines that the use of a NetJets, Inc. supplied aircraft for a proposed personal flight would be disadvantageous to our company due to (i) use of budgeted hours under the then current Liberty Media fractional ownership contract with NetJets, Inc. or (ii) higher flight cost as compared to the cost of using company-owned aircraft.

For disclosure purposes, we determine the aggregate incremental cost to the company of the executives' personal flights by using a method that takes into account all operating costs related to such flights, including:

- landing and parking expenses;
- crew travel expenses;
- supplies and catering;
- aircraft fuel and oil expenses per hour of flight;
- aircraft maintenance and upkeep;
- any customs, foreign permit and similar fees; and
- passenger ground transportation.

Because the company's aircraft is used primarily for business travel, this methodology excludes fixed costs that do not change based on usage, such as salaries of pilots and crew, and purchase or lease costs of aircraft.

Pursuant to our aircraft time sharing agreements with Liberty Media, we pay Liberty Media for any costs, calculated in accordance with Part 91 of the Federal Aviation Regulations, associated with Mr. Maffei using Liberty Media's corporate aircraft for our company's business matters along with the approved personal use of Liberty Media's corporate aircraft that are allocable to our company. Pursuant to aircraft time sharing agreements between Liberty Media and Mr. Maffei, Mr. Maffei was responsible for reimbursing Liberty Media for costs associated with his 50 additional hours per year of personal flight time and such costs include the expenses listed above, insurance obtained for the specific flight and an additional charge equal to 100% of the aircraft fuel and oil expenses for the specific flight.

For purposes of determining an executive's taxable income, personal use of Liberty Media's aircraft is valued using a method based on SIFL rates, as published by the Treasury Department. The amount determined using the SIFL rates is typically lower than the amount determined using the incremental cost method. Under the American Jobs Creation Act of 2004, the amount we may deduct for U.S. federal income tax purposes for a purely personal flight is limited to the amount included in the taxable income of the executives who took the flight. Also, the deductibility of any non-business use will be limited by Section 162(m) of the Code to the extent that the named executive officer's compensation that is subject to that limitation exceeds $1 million. See "—Deductibility of Executive Compensation" below.

DEDUCTIBILITY OF EXECUTIVE COMPENSATION

In developing the 2022 compensation packages for the named executive officers, the deductibility of executive compensation under Section 162(m) of the Code is considered. That provision prohibits the deduction of compensation of more than $1 million paid to certain executives, subject to certain exceptions. Following the enactment of the Tax Cuts and Jobs Act of 2017, beginning with the 2018 calendar year, the executives potentially affected by the limitations of Section 162(m) of the Code have been expanded and there is no longer any exception for qualified performance-based compensation. Therefore, portions of the compensation we pay to the named executive officers may not be deductible due to the application of Section 162(m) of the Code. Our compensation committee believes that the lost deduction on compensation payable in excess of the $1 million limitation for the named executive officers is not material relative to the benefit of being able to attract and retain talented management.

RECOUPMENT PROVISIONS

In those instances where we grant cash or equity-based incentive compensation, we expect to include in the related agreement with the executive a right, in favor of our company, to require the executive to repay or return to the company any cash, stock or other incentive compensation (including proceeds from the disposition of shares received upon exercise of options or stock appreciation rights). That right will arise if (1) a material restatement of any of our financial statements is required and (2) in the reasonable judgment of our compensation committee, (A) such restatement is due to material noncompliance with any financial reporting requirement under applicable securities laws and (B) such noncompliance is a result of misconduct on the part of the executive. In determining the amount of such repayment or return, our compensation committee may take into account, among other factors it deems relevant, the extent to which the market value of the applicable series of our common stock was affected by the errors giving rise to the restatement. The cash, stock or other compensation that we may require the executive to repay or return must have been received by the executive during the 12-month period beginning on the date of the first public issuance or the filing with the SEC, whichever occurs earlier, of the financial statement requiring restatement. The compensation required to be repaid or returned will include (1) cash or company stock received by the executive (A) upon the exercise during that 12-month period of any stock appreciation right held by the executive or (B) upon the payment during that 12-month period of any incentive compensation, the value of which is determined by reference to the value of company stock, and (2) any proceeds received by the executive from the disposition during that 12-month period of company stock received by the executive upon the exercise, vesting or payment during that 12-month period of any award of equity-based incentive compensation. Beginning in December 2020, we also began including in new forms of equity-based award agreements a right, in favor of our company, to require the executive to repay or return to the company, upon a reasonable determination by our compensation committee that the executive breached the confidentiality obligations included in the agreement, all or any portion of the outstanding award, any shares received under awards during the 12-month period prior to any such breach or any time after such breach and any proceeds from the disposition of shares received under awards during the 12-month period prior to any such breach or any time after such breach. The company intends to review and update its recoupment provisions as necessary or appropriate in light of the new rules adopted by the SEC and in anticipation of the adoption of the proposed rules by Nasdaq with respect to the recoupment of incentive compensation.

STOCK OWNERSHIP GUIDELINES AND HEDGING POLICIES

Our Board of Directors has adopted stock ownership guidelines that generally require our executive officers to own shares of our company’s stock equal to at least three times the value of the annual performance RSUs granted by our company to such executive officer. Our executive officers generally have five years from the date of their appointment to an executive officer role to comply with these guidelines. For information regarding our policies with respect to the ability of our officers and directors to hedge or offset any decrease in the market value of our equity securities, see “Security Ownership of Certain Beneficial Owners and Management—Hedging Disclosure.”

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The compensation committee members whose names appear on the Compensation Committee Report below comprised the compensation committee during 2022. No member of our compensation committee during 2022 is or has been an officer or employee of our company, or has engaged in any related party transaction during 2022 in which our company was a participant.

COMPENSATION COMMITTEE REPORT

The compensation committee has reviewed and discussed with our management the “Compensation Discussion and Analysis” included under “Executive Compensation” above. Based on such review and discussions, the compensation committee recommended to our Board of Directors that the “Compensation Discussion and Analysis” be included in this proxy statement.

Submitted by the Members of the Compensation Committee

M. Ian Gilchrist
Larry E. Romrell
Andrea L. Wong

SUMMARY COMPENSATION TABLE

Name and Principal Position (as of 12/31/22)	Year	Salary ($)(1)	Bonus ($)(2)	Stock Awards ($)(3)	Option Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)(5)	All Other Compensation ($)(6)(7)(8)	Total ($)
Gregory B. Maffei Chairman of the Board	2022	390,000	—	1,617,997	—	2,442,050	241,534(9)(10)	4,691,581
	2021	510,000	—	17,987,415	—	3,988,200	517,851(9)(10)(12)	23,003,466
	2020	436,972	—	2,594,554	5,815,187	5,612,319	3,078,902(9)(10)(11)(12)	17,537,934
David Rawlinson II(13) President and Chief Executive Officer	2022	1,250,000	—	2,926,974	—	781,250	1,530(7)	4,959,754
	2021	520,833	2,054,966	6,841,422	5,948,895	—	859,792(11)(12)	16,225,908
	2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Brian J. Wendling(14) Chief Accounting Officer and Principal Financial Officer	2022	123,986	—	82,228	—	113,231	6,624	326,069
	2021	66,206	—	126,988	—	164,222	16,685(12)	374,101
	2020	106,662	—	74,286	323,562	143,931	87,975(12)	736,416
Albert E. Rosenthaler Chief Corporate Development Officer	2022	102,081	—	148,542	—	207,167	3,422	461,212
	2021	209,226	—	229,401	—	300,460	31,234(12)	770,321
	2020	180,057	—	152,940	584,499	297,461	165,133(12)	1,380,090
Renee L. Wilm(15) Chief Legal Officer and Chief Administrative Officer	2022	124,811	—	148,542	—	229,369	3,519	506,241
	2021	220,238	—	229,401	—	314,617	30,030(12)	794,286
	2020	142,800	—	122,899	157,395	210,862	145,179(12)(16)	779,135

(1) Represents, for Mr. Maffei, only that portion of his base salary that, beginning January 1, 2020, was allocated to our company under the amended services agreement in connection with the 2019 Maffei Employment Agreement. In 2020, our company's allocable portion of Mr. Maffei's base salary was $570,000, but due to the financial impact of the coronavirus pandemic, for the period from April 4, 2020 through December 31, 2020, Mr. Maffei offered to waive the right to receive his base salary except for amounts sufficient to cover health insurance, flexible spending contributions and certain taxes. Mr. Maffei received an aggregate of $155,800 in cash salary during 2020. In consideration for the portion of Mr. Maffei's 2020 base salary that he offered to waive and restructure (which totaled $414,200), we granted to Mr. Maffei RSUs, which had a grant date fair value of $281,172 (the **2020 Maffei Restructuring RSUs**), and this amount is reflected in the Salary column of this Summary Compensation Table. For Messrs. Wendling, Rosenthaler and Ms. Wilm, the amounts set forth in the table reflect compensation paid by Liberty Media but allocable to our company under the amended services agreement. For a description of the allocation of Messrs. Maffei's, Wendling's, Rosenthaler's and Ms. Wilm's base salaries among Liberty Media, our company and the other Service Companies, see "—Compensation Discussion and Analysis—Services Agreement" above and "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement below. For Mr. Rawlinson, the amounts set forth in the table represent the base salary paid directly by QVC with respect to the entire year.

(2) For Mr. Rawlinson, represents Mr. Rawlinson's one-time cash signing bonus paid in 2021 and his 2021 annual cash bonus, which was guaranteed and prorated, pursuant to the Rawlinson Employment Agreement. For a description of the terms of Mr. Rawlinson's signing bonus and 2021 annual cash bonus, see "—Executive Compensation Arrangements—David Rawlinson II—Rawlinson Employment Agreement" and "—Executive Compensation Arrangements—David Rawlinson II—Rawlinson Annual Cash Performance Bonus" below.

(3) Reflects, as applicable, the grant date fair value of the RSUs (other than the 2020 Maffei Restructuring RSUs, the grant date fair value of which is reflected in the Salary column of this table in accordance with applicable SEC rules) and restricted shares granted to our named executive officers during 2022, 2021 and 2020. The table reflects the grant date fair value of the 2022 Maffei RSUs, the 2021 Maffei Restricted Share Award, the 2022 Rawlinson RSUs, the 2021 Rawlinson Term RSUs, the 2021 Rawlinson RSUs, the 2022 Chief RSUs, the 2021 Chief RSUs and performance-based RSUs granted to Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm in 2020. A maximum payout equal to 1.5 times the target number of 2022 Maffei RSUs and the RSUs granted to Mr. Maffei in 2021 and 2020, or $2.427 million, $4.463 million and $4.845 million, respectively, of grant value was established. The grant date fair value of these awards has been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 11 to our consolidated financial statements for the year ended December 31, 2022 (which are included in the 2022 Form 10-K).

(4) The grant date fair value of Mr. Maffei's 2020 stock option awards, including the 2020 Maffei Term Options (as defined below), the 2021 Rawlinson Term Options and the 2020 NEO Multiyear Options have been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 11 to our consolidated financial statements for the year ended December 31, 2022 (which are included in the 2022 Form 10-K).

(5) Represents each named executive officer's annual performance-based bonus.

(6) The Liberty Media 401(k) Savings Plan provides employees with an opportunity to save for retirement. The Liberty Media 401(k) Savings Plan participants may contribute up to 75% of their eligible compensation on a pre-tax basis to the plan and an additional 10% of their eligible compensation on an after-tax basis (subject to specified maximums and IRS limits), and Liberty Media contributed a matching contribution that vests based upon the participants' years of service and is based on the participants' own contributions up to the maximum matching contribution set forth in the plan. Our company reimburses Liberty Media under the services agreement for our allocable portion of the matching contribution for all of the named executive officers other than Mr. Rawlinson. Participant contributions to the Liberty Media 401(k) Savings Plan are fully vested upon contribution.

Generally, participants acquire a vested right in our matching contributions as follows:

Years of Service	Vesting Percentage
Less than 1	0%
1 – 2	33%
2 – 3	66%
3 or more	100%

Included in this column are the matching contributions made by Liberty Media on behalf of each of the named executive officers to the Liberty Media 401(k) Savings Plan and allocated to our company under the services agreement. Mr. Rawlinson did not participate in QVC's 401(k) savings plan in 2022 or 2021 and therefore did not receive a matching contribution.

	Amounts ($)		
Name	2022	2021	2020
Gregory B. Maffei	3,965	4,930	5,415
Brian J. Wendling	6,100	3,190	5,985
Albert E. Rosenthaler	2,745	5,510	5,415
Renee L. Wilm	3,331	5,800	3,990

With respect to these matching contributions, all of our named executive officers are fully vested.

(7) Included in this column are the following life insurance premiums paid by Liberty Media (with the exception of Mr. Rawlinson, whose life insurance premiums are paid by QVC), on behalf of each of the named executive officers and allocated to our company under the services agreement.

	Amounts ($)		
Name	2022	2021	2020
Gregory B. Maffei	978	1,279	385
David Rawlinson II	1,530	338	n/a
Brian J. Wendling	524	188	359
Albert E. Rosenthaler	677	1,430	1,430
Renee L. Wilm	188	342	239

(8) Liberty Media makes available to our personnel, including our named executive officers, tickets to various sporting events with no aggregate incremental cost attributable to any single person.

Beginning in 2020, the company's named executive officers were afforded the opportunity to use a portion of Liberty Media's fractional ownership contract with NetJets for personal use, provided that each such named executive officer or director was responsible for reimbursing Liberty Media for costs associated therewith. This opportunity expired on February 28, 2021. However, from time to time, with the approval of the Chairman, our named executive officers are permitted to use a portion of our NetJets contract for personal use, provided they reimburse Liberty Media for costs associated therewith.

(9) Includes the following:

	Amounts ($)		
	2022	2021	2020
Compensation related to personal use of corporate aircraft[(a)]	234,833	187,483	126,930

(a) Calculated based on aggregate incremental cost of such usage to our company.

(10) Liberty Media owns an apartment in New York City which is primarily used for business purposes. Mr. Maffei occasionally used this apartment for personal reasons during the years indicated above. From time to time, we pay the cost of miscellaneous shipping and catering expenses for Mr. Maffei.

(11) Includes the payment of $124,035 in 2020 for legal expenses pertaining to Mr. Maffei's employment agreement entered into in December 2019 and $45,000 in 2021 for legal expenses pertaining to Mr. Rawlinson's employment agreement entered into in July 2021.

(12) Includes the value of the cash dividend equivalent rights, preferred stock RSUs and cash in lieu of fractional preferred stock RSUs received by holders of RSUs in connection with the special dividend we issued in September 2020, the value of the special cash dividend equivalent rights received by holders of RSUs in December 2020, and the value of the special cash dividend equivalent rights received by holders of RSUs in November 2021 in connection with the November Special Dividend, in each case, to the extent such amounts were not factored into the grant date fair value of the underlying awards computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures.

(13) Mr. Rawlinson assumed the role of President and Chief Executive Officer-Elect of our company effective August 1, 2021 and the role of President and Chief Executive Officer effective October 1, 2021.

(14) Mr. Wendling assumed the role of Chief Accounting Officer at our company in January 2020.

(15) Ms. Wilm assumed the role of Chief Administrative Officer in January 2021.

(16) Includes $13,754 in relocation expenses paid on behalf of Ms. Wilm.

EXECUTIVE COMPENSATION ARRANGEMENTS

GREGORY B. MAFFEI

2019 Maffei Employment Agreement

Liberty Media entered into the 2019 Maffei Employment Agreement with Mr. Maffei, effective December 13, 2019. The arrangement provides for a five year employment term beginning January 1, 2020 and ending December 31, 2024, with an annual base salary of $3 million (with no contracted increase) and a one-time cash commitment bonus of $5 million paid in 2019, an annual target cash performance bonus equal to $17 million (with payment subject to the achievement of one or more performance metrics as determined by the applicable company's compensation committee with respect to its allocable portion), upfront equity awards (with an aggregate grant date fair value of $90 million to be granted in two equal tranches) and annual equity awards with an aggregate target grant date fair value of $17.5 million.

Maffei Term Equity Awards

On December 13, 2019, in connection with the execution of the 2019 Maffei Employment Agreement, Mr. Maffei became entitled to receive term equity awards with an aggregate grant date fair value of $90 million (the **Upfront Awards**) to be granted in two equal tranches. The first tranche consisted of time-vested stock options from each of our company, Liberty Media, Liberty Broadband and GCI Liberty and time-vested restricted stock units from Liberty TripAdvisor that vest, in each case, on December 31, 2023 (except Liberty TripAdvisor's award of time-vested restricted stock units, which vests on December 15, 2023), subject to Mr. Maffei's continued employment, except as described below. Qurate Retail's portion of the Upfront Awards granted in December 2019 consisted of stock options to purchase 2,133,697 QRTEA shares, with a term of seven years (the **2019 Maffei Term Options**).

The second tranche of the Upfront Awards was granted in December 2020 and consisted of time-vested stock options from each of our company, Liberty Media, Liberty Broadband and GCI Liberty and time-vested restricted stock units from Liberty TripAdvisor. The Upfront Awards granted in December 2020 will vest, in each case, on December 31, 2024 (except Liberty TripAdvisor's award of time-vested restricted stock units, which vests on December 7, 2024), subject to Mr. Maffei's continued employment, except as described below. Qurate Retail's portion of the Upfront Awards granted in December 2020 consisted of stock options to purchase 1,190,529 QRTEA shares, with a term of seven years (the **2020 Maffei Term Options**).

Annual Awards

Pursuant to the 2019 Maffei Employment Agreement, the aggregate grant date fair value of Mr. Maffei's annual equity awards is $17.5 million for each year during the term of the 2019 Maffei Employment Agreement and is comprised of awards of time-vested stock options (the **Annual Options**), performance-based restricted stock units (**Annual Performance RSUs**) or a combination of award types, at Mr. Maffei's election, allocable across our company, Liberty Media and each of the other Service Companies (collectively, the **Annual Awards**). Vesting of any Annual Performance RSUs will be subject to the achievement of one or more performance metrics to be approved by our compensation committee and the compensation committee of Liberty Media or the applicable Service Company with respect to its allocable portion of the Annual Performance RSUs. For a description of Mr. Maffei's Annual Awards, see "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards."

Aircraft Usage

Pursuant to a February 5, 2013 letter agreement between Mr. Maffei and Liberty Media, Mr. Maffei is entitled to 120 hours per year of personal flight time through the first to occur of (i) the termination of his employment, subject to any continued right to use the corporate aircraft as described below or pursuant to the terms of his employment arrangement in effect at the time of the termination or (ii) the cessation of ownership or lease of corporate aircraft. During 2022, pursuant to the November 11, 2015 and December 13, 2019 letter agreements between Liberty Media and Mr. Maffei, Mr. Maffei was entitled to 50 additional hours per year of personal flight time if he reimbursed us for such usage through the first to occur of (i) the termination of his employment or (ii) the cessation of ownership or lease of corporate aircraft. If Mr. Maffei's employment is terminated due to disability, for good reason or without cause, Mr. Maffei would be entitled to continued use of the company's aircraft for 12 months after termination of his employment. Mr. Maffei incurs taxable income, calculated in accordance with the SIFL value, for all personal use of corporate aircraft under the February 5, 2013 letter agreement. Mr. Maffei incurs taxable income at the SIFL rates minus amounts paid under time sharing agreements with Liberty Media. Pursuant to aircraft time sharing agreements between Liberty Media and Qurate Retail, we pay Liberty Media for any costs, calculated in accordance with Part 91 of the Federal Aviation regulations associated with Mr. Maffei using the corporate aircraft that are allocable to us. We reimburse Liberty Media for Mr. Maffei's use of the corporate aircraft for our business, and we also reimburse Liberty Media for Mr. Maffei's personal use of the corporate aircraft. Pursuant to the aircraft time sharing agreements between Liberty Media and Mr. Maffei, Mr. Maffei reimburses Liberty Media for costs associated with his up to 50 hours of personal use of the corporate aircraft under the November 11, 2015 and December 13, 2019 letter agreements. Flights where there are no passengers on company-owned aircraft are not charged against the 120 hours of personal flight time per year allotted to Mr. Maffei if the flight department determines that the use of a NetJets, Inc. supplied aircraft for a proposed personal flight would be disadvantageous to Liberty Media due to (i) use of budgeted hours under the then current Liberty Media fractional ownership contract with NetJets, Inc. or (ii) higher flight cost as compared to the cost of using company owned aircraft.

Termination Payments and Benefits

Mr. Maffei will be entitled to the following payments and benefits from Liberty Media (with Liberty Media being reimbursed by our company for its allocated portion of the severance benefits pursuant to the amended services agreement) if his employment is terminated at Liberty Media under the circumstances described below, subject to the execution of releases by Liberty Media and Mr. Maffei in a form to be mutually agreed. The following discussion also summarizes the termination payments and benefits that Mr. Maffei would be entitled to if his services are terminated at our company under the scenarios described below.

Termination by Liberty Media without Cause or by Mr. Maffei for Good Reason. If Mr. Maffei's employment is terminated by Liberty Media without cause (as defined in the 2019 Maffei Employment Agreement) or if Mr. Maffei terminates his employment for good reason (as defined in the 2019 Maffei Employment Agreement and as amended pursuant to the Letter Agreement), he is entitled to the following: (i) his accrued base salary, any accrued but unpaid bonus for the prior completed year, any unpaid expense reimbursements and any amounts due under applicable law; (ii) a severance payment of two times his base salary during the year of his termination to be paid in equal installments over 24 months; (iii) fully vested shares with an aggregate grant date fair value of $35 million consisting of shares of the applicable series of common stock from Liberty Media, Liberty Broadband, Liberty TripAdvisor and us; (iv) full vesting of his upfront equity awards and full vesting of the annual equity awards for the year in which the termination occurs (including the grant and full vesting of such annual equity awards if the termination occurs before they have been granted); (v) lump sum cash payment of two times the average annual cash performance bonus paid for the two calendar years ending prior to the termination, but in no event less than two times his target annual cash performance bonus of $17 million, with (subject to certain exceptions) up to 25% of such amount payable in shares of the applicable series of common stock from Liberty Media, Liberty Broadband, Liberty TripAdvisor and us; (vi) a lump sum cash payment equal to the greater of (x) $17 million or (y) the annual cash performance bonus otherwise payable for the year of termination, in each case, prorated based on the number of days that have elapsed within the year of termination (including the date of termination), with (subject to certain exceptions) up to 25% of such amount payable in shares of the applicable series of common stock from Liberty Media, Liberty Broadband, Liberty TripAdvisor and us; and (vii) continued use for 12 months after such termination of certain services and perquisites provided by Liberty Media, including continued use of Liberty's aircraft (collectively, the **severance benefits**).

On June 3, 2021, our Company and Liberty Media entered into the Letter Agreement with Mr. Maffei pursuant to which Mr. Maffei waived his right to assert that the Specified Events (as defined below) would constitute a change in control (as defined in the 2019 Maffei Employment Agreement) or good reason (as defined in the 2019 Maffei Employment Agreement), with respect to our company, and agreed not to terminate his employment with our company for good reason in connection with or arising out of the Option Cancellation (as defined below) or any of the Specified Events.

Termination at our Company by our Company without Cause or by Mr. Maffei for Good Reason. If Mr. Maffei's services at our company are terminated by us without cause (as defined in the 2019 Maffei Employment Agreement) or by Mr. Maffei for good reason (as defined in the 2019 Maffei Employment Agreement and as amended pursuant to the Letter Agreement), he will be entitled to full vesting of the upfront equity awards and the annual equity awards, in each case, granted by us for the year of his termination, and if Mr. Maffei remains employed by Liberty Media at or following the date of termination of his services to our company, he will also be entitled to payment of our allocated portion of the annual cash performance bonus for the year, prorated for the portion of the calendar year in which Mr. Maffei served as an officer of our company. Other than as described above, no severance benefits will be due to Mr. Maffei if he remains employed by Liberty Media at or following the date of termination of his services to our company.

Termination by Reason of Death or Disability. In the event of Mr. Maffei's death or disability, he will be entitled to the same payments and benefits as if his services had been terminated without cause or for good reason as described in "—Termination by Liberty Media without Cause or by Mr. Maffei for Good Reason."

For Cause Termination at our Company. In the event Mr. Maffei's services to our company are terminated by us for cause, he will forfeit any unvested portion of the upfront equity awards granted by us, and if the termination for cause occurs before the close of business on December 31 of the relevant grant year, Mr. Maffei will forfeit our allocated portion of the annual cash performance bonus and all of the annual equity awards granted by our company for that grant year. If Mr. Maffei's services are terminated by our company for cause after the close of business on December 31 of the relevant grant year, but prior to the date on which our compensation committee certifies achievement of the performance metric for any outstanding performance-based restricted stock units for the grant year, the award will remain outstanding until such date and will vest to the extent determined by our compensation committee.

Voluntary Termination at our Company without Good Reason. If Mr. Maffei voluntarily terminates the services he provides to us without good reason, he will be entitled to pro rata vesting of the upfront equity awards granted by our company (based on the number of days that have elapsed over the four-year vesting period), pro rata vesting of his annual equity awards for the year of termination granted by us (based on the elapsed number of days in the calendar year of termination) and a pro rata payment of our allocated portion of his annual cash performance bonus of $17 million (based upon the elapsed number of days in the calendar year of termination). Any performance-based restricted stock units for the year of termination that are unvested on the date of termination will remain outstanding until the performance criteria is determined and will vest pro rata (based upon the elapsed number of days in the calendar year of termination) to the extent determined by our compensation committee (at a level not less than 100% of the target award). Other than as described above, no severance benefits will be due to Mr. Maffei if he remains employed by Liberty Media at or following the date of termination of his services to us. If Mr. Maffei also voluntarily terminates his employment with Liberty Media, rather than being entitled to payment of our allocated portion of his annual cash bonus, Mr. Maffei would be entitled to receive a payment from Liberty Media equal to $17 million, prorated based upon the elapsed number of days in the calendar year of termination. Our company would reimburse Liberty Media for our allocable portion of this payment.

DAVID RAWLINSON II

Rawlinson Employment Agreement

We entered into the Rawlinson Employment Agreement with David Rawlinson II, effective July 12, 2021. The arrangement provides for a three year and five months term commencing on August 1, 2021 and ending on December 31, 2024, with an annual base salary of $1.25 million and a one-time cash signing bonus of $1.4 million.

Rawlinson Annual Cash Performance Bonus

Pursuant to the Rawlinson Employment Agreement, for each year during the term of the Rawlinson Employment Agreement, Mr. Rawlinson is eligible to receive an annual target cash performance bonus equal to 125% of his annual base salary, with a maximum annual cash performance bonus capped at 200% of his annual base salary.

Rawlinson Term Equity Awards

On August 18, 2021, in connection with the execution of the Rawlinson Employment Agreement, Mr. Rawlinson became entitled to receive term equity awards (the 2021 Rawlinson Term Options and 2021 Rawlinson Term RSUs, both as discussed above and combined, the **Rawlinson term awards**). The 2021 Rawlinson Term Options consisted of time-vested stock options that vest 50% on December 31, 2023 and 50% on December 31, 2024 subject to Mr. Rawlinson's continued employment, except as described below. These stock options provide Mr. Rawlinson with the option to purchase 1,185,053 QRTEA shares. The 2021 Rawlinson Term RSUs consisted of time-vested restricted stock units, of which 13% vested on December 10, 2021, 29% vested on December 10, 2022 and 29% will vest on each of December 10, 2023 and December 10, 2024 subject to Mr. Rawlinson's continued employment, except as described below. This award consisted of 508,865 QRTEA restricted stock units.

Rawlinson Annual Equity Awards

Pursuant to the Rawlinson Employment Agreement, Mr. Rawlinson will receive an annual $4 million grant of performance-based restricted stock units with respect to QRTEA shares for each year during the term of the Rawlinson Employment Agreement (the **Rawlinson annual performance RSUs**). Vesting of any Rawlinson annual performance RSUs will be subject to the achievement of one or more performance metrics to be approved by our compensation committee. For additional information on the Rawlinson annual performance RSUs received in 2022, see "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Annual Performance Awards—QVC CEO RSUs" above.

Termination Payments and Benefits

Upon a termination of Mr. Rawlinson's employment for any reason, he will be entitled to his accrued base salary and any accrued vacation through the date of termination, any unpaid expense reimbursements, any vested benefits owed in accordance with other applicable plans, programs and arrangements and any amounts due under applicable law (the **standard entitlements**). Subject to Mr. Rawlinson's execution of a release in our favor with the procedures set forth in the Rawlinson Employment Agreement and his compliance with restrictive covenants, including perpetual confidentiality provisions, non-competition and non-interference provisions for 18 months following the termination of his employment and non-solicitation of employees provisions for 2 years following the termination of his employment, Mr. Rawlinson will also be entitled to the following payments and benefits if his employment is terminated under the circumstances described below.

Termination without Cause or for Good Reason

If Mr. Rawlinson's employment is terminated without cause (as defined in the Rawlinson Employment Agreement) or if Mr. Rawlinson terminates his employment for good reason (as defined in the Rawlinson Employment Agreement), in addition to the standard entitlements, Mr. Rawlinson will be entitled to (i) a severance payment of one-and-a-half times the sum of his base salary and his target annual performance bonus, to be paid in equal installments over 24 months and (ii) any awarded but unpaid bonus for the calendar year prior to the year in which his termination occurs. Any unvested Rawlinson term awards will vest pro rata on a tranche-by-tranche basis based on the number of days that have elapsed from August 1, 2021 through his termination date, plus 365 days, and the stock option portion of the awards will remain exercisable for 90 days following termination. The Rawlinson annual performance RSUs relating to the year in which Mr. Rawlinson's termination occurs will vest to the extent our compensation committee determines that the performance criteria were met, and Mr. Rawlinson will receive a pro rata portion thereof based on the number of days he was employed during the year of his termination. If Mr. Rawlinson's employment is terminated without cause or if he terminates his employment for good reason 12 months following an approved transaction (as defined in the 2020 incentive plan), any unvested Rawlinson term awards and Rawlinson annual performance RSUs will vest in in full.

Termination by Reason of Death or Disability

In the event of Mr. Rawlinson's death or disability, in addition to the standard entitlements, Mr. Rawlinson (or in the event of his death, his designated beneficiary or estate) will be entitled to receive (i) continued payment of his base salary for one year and (ii) any awarded but unpaid bonus for the calendar year prior to the year in which his termination occurs. In addition, any unvested Rawlinson term awards and Rawlinson annual performance RSUs will vest in in full. The stock option portion of Mr. Rawlinson's term awards will remain exercisable for a one-year period.

Termination At or Following the Term of the Rawlinson Employment Agreement

If Mr. Rawlinson's employment is terminated at or following the expiration of the term of the Rawlinson Employment Agreement, in addition to the standard entitlements, Mr. Rawlinson will receive any awarded but unpaid bonus for the calendar year prior to the year in which his termination occurs. If his employment ends on December 31, 2024, he will also be eligible to receive his 2024 annual cash performance bonus and his 2024 Rawlinson annual performance RSUs will continue to vest, in each case, as if he had remained employed through the certification date and the stock option portion of the Rawlinson term awards will remain exercisable for 90 days.

Termination for Cause Voluntary Termination without Good Reason

The Rawlinson Employment Agreement provides that, in the event Mr. Rawlinson is terminated for cause (as defined in the Rawlinson Employment Agreement) or Mr. Rawlinson terminates his employment without good reason (as defined in the Rawlinson Employment Agreement), he will be entitled only to the standard entitlements. In each case, Mr. Rawlinson will forfeit all rights to his unvested Rawlinson term awards and any unvested Rawlinson annual performance RSUs. If Mr. Rawlinson's employment is terminated for cause, he will forfeit any vested stock options granted as part of the Rawlinson term awards. If Mr. Rawlinson terminates his employment without good reason, any vested stock options granted as part of the Rawlinson term awards will remain exercisable for 90 days and he will be entitled to any awarded but unpaid bonus for the calendar year prior to the year in which his termination occurs.

EQUITY INCENTIVE PLANS

The 2020 incentive plan is administered by the compensation committee of our Board of Directors with regard to all awards granted under the 2020 incentive plan (other than awards granted to the nonemployee directors), and the compensation committee has full power and authority to determine the terms and conditions of such awards. The 2020 incentive plan is administered by the full Board of Directors with regard to all awards granted under the 2020 incentive plan to nonemployee directors, and the full Board of Directors has full power and authority to determine the terms and conditions of such awards. The 2020 incentive plan is designed to provide additional remuneration to officers, employees, nonemployee directors and independent contractors for service to our company and to encourage those persons' investment in our company. Non-qualified stock options, SARs, restricted shares, restricted stock units, cash awards, performance awards or any combination of the foregoing (collectively, **incentive plan awards**) may be granted under the 2020 incentive plan.

As of December 31, 2022, (i) the maximum number of shares of our common stock with respect to which incentive plan awards may be issued under the 2020 incentive plan is 48,499,046 subject to anti-dilution and other adjustment provisions of the 2020 incentive plan and (ii) no nonemployee director may be granted during any calendar year incentive plan awards having a value (as determined on the grant date of such award) in excess of $1 million. Shares of our common stock issuable pursuant to incentive plan awards made under the existing incentive plans are made available from either authorized but unissued shares or shares that have been issued but reacquired by our company.

PAY RATIO INFORMATION

We are providing the following information about the relationship of the median annual total compensation of our employees and the total compensation of Mr. Rawlinson, our chief executive officer on December 31, 2022, pursuant to the SEC's pay ratio disclosure rules set forth in Item 402(u) of Regulation S-K. We believe our pay ratio is a reasonable estimate calculated in a manner consistent with the SEC's pay ratio disclosure rules. However, because these rules provide flexibility in determining the methodology, assumptions and estimates used to determine pay ratios and the fact that workforce composition issues differ significantly between companies, our pay ratio may not be comparable to the pay ratios reported by other companies.

To identify our median employee, we first determined our employee population as of December 31, 2022, which consisted of employees located in the U.S., China, Germany, Italy, Japan, Poland and the United Kingdom, representing all full-time, part-time, seasonal and temporary employees employed by our company and our consolidated subsidiaries, QVC, Cornerstone Brands, Inc., HSN, Inc. and Zulily, on that date. As is typical for a retail company, a significant portion of our employee population works in call centers, warehouses and distribution centers operated by our subsidiaries. Using information from our payroll records and Form W-2s (or its equivalent for non-U.S. employees), we then measured each employee's gross wages for calendar year 2022, consisting of base salary, commissions, actual bonus payments, long-term incentive cash payments, if any, realized equity award value and taxable fringe benefits. We did not annualize the compensation of employees who were new hires or took a leave of absence in 2022. Also, we did not annualize the compensation of our temporary or seasonal employees. In addition, we did not make any cost-of-living adjustments to the gross wages information.

Once we identified our median employee, we then determined the median employee's total compensation, including any perquisites and other benefits, in the same manner that we determined the total compensation of our named executive officers for purposes of the Summary Compensation Table above.

The ratio of our chief executive officer's total annual compensation to that of the median employee was as follows:

Chief Executive Officer Total Annual Compensation	$4,959,754
Median Employee Total Annual Compensation	$ 28,769
Ratio of Chief Executive Officer to Median Employee Total Annual Compensation	172:1

GRANTS OF PLAN-BASED AWARDS

The following table contains information regarding plan-based incentive awards granted during the year ended December 31, 2022 to the named executive officers.

Name	Grant Date	Estimated Future Payouts under Non-Equity Incentive Plan Awards			Estimated Future Payouts under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)
		Threshold ($)(1)	Target ($)(1)	Maximum ($)(1)	Threshold (#)(2)	Target (#)(2)	Maximum (#)(3)				
Gregory B. Maffei											
	03/10/2022(4)	—	2,210,000	4,420,000	—	—	—	—	—	—	—
QRTEB	03/10/2022(5)	—	—	—	—	326,868	490,302	—	—	—	1,617,997
David Rawlinson II											
	03/10/2022(4)		1,562,500	2,500,000							
QRTEA	03/10/2022(5)	—	—	—	—	596,125	—	—	—	—	2,926,974
Brian J. Wendling											
	03/10/2022(4)		80,591	161,182							
QRTEA	03/10/2022(5)	—	—	—	—	16,747	—	—	—	—	82,228
Albert E. Rosenthaler											
	03/10/2022(4)		147,449	294,899							
QRTEA	03/10/2022(5)	—	—	—	—	30,253	—	—	—	—	148,542
Renee L. Wilm											
	03/10/2022(4)		147,504	295,008							
QRTEA	03/10/2022(5)	—	—	—	—	30,253	—	—	—	—	148,542

(1) Our 2022 performance-based bonus program does not provide for a threshold bonus amount. The amounts in the Target column represent the target amount that would have been payable to each named executive officer upon satisfaction of the performance criteria under the 2022 performance-based bonus program. For Messrs. Maffei, Rawlinson, Wendling and Rosenthaler and Ms. Wilm, the amounts in the Maximum column represent the maximum amount that could have been payable to each named executive officer. For the actual bonuses paid by our company and QVC, as applicable, see the amounts included for 2022 in the column entitled Non-Equity Incentive Plan Compensation in the "Summary Compensation Table" above.

(2) The terms of the 2022 Maffei RSUs, the 2022 Rawlinson RSUs and the 2022 Chief RSUs do not provide for a threshold amount that would be payable upon satisfaction of the performance criteria established by the compensation committee. With respect to the 2022 Maffei RSUs, the amount in the Target column represents the target amount that would have been payable to Mr. Maffei assuming achievement of the target performance goals. With respect to the 2022 Rawlinson RSUs and the 2022 Chief RSUs, the amounts in the Target column represent the target amount that would have been payable to the named executive officer assuming (x) achievement of the performance goals was attained and (y) our compensation committee determined not to reduce such payout after considering the criteria established by our compensation committee in March 2022. For the actual 2022 Maffei RSUs, 2022 Rawlinson RSUs and 2022 Chief RSUs that vested, see "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards" and "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Annual Performance Awards."

(3) With respect to the 2022 Maffei RSUs, the amount in the Maximum column represents the maximum amount that would have been payable assuming maximum achievement of the performance goals. For the actual 2022 Maffei RSUs that vested, see "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards."

(4) Reflects the date on which our compensation committee established the terms of the 2022 performance-based bonus program, as described under "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—2022 Performance-based Bonuses—Qurate Retail Awards."

(5) Reflects the date on which our compensation committee established the terms of the 2022 Maffei RSUs, the 2022 Rawlinson RSUs and the 2022 Chief RSUs, as described under "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards" and "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Annual Performance Awards."

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table contains information regarding unexercised options and unvested awards of RSUs which were outstanding as of December 31, 2022 and held by the named executive officers.

	Option awards					Stock awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Gregory B. Maffei									
Option Awards									
QRTEA	411,804	—	—	12.50	12/26/2024	—	—	—	—
QRTEA	—	4,422,819[1]	—	3.98	12/15/2026	—	—	—	—
QRTEA	—	1,309,581[2]	—	8.84	12/10/2027	—	—	—	—
QRTEB	1,498,287	—	—	12.20	03/29/2023	—	—	—	—
QRTEB	315,980	—	—	11.59	05/11/2024	—	—	—	—
QRTEB	360,087	—	—	13.49	03/05/2025	—	—	—	—
QRTEB	46,671	—	—	8.76	03/06/2026	—	—	—	—
RSU Award									
QRTEB	—	—	—	—	—	—	—	326,868[3]	1,657,221
Restricted Share Award									
QRTEB	—	—	—	—	—	1,101,321[4]	5,583,697	—	—
David Rawlinson II									
Option Award									
QRTEA	—	1,333,184[5]	—	8.98	08/18/2028	—	—	—	—
RSU Awards									
QRTEA	—	—	—	—	—	—	—	596,125[3]	971,684
QRTEA	—	—	—	—	—	295,142[6][9]	481,081	—	—
Brian J. Wendling									
Option Awards									
QRTEA	219,877	—	—	13.43	05/12/2023	—	—	—	—
QRTEA	36,433	36,433[7]	—	8.84	12/10/2027	—	—	—	—
RSU Award									
QRTEA	—	—	—	—	—	—	—	16,747[3]	27,298
Albert E. Rosenthaler									
Option Awards									
QRTEA	523,892	—	—	14.38	03/04/2023	—	—	—	—
QRTEA	12,268	—	—	12.50	12/26/2024	—	—	—	—
QRTEA	65,813	65,816[7]	—	8.84	12/10/2027	—	—	—	—
RSU Award									
QRTEA	—	—	—	—	—	—	—	30,253[3]	49,312
Renee L. Wilm									
Option Awards									
QRTEA	317,311	317,313[8]	—	4.99	11/13/2026	—	—	—	—
QRTEA	17,721	17,724[7]	—	8.84	12/10/2027	—	—	—	—
RSU Award									
QRTEA	—	—	—	—	—	—	—	30,253[3]	49,312

(1) Vests on December 31, 2023.

(2) Vests on December 31, 2024.

(3) Represents the target number of 2022 Maffei RSUs that Mr. Maffei could earn and the target number of 2022 Rawlinson RSUs and 2022 Chief RSUs that each of Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm could earn based on our performance in 2022.

(4) Vests 50% on December 10, 2024 and 50% on June 3, 2026.

(5) Vests 50% on December 31, 2023 and 50% on December 31, 2024.

(6) Represents the remaining portion of the 2021 Rawlinson Term RSUs, which vests one-half on December 10, 2023 and one-half on December 10, 2024.

(7) Represents the final vesting tranche of the 2020 NEO Multiyear Options, which vests on December 10, 2023.

(8) Represents the final tranche of the stock options granted to Ms. Wilm in 2019, which vests on September 23, 2023.

(9) Mr. Rawlinson had $368,927 of cash dividend equivalent rights outstanding on his QRTEA RSUs granted in 2021, which are subject to the same terms and conditions (including vesting) as the corresponding original RSU.

OPTION EXERCISES AND STOCK VESTED

The following table sets forth information concerning the vesting of RSUs held by our named executive officers during the year ended December 31, 2022. None of our named executive officers exercised any options during the year ended December 31, 2022.

	Option Awards		Stock Awards	
Name	Number of shares acquired on exercise (#)	Value realized on exercise ($)	Number of shares acquired on vesting (#)(1)	Value realized on vesting ($)
Gregory B. Maffei				
QRTEA	—	—	229,022(2)	1,108,466
QRTEB	—	—	—	—
QRTEP	—	—	—	—
David Rawlinson II				
QRTEA	—	—	290,270	982,854
QRTEB	—	—	—	—
QRTEP	—	—	—	—
Brian J. Wendling				
QRTEA	—	—	9,844	47,645
QRTEB	—	—	—	—
QRTEP	—	—	—	—
Albert E. Rosenthaler				
QRTEA	—	—	17,783	86,070
QRTEB	—	—	—	—
QRTEP	—	—	—	—
Renee L. Wilm				
QRTEA	—	—	17,783	86,070
QRTEB	—	—	—	—
QRTEP	—	—	—	—

(1) Includes shares withheld in payment of withholding taxes at election of holder.

(2) Pursuant to the Maffei Stock Exchange Agreement, Mr. Maffei exchanged the shares of QRTEA received upon vesting for shares of QRTEB on a one-for-one basis.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The following table sets forth the potential payments to our named executive officers if their employment had terminated or a change in control had occurred, in each case, as of December 31, 2022, which was the last day of our last completed fiscal year. For purposes of the following table, we have assumed that Mr. Maffei's employment had terminated at each of Liberty Media, Qurate Retail and the other Service Companies. In the event of such a termination or change in control, the actual amounts may be different due to various factors. In addition, we may enter into new arrangements or modify these arrangements from time to time.

The amounts provided in the table are based on the closing market prices on December 30, 2022 (the last trading day in 2022) for our QRTEA common stock, which was $1.63 and QRTEB common stock, which was $5.07. All outstanding option awards held by the named executive officers, whether vested or unvested, had an exercise price that was more than the closing market price of our QRTEA common stock or QRTEB common stock, as applicable, on December 30, 2022, and therefore have been excluded from the table below. The value of the RSUs shown in the table is based on the applicable closing market price and the number of unvested RSUs that would have vested in the applicable termination scenario according to the terms of the applicable award.

Each of our named executive officers has received awards and payments under the existing incentive plans. Additionally, each of Messrs. Maffei and Rawlinson is entitled to certain payments and acceleration rights upon termination under his respective employment agreement.

The circumstances giving rise to these potential payments and a brief summary of the provisions governing their payout are described below and in the footnotes to the table (other than those described under "—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits" and "—Executive Compensation Arrangements—David Rawlinson II—Termination Payments and Benefits," which are incorporated by reference herein).

VOLUNTARY TERMINATION

Each of the named executive officers holds equity awards that were issued under our existing incentive plans. Under these plans and the related award agreements, in the event of a voluntary termination of his or her employment with our company for any reason, each named executive officer would typically only have a right to the equity grants that vested prior to his or her termination date. However, if Mr. Maffei had voluntarily terminated his employment without good reason (i) his 2019 Maffei Term Options and 2020 Maffei Term Options would have been subject to pro rata vesting (based on the number of days elapsed during the four-year vesting period) and, (ii) assuming such termination occurred after the close of business on December 31, 2022, his 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Mr. Rawlinson would have forfeited all rights to his unvested 2021 Rawlinson Term RSUs, 2022 Rawlinson RSUs and 2021 Rawlinson Term Options upon a voluntary termination without good reason as of December 31, 2022. Each of Messrs. Maffei and Rawlinson would have been entitled to certain other benefits upon a voluntary termination of his employment with our company as of December 31, 2022. The type and amount of severance pay and benefits Mr. Maffei would receive would depend on whether he remained employed by Liberty Media at or following the date of termination of his services to our company or whether his employment with Liberty Media was also voluntarily terminated. These additional severance payments and benefits and Rawlinson's benefits are described above in "—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Voluntary Termination at our Company without Good Reason," and "—Executive Compensation Arrangements—David Rawlinson II—Termination Payments and Benefits—Termination for Cause or Voluntary Termination without Good Reason." Messrs. Wendling and Rosenthaler and Ms. Wilm are not entitled to any severance payments or other benefits upon a voluntary termination of his or her employment.

TERMINATION FOR CAUSE

All outstanding equity grants constituting options, whether unvested or vested but not yet exercised, and all equity grants constituting unvested RSUs under the existing incentive plans would be forfeited by any named executive officer who is terminated for "cause" (other than Mr. Maffei in the case of equity grants constituting vested options or similar rights). However, if Mr. Maffei's employment had been terminated for cause after the close of business on December 31, 2022, his 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Unless there is a different definition in the applicable award agreement, each of the 2010 incentive plan, 2016 incentive plan and 2020 incentive plan, define “cause” as insubordination, dishonesty, incompetence, moral turpitude, other misconduct of any kind and the refusal to perform duties and responsibilities for any reason other than illness or incapacity; provided that, if such termination is within 12 months after a change in control (as described below), “cause” means a felony conviction for fraud, misappropriation or embezzlement. With respect to Mr. Maffei’s equity grants, “cause,” as defined in the applicable award agreement, means (i) Mr. Maffei’s willful failure to follow the lawful instructions of the Board of Directors of our company; (ii) the commission by Mr. Maffei of any fraud, misappropriation or misconduct that causes demonstrable material injury to our company or its subsidiaries; (iii) Mr. Maffei’s conviction of, or plea of guilty or nolo contendere to, a felony; or (iv) Mr. Maffei’s failure to comply in any material respect with any written agreement between him and our company or any of our subsidiaries if such failure causes demonstrable material injury to our company or any of our subsidiaries, except that Mr. Maffei is entitled to certain procedural and cure rights relating to a termination for cause, except in the case of a termination for cause based on a felony conviction. Mr. Maffei has certain continuing rights to exercise vested options or similar rights following a termination for cause under his equity award agreements. With respect to Mr. Rawlinson’s equity grants, “cause,” as defined in his employment agreement, means (i) Mr. Rawlinson’s material breach of his employment agreement, (ii) Mr. Rawlinson’s engagement in illegal conduct or misconduct, which, in each case, is materially injurious to the company, (iii) the commission by Mr. Rawlinson of fraud or embezzlement or other serious misconduct against the company, (iv) the conviction of, or plea of nolo contendere by, Mr. Rawlinson of any felony, or (v) the conviction of Mr. Rawlinson of a misdemeanor which conviction relates to Mr. Rawlinson’s suitability for employment in his then-current positions (excluding any conviction for minor traffic violations).

TERMINATION WITHOUT CAUSE OR FOR GOOD REASON

As of December 31, 2022, Mr. Maffei’s unvested equity awards consisted of the 2019 Maffei Term Options, the 2020 Maffei Term Options, the 2021 Maffei Restricted Share Award and the 2022 Maffei RSUs. Upon a termination of his employment by our company without cause (as defined in the 2019 Maffei Employment Agreement) or by him for good reason (as defined in the 2019 Maffei Employment Agreement and as amended pursuant to the Letter Agreement), the 2019 Maffei Term Options, the 2020 Maffei Term Options and the 2021 Maffei Restricted Share Award would have vested and, assuming such termination occurred after the close of business on December 31, 2022, the 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Mr. Maffei would also be entitled to severance pay and benefits from our company upon a termination without cause or by him for good reason. The type and amount of severance pay and benefits Mr. Maffei would receive would depend on whether he remained employed by Liberty Media at or following the date of termination of his services to our company or whether his employment with Liberty Media was also terminated without cause or for good reason. These additional severance payments and benefits are described above in “—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Termination by Liberty Media without Cause or by Mr. Maffei for Good Reason” and “—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Termination at our Company without Cause or by Mr. Maffei for Good Reason.”

As of December 31, 2022, Mr. Rawlinson’s unvested equity awards consisted of the remaining two tranches of the 2021 Rawlinson Term RSUs, the remaining two tranches of the 2021 Rawlinson Term Options and the 2022 Rawlinson RSUs. Upon a termination of his employment by our company without cause (as defined in the Rawlinson Employment Agreement) or by him for good reason (as defined in the Rawlinson Employment Agreement) the unvested portions of the 2021 Rawlinson Term RSUs and 2021 Rawlinson Term Options would have vested pro rata on a tranche-by-tranche basis based on the number of days that have elapsed from his start date through the termination date plus an additional 365 days. Upon a termination without cause or by Mr. Rawlinson for good reason as of December 31, 2022, the 2022 Rawlinson RSUs would have remained outstanding and vested to the extent the compensation committee determined that the performance criteria were met. Mr. Rawlinson would also be entitled to severance pay and benefits from our company upon a termination without cause or by him for good reason. These additional severance payments and benefits are described above in “—Executive Compensation Arrangements—David Rawlinson II—Termination Payments and Benefits—Termination without Cause or for Good Reason.”

As of December 31, 2022, Messrs. Wendling’s and Rosenthaler’s only unvested equity awards were their 2022 Chief RSUs and the final vesting tranche of their 2020 NEO Multiyear Options. Ms. Wilm’s only unvested equity awards as of December 31, 2022 were the final vesting tranche of her 2019 multi-year stock option award, the final vesting tranche of her 2020 NEO Multiyear Options and 2022 Chief RSUs. Upon a termination of employment without cause, the final vesting tranche of Ms. Wilm's 2019 multi-year stock option award and the final vesting tranche of her 2020 NEO Multiyear Options would have vested. Upon a termination without cause as of December 31, 2022, the 2022 Chief RSUs held by these officers would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. None of Messrs. Wendling or Rosenthaler or Ms. Wilm is entitled to any severance pay or other benefits upon a termination without cause.

DEATH

In the event of death of any of the named executive officers, the existing incentive plans and applicable award agreements would have provided for vesting of any outstanding options and the lapse of restrictions on any RSU awards (except that, assuming Mr. Maffei's death occurred after the close of business on December 31, 2022, the 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee). Each of Mr. Maffei and Mr. Rawlinson is also entitled to certain payments and other benefits if he dies while employed by our company, as described above in "—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Termination by Reason of Death or Disability," and "—Executive Compensation Arrangements—David Rawlinson II—Termination Payments and Benefits—Termination by Reason of Death or Disability."

No amounts are shown for payments pursuant to life insurance policies, which Liberty Media makes available to all of its employees, including Messrs. Maffei, Wendling, Rosenthaler and Ms. Wilm in their capacity as named executive officers of Qurate Retail, and which Qurate Retail makes available to Mr. Rawlinson.

DISABILITY

If the employment of any of the named executive officers had been terminated due to disability, which is defined in the existing incentive plans or applicable award agreements, such plans or agreements would have provided for vesting of any outstanding options and the lapse of restrictions on any RSU awards (except that, assuming Mr. Maffei's termination due to disability occurred after the close of business on December 31, 2022, the 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee). Each of Mr. Maffei and Mr. Rawlinson is also entitled to certain payments and other benefits upon a termination of his employment due to disability, as described above in "—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Termination by Reason of Death or Disability," and "—Executive Compensation Arrangements—David Rawlinson II—Termination Payments and Benefits—Termination by Reason of Death or Disability."

No amounts are shown for payments pursuant to short-term and long-term disability policies, which Liberty Media makes available to all of its employees, including Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm in their capacity as named executive officers of Qurate Retail, and which Qurate Retail makes available to Mr. Rawlinson.

CHANGE IN CONTROL

In case of a change in control, the incentive plans provide for vesting of any outstanding options (other than the 2019 Maffei Term Options and the 2020 Maffei Term Options) and the lapse of restrictions on any RSU or restricted share awards (other than the 2021 Maffei Restricted Share Award) held by the named executive officers. A change in control is generally defined as:

- The acquisition by a non-exempt person (as defined in the incentive plans) of beneficial ownership of at least 20% of the combined voting power of the then outstanding shares of our company ordinarily having the right to vote in the election of directors, other than pursuant to a transaction approved by our Board of Directors.
- The individuals constituting our Board of Directors over any two consecutive years cease to constitute at least a majority of the Board, subject to certain exceptions that permit the Board to approve new members by approval of at least two-thirds of the remaining directors.
- Any merger, consolidation or binding share exchange that causes the persons who were common stockholders of our company immediately prior thereto to lose their proportionate interest in the common stock or voting power of the

successor or to have less than a majority of the combined voting power of the then outstanding shares ordinarily having the right to vote in the election of directors, the sale of substantially all of the assets of the company or the dissolution of the company.

In the case of a change in control described in the last bullet point, our compensation committee may determine not to accelerate the existing equity awards of the named executive officers if equivalent awards will be substituted for the existing awards. For purposes of the tabular presentation below, we have assumed that our named executive officers' existing unvested equity awards (other than the 2019 Maffei Term Options, the 2020 Maffei Term Options and the 2021 Maffei Restricted Share Award) would vest in the case of a change in control described in the last bullet. A change in control (as defined in the 2019 Maffei Employment Agreement as amended pursuant to the Letter Agreement) of Liberty Media would provide Mr. Maffei with a short time period during which to exercise his right to terminate his employment for good reason, which would result in vesting of his 2019 Maffei Term Options, 2020 Maffei Term Options and the 2021 Maffei Restricted Share Award. For purposes of the tabular presentation below, we have assumed that Mr. Maffei does not exercise his right to terminate his employment for good reason in connection with a change in control of our company.

BENEFITS PAYABLE UPON TERMINATION OR CHANGE IN CONTROL

Name	Voluntary Termination Without Good Reason ($)	Termination for Cause ($)	Termination Without Cause or for Good Reason ($)	Death ($)	Disability ($)	After a Change in Control ($)
Gregory B. Maffei						
Severance	2,210,000(1)	—	9,750,000(2)	9,750,000(2)	9,750,000(2)	—
Options	—(3)	—(4)	—(5)	—(5)	—(5)	—(6)
RSUs and Restricted Shares	1,657,221(3)	1,657,221(4)	7,240,918(5)	7,240,918(5)	7,240,918(5)	1,657,221(6)
Perquisites(7)	—	—	105,727	—	105,727	—
Total	3,867,221	1,657,221	17,096,646	16,990,918	17,096,646	1,657,221
David Rawlinson II						
Base Compensation Continuing Payment	—	—	—	1,250,000(8)	1,250,000(8)	—
Severance	—	—	4,218,750(9)	—	—	—
Options	—(10)	—(11)	—(12)	—(13)	—(13)	—(14)
RSUs	—(10)	—(11)	804,550(12)	1,452,765(13)	1,452,765(13)	1,452,765(14)
Total	—	—	5,023,300	2,702,765	2,702,765	1,452,765
Brian J. Wendling						
Options	—(10)	—(11)	—(12)	—(13)	—(13)	—(14)
RSUs	—(10)	—(11)	27,298(12)	27,298(13)	27,298(13)	27,298(14)
Total	—	—	27,298	27,298	27,298	27,298
Albert E. Rosenthaler						
Options	—(10)	—(11)	—(12)	—(13)	—(13)	—(14)
RSUs	—(10)	—(11)	49,312(12)	49,312(13)	49,312(13)	49,312(14)
Total	—	—	49,312	49,312	49,312	49,312
Renee L. Wilm						
Options	—(10)	—(11)	—(12)	—(13)	—(13)	—(14)
RSUs	—(10)	—(11)	49,312(12)	49,312(13)	49,312(13)	49,312(14)
Total	—	—	49,312	49,312	49,312	49,312

(1) If Mr. Maffei had voluntarily terminated his employment without good reason at Qurate Retail, Liberty Media and each of the other Service Companies (as defined in the 2019 Maffei Employment Agreement) as of December 31, 2022, he would have been entitled to receive $17 million in a lump sum, prorated based on the number of days that have elapsed within the year of termination, with up to 25% of such amount payable in shares of common stock as set forth in more detail in the 2019 Maffei Employment Agreement. See "—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Voluntary Termination at our Company without Good Reason" above. The amount in the table includes our allocable portion of this payment (13%) for which we would reimburse Liberty Media.

(2) If Mr. Maffei's employment at Qurate Retail, Liberty Media and each of the other Service Companies had been terminated as of December 31, 2022 by Qurate Retail, Liberty Media and each of the other Service Companies without cause (as defined in the 2019 Maffei Employment Agreement), by him for good reason (as defined in the 2019 Maffei Employment Agreement) (whether before or within a specified period following a change in control), in each case, subject to execution of a mutual release, or due to Mr. Maffei's death or disability, he would have been entitled to receive (i) a payment of two times his 2022 base salary payable in 24 equal monthly installments, (ii) fully vested shares of common stock with an aggregate grant date fair value of $35 million, (iii) a lump sum payment of an amount equal to two times his average annual bonus paid for the two calendar years prior to separation, but in no event an amount that is less than two times his aggregate target bonus of $17 million and (iv) a lump sum cash payment equal to the greater of (x) $17 million or (y) the annual cash performance bonus otherwise payable for the year of termination, in each case, prorated based on the number of days that have elapsed within the year of termination, with up to 25% of such amount payable in shares of common stock as set forth in more detail in the 2019 Maffei Employment Agreement. See "—Executive Compensation Arrangements—Gregory B. Maffei—Termination Payments and Benefits—Termination by Liberty Media without Cause or by Mr. Maffei for Good Reason" above. The amount in the table includes our allocable portion of this payment (13%) for which we would reimburse Liberty Media. The amount in the table does not include the lump sum cash payment described in (iv) because Mr. Maffei had already been paid his 2022 cash bonus prior to December 31, 2022.

(3) Based on the number of unvested RSUs held by Mr. Maffei at December 31, 2022 that would vest pursuant to the following: If Mr. Maffei terminated his employment without good reason, assuming such termination occurred after the close of business on December 31, 2022, the 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee, and the 2021 Maffei Restricted Share Award would have been forfeited. As described above in "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards," our compensation committee vested all of the 2022 Maffei RSUs, which is reflected in the table above. Mr. Maffei would have also been

entitled to pro rata vesting of the 2019 Maffei Term Options and the 2020 Maffei Term Options, (based on the number of days that had elapsed over the four-year vesting period) but because the exercise prices of all options held by Mr. Maffei at December 31, 2022, whether vested or unvested, are more than the closing price of QRTEA and QRTEB shares, as applicable, on December 30, 2022, no value has been included for any of Mr. Maffei's options in the table.

(4) Based on the number of unvested RSUs held by Mr. Maffei at December 31, 2022 that would vest pursuant to the following: If Mr. Maffei's employment had been terminated for cause, he would have forfeited his 2019 Maffei Term Options, his 2020 Maffei Term Options, his 2021 Maffei Restricted Share Award and, assuming such termination occurred after the close of business on December 31, 2022, his 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. As described above, in "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards," our compensation committee vested all of the 2022 Maffei RSUs, which is reflected in the table above. Because the exercise prices of all vested options held by Mr. Maffei at December 31, 2022 are more than the closing price of QRTEA and QRTEB shares, as applicable, on December 30, 2022, no value has been included for Mr. Maffei's vested options in the table.

(5) Based on the number of unvested RSUs and restricted shares held by Mr. Maffei at December 31, 2022 that would vest pursuant to the following: If Mr. Maffei's employment had been terminated without cause (as defined in the 2019 Maffei Employment Agreement), for good reason (as defined in the 2019 Maffei Employment Agreement) (whether before or within a specific period following a change in control) or due to Mr. Maffei's death or disability, his 2021 Maffei Restricted Share Award would have vested in full and, assuming such terminations occurred after the close of business on December 31, 2022, his 2022 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. As described above, in "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards," our compensation committee vested all of the 2022 Maffei RSUs, which is reflected in the table above. Mr. Maffei's 2019 Maffei Term Options and his 2020 Maffei Term Options would have also vested in full, but because the exercise prices of all options held by Mr. Maffei at December 31, 2022, whether vested or unvested, are more than the closing price of QRTEA and QRTEB shares, as applicable, on December 30, 2022, no value has been included for any of Mr. Maffei's options in the table.

(6) Based on the number of 2022 Maffei RSUs. As described above, our compensation committee vested Mr. Maffei at 100% of his 2022 Maffei RSUs, which is reflected in the table above. A change in control (as defined in the 2019 Maffei Employment Agreement) of our company would provide Mr. Maffei with a short time period during which to exercise his rights to terminate his employment for good reason, which would result in vesting of his 2019 Maffei Term Options, his 2020 Maffei Term Options and his 2021 Maffei Restricted Share Award, but for purposes of the tabular presentation above, we have assumed that Mr. Maffei does not exercise his right to terminate his employment for good reason in connection with a change in control of our company. Because the exercise prices of all vested options held by Mr. Maffei at December 31, 2022 are more than the closing price of QRTEA and QRTEB shares, as applicable, on December 30, 2022, no value has been included for Mr. Maffei's vested options in the table.

(7) If Mr. Maffei's employment had been terminated at our company's election for any reason (other than cause) or by Mr. Maffei for good reason (as defined in his employment agreement) or by reason of disability, as of December 31, 2022, he would have been entitled to receive (i) personal use of the corporate aircraft for 120 hours per year, (ii) information technology support from the Company, as reasonably requested by Mr. Maffei, and (iii) continuation of such other perquisites as Mr. Maffei was entitled to receive prior to such termination, in each case, over a 12-month period. Perquisite amount of $813,287 represents the maximum potential cost of using the corporate aircraft for 120 hours based on an hourly average of the incremental cost of use of the corporate aircraft. The amount in the table includes our allocable portion of this payment (13%) for which we would reimburse Liberty Media.

(8) If Mr. Rawlinson's employment had been terminated by reason of his death or disability as of December 31, 2022, subject to the execution of a release by him or in the event of his death, his estate, he or his estate would have been entitled to receive continued payment of his 2022 base salary for a period of one year following his termination.

(9) If Mr. Rawlinson's employment had been terminated by our company without cause (as defined in the Rawlinson Employment Agreement) or by him for good reason (as defined in the Rawlinson Employment Agreement), subject to execution of a release, he would have been entitled to receive a payment equal to 1.5 times the sum of (a) his 2022 base salary and (b) his 2022 target bonus, payable in 18 equal monthly installments.

(10) Mr. Rawlinson would have forfeited all rights to his unvested 2021 Rawlinson Term RSUs, 2021 Rawlinson Term Options and 2022 Rawlinson RSUs upon a voluntary termination without good reason as of December 31, 2022. If Messrs. Wendling's or Rosenthaler's or Ms. Wilm's employment had been terminated by him or her as of December 31, 2022, all of the 2022 Chief RSUs and the unvested portions of the 2020 NEO Multiyear Options and Ms. Wilm's stock options granted in 2019 would have been forfeited. Messrs. Rawlinson's, Wendling's and Rosenthaler's and Ms. Wilm's vested options would have remained outstanding and exercisable in accordance with their terms in the event each of Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm terminated his or her employment as of December 31, 2022, but because the exercise prices of all vested options held by Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm at December 31, 2022 are more than the closing price of QRTEA shares on December 30, 2022, no value has been included for their vested options in the table.

(11) If each of Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm was terminated by Qurate Retail for “cause” as of December 31, 2022, all of his or her outstanding option and RSU grants would have been forfeited.

(12) Based on the number of unvested RSUs held by the named executive officer as of December 31, 2022 that would have vested pursuant to the following: If Messrs. Rawlinson’s, Wendling’s or Rosenthaler’s or Ms. Wilm’s employment had been terminated without cause or, for Mr. Rawlinson, if he terminated his employment for good reason, in each case, as of December 31, 2022, the 2022 Rawlinson RSUs and the 2022 Chief RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. As described above in “—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Annual Performance Awards,” our compensation committee vested 40% of the 2022 Rawlinson RSUs and all of the 2022 Chief RSUs, which is reflected in the table above. The unvested portions of each of Mr. Rawlinson’s 2021 Rawlinson Term RSUs and 2021 Rawlinson Term Options, Ms. Wilm’s stock options granted in 2019 and Messrs. Wendling’s and Rosenthaler’s and Ms. Wilm’s 2020 NEO Multiyear Options would have vested pursuant to the forward-vesting provisions in such named executive officer’s award agreements, but because the exercise prices of all options held by Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm at December 31, 2022, whether vested or unvested, are more than the closing market price of QRTEA shares on December 30, 2022, no value has been included for any of the named executive officers’ options in the table.

(13) Based on the number of unvested RSUs held by the named executive officer as of December 31, 2022 that would vest pursuant to the following: If Messrs. Rawlinson’s, Wendling’s or Rosenthaler’s or Ms. Wilm’s employment had been terminated due to death or disability as of December 31, 2022 all of the 2022 Rawlinson RSUs and 2022 Chief RSUs would have vested. The unvested portions of the 2021 Rawlinson Term RSUs, the 2021 Rawlinson Term Options, the 2020 NEO Multiyear Options, and Ms. Wilm’s stock options granted in 2019 would have also vested, but because the exercise prices of all options held by Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm at December 31, 2022, whether vested or unvested, are more than the closing price of QRTEA shares on December 30, 2022, no value has been included for any of the named executive officers’ options in the table.

(14) Upon a change of control, we have assumed for purposes of the tabular presentation above that all of the 2022 Rawlinson RSUs and 2022 Chief RSUs would have vested. The unvested portions of the 2021 Rawlinson Term RSUs, the 2021 Rawlinson Term Options, the 2020 NEO Multiyear Options and Ms. Wilm’s stock options granted in 2019 would have also vested, but because the exercise prices of all options held by Messrs. Rawlinson, Wendling and Rosenthaler and Ms. Wilm at December 31, 2022, whether vested or unvested, are more than the closing market price of QRTEA shares on December 30, 2022, no value has been included for any of the named executive officers’ options in the table.

PAY VERSUS PERFORMANCE

This section provides information about the relationship between compensation actually paid to our Principal Executive Officer and other named executive officers and certain financial performance measures of the Company. For purposes of this section, the amount of compensation actually paid to our Principal Executive Officer and other named executive officers is determined using the valuation methods prescribed by the SEC in Item 402(v) of Regulation S-K. Although the rules describe such amount as compensation actually paid, these amounts are not reflective of the taxable compensation actually paid to our named executive officers in a covered year. As described in more detail below, to determine the amount of compensation actually paid in a covered year, Item 402(v) of Regulation S-K requires that in each covered year we (1) deduct the grant date value of equity awards reported in the Stock Awards or Option Awards columns in the Summary Compensation Table from the Total column in the Summary Compensation Table; (2) add, for awards granted in the covered year, the fair value of the equity awards (i) as of the end of a covered year or (ii) as of the vesting date, as applicable; and (3) add or subtract, for awards granted in, and outstanding at the end of, a prior year (i) the change in the fair value from the end of the prior year to the end of the current year or (ii) from the end of the prior year to the date the awards vest in the covered year, as applicable.

	Current PEO(1)		Former PEO(1)		Non-PEO NEOs(1)		Value of initial fixed $100 investment based on:			(millions)	
Year	Summary Compensation Table Total for Current PEO ($)(2)	Compensation Actually Paid to Current PEO ($)(3)	Summary Compensation Table Total for Former PEO ($)(2)	Compensation Actually Paid to Former PEO ($)(3)	Average Summary Compensation Table Total for non-PEO NEOs ($)(2)	Average Compensation Actually Paid to non-PEO NEOs ($)(3)	Total Shareholder Return ("TSR") ($)(4)		Peer Group Total TSR ($)(5)	Net Income ($)(6)	Adjusted OIBDA ($)(7)
2022	4,959,754	(3,863,990)	—	—	1,496,276	(5,861,216)	QRTEA	44.18	118.02	(2,532)	1,089
							QRTEB	134.11			
2021	16,225,908	12,457,043	14,937,691	11,160,011	6,235,544	1,751,786	QRTEA	205.99	169.06	421	2,126
							QRTEB	201.04			
2020	—	—	10,790,859	20,505,569	5,108,394	11,364,265	QRTEA	259.98	140.54	1,254	2,224
							QRTEB	253.92			

(1) Michael George was our Principal Executive Officer in 2020 and a portion of 2021 (our **Former PEO**). On October 1, 2021, Mr. Rawlinson succeeded Mr. George as our Principal Executive Officer and remained our Principal Executive Officer through 2022 (our **Current PEO**). Our named executive officers other than our Principal Executive Officer (**non-PEO NEOs**) for each of the fiscal years indicated were Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm.

(2) Reflects, for each of our Current PEO and our Former PEO, the total compensation reported in the Summary Compensation Table and for the non-PEO NEOs, the average total compensation reported in the Summary Compensation Table in each of the fiscal years indicated.

(3) Represents the compensation actually paid to each of our Current PEO, Former PEO and the non-PEO NEOs in each of the fiscal years indicated as computed in accordance with Item 402(v) of Regulation S-K, as set forth below:

Compensation actually paid to PEO and Non-PEO NEOs

Year	As Reported in Summary Compensation Table[(a)] Total	Stock Awards	Option Awards	Equity Award Adjustments[(b)] Fair Value at Year End of Awards Granted During Year that Remain Outstanding and Unvested at Year End[(c)]	Year-over-Year Change in Fair Value of Awards Granted in Prior Year that Remain Outstanding and Unvested at Year End[(d)]	Fair Value at Vesting Date of Awards Granted and Vested in Same Year[(e)]	Change in Fair Value from Prior Year End to Vesting Date of Awards Granted in Prior Year and Vested in Covered Year[(f)]	Total Compensation Actually Paid
Current PEO								
2022	4,959,754	(2,926,974)	—	971,684	(5,662,379)	—	(1,206,074)	(3,863,990)
2021	16,225,908	(6,841,422)	(5,948,895)	8,492,897	—	528,554	—	12,457,043
2020	—	—	—	—	—	—	—	—
Former PEO								
2022	—	—	—	—	—	—	—	—
2021	14,937,691	(10,923,797)	—	2,018,013	—	3,382,990	1,745,114	11,160,011
2020	10,790,859	(3,218,805)	—	10,815,762	—	—	2,117,753	20,505,569
Non-PEO NEOs								
2022	1,496,276	(499,327)	—	445,786	(6,755,464)	—	(548,486)	(5,861,216)
2021	6,235,544	(4,643,301)	—	2,613,931	(2,747,860)	—	293,473	1,751,786
2020	5,108,394	(736,170)	(1,720,161)	3,596,496	5,306,198	—	(190,492)	11,364,265

(a) Reflects, for each of our Current PEO and Former PEO, the applicable amounts reported in the Summary Compensation Table and for the non-PEO NEOs, the average of the applicable amounts reported in the Summary Compensation Table in each of the fiscal years indicated.

(b) The adjustments made to the fair value of equity awards in accordance with Item 402(v) of Regulation S-K do not include adjustments for dividends paid or the fair value of equity awards received in lieu of cash compensation foregone at a named executive officer's election where such amounts are reported in the Salary, Bonus or All Other Compensation columns of the Summary Compensation Table in accordance with SEC guidance.

(c) Reflects, with respect to each of our Current PEO and Former PEO, the fair value and, with respect to the non-PEO NEOs, the average of the fair values, as of the end of the covered fiscal year of awards granted in, and remaining outstanding and unvested (in whole or in part) as of the end of, the covered fiscal year.

(d) Reflects, with respect to each of our Current PEO and Former PEO, the change in fair value, and with respect to the non-PEO NEOs, the average of the change in fair values, from the end of the prior fiscal year to the end of the covered fiscal year of awards granted in prior fiscal years that remained outstanding and unvested (in whole or in part) as of the end of the covered fiscal year.

(e) Reflects, with respect to each of our Current PEO and Former PEO, the fair value, and with respect to the non-PEO NEOs, the average of the fair values, as of the day awards became vested in the covered fiscal year, when such awards were also granted in the covered fiscal year.

(f) Reflects, with respect to each of our Current PEO and Former PEO, the change in fair value, and with respect to the non-PEO NEOs, the average of the change in fair values, from the end of the prior fiscal year to the day awards became vested in the covered fiscal year, when such awards were granted in a prior fiscal year.

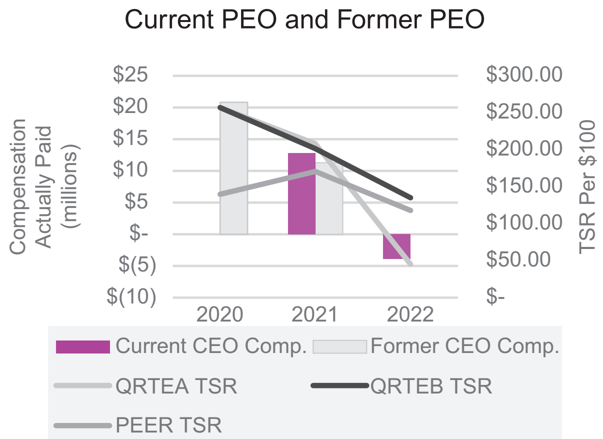
(4) For each covered fiscal year, represents the cumulative total stockholder return on an initial fixed $100 investment in each of our Series A and Series B common stock (Nasdaq: QRTEA and QRTEB) from December 31, 2019 through December 31 of each covered fiscal year.

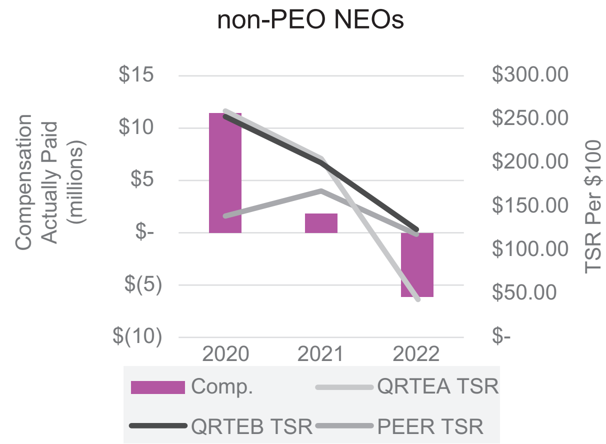
(5) For each covered fiscal year, represents the cumulative total stockholder return on an initial fixed $100 investment in the S&P 500 Retail Index from December 31, 2019 through December 31 of each covered fiscal year.

(6) Represents the amount of net income reflected in our consolidated financial statements for each covered fiscal year.

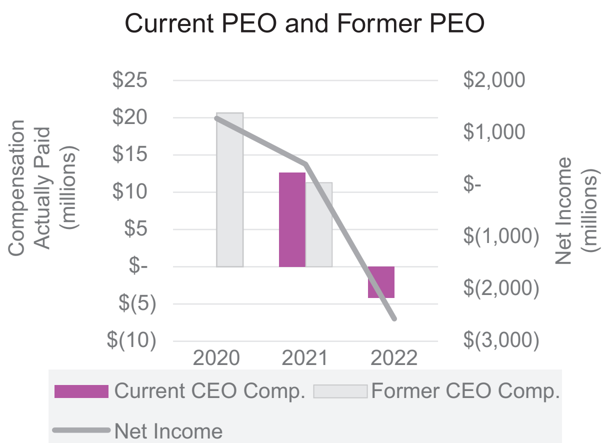
(7) We define Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, transaction related costs (including acquisition, restructuring, integration, and advisory fees), impairment charges and fire-related costs. For purposes of this disclosure, Adjusted OIBDA includes our attributable interests in our equity investments.

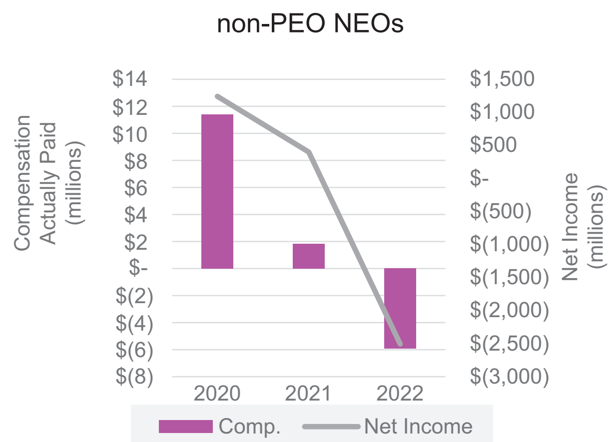
Relationship Between Compensation Actually Paid and Cumulative Total Shareholder Return



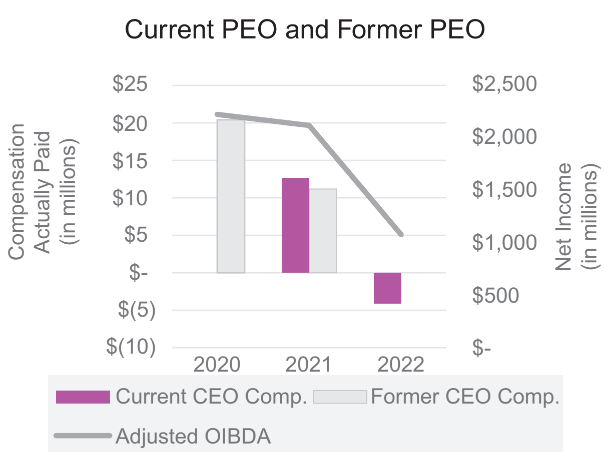


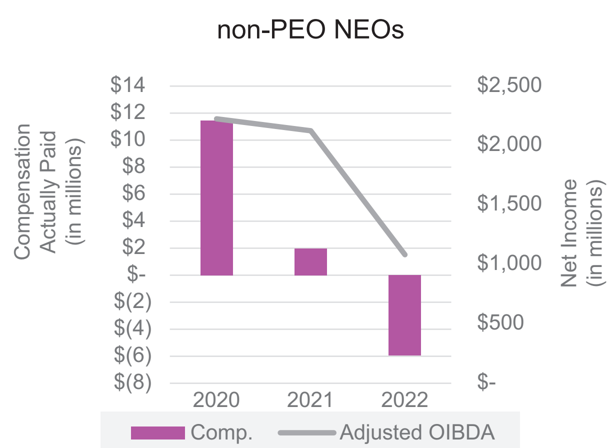
Relationship Between Compensation Actually Paid and Net Income





Relationship Between Compensation Actually Paid and Adjusted OIBDA





2022 Key Performance Measures

The table below contains an unranked list of the most important financial performance measures we use to link executive compensation actually paid to performance.

Key Financial Performance Measures
Revenue
Adjusted OIBDA
Free Cash Flow

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of December 31, 2022, with respect to shares of our common stock authorized for issuance under our equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights or settlement of restricted stock units (a)	Weighted average exercise price of outstanding options, warrants and rights	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders:			
Qurate Retail, Inc. 2012 Incentive Plan (As Amended and Restated as of March 31, 2015), as amended			—[1]
QRTEA	5,502,653	$13.38	
QRTEB	1,498,287	$12.20	
QRTEP	—	—	
Qurate Retail, Inc. 2016 Omnibus Incentive Plan, as amended			—[2]
QRTEA	24,194,407	$ 7.23	
QRTEB	722,738	$12.35	
QRTEP	85,937	—	
Qurate Retail, Inc. 2020 Omnibus Incentive Plan, as amended			15,408,563[3]
QRTEA	24,670,156	$ 9.14	
QRTEB	326,868	—	
QRTEP	2,203	—	
Equity compensation plans not approved by security holders: None[4]			
Total			
QRTEA	54,367,216		
QRTEB	2,547,893		
QRTEP	88,140		15,408,563

(1) The Qurate Retail, Inc. 2012 Incentive Plan expired on November 26, 2017 and, as a result, no further grants are permitted under this plan. The amounts reported for the Qurate Retail, Inc. 2012 Incentive Plan reflect the number of securities to be issued upon exercise of outstanding options and the weighted average exercise price thereof.

(2) Upon adoption of the 2020 incentive plan, as amended, the Board of Directors ceased making any further grants under the prior incentive plans, including the 2016 incentive plan, as amended. The amounts reported for the 2016 incentive plan reflect 21,329,261 shares of QRTEA and 722,738 shares of QRTEB to be issued upon exercise of outstanding options and 2,865,146 shares of QRTEA and 85,937 shares of QRTEP to be issued upon the settlement of restricted stock units. The weighted average exercise prices relate solely to outstanding options and do not take into account restricted stock units, which by their nature do not have an exercise price.

(3) The 2020 incentive plan, as amended, permits grants of, or with respect to, shares of any series of our common stock. Shares remaining in the 2016 incentive plan as of the adoption of the 2020 incentive plan are available for issuance under the 2020 incentive plan. The amounts reported for the 2020 incentive plan reflect 4,377,978 shares of QRTEA to be issued upon exercise of outstanding options and 20,292,178 shares of QRTEA, 326,868 shares of QRTEB and 2,203 shares of QRTEP to be issued upon the settlement of restricted stock units or deferred stock units. For restricted stock units subject to performance-based vesting

requirements, such amounts assume the awards vest at 100 percent of target performance. As described in "—Compensation Discussion and Analysis—Elements of 2022 Executive Compensation—Equity Incentive Compensation—Maffei Equity Awards—Maffei Annual Equity Awards," our compensation committee vested all of the 2022 Maffei RSUs, but had 150 percent of the 2022 Maffei RSUs vested, 490,302 shares of QRTEB would have been issuable upon the settlement of restricted stock units. The weighted average exercise prices relate solely to outstanding options and do not take into account restricted stock units or deferred stock units, which by their nature do not have an exercise price.

(4) On October 1, 2015, in connection with our acquisition of Zulily, we assumed each outstanding award issued pursuant to the Zulily, Inc. 2009 Equity Incentive Plan and the Zulily, Inc. 2013 Equity Plan (together, the **Zulily Plans** and such awards collectively, the **Assumed Zulily Awards**). The Assumed Zulily Awards were converted into a corresponding award with respect to shares of QRTEA. We do not intend to issue any new grants under the Zulily Plans in the future. As of December 31, 2022, the number of securities to be issued upon exercise of outstanding options, warrants and rights under the Zulily, Inc. 2009 Equity Incentive Plan was 508,146 QRTEA shares, which have a weighted average exercise price of $7.81. With respect to the Zulily, Inc. 2013 Equity Plan, the number of securities to be issued upon exercise of outstanding options, warrants and rights was 91,236 QRTEA shares, which have a weighted average exercise price of $18.94.

On December 29, 2017, in connection with our acquisition of HSN, Inc., we assumed each outstanding award issued pursuant to the HSN, Inc. Second Amended and Restated 2008 Stock and Annual Incentive Plan and the HSN, Inc. 2017 Omnibus Incentive Plan (together, the **HSN Plans** and such awards collectively, the **Assumed HSN Awards**). The Assumed HSN Awards were converted into a corresponding award with respect to shares of QRTEA. We do not intend to issue any new grants under the HSN Plans in the future. As of December 31, 2022, the number of securities to be issued upon exercise of outstanding options, warrants and rights under the HSN, Inc. Second Amended and Restated 2008 Stock and Annual Incentive Plan was 1,105,081 QRTEA shares, which have a weighted average exercise price of $13.78 and 3,510 shares of QRTEA and 104 shares of QRTEP to be issued upon the settlement of deferred stock units . With respect to the HSN, Inc. 2017 Omnibus Incentive Plan, reflects 5,535 shares of QRTEA and 165 shares of QRTEP to be issued upon settlement of deferred stock units.

Security Ownership of Certain Beneficial Owners and Management

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth information concerning shares of our capital stock beneficially owned by each person or entity known by us to own more than five percent of the outstanding shares of each series of our capital stock. All of such information is based on publicly available filings, unless otherwise known to us from other sources.

The security ownership information is given as of February 28, 2023 and, in the case of percentage ownership information, is based upon (1) 374,408,845 QRTEA shares, (2) 8,373,512 QRTEB shares and (3) 12,673,171 QRTEP shares, in each case, outstanding on February 28, 2023. The percentage voting power is presented on an aggregate basis for all QRTEA and QRTEB shares. QRTEP shares are, however, non-voting and therefore, in the case of percentage voting power, are not included.

Name and Address of Beneficial Owner	Title of Series	Amount and Nature of Beneficial Ownership	Percent of Series (%)	Voting Power (%)
John C. Malone	QRTEA	30,421,522(1)	8.1	6.6
c/o Qurate Retail, Inc.	QRTEB	—(1)	—	
12300 Liberty Boulevard	QRTEP	865,530(1)	6.8	
Englewood, CO 80112				
Gregory B. Maffei	QRTEA	429,939(2)	*	20.1
c/o Qurate Retail, Inc.	QRTEB	9,605,603(2)	90.7	
12300 Liberty Boulevard	QRTEP	181,901(2)	1.4	
Englewood, CO 80112				
Dodge & Cox	QRTEA	19,326,916(3)	5.2	4.2
555 California Street	QRTEB	—	—	
40th Floor	QRTEP	—	—	
San Francisco, CA 94104				
The Vanguard Group	QRTEA	37,945,858(4)	10.1	8.3
100 Vanguard Blvd.	QRTEB	—	—	
Malvern, PA 19355	QRTEP	—	—	
FPR Partners, LLC	QRTEA	25,899,302(5)	6.9	5.7
199 Freemont Street	QRTEB	—	—	
Suite 2500	QRTEP	—	—	
San Francisco, CA 94105				
Ameriprise Financial, Inc.	QRTEA	19,207,352(6)	5.1	4.2
145 Ameriprise Financial Center	QRTEB	—	—	
Minneapolis, MN 55474	QRTEP	—	—	
BlackRock, Inc.	QRTEA	25,898,510(7)	6.9	5.7
55 East 52nd Street	QRTEB	—	—	
New York, NY 10055	QRTEP	—	—	

* Less than one percent

(1) Information with respect to shares of our capital stock beneficially owned by Mr. Malone, a director of our Board, is also set forth in "—Security Ownership of Management."

(2) Information with respect to shares of our capital stock beneficially owned by Mr. Maffei, our Chairman of the Board, is also set forth in "—Security Ownership of Management."

(3) Based on Amendment No. 7 to Schedule 13G, filed February 10, 2023 by Dodge & Cox, which states that, with respect to QRTEA, Dodge & Cox has sole voting power over 17,728,160 shares and sole dispositive power over 19,326,916 shares.

(4) Based on Amendment No. 7 to Schedule 13G, filed February 10, 2023 by The Vanguard Group (**Vanguard**), which states that, with respect to QRTEA, Vanguard has shared voting power over 726,224 shares, sole dispositive power over 36,882,712 shares and shared dispositive power over 1,063,146 shares.

(5) Based on Schedule 13G, filed February 14, 2023 jointly by FPR Partners, LLC (**FPR**), Andrew Raab and Bob Peck, which states that, with respect to QRTEA shares, FPR, Mr. Raab and Mr. Peck have sole voting power and sole dispositive power over 25,899,302.

(6) Based on Amendment No. 1 to Schedule 13G, filed February 14, 2022 jointly by Ameriprise Financial, Inc. (**Ameriprise**) and Columbia Management Investment Advisers, LLC (**Columbia**), which states that, with respect to QRTEA, Ameriprise has shared voting power over 11,867,199 shares and shared dispositive power over 19,207,352 shares and Columbia has shared voting power over 11,790,389 shares and shared dispositive power over 19,129,037 shares.

(7) Based on Schedule 13G, filed February 3, 2023 by BlackRock, Inc. (**BlackRock**), which states that with respect to QRTEA, BlackRock has sole voting power over 25,110,469 shares and sole dispositive power over 25,898,510 share.

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth information with respect to the ownership by each of our directors and named executive officers (as defined herein) and by all of our directors and executive officers as a group of shares of QRTEA, QRTEB and QRTEP. The security ownership information with respect to our capital stock is given as of February 28, 2023 and, in the case of percentage ownership information, is based upon (1) 374,408,845 QRTEA shares, (2) 8,373,512 QRTEB shares and (3) 12,673,171 QRTEP shares, in each case, outstanding on that date. The percentage voting power is presented in the table below on an aggregate basis for all QRTEA and QRTEB shares. QRTEP shares are, however, non-voting and therefore, in the case of percentage voting power, are not included.

Shares of capital stock issuable upon exercise or conversion of options, warrants and convertible securities that were exercisable or convertible on or within 60 days after February 28, 2023 are deemed to be outstanding and to be beneficially owned by the person holding the options, warrants or convertible securities for the purpose of computing the percentage ownership of that person and for the aggregate percentage owned by the directors and named executive officers as a group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other individual person. For purposes of the following presentation, beneficial ownership of shares of QRTEB, though convertible on a one-for-one basis into shares of QRTEA, are reported as beneficial ownership of QRTEB only, and not as beneficial ownership of QRTEA. So far as is known to us, the persons indicated below have sole voting and dispositive power with respect to the shares indicated as owned by them, except as otherwise stated in the notes to the table.

The number of shares indicated as owned by the persons in the table includes interests in shares held by the Liberty Media 401(k) Savings Plan as of February 28, 2023. The shares held by the trustee of the Liberty Media 401(k) Savings Plan for the benefit of these persons are voted as directed by such persons. The QRTEA and QRTEP shares have been removed as an investment option under the Liberty Media 401(k) Savings Plan and in March 2023 such shares were liquidated.

Name	Title of Series	Amount and Nature of Beneficial Ownership (In thousands)	Percent of Series (%)	Voting Power (%)
Gregory B. Maffei	QRTEA	430(1)(2)(3)	*	20.1
Chairman of the Board and Director	QRTEB	9,606(1)(3)(4)	90.7	
	QRTEP	182(2)	1.4	
David Rawlinson II	QRTEA	223	*	*
President, Chief Executive Officer and Director	QRTEB	—	—	
	QRTEP	—	—	
John C. Malone	QRTEA	30,422(5)(6)(7)	8.1	6.6
Director	QRTEB	—	—	
	QRTEP	866(5)(6)(7)(8)	6.8	
Richard N. Barton	QRTEA	207(1)(9)	*	*
Director	QRTEB	—	—	
	QRTEP	**(9)	*	
Fiona P. Dias	QRTEA	61(10)	*	*
Director	QRTEB	—	—	
	QRTEP	**(10)	*	

Name	Title of Series	Amount and Nature of Beneficial Ownership (In thousands)	Percent of Series (%)	Voting Power (%)
M. Ian G. Gilchrist	QRTEA	162(1)	*	*
Director	QRTEB	—	—	
	QRTEP	—	—	
Evan D. Malone	QRTEA	95	*	*
Director	QRTEB	—	—	
	QRTEP	2	*	
Larry E. Romrell	QRTEA	244(1)	*	*
Director	QRTEB	**	*	
	QRTEP	1	*	
Andrea L. Wong	QRTEA	109(1)	*	*
Director	QRTEB	—	—	
	QRTEP	1	*	
Albert E. Rosenthaler	QRTEA	824(1)(2)	*	*
Chief Corporate Development Officer	QRTEB	—	—	
	QRTEP	6(2)	*	
Brian J. Wendling	QRTEA	316(1)	*	*
Chief Accounting Officer and Principal Financial Officer	QRTEB	—	—	
	QRTEP	10	*	
Renee L. Wilm	QRTEA	356	*	*
Chief Legal Officer and Chief Administrative Officer	QRTEB	—	—	
	QRTEP	**	*	
All directors and current executive officers as a group (12 persons)	QRTEA	33,448(1)(2)(3)(5)(6)(9)(10)	8.9	26.8
	QRTEB	9,606(1)(3)(4)	90.7	
	QRTEP	1,069(2)(5)(6)(7)(8)(9)	8.4	

* Less than one percent

** Less than 1,000 shares

(1) Includes beneficial ownership of shares that may be acquired upon exercise of, or which relate to, stock options exercisable within 60 days after February 28, 2023.

	QRTEA	QRTEB	QRTEP
Gregory B. Maffei	411,804	2,221,025	—
Richard N. Barton	191,890	—	—
M. Ian G. Gilchrist	136,354	—	—
Larry E. Romrell	190,449	—	—
Andrea L. Wong	46,059	—	—
Albert E. Rosenthaler	601,973	—	—
Brian J. Wendling	256,310	—	—
Renee L. Wilm	335,032	—	—
Total	2,169,871	2,221,025	—

(2) The following table includes shares held in the Liberty Media 401(k) Savings Plan as of February 28. The QRTEA and QRTEP shares have been removed as an investment option under the Liberty Media 401(k) Savings Plan and in March 2023 such shares were liquidated.

	QRTEA	QRTEP
Gregory B. Maffei	18,135	277
Albert E. Rosenthaler	35,604	551
Total	53,739	828

(3) The Maffei Stock Exchange Agreement (as defined and described below) contains certain provisions relating to the voting and transfer of QRTEA and QRTEB shares beneficially owned by Mr. Maffei.

(4) Includes 1,101,321 restricted shares of QRTEB that are scheduled to vest, subject to Mr. Maffei's continued employment with the Issuer, in two equal tranches on each of December 10, 2024 and June 3, 2026, subject to earlier vesting under certain circumstances.

(5) Includes 937,593 QRTEA shares, and 19,057 QRTEP shares held in a revocable trust with respect to which Mr. Malone and Mr. Malone's wife, Mrs. Leslie Malone, are trustees. Mrs. Malone has the right to revoke such trust at any time. Mr. Malone has disclaimed beneficial ownership of the shares held by such trust.

(6) Includes 504,840 QRTEA shares and 13,767 QRTEP shares held by two trusts which are managed by an independent trustee, of which the beneficiaries are Mr. Malone's adult children and in which Mr. Malone has no pecuniary interest. Mr. Malone retains the right to substitute assets held by the trusts and has disclaimed beneficial ownership of the shares held by the trusts.

(7) Includes 110,300 QRTEP shares held by a grantor trust of which Mrs. Malone is the grantor and Mr. Malone is the sole trustee. Mrs. Malone retains a power of substitution and Mr. Malone has a power of appointment over the assets in the trust.

(8) Includes 722,367 QRTEP shares held by held by a grantor retained annuity trust. Mr. Malone is the sole trustee of the grantor retained annuity trust, for the benefit of himself.

(9) Includes 66 QRTEA shares and 1 QRTEP share held by the Barton Descendants' Trust 12/30/2004 over which Mr. Barton has investment power but not voting power.

(10) Includes 9,045 restricted stock units with respect to QRTEA shares, 269 restricted stock units with respect to QRTEP shares, and 5,696 dividend equivalent stock unit rights with respect to QRTEA shares. Upon the completion of our acquisition of HSN, Inc., Qurate Retail assumed Ms. Dias's outstanding deferred stock units with respect to HSN, Inc. common stock and converted such deferred stock units into 9,045 restricted stock units with respect to QRTEA shares and dividend equivalent rights have subsequently accrued on such restricted stock units in connection with special dividends paid on Qurate Retail's common stock and quarterly dividends paid on QRTEP. Ms. Dias's restricted stock units and dividend equivalent stock unit rights will vest upon her termination of service from the Board of Directors.

HEDGING DISCLOSURE

We do not have any practices or policies regarding the ability of our employees (including officers) or directors, or any of their designees, to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) or otherwise engage in transactions, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of our equity securities.

CHANGES IN CONTROL

We know of no arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change in control of our company.

Certain Relationships and Related Party Transactions

Under our Code of Business Conduct and Ethics and Corporate Governance Guidelines, if a director or executive officer has an actual or potential conflict of interest (which includes being a party to a proposed “related party transaction” (as defined by Item 404 of Regulation S-K)), the director or executive officer should promptly inform the person designated by our Board to address such actual or potential conflicts. No related party transaction may be effected by our company without the approval of the audit committee of our Board or another independent body of our Board designated to address such actual or potential conflicts.

MALONE STOCK EXCHANGE AND MAFFEI ARRANGEMENTS

On May 18, 2021, Gregory B. Maffei, the Chairman of the Board and a director of our company, delivered a written offer (the **Offer**) to John C. Malone, a director of our company, to acquire all of the outstanding shares of QRTEB beneficially owned by Mr. Malone, his wife Leslie Malone and certain trusts for the benefit of Mr. Malone, Mrs. Malone and/or their children (the **Malone Group**, and such shares, the **Subject Shares**) at a per share price of $14.00 payable in cash, securities or such other form of consideration as to which Mr. Maffei and Mr. Malone might mutually agree. The transfer by the Malone Group of the Subject Shares was subject to the terms of that certain call agreement, dated February 9, 1998 (the **Call Agreement**), among our company, as successor-in-interest to the assignee of TCI Mr. Malone and Mrs. Malone, which provided us with the right to acquire all, but not less than all, of the Subject Shares at a per share price equal to the lower of (x) the Offer price or (y) 110% of the average closing prices of a share of QRTEA for the 30 consecutive trading days ending on May 17, 2021 (with the price calculated pursuant to clause (y) equal to $13.62 per share (the **Call Price**)) (the **Call Right**). On May 18, 2021, Mr. Malone provided written notice to us of his desire to accept the Offer, subject to the approval by our Board of Directors of the transactions contemplated thereby for purposes of Section 203 of the General Corporation Law of the State of Delaware, pursuant to the terms of the Call Agreement. However, in the event we determined to exercise the Call Right, Mr. Malone indicated a preference for the payment of the per share price in the form of shares of QRTEA such that he would continue to hold a substantial investment in our company.

STOCK EXCHANGE AGREEMENT WITH JOHN C. MALONE

On June 2, 2021, we delivered written notice to Mr. Malone to exercise the Call Right and to pay the per share Call Price required by the Call Agreement in shares of QRTEA. On June 3, 2021, we and the Malone Group entered into a Stock Exchange Agreement (the **Malone Stock Exchange Agreement**) to effect the closing of the Call Right exercise, pursuant to which the Malone Group transferred to us an aggregate of 27,655,931 shares of QRTEB, and in exchange (the **Malone Exchange**), we issued to the Malone Group an aggregate of 30,421,522 shares of QRTEA. Under the terms of the Call Agreement, the aggregate Call Price converts into an equivalent ratio of 1.1 shares of QRTEA for each share of QRTEB with the aggregate number of shares of QRTEA issued to each member of the Malone Group rounded down to the nearest whole share.

ARRANGEMENTS WITH GREGORY B. MAFFEI

As a result of the Malone Exchange and in the absence of the negotiated Letter Agreement (defined below) Mr. Maffei would have had the right to assert that a “Change of Control” (as defined in the 2019 Maffei Employment Agreement), by and between Liberty Media and Mr. Maffei) with respect to our company had occurred and that Mr. Maffei had “Good Reason” (as defined in the 2019 Maffei Employment Agreement) to resign from and terminate his employment with our company. This would have resulted in the acceleration of the vesting of Mr. Maffei’s outstanding and unvested equity-based awards with respect to our company, our obligation to pay Mr. Maffei certain severance related benefits and our obligation to make a termination payment to Liberty Media pursuant to that certain Services Agreement, dated as of September 23, 2011, between us and Liberty Media, as clarified by that certain Letter Agreement, dated as of September 23, 2011, by and between us and Liberty Media, and as amended by that certain First Amendment to Services Agreement, effective as of December 13, 2019, by and between us and Liberty Media (the **Services Agreement**).

WAIVER LETTER AND AMENDMENT OF 2019 MAFFEI EMPLOYMENT AGREEMENT

On June 3, 2021, we, Liberty Media and Mr. Maffei entered into a Waiver Letter and Amendment of 2019 Maffei Employment Agreement (the **Letter Agreement**), pursuant to which, among other things, Mr. Maffei (x) waived his rights to assert that our exercise of the Call Right, the transactions to be consummated pursuant to the Malone Stock Exchange Agreement or the resulting reduction in the Malone Group's voting power with respect to our company (collectively, the **Specified Events**) would constitute a "Change in Control" or "Good Reason," in each case, as defined in the 2019 Maffei Employment Agreement, with respect to our company, and agreed not to terminate his employment with our company for "Good Reason" in connection with or arising out of the Option Cancellation (as defined below) or any of the Specified Events, and (y) consented to the cancellation (the **Option Cancellation**) of stock option awards to purchase shares of QRTEB that had been granted to Mr. Maffei on each of December 24, 2014, and March 31, 2015 for 1,137,228 shares at an exercise price of $16.97 per share, and 197,783 shares at an exercise price of $16.71 per share, respectively. In consideration for the foregoing, pursuant to the Letter Agreement, (i) Mr. Maffei received a grant of 1,101,321 restricted shares of QRTEB that are scheduled to vest, subject to Mr. Maffei's continued employment with our company, in two equal tranches on December 10, 2024 and the fifth anniversary of the grant date, subject to earlier vesting under certain circumstances, and (ii) we agreed that the portion of the Annual Equity Awards (as defined in the 2019 Maffei Employment Agreement) to be granted by our company to Mr. Maffei pursuant to Section 4.11 of the 2019 Maffei Employment Agreement for calendar years 2022, 2023 and 2024 shall be granted with respect to QRTEB.

MAFFEI STOCK EXCHANGE AGREEMENT

Also, on June 3, 2021, we and Mr. Maffei entered into a Stock Exchange Agreement (the **Maffei Stock Exchange Agreement**) pursuant to which, among other things: (i) on June 3, 2021, Mr. Maffei transferred to us an aggregate of 5,378,308 shares of QRTEA, and in exchange we issued to Mr. Maffei an equivalent number of shares of QRTEB; (ii) we agreed that on the terms and subject to the conditions of the Maffei Stock Exchange Agreement, Mr. Maffei, at his option (during the six-month period following the vesting of the performance-based restricted stock unit award granted to Mr. Maffei on March 10, 2021), may transfer to us the number of shares of QRTEA actually received by Mr. Maffei upon vesting of such performance-based restricted stock unit award in exchange for an equivalent number of newly-issued shares of QRTEB (the **Subsequent Exchange**); (iii) Mr. Maffei agreed that until December 31, 2024 (the **Cap Period**), which is also the end of the current term of his employment as set forth in the 2019 Maffei Employment Agreement, he will not, and will not authorize or permit any of his affiliates that he controls (**Controlled Affiliates**) to, acquire or agree to acquire (or announce publicly an intent to acquire) by purchase or otherwise, beneficial ownership of our voting securities (or direct or indirect rights or options to acquire any such voting securities) if, after giving effect to any such acquisition of securities, the aggregate voting power of our voting securities beneficially owned by Mr. Maffei and his Controlled Affiliates would exceed 20.0% of the voting power of all of the outstanding voting securities (assuming, for purposes of this calculation that all voting securities beneficially owned by Mr. Maffei which are not outstanding are included in the calculation) (the **Cap**); and (iv) the foregoing transactions by which Mr. Maffei and certain of his related persons became an "interested stockholder" were approved for purposes of Section 203 of the General Corporation Law of the State of Delaware.

The Cap is subject to certain exceptions, including (i) the Subsequent Exchange, (ii) the receipt, exercise or vesting of his equity compensation awards and (iii) any dividend or other distribution made, or similar action taken, by us (including the receipt in connection therewith of any rights, warrants or other securities granting the holder the right to acquire voting securities of our company, and any acquisition of voting securities of our company upon the exercise thereof). However, if during the Cap Period, the voting power of our outstanding voting securities beneficially owned by Mr. Maffei and his Controlled Affiliates exceeds the Cap, Mr. Maffei will, and will cause his Controlled Affiliates to, vote his voting securities that represent voting power in excess of the Cap, in the same proportions as the votes cast by our stockholders unaffiliated with Mr. Maffei on any matter submitted to a vote of our stockholders. In addition, Mr. Maffei and his Controlled Affiliates may not transfer voting securities of our company to any other Controlled Affiliate of Mr. Maffei unless such transferee has agreed to be bound by the terms of the Maffei Stock Exchange Agreement.

On March 25, 2022, we and Mr. Maffei completed the Subsequent Exchange. Pursuant to the terms of the Maffei Stock Exchange Agreement, at the closing of the Subsequent Exchange, Mr. Maffei transferred to us 229,022 shares of QRTEA and in exchange we issued to Mr. Maffei an equivalent number of shares of QRTEB.

The foregoing descriptions of the Malone Stock Exchange Agreement, the Maffei Stock Exchange Agreement, the Letter Agreement and Mr. Maffei's restricted stock award do not purport to be complete and are subject to, and qualified in their entirety by, such agreements, which are incorporated by reference herein and filed as Exhibits 10.1, 10.2, 10.3 and 10.4, respectively, to our Current Report on Form 8-K filed with the SEC on June 4, 2021.

FORM OF
CERTIFICATE OF AMENDMENT OF RESTATED CERTIFICATE OF INCORPORATION
OF QURATE RETAIL, INC.

Qurate Retail, Inc., a corporation duly organized and validly existing under and by virtue of the General Corporation Law of the State of Delaware (the “**Corporation**”), does hereby certify as follows:

FIRST: The Restated Certificate of Incorporation of the Corporation is hereby amended by deleting in its entirety the paragraph of Article IV thereof that is the penultimate paragraph of the paragraphs of such Article IV that precede the beginning of Section A of such Article IV, which penultimate paragraph provided for the prior reclassification of capital stock of the Corporation and begins with the language “Upon this Restated Certificate of Incorporation”, and inserting the following in lieu thereof:

> “Upon this Certificate of Amendment of Restated Certificate of Incorporation of the Corporation (as the Restated Certificate of Incorporation of the Corporation may from time to time hereafter be amended or restated, this “**Restated Certificate**”) becoming effective pursuant to the DGCL (the “**Effective Time**”), the shares of Series A Common Stock and Series B Common Stock issued and outstanding or held in treasury immediately prior to the Effective Time shall be reclassified and combined into a smaller number of shares of Series A Common Stock and Series B Common Stock, respectively, such that (i) each two (2) to twenty (20) shares of Series A Common Stock shall, at the Effective Time, be automatically reclassified and combined into one share of Series A Common Stock, and (ii) each two (2) to twenty (20) shares of Series B Common Stock shall, at the Effective Time, be automatically reclassified and combined into one share of Series B Common Stock, in each case, with the exact ratio within the foregoing range to be determined by the Board of Directors (or a committee thereof) and publicly announced by the Corporation prior to the Effective Time; provided that the ratio determined by the Board of Directors (or a committee thereof) shall be identical for both the Series A Common Stock and Series B Common Stock (the “**Reclassification**”). The par value of the Common Stock immediately following the Effective Time shall remain at $0.01 par value per share. Immediately following the Effective Time, any certificates representing the shares of Common Stock shall represent the number of whole shares of Common Stock into which such shares shall have been reclassified pursuant to the Reclassification. No fractional shares of Common Stock shall be issued as a result of the Reclassification. In lieu of any fractional shares to which a stockholder would otherwise be entitled as a result of the Reclassification, the Corporation shall pay to such stockholder cash equal to such fraction multiplied by the fair value of a share of the applicable series of Common Stock as determined in good faith by the Board of Directors (or a committee thereof) in accordance with the DGCL.”

SECOND: The foregoing amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by its authorized officer this day of , 20 .

QURATE RETAIL, INC.

By: ______________________________
Name:
Title:

FINANCIAL INFORMATION

Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Each series of the common stock of Qurate Retail, Inc. (“Qurate Retail,” the “Company,” “we,” “us” and “our”) trades on the Nasdaq Global Select Market. Our Series A and Series B common stock trade on the Nasdaq Global Select Market, under the symbols “QRTEA” and “QRTEB.” Stock price information for securities traded on the Nasdaq Global Select Market can be found on the Nasdaq’s website at www.nasdaq.com. The following table sets forth the range of high and low sales prices of shares of our Series B common stock for the years ended December 31, 2022 and 2021. Although our Series B common stock is traded on the Nasdaq Global Select Market, an established public trading market does not exist for the stock, as it is not actively traded.

	Qurate Retail Series B (QRTEB)	
	High	Low
2021		
First quarter	$ 15.77	10.40
Second quarter	$ 17.39	11.25
Third quarter	$ 13.74	10.18
Fourth quarter	$ 12.16	7.07
2022		
First quarter	$ 8.08	4.75
Second quarter	$ 5.80	3.61
Third quarter	$ 21.93	3.04
Fourth quarter	$ 13.56	4.20

Holders

As of January 31, 2023, there were 2,185 and 57 record holders of our Series A and Series B Qurate Retail common stock, respectively. The foregoing numbers of record holders do not include the number of stockholders whose shares are held nominally by banks, brokerage houses or other institutions, but include each such institution as one shareholder.

Dividends

On August 21, 2020, Qurate Retail announced that an authorized committee of the Company’s board of directors (the “Board of Directors”) had declared a special dividend (the “Special Dividend”) on each outstanding share of its Series A and Series B common stock consisting of (i) cash in the amount of $1.50 per common share, for an aggregate cash dividend of approximately $626 million, and (ii) 0.03 shares of newly issued 8.0% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the “Preferred Stock”), having an initial liquidation price of $100 per share of Preferred Stock, with cash paid in lieu of fractional shares. The distribution ratio for the Preferred Stock portion of the Special Dividend was equivalent to $3.00 in initial liquidation preference per common share, for an aggregate issuance of approximately $1.3 billion aggregate liquidation preference. The dividend was distributed on September 14, 2020 to holders of record of Qurate Retail’s Series A and Series B common stock. Holders of the Preferred Stock are entitled to receive quarterly cash dividends at a fixed rate of 8.0% per year on a cumulative basis, beginning December 15, 2020 and thereafter on each of March 15, June 15, September 15 and December 15 during the term. The Preferred Stock is non-voting, except in limited circumstances as required by law, and subject to a mandatory redemption on March 15, 2031.

On November 20, 2020, Qurate Retail announced that an authorized committee of its Board of Directors declared a special cash dividend in the amount of $1.50 per common share, for an aggregate dividend of approximately $625 million, payable in cash on December 7, 2020 to stockholders of record of the Company's Series A and Series B common stock at the close of business on November 30, 2020.

On November 4, 2021, Qurate Retail announced that its Board of Directors declared a special cash dividend in the amount of $1.25 per common share for an aggregate cash dividend of approximately $488 million based on shares outstanding as of October 31, 2021. The dividend was payable on November 22, 2021 to stockholders of record of Qurate Retail's Series A and Series B common stock as of the close of business on November 15, 2021.

Aside from the above mentioned dividends, we have not paid any cash dividends on our common stock. Payment of cash dividends, if any, in the future will be determined by the Board of Directors in light of our earnings, financial condition and other relevant considerations. See "Management's Discussion and Analysis of Financial Condition and Results of Operation – Liquidity and Capital Resources."

Purchases of Equity Securities by the Issuer

Share Repurchase Programs

In May 2019, the board authorized the repurchase of $500 million of Series A or Series B Qurate Retail common stock. In August 2021, the board authorized the repurchase of $500 million of Series A or Series B Qurate Retail common stock.

There were no repurchases of Series A Qurate Retail common stock, Series B Qurate Retail common stock or Preferred Stock during the three months ended December 31, 2022.

No shares of Series A Qurate Retail common stock and 18 shares of Preferred Stock were surrendered by certain of our officers and employees to pay withholding taxes and other deductions in connection with the vesting of their restricted stock during the three months ended December 31, 2022.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information concerning our results of operations and financial condition. This discussion should be read in conjunction with our accompanying consolidated financial statements and the notes thereto. Additionally, see note 2 in the accompanying consolidated financial statements for an overview of new accounting standards that we have adopted or that we plan to adopt that have had or may have an impact on our financial statements.

Overview

We own controlling and non-controlling interests in a broad range of video and online commerce companies. Our largest businesses and reportable segments are QxH (QVC U.S. and HSN) and QVC International. QVC, Inc. ("QVC"), which includes QxH and QVC International, markets and sells a wide variety of consumer products in the United States ("U.S.") and several foreign countries via highly engaging video-rich, interactive shopping experiences. Cornerstone Brands, Inc. ("CBI") consists of a portfolio of aspirational home and apparel brands, and is a reportable segment. Our "Corporate and other" category includes our consolidated subsidiary Zulily, LLC ("Zulily"), along with various cost and equity method investments.

The COVID-19 pandemic resulted in significant disruption to the global economy, has negatively impacted us and our operations, and is expected to continue to impact us and our operations in 2023. During the outbreak of COVID-19, the stay at home restrictions imposed in response to COVID-19 led many traditional brick-and-mortar retailers to temporarily close their stores but allowed distance retailers, such as QVC, to continue operating. As a result, QVC initially experienced an increase in new customers and an increase in demand for certain categories, such as home and electronics. However, as the stay-at-home restrictions were moderated, traditional brick-and-mortar retailers were allowed to reopen their stores and consumers were able to resume prepandemic shopping habits. Beginning in the second quarter of 2021, and continuing through the fourth quarter of 2022, QVC observed a decline in customers and a decline in demand for its products.

Beginning in the second quarter of 2021, QVC saw increased product shortages as a result of high market demand in some product categories such as home and electronics. QVC also experienced escalating shipping disruptions due to challenges in the global supply chain and labor market. These factors caused extended lead time on inventory orders. As a result, the delayed receipt of inventory ordered in prior periods impacted QVC's ability to have the right products at the right time. These factors also impacted QVC's ability to offer certain goods and ship orders timely to its customers. Although these product shortages and supply chain disruptions have moderated, in the event of ongoing or heightened resurgences of COVID-19, including new variants in the future, or the occurrence of another pandemic or epidemic, QVC cannot be certain that it will be able to identify alternative sources for its products without delay or greater cost to QVC.

In addition, there are several adverse indirect impacts of COVID-19 that have caused and could continue to cause a material negative impact to QVC's financial results, including its capital and liquidity. These include reduced demand for products it sells; decreases in the disposable income of existing and potential new customers; the impacts of inflation or recession; increased currency volatility resulting in adverse currency rate fluctuations; higher interest rates; higher unemployment; labor shortages; and an adverse impact to QVC's supply chain and shipping disruptions for both the products it imports and purchases domestically and the products it sells, including essential products experiencing higher demand, due to factory closures, labor shortages and other resource constraints.

QVC has seen increasing inflationary pressures during the period, including higher wages, freight, and merchandise costs. If these pressures persist, inflated costs may result in certain increased costs continuing to outpace QVC's pricing power in the near term.

On December 18, 2021, QVC experienced a fire at its Rocky Mount, Inc. distribution center in North Carolina. Rocky Mount was QVC's second-largest fulfillment center, processing approximately 25% to 30% of volume for QVC U.S., and also served as QVC U.S.'s primary returns center for hard goods. The building was significantly damaged as a result of the fire and related smoke and will not reopen. QVC decided not to rebuild the facility, and entered into an agreement to sell the property which closed in February 2023. QVC took steps to mitigate disruption to operations including diverting inbound orders, leveraging its existing fulfillment centers and supplementing these facilities with short-term leased space as needed. QVC is currently evaluating long-term alternatives to alleviate the strain on its network caused by the loss of the Rocky Mount distribution center.

Based on the provisions of QVC's insurance policies and discussions with insurance carriers, QVC determined that recovery of certain fire related costs was probable, and recorded an insurance receivable. For the year ended December 31, 2021, the Company recorded $250 million of fire related costs and estimated insurance recoveries of $229 million for which recovery was deemed probable. As of December 31, 2021, QVC received $100 million of insurance proceeds and had an insurance receivable of $129 million which was recorded in trade and other receivables, net of allowance for credit losses in the consolidated balance sheet. For the year ended December 31, 2022, the Company recorded $157 million of fire related costs, including $95 million for the write-down of inventory that will not be reimbursed by QVC's insurance policies. The fire-related costs also include $59 million for which recovery was deemed probable and $3 million of costs that will not be reimbursed by QVC's insurance policies. For the year ended December 31, 2022, QVC received $280 million of insurance proceeds for inventory, fixed asset losses and other fire related costs and recorded a gain of $132 million in restructuring and fire related costs, net of (recoveries) in the consolidated statement of operations, representing the proceeds received in excess of cumulative losses recognized. The Company recorded an insurance receivable, net of advance proceeds received for other fire related costs for which recovery was deemed probable of $40 million in trade and other receivables, net of allowance for credit losses in the consolidated balance sheet as of December 31, 2022.

During the year ended December 31, 2022, inventory write-downs related to Rocky Mount of $95 million were included in cost of goods sold. Due to the circumstances surrounding the write-downs of the inventory, these write-downs have been excluded from Adjusted OIBDA (as defined below). QVC submitted its business interruption claim with the insurance company and is still in the process of assessing the valuation of loss with its insurer; there can be no guarantee that all business interruption losses will be recovered. While QVC has taken steps to minimize the overall impact to the business, it experienced increased warehouse and logistics costs during the year ended December 31, 2022 and anticipates these increased warehouse and logistics costs to continue during 2023.

In June 2022, QVC modified the finance lease for its distribution center in Ontario, California which reduced the term of the lease and removed QVC's ability to take ownership of the distribution center at the end of the lease term. QVC will make annual payments over the modified lease term. Since the lease was modified and removed QVC's ability to take ownership at the end of the lease term, the Company accounted for the modification similar to a sale and leaseback transaction, and as a result, QVC received net cash proceeds of $250 million and recognized a $240 million gain on the sale of the distribution center during the second quarter of 2022 calculated as the difference between the aggregate consideration received (including cash and forgiveness of the remaining financing obligation of $84 million) and the carrying value of the distribution center. The gain is included in gains on sale leaseback transactions in the consolidated statement of operations. The Company accounted for the modified lease as an operating lease and recorded a $37 million right-of-use asset and a $31 million operating lease liability, with the difference attributable to prepaid rent.

In July 2022, QVC sold five owned and operated properties located in the U.S. to an independent third party and received net cash proceeds of $443 million. Concurrent with the sale, QVC entered into agreements to lease each of the properties back from the purchaser over an initial term of 20 years with the option to extend the terms of the property leases for up to four consecutive terms of five years. QVC recognized a $277 million gain related to the successful sale leaseback for the year ended December 31, 2022, calculated as the difference between the aggregate consideration received and the carrying value of the properties. The Company accounted for the leases as operating leases and recorded a $207 million right-of-use asset and a $205 million operating lease liability, with the difference attributable to initial direct costs.

In November 2022, QVC entered into agreements to sell two properties located in Germany and the U.K. to an independent third party. Under the terms of the agreements, QVC received net cash proceeds of $102 million related to its German facility and $80 million related to its U.K. facility when the sale closed in January 2023. Concurrent with the sale, QVC entered into agreements to lease each of the properties back from the purchaser over an initial term of 20 years with the option to extend the terms of the property leases for up to four consecutive terms of five years. QVC expects to record a gain in the first quarter of 2023 related to the successful sale leaseback transaction.

As of December 31, 2022, assets of $71 million primarily related to the Germany and U.K. properties were classified as held for sale, and included in other assets, at cost, net of accumulated amortization in the consolidated balance sheet, as the proceeds from the sale were used to repay a portion of the revolving credit facility (as discussed in note 6 of the accompanying consolidated financial statements) (the "Credit Facility") borrowings which were classified as noncurrent as of December 31, 2022. Qurate Retail classifies obligations as current when they are contractually required to be satisfied in the next twelve months.

Strategies and Challenges

Televised Shopping Businesses

On June 27, 2022, Qurate Retail announced a five-point turnaround plan designed to stabilize and differentiate its core HSN and QVC U.S. brands and expand the Company's leadership in video streaming commerce ("Project Athens"). Project Athens main initiatives include: (i) improve customer experience and grow relationships; (ii) rigorously execute core processes; (iii) lower cost to serve; (iv) optimize the brand portfolio; and (v) build new high growth businesses anchored in strength.

Improve Customer Experience and Grow Relationships. Qurate Retail is focused on rebuilding stronger connections with their customers. In order to improve customer experience and grow relationships, Qurate Retail is working to optimize programming using advanced analytics to align product offerings, promotions and airtime with customer preferences. In addition, we expect to invest in infrastructure which will endeavor to improve the customer's order to delivery experience by increasing personalization, reducing shipping time and improving shipment tracking visibility. We expect to develop a customer loyalty program which will provide customers with a more personalized experience.

Rigorously execute core processes. Qurate Retail is enhancing its core processes to deliver the human story telling experience behind a product while also sharing a clear and compelling value proposition. In order to rigorously execute core processes, Qurate Retail will optimize pricing and assortment by investing in Information Technology systems that will support real-time pricing and promotion adjustments at an item level. We will also focus on growing our private label brands to drive revenue and margin at productive scale.

Lower cost to serve. Qurate Retail is right sizing its cost base to improve profitability and cash generation. In order to lower cost to serve, Qurate Retail will enhance review of spending to identify cost savings opportunities, including opportunities for workforce reduction. Additionally, we will improve product margin through market vendor efficiency and lower fulfillment costs through freight optimization and higher productivity.

Optimize the brand portfolio. Qurate Retail is exploring untapped opportunities at Zulily and our Cornerstone brands. In order to optimize the brand portfolio at Zulily, we are building the foundation to achieve persistent everyday value for Mom while evaluating and identifying ways we can reduce costs. At Cornerstone we will continue to expand our retail footprint in addition to focusing on cross-brand promotions.

Build new high growth businesses anchored in strength. Finally, Qurate Retail is focused on expanding in the video streaming shopping market. In order to build new high growth businesses anchored in strength, Qurate Retail expects to expand streaming viewership by improving the current streaming experience with enhanced video and navigation and seamless transactions. Additionally, we are shaping the future streaming experience with exclusive content, program and deal concepts. We are also building a next generation shopping app featuring vendors with self-made content.

QVC’s future net revenue will depend on its ability to grow through digital platforms, attract new customers and retain existing customers. QVC's future net revenue may also be affected by (i) the willingness of cable television and direct-to-home satellite system operators to continue carrying QVC's programming service; (ii) QVC's ability to maintain favorable channel positioning, which may become more difficult due to governmental action or from distributors converting analog customers to digital; (iii) changes in television viewing habits because of video-on-demand technologies and Internet video services; (iv) QVC's ability to source new and compelling products and (v) general economic conditions.

The current economic uncertainty in various regions of the world in which our subsidiaries and affiliates operate could adversely affect demand for their products and services since a substantial portion of their revenue is derived from discretionary spending by individuals, which typically falls during times of economic instability. Global financial markets may experience disruptions, including increased volatility and diminished liquidity and credit availability. If economic and financial market conditions in the U.S. or other key markets, including Japan and Europe, continue to be uncertain or deteriorate, customers may respond by suspending, delaying, or reducing their discretionary spending. A suspension, delay or reduction in discretionary spending could adversely affect revenue. Accordingly, our businesses’ ability to increase or maintain revenue and earnings could be adversely affected to the extent that relevant economic environments decline. Such weak economic conditions may also inhibit QVC’s expansion into new European and other markets. The Company is currently unable to predict the extent of any of these potential adverse effects.

In executing against Project Athens during 2022, QVC took actions to reduce inventory and planned a workforce reduction. These initiatives are consistent with QVC’s strategy to operate more efficiently as it implements its turnaround plan, and QVC expects to incur additional expenses related to Project Athens initiatives in future periods. QVC recorded restructuring charges of $24 million in restructuring and fire related costs, net of (recoveries) in the consolidated statement of operations during the year ended December 31, 2022, related to severance. In July 2020, QVC implemented a planned workforce reduction with the goal of making the organizational structure streamlined and more efficient. As a result, QVC recorded $20 million of severance expense during the year ended December 31, 2020, which is recorded in selling, general and administrative expense.

CBI.

CBI's goal is to continue to provide customers with appealing home furnishings and apparel products that delight and inspire. As customers shop CBI's breadth of products through its websites, retail stores or through its catalog mailings; they will find products that allow them to outfit their lives and homes to their unique style. CBI's brands, including Ballard Designs, Frontgate, Grandin Road and Garnet Hill, provide a selection of fresh, unique and aspirational merchandise curated every season. CBI intends to employ the following strategies to achieve these goals and objectives: (i) acquire new customers through effective direct-to-consumer marketing; (ii) expand brick-and-mortar retail in attractive markets; (iii) further develop proprietary product that is unique to its brand positioning; (iv) invest in cross brand loyalty programs and a redesigned mobile platform and (v) build out a successful low cost supply chain network to support the growth of the business.

CBI looks to leverage its sourcing network by leaning on its merchandising team for further proprietary product development. As CBI grows, continuing to identify a stable and reliable supplier base that can partner with its brand merchants to develop future collections and offering will be key to the long-term health and growth of the business. If CBI is not able to identify markets capable of manufacturing at a logistics cost structure that aids the brand desire for further proprietary product, it may lose customers to lower cost competitors who rely on trading houses for product. Even if CBI identifies new vendors, it may not be able to purchase desired merchandise in sufficient quantities or on acceptable terms in the future, and products from alternative sources, if any, may be of a lesser quality or more expensive than those from existing vendors. An inability to purchase suitable merchandise on acceptable terms or to source new vendors could have an adverse effect on CBI's business.

As a direct-to-consumer company, CBI endeavors to effectively target consumers to drive acquisition, repeat buyers and reactivated purchasers. CBI uses a balance of retail stores and digital marketing to entice customers to shop its assortment. CBI must incur costs related to its marketing efforts, including but not limited to, photography, digital analytics, paper purchases, catalog print relationships, and real estate development. As CBI grows, there will be challenges to market in a way that enables further consumer purchase expansion at a cost that continues to return value back to the business.

Results of Operations—Consolidated

General. We provide in the tables below information regarding our Consolidated Operating Results and Other Income and Expense, as well as information regarding the contribution to those items from our principal reportable segments. The "Corporate and other" category consists of our consolidated subsidiary Zulily, along with various cost and equity method investments. For a more detailed discussion and analysis of the financial results of the principal reporting segments, see "Results of Operations - Businesses" below.

Operating Results

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Revenue			
QxH	$ 7,359	8,277	8,505
QVC International	2,528	3,077	2,967
CBI	1,313	1,238	1,070
Corporate and other	906	1,453	1,636
Inter-segment eliminations	—	(1)	(1)
Consolidated Qurate Retail	$ 12,106	14,044	14,177
Operating Income (Loss)			
QxH	$ (1,820)	1,018	1,128
QVC International	306	489	439
CBI	48	108	64
Corporate and other	(575)	(528)	(59)
Consolidated Qurate Retail	$ (2,041)	1,087	1,572
Adjusted OIBDA			
QxH	$ 750	1,439	1,547
QVC International	358	562	510
CBI	78	137	94
Corporate and other	(122)	(58)	47
Consolidated Qurate Retail	$ 1,064	2,080	2,198

Revenue. Our consolidated revenue decreased 13.8% and 0.9% for the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior year periods.

QxH and QVC International revenue decreased $918 million and $549 million, respectively, and CBI revenue increased $75 million, during the year ended December 31, 2022, as compared to the same period in the prior year. See "Results of Operations - Businesses" below for a more complete discussion of the results of operations of QVC and CBI. Corporate and other revenue decreased $547 million for the year ended December 31, 2022, as compared to the corresponding period in the prior year, as a result of a decrease in revenue at Zulily due to a 44% decrease in total units shipped primarily attributable to a 40% decrease in active customers, driven by product scarcity and higher advertising costs in certain channels and lower marketing spend. This decrease was partially offset by a 12.9% increase in average selling price ("ASP").

QxH, QVC International and CBI revenue decreased $228 million, increased $110 million, and increased $168 million, respectively, during the year ended December 31, 2021 compared to the same period in the prior year. See "Results of Operations - Businesses" below for a more complete discussion of the results of operations of QVC and CBI. Corporate and other revenue decreased $183 million for the year ended December 31, 2021, as compared to the corresponding prior year period due to a reduction in revenue at Zulily related to a 15.3% decrease in total units shipped resulting from an

18.1% decrease in active customers, predominately driven by product scarcity, higher ad costs in online channels, and reduction in marketing spend, partially offset by a 5.8% increase in ASP primarily to offset shipping costs.

Operating income (loss). Our consolidated operating income decreased $3,128 million and $485 million for the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior year periods. The decrease for the year ended December 31, 2022 was primarily due to impairments recognized at the QxH and Zulily reporting units and a decline in operating results, partially offset by gains on the sales of fixed assets.

QxH, QVC International and CBI operating income decreased $2,838 million, $183 million, and $60 million, respectively, for the year ended December 31, 2022, compared to the same period in the prior year. See "Results of Operations - Businesses" below for a more complete discussion of the results of operations of QVC and CBI. Operating income for Corporate and other declined $47 million for the year ended December 31, 2022, as compared to the corresponding period in the prior year, due to a decline in operating income at Zulily related to a reduction in total demand and higher product costs which were partially offset by lower marketing, salaries and benefits expenses, partially offset by fewer expenses at the corporate level.

QxH, QVC International and CBI operating income decreased $110 million, increased $50 million, and increased $44 million, respectively, for the year ended December 31, 2021, as compared to the corresponding prior year period. See "Results of Operations - Businesses" below for a more complete discussion of the results of operations of QVC and CBI. Operating income for Corporate and other declined $469 million for the year ended December 31, 2021, as compared to the corresponding prior year period, primarily due to the impairment of intangible assets at Zulily during the fourth quarter of 2021.

Adjusted Operating Income Before Depreciation and Amortization ("OIBDA"). To provide investors with additional information regarding our financial results, we also disclose Adjusted OIBDA, which is a non-GAAP financial measure. We define Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, and where applicable, separately identified impairments, litigation settlements, restructuring, acquisition-related costs, fire related costs, net (including Rocky Mount inventory losses), and gains on sale leaseback transactions. Our chief operating decision maker and management team use this measure of performance in conjunction with other measures to evaluate our businesses and make decisions about allocating resources among our businesses. We believe this is an important indicator of the operational strength and performance of our businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows us to view operating results, perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flows provided by operating activities and other measures of financial performance prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

The following table provides a reconciliation of Operating income (loss) to Adjusted OIBDA.

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Operating income (loss)	$ (2,041)	1,087	1,572
Depreciation and amortization	481	537	562
Stock-based compensation	60	72	64
Restructuring and fire related costs, net of (recoveries)	3	21	—
Gains on sale leaseback transactions	(520)	—	—
Impairment of intangible assets	3,081	363	—
Adjusted OIBDA	$ 1,064	2,080	2,198

Consolidated Adjusted OIBDA decreased $1,016 million and $118 million for the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior year periods.

QxH, QVC International, and CBI Adjusted OIBDA decreased $689 million, $204 million, and $59 million and for the year ended December 31, 2022, respectively, as compared to the corresponding prior year period. See "Results of

Operations - Businesses" below for a more complete discussion of the results of operations of QVC and CBI. Corporate and other Adjusted OIBDA decreased $64 million for the year ended December 31, 2022, as compared to the corresponding period in the prior year due to a decline in Adjusted OIBDA at Zulily related to a reduction in total demand and higher product costs which were partially offset by lower marketing, salaries and benefits expenses, partially offset by fewer expenses at the corporate level.

QxH, QVC International, and CBI Adjusted OIBDA decreased $108 million, and increased $52 million and $43 million for the year ended December 31, 2021, respectively, as compared to corresponding prior year period. See "Results of Operations - Businesses" below for a more complete discussion of the results of operations of QVC and CBI. Corporate and other Adjusted OIBDA decreased $105 million for the year ended December 31, 2021, as compared to the corresponding period in the prior year due to lower Adjusted OIBDA at Zulily due to lower revenue and higher selling, general and administrative ("SG&A") primarily due to sales deleverage.

Other Income and Expense

Components of Other Income (Expense) are presented in the table below.

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Interest expense	$ (456)	(468)	(408)
Share of earnings (losses) of affiliate, net	(1)	(94)	(156)
Realized and unrealized gains (losses) on financial instruments, net	41	99	(110)
Gains (losses) on transactions, net	—	10	224
Tax sharing income (expense) with Liberty Broadband	79	10	(39)
Other, net	70	(6)	(32)
Other income (expense)	$ (267)	(449)	(521)

Interest expense. Interest expense decreased $12 million and increased $60 million for the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior year periods. The decrease for the year ended December 31, 2022 is due to lower outstanding debt throughout 2022, including finance lease obligations. The increase for the year ended December 31, 2021 is due to dividends declared and paid related to our Preferred Stock, recorded through interest expense.

Share of earnings (losses) of affiliates. Share of losses of affiliates decreased $93 million and $62 million during the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior year periods. The decreased losses in both 2022 and 2021 are related to the Company's alternative energy entities that have either been sold or wound down as the federal tax credits expired. The alternative energy entities typically operated at a loss, and the Company recorded its share of such losses, but had favorable tax attributes and credits, which are recorded in the Company's tax accounts.

Realized and unrealized gains (losses) on financial instruments. Realized and unrealized gains (losses) on financial instruments are comprised of changes in the fair value of the following:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Equity securities	$ 13	77	(1)
Exchangeable senior debentures	310	(130)	(277)
Indemnification asset	(273)	(21)	143
Other financial instruments	(9)	173	25
	$ 41	99	(110)

The changes in these accounts are due primarily to market factors and changes in the fair value of the underlying stocks or financial instruments to which these relate. The decrease in the year ended December 31, 2022 as compared to the corresponding prior year period was primarily due to an unrealized loss on the indemnification asset, an unrealized loss on derivative instruments compared to a gain in the prior year, and an unrealized loss related to equity securities, partially offset by unrealized gains on the Company's exchangeable senior debentures driven by less growth in stock prices of the securities underlying the debentures than the prior year. The increase from loss to gain for the year ended December 31, 2021 as compared to the corresponding prior year period was primarily driven by a decrease in unrealized losses on the Company's exchangeable senior debentures driven by less growth in stock prices of the securities underlying the debentures than the prior year, an increase in unrealized gains related to derivative instruments which were settled, and an increase from the unrealized gain related to equity securities, partially offset by an unrealized loss on the indemnification asset from a gain in 2020.

Gains (losses) on transactions, net. Gains (losses) on transactions, net, decreased $10 million and $214 million for the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior year periods. The change in gains (losses) on transactions, net for the year ended December 31, 2021 is due to the sale of one of the Company's alternative energy investments during the third quarter of 2020, as compared to no other material transactions during 2021 or 2022. For the 2020 sale, the Company received total cash consideration of $272 million and recorded a gain of $224 million on the sale of the alternative energy investment.

Tax sharing income (expense) with Liberty Broadband. The Company has a tax sharing agreement with Liberty Broadband. As a result, the Company recognized tax sharing income of $79 million and $10 million for the years ended December 31, 2022 and 2021, respectively, and tax sharing expense of $39 million for the year ended December 31, 2020.

Other, net. Other, net increased $76 million and $26 million for the years ended December 31, 2022 and 2021, respectively, when compared to the corresponding prior year periods. The activity captured in Other, net is primarily attributable to gains (losses) on early extinguishment of debt, foreign exchange gains (losses) and interest income. The increase in Other, net for the year ended December 31, 2022 is primarily due to an increase in foreign currency exchange gains, the sale of warrants at QVC in the current year, and a gain on early extinguishment of debt in the current year. The increase in Other, net for the year ended December 31, 2021, as compared to the same period in the prior year, was a result of a decrease in loss on early extinguishment of debt, partially offset by an increase in foreign exchange losses.

Income taxes. The Company had losses before income taxes of $2,308 million, and income before income taxes of $638 million and $1,051 million for the years ended December 31, 2022, 2021, and 2020, respectively. The Company had an income tax expense of $224 million, income tax expense of $217 million and an income tax benefit of $203 million for the years ended December 31, 2022, 2021 and 2020, respectively.

For 2022, the most significant portion of the losses before income taxes relates to a goodwill impairment that is not deductible for tax purposes.

In 2021 the effective tax rate was higher than the U.S. federal tax rate of 21% primarily due to foreign tax expense, state income tax expense, the impairment of goodwill that is not deductible for tax purposes, and non-deductible interest expense related to preferred stock, partially offset by benefits from tax credits generated by our alternative energy investments.

For the year ended December 31, 2020, the Company recorded an income tax benefit. The 2020 tax benefit was primarily driven by the impacts of a corporate realignment and tax credits generated by alternative energy investments. See note 8 to the accompanying consolidated financial statements for more information related to the corporate realignment.

Net earnings (loss). We had net losses of $2,532 million, and net earnings $421 million and $1,254 million for the years ended December 31, 2022, 2021 and 2020, respectively. The change in net earnings (loss) was the result of the above-described fluctuations in our revenue, expenses and other gains and losses.

Liquidity and Capital Resources

As of December 31, 2022 substantially all of our cash and cash equivalents are invested in U.S. Treasury securities, other government securities or government guaranteed funds, AAA rated money market funds and other highly rated financial and corporate debt instruments.

The following are potential sources of liquidity: available cash balances, equity issuances, dividend and interest receipts, proceeds from asset sales, debt (including availability under the Credit Facility, as discussed in note 6 of the accompanying consolidated financial statements), and cash generated by the operating activities of our wholly-owned subsidiaries. Cash generated by the operating activities of our subsidiaries is only a source of liquidity to the extent such cash exceeds the working capital needs of the subsidiaries and is not otherwise restricted. For example, under QVC's bond indentures, it is able to pay dividends or make other restricted payments if it is not in default on its senior secured notes and its consolidated leverage ratio is no greater than 3.5 to 1.0 ("the senior secured notes leverage basket"). In addition, under the Credit Facility QVC is able to pay dividends or make other restricted payments if it is not in default on the Credit Facility and its consolidated net leverage ratio is no greater than 4.0 to 1.0. Further, under QVC's bond indentures and the Credit Facility credit agreement, unlimited dividends are permitted to service the debt of Qurate Retail so long as there is no default (i.e., no leverage test is needed).

As of December 31, 2022, QVC's consolidated leverage ratio (as calculated under QVC's senior secured notes) was greater than 3.5 to 1.0 and as a result QVC is restricted in its ability to make dividends or other restricted payments under the senior secured notes. Although QVC will not be able to make unlimited dividends or other restricted payments under the senior secured notes leverage basket, QVC will continue to be permitted to make unlimited dividends to parent entities of QVC to service the principal and interest when due in respect of indebtedness of such parent entities (so long as there is no default under the indentures governing QVC's senior secured notes) and permitted to make certain restricted payments to Qurate Retail under an intercompany tax sharing agreement in respect of certain tax obligations of QVC and its subsidiaries.

Qurate Retail and certain of its subsidiaries' debt credit ratings were downgraded during the year ended December 31, 2022 as follows: (i) Fitch Ratings downgraded Qurate Retail, LI LLC, and QVC's long-term issuer default ratings from "BB" to "BB-"; (ii) S&P Global downgraded Qurate Retail's issuer credit rating from "BB-" to "B+" and QVC's issue-level rating from "BB+" to "BB"; and (iii) Moody's downgraded LI LLC corporate family rating from "Ba3" to "B1," and QVC's debt ratings from "Ba2" to "Ba3." Subsequent to December 31, 2022, S&P Global further downgraded Qurate Retail's issuer credit rating from "B+" to "B-" and assigned a "B-" issuer rating to LI LLC, and lowered QVC's issue-level rating from "BB" to "B+."

Qurate Retail and its subsidiaries are in compliance with their debt covenants as of December 31, 2022.

As of December 31, 2022, Qurate Retail's liquidity position consisted of the following:

		Cash and cash equivalents
		amounts in millions
QVC	$	357
CBI		12
Corporate and other (1)		906
Total Qurate Retail	$	1,275

(1) Corporate cash as of December 31, 2022 was $875 million.

To the extent that the Company recognizes any taxable gains from the sale of assets, we may incur tax expense and be required to make tax payments, thereby reducing any cash proceeds. Additionally, we have $2.15 billion available for borrowing under the Credit Facility at December 31, 2022. As of December 31, 2022, QVC had approximately $238 million of cash and cash equivalents held in foreign subsidiaries that is available for domestic purposes with no significant tax consequences upon repatriation to the U.S. QVC accrues taxes on the unremitted earnings of its international subsidiaries. Approximately 67% of this foreign cash balance was that of QVC Japan. QVC owns 60% of QVC Japan and shares all profits and losses with the 40% minority interest holder, Mitsui & Co, LTD.

Additionally, our operating businesses generated more than $1 billion in annual cash provided by operating activities during 2021 and 2020. While cash generated by operating activities was significantly lower in 2022, we believe our businesses will continue to generate positive cash from operating activities in future periods.

	Years ended December 31,			
		2022	2021	2020
Cash Flow Information	amounts in millions			
Net cash provided (used) by operating activities	$	194	1,225	2,455
Net cash provided (used) by investing activities	$	601	(501)	(161)
Net cash provided (used) by financing activities	$	(72)	(914)	(2,181)

During the year ended December 31, 2022, Qurate Retail's primary sources of cash were proceeds from the sales of fixed assets of $704 million, insurance proceeds of $280 million, partially offset by capital expenditures of $268 million, dividends paid to noncontrolling interest of $68 million, and expenditure for television distribution rights of $45 million.

The projected uses of Qurate Retail’s cash in the next year, outside of normal operating expenses (inclusive of tax payments), are the costs to service outstanding debt, approximately $365 million for estimated interest payments on outstanding debt, including corporate level and other subsidiary debt, anticipated capital improvement spending between $250 million and $300 million, the repayment of certain debt obligations, payments related to television distribution rights, payment of dividends to the holders of the Preferred Stock, and additional investments in existing or new businesses. The Company also may be required to make net payments of income tax liabilities to settle items under discussion with tax authorities. The Company expects that cash on hand and cash provided by operating activities in future periods and outstanding borrowing capacity will be sufficient to fund projected uses of cash.

Off-Balance Sheet Arrangements and Aggregate Material Cash Requirements

In connection with agreements for the sale of assets by our Company, we may retain liabilities that relate to events occurring prior to the sale, such as tax, environmental, litigation and employment matters. We generally indemnify the purchaser in the event that a third party asserts a claim against the purchaser that relates to a liability retained by us. These types of indemnification obligations may extend for a number of years. We are unable to estimate the maximum potential liability for these types of indemnification obligations as the sale agreements may not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, we have not made any significant indemnification payments under such agreements and no amount has been accrued in the accompanying consolidated financial statements with respect to these indemnification obligations.

We have contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business. Although it is reasonably possible we may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

Information concerning the amount and timing of required payments, both accrued and off-balance sheet, under our material cash requirements, excluding uncertain tax positions as it is undeterminable when payments will be made, is summarized below.

	Payments due by period				
	Total	Less than 1 year	2 - 3 years	4 - 5 years	After 5 years
	amounts in millions				
Consolidated material cash requirements					
Long-term debt (1)	$ 6,895	216	1,206	1,656	3,817
Interest payments (2)	4,173	364	662	515	2,632
Finance and operating lease obligations	1,078	128	196	140	614
Preferred Stock (3)	2,104	101	203	203	1,597
Purchase orders and other obligations (4)	3,079	3,033	36	10	—
Total	$ 17,329	3,842	2,303	2,524	8,660

(1) Amounts are reflected in the table at the outstanding principal amount, assuming the debt instruments will remain outstanding until the stated maturity date, and may differ from the amounts stated in our consolidated balance sheet to the extent debt instruments (i) were issued at a discount or premium or (ii) have elements which are reported at fair value in our consolidated balance sheets. Amounts do not assume additional borrowings or refinancings of existing debt.

(2) Amounts (i) are based on our outstanding debt at December 31, 2022, (ii) assume the interest rates on our variable rate debt remain constant at the December 31, 2022 rates and (iii) assume that our existing debt is repaid at maturity.

(3) This amount reflects the annual 8.0% dividend on shares of Preferred Stock outstanding as of December 31, 2022 and redemption of the Preferred Stock on March 15, 2031.

(4) Amounts include open purchase orders for inventory and non-inventory purchases along with other material cash requirements.

Critical Accounting Estimates

The preparation of our financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Listed below are the accounting estimates that we believe are critical to our financial statements due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense being reported. All of these accounting estimates and assumptions, as well as the resulting impact to our financial statements, have been discussed with the audit committee of our board of directors.

Fair Value Measurements of Non-Financial Instruments. Our non-financial instrument valuations are primarily comprised of our annual assessment of the recoverability of our goodwill and other nonamortizable intangible assets, such as tradenames and our evaluation of the recoverability of our other long-lived assets upon certain triggering events, and our determination of the estimated fair value allocation of net tangible and identifiable intangible assets acquired in business combinations. If the carrying value of our long-lived assets exceeds their undiscounted cash flows, we are required to write the carrying value down to fair value. Any such write down is included in impairment of long-lived assets in our consolidated statements of operations. A high degree of judgment is required to estimate the fair value of our long-lived assets. We may use quoted market prices, prices for similar assets, present value techniques and other valuation techniques to prepare these estimates. We may need to make estimates of future cash flows and discount rates as well as other assumptions in order to implement these valuation techniques. Due to the high degree of judgment involved in our estimation techniques, any value ultimately derived from our long-lived assets may differ from our estimate of fair value. As each of our operating segments has long-lived assets, this critical accounting policy affects the financial position and results of operations of each segment.

As of December 31, 2022, the intangible assets not subject to amortization for each of our significant reportable segments were as follows:

	Goodwill	Tradenames	Total
		amounts in millions	
QxH	$ 2,693	2,698	5,391
QVC International	778	—	778
CBI	12	—	12
Corporate and other	18	20	38
	$ 3,501	2,718	6,219

We perform our annual assessment of the recoverability of our goodwill and other non-amortizable intangible assets during the fourth quarter of each year, or more frequently, if events or circumstances indicate impairment may have occurred. We utilize a qualitative assessment for determining whether a quantitative goodwill and other non-amortizable intangible asset impairment analysis is necessary. The accounting guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the quantitative goodwill impairment test. In evaluating goodwill on a qualitative basis the Company reviews the business performance of each reporting unit and evaluates other relevant factors as identified in the relevant accounting guidance to determine whether it is more likely than not that an indicated impairment exists for any of our reporting units. The Company considers whether there are any negative macroeconomic conditions, industry specific conditions, market changes, increased competition, increased costs in doing business, management challenges, the legal environments and how these factors might impact company specific performance in future periods. As part of the analysis the Company also considers fair value determinations for certain reporting units that have been made at various points throughout the current and prior years for other purposes. In 2022, an impairment of $2,535 million was recorded to QxH's goodwill. In 2022 and 2021, impairments of $226 million and $233 million were recorded to Zulily's goodwill, respectively. There were no goodwill impairments in 2020. In 2022, an impairment of $180 million was recorded to the QxH tradename (related to the tradename associated with HSN). In 2022 and 2021, impairments of $140 million and $130 million were recorded to Zulily's tradename, respectively. There were no tradename impairments in 2020.

Retail Related Adjustments and Allowances. QVC records adjustments and allowances for sales returns, inventory obsolescence and uncollectible receivables. Each of these adjustments is estimated based on historical experience. Sales returns are calculated as a percent of sales and are netted against revenue in its consolidated statements of operations. For both of the years ended December 31, 2022 and 2021 sales returns represented 15.3%, and for the year ended December 31, 2020 sales returns represented 15.6% of QVC's gross product revenue. The inventory obsolescence reserve is calculated as a percent of QVC's inventory at the end of a reporting period based on, among other factors, the aging of its inventory balance, the likely method of disposition, and the estimated recoverable values based on historical experience of inventory markdowns and liquidation. The change in the reserve is included in cost of goods sold in the consolidated statements of operations. As of December 31, 2022, QVC's inventory was $1,035 million, which was net of the obsolescence reserve of $143 million. As of December 31, 2021, inventory was $1,355 million, which was net of the obsolescence reserve of $122 million. QVC's allowance for credit losses is calculated as a percent of accounts receivable at the end of a reporting period, and is based on historical experience, with the change in such allowance recorded as a provision for credit losses in SG&A expenses in the consolidated statements of operations. Trade accounts receivable (including installment payment, credit card and customer receivables) were $1,319 million and $1,521 million, as of December 31, 2022 and 2021, respectively. Allowance for credit losses related to uncollectible trade accounts receivable was $87 million and $86 million as of December 31, 2022 and 2021, respectively. Each of these estimates requires management judgment and may not reflect actual results.

Income Taxes. We are required to estimate the amount of tax payable or refundable for the current year and the deferred income tax liabilities and assets for the future tax consequences of events that have been reflected in our financial statements or tax returns for each taxing jurisdiction in which we operate. This process requires our management to make judgments regarding the timing and probability of the ultimate tax impact of the various agreements and transactions that we enter into. Based on these judgments we may record tax reserves or adjustments to valuation allowances on deferred tax assets to reflect the expected realizability of future tax benefits. Actual income taxes could vary from these estimates due to future changes in income tax law, significant changes in the jurisdictions in which we operate, our inability to generate sufficient future taxable income or unpredicted results from the final determination of each year's liability by taxing authorities. These changes could have a significant impact on our financial position.

Results of Operations—Businesses

QVC

QVC is a retailer of a wide range of consumer products, which are marketed and sold primarily by merchandise-focused televised shopping programs, the Internet and mobile applications.

In the U.S., QVC's televised shopping programs, including live and recorded content, are broadcast across multiple channels nationally on a full-time basis, including QVC, QVC2, QVC3, HSN, and HSN2. The Company's U.S. programming is also available on QVC.com and HSN.com, QVC's "U.S. websites"; virtual multichannel video programming distributors (including Hulu + Live TV, DirectTV Stream and YouTube TV); applications via streaming video; Facebook Live, Roku, Apple TV, Amazon Fire, Xfinity Flex and Samsung TV Plus; mobile applications; social media pages and over-the-air broadcasters.

QVC's digital platforms enable consumers to purchase goods offered on its televised programming, along with a wide assortment of products that are available only on its U.S. websites. QVC.com and its other digital platforms (including its mobile applications, social media pages and others) are natural extensions of its business model, allowing customers to engage in its shopping experience wherever they are, with live or on-demand content customized to the device they are using. In addition to offering video content, QVC’s U.S. websites allow shoppers to browse, research, compare and perform targeted searches for products, read customer reviews, control the order-entry process and conveniently access their account.

Internationally, QVC's televised shopping programs, including live and recorded content, are distributed to households outside of the U.S., primarily in Germany, Austria, Japan, the United Kingdom ("U.K."), the Republic of Ireland, and Italy. In some of the countries where QVC operates, QVC's televised shopping programs are distributed across multiple QVC channels: QVC Style and QVC2 in Germany and QVC Beauty, QVC Extra and QVC Style in the U.K. Similar to the U.S., QVC’s international businesses also engage customers via websites, mobile applications and social media pages. QVC's international business employs product sourcing teams who select products tailored to the interests of each local market.

QVC's operating results were as follows:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Net revenue	$ 9,887	11,354	11,472
Cost of goods sold (excluding depreciation, amortization and Rocky Mount inventory losses shown below)	(6,751)	(7,368)	(7,418)
Operating expenses	(760)	(791)	(786)
SG&A expenses (excluding stock-based compensation)	(1,268)	(1,194)	(1,211)
Adjusted OIBDA	1,108	2,001	2,057
Restructuring and fire related (costs), net of recoveries (including Rocky Mount inventory losses)	10	(21)	—
Gains on sale leaseback transactions	520	—	—
Impairment of intangible assets	(2,715)	—	—
Stock-based compensation	(36)	(44)	(37)
Depreciation and amortization	(401)	(429)	(453)
Operating income (loss)	$ (1,514)	1,507	1,567

Net revenue was generated from the following geographical areas:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
QxH	$ 7,359	8,277	8,505
QVC International	2,528	3,077	2,967
	$ 9,887	11,354	11,472

QVC's consolidated net revenue decreased 12.9% and decreased 1.0% for the years ended December 31, 2022 and 2021, respectively, as compared to the corresponding prior years. The $1,467 million decrease in 2022 net revenue was primarily due to an 8.5% decrease in units shipped driven by QxH, $373 million in unfavorable foreign exchange rates, a $124 million decrease in shipping and handling revenue driven by QxH, and a decline of 0.8% in ASP primarily at QxH, partially offset by an increase in ASP at QVC International. These declines were partially offset by a $161 million decrease in estimated product returns, primarily driven by QxH.

The 2021 decrease of $118 million in net revenue was primarily comprised of a 1.3% decrease in units shipped driven by QxH, a decline of 0.8% in ASP, primarily driven by QxH, and a decrease of $18 million in shipping and handling revenue across both segments. These declines were partially offset by an $84 million decrease in estimated product returns, primarily driven by QxH, and $57 million in favorable foreign exchange rates.

During the years ended December 31, 2022 and 2021, the changes in revenue and expenses were affected by changes in the exchange rates for the Japanese Yen, the Euro and the U.K. Pound Sterling. In the event the U.S. Dollar strengthens against these foreign currencies in the future, QVC's revenue and operating cash flow will be negatively affected.

In discussing QVC's operating results, the term "currency exchange rates" refers to the currency exchange rates QVC uses to convert the operating results for all countries where the functional currency is not the U.S. Dollar. QVC calculates the effect of changes in currency exchange rates as the difference between current period activity translated using the prior period's currency exchange rates. Throughout this discussion, we refer to the results of this calculation as the impact of currency exchange rate fluctuations. When we refer to "constant currency operating results", this means operating results without the impact of the currency exchange rate fluctuations. The disclosure of constant currency amounts or results permits investors to understand better QVC's underlying performance without the effects of currency exchange rate fluctuations.

The percentage change in net revenue for QVC in U.S. Dollars and in constant currency was as follows:

	Year ended December 31, 2022			Year ended December 31, 2021		
	U.S. dollars	Foreign Currency Exchange Impact	Constant currency	U.S. dollars	Foreign Currency Exchange Impact	Constant currency
QxH	(11.1)%	— %	(11.1)%	(2.7)%	— %	(2.7)%
QVC International	(17.8)%	(12.1)%	(5.7)%	3.7 %	1.9 %	1.8 %

In 2022, the QxH net revenue decrease was primarily due to a 9.3% decrease in units shipped, a 1.8% decline in ASP and a $104 million decrease in shipping and handling revenue, partially offset by a $149 million decrease in estimated product returns. For the year ended December 31, 2022, QxH experienced shipped sales declines across all categories. The decrease in estimated product returns was primarily driven by a decrease in sales volume. The decline in ASP was primarily due to discounting as a result of inventory reduction actions. QVC International net revenue decline in constant currency was primarily due to a 6.4% decrease in units shipped across all markets except Japan and a $20 million decrease in shipping and handling revenue. These declines were partially offset by a 1.7% increase in ASP driven by the U.K. and Japan and a $12 million decrease in estimated product returns across all markets except the U.K. QVC International experienced shipped sales decline in constant currency in all categories except apparel.

In 2021, the QxH net revenue decrease was primarily due to a 1.4% decrease in units shipped, a 1.7% decline in ASP and a $12 million decrease in shipping and handling revenue, partially offset by a $60 million decrease in estimated product returns. For the year ended December 31, 2021, QxH experienced shipped sales growth in apparel and accessories with declines in all other categories. The decrease in estimated product returns was primarily driven by a decrease in sales volume partially offset by a shift in product mix to higher return rate categories. QVC International net revenue growth in constant currency was primarily due to a 1.8% increase in ASP, driven by ASP increases in Japan and the U.K., and a $24 million decrease in estimated product returns driven by Germany. These increases were partially offset by a 0.9% decrease in units shipped. QVC International experienced shipped sales growth in constant currency in all categories except electronics and beauty.

QVC's cost of goods sold as a percentage of net revenue was 68.3%, 64.9% and 64.7% for the years ended December 31, 2022, 2021 and 2020, respectively. The increase in cost of goods sold as a percentage of revenue in 2022 is primarily due to higher fulfillment costs across both segments driven by increased freight and warehousing costs. Higher fulfillment costs at QxH were also impacted by strains on QVC's fulfillment network due to the loss of the Rocky Mount fulfillment center and rent related to warehouses sold and leased back during the period, partially offset by efficiencies from fulfillment centers closed in the prior year. QVC also experienced product margin pressure across the business. Margin pressure was driven by discounting as a result of inventory reduction actions. The increase in cost of goods sold as a percentage of revenue in 2021 is primarily due to increased warehouse expenses driven by higher wages due to labor shortages and increased freight costs at QxH. These increases were partially offset by decreased obsolescence as a result of less aged inventory at QxH and product margin favorability. Product margin favorability was primarily driven by QVC International, partially offset by margin pressure at QxH.

QVC's operating expenses are principally comprised of commissions, order processing and customer service expenses, credit card processing fees, and telecommunications expenses. Operating expenses decreased $31 million or 4% and increased $5 million or 1% for the years ended December 31, 2022 and 2021, respectively, as compared to the prior years. Operating expenses were 7.7%, 7.0% and 6.9% of net revenue for the years ended December 31, 2022, 2021 and 2020, respectively. The decrease in 2022 was primarily due to a $31 million decrease as a result of favorable exchange rates. The increase in 2021 was primarily due to a $9 million increase in customer service expenses, driven by QxH, due to higher labor costs. This increase was partially offset by a decrease in commissions and credit card fees primarily due to lower sales volume at QxH.

QVC's SG&A expenses (excluding and stock-based compensation) include personnel, information technology ("IT"), provision for credit losses, production costs and marketing and advertising expense. Such expenses increased $74 million, and were 12.8% of net revenue for the year ended December 31, 2022 as compared to the prior year and decreased $17 million to 10.5% of net revenue for the year ended December 31, 2021 as compared to the prior year.

The increase in 2022 was primarily due to a $27 million increase in personnel costs primarily at QxH, a $26 million increase in estimated credit losses primarily at QxH, a $22 million increase in consulting expenses primarily at QxH, a $15 million increase in marketing costs across both segments and, to a lesser extent, increases in rent, IT expenses, non-income related taxes and travel expenses. These increases were partially offset by a $51 million decrease due to favorable exchange rates. The increase to estimated credit losses was due to lower expected collections in the current year compared to favorable adjustments recognized in the prior year based on actual collections experience partially offset by lower sales volume.

The decrease in 2021 was primarily due to a $74 million decrease in personnel costs across both segments and a $39 million decrease in estimated credit losses primarily at QxH. These decreases were partially offset by an $80 million increase in marketing primarily at QxH, a $9 million increase due to unfavorable exchange rates, and an increase in IT expenses. The decrease related to personnel costs was primarily driven by a decrease to QVC's incentive pay across both segments. The decrease to estimated credit losses was due to lower loss rates in the current year, a favorable shift in product category mix and favorable adjustments of prior periods based on actual collections. The increase in marketing costs in 2021 was driven by greater investment in advertising in addition to the increasing cost of digital marketing.

QVC recorded a gain of $10 million and a loss of $21 million for the years ended December 31, 2022 and 2021, respectively, in restructuring and fire related costs, net of (recoveries). For the year ended December 31, 2022, the gain primarily related to insurance proceeds received for inventory and fixed asset losses partially offset by write-downs on Rocky Mount inventory and restructuring costs primarily related to the workforce reduction. For the year ended December 31, 2021, the loss included expenses directly related to the Rocky Mount fulfillment center fire net of expected and received insurance recoveries. Expenses indirectly related to the Rocky Mount fulfillment center fire, including operational inefficiencies, are primarily included in cost of goods sold. These indirect expenses have been submitted as part of QVC's business interruption insurance claim; however, there can be no guarantee they will be recovered.

QVC recorded $520 million of gains on sale leaseback transactions for the year ended December 31, 2022. The gains related to the sale leaseback of six owned and operated U.S. properties. There were no gains on sale leaseback transactions recorded for each of the years ended December 31, 2021 and 2020.

QVC recorded an impairment loss of $2,715 million for the year ended December 31, 2022 related to the decrease in the fair value of the HSN indefinite-lived tradename and the QxH reporting unit (see note 5 to the accompanying consolidated financial statements). There were no impairment losses recorded by QVC for the years ended December 31, 2021 and 2020.

Stock-based compensation includes compensation related to options and restricted stock granted to certain officers and employees. QVC recorded $36 million, $44 million and $37 million of stock-based compensation expense for the years ended December 31, 2022, 2021 and 2020, respectively. The decrease in 2022 was primarily due to the retirement of QVC's former Chief Executive Officer. The increase in 2021 was primarily due to fewer cancellations of restricted stock awards and the issuance of awards to certain officers.

Depreciation and amortization decreased $28 million and $24 million for the years ended December 31, 2022 and December 31, 2021, respectively, as compared to the corresponding prior years. Depreciation and amortization included $62 million, $62 million and $66 million of acquisition related amortization during the years ended December 31, 2022, 2021, and 2020, respectively. For the year ended December 31, 2022, depreciation and amortization decreased primarily due to assets disposed of related to the Rocky Mount fulfillment center fire and the six owned and operated U.S. properties sold and leased back. For the year ended December 31, 2021, depreciation and amortization decreased, primarily due to a decrease in property and equipment depreciation due to the sale of QVC's Lancaster and San Antonio facilities during 2021, and a decrease in channel placement amortization and related expenses due to lower subscriber count, partially offset by increased software amortization due to software additions including QVC's Enterprise Resource Planning system.

CBI

CBI's operating results for the last three years were as follows:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Net revenue	$ 1,313	1,238	1,070
Cost of goods sold	(850)	(734)	(645)
Operating expenses	(48)	(46)	(38)
SG&A expenses (excluding stock-based compensation)	(337)	(321)	(293)
Adjusted OIBDA	78	137	94
Stock-based compensation	(3)	(2)	(1)
Depreciation and amortization	(27)	(27)	(29)
Operating income (loss)	$ 48	108	64

CBI's revenue consists primarily of indoor and outdoor home furnishings.

CBI's consolidated net revenue increased 6.1% and 15.7% for the years ended December 31, 2022 and December 31, 2021, respectively, as compared to the corresponding prior years. The increase in net revenue for the year ended December 31, 2022, compared to the prior year, was primarily attributable to an increase in ASP, partially offset by an increase in product returns. Orders shipped were relatively flat compared to the prior year. The increase in ASP was the result of a continued mix shift from apparel and seasonal décor to indoor and outdoor furniture which sell at higher price points. The increase in net revenue for the year ended December 31, 2021, compared to the prior year, was primarily attributed to a 15% increase in demand in the home and apparel categories.

CBI's cost of goods sold as a percentage of net revenue was 64.7%, 59.3% and 60.3% for the years ended December 31, 2022, 2021 and 2020, respectively. Cost of goods sold as a percentage of net revenue increased for the year ended December 31, 2022, compared to the prior year, primarily due to higher inbound logistics costs driven by higher storage fees and ocean container rates. Cost of goods sold as a percentage of net revenue decreased slightly for the year ended December 31, 2021, compared to the prior year, primarily due to reduced promotional activity driving higher product margins.

CBI's operating expenses are principally comprised of credit card fees and customer service expenses. Operating expenses slightly increased for the year ended December 31, 2022, compared to the prior year, driven by increased credit card fees due to increased revenue. Operating expenses increased for the year ended December 31, 2021, compared to the prior year, driven by increased credit card fees due to increased revenue.

CBI's SG&A expenses include print, digital and retail marketing. As a percentage of net revenue, SG&A remained relatively flat for the year ended December 31, 2022 as compared to the year ended December 31, 2021. As a percentage of net revenue, SG&A decreased from 27.4% to 25.9% for the year ended December 31, 2021 as compared to the year ended December 31, 2020, primarily due to increased revenue performance.

CBI's stock-based compensation expense increased $1 million for both of the years ended December 31, 2022 and December 31, 2021, compared to the corresponding periods in the prior year. The increase for the year ended December 31, 2022, compared to the prior year, was due to a change in the annual grant vesting period from 4 years to 3 years. The increase for the year ended December 31, 2021, compared to the prior year, was due to fewer terminations.

CBI's depreciation and amortization expense remained flat and decreased $2 million for the year ended December 31, 2022 and December 31, 2021, respectively, as compared to the corresponding periods in the prior year. The decrease for the year ended December 31, 2021, compared to the prior year, was primarily due to lower depreciation expense as a result of assets being at the end of their useful lives.

Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risk in the normal course of business due to our ongoing investing and financial activities and the conduct of operations by our subsidiaries in different foreign countries. Market risk refers to the risk of loss arising from adverse changes in stock prices, interest rates and foreign currency exchange rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. We have established policies, procedures and internal processes governing our management of market risks and the use of financial instruments to manage our exposure to such risks.

We are exposed to changes in interest rates primarily as a result of our borrowing and investment activities, which include investments in fixed and floating rate debt instruments and borrowings used to maintain liquidity and to fund business operations. The nature and amount of our long-term and short-term debt are expected to vary as a result of future requirements, market conditions and other factors. We manage our exposure to interest rates by maintaining what we believe is an appropriate mix of fixed and variable rate debt. We believe this best protects us from interest rate risk. We have achieved this mix by (i) issuing fixed rate debt that we believe has a low stated interest rate and significant term to maturity, (ii) issuing variable rate debt with appropriate maturities and interest rates and (iii) entering into interest rate swap arrangements when we deem appropriate. As of December 31, 2022, our debt is comprised of the following amounts:

	Variable rate debt		Fixed rate debt	
	Principal amount	Weighted avg interest rate	Principal amount	Weighted avg interest rate
	dollar amounts in millions			
QxH and QVC International	$ 1,057	5.8 %	$ 3,914	5.1 %
CBI	$ 18	5.8 %	$ —	— %
Corporate and other	$ —	— %	$ 1,906	5.4 %

Qurate Retail is exposed to foreign exchange rate fluctuations related primarily to the monetary assets and liabilities and the financial results of QVC's foreign subsidiaries. Assets and liabilities of foreign subsidiaries for which the functional currency is the local currency are translated into U.S. Dollars at period-end exchange rates, and the statements of operations are generally translated at the average exchange rate for the period. Exchange rate fluctuations on translating foreign currency financial statements into U.S. Dollars that result in unrealized gains or losses are referred to as translation adjustments. Cumulative translation adjustments are recorded in accumulated other comprehensive earnings (loss) as a separate component of stockholders' equity. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses, which are reflected in income as unrealized (based on period-end translations) or realized upon settlement of the transactions. Cash flows from our operations in foreign countries are translated at the average rate for the period. Accordingly, Qurate Retail may experience economic loss and a negative impact on earnings and equity with respect to our holdings solely as a result of foreign currency exchange rate fluctuations. QVC's reported Adjusted OIBDA for the years ended December 31, 2022, 2021 and 2020 would have been impacted by approximately $4 million, $6 million and $5 million, respectively, for every 1% change in foreign currency exchange rates relative to the U.S. Dollar.

We periodically assess the effectiveness of our derivative financial instruments. With regard to interest rate swaps, we monitor the fair value of interest rate swaps as well as the effective interest rate the interest rate swap yields, in comparison to historical interest rate trends. We believe that any losses incurred with regard to interest rate swaps would be largely offset by the effects of interest rate movements on the underlying debt facilities. These measures allow our management to evaluate the success of our use of derivative instruments and to determine when to enter into or exit from derivative instruments.

Financial Statements and Supplementary Data.

The consolidated financial statements of Qurate Retail are included herein, beginning on page F-28.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Controls and Procedures.

Disclosure Controls and Procedures

In accordance with Rules 13a-15 and 15d-15 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company carried out an evaluation, under the supervision and with the participation of management, including its chief executive officer and its principal accounting and financial officer (the "Executives") and under the supervision of its Board of Directors, of the effectiveness of the design and operation of its disclosure controls and procedures as of December 31, 2022. Based on that evaluation, the Executives concluded that the Company's disclosure controls and procedures were not effective as of December 31, 2022 because of the material weakness in its internal control over financial reporting that is described in "Management's Report on Internal Control Over Financial Reporting."

However, giving full consideration to the material weakness, the Company's management believes the consolidated financial statements included in this Annual Report present fairly, in all material respects, the Company's financial position, results of operations and cash flows for the periods disclosed in conformity with U.S. GAAP.

Management's Report on Internal Control Over Financial Reporting

See page F-23 for Management's Report on Internal Control Over Financial Reporting.

See page F-24 for KPMG LLP's report regarding the effectiveness of the Company's internal control over financial reporting.

Changes in Internal Control Over Financial Reporting

In response to the material weakness described in Management's Report on Internal Control Over Financial Reporting, the Company reviewed the design of Zulily's and QVC's controls and implemented the remediation activities to alleviate the noted control deficiencies, as listed in the "Remediation Plan for Material Weakness in Internal Control over Financial Reporting." Other than these items, there has been no change in the Company's internal control over financial reporting that occurred during the Company's quarter ended December 31, 2022, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Remediation Plan for Material Weakness in Internal Control over Financial Reporting

In response to the material weakness described in Management's Report on Internal Control Over Financial Reporting, the Company has developed a plan with oversight from the Audit Committee of the Board of Directors to remediate the material weakness. The remediation efforts are underway and include the following:

- Enhancing the ITGC risk assessment process;
- Evaluating talent and addressing identified gaps;
- Delivering training on internal control over financial reporting;

- Improving change management and logical access control activities that contributed to the ITGC material weakness including removing all inappropriate IT system access associated with the ITGC material weakness;
- Implementing user activity monitoring for control activities contributing to the ITGC material weakness; and
- Implementing additional compensating control activities over the completeness and accuracy of data provided by the affected systems.

The Company believes the foregoing efforts will remediate the material weakness described in Management's Report on Internal Control Over Financial Reporting. Because the reliability of the internal control process requires repeatable execution, the successful on-going remediation of the material weakness will require on-going review and evidence of effectiveness prior to concluding that the controls are effective.

Other Information.

None.

Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of the Company is responsible for establishing and maintaining adequate internal control over the Company’s financial reporting, as such term is defined in Rules 13a-15(f) of the Exchange Act. The Company’s internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

The Company’s management, with participation of the Executives, under the oversight of the Company’s Board of Directors, evaluated the effectiveness of internal control over financial reporting as of December 31, 2022, using the criteria in Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that evaluation, management concluded that, as of December 31, 2022, the Company’s internal control over financial reporting is not effective due to the material weakness described below.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis. We have identified a material weakness related to information technology general controls (“ITGCs”) at Zulily which also impact an inventory management system in place for certain QVC and HSN fulfillment centers. These ITGCs were not designed and operating effectively to ensure (i) that access to applications and data, and the ability to make program changes, were adequately restricted to appropriate personnel, (ii) that the activities of individuals with access to modify data and make program and job changes were appropriately monitored and (iii) that changes introduced in the production environment had undergone sufficient testing and review. Our business process controls (automated and manual) and reports and information that are dependent on the affected ITGCs were also deemed ineffective because they could have been adversely impacted.

We believe these control deficiencies are due to:

- Inadequate risk assessment to fully understand the nature and extent of risk related to certain segregation of duties, provisioning and the design of the change control environment.
- Insufficient training of IT personnel related to change management and logical access processes.
- Lack of adequate resources with knowledge of our internal controls over financial reporting related to general information technology systems.
- Failure to select and apply appropriate ITGCs with accountability enforced through formal policies and procedures.

The control deficiencies did not result in any identified misstatements.

The Company’s independent registered public accounting firm audited the consolidated financial statements and related notes in the Annual Report and issued an adverse opinion on the effectiveness of the Company's internal control over financial reporting. KPMG LLP’s report appears on page F-24 of this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Qurate Retail, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Qurate Retail, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, because of the effect of the material weakness, described below, on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive earnings (loss), cash flows, and equity for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements), and our report dated March 1, 2023 expressed an unqualified opinion on those consolidated financial statements.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. A material weakness has been identified related to the ineffective design and operating effectiveness of information technology general controls (ITGCs) at Zulily which also impacted an inventory management system in place for certain QVC and HSN fulfillment centers. Business process controls (automated and manual) and reports and information that are dependent on the affected ITGCs were also deemed ineffective because they could have been adversely impacted. This material weakness has been identified and included in management's assessment. The material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2022 consolidated financial statements, and this report does not affect our report on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Denver, Colorado
March 1, 2023

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Qurate Retail, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Qurate Retail, Inc. and subsidiaries (the Company) as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive earnings (loss), cash flows, and equity for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 1, 2023 expressed an adverse opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involve our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which they relate.

Sufficiency of audit evidence over revenue

As discussed in note 2 to the consolidated financial statements, and disclosed in the consolidated statements of operations, the Company generated $12,106 million of revenue for the year ended December 31, 2022, of which $7,359 million related to QxH, $2,528 million related to QVC International, $1,313 million related to Cornerstone Brands, Inc., and $906 million related to corporate and other revenue. The processing of these revenue streams is reliant upon multiple information technology (IT) systems and the IT systems differ between revenue streams.

We identified the evaluation of the sufficiency of audit evidence over revenue as a critical audit matter. Evaluating the sufficiency of audit evidence required subjective auditor judgment due to the number of revenue streams and the highly automated nature of certain processes to record revenue that involve interfacing significant volumes of data across multiple IT systems. The complexity of the IT environment required the involvement of IT professionals with specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over the processing and recording of revenue, including the IT systems tested. We evaluated the design and tested the operating effectiveness of certain internal controls related to the processing and recording of revenue. We involved IT professionals with specialized skills and knowledge who assisted in testing certain general IT, manual, and automated internal controls over the IT systems used for the processing and recording of revenue, as well as certain internal controls to reconcile information produced by the various systems to the Company's general ledger. We assessed the revenue recorded by comparing cash receipts, adjusted for reconciling items, to the revenue recorded in the general ledger. We evaluated the sufficiency of audit evidence obtained over revenue by assessing the results of procedures performed, including the appropriateness of such evidence.

Fair value of the QxH reporting unit and tradenames with indefinite lives

As discussed in Notes 2 and 5 to the consolidated financial statements, the Company's reporting units align with its operating segments and the QxH operating segment goodwill balance was $2,693 million as of December 31, 2022. Tradenames with indefinite lives were $2,698 million as of December 31, 2022. The Company performs goodwill and indefinite-lived intangible asset impairment testing on an annual basis and more frequently if events and circumstances indicated that the asset might be impaired. The fair value of the QxH reporting unit was determined using a discounted cash flow method, and a goodwill impairment of $2,535 million was recorded. The fair value of tradenames with indefinite lives was determined using the relief from royalty method, and an impairment of $180 million was recorded. Both impairment losses were recorded in the third quarter of 2022.

We identified the evaluation of the fair values of the QxH reporting unit and tradenames with indefinite lives as a critical audit matter. Subjective auditor judgment was required to evaluate the discount rates used to estimate the fair value of the QxH reporting unit and tradenames with indefinite lives. Minor changes in these assumptions could have had a significant impact on the fair values. Additionally, the evaluation of the discount rates required the involvement of professionals with specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's goodwill and indefinite-lived intangible assets impairment processes. This included a control related to the discount rate assumptions. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the discount rates used by management by comparing them to a range of independently developed discount rates using publicly available market data for comparable companies.

/s/ KPMG LLP

We have served as the Company's auditor since 1995.

Denver, Colorado
March 1, 2023

QURATE RETAIL, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

Assets	2022	2021
	amounts in millions	
Current assets:		
Cash and cash equivalents	$ 1,275	587
Trade and other receivables, net	1,394	1,679
Inventory, net	1,346	1,623
Indemnification agreement receivable	50	324
Other current assets	210	235
Total current assets	4,275	4,448
Property and equipment	1,661	2,601
Accumulated depreciation	(1,091)	(1,571)
	570	1,030
Intangible assets not subject to amortization (note 5):		
Goodwill	3,501	6,339
Tradenames	2,718	3,038
	6,219	9,377
Intangible assets subject to amortization, net (note 5)	612	745
Operating lease right-of-use assets (note 7)	585	351
Other assets, at cost, net of accumulated amortization	310	251
Total assets	$ 12,571	16,202

(continued)

QURATE RETAIL, INC. AND SUBSIDIARIES

Consolidated Balance Sheets (Continued)

December 31, 2022 and 2021

	2022	2021
	amounts in millions	
Liabilities and Equity		
Current liabilities:		
Accounts payable	$ 976	1,429
Accrued liabilities	1,133	1,236
Current portion of debt, including $614 million and $1,315 million measured at fair value (note 6)	828	1,315
Other current liabilities	162	244
Total current liabilities	3,099	4,224
Long-term debt (note 6)	5,525	5,674
Deferred income tax liabilities (note 8)	1,440	1,350
Preferred stock (note 9)	1,266	1,261
Operating lease liabilities (note 7)	518	303
Other liabilities	198	404
Total liabilities	12,046	13,216
Equity		
Stockholders' equity (note 9):		
Series A Qurate Retail common stock, $.01 par value. Authorized 4,000,000,000 shares; issued and outstanding 374,390,323 shares at December 31, 2022 and 371,132,684 shares at December 31, 2021	4	4
Series B Qurate Retail common stock, $.01 par value. Authorized 150,000,000 shares; issued and outstanding 8,373,512 shares at December 31, 2022 and 8,163,190 shares at December 31, 2021	—	—
Additional paid-in capital	53	—
Accumulated other comprehensive earnings (loss), net of taxes	18	(79)
Retained earnings	337	2,925
Total stockholders' equity	412	2,850
Noncontrolling interests in equity of subsidiaries	113	136
Total equity	525	2,986
Commitments and contingencies (note 14)		
Total liabilities and equity	$ 12,571	16,202

See accompanying notes to consolidated financial statements.

QURATE RETAIL, INC. AND SUBSIDIARIES

Consolidated Statements Of Operations

Years ended December 31, 2022, 2021 and 2020

	2022	2021	2020
	amounts in millions, except per share amounts		
Total revenue, net	$ 12,106	14,044	14,177
Operating costs and expenses:			
Cost of retail sales (exclusive of depreciation shown separately below)	8,417	9,231	9,291
Operating expense	835	875	867
Selling, general and administrative, including stock-based compensation	1,945	1,930	1,885
Impairment of intangible assets and long lived assets	3,081	363	—
Gains on sale leaseback transactions	(520)	—	—
Restructuring and fire related costs, net of (recoveries) (note 14)	(92)	21	—
Depreciation and amortization	481	537	562
	14,147	12,957	12,605
Operating income (loss)	(2,041)	1,087	1,572
Other income (expense):			
Interest expense	(456)	(468)	(408)
Share of earnings (losses) of affiliates, net	(1)	(94)	(156)
Realized and unrealized gains (losses) on financial instruments, net (note 4)	41	99	(110)
Gains (losses) on transactions, net	—	10	224
Tax sharing income (expense) with Liberty Broadband	79	10	(39)
Other, net	70	(6)	(32)
	(267)	(449)	(521)
Earnings (loss) from continuing operations before income taxes	(2,308)	638	1,051
Income tax (expense) benefit (note 8)	(224)	(217)	203
Net earnings (loss)	(2,532)	421	1,254
Less net earnings (loss) attributable to the noncontrolling interests	62	81	58
Net earnings (loss) attributable to Qurate Retail, Inc. shareholders	$ (2,594)	340	1,196
Basic net earnings (loss) attributable to Qurate Retail, Inc. shareholders per common share (note 2):	$ (6.83)	0.84	2.88
Diluted net earnings (loss) attributable to Qurate Retail, Inc. shareholders per common share (note 2):	$ (6.83)	0.82	2.84

See accompanying notes to consolidated financial statements.

QURATE RETAIL, INC. AND SUBSIDIARIES

Consolidated Statements Of Comprehensive Earnings (Loss)

Years ended December 31, 2022, 2021 and 2020

	2022	2021	2020
	amounts in millions		
Net earnings (loss)	$ (2,532)	421	1,254
Other comprehensive earnings (loss), net of taxes:			
Foreign currency translation adjustments	(182)	(128)	118
Recognition of previously unrealized losses (gains) on debt, net	(14)	(1)	(1)
Comprehensive earnings (loss) attributable to debt credit risk adjustments (note 13)	277	(36)	17
Other comprehensive earnings (loss)	81	(165)	134
Comprehensive earnings (loss)	(2,451)	256	1,388
Less comprehensive earnings (loss) attributable to the noncontrolling interests	46	67	65
Comprehensive earnings (loss) attributable to Qurate Retail, Inc. shareholders	$ (2,497)	189	1,323

See accompanying notes to consolidated financial statements.

QURATE RETAIL, INC. AND SUBSIDIARIES

Consolidated Statements Of Cash Flows

Years ended December 31, 2022, 2021 and 2020

	2022	2021	2020
	amounts in millions (See note 3)		
Cash flows from operating activities:			
Net earnings (loss)	$ (2,532)	421	1,254
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	481	537	562
Impairment of intangible assets	3,081	363	—
Stock-based compensation	60	72	64
Noncash interest expense	10	10	7
Share of (earnings) losses of affiliates, net	1	94	156
Realized and unrealized (gains) losses on financial instruments, net	(41)	(99)	110
(Gains) losses on sale leaseback transactions	(520)	—	—
(Gains) losses on transactions, net	—	(10)	(224)
Gain on insurance proceeds, net of fire related costs	(132)	—	—
(Gains) losses on extinguishment of debt	(8)	1	40
Deferred income tax expense (benefit)	12	(4)	(348)
Insurance proceeds received for inventory and operating losses	96	100	—
Other noncash charges (credits), net	(45)	22	8
Changes in operating assets and liabilities			
Decrease (increase) in accounts receivable	124	27	232
Decrease (increase) in inventory	254	(440)	133
Decrease (increase) in prepaid expenses and other assets	102	76	39
(Decrease) increase in trade accounts payable	(446)	147	185
(Decrease) increase in accrued and other liabilities	(303)	(92)	237
Net cash provided (used) by operating activities	194	1,225	2,455
Cash flows from investing activities:			
Cash proceeds from dispositions of investments	13	81	271
Investment in and loans to cost and equity investees	(7)	(202)	(119)
Capital expenditures	(268)	(244)	(257)
Expenditures for television distribution rights	(45)	(187)	(56)
Insurance proceeds for fixed assets	184	—	—
Proceeds from sale of fixed assets	704	54	—
Other investing activities, net	20	(3)	—
Net cash provided (used) by investing activities	601	(501)	(161)
Cash flows from financing activities:			
Borrowings of debt	3,029	1,037	1,300
Repayments of debt	(3,008)	(594)	(2,079)
Repurchases of Qurate Retail common stock	—	(365)	(70)
Withholding taxes on net share settlements of stock-based compensation	(7)	(29)	(7)
Payments for issuances of financial instruments	—	(694)	(69)
Proceeds from settlements of financial instruments	—	311	79
Dividends paid to noncontrolling interest	(68)	(60)	(62)
Dividends paid to common shareholders	(12)	(503)	(1,251)
Other financing activities, net	(6)	(17)	(22)
Net cash provided (used) by financing activities	(72)	(914)	(2,181)
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	(34)	(28)	20
Net increase (decrease) in cash, cash equivalents and restricted cash	689	(218)	133
Cash, cash equivalents and restricted cash at beginning of period	596	814	681
Cash, cash equivalents and restricted cash at end of period	$ 1,285	596	814

See accompanying notes to consolidated financial statements.

QURATE RETAIL, INC. AND SUBSIDIARIES

Consolidated Statements Of Equity

Years ended December 31, 2022, 2021 and 2020

	Stockholders' Equity						
	Series A	Series B	Additional paid-in capital	Accumulated other comprehensive earnings (loss), net of taxes	Retained Earnings	Noncontrolling interest in equity of subsidiaries	Total equity
				amounts in millions			
Balance at December 31, 2019	$ 4	—	—	(55)	4,855	132	4,936
Net earnings (loss)	—	—	—	—	1,196	58	1,254
Other comprehensive earnings (loss)	—	—	—	127	—	7	134
Stock-based compensation	—	—	59	—	—	—	59
Series A Qurate Retail stock repurchases	—	—	(70)	—	—	—	(70)
Distribution to noncontrolling interest	—	—	—	—	—	(62)	(62)
Distribution of dividends to common and preferred shareholders	—	—	—	—	(2,541)	—	(2,541)
Other	—	—	(21)	—	—	—	(21)
Reclassification	—	—	32	—	(32)	—	—
Balance at December 31, 2020	4	—	—	72	3,478	135	3,689
Net earnings (loss)	—	—	—	—	340	81	421
Other comprehensive earnings (loss)	—	—	—	(151)	—	(14)	(165)
Stock-based compensation	—	—	67	—	—	—	67
Series A Qurate Retail stock repurchases	—	—	(434)	—	—	—	(434)
Distribution to noncontrolling interest	—	—	—	—	—	(66)	(66)
Withholding taxes on net share settlements of stock-based compensation	—	—	(29)	—	—	—	(29)
Distribution of dividends to common and preferred shareholders	—	—	—	—	(499)	—	(499)
Other	—	—	2	—	—	—	2
Reclassification	—	—	394	—	(394)	—	—
Balance at December 31, 2021	4	—	—	(79)	2,925	136	2,986
Net earnings (loss)	—	—	—	—	(2,594)	62	(2,532)
Other comprehensive earnings (loss)	—	—	—	97	—	(16)	81
Stock-based compensation	—	—	58	—	—	—	58
Distribution to noncontrolling interest	—	—	—	—	—	(69)	(69)
Withholding taxes on net share settlements of stock-based compensation	—	—	(7)	—	—	—	(7)
Distribution of dividends to common and preferred shareholders	—	—	—	—	6	—	6
Other	—	—	2	—	—	—	2
Balance at December 31, 2022	$ 4	—	53	18	337	113	525

See accompanying notes to consolidated financial statements.

(1) Basis of Presentation

The accompanying consolidated financial statements include the accounts of Qurate Retail, Inc. (or “Liberty”) and its controlled subsidiaries (collectively, "Qurate Retail," the "Company," “we,” “us,” and “our”) unless the context otherwise requires). All significant intercompany accounts and transactions have been eliminated in consolidation. Qurate Retail is made up of wholly-owned subsidiaries QVC, Inc. (“QVC”), Cornerstone Brands, Inc. (“CBI”), Zulily, LLC (“Zulily”), and other cost and equity method investments, and is primarily engaged in the video and online commerce industries in North America, Europe and Asia.

Qurate Retail and GCI Liberty, Inc. (“GCI Liberty”) entered into a tax sharing agreement in connection with a split-off transaction that occurred in the first quarter of 2018 (the “GCI Liberty Split-Off”). Pursuant to that tax sharing agreement, GCI Liberty agreed to indemnify Qurate Retail for taxes and tax-related losses resulting from the GCI Liberty Split-Off to the extent such taxes or tax-related losses (i) result primarily from, individually or in the aggregate, the breach of certain restrictive covenants made by GCI Liberty (applicable to actions or failures to act by GCI Liberty and its subsidiaries following the completion of the GCI Liberty Split-Off), or (ii) result from Section 355(e) of the Internal Revenue Code applying to the GCI Liberty Split-Off as a result of the GCI Liberty Split-Off being part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, a 50-percent or greater interest (measured by vote or value) in the stock of GCI Liberty (or any successor corporation). Following a merger between Liberty Broadband Corporation (“Liberty Broadband”) and GCI Liberty, Liberty Broadband has assumed the tax sharing agreement. Qurate Retail had a tax sharing payable of approximately $18 million and $96 million as of December 31, 2022 and 2021, respectively, included in Other liabilities in the consolidated balance sheets.

Qurate Retail and Liberty Media Corporation (“LMC”) entered into certain agreements in order to govern certain of the ongoing relationships between the two companies. These agreements include a reorganization agreement, a services agreement (the “Services Agreement”) and a facilities sharing agreement (the “Facilities Sharing Agreement”). Pursuant to the Services Agreement, LMC provides Qurate Retail with general and administrative services including legal, tax, accounting, treasury and investor relations support. See below for a description of an amendment to the Services Agreement entered into in December 2019. Qurate Retail reimburses LMC for direct, out-of-pocket expenses incurred by LMC in providing these services and for Qurate Retail's allocable portion of costs associated with any shared services or personnel based on an estimated percentage of time spent providing services to Qurate Retail. Under the Facilities Sharing Agreement, Qurate Retail shares office space with LMC and related amenities at LMC's corporate headquarters. Under these various agreements approximately $7 million, $10 million and $9 million of these allocated expenses were reimbursable from Qurate Retail to LMC for the years ended December 31, 2022, 2021 and 2020, respectively.

In December 2019, the Company entered into an amendment to the Services Agreement in connection with LMC’s entry into a new employment arrangement with Gregory B. Maffei, the Company’s Chairman of the Board of Directors (the “Chairman”). Under the amended Services Agreement, components of his compensation would either be paid directly to him by each of the Company, Liberty TripAdvisor Holdings, Inc. (“Liberty TripAdvisor”), and Liberty Broadband (collectively, the “Service Companies”) or reimbursed to LMC, in each case, based on allocations among LMC and the Service Companies set forth in the amended Services Agreement. This allocation percentage will be determined based on a combination of (1) relative market capitalizations, weighted 50%, and (2) a blended average of historical time allocation on a Liberty Media-wide and CEO basis, weighted 50%, in each case, absent agreement to the contrary by LMC and the Service Companies in consultation with the CEO. The allocation percentage will then be adjusted annually and following certain events. For the years ended December 31, 2022 and 2021, the allocation percentage for the Company was 13% and 17%. The amended Services Agreement provides for a five year employment term which began on January 1, 2020 and ends December 31, 2024, with an aggregate annual base salary of $3 million (with no contracted increase), an aggregate one-time cash commitment bonus of $5 million (paid in December 2019), an aggregate annual target cash performance bonus of $17 million, aggregate annual equity awards of $17.5 million and aggregate equity awards granted in connection with his entry into his new agreement of $90 million (the "upfront awards"). A portion of the grants made to our Chairman during the years ended December 31, 2020 and 2019 related to our Company's allocable portion of these upfront awards.

Management is not presently aware of any events or circumstances arising from the COVID-19 pandemic that would require the Company to update the estimates, judgments or revise the carrying value of our assets or liabilities. Management's estimates may change, however, as new events occur and additional information is obtained, and any such changes will be recognized in the consolidated financial statements. Actual results could differ from estimates, and any such differences may be material to our financial statements.

On August 21, 2020, Qurate Retail announced that an authorized committee of its Board of Directors had declared a special dividend (the "Special Dividend") on each outstanding share of its Series A and Series B common stock consisting of (i) cash in the amount of $1.50 per common share, for an aggregate cash dividend of approximately $626 million, and (ii) 0.03 shares of newly issued 8.0% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Preferred Stock"), having an initial liquidation price of $100 per share of Preferred Stock, with cash paid in lieu of fractional shares. The distribution ratio for the Preferred Stock portion of the Special Dividend was equivalent to $3.00 in initial liquidation preference per common share, for an aggregate issuance of approximately $1.3 billion aggregate liquidation preference. The dividend was distributed on September 14, 2020 to holders of record of Qurate Retail's Series A and Series B common stock. Holders of the Preferred Stock are entitled to receive quarterly cash dividends at a fixed rate of 8.0% per year on a cumulative basis, beginning December 15, 2020 and thereafter on each of March 15, June 15, September 15 and December 15 during the term. The Preferred Stock is non-voting, except in limited circumstances as required by law, and subject to a mandatory redemption on March 15, 2031.

On November 20, 2020, Qurate Retail announced that an authorized committee of its board of directors (the "Board of Directors") declared a special cash dividend (the "December Special Dividend") in the amount of $1.50 per common share, for an aggregate dividend of approximately $625 million, payable in cash on December 7, 2020 to stockholders of record of the Company's Series A and Series B common stock at the close of business on November 30, 2020.

On November 4, 2021, Qurate Retail announced that its Board of Directors declared a special cash dividend (the "November Special Dividend") in the amount of $1.25 per common share for an aggregate cash dividend of approximately $488 million based on shares outstanding as of October 31, 2021. The dividend was payable on November 22, 2021 to stockholders of record of Qurate Retail's Series A and Series B common stock as of the close of business on November 15, 2021.

During the year ended December 31, 2020, the Company recognized a gain as a result of the sale of one of its alternative energy investments. The Company received total cash consideration of $272 million and recorded a gain of $224 million on the sale.

Revision of Prior Period Financial Information

The Company has revised its consolidated financial statements and related notes included herein to correct immaterial errors in depreciation expense reported in periods prior to 2020, along with deferred tax adjustments reported in 2020 and periods prior to 2020. Revisions have been reflected in the comparative 2021 financial statements to reduce property and equipment, net by $47 million and reduce deferred income tax liabilities by $3 million, and revisions have been reflected in the comparative 2020 financial statements to reduce the opening January 1, 2020 retained earnings balance by $36 million and reduce the deferred tax benefit by $8 million.

(2) Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash equivalents consist of investments which are readily convertible into cash and have maturities of three months or less at the time of acquisition.

Trade Receivables

Trade receivables are reflected net of an allowance for credit losses and sales returns. A provision for bad debts is provided as a percentage of accounts receivable based on historical experience in the period of sale and included in selling, general and administrative expense. A provision for vendor receivables are determined based on an estimate of probable expected losses and included in cost of goods sold.

A summary of activity in the allowance for credit losses is as follows:

	Balance beginning of year	Additions		Deductions-write-offs	Balance end of year
		Charged to expense	Other		
	amounts in millions				
2022	$ 107	82	(1)	(77)	111
2021	$ 132	55	—	(80)	107
2020	$ 129	92	—	(89)	132

Inventory

Inventory, consisting primarily of products held for sale, is stated at the lower of cost or market. Cost is determined by the average cost method, which approximates the first-in, first-out method. Assessments about the realizability of inventory require the Company to make judgments based on currently available information about the likely method of disposition including sales to individual customers, returns to product vendors, liquidations and the estimated recoverable values of each disposition category. Inventory is stated net of inventory obsolescence reserves of $154 million and $135 million for the years ended December 31, 2022 and 2021, respectively.

Investments

All marketable equity and debt securities held by the Company are carried at fair value, generally based on quoted market prices and changes in the fair value of such securities are reported in realized and unrealized gain (losses) on financial instruments in the accompanying consolidated statements of operations. The Company elected the measurement alternative (defined as the cost of the security, adjusted for changes in fair value when there are observable prices, less impairments) for its equity securities without readily determinable fair values. The Company had no equity securities for which it elected the fair value option as of December 31, 2022 and 2021.

For those investments in affiliates in which the Company has the ability to exercise significant influence, the equity method of accounting is used, except in situations where the fair value option has been selected. Under the equity method of accounting, the investment, originally recorded at cost, is adjusted to recognize the Company's share of net earnings or losses of the affiliate as they occur rather than as dividends or other distributions are received. Losses are limited to the extent of the Company's investment in, advances to and commitments for the investee. In the event the

Company is unable to obtain accurate financial information from an equity affiliate in a timely manner, the Company records its share of earnings or losses of such affiliate on a lag.

The Company performs a qualitative assessment annually for its equity securities without readily determinable fair values to identify whether an equity security could be impaired. When our qualitative assessment indicates that an impairment could exist, we estimate the fair value of the investment and to the extent the fair value is less than the carrying value, we record the difference as an impairment in the consolidated statements of operations.

Derivative Instruments and Hedging Activities

All of the Company's derivatives, whether designated in hedging relationships or not, are recorded on the balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. If the derivative is designated as a cash flow hedge, the effective portions of changes in the fair value of the derivative are recorded in other comprehensive earnings and are recognized in the statements of operations when the hedged item affects earnings. Ineffective portions of changes in the fair value of cash flow hedges are recognized in earnings. If the derivative is not designated as a hedge, changes in the fair value of the derivative are recognized in earnings.

The Company generally enters into derivative contracts that it intends to designate as a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). For all hedging relationships, the Company formally documents the hedging relationship and its risk management objective and strategy for undertaking the hedge, the hedging instrument, the hedged item, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method of measuring ineffectiveness. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting cash flows of hedged items. Changes in the fair value of a derivative that is highly effective and that is designated and qualifies as a cash flow hedge are recorded in accumulated other comprehensive income to the extent that the derivative is effective as a hedge, until earnings are affected by the variability in cash flows of the designated hedged item. The ineffective portion of the change in fair value of a derivative instrument that qualifies as a cash flow hedge is reported in earnings.

Property and Equipment

Property and equipment consisted of the following:

	December 31, 2022	December 31, 2021
	amounts in millions	
Land	$ 73	116
Buildings and improvements	453	998
Support equipment	1,041	1,155
Projects in progress	77	55
Finance lease right-of-use ("ROU") assets	17	277
Total property and equipment	$ 1,661	2,601

Property and equipment, including significant improvements, is stated at amortized cost, less impairment losses, if any. Depreciation is computed using the straight-line method using estimated useful lives of 2 to 8 years for support equipment and 8 to 20 years for buildings and improvements. Depreciation expense for the years ended December 31, 2022, 2021 and 2020 was $158 million, $167 million and $199 million, respectively.

Intangible Assets

Intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment upon certain triggering events. Goodwill and other intangible assets with indefinite useful lives (collectively, "indefinite lived intangible assets") are not amortized, but instead are tested for impairment at least annually. Our annual impairment assessment of our indefinite-lived intangible assets is performed during the fourth quarter of each year.

In evaluating goodwill on a qualitative basis, the Company reviews the business performance of each reporting unit and evaluates other relevant factors as identified in the relevant accounting guidance to determine whether it was more likely than not that an indicated impairment exists for any of our reporting units. A reporting unit is defined in accounting guidance in accordance with U.S. generally accepted accounting principles ("GAAP") as an operating segment or one level below an operating segment (also known as a component). A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and segment management regularly reviews the operating results of that component. The Company considers its reporting units to align with its operating segments. The Company considers whether there are any negative macroeconomic conditions, industry specific conditions, market changes, increased competition, increased costs in doing business, management challenges, the legal environments and how these factors might impact company specific performance in future periods. As part of the analysis the Company also considers fair value determinations for certain reporting units that have been made at various points throughout the current year and prior year for other purposes. If based on the qualitative analysis it is more likely than not that an impairment exists, the Company performs the quantitative impairment test.

The quantitative goodwill impairment test compares the estimated fair value of a reporting unit to its carrying value. Developing estimates of fair value requires significant judgments, including making assumptions about appropriate discount rates, perpetual growth rates, relevant comparable market multiples, public trading prices and the amount and timing of expected future cash flows. The cash flows employed in Qurate Retail's valuation analyses are based on management's best estimates considering current marketplace factors and risks as well as assumptions of growth rates in future years. There is no assurance that actual results in the future will approximate these forecasts.

The accounting guidance also permits entities to first perform a qualitative assessment to determine whether it is more likely than not that an indefinite-lived intangible asset, other than goodwill, is impaired. The accounting guidance also allows entities the option to bypass the qualitative assessment for any indefinite-lived intangible asset in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period. If the qualitative assessment supports that it is more likely than not that the carrying value of the Company's indefinite-lived intangible assets, other than goodwill, exceeds its fair value, then a quantitative assessment is performed. If the carrying value of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess.

Impairment of Long-lived Assets

The Company periodically reviews the carrying amounts of its property and equipment and its intangible assets (other than goodwill and indefinite-lived intangible assets) to determine whether current events or circumstances indicate that such carrying amounts may not be recoverable. If the carrying amount of the asset group is greater than the expected undiscounted cash flows to be generated by such asset group, including its ultimate disposition, an impairment adjustment is to be recognized. Such adjustment is measured by the amount that the carrying value of such asset groups exceeds their fair value. The Company generally measures fair value by considering sale prices for similar asset groups or by discounting estimated future cash flows using an appropriate discount rate. Considerable management judgment is necessary to estimate the fair value of asset groups. Accordingly, actual results could vary significantly from such estimates. Asset groups to be disposed of are carried at the lower of their financial statement carrying amount or fair value less costs to sell.

Noncontrolling Interests

The Company reports noncontrolling interests of subsidiaries within equity in the balance sheet and the amount of consolidated net income attributable to the parent and to the noncontrolling interest is presented in the statements of operations. Also, changes in ownership interests in subsidiaries in which the Company maintains a controlling interest are recorded in equity.

Foreign Currency Translation

The functional currency of the Company is the U.S. Dollar. The functional currency of the Company's foreign operations generally is the applicable local currency for each foreign subsidiary. Assets and liabilities of foreign subsidiaries are translated at the spot rate in effect at the applicable reporting date, and the consolidated statements of operations are translated at the average exchange rates in effect during the applicable period. The resulting unrealized cumulative translation adjustment, net of applicable income taxes, is recorded as a component of accumulated other comprehensive earnings in stockholders' equity.

Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses which are reflected in the accompanying consolidated statements of operations and comprehensive earnings (loss) as unrealized (based on the applicable period-end exchange rate) or realized upon settlement of the transactions. These realized and unrealized gains and losses are reported in the Other, net line item in the consolidated statements of operations.

Revenue Recognition

Disaggregated revenue by segment and product category consisted of the following:

	Year ended December 31, 2022				
	QxH	QVC Int'l	CBI	Corp and other	Total
	amounts in millions				
Home	$ 2,866	998	1,112	241	5,217
Apparel	1,243	445	201	351	2,240
Beauty	1,108	579	—	42	1,729
Accessories	867	217	—	210	1,294
Electronics	775	92	—	7	874
Jewelry	311	185	—	32	528
Other revenue	189	12	—	23	224
Total Revenue	$ 7,359	2,528	1,313	906	12,106

	Year ended December 31, 2021				
	QxH	QVC Int'l	CBI	Corp and other	Total
	amounts in millions				
Home	$ 3,278	1,237	1,038	440	5,993
Apparel	1,291	492	199	559	2,541
Beauty	1,223	723	—	66	2,012
Accessories	980	265	—	295	1,540
Electronics	964	119	—	13	1,096
Jewelry	359	228	—	50	637
Other revenue	182	13	1	29	225
Total Revenue	$ 8,277	3,077	1,238	1,452	14,044

	Year ended December 31, 2020				
	QxH	QVC Int'l	CBI	Corp and other	Total
	amounts in millions				
Home	$ 3,529	1,199	903	490	6,121
Beauty	1,261	724	—	73	2,058
Apparel	1,170	437	167	583	2,357
Accessories	944	260	—	394	1,598
Electronics	1,069	122	—	17	1,208
Jewelry	363	216	—	51	630
Other revenue	169	9	—	27	205
Total Revenue	$ 8,505	2,967	1,070	1,635	14,177

Consumer Product Revenue and Other Revenue. Qurate Retail's revenue includes sales of consumer products in the following categories: home, beauty, apparel, accessories, electronics and jewelry, which are primarily sold through live merchandise-focused televised shopping programs and via our websites and other interactive media, including catalogs.

Other revenue consists primarily of income generated from our company branded credit cards in which a large consumer financial services company provides revolving credit directly to the Company's customers for the sole purpose of purchasing merchandise or services with these cards. In return, the Company receives a portion of the net economics of the credit card program.

Revenue Recognition. Revenue is recognized when obligations with our customers are satisfied; generally this occurs at the time of shipment to our customers consistent with when control of the shipped product passes. The recognized revenue reflects the consideration we expect to receive in exchange for transferring goods, net of allowances for returns.

The Company recognizes revenue related to its company branded credit cards over time as the credit cards are used by Qurate Retail's customers.

Sales, value add, use and other taxes we collect concurrent with revenue-producing activities are excluded from revenue.

The Company has elected to treat shipping and handling activities that occur after the customer obtains control of the goods as a fulfillment cost and not as a promised good or service. Accordingly, the Company accrues the related shipping costs and recognizes revenue upon delivery of goods to the shipping carrier. In electing this accounting policy, all shipping and handling activities are treated as fulfillment costs.

The Company generally has payment terms with its customers of one year or less and has elected the practical expedient applicable to such contracts not to consider the time value of money.

Significant Judgments. Qurate Retail's products are generally sold with a right of return and we may provide other credits or incentives, which are accounted for as variable consideration when estimating the amount of revenue to recognize. Returns and credits are estimated at contract inception and updated at the end of each reporting period as additional information becomes available. The Company has determined that it is the principal in vendor arrangements as the Company can establish control over the goods prior to shipment. Accordingly, the Company records revenue for these arrangements on a gross basis.

An allowance for returned merchandise is provided as a percentage of sales based on historical experience. Sales tax collected from customers on retail sales is recorded on a net basis and is not included in revenue.

A summary of activity in the allowance for sales returns, is as follows:

	Balance beginning of year	Additions - charged to earnings	Deductions	Balance end of year
	amounts in millions			
2022	$ 274	1,917	(1,976)	215
2021	$ 300	2,145	(2,171)	274
2020	$ 261	2,188	(2,149)	300

Cost of Retail Sales

Cost of retail sales sold primarily includes actual product cost, provision for obsolete inventory, buying allowances received from suppliers, shipping and handling costs and warehouse costs.

Advertising Costs

Advertising costs generally are expensed as incurred. Advertising expense aggregated $548 million, $560 million and $440 million for the years ended December 31, 2022, 2021 and 2020, respectively. Advertising costs are reflected in the selling, general and administrative ("SG&A"), including stock-based compensation line item in our consolidated statements of operations.

Stock-Based Compensation

As more fully described in note 11, the Company has granted to its directors, employees and employees of its subsidiaries options, restricted stock and stock appreciation rights relating to shares of Qurate Retail and/or Liberty Ventures common stock ("Qurate Retail common stock") (collectively, "Awards"). The Company measures the cost of employee services received in exchange for an Award of equity instruments (such as stock options and restricted stock) based on the grant-date fair value ("GDFV") of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). The Company measures the cost of employee services received in exchange for an Award of liability instruments (such as stock appreciation rights that will be settled in cash) based on the current fair value of the Award, and remeasures the fair value of the Award at each reporting date.

Stock compensation expense, which was included in SG&A expense in the accompanying consolidated statements of operations, was $60 million, $72 million and $64 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying value amounts and income tax bases of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards. The deferred tax assets and liabilities are calculated using enacted tax rates in effect for each taxing jurisdiction in which the Company operates for the year in which those temporary differences are expected to be recovered or settled. Net deferred tax assets are then reduced by a valuation allowance if the Company believes it more likely than not such net deferred tax assets will not be realized. The effect on deferred tax assets and liabilities of an enacted change in tax rates is recognized in income in the period that includes the enactment date.

When the tax law requires interest to be paid on an underpayment of income taxes, the Company recognizes interest expense from the first period the interest would begin accruing according to the relevant tax law. Such interest expense is included in interest expense in the accompanying consolidated statements of operations. Any accrual of penalties related to underpayment of income taxes on uncertain tax positions is included in other income (expense) in the accompanying consolidated statements of operations.

Leases

The Company has operating leases, finance leases, and has entered into sale leaseback transactions. Refer to note 7 for a discussion on accounting for leases and other financial disclosures.

Earnings (Loss) Attributable to Qurate Retail Stockholders and Earnings (Loss) Per Common Share

Basic earnings (loss) per common share ("EPS") is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding ("WASO") for the period. Diluted EPS presents the dilutive effect on a per share basis of potential common shares as if they had been converted at the beginning of the periods presented.

Series A and Series B Qurate Retail Common Stock

EPS for all periods through December 31, 2022, is based on the following WASO. Excluded from diluted EPS for the years ended December 31, 2022, 2021 and 2020 are approximately 33 million, 24 million and 28 million potentially dilutive common shares, respectively, because their inclusion would be antidilutive.

	Years ended December 31,		
	2022	2021	2020
	number of shares in millions		
Basic WASO	380	403	416
Potentially dilutive shares	3	12	5
Diluted WASO	383	415	421

Reclasses and adjustments

Certain prior period amounts have been reclassified for comparability with the current year presentation.

As a result of repurchases of Series A Qurate Retail common stock, the Company's additional paid-in capital balance was in a deficit position in certain quarterly periods during the years ended December 31, 2021 and 2020. In order to maintain a zero balance in the additional paid-in capital account, we reclassified the amount of the deficit at December 31, 2021 and 2020 to retained earnings.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Qurate Retail considers (i) fair value measurements of non-financial instruments, (ii) accounting for income taxes and (iii) estimates of retail-related adjustments and allowances to be its most significant estimates.

(3) Supplemental Disclosures to Consolidated Statements of Cash Flows

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Cash paid for interest	$ 447	458	392
Cash paid for income taxes, net	$ 284	29	116

The following table reconciles cash, cash equivalents and restricted cash reported in our consolidated balance sheets to the total amount presented in our consolidated statements of cash flows:

	December 31,	
	2022	2021
	amounts in millions	
Cash and cash equivalents	$ 1,275	587
Restricted cash included in other current assets	10	9
Total cash, cash equivalents and restricted cash in the consolidated statement of cash flows	$ 1,285	596

(4) Assets and Liabilities Measured at Fair Value

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs, other than quoted market prices included within Level 1, are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The Company does not have any recurring assets or liabilities measured at fair value that would be considered Level 3.

The Company's assets and liabilities measured at fair value are as follows:

	December 31, 2022			December 31, 2021		
Description	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
	amounts in millions					
Cash equivalents	$ 938	938	—	149	149	—
Indemnification asset	$ 50	—	50	324	—	324
Debt	$ 614	—	614	1,315	—	1,315

The majority of the Company's Level 2 financial assets and liabilities are debt instruments with quoted market prices that are not considered to be traded on "active markets," as defined in GAAP. Accordingly, the debt instruments are reported in the foregoing table as Level 2 fair value.

Pursuant to an indemnification agreement initially entered into by GCI Liberty and assumed by Liberty Broadband in connection with a merger between the two companies, Liberty Broadband has agreed to indemnify Liberty Interactive LLC ("LI LLC") for certain payments made to holders of LI LLC's 1.75% Exchangeable Debentures due 2046 (the "1.75% Exchangeable Debentures"). An indemnity asset in the amount of $281 million was recorded upon completion of the GCI Liberty Split-Off. The remaining indemnification to LI LLC for certain payments made to holders of the 1.75% Exchangeable Debentures pertains to the holders' ability to exercise their exchange right according to the terms of the debentures on or before October 5, 2023. Such amount will equal the difference between the exchange value and the sum of the adjusted principal amount of the 1.75% Exchangeable Debentures and estimated tax benefits resulting from the exchange, if any, at the time the exchange occurs. The indemnification asset recorded in the consolidated balance sheets as of December 31, 2022 represents the fair value of the estimated exchange feature included in the 1.75% Exchangeable Debentures primarily based on observable market data as significant inputs (Level 2). As of December 31, 2022, a holder of the 1.75% Exchangeable Debentures has the ability to put their debentures on October 5, 2023, and accordingly, such indemnification asset is included as a current asset in our consolidated balance sheet as of December 31, 2022.

Realized and Unrealized Gains (Losses) on Financial Instruments

Realized and unrealized gains (losses) on financial instruments are comprised of changes in the fair value of the following:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Equity securities	$ 13	77	(1)
Exchangeable senior debentures	310	(130)	(277)
Indemnification asset	(273)	(21)	143
Other financial instruments	(9)	173	25
	$ 41	99	(110)

The Company has elected to account for its exchangeable debt using the fair value option. Changes in the fair value of the exchangeable senior debentures recognized in the consolidated statement of operations are primarily due to market factors primarily driven by changes in the fair value of the underlying shares into which the debt is exchangeable. The Company isolates the portion of the unrealized gain (loss) attributable to the change in the instrument specific credit risk and recognizes such amount in other comprehensive earnings (loss). The change in the fair value of the exchangeable senior debentures attributable to changes in the instrument specific credit risk were gains of $341 million, losses of $44 million and gains of $21 million, net of the recognition of previously unrecognized gains and losses, for the years ended December 31, 2022, 2021, and 2020, respectively. The cumulative change was a gain of $489 million as of December 31, 2022, net of the recognition of previously unrecognized gains and losses.

(5) Goodwill and Other Intangible Assets

Goodwill

Changes in the carrying amount of goodwill are as follows:

	QxH	QVC International	CBI	Corporate and Other	Total
	amounts in millions				
Balance at January 1, 2021	$ 5,228	921	12	477	6,638
Foreign currency translation adjustments	—	(66)	—	—	(66)
Impairments	—	—	—	(233)	(233)
Balance at December 31, 2021	5,228	855	12	244	6,339
Foreign currency translation adjustments	—	(77)	—	—	(77)
Impairments	(2,535)	—	—	(226)	(2,761)
Balance at December 31, 2022	$ 2,693	778	12	18	3,501

As presented in the accompanying consolidated balance sheets, tradenames is the other significant indefinite lived intangible asset, $2,698 million of which related to the QxH segment.

Intangible Assets Subject to Amortization

Intangible assets subject to amortization are comprised of the following:

	December 31, 2022			December 31, 2021		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	amounts in millions					
Television distribution rights	$ 664	(592)	72	818	(673)	145
Customer relationships	3,307	(3,120)	187	3,321	(3,087)	234
Other	1,473	(1,120)	353	1,443	(1,077)	366
Total	$ 5,444	(4,832)	612	5,582	(4,837)	745

The weighted average life of these amortizable intangible assets was approximately 9 years at the time of acquisition. However, amortization is expected to match the usage of the related asset and will be on an accelerated basis as demonstrated in table below.

Amortization expense for intangible assets with finite useful lives was $323 million, $352 million and $363 million for the years ended December 31, 2022, 2021 and 2020, respectively. Based on its amortizable intangible assets as of December 31, 2022, Qurate Retail expects that amortization expense will be as follows for the next five years (amounts in millions):

2023	$ 274
2024	$ 184
2025	$ 97
2026	$ 51
2027	$ 3

Impairments

During the third quarter of 2022, as a result of financial performance of certain subsidiary businesses, macroeconomic conditions including inflation and higher interest rates and a decline in the Company's stock price, the Company initiated a process to evaluate those subsidiaries' current business models and long-term business strategies. It was determined during the third quarter of 2022 that an indication of impairment existed for the QxH and Zulily reporting units related to their tradenames and goodwill. With the assistance of a third party specialist, the fair value of the tradenames was determined using the relief from royalty method, primarily using a discounted cash flow model using QxH's and Zulily's projections of future operating performance (income approach) and applying a royalty rate (market approach) (Level 3), and impairments in the amounts of $180 million and $140 million for QxH (related to the tradename associated with the HSN brand) and Zulily, respectively, were recorded during the third quarter of 2022, in the impairment of intangible assets line item in the consolidated statements of operations. With the assistance of a third party specialist, the fair value of the QxH and Zulily reporting units was determined using a discounted cash flow method (Level 3), and goodwill impairments in the amounts of $2,535 million and $226 million for QxH and Zulily, respectively, were recorded during the third quarter of 2022, in the impairment of intangible assets line item in the consolidated statements of operations.

Additionally, during the fourth quarter of 2021, Zulily's business deteriorated significantly. The same process discussed above was followed and as a result, an impairment of the tradename and goodwill for the amounts of $130 million and $233 million, respectively, were recorded in the impairment of intangible assets and long lived assets line item in the consolidated statements of operations.

After the triggering event and impairment loss recorded during the third quarter of 2022, the Company performed a qualitative goodwill impairment analysis during its annual impairment assessment in the fourth quarter of 2022 and no further impairment was identified. Based on the impairment losses recorded during the year, the estimated fair values of the HSN and Zulily tradenames and the QxH and Zulily reporting units do not significantly exceed their carrying values as of December 31, 2022.

As of December 31, 2022 the Company had accumulated goodwill impairment losses of $899 million attributed to the Zulily reporting unit and goodwill impairment losses of $2,535 million attributed to the QxH reporting unit.

(6) Debt

Debt is summarized as follows:

	Outstanding principal December 31, 2022	Carrying value December 31, 2022	Carrying value December 31, 2021
		amounts in millions	
Corporate level debentures			
8.5% Senior Debentures due 2029	$ 287	286	286
8.25% Senior Debentures due 2030	505	503	503
4% Exchangeable Senior Debentures due 2029	354	134	328
3.75% Exchangeable Senior Debentures due 2030	430	157	347
1.75% Exchangeable Senior Debentures due 2046	330	323	640
Subsidiary level notes and facilities			
QVC 4.375% Senior Secured Notes due 2023	214	214	750
QVC 4.85% Senior Secured Notes due 2024	600	600	600
QVC 4.45% Senior Secured Notes due 2025	600	599	599
QVC 4.75% Senior Secured Notes due 2027	575	575	575
QVC 4.375% Senior Secured Notes due 2028	500	500	500
QVC 5.45% Senior Secured Notes due 2034	400	399	399
QVC 5.95% Senior Secured Notes due 2043	300	300	300
QVC 6.375% Senior Secured Notes due 2067	225	225	225
QVC 6.25% Senior Secured Notes due 2068	500	500	500
QVC Bank Credit Facilities	1,075	1,075	481
Deferred loan costs	—	(37)	(44)
Total consolidated Qurate Retail debt	$ 6,895	6,353	6,989
Less debt classified as current		(828)	(1,315)
Total long-term debt		$ 5,525	5,674

Exchangeable Senior Debentures

Each $1,000 debenture of LI LLC’s 4% Exchangeable Senior Debentures due 2029 was exchangeable at the holder's option for the value of 3.2265 shares of Sprint Corporation (“Sprint”) common stock and 0.7860 shares of Lumen Technologies, Inc. (“Lumen Technologies”) (formerly known as CenturyLink, Inc.) common stock. On April 1, 2020, T-Mobile US, Inc. (“T-Mobile”) completed its acquisition of Sprint Corporation (“TMUS/S Acquisition”) for 0.10256 shares of T-Mobile for every share of Sprint Corporation. Following the TMUS/S Acquisition, the reference shares attributable to each $1,000 original principal amount of the 4.0% Senior Exchangeable Debentures due 2029 consist of 0.3309 shares of common stock of T-Mobile, and 0.7860 shares of common stock of Lumen Technologies. LI LLC may, at its election, pay the exchange value in cash, Sprint and Lumen Technologies common stock or a combination thereof. LI LLC, at its option, may redeem the debentures, in whole or in part, for cash generally equal to the principal amount of the debentures plus accrued interest. As a result of various principal payments made to holders of the 4% Exchangeable Senior Debentures, the adjusted principal amount of each $1,000 debenture is $910 as of December 31, 2022.

Each $1,000 debenture of LI LLC's 3.75% Exchangeable Senior Debentures due 2030 was exchangeable at the holder's option for the value of 2.3578 shares of Sprint common stock and 0.5746 shares of Lumen Technologies common stock. Following the TMUS/S Acquisition, each $1,000 debenture of LI LLC’s 3.75% Exchangeable Senior Debentures is exchangeable at the holder’s option for the value of 0.2419 shares of T-Mobile common stock and 0.5746 shares of

Lumen Technologies common stock. LI LLC may, at its election, pay the exchange value in cash, Sprint and Lumen Technologies common stock or a combination thereof. LI LLC, at its option, may redeem the debentures, in whole or in part, for cash generally equal to the principal amount of the debentures plus accrued interest. As a result of various principal payments made to holders of the 3.75% Exchangeable Senior Debentures, the adjusted principal amount of each $1,000 debenture is $936 as of December 31, 2022. On February 15, 2023, the Company completed the semiannual interest payment of $18.75 per $1,000 debenture and made an additional distribution of $0.14365 per debenture, resulting in an ending principal amount for each $1,000 debenture of $934 as of February 15, 2023.

LI LLC issued the 1.75% Exchangeable Debentures. Each $1,000 debenture is exchangeable at the holder's option for the value of 2.9317 shares of Charter Class A common stock. LI LLC may, at its election, pay the exchange value in cash, Charter Class A common stock or a combination thereof. The number of shares of Charter Class A common stock attributable to a debenture represents an initial exchange price of approximately $341.10 per share. On and after October 5, 2023, LI LLC, at its option, may redeem the debentures, in whole or in part, for cash generally equal to the principal amount of the debentures plus accrued interest. See note 4 for additional information about these debentures.

As part of a common control transaction with QVC completed in December 2020, QVC Global Corporate Holdings, LLC ("QVC Global"), a subsidiary of QVC, became the primary co-obligor of LI LLC's 3.5% Exchangeable Senior Debentures (the "Motorola Exchangeables"), allowing the Motorola Exchangeables to be serviced direct by cash generated from QVC's foreign operations. Concurrently, LI LLC issued a promissory note to QVC Global with an initial principal amount of $1.8 billion, a stated annual interest rate of 0.48% and a maturity of December 29, 2029. Interest on the promissory note is to be paid annually beginning on December 29, 2021. On December 29, 2021, LI LLC repaid $85 million principal amount of the promissory note along with a $9 million annual interest payment. Each $1,000 debenture of the Motorola Exchangeables was exchangeable at the holder's option for the value of 5.2598 shares of Motorola Solutions, Inc. ("MSI"). The remaining exchange value was payable, at QVC Global's option, in cash or MSI stock or a combination thereof. QVC Global had the option to redeem the debentures, in whole or in part, for cash generally equal to the adjusted principal amount of the debentures plus accrued interest. On October 27, 2021, a notice was issued to all holders to redeem any and all outstanding Motorola Exchangeables on December 13, 2021. Bondholders had until the close of business on December 10, 2021 to exchange their bonds. During November and December 2021, QVC Global delivered MSI shares, which were acquired pursuant to a forward purchase contract, to the holders of the Motorola Exchangeables with a fair value of approximately $573 million to settle the exchanges of the Motorola Exchangeables. For holders who did not participate in the exchange, their bonds were redeemed on December 13, 2021 at adjusted principal, plus accrued interest and dividend pass-thru for a total cash payment of approximately $1 million. No Motorola Exchangeables remained outstanding as of December 31, 2021. During the year ended December 31, 2020, holders exchanged, under the terms of the Motorola Exchangeables, principal amounts of approximately $25 million, and LI LLC made cash payments of approximately $49 million respectively.

Qurate Retail has elected to account for all of its exchangeables using the fair value option. Accordingly, changes in the fair value of these instruments are recognized as unrealized gains (losses) in the statements of operations. On a quarterly basis, Qurate Retail determines whether a triggering event has occurred to require current classification of certain exchangeables, as discussed below.

The Company has classified the debentures that could be redeemed for cash as a current liability because the Company does not own shares to exchange the debentures or they are currently exchangeable. The Company also reviews the terms of the debentures on a quarterly basis to determine whether a triggering event for an open exchange window has occurred, which requires current classification of the exchangeables as the exchange is at the option of the holder. Exchangeable senior debentures classified as current totaled $614 million at December 31, 2022.

Interest on the Company's exchangeable debentures is payable semi-annually based on the date of issuance. At maturity, all of the Company's exchangeable debentures are payable in cash.

Senior Debentures

Interest on the 8.5% Senior Debentures due 2029 and the 8.25% Senior Debentures due 2030 (collectively, the "Senior Debentures") is payable semi-annually based on the date of issuance. The Senior Debentures are stated net of aggregate unamortized discount and issuance costs of $3 million at December 31, 2022 and $3 million at December 31, 2021. Such discount and issuance costs are being amortized to interest expense in the accompanying consolidated statements of operations.

QVC Senior Secured Notes

During prior years, QVC issued $750 million principal amount of 4.375% Senior Secured Notes due 2023 (the "2023 Notes") at an issue price of 99.968%, $600 million principal amount of 4.85% Senior Secured Notes due 2024 at an issue price of 99.927%, $600 million principal amount of 4.45% Senior Secured Notes due 2025 at an issue price of 99.860%, $400 million principal amount 5.45% Senior Secured Notes due 2034 at an issue price of 99.784%, $300 million principal amount of 5.95% Senior Secured Notes due 2043 at an issue price of 99.973%, $225 million of 6.375% Senior Notes due 2067 (the "2067 Notes") at par, and $500 million of the 6.25% Senior Secured Notes due 2068 ("2068 Notes") at par.

In June 2022, QVC completed its purchase of approximately $536 million of the outstanding 2023 Notes pursuant to a cash tender offer to purchase any and all of its outstanding 2023 Notes (the "Tender Offer"). As a result of the Tender Offer, the Company recorded a loss on extinguishment of debt in the consolidated statements of operations of $6 million during the year ended December 31, 2022. As of December 31, 2022, the remaining outstanding 2023 Notes are classified within current portion of debt as they mature in less than one year.

On February 4, 2020, QVC completed a registered debt offering for $575 million of the 4.75% Senior Secured Notes due 2027 (the "2027 Notes") at par. Interest on the 2027 Notes is paid semi-annually in February and August, with payments commencing on August 15, 2020. The proceeds were used to partially prepay existing indebtedness under the QVC's senior secured credit facility (the "Credit Facility").

On August 20, 2020, QVC completed a registered debt offering for $500 million of the 4.375% Senior Secured Notes due 2028 (the "2028 Notes") at par. Interest on the 2028 Notes will be paid semi-annually in March and September, with payments commencing on March 1, 2021. The proceeds were used in a cash tender offer (the "Tender Offer") to purchase the outstanding $500 million of 5.125% Senior Secured Notes due 2022 (the "2022 Notes"). QVC also issued a notice of redemption exercising its right to optionally redeem any of the 2022 Notes that remained outstanding following the Tender Offer. As a result of the Tender Offer and the redemption, the Company recorded a loss on extinguishment of debt in the consolidated statements of operations of $42 million for the year ended December 31, 2020.

The senior secured notes contain certain covenants, including certain restrictions on QVC and its restricted subsidiaries (subject to certain exceptions) with respect to, among other things: incurring additional indebtedness; creating liens on property or assets; making certain loans or investments; selling or disposing of assets; paying certain dividends and other restricted payments; consolidating or merging; entering into certain transactions with affiliates; entering into sale or leaseback transactions; and restricting subsidiary distributions.

The senior secured notes permit QVC to make unlimited dividends or other restricted payments so long as QVC is not in default under the indentures governing the senior secured notes and QVC's consolidated leverage ratio is not greater than 3.5 to 1.0 (the "senior secured notes leverage basket"). As of December 31, 2022, QVC's consolidated leverage ratio (as calculated under QVC's senior secured notes) was greater than 3.5 to 1.0 and as a result QVC is restricted in its ability to make dividends or other restricted payments under the senior secured notes. Although QVC will not be able to make unlimited dividends or other restricted payments under the senior secured notes leverage basket, QVC will continue to be permitted to make unlimited dividends to parent entities of QVC to service the principal and interest when due in respect of indebtedness of such parent entities (so long as there is no default under the indentures governing QVC's senior secured notes) and permitted to make certain restricted payments to Qurate Retail under an intercompany tax sharing agreement in respect of certain tax obligations of QVC and its subsidiaries.

Credit Facility

On October 27, 2021, QVC amended and restated its latest credit agreement (as amended and restated, the "Fifth Amended and Restated Credit Agreement") and refinanced the Credit Facility by entering into a fifth amended and restated agreement with QVC, Zulily, CBI, and QVC Global, each a direct or indirect wholly owned subsidiary of Qurate Retail, as borrowers (QVC, Zulily, CBI and QVC Global, collectively, the "Borrowers"), JPMorgan Chase Bank, N.A., as administrative agent, and the other parties named therein.

The Fifth Amended and Restated Credit Agreement is a multi-currency facility providing for a $3.25 billion revolving credit facility, with a $450 million sub-limit for letters of credit and an alternative currency revolving sub-limit equal to 50% of the revolving commitments thereunder. The Credit Facility may be borrowed by any Borrower, with each Borrower jointly and severally liable for the outstanding borrowings. Borrowings under the Fifth Amended and Restated Credit Agreement bear interest at either the alternate base rate (such rate, the "ABR Rate") or a LIBOR-based rate (or the applicable non-U.S. Dollar equivalent rate) (such rate, the "Term Benchmark/RFR Rate") at the applicable Borrower's election in each case plus a margin. Borrowings that are ABR Rate loans will bear interest at a per annum rate equal to the base rate plus a margin that varies between 0.25% and 0.625% depending on the Borrowers' combined ratio of consolidated total debt to consolidated EBITDA (the "consolidated leverage ratio"). Borrowings that are Term Benchmark/RFR Rate loans will bear interest at a per annum rate equal to the applicable rate plus a margin that varies between 1.25% and 1.625% depending on the Borrowers' consolidated leverage ratio. Each loan may be prepaid at any time and from time to time without penalty other than customary breakage costs. No mandatory prepayments will be required other than when borrowings and letter of credit usage exceed availability; provided that, if Zulily, CBI, QVC Global or any other borrower under the Credit Facility (other than QVC) is removed, at the election of QVC, as a borrower thereunder, all of its loans must be repaid and its letters of credit are terminated or cash collateralized. Any amounts prepaid on the Credit Facility may be reborrowed.

The loans under the Credit Facility are scheduled to mature on October 27, 2026. Payment of the loans may be accelerated following certain customary events of default.

The payment and performance of the Borrowers' obligations under the Fifth Amended and Restated Credit Agreement are guaranteed by each of QVC's, QVC Global's, Zulily's and CBI's Material Domestic Subsidiaries (as defined in the Fifth Amended and Restated Credit Agreement), if any, and certain other subsidiaries of any Borrower that such Borrower has chosen to provide guarantees. Further, the borrowings under the Fifth Amended and Restated Credit Agreement are secured, pari passu with QVC's existing notes, by a pledge of all of QVC's equity interests. The borrowings under the Fifth Amended and Restated Credit Agreement are also secured by a pledge of all of Zulily's and CBI's equity interests.

The Fifth Amended and Restated Credit Agreement contains certain affirmative and negative covenants, including certain restrictions on the Borrowers and each of their respective restricted subsidiaries (subject to certain exceptions) with respect to, among other things: incurring additional indebtedness; creating liens on property or assets; making certain loans or investments; selling or disposing of assets; paying certain dividends and other restricted payments; dissolving, consolidating or merging; entering into certain transactions with affiliates; entering into sale or leaseback transactions; restricting subsidiary distributions; and limiting the Borrowers' consolidated leverage ratio.

Borrowings under the Fifth Amended and Restated Credit Agreement may be used to repay outstanding indebtedness, pay certain fees and expenses, finance working capital needs and general purposes of the Borrowers and their respective subsidiaries and make certain restricted payments and loans to the Borrowers' respective parents and affiliates.

Availability under the Fifth Amended and Restated Credit Agreement at December 31, 2022 was $2.15 billion on which Zulily and CBI may also borrow. The interest rate on the Fifth Amended and Restated Credit Agreement was 5.75% at December 31, 2022.

Interest Rate Swap Arrangements

In July 2019, QVC entered into a three-year interest swap arrangement with a notional amount of $125 million. The swap arrangement was not treated as a hedge under U.S. GAAP, and expired in July 2022. The swap was in a net liability position of $1 million as of December 31, 2021, which was included in accrued liabilities in the consolidated balance sheet.

Debt Covenants

Qurate Retail and its subsidiaries were in compliance with all debt covenants at December 31, 2022.

Five Year Maturities

The annual principal maturities of Qurate Retail's debt, based on stated maturity dates, for each of the next five years is as follows (amounts in millions):

2023	$	216
2024	$	603
2025	$	603
2026	$	1,078
2027	$	578

Fair Value of Debt

Qurate Retail estimates the fair value of its debt based on the quoted market prices for the same or similar issues or on the current rate offered to Qurate Retail for debt of the same remaining maturities (Level 2). The 2067 Notes and 2068 Notes are traded on the New York Stock Exchange, and the Company considers them to be actively traded. As such, the 2067 Notes and 2068 Notes are valued based on their trading price (Level 1). The fair value, based on quoted prices of instruments not considered to be active markets, of Qurate Retail's publicly traded debt securities that are not reported at fair value in the accompanying consolidated balance sheets is as follows (amounts in millions):

	December 31,	
	2022	2021
Senior debentures	$ 377	871
QVC senior secured notes	$ 2,676	4,595

Due to the variable rate nature, Qurate Retail believes that the carrying amount of its subsidiary debt not discussed above approximated fair value at December 31, 2022.

(7) Leases

Right-of-use assets and lease liabilities are initially recognized based on the present value of the future lease payments over the expected lease term. As for most leases the implicit rate is not readily determinable, the Company uses a discount rate in determining the present value of future payments based on the Company's incremental borrowing rate on a collateralized basis aligning with the term of the lease. Our lease agreements include both lease and non-lease components, which the Company accounts for as a single lease component. The Company's leases have base rent periods and some with optional renewal periods. Leases with base rent periods of less than 12 months are not recorded on the balance sheet. For purposes of measurement of lease liabilities, the expected lease terms may include renewal options when it is reasonably certain that the Company will exercise such options.

Leases with an initial term greater than twelve months are classified as either finance or operating. Finance leases are generally those that we substantially use or pay for the entire asset over its estimated useful life and are recorded in property and equipment. All other leases are categorized as operating leases and recorded in operating lease right-of-use assets.

We have entered into sale leaseback transactions. To determine whether the transaction should be accounted for as a sale, we evaluate whether control of the asset has transferred to a third party. If the transfer of the asset is determined to be a sale, we recognize the transaction price for the sale based on cash proceeds received, derecognize the carrying amount of the asset sold, and recognize a gain or loss in the consolidated statement of operations for any difference between the carrying value of the asset and the transaction price. The leaseback is accounted for according to our lease policy discussed above. If the transfer of the asset is not determined to be a sale, we account for the transaction as a financing arrangement.

The Company has finance lease agreements with transponder and transmitter network suppliers for the right to transmit its signals. The Company is also party to a finance lease agreement for data processing hardware and a warehouse. The Company also leases data processing equipment, facilities, office space, retail space and land. These leases are classified as operating leases. Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future lease payments using our incremental borrowing rate.

Our leases have remaining lease terms of less than one year to 20 years some of which may include the option to extend for up to 14 years, and some of which include options to terminate the leases within less than one year.

The components of lease cost during the years ended December 31, 2022, 2021 and 2020 were as follows:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Operating lease cost (1)	$ 127	96	87
Finance lease cost			
Depreciation of leased assets	$ 5	19	19
Interest on lease liabilities	3	8	8
Total finance lease cost	$ 8	27	27

(1) Included within operating lease costs were short-term lease costs and variable lease costs, which were not material to the financial statements.

The remaining weighted-average lease term and the weighted-average discount rate were as follows:

	December 31,		
	2022	2021	2020
Weighted-average remaining lease term (years):			
Finance leases	1.9	7.7	8.5
Operating leases	9.6	8.3	8.5
Weighted-average discount rate:			
Finance leases	2.1%	5.2%	5.1%
Operating leases	10.2%	5.1%	5.1%

Supplemental balance sheet information related to leases was as follows:

	December 31, 2022	December 31, 2021
	amounts in millions	
Operating leases:		
Operating lease ROU assets	$ 585	351
Current operating lease liabilities (1)	$ 76	64
Operating lease liabilities	518	303
Total operating lease liabilities	$ 594	367
Finance Leases:		
Finance lease ROU assets (3)	$ 17	277
Finance lease ROU asset accumulated depreciation (3)	(13)	(151)
Finance lease ROU assets, net	$ 4	126
Current finance lease liabilities (1)	$ 2	20
Finance lease liabilities (2)	2	137
Total finance lease liabilities	$ 4	157

(1) Included within the Other current liabilities line item on the consolidated balance sheets.
(2) Included within the Other liabilities line item on the consolidated balance sheets.
(3) Included within the Property and equipment line item on the consolidated balance sheets.

Supplemental cash flow information related to leases was as follows:

	Years ended December 31, 2022	2021	2020
		in millions	
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash outflows from operating leases	$ 108	82	86
Operating cash outflows from finance leases	$ 3	8	8
Financing cash outflows from finance leases	$ 6	18	18
ROU assets obtained in exchange for lease obligations:			
Operating leases	$ 306	49	35
Finance leases	$ —	11	—

Future lease payments under finance leases and operating leases with initial terms of one year or more at December 31, 2022 consisted of the following:

	Finance Leases	Operating Leases
	amounts in millions	
2023	$ 3	125
2024	1	106
2025	—	89
2026	—	75
2027	—	65
Thereafter	—	614
Total lease payments	$ 4	1,074
Less: imputed interest	—	480
Total lease liabilities	$ 4	594

In June 2022, QVC modified the finance lease for its distribution center in Ontario, California which reduced the term of the lease and removed QVC's ability to take ownership of the distribution center at the end of the lease term. QVC will make annual payments over the modified lease term. Since the lease was modified and removed QVC's ability to take ownership at the end of the lease term, the Company accounted for the modification similar to a sale and leaseback transaction, and as a result, QVC received net cash proceeds of $250 million and recognized a $240 million gain on the sale of the distribution center during the second quarter of 2022 calculated as the difference between the aggregate consideration received (including cash and forgiveness of the remaining financing obligation of $84 million) and the carrying value of the distribution center. The gain is included in gains on sale leaseback transactions in the consolidated statement of operations. The Company accounted for the modified lease as an operating lease and recorded a $37 million right-of-use asset and a $31 million operating lease liability, with the difference attributable to prepaid rent.

In July 2022, QVC sold five owned and operated properties located in the U.S. to an independent third party and received net cash proceeds of $443 million. Concurrent with the sale, QVC entered into agreements to lease each of the properties back from the purchaser over an initial term of 20 years with the option to extend the terms of the property leases for up to four consecutive terms of five years. QVC recognized a $277 million gain related to the successful sale leaseback for the year ended December 31, 2022, calculated as the difference between the aggregate consideration received and the carrying value of the properties. The Company accounted for the leases as operating leases and recorded a $207 million right-of-use asset and a $205 million operating lease liability, with the difference attributable to initial direct costs.

In November 2022, QVC entered into agreements to sell two properties located in Germany and the U.K. to an independent third party. Under the terms of the agreements, QVC received net cash proceeds of $102 million related to its German facility and $80 million related to its U.K. facility when the sale closed in January 2023. Concurrent with the sale, QVC entered into agreements to lease each of the properties back from the purchaser over an initial term of 20 years with the option to extend the terms of the property leases for up to four consecutive terms of five years. QVC expects to record a gain in the first quarter of 2023 related to the sale leaseback transaction.

As of December 31, 2022, the related assets of $71 million were classified as held for sale, and included in other assets, at cost, net of accumulated amortization in the consolidated balance sheet, as the proceeds from the sale were used to repay a portion of the the Credit Facility borrowings which were classified as noncurrent as of December 31, 2022. Qurate Retail classifies obligations as current when they are contractually required to be satisfied in the next twelve months.

On October 31, 2022, the Company entered into foreign currency forward contracts with an aggregate notional amount of $167 million to mitigate the foreign currency risk associated with the sale and leaseback of Germany and UK properties. The forward did not qualify as a cash flow hedge under U.S. GAAP. Changes in the fair value of the forward are reflected in realized and unrealized gains (losses) on financial instruments, net in the consolidated statements of operations. The forward expired in January 2023 and was in a net liability position of $10 million as of December 31, 2022, which was included in accrued liabilities in the consolidated balance sheet.

(8) Income Taxes

Income tax benefit (expense) consists of:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Current:			
Federal	$ (99)	(49)	8
State and local	(29)	(55)	(48)
Foreign	(84)	(117)	(105)
	(212)	(221)	(145)
Deferred:			
Federal	(4)	(24)	312
State and local	(27)	26	26
Foreign	19	2	10
	(12)	4	348
Income tax benefit (expense)	$ (224)	(217)	203

The following table presents a summary of our domestic and foreign earnings (losses) from continuing operations before income taxes:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Domestic	$ (2,530)	262	735
Foreign	222	376	316
Total	$ (2,308)	638	1,051

Income tax benefit (expense) differs from the amounts computed by applying the U.S. federal income tax rate of 21% as a result of the following:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Computed expected tax benefit (expense)	$ 485	(134)	(221)
State and local income taxes, net of federal income taxes	(35)	(20)	(45)
Tax on foreign earnings, net of federal tax benefits	(15)	(113)	47
Alternative energy tax credits and incentives	—	125	139
Change in valuation allowance affecting tax expense	—	—	(59)
Change in tax rate	(8)	—	(15)
Corporate realignment	—	—	352
Non-deductible equity distribution	(41)	—	—
Impairment of intangible assets	(580)	(49)	—
Non-deductible interest on Preferred Stock to non-employee	(21)	(21)	(6)
Other, net	(9)	(5)	11
Income tax benefit (expense)	$ (224)	(217)	203

For 2022, the most significant portion of the losses before income taxes relates to a goodwill impairment that is not deductible for tax purposes.

For the year ended December 31, 2021 income tax expense was greater than the U.S. statutory rate of 21% due to foreign tax expense, state income tax expense, the impairment of goodwill that is not deductible for tax purposes, and non-deductible interest expense related to Preferred Stock, partially offset by benefits from tax credits generated by our alternative energy investments.

During November and December of 2021, the Company, through a wholly owned foreign subsidiary, recognized income related to the exchange and redemption of the outstanding Motorola Exchangeables and the extinguishment of related hedges. The income is subject to tax under the U.S Global Intangible Low-taxed Income ("GILTI") rules. The tax effect of this GILTI income, including the federal tax benefit of related foreign tax credits, is treated by the Company as a period cost. In addition, the Company recorded a U.S. federal tax benefit for foreign derived intangible income deductions claimed on royalty income recognized by the Company in the U.S. during 2021. The tax effect of these items is included in Tax on foreign earnings, net of federal tax benefit in the above table.

For the year ended December 31, 2020 the Company recorded an income tax benefit. The tax benefit was primarily driven by the impacts of a corporate realignment and tax credits generated by alternative energy investments.

During the fourth quarter of 2020, the Company completed a corporate realignment transaction, whereby the assets and liabilities of certain foreign business units held in U.S. subsidiaries were transferred to QVC Global, a foreign subsidiary of QVC. This changed the manner in which income of the foreign business units is subject to U.S. income tax. As part of this realignment and upon entering into a payment agreement, QVC Global became the primary co-obligor of the Motorola Exchangeables. The Company's accounting policy is not to record deferred income taxes related to global intangible low-taxed income activity in our foreign subsidiaries but instead to recognize income tax expense in the periods as incurred. Accordingly, the deferred income tax liability for the Motorola Exchangeables that existed prior to the corporate realignment was reduced to zero and the Company recorded a corresponding income tax benefit.

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

	December 31, 2022	December 31, 2021
	amounts in millions	
Deferred tax assets:		
Tax losses and credit carryforwards	$ 246	240
Foreign tax credit carryforwards	93	95
Accrued stock compensation	15	15
Operating lease liability	104	71
Other accrued liabilities	59	63
Prepaid royalty	70	94
Other	150	131
Deferred tax assets	737	709
Valuation allowance	(264)	(264)
Net deferred tax assets	473	445
Deferred tax liabilities:		
Intangible assets	675	758
Fixed assets	106	142
Discount on exchangeable debentures	970	768
Other	131	94
Deferred tax liabilities	1,882	1,762
Net deferred tax liabilities	$ 1,409	1,317

There was no change to the Company's valuation allowance in 2022.

At December 31, 2022, the Company had a deferred tax asset of $246 million for net operating losses, credit carryforwards, and interest expense carryforwards. If not utilized to reduce income tax liabilities in future periods, $147 million of these loss carryforwards and tax credits will expire at various times between 2023 and 2042. The remaining $99 million of tax losses and carryforwards may be carried forward indefinitely. These losses and credit carryforwards are expected to be utilized prior to expiration, except for $182 million which, based on current projections, will not be utilized in the future and are subject to a valuation allowance.

At December 31, 2022, the Company had a deferred tax asset of $93 million for foreign tax credit carryforwards. If not utilized to reduce income tax liabilities in future periods, these foreign tax credit carryforwards will expire at various times between 2026 and 2032. The Company estimates that $80 million of its foreign tax credit carryforward will expire without utilization.

A reconciliation of unrecognized tax benefits is as follows:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Balance at beginning of year	$ 88	83	75
Additions based on tax positions related to the current year	8	9	7
Additions for tax positions of prior years	12	1	7
Reductions for tax positions of prior years	(2)	(1)	(1)
Lapse of statute and settlements	(9)	(4)	(5)
Balance at end of year	$ 97	88	83

As of December 31, 2022, 2021 and 2020, the Company had recorded tax reserves of $97 million, $88 million and $83 million, respectively, related to unrecognized tax benefits for uncertain tax positions. If such tax benefits were to be recognized for financial statement purposes, $77 million, $70 million and $66 million for the years ended December 31, 2022, 2021 and 2020, respectively, would be reflected in the Company's tax expense and affect its effective tax rate. Qurate Retail's estimate of its unrecognized tax benefits related to uncertain tax positions requires a high degree of judgment. The Company has tax positions for which the amount of related unrecognized tax benefits could change during 2022. The amount of unrecognized tax benefits related to these issues could change as a result of potential settlements, lapsing of statute of limitations and revisions of estimates. It is reasonably possible that the amount of the Company's gross unrecognized tax benefits may decrease within the next twelve months by up to $21 million.

As of December 31, 2022, the Company's tax years prior to 2019 are closed for federal income tax purposes, and the IRS has completed its examination of the Company's 2019 and 2020 tax years. However, 2019 and 2020 remain open until the statute of limitations lapses on October 15 of 2023 and 2024, respectively. The Company's 2021 and 2022 tax years are being examined currently as part of the IRS's Compliance Assurance Process ("CAP") program. Various states and foreign jurisdictions are currently examining the Company's prior years' state and foreign income tax returns.

The Company recorded $33 million of accrued interest and penalties related to uncertain tax positions for the year ended December 31, 2022, $28 million for the year ended December 31, 2021 and $25 million for the year ended December 31, 2020.

(9) Stockholders' Equity

Preferred Stock

On September 14, 2020, Qurate Retail issued its 8.0% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share ("Preferred Stock"). There were 13,500,000 shares of Preferred Stock authorized and 12,673,216 shares, and 12,627,657 shares issued and outstanding at December 31, 2022 and 2021, respectively.

Priority. The Preferred Stock ranks senior to the shares of common stock of Qurate Retail, with respect to dividend rights, rights of redemption and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of Qurate Retail's affairs. Shares of Preferred Stock are not convertible into shares of common stock of Qurate Retail.

Dividends. Holders of the Preferred Stock are entitled to receive quarterly cash dividends at a rate of 8.0% per annum of the liquidation price (as described below) on a cumulative basis, during the term. If declared, accrued dividends will be payable quarterly on each dividend payment date, beginning December 15, 2020 and thereafter on each March 15, June 15, September 15, and December 15 during the term (or, if such date is not a business day, the next business day after such date). If Qurate Retail fails to pay dividends or the applicable redemption price with respect to any redemption within 30 days after the applicable dividend payment or redemption date, the dividend rate will increase as provided by the Certificate of Designations for the Preferred Stock (the "Certificate of Designations"). Accrued dividends that are not paid within 30 days after the applicable dividend payment date will be added to the liquidation price until paid together with all dividends accrued thereon.

The ability of Qurate Retail to declare or pay any dividend on, or purchase, redeem, or otherwise acquire, any of its common stock or any other stock ranking on parity with the Preferred Stock will be subject to restrictions if Qurate Retail does not pay all dividends and all redemption payments on the Preferred Stock, subject to certain exceptions as set forth in the Certificate of Designations.

During the years ended December 31, 2022 and 2021, the Company declared and paid four quarterly cash dividends, each for $2.00 per share to stockholders of record of the Preferred Stock. On February 16, 2023, the Company declared a quarterly cash dividend of $2.00 per share, which will be payable in cash on March 15, 2023 to stockholders of record of the Preferred Stock at the close of business on February 28, 2023.

Distributions upon Liquidation, Dissolution or Winding Up. Upon Qurate Retail's liquidation, winding-up or dissolution, each holder of shares of the Preferred Stock will be entitled to receive, before any distribution is made to the holders of Qurate Retail common stock, an amount equal to the liquidation price plus all unpaid dividends (whether or not declared) accrued from the immediately preceding dividend payment date, subject to the prior payment of liabilities owed to Qurate Retail's creditors and the preferential amounts to which any stock senior to the Preferred Stock is entitled. The Preferred Stock has a liquidation price equal to the sum of (i) $100, plus (ii) all accrued and unpaid dividends (whether or not declared) that have been added to the liquidation price.

Mandatory and Optional Redemption. The Preferred Stock is subject to mandatory redemption on March 15, 2031 at the liquidation price plus all unpaid dividends (whether or not declared) accrued from the most recent dividend payment date. On or after the fifth anniversary of September 14, 2020 (the "Original Issue Date"), Qurate Retail may redeem all or a portion of the outstanding shares of Preferred Stock, at the liquidation price plus all unpaid dividends (whether or not declared) accrued from the most recent dividend payment date plus, if the redemption is (x) on or after the fifth anniversary of the Original Issue Date but prior to its sixth anniversary, 4.00% of the liquidation price, (y) on or after the sixth anniversary of the Original Issue Date but prior to its seventh anniversary, 2.00% of the liquidation price and (z) on or after the seventh anniversary of the Original Issue Date, zero. Both mandatory and optional redemptions must be paid in cash.

Voting Power. Holders of the Preferred Stock will not have any voting rights or powers, except as specified in the Certificate of Designations or as required by Delaware law.

Preferred Stock Directors. So long as the aggregate liquidation price of the outstanding shares of Preferred Stock exceeds 25% of the aggregate liquidation price of the shares of Preferred Stock issued on the Original Issue Date, holders of Preferred Stock will have certain director election rights as described in the Certificate of Designations whenever dividends on shares of Preferred Stock have not been declared and paid for two consecutive dividend periods and whenever Qurate Retail fails to pay the applicable redemption price in full with respect to any redemption of the Preferred Stock or fails to make a payment with respect to the Preferred Stock in connection with a liquidation or Extraordinary Transactions (as defined in the Certificate of Designations).

Recognition. As the Preferred Stock is subject to unconditional mandatory redemption in cash and was issued in the form of a share, the Company concluded the Preferred Stock was a mandatorily redeemable financial instrument and should be classified as a liability in the consolidated balance sheets. The Preferred Stock was initially recorded at its fair value, which was determined to be the liquidation preference of $100 per share. Given the liability classification of the Preferred Stock, all dividends accrued are classified as interest expense in the consolidated statements of operations. The fair value of the Preferred Stock (level 1) was $434 million as of December 31, 2022.

Common Stock

Series A Qurate Retail common stock has one vote per share, and Series B Qurate Retail common stock has ten votes per share. Each share of the Series B common stock is exchangeable at the option of the holder for one share of Series A common stock of the same group. The Series A and Series B common stock participate on an equal basis with respect to dividends and distributions.

At the Annual Meeting of Stockholders held on June 2, 2015, the Company's stockholders approved an amendment to the Restated Certificate of Incorporation that increased (i) the total number of shares of the Company's capital stock which the Company will have the authority to issue to 9,015 million shares, (ii) the number of shares of the Company's capital stock designated as "Common Stock" to 8,965 million shares and (iii) the number of shares of Common Stock designated as "Series A Liberty Ventures Common Stock," "Series B Liberty Ventures Common Stock" and "Series C Liberty Ventures Common Stock" to 400 million shares, 15 million shares and 400 million shares, respectively.

At the Annual Meeting of Stockholders held on May 23, 2018, the Company's stockholders approved an amendment to the Restated Certificate of Incorporation, which (i) eliminated the tracking stock capitalization structure of the Company and (ii) reclassified each outstanding share of Series A and Series B QVC Group common stock into one share of our Series A and Series B common stock, respectively. In addition, the amendment to the Restated Certificate of Incorporation changed (i) the total number of shares of the Company's capital stock which the Company will have the authority to issue to 8,200 million shares, (ii) the number of shares of the Company's capital stock designated as "Common Stock" to 8,150 million shares, (iii) the number of shares of Common Stock designated as "Series A Common Stock," "Series B Common Stock" and "Series C Common Stock" to 4,000 million shares, 150 million shares and 4,000 million shares, respectively, and (iv) the number of shares of the Company's capital stock designated as "Preferred Stock" to 50 million shares.

As of December 31, 2022, Qurate Retail reserved for issuance upon exercise of outstanding stock options approximately 32.9 million shares of Series A Qurate Retail common stock and approximately 2.2 million shares of Series B Qurate Retail common stock.

In addition to the Series A and Series B Qurate Retail common stock, there are 4 billion shares of Series C Qurate Retail common stock authorized for issuance, respectively. As of December 31, 2022, no shares of any Series C Qurate Retail common stock were issued or outstanding.

Purchases of Common Stock

During the years ended December 31, 2021 and 2020, the Company repurchased 41,153,205 and 6,521,782 shares of Series A Qurate Retail common stock, respectively, for aggregate cash consideration of $435 million and $70 million, respectively. There were no shares of Series A Qurate Retail common stock repurchased during the year ended December 31, 2022.

All of the foregoing shares were repurchased pursuant to a previously announced share repurchase program and have been retired and returned to the status of authorized and available for issuance.

(10) Related Party Transactions with Officers and Directors

Chairman Compensation Arrangement

In December 2019, Liberty Media entered into a new employment arrangement with Gregory B. Maffei, our Chairman. The arrangement provides for a five year employment term which began on January 1, 2020 and ends December 31, 2024, with an annual base salary of $3 million (with no contracted increase), a one-time cash commitment bonus of $5 million (paid in December 2019), an annual target cash performance bonus of $17 million (with payment subject to the achievement of one or more performance metrics as determined by the applicable company's Compensation Committee), upfront equity awards and annual equity awards (as described below).

The Chairman was entitled to receive term equity awards with an aggregate grant date fair value of $90 million (the "Upfront Awards") which were granted in two equal tranches. The first tranche consisted of time-vested stock options from each of Qurate Retail, LMC, Liberty Broadband and GCI Liberty and time-vested restricted stock units ("RSUs") from Liberty TripAdvisor (collectively, the "2019 term awards") that vest, in each case, on December 31, 2023 (except Liberty TripAdvisor's award of time-vested RSUs, which vests on December 15, 2023), subject to the Chairman's continued employment, except under certain circumstances. Qurate Retail's portion of the 2019 term awards, granted in December 2019, had an aggregate grant date fair value of $8,550,000 and consisted of stock options to purchase 2,133,697 shares of Series A Qurate Retail common stock ("QRTEA") with an exercise price of $8.17. The second tranche of the Upfront Awards consisted of time-vested stock options from each of LMC, Qurate Retail, Liberty Broadband and GCI Liberty and time-vested RSUs from Liberty TripAdvisor (collectively, the "2020 term awards") that vest, in each case, on December 31, 2024 (except Liberty TripAdvisor's award of time-vested RSUs, which vests on December 7, 2024), subject to the Chairman's continued employment, except under certain circumstances. Qurate Retail's portion of the 2020 term awards, granted in December 2020, had an aggregate grant date fair value of $5,850,000 and consisted of stock options to purchase 1,190,529 QRTEA shares with an exercise price of $10.34.

The Chairman is also entitled to receive annual equity award grants with an annual aggregate grant date fair value of $17.5 million, consisting of time-vested options, performance-based RSUs or a combination of both, at the election of the Chairman. The annual equity awards are granted directly by Qurate Retail, LMC, Liberty Broadband and Liberty TripAdvisor according to their applicable allocation percentage. The allocation percentage is determined based on a combination of (1) relative market capitalizations, weighted 50%, and (2) a blended average of historical time allocation on an LMC-wide and Chairman basis, weighted 50%, in each case, absent agreement to the contrary by Qurate Retail, LMC, Liberty Broadband and Liberty TripAdvisor in consultation with the Chairman. The allocation percentage is then adjusted annually and following certain events. For the years ended December 31, 2022, 2021 and 2020 the allocation percentage for Qurate Retail was 13%, 17% and 19%, respectively. Vesting of any annual performance-based RSUs is subject to the achievement of one or more performance metrics to be approved by the Compensation Committee of the applicable company with respect to its respective allocable portion of the annual performance-based RSUs.

Former CEO Compensation Agreement

On September 27, 2015, the Compensation Committee of Qurate Retail approved a compensation arrangement for our former CEO. The arrangement provided for a five year employment term beginning December 16, 2015 and ending December 31, 2020. Effective November 17, 2020, Qurate Retail entered into an amendment to the former CEO's compensation arrangement that provided for a one year extension of the employment agreement dated December 16, 2015 and ended his term on December 31, 2021. For the year ended December 31, 2021, his annual base salary increased to

$1.5 million and he received an annual target cash bonus equal to 100% of his annual base salary with a maximum bonus of 240% of base salary, subject to the achievement of performance criteria. The former CEO also received a performance-based RSU award equal to $5.5 million of target value, with a maximum value equal to $8.3 million, and a time-vested RSU award also equal to $5.5 million of value. The performance-based RSU award was subject to performance criteria as determined by the Compensation Committee.

CEO Employment Agreement

On July 12, 2021, the Compensation Committee of the Board of Directors of Qurate Retail approved the Company's entry into an employment agreement with David Rawlinson II, effective July 12, 2021. Effective August 1, 2021, Mr. Rawlinson began to serve as President and Chief Executive Officer-Elect of Qurate Retail, with Mike George continuing as Chief Executive Officer. Effective October 1, 2021, Mr. Rawlinson began to serve as President and Chief Executive Officer of Qurate Retail, with Mr. George assuming the role of Senior Advisor. Mr. Rawlinson concurrently assumed the same positions with QVC. Mr. George resigned from the Board of Directors effective January 1, 2022, at which time Mr. Rawlinson joined the Board. With respect to his roles at Qurate Retail and QVC, Mr. George stepped down as President effective August 1, 2021 and as Chief Executive Officer effective October 1, 2021.

Malone Stock Exchange and Maffei Arrangements

On May 18, 2021, Gregory B. Maffei, the Chairman of the Board and a director of the Company, delivered a written offer (the "Offer") to John C. Malone, a director of Qurate Retail, to acquire all of the outstanding shares of Series B Qurate Retail common stock ("QRTEB") beneficially owned by Mr. Malone, his wife Leslie Malone and certain trusts for the benefit of Mr. Malone, Mrs. Malone and/or their children (the "Malone Group," and such shares, the "Subject Shares") at a per share price of $14.00 payable in cash, securities or such other form of consideration as to which Mr. Maffei and Mr. Malone might mutually agree. The transfer by the Malone Group of the Subject Shares was subject to the terms of that certain call agreement, dated February 9, 1998 (the "Call Agreement"), among Qurate Retail, as successor-in-interest to the assignee of Tele-Communications, Inc., a Delaware corporation, Mr. Malone and Mrs. Malone, which provided Qurate Retail with the right to acquire all, but not less than all, of the Subject Shares at a per share price equal to the lower of (x) the Offer price or (y) 110% of the average closing prices of a share of QRTEA for the 30 consecutive trading days ending on May 17, 2021 (with the price calculated pursuant to clause (y) equal to $13.62 per share (the "Call Price")) (the "Call Right"). As previously disclosed, on May 18, 2021, Mr. Malone provided written notice to Qurate Retail of his desire to accept the Offer, subject to the approval by the Board of Directors of the Company of the transactions contemplated thereby for purposes of Section 203 of the General Corporation Law of the State of Delaware, pursuant to the terms of the Call Agreement. However, in the event the Company determined to exercise the Call Right, Mr. Malone indicated a preference for the payment of the per share price in the form of shares of QRTEA such that he would continue to hold a substantial investment in the Company.

On June 2, 2021, Qurate Retail delivered written notice to Mr. Malone to exercise the Call Right and to pay the per share Call Price required by the Call Agreement in shares of QRTEA. On June 3, 2021, the Company and the Malone Group entered into a Stock Exchange Agreement (the "Malone Stock Exchange Agreement") to effect the closing of the Call Right exercise, pursuant to which the Malone Group transferred to the Company an aggregate of 27,655,931 shares of QRTEB, and in exchange (the "Malone Exchange"), Qurate Retail issued to the Malone Group an aggregate of 30,421,522 shares of QRTEA. Under the terms of the Call Agreement, the aggregate Call Price converts into an equivalent ratio of 1.1 shares of QRTEA for each share of QRTEB with the aggregate number of shares of QRTEA issued to each member of the Malone Group rounded down to the nearest whole share.

On June 3, 2021, the Company, LMC and Mr. Maffei entered into a Waiver Letter and Amendment of Employment Agreement (the "Letter Agreement"), pursuant to which, among other things, Mr. Maffei (x) waived his rights to assert that Qurate Retail's exercise of the Call Right, the transactions to be consummated pursuant to the Malone Stock Exchange Agreement or the resulting reduction in the Malone Group's voting power with respect to Qurate Retail (collectively, the "Specified Events") would constitute a "Change in Control" or "Good Reason," in each case, as defined in the Executive Employment Agreement, dated as of December 13, 2019, by and between LMC and Mr. Maffei (the "Employment Agreement"), with respect to Qurate Retail, and agreed not to terminate his employment with Qurate Retail for "Good Reason" in connection with or arising out of the Option Cancellation (as defined below) or any of the Specified Events, and (y) consented to the cancellation (the "Option Cancellation") of stock option awards to purchase shares of QRTEB that had been granted to Mr. Maffei on each of December 24, 2014, and March 31, 2015 for 1,137,228 shares at an exercise price of $16.97 per share, and 197,783 shares at an exercise price of $16.71 per share, respectively. In consideration for the foregoing, pursuant to the Letter Agreement, (i) Mr. Maffei received a grant of 1,101,321 restricted shares of QRTEB that are scheduled to vest, subject to Mr. Maffei's continued employment with the Company, in two equal tranches on December 10, 2024 and the fifth anniversary of the grant date, subject to earlier vesting under certain circumstances, and (ii) Qurate Retail agreed that the portion of the Annual Equity Awards (as defined in the Employment Agreement) to be granted by Qurate Retail to Mr. Maffei pursuant to Section 4.11 of the Employment Agreement for calendar years 2022, 2023 and 2024 shall be granted with respect to the QRTEB.

Also, on June 3, 2021, the Company and Mr. Maffei also entered into a Stock Exchange Agreement (the "Maffei Stock Exchange Agreement") pursuant to which, among other things: (i) Mr. Maffei transferred to Qurate Retail an aggregate of 5,378,308 shares of QRTEA, and in exchange Qurate Retail issued to Mr. Maffei an equivalent number of shares of QRTEB; (ii) Qurate Retail agreed that on the terms and subject to the conditions of the Maffei Stock Exchange Agreement, Mr. Maffei, at his option (during the six-month period following the vesting of the performance-based restricted stock unit award granted to Mr. Maffei on March 10, 2021), may transfer to the Company the number of shares of QRTEA actually received by Mr. Maffei upon vesting of such performance-based restricted stock unit award in exchange for an equivalent number of newly-issued shares of QRTEB (the "Subsequent Exchange"); (iii) Mr. Maffei agreed that until December 31, 2024 (the "Cap Period"), which is also the end of the current term of his employment as set forth in the Employment Agreement, he will not, and will not authorize or permit any of his affiliates that he controls ("Controlled Affiliates") to, acquire or agree to acquire (or announce publicly an intent to acquire) by purchase or otherwise, beneficial ownership of voting securities of the Company (or direct or indirect rights or options to acquire any such voting securities) if, after giving effect to any such acquisition of securities, the aggregate voting power of the Company's voting securities beneficially owned by Mr. Maffei and his Controlled Affiliates would exceed 20.0% of the voting power of all of the outstanding voting securities (assuming, for purposes of this calculation that all voting securities beneficially owned by Mr. Maffei which are not outstanding are included in the calculation) (the "Cap"); and (iv) the foregoing transactions by which Mr. Maffei and certain of his related persons became an "interested stockholder" were approved for purposes of Section 203 of the General Corporation Law of the State of Delaware. The Cap is subject to certain terms and exceptions, as described in the Maffei Stock Exchange Agreement. In addition, Mr. Maffei and his Controlled Affiliates may not transfer voting securities of Qurate Retail to any other Controlled Affiliate of Mr. Maffei unless such transferee has agreed to be bound by the terms of the Maffei Stock Exchange Agreement.

Pursuant to the terms of the Maffei Stock Exchange Agreement, on March 25, 2022, Mr. Maffei transferred to the Company an aggregate of 229,022 shares of QRTEA received by Mr. Maffei upon vesting of the performance-based restricted stock unit award granted to Mr. Maffei on March 10, 2021 and in exchange, the Company issued to Mr. Maffei an equivalent number of shares of QRTEB. Each share of QRTEB stock is convertible, at the option of the holder, into one share of QRTEA.

(11) Stock-Based Compensation

Qurate Retail - Incentive Plans

The Company has granted to certain of its directors, employees and employees of its subsidiaries, restricted stock ("RSAs"), RSUs and options to purchase shares of the Company's common stock (collectively, "Awards"). The Company measures the cost of employee services received in exchange for an equity classified Award (such as stock options and restricted stock) based on the grant-date fair value ("GDFV") of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). The Company measures the cost of employee services received in exchange for a liability classified Award based on the current fair value of the Award, and remeasures the fair value of the Award at each reporting date.

Pursuant to the Qurate Retail, Inc. 2020 Omnibus Incentive Plan (the "2020 Plan"), the Company may grant Awards in respect of a maximum of 30.0 million shares of Qurate Retail common stock plus the shares remaining available for Awards under the prior Qurate Retail, Inc. 2016 Omnibus Incentive Plan (the "2016 Plan"), as amended, as of close of business on May 20, 2020, the day before the effective date of the 2020 Plan. Any forfeited shares from the 2016 Plan shall also be available again under the 2020 Plan. Awards generally vest over 1-5 years and have a term of 7-10 years. Qurate Retail issues new shares upon exercise of equity awards.

Qurate Retail – Grants

The following table presents the number and weighted average GDFV of Awards granted by Qurate Retail during the years ended December 31, 2022, 2021 and 2020:

	For the Years ended December 31,					
	2022		2021		2020	
	Awards Granted (000's)	Weighted Average GDFV	Awards Granted (000's)	Weighted Average GDFV	Awards Granted (000's)	Weighted Average GDFV
Series A Qurate Retail common stock options, subsidiary employees (1)	NA	NA	974	$ 6.75	4,818	$ 1.96
Series A Qurate Retail common stock options, Qurate Retail employees and directors (2)	NA	NA	63	$ 6.18	747	$ 4.86
Series A Qurate Retail common stock options, David Rawlinson II (3)	NA	NA	1,185	$ 5.02	NA	NA
Series A Qurate Retail common stock options, Qurate Retail Chairman of the Board (4)	NA	NA	NA	NA	1,191	$ 4.88
Series A Qurate Retail common stock RSUs, subsidiary employees (5)	17,302	$ 3.82	5,670	$ 12.07	9,753	$ 4.73
Series A Qurate Retail common stock RSUs, Qurate Retail employees and directors (6)	899	$ 2.72	309	$ 10.30	298	$ 6.55
Series A Qurate Retail common stock RSUs, David Rawlinson II (7)	596	$ 4.91	652	$ 10.50	NA	NA
Series A Qurate Retail common stock RSUs, Mike George (8)	NA	NA	1,107	$ 12.86	725	$ 4.44
Series A Qurate Retail common stock RSUs, Qurate Retail Chairman of the Board (9)	NA	NA	229	$ 12.90	622	$ 4.62
Series B Qurate Retail common stock RSUs, Qurate Retail Chairman of the Board (9)	327	$ 4.95	1,101	$ 13.65	NA	NA

(1) Vests semi-annually over four years.

(2) Vests between two and four years for employees and in one year for directors.

(3) Vests in two equal tranches on December 31, 2023 and December 31, 2024. Grant was made in connection with Mr. Rawlinson's employment agreement (see note 10).

(4) The grant was made in connection with the Chairman's new employment agreement and cliff vests in December 2024 (see notes 1 and 10).

(5) Grants made in 2022 generally vest annually over three years. Grants made in 2021 and 2020 generally vest annually over four years.

(6) Grants mainly vest one year from the month of grant, subject to the satisfaction of certain performance objectives for employees and in one year for directors.

(7) Grant made in 2022 vests one year from the month of grant, subject to the satisfaction of certain performance objectives. Qurate Retail granted 509 thousand time-based RSUs and 143 thousand performance-based RSUs of QRTEA to Mr. Rawlinson in 2021. The time-based RSUs vest over three years, and the performance-based RSUs cliff vested in March 2022, subject to the satisfaction of certain performance objectives and based on an amount determined by the compensation committee. Grants were made in connection with Mr. Rawlinson's employment agreement (see note 10).

(8) Qurate Retail granted to Mr. George 684 thousand performance-based RSUs and 423 thousand time-based RSUs of QRTEA in 2021 and 725 thousand performance-based RSUs of QRTEA in 2020. The time-based RSUs mainly cliff vested on December 10, 2021, and the 2021 and 2020 performance-based RSUs granted to Mr. George cliff vested one year from the month of grant, subject to the satisfaction of certain performance objectives and based on an amount determined by the compensation committee.

(9) Qurate Retail granted 327 thousand performance-based RSUs of QRTEB in 2022 and 229 thousand and 584 thousand performance-based RSUs of QRTEA in 2021 and 2020, respectively. These grants vest one year from the month of the grant, subject to the satisfaction of certain performance objectives. Grants were made in connection with our Chairman's employment agreement. Qurate Retail also granted 1.1 million time-based RSAs of QRTEB to our Chairman in 2021 as a result of the Letter Agreement discussed in Note 10 which vest in two equal tranches on December 10, 2024 and June 3, 2026, subject to earlier vesting under certain circumstances. Qurate Retail granted 38 thousand time-based RSUs of QRTEA to our Chairman which cliff vested on December 10, 2020. This RSU grant was issued in lieu of our Chairman receiving 50% of his remaining base salary for the last three quarters of calendar year 2020, and he waived his right to receive the other 50%, in each case, in light of the ongoing financial impact of COVID-19.

For awards that are performance-based, performance objectives, which are subjective, are considered in determining the timing and amount of compensation expense recognized. When the satisfaction of the performance objectives becomes probable, the Company records compensation expense. The probability of satisfying the performance objectives is assessed at the end of each reporting period.

Pursuant to the terms of the Stock Exchange Agreement, dated as of June 3, 2021, by and between Mr. Maffei and the Company, on March 25, 2022, Mr. Maffei transferred to the Company an aggregate of 229,022 shares of QRTEA received by Mr. Maffei upon vesting of the performance-based restricted stock unit award granted to Mr. Maffei on March 10, 2021 and in exchange, the Company issued to Mr. Maffei an equivalent number of shares of QRTEB. Each share of QRTEB stock is convertible, at the option of the holder, into one share of QRTEA.

During the fourth quarter of 2021 and in connection with the November Special Dividend, holders of QRTEA or QRTEB (together, "QRTEA/B") RSAs and RSUs outstanding at the close of business on the record date received a special cash dividend in the amount of $1.25 per share for each QRTEA/B RSA or RSU so held ("November Cash Dividend").

The November Cash Dividend for RSA holders was paid upon distribution. The November Cash Dividend for RSU holders is subject to the same vesting schedules as those applicable to the corresponding original QRTEA RSUs.

Also in connection with the November Special Dividend, outstanding stock options and stock appreciation rights ("SARs") to purchase shares of QRTEA/B on the record date were adjusted pursuant to the anti-dilution provisions of the incentive plans under which the stock options and SARs were granted. The adjustment to the exercise price and the number of shares subject to the original stock option or SAR award preserved:

i. the pre-November Special Dividend intrinsic value of the original QRTEA/B stock option or SAR, and

ii. the pre-November Special Dividend ratio of the exercise price to the market price of the corresponding original QRTEA/B stock option or SAR.

During the third quarter of 2020 and in connection with the Special Dividend, holders of RSAs and RSUs of QRTEA outstanding at the close of business on the record date received:

i. a special cash dividend in the amount of $1.50 per share for each QRTEA RSA and RSU so held ("Cash Dividend"), and

ii. a special dividend of 0.03 shares of newly issued Preferred Stock ("QRTEP") for each QRTEA RSA and RSU so held, with cash distributed in lieu of fractional shares ("Preferred Stock Dividend"). The Preferred Stock Dividend related to QRTEA RSAs and RSUs was issued in the form of QRTEP RSAs and RSUs, corresponding to the original grant of either RSAs or RSUs.

The Cash Dividend for RSA holders was paid upon distribution. The Cash Dividend for RSU holders along with the QRTEP RSAs and RSUs are subject to the same vesting schedules as those applicable to the corresponding original QRTEA RSAs and RSUs.

Also in connection with the Special Dividend, outstanding stock options and SARs to purchase shares of QRTEA/B on the record date were adjusted pursuant to the anti-dilution provisions of the incentive plans under which the stock options and SARs were granted. The adjustment to the exercise price and the number of shares subject to the original stock option or SAR award was calculated in the same manner as the November Special Dividend discussed above.

During the fourth quarter of 2020 and in connection with the December Special Dividend, holders of QRTEA RSAs and RSUs outstanding at the close of business on the record date received a special cash dividend in the amount of $1.50 per share for each QRTEA RSA or RSU so held ("December Cash Dividend").

The December Cash Dividend for RSA holders was paid upon distribution. The December Cash Dividend for RSU holders is subject to the same vesting schedules as those applicable to the corresponding original QRTEA RSUs.

Also in connection with the December Special Dividend, outstanding stock options and SARs to purchase shares of QRTEA/B on the record date were adjusted pursuant to the anti-dilution provisions of the incentive plans under which the stock options and SARs were granted. The adjustment to the exercise price and the number of shares subject to the original stock option or SAR award was calculated in the same manner as the November Special Dividend discussed above.

The Company has calculated the GDFV for all of its equity classified awards using the Black-Scholes-Merton Model. The Company estimates the expected term of the Awards based on historical exercise and forfeiture data. For grants made in 2021 and 2020, the range of expected terms was 5.3 to 5.8 years. There were no options granted in 2022. The volatility used in the calculation for Awards is based on the historical volatility of the Company's stocks and the implied volatility of publicly traded Qurate Retail options. The Company uses a zero dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject options

The following table presents the range of volatilities used by Qurate Retail in the Black-Scholes-Merton Model for the 2021 and 2020 Qurate Retail grants.

	Volatility
2021 grants	53.7 % - 57.1 %
2020 grants	46.8 % - 54.8 %

Qurate Retail - Outstanding Awards

The following table presents the number and weighted average exercise price ("WAEP") of options to purchase Qurate Retail common stock granted to certain officers, employees and directors of the Company, as well as the weighted average remaining life and aggregate intrinsic value of the options.

	Qurate Retail							
	Series A				Series B			
	Options (000's)	WAEP	Weighted average remaining life	Aggregate intrinsic value (in millions)	Options (000's)	WAEP	Weighted average remaining life	Aggregate intrinsic value (in millions)
Options outstanding at January 1, 2022	42,110	$ 9.23			2,221	$ 12.25		
Granted	—	$ —			—	$ —		
Exercised	(420)	$ 2.25			—	$ —		
Forfeited/Cancelled	(8,776)	$ 11.28			—	$ —		
Options outstanding at December 31, 2022	32,914	$ 8.78	2.9 years	$ —	2,221	$ 12.25	0.8 years	$ —
Options exercisable at December 31, 2022	21,561	$ 10.56	2.0 years	$ —	2,221	$ 12.25	0.8 years	$ —

The following table presents the number and weighted average GDFV of RSUs granted to certain officers, employees and directors of the Company.

	Series A (000's)	Weighted Average GDFV	Series B (000's)	Weighted Average GDFV
RSUs outstanding at January 1, 2022	12,905	$ 9.38	—	$ —
Granted	18,797	$ 3.80	327	$ 4.95
Vested	(4,475)	$ 9.92	—	$ —
Forfeited/Cancelled	(4,061)	$ 7.43	—	$ —
RSUs outstanding at December 31, 2022	23,166	$ 5.09	327	$ 4.95

Qurate Retail - Restricted Stock and Restricted Stock Units

The Company has approximately 23.2 million, 1.4 million and 89 thousand unvested RSAs and RSUs of QRTEA, QRTEB and QRTEP, respectively, held by certain directors, officers and employees of the Company as of December 31, 2022. The QRTEA and QRTEB unvested RSAs and RSUs have a weighted average GDFV of $5.11 per share and $11.66 per share, respectively, and 78 thousand of the QRTEP unvested RSUs have an incremental cost of $50.01 per share.

The aggregate fair value of all QRTEA, QRTEB and QRTEP RSAs and RSUs that vested during the years ended December 31, 2022, 2021 and 2020 was $25 million, $95 million and $17 million, respectively.

Qurate Retail - Exercises

The aggregate intrinsic value of all options exercised during the years ended December 31, 2022, 2021 and 2020 was $1 million, $19 million and $7 million, respectively.

As of December 31, 2022, the total unrecognized compensation cost related to unvested Qurate Retail Awards was approximately $101 million. Such amount will be recognized in the Company's consolidated statements of operations over a weighted average period of approximately 1.5 years.

As of December 31, 2022, Qurate Retail reserved 35.1 million shares of Series A and Series B common stock for issuance under exercise privileges of outstanding stock options.

(12) Employee Benefit Plans

Subsidiaries of Qurate Retail sponsor 401(k) plans, which provide their employees an opportunity to make contributions to a trust for investment in Qurate Retail common stock, as well as other mutual funds. The Company's subsidiaries make matching contributions to their plans based on a percentage of the amount contributed by employees. Employer cash contributions to all plans aggregated $29 million, $30 million and $28 million for the years ended December 31, 2022, 2021 and 2020, respectively.

(13) Other Comprehensive Earnings (Loss)

Accumulated other comprehensive earnings (loss) included in the Company’s consolidated balance sheets and consolidated statements of equity reflect the aggregate of foreign currency translation adjustments, comprehensive earnings (loss) attributable to debt credit risk adjustments and the Company's share of accumulated other comprehensive earnings of affiliates.

The change in the components of accumulated other comprehensive earnings (loss), net of taxes ("AOCI"), is summarized as follows:

	Foreign currency translation adjustments	Share of AOCI of equity affiliates	Comprehensive Earnings (loss) Attributable to Debt Credit Risk Adjustments	Other	AOCI
	amounts in millions				
Balance at January 1, 2020	$ (181)	(5)	40	91	(55)
Other comprehensive earnings (loss) attributable to Qurate Retail, Inc. stockholders	111	—	17	(1)	127
Balance at December 31, 2020	(70)	(5)	57	90	72
Other comprehensive earnings (loss) attributable to Qurate Retail, Inc. stockholders	(113)	—	(36)	(2)	(151)
Balance at December 31, 2021	$ (183)	(5)	21	88	(79)
Other comprehensive earnings (loss) attributable to Qurate Retail, Inc. stockholders	(166)	—	277	(14)	97
Balance at December 31, 2022	$ (349)	(5)	298	74	18

The components of other comprehensive earnings (loss) are reflected in Qurate Retail's consolidated statements of comprehensive earnings (loss) net of taxes. The following table summarizes the tax effects related to each component of other comprehensive earnings (loss).

	Before-tax amount	Tax (expense) benefit	Net-of-tax amount
	amounts in millions		
Year ended December 31, 2022:			
Foreign currency translation adjustments	$ (185)	3	(182)
Recognition of previously unrealized losses (gains) on debt, net	(18)	4	(14)
Comprehensive earnings (loss) attributable to debt credit risk adjustments	365	(88)	277
Other comprehensive earnings (loss)	$ 162	(81)	81
Year ended December 31, 2021:			
Foreign currency translation adjustments	$ (124)	(4)	(128)
Recognition of previously unrealized losses (gains) on debt, net	(3)	2	(1)
Comprehensive earnings (loss) attributable to debt credit risk adjustments	(42)	6	(36)
Other comprehensive earnings (loss)	$ (169)	4	(165)
Year ended December 31, 2020:			
Foreign currency translation adjustments	$ 115	3	118
Recognition of previously unrealized losses (gains) on debt, net	(1)	—	(1)
Comprehensive earnings (loss) attributable to debt credit risk adjustments	22	(5)	17
Other comprehensive earnings (loss)	$ 136	(2)	134

(14) Commitments and Contingencies

Litigation

Qurate Retail has contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business. Although it is reasonably possible Qurate Retail may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

Fire at Rocky Mount Fulfillment Center

On December 18, 2021, QVC experienced a fire at its Rocky Mount, Inc. fulfillment center in North Carolina. Rocky Mount was QVC’s second-largest fulfillment center for QxH and QVC’s primary returns center for hard goods. The building was significantly damaged as a result of the fire and related smoke and will not reopen. QVC decided not to rebuild the facility and entered into an agreement to sell the property which closed in February 2023.

QVC maintains property, general liability and business interruption insurance coverage. Based on provisions of QVC's insurance policies, the Company records estimated insurance recoveries for fire related costs for which recovery is deemed probable.

For the year ended December 31, 2021, QVC recorded $250 million of fire related costs and estimated insurance recoveries of $229 million for which recovery was deemed probable. As of December 31, 2021, the Company received $100 million of insurance proceeds and had an insurance receivable of $129 million which was recorded in Trade and other receivables, net in the consolidated balance sheet.

For the year ended December 31, 2022, the Company recorded an additional $157 million of fire related costs, including $95 million for the write-down of inventory that will not be reimbursed by QVC’s insurance policies. The fire-related costs also include $59 million for which recovery was deemed probable and $3 million of costs that will not be reimbursed by QVC’s insurance policies. For the year ended December 31, 2022, the Company received $280 million of insurance proceeds for inventory, fixed asset losses and other fire related costs and recorded a gain of $132 million in restructuring and fire related costs, net of (recoveries) in the consolidated statement of operations, representing the proceeds received in excess of cumulative losses recognized. The Company recorded an insurance receivable, net of advance proceeds received, for other fire related costs for which recovery was deemed probable of $40 million which was recorded in Trade and other receivables, net in the consolidated balance sheet as of December 31, 2022.

During the year ended December 31, 2022, inventory write-downs related to Rocky Mount inventory of $95 million were included in cost of goods sold. Due to the circumstances surrounding the write-downs of inventory, these write-downs have been excluded from Adjusted OIBDA (as defined in note 15). QVC submitted its business interruption claim with the insurance company and is still in the process of negotiating the valuation of loss with its insurer; there can be no guarantee that all business interruption losses will be recovered. QVC expects to continue to record additional costs and recoveries until the insurance claim is fully settled.

Project Athens

On June 27, 2022, Qurate Retail announced a five-point turnaround plan designed to stabilize and differentiate its core HSN and QVC U.S. brands and expand the company's leadership in video streaming commerce (“Project Athens”). Project Athens main initiatives include: (i) improve customer experience and grow relationships; (ii) rigorously execute core processes; (iii) lower cost to serve; (iv) optimize the brand portfolio; and (v) build new high growth businesses anchored in strength.

During 2022 QVC commenced the first phase of Project Athens including actions to reduce inventory and a planned workforce reduction. These initiatives are consistent with QVC's strategy to operate more efficiently as it implements its turnaround plan. QVC recorded restructuring charges of $24 million in restructuring and fire related costs, net of (recoveries) in the consolidated statement of operations during the year ended December 31, 2022, related to workforce reduction.

Zulily Restructuring

In the first quarter of 2022, Zulily began to execute a series of transformation initiatives, beginning with the announcement of the closure of its fulfillment center in Bethlehem, Pennsylvania, and reduction in corporate workforce. These initiatives are consistent with Zulily's strategy to operate more efficiently as it implements its turnaround plan, and Zulily expects to incur additional expenses related to these transformation initiatives in future periods. Zulily recorded $13 million of restructuring charges during the year ended December 31, 2022, approximately $9 million of which related to its regional office space strategy and expenses associated with the Pennsylvania facility closure, and approximately $4 million of which related to a reduction in corporate workforce.

(15) Information About Qurate Retail's Operating Segments

Qurate Retail, through its ownership interests in subsidiaries and other companies, is primarily engaged in the video and on-line commerce industries. Qurate Retail identifies its reportable segments as (A) those consolidated subsidiaries that represent 10% or more of its consolidated annual revenue, annual Adjusted OIBDA or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of Qurate Retail's annual pre-tax earnings. The segment presentation for prior periods has been conformed to the current period segment presentation.

As of December 31, 2022, the Company changed its reportable segments as CBI met the quantitative threshold to be a reportable segment. Zulily no longer met the quantitative threshold to be a reportable segment, and is now reported in the Corporate and other segment, and presented prior period information to conform with this change.

Qurate Retail evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue, Adjusted OIBDA, gross margin, average sales price per unit, number of units shipped and revenue or sales per customer equivalent. In addition, Qurate Retail reviews nonfinancial measures such as unique website visitors, conversion rates and active customers, as appropriate.

For segment reporting purposes, Qurate Retail defines Adjusted OIBDA as revenue less cost of goods sold, operating expenses, and selling, general and administrative expenses excluding stock-based compensation and, where applicable, separately identified items impacting comparability. Qurate Retail believes this measure is an important indicator of the operational strength and performance of its businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to view operating results and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. This measure of performance excludes depreciation and amortization, stock-based compensation, and where applicable, separately identified impairments, litigation settlements, restructuring, acquisition-related costs, fire related costs, net (including Rocky Mount inventory losses) and gains on sale leaseback transactions, that are included in the measurement of operating income (loss) pursuant to GAAP. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. Qurate Retail generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

For the year ended December 31, 2022, Qurate Retail has identified the following consolidated subsidiaries as its reportable segments:

- QxH– QxH markets and sells a wide variety of consumer products in the U.S., primarily by means of its televised shopping programs and via the Internet through their websites and mobile applications.
- QVC International – QVC International markets and sells a wide variety of consumer products in several foreign countries, primarily by means of its televised shopping programs and via the Internet through its international websites and mobile applications.
- CBI – CBI consists of a portfolio of aspirational home and apparel brands in the U.S. that sell merchandise through brick-and-mortar retail locations as well as via the Internet through their websites.

Qurate Retail's operating segments are strategic business units that offer different products and services. They are managed separately because each segment requires different technologies, distribution channels and marketing strategies. The accounting policies of the segments that are also consolidated subsidiaries are the same as those described in the Company's summary of significant accounting policies.

Performance Measures

	Years ended December 31,					
	2022		2021		2020	
	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA
	amounts in millions					
QxH	$ 7,359	750	8,277	1,439	8,505	1,547
QVC International	2,528	358	3,077	562	2,967	510
CBI	1,313	78	1,238	137	1,070	94
Corporate and other	906	(122)	1,453	(58)	1,636	47
Inter-segment eliminations	—	—	(1)	—	(1)	—
Consolidated Qurate Retail	$ 12,106	1,064	14,044	2,080	14,177	2,198

Other Information

	December 31, 2022		December 31, 2021	
	Total assets	Capital expenditures	Total assets	Capital expenditures
	amounts in millions			
QxH	$ 8,731	178	12,302	169
QVC International	1,933	38	2,214	41
CBI	558	39	485	14
Corporate and other	1,349	13	1,201	20
Consolidated Qurate Retail	$ 12,571	268	16,202	244

The following table provides a reconciliation of consolidated segment Adjusted OIBDA to operating income and earnings (loss) from continuing operations before income taxes:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
Consolidated segment Adjusted OIBDA	$ 1,064	2,080	2,198
Stock-based compensation	(60)	(72)	(64)
Depreciation and amortization	(481)	(537)	(562)
Restructuring and fire related (costs), net of recoveries	(3)	(21)	—
Gains on sale leaseback transactions	520	—	—
Impairment of intangible assets	(3,081)	(363)	—
Operating income	(2,041)	1,087	1,572
Interest expense	(456)	(468)	(408)
Share of earnings (loss) of affiliates, net	(1)	(94)	(156)
Realized and unrealized gains (losses) on financial instruments, net	41	99	(110)
Gains (losses) on transactions, net	—	10	224
Tax sharing income (expense) with Liberty Broadband	79	10	(39)
Other, net	70	(6)	(32)
Earnings (loss) from continuing operations before income taxes	$ (2,308)	638	1,051

Revenue by Geographic Area

The following table summarizes net revenue generated by subsidiaries located within the identified geographic areas:

	Years ended December 31,		
	2022	2021	2020
	amounts in millions		
United States	$ 9,514	10,864	11,119
Japan	1,017	1,167	1,132
Germany	813	1,027	978
Other foreign countries	762	986	948
	$ 12,106	14,044	14,177

Long-lived Assets by Geographic Area

	December 31,	
	2022	2021
	amounts in millions	
U.S.	$ 378	686
Japan	104	123
Germany	36	121
Other foreign countries	52	100
	$ 570	1,030

Qurate Retail, Inc.
Reconciliation of Qurate Retail, Inc. ("Qurate Retail") Net Assets and
Net Earnings to Liberty Interactive LLC ("Liberty LLC") Net Assets and Net Earnings

December 31, 2022

(unaudited)
amounts in millions

Qurate Retail Net Assets	$	525
Reconciling items:		
Zulily, LLC ("Zulily") net assets		(57)
Cornerstone Brands, Inc. ("Cornerstone") net assets (1)		(253)
Cash held by Qurate Retail		(500)
Equity investment in Cornerstone held by Liberty LLC (1)		90
Tax sharing agreement with GCI Liberty, Inc.		7
Preferred Stock liability (2)		1,266
Preferred restricted stock unit liability (2)		24
Accrued preferred dividends payable (2)		4
Liberty LLC Net Assets	$	1,106

Qurate Retail Net Earnings	$	(2,532)
Reconciling items:		
Zulily net (earnings) loss		470
Cornerstone net (earnings) loss (1)		(38)
Cornerstone equity method investment share of earnings (loss)		14
GCI Liberty, Inc. tax sharing expense		(79)
Accrued preferred dividends payable (2)		102
Liberty LLC Net Earnings	$	(2,063)

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(1) On December 29, 2017, Qurate Retail acquired the approximate remaining 62% of HSN, Inc. (which includes its televised shopping business "HSN" and its catalog retail business "Cornerstone") it did not already own. On December 31, 2018, Qurate Retail transferred their 100% ownership interest in HSN to QVC, Inc. through a transaction amongst entities under common control and based on the guidance for accounting for transactions amongst entities under common control HSN's results have been excluded for the entire period. Liberty LLC continues to hold 38% of Cornerstone and accounts for its ownership in Cornerstone as an equity method investment.

(2) On September 14, 2020, Qurate Retail issued the 8.0% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Preferred Stock"). Holders of the Preferred Stock are entitled to receive quarterly cash dividends at a fixed rate of 8.0% per year on a cumulative basis, beginning December 15, 2020 and thereafter on each of March 15, June 15, September 15 and December 15 during the term. As the Preferred Stock is subject to unconditional mandatory redemption in cash and was issued in the form of a share, Qurate Retail concluded the Preferred Stock was a mandatorily redeemable financial instrument and should be classified as a liability in the consolidated balance sheets.

CORPORATE DATA

BOARD OF DIRECTORS

Gregory B. Maffei
Chairman of the Board
Qurate Retail, Inc.

Richard N. Barton
Co-Founder and Executive Chairman
Zillow Group, Inc.

Fiona P. Dias
Principal Digital Partner
Ryan Retail Consulting

David Rawlinson II
President and Chief Executive Officer
Qurate Retail, Inc.

M. Ian G. Gilchrist
Retired Director and President
Trine Acquisition Corp.

Evan D. Malone, Ph.D.
President
NextFab Studio, LLC

John C. Malone
Chairman of the Board
Liberty Media Corporation

Larry E. Romrell
Retired Executive Vice President
Tele-Communications, Inc.

Andrea L. Wong
Former President, International Production
Sony Pictures Television
Former President, International
Sony Pictures Entertainment

EXECUTIVE COMMITTEE

David Rawlinson II

Gregory B. Maffei

John C. Malone

COMPENSATION COMMITTEE

Larry E. Romrell (Chairman)

M. Ian G. Gilchrist

Andrea L. Wong

AUDIT COMMITTEE

M. Ian G. Gilchrist (Chairman)

Fiona P. Dias

Larry E. Romrell

NOMINATING & CORPORATE GOVERNANCE COMMITTEE

Andrea L. Wong (Chair)

Richard N. Barton

Fiona P. Dias

SENIOR OFFICERS

Gregory B. Maffei
Chairman of the Board

David Rawlinson II
President and Chief Executive Officer

Renee L. Wilm
Chief Legal Officer and Chief
Administrative Officer

Albert E. Rosenthaler
Chief Corporate Development Officer

Brian J. Wendling
Chief Accounting Officer and Principal
Financial Officer

Ben Oren
Executive Vice President and Treasurer

CORPORATE SECRETARY

Katherine C. Jewell

CORPORATE HEADQUARTERS
12300 Liberty Boulevard
Englewood, CO 80112
(720) 875-5300

STOCK INFORMATION
Series A and B Common Stock (QRTEA/B) trade on the NASDAQ Global Select Market. Our 8% Series A Cumulative Redeemable Preferred Stock (QRTEP) is traded on the NASDAQ Global Select Market.

CUSIP NUMBERS
QRTEA – 74915M 100
QRTEB – 74915M 209
QRTEP – 74915M 308

TRANSFER AGENT
Qurate Retail, Inc.
Shareholder Services
c/o Broadridge Corporate Issuer Solutions
P.O. Box 1342
Brentwood, NY 11717
Phone: (888) 789-8461
Toll Free: (626) 427-6421
https://shareholder.broadridge.com/qri

INVESTOR RELATIONS
Shane Kleinstein
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(866) 876-0461

ON THE INTERNET
Visit the Qurate Retail, Inc. website at www.qurateretail.com

FINANCIAL STATEMENTS
Qurate Retail, Inc. financial statements are filed with the Securities and Exchange Commission. Copies of these financial statements can be obtained from the Transfer Agent or through the Qurate Retail, Inc. website.

qurate

RETAIL, INC.

OUR ENVIRONMENT

Qurate Retail believes in working to keep our environment cleaner and healthier. We are proud to have our headquarters overlooking the Colorado Rockies. Every day, Qurate Retail takes steps to preserve the natural beauty of the surroundings that we are privileged to enjoy.

ELECTRONIC DELIVERY

We encourage Qurate Retail stockholders to voluntarily elect to receive future proxy and annual report materials electronically.

- If you are a registered stockholder, please visit ***www.proxyvote.com*** for simple instructions.
- Beneficial shareowners can elect to receive future proxy and annual report materials electronically as well as vote their shares online at ***www.proxyvote.com***.
  ▸ Faster ▸ Economical ▸ Cleaner ▸ Convenient

SCAN THE QR CODE

- To vote using your mobile device, sign up for e-delivery or download annual meeting materials.

▸ Qurate Retail's initiative in reducing its carbon footprint by promoting electronic delivery of shareholder materials has had a positive effect on the environment. Based upon 2022 statistics, voluntary receipt of e-delivery resulted in the following environmental savings:

- Using approximately 48.1 fewer tons of wood, or 288 fewer trees
- Using approximately 307 million fewer BTUs, or the equivalent of the amount of energy used by 365 refrigerators
- Using approximately 216,000 fewer pounds of greenhouse gases, including carbon dioxide, or the equivalent of 19.7 automobiles running for 1 calendar year
- Saving approximately 258,000 gallons of water, or the equivalent of approximately 11.8 swimming pools
- Saving approximately 14,200 pounds of solid waste
- Reducing hazardous air pollutants by approximately 19.2 pounds

Environmental impact estimates calculated using the Environmental Paper Network Paper Calculator. For more information visit ***www.papercalculator.org***.

2023 ANNUAL MEETING OF STOCKHOLDERS

24 Tuesday, June 6, 2023

8:15 a.m. Mountain Time

The 2023 Annual Meeting of Stockholders will be held via the Internet as a virtual meeting. See our Proxy Statement for additional information.

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