

Working on your future

Sustainability report
2014



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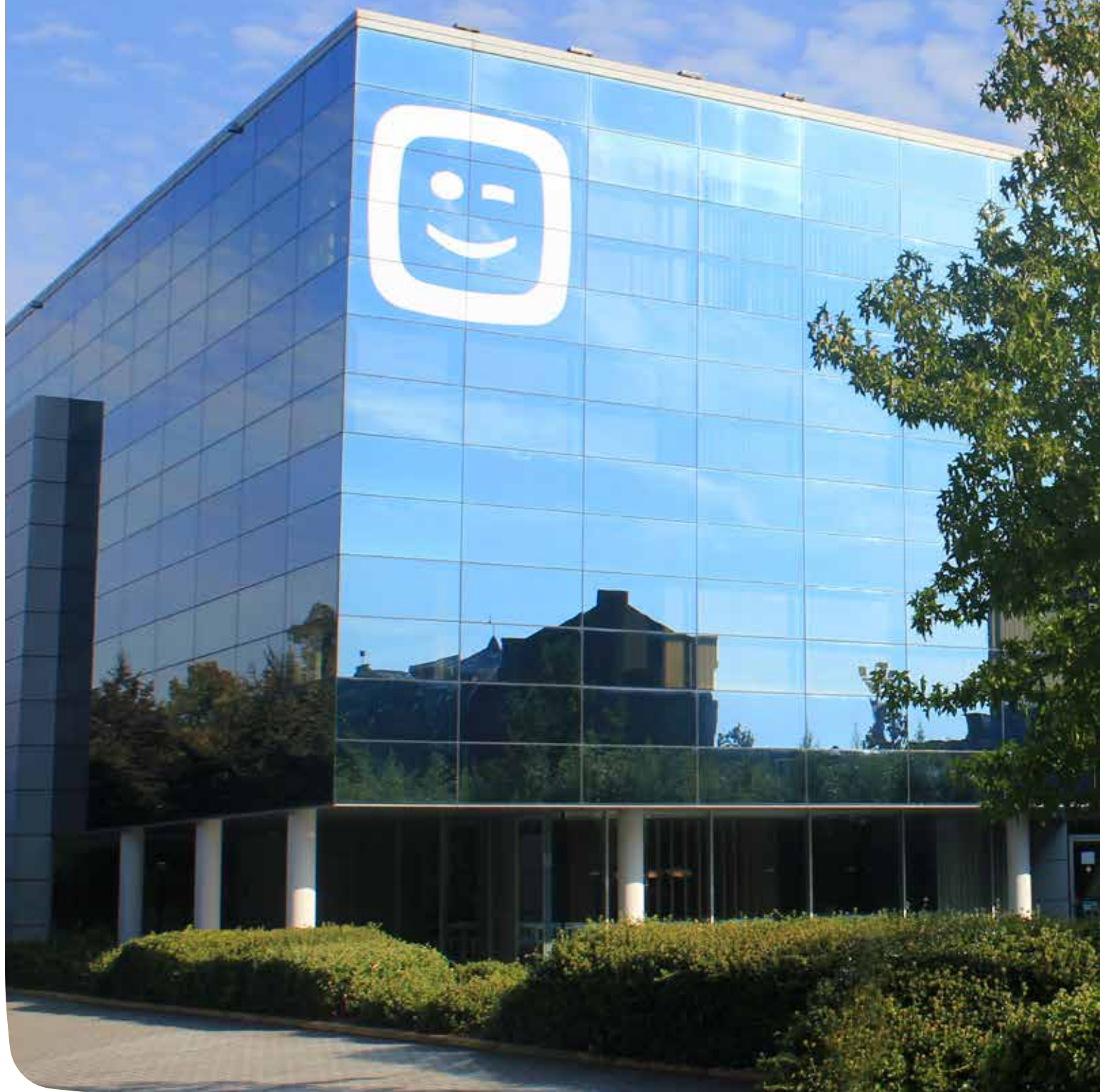
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Stakeholder engagement

Group

>> Company profile

Telenet is the leading cable service provider in Belgium and specializes in the supply of broadband Internet, fixed and mobile telephony services and cable television to customers throughout Flanders and Brussels over an HFC (hybrid fiber-coax) network. Using this powerful network, Telenet delivers high-quality entertainment and other services to its customers. Telenet also provides professional communication services to businesses in Belgium and Luxembourg.

As a telecommunications company, Telenet attaches great importance to innovation and development, such as the constant optimization of current applications, continuous expansion of the technological possibilities, and broadening of our product and service offering. We invest extensively in both our network and the Flemish entertainment industry in order to continuously encourage innovation and creativity. A persuasive marketing approach, creative product mix and efficient customer service combine to ensure that Telenet is always able to appeal to new target groups.

As a growth company, Telenet is very much aware of its increasing responsibility in the community. It has succeeded in substantially reducing its ecological footprint through a number of initiatives. Telenet also demonstrates a high degree of social commitment, which is reflected not only in its socially aware product range, but also in our support for start-ups through Telenet Idealabs.

Telenet is based in Mechelen, with contact centers in Herentals, St-Trond and Alost, and regional sites across Flanders for the provision of technical support.

Liberty Global is the main shareholder of Telenet. At the end of 2014, Liberty Global owned 56.6% of Telenet shares.

By the end of 2014, Telenet's workforce consisted of 2,247 employees, who together generated a turnover of €1.7 billion. Telenet is listed on Euronext Brussels and included in the Bel 20 index.

Our values





Senior Leadership Team, left to right: Veenod Kurup (CIO), Inge Smidts (Sr VP Residential Marketing), Birgit Conix (CFO), John Porter (CEO), Ann Caluwaerts (Sr VP Corporate Affairs & Communications), Dieter Nieuwdorp (Sr VP Strategy & Corporate Development), Claudia Poels (Sr VP HR), Patrick Vincent (CCO), Micha Berger (CTO), Luc Machtelincx (EVP General Counsel) and Martine Tempels (Sr VP Telenet for Business).

➤ Mission

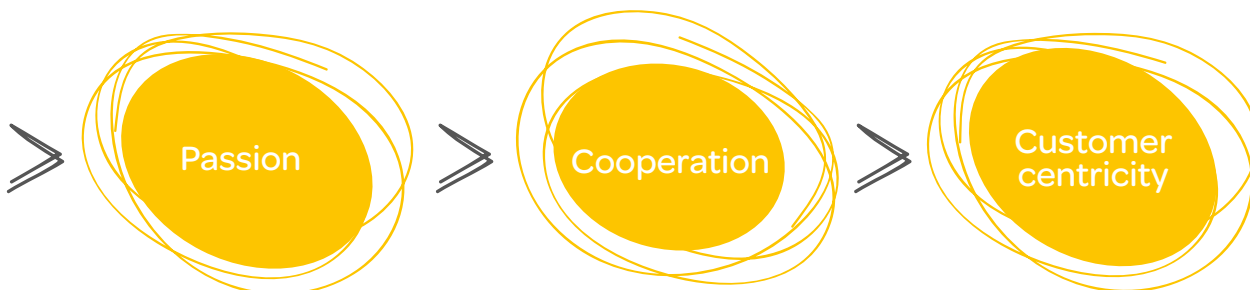
Our purpose is to help and inspire our customers to make the most of life and business in the digital world, and to do so wholeheartedly.

Telenet is a story of turning new things into reality. We brought superfast broadband to Flanders, we made phone calls via cable cheaper and we made digital TV the standard. Telenet introduced its customers to a world of new possibilities. Technologies which were in their infancy only yesterday are now accepted as standard. Customers don't have to think about them; they just want to get on with things.

Telenet transformed 'TECHNOLOGY' into 'GENEROSITY'. If you are supported by exceptional services, you can let yourself go completely in what you want to do. Infinite possibilities help you focus on opportunities.

Families discover a completely new style of entertainment where they can watch what they really want to see, anytime, anywhere. Businesses are also discovering new opportunities as Telenet helps them to fully embrace the digital world.

At Telenet, we believe that each day offers a world full of new opportunities. Opportunities to make the most of life and do what we wish wholeheartedly and share it with others.



➤ Introduction by the Chairman and the CEO

Dear shareholders, customers and partners,

2014 was an exciting year for our company – a year in which we made solid operational and financial gains, readied the company for the future and created the groundwork for healthy and prosperous growth for all stakeholders, both in 2015 and beyond.

We are aware of the important role that Telenet has in society. We feel very strongly about sustainability in all its aspects.

We make positive contributions to society, the economy and the environment through our products and services, employment, community involvement and responsible resource use. Telenet has worked hard to be a responsible and sustainable business for years. We can demonstrate this in many ways, including our third year in a row as 'best in class' in the Dow Jones Sustainability Indices for our sector. We have also launched the 'Telenet Idealabs' program to support promising digital start-ups and to stimulate innovation in Flanders. Long-term sustainability thinking has an important role to play in creating business value and enables long-term profitable growth.

Our superfast broadband connections for both private individuals and companies help to grow the digital economy, and our accessible digital TV platform brings content from both Flanders and every corner of the world to every screen in every home. We also take into account those for whom the digital world is not so accessible - we have social tariffs for all our products, and offer structural support to social projects that help to bridge the digital divide. We also continue to support and promote important initiatives such as the UN Global Compact. We are a member of the advisory board of the Belgian Network of the UN Global Compact, and since 2011 we have adhered to the Compact's 10 principles.

Our aim is to offer our customers the best and most reliable technology so they can enjoy optimum digital content both at home and on the road, which we achieve by offering them innovative fixed and mobile products based on our core customer values: simplicity, transparency, customer loyalty and the constant improvement of the customer's experience.

This experience extends beyond the living room. Thanks to our unique position in the market, we strive to offer superfast data access to our customers at any location. Our customers have free



access to more than 1.2 million Wi-Fi homespots and over 2,000 public hotspots in Belgium. In early October 2014, we announced the rollout of EAP functionality for our Wi-Fi routers, allowing customers to automatically and seamlessly connect to our Wi-Fi network. We believe that the rollout of this new technology will allow our customers to save on money and to make better use of the full potential of ‘Wi-Fi offloading’ (allowing a part of the mobile data traffic to run through our Wi-Fi network).

All of these innovative services are only possible thanks to our basic foundation: the network. We continue to invest in our hybrid glass fiber and coaxial cable network. Telenet has in recent years undertaken several concrete actions to ensure that sufficient bandwidth is available. In 2009, the bandwidth of our network was increased from 450 MHz to 600 MHz. In 2010, the cable standard EuroDocsis 3.0 was launched. This enabled us to quadruple maximum speed of our Internet products from 30 Mbps to 120 Mbps. We have brought our glass fiber optical network to more customers’ homes. By the close of 2014, an average of 490 houses were connected to each fiber optic junction, compared to 1,400 houses in 2010, and by 2015, the average will further fall to

476. This means that the available bandwidth per household is tripled. However, the demand for faster broadband connections and higher data volumes continues to rise.

That is why Telenet is investing a total of 500 million euros over the next five years to extend the cable network in Flanders into a Giga network – a first for Europe. In concrete terms, this means that Telenet will expand the Internet highway from 600 Megahertz (MHz) to 1 Gigahertz (GHz), a growth that means that not only the ever-increasing Internet traffic will continue to run smoothly, but also that in the future more, faster and better digital applications will be available to all Telenet customers across the region. This will be the most far-reaching change ever to the network in the history of Telenet. The network offers extraordinary potential for the increase in Internet data and will in due course be able to handle broadband speeds of at least 1 gigabit per second, putting Flanders firmly at the top of regions with the best digital infrastructure in Europe. This large-scale network investment, which is part of the wider De Grote Netwerf project, Telenet is preparing for the constant increase in data traffic and is anticipating the future digital needs of private users, the business world, the

public service, education, the health and safety sector and also other social sectors. Furthermore, some 350 jobs will be created in Flanders during the course of the project.

We increasingly emphasize entertainment. It is no longer about the product itself, but the enjoyment that the customer derives from it. In this respect, we must take into account an accelerating globalization in the media world. The combination of digital television with Play offers the customer an all-in solution for the best of TV. Through Play, Telenet is the only operator in Belgium to bundle content from local stations, an extensive collection of international films and series and the best television functionalities, such as *Terugkijk TV*, all together into a simple and smart product.

Local content is particularly important for differentiating us. With STAP, we invest 7.5 million in Flemish series and movies annually. We will work with our media partners to make sure the Flemish, local media landscape maintains its unique position, valued by the viewers. In June 2014, Telenet announced that it intended to acquire a 50% stake in De Vijver Media, a plan that was approved by the European Commission in early 2015. This allows Telenet to push for a new broadcasting model and, together with the VIER and VIJF channels, also play a role in developing the Flemish broadcasting industry. The increasing convergence between fixed and mobile services and the confluence of the Internet and traditional television mean that a further step must be taken so that the customer can make the best possible use of the new opportunities. Telenet believes that, together with VIER and VIJF, it can create an even richer TV experience for the consumer.

We attach just as much importance to sustainability internally as externally. We strive to offer our employees every possible opportunity – they are, after all, our greatest asset. We recruited 281 new staff in 2014, which brought our workforce to almost 2,250. More than half of our vacancies are filled internally and we work hard to see that we keep stimulating the talent we have through various talent programs and training courses. We aim to keep building on both customer and employee satisfaction in coming years.

Together we realized the objectives set for 2014, in spite of the macroeconomic circumstances and the fierce competition. Our operating income increased by 4% to just over € 1.7 billion, and our adjusted



EBITDA rose by 7% to € 900 million. We invested approximately 22.7% of our operating income. We remain determined to maintain strong growth in our activities throughout 2015 and in the future. Our customer-oriented positioning will allow us to offer innovative and competitive products, which will lay the basis for future growth.

Customers who subscribe to only one product are increasingly making the transfer to our economical bundles and sign up to our mobile offering as well. Our proven long-term strategy around 'multiple play' is convincing more and more customers to purchase



more and more services. By the close of 2014, almost 51% of our customer relations subscribed to our triple-play bundles. The average income per customer relation rose year on year by 5% in 2014 to € 49.8, excluding income from mobile telephony.

Consumers value our simple, transparent and competitive mobile tariff plans, which enables us to sell on mobile services to our considerable customer base. In March 2014, we improved our mobile telephony range with the introduction of the 'Supersize your King' option. With extras like the Triiing app, which allows customers to call to the rates of their fixed

line using their smartphone, our extensive Wi-Free network and the launch of 4G without any additional cost to our mobile customers, we offer one of the best mobile products in the market.

We will also continue to focus on providing entertainment, including via Play and Play More and our Yelo Play platform. We will make the best local and international content available to our customers, and in this way we will provide an answer to the new trends emerging in how our customers watch television.

We are also enthusiastic about growth opportunities in the business market. Our business services are mainly aimed at the segments and services where we expect to achieve greater market share, despite intense competition. With this in mind, Telenet for Business intends to keep building on the investments of the past years, and approach the market with an integrated range of leading services and solutions in the areas of connectivity, security and hosting, with a strong focus on our coax products.

We aim to maintain excellent customer service provision and customer confidence in 2015, so we will keep enhancing our processes and platforms, while always putting our customers first.

Bert De Graeve
Chairman

John Porter
Managing Director

➤ Our changing world

Big changes are effecting our society and, thereby, our stakeholders and our business. Being a responsible company means being aware of the developments in the world around us and responding to the opportunities and concerns they bring to our stakeholders. We detect a number of specific developments that impact society and, as a result, the way we do business.

Telenet addresses its stakeholders' concerns by focusing our impact on material issues: a selection of topics our stakeholders have indicated as most important. We will describe these issues and our approach extensively throughout this report.

Climate change and raw material shortage

To preserve the planet and the world in which we live and do business, it is absolutely essential for us to reduce our impact on the climate. There is a growing competition and realization of the link between raw materials like oil, food, and water. Energy and mineral prices are unstable due to shortage, geopolitical risks, transport costs, and the nationalization of resources. The depletion of natural resources such as water and fossil fuels is forcing companies and people in general to treat such

resources sparingly and look for more sustainable alternatives. Digital applications are seen as an opportunity to decarbonize the economy, by video conferencing, for example.

Changing consumer expectations

In our digital world, consumer demand for speed and data has risen considerably. In particular, digital natives (generations which grew up with access to the Internet and mobile phones) have different expectations. They have grown up with elements such as social media and user-generated content. Consumers now expect a flawless, user-friendly, and transparent experience with maximum freedom. At the same time, they are becoming more aware of their Internet profiles and the use of personal data.

Shifts in the global economy

The worldwide financial crisis has had far-reaching effects on the business community and the welfare of society in general. There are vast gulfs in income and infrastructure, both globally and locally. In many cases, it is those who are socially deprived who have been hit the hardest. We cannot saddle the government with the



full responsibility for tackling this problem. A second element is the shift of economic power from West to East and from North to South. There is a growing demand for, and increasingly more emphasis in national policy on local products and services, partially in order to save costs.

Health and an ageing society

The population continues to expand and age at the same time. Life expectancy figures continue to rise: we all hope for a long and healthy life. The current pressure on our health system requires a more innovative and proactive approach towards our health management in daily life and the treatment of illnesses whenever that is needed.

New ways of working and doing business

New ways of working have emerged. Companies are taking account of the entire value chain of their corporate activities. They are finding it increasingly hard to pay for compensatory measures such as clean air, water, or biodiversity. There is a growing emphasis on ethical operational management, governance, and transparency. New forms of innovation are also emerging, including socially driven operational management such as crowdfunding. The new ways of working and the dynamic labor market have also brought about a change in relations between employer and employee. A healthy and safe working environment should be absolutely indispensable. Attracting and keeping talented people is vital to corporate continuity. Employees want a meaningful and satisfying job. Furthermore, striking a healthy balance between work and private life is good for both employers and employees.

The opportunities and dangers of technology

ICT has penetrated society, both in business and amongst consumers. E-government, e-health, e-school, e-banking, and cloud services are becoming more and more mainstream. There is a growing corporate and personal dependence on technology. Consumers are also asking service providers to tackle problems in the fields of privacy and safety. Data fraud and theft, as well as digital terrorism, are new dangers against which protection is required. The risks and opportunities of Big Data need to be recorded clearly. We also need to be aware of our behavior online and accept responsibility for protecting those who are vulnerable in the digital world, such as children.

> The Telenet Way

Our current business strategy – The Telenet Way – was rolled out at the end of 2013, and has been designed to achieve our objective for Telenet, namely ‘to help and inspire our customers to make the most of life and business in the digital world, and to do so wholeheartedly’.

We wish to achieve this objective by means of a

two-fold focus: to offer a great customer experience, supported by a superior network. We base this on three core values.

Operational excellence

We strive for constant improvements in both our operations and in

our products and services. We always want to avoid a status quo situation: Telenet is a challenger. We uphold the values of excellent alignment and communication, both inside and outside the company.

Right customer connection

We want to ‘click’ with our customers. Our products have to fit them perfectly. Every customer must have the right product and pricing plan. To be able to offer this great customer experience, we need a future-proof network.

Inspiring entertainment

Our aim is to offer our customers relaxation with a great sports, kids and entertainment offering. This offering has to be both intuitive and entirely tailored to our customers. Our aim is that our entertainment offering should appeal to everyone and that they should know that Telenet guarantees an evening of carefree enjoyment of the best digital products and services.

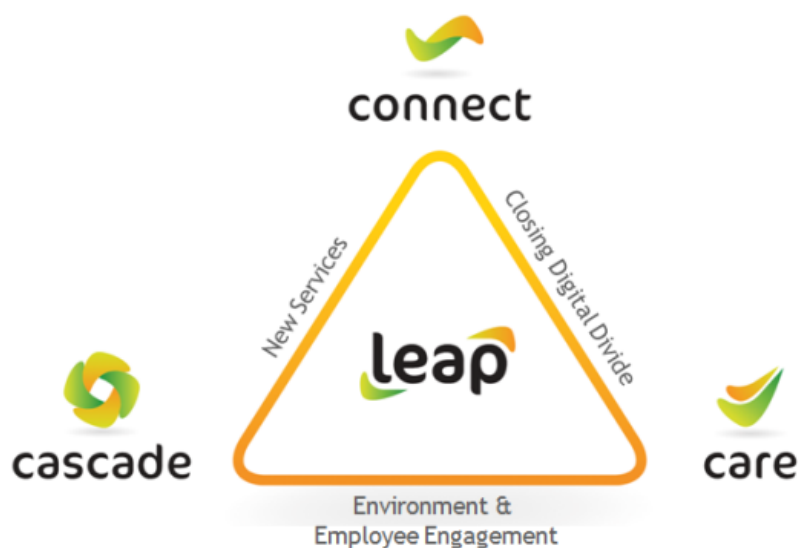


➤ Our sustainability policy

3 pillars of LEAP

The 'Linking Environment and Profit' program (LEAP) makes the sustainability policy an integral part of Telenet's long term strategy and overarching business vision.

The Telenet LEAP program is our response to the challenges the company, the communities and the world faces. The most durable businesses understand that how they do business is as important as what they do. Telenet is committed to being a responsible business with high ethical, social and environmental standards.



Connect: The creation of digital opportunities

Ever since it was founded in 1996, Telenet has played an important role in connecting Flanders and placing technological developments and innovations within reach of our customers. We encourage education and training so that people can get as much as possible out of IT and develop the skills required of them in the 21st century. We moreover invest in creativity, innovation and entrepreneurship through concepts such as our 'start-up accelerator' Telenet Idealabs.

Care: Reflecting Telenet's responsibility towards stakeholders







Telenet cares about the community in which it operates and wants to address the social needs of all its stakeholder groups, including employees, customers and others. By focusing our approach on the material issues as selected by our stakeholders, we reflect on their concerns in the way that is expected of us and we aim to exceed those expectations.

Cascade: Integration of sustainability in daily life of our stakeholders

As part of its corporate responsibility approach, Telenet wants to make an effective contribution to the integration of sustainability in the daily lives of its main stakeholders. An example is the continuous improvement of the energy-efficiency of our set-top boxes in order to decrease our customer's energy use at home.

Telenet is one of the top sustainable brands in Belgium





CARE / Caring for our stakeholders

-  Energy consumption by customers
-  Cutting waste
-  Supply chain
-  Privacy & security
- T** Protecting children
- T** Radiation
- T** Freedom of speech
-  Work-life balance
-  Attracting and retaining talent

CONNECT / Creating digital opportunities

-  Access to IT

CASCADE / Integrating sustainability into everyday life through our products

-  Reliable products and services
-  Transparent pricing policy
-  User-friendly products and services
-  Innovation

 G4 Environmental Aspects

 G4 Social Aspects

 G4 Economic Aspects

T Telecom Aspects

Telenet is one of the top sustainable brands in Belgium

Since 2012, we have further specified our ambitions into a strategic vision with respect to sustainability. We have used the 'GLOBE-US' framework to do this, which offers an intelligible approach for integrating People, Planet and Profit in the business model. We have applied GLOBE-US in two areas:

- Formulating new targets for the LEAP sustainability strategy

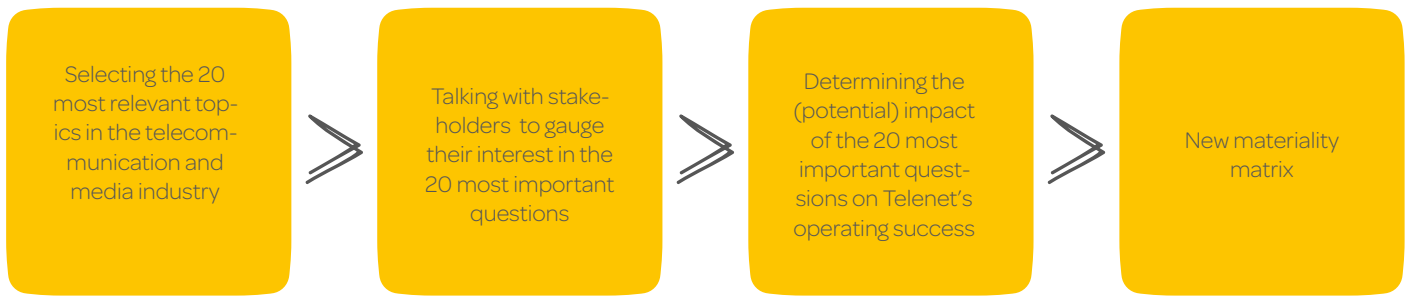
Aside from our goal of becoming a climate-neutral company by the end

of 2015, we have also formulated two specific targets based on the RepTrak® model, which measures the corporate reputation of Telenet:

- Raising Telenet's RepTrak Workplace score by 25% over the score in 2009, because we pay staff a fair wage, are concerned about our staff and offer them equal opportunities.
- Raising Telenet's RepTrak Workplace score by 35% over the score in 2009, because we accept responsibility for the environment, support good causes and have a positive influence upon society. Sustainability training for senior managers

- Over 50 senior Telenet managers attended training sessions in 2013 and 2014 that were especially devoted to sustainable innovation and 'business design thinking'.

By executing the LEAP program and its accompanying action plans, we aim to be one of the top sustainable brands in Belgium by 2017.



Materiality matrix: focusing on the most important questions

In practice, our strategy is realized by working through the LEAP program on the most relevant issues ('material issues') that have been selected together with our stakeholders. Telenet drew up its first materiality matrix in 2012, and in order to bring it into

line with the most current interests on the part of our stakeholders, we updated it in 2015.

We started off by assessing the relevant points for attention in terms of the economy, society and the environment in the telecommunications industry. An analysis of internal and external documents, trend reports and reports by colleagues and competitors, sector associations and

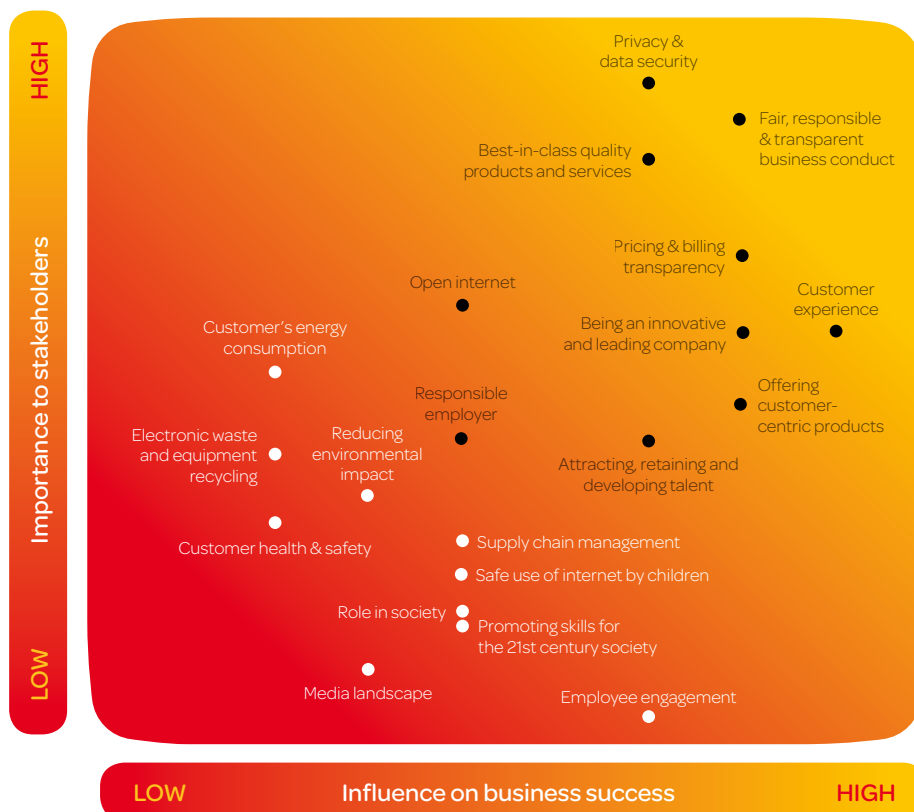
advocates of standards (such as GRI and SASB) led to a long list of over 100 topics. We then selected from these topics and grouped them together until we arrived at the 20 most important questions.

Our biggest stakeholder groups (private and corporate customers, staff, investors and shareholders, media and industry associations) were consulted in order to determine how important they considered each of the 20 questions.

A total of 1,405 corporate and private customers, employees and other stakeholders indicated which subjects should, in their view, be given priority. Further, the (potential) impact of each question on the operating success of Telenet was determined by senior management.

The result of this process of inclusion was a new materiality matrix, a practical instrument that clearly indicates which questions are the most important to our stakeholders and to Telenet as a company.

Because this publication is looking back to 2014, we report on Telenet's previous collection of material issues, as shown in the table below. As of 2015, we will be reporting on our sustainability activities based on the new materiality matrix.



Targets and results

For each of the 14 material issues determined for Telenet in 2012, key performance indicators or KPIs were drawn up. They detail the questions and ensure that our efforts in these areas are measurable.

MATERIAL ISSUE	KPIs	RESULT	DETAILED RESULT (2013)	TARGET
User-friendly products & services	<ul style="list-style-type: none"> Measurement of brand values 	↘	<ul style="list-style-type: none"> At the end of 2014, our residential customers' perception score of ease and simplicity of product use stood at 66, a decrease of 10% compared to the score at the end of 2013. 	To be defined.
Privacy & security	<ul style="list-style-type: none"> Number of employees trained on anti-corruption 	→	<ul style="list-style-type: none"> In 2014, no further staff received anti-corruption training. 	To be defined.
Innovation	<ul style="list-style-type: none"> Measurement of brand values (residential customers) 	↘	<ul style="list-style-type: none"> At the end of 2014, our residential customers' perception score of Telenet as an innovative company stood at 58, a decrease of 9% compared to the score at the end of 2013. 	To be defined.
	<ul style="list-style-type: none"> Measurement of brand values (business customers) 	↗	<ul style="list-style-type: none"> At the end of 2014, our business customers' perception score of Telenet as an innovative company stood at 67, an increase of 4% compared to the score at the end of 2013. 	To be defined.
Pricing & billing transparency	<ul style="list-style-type: none"> % satisfied customers after call on invoice issue 	↗	<ul style="list-style-type: none"> The percentage of satisfied customers after call on invoice issue stood at 81% in 2014, an increase of 8% compared to the score at the end of 2013. 	In 2015 Telenet will start measuring the Customer Effort Score. The target for this indicator is 10%.
	<ul style="list-style-type: none"> # calls per invoice 	↘	<ul style="list-style-type: none"> In 2014, Telenet received 36 calls per 1,000 invoices. This is a decrease of 11% compared to 2013. 	In 2015 Telenet's target is to stay at 36 calls per 1,000 invoices.
Reliable service/ network	<ul style="list-style-type: none"> Network availability / Service level 	↗	<ul style="list-style-type: none"> In 2014, we improved our network availability by 58% compared to base year 2010. The service level in 2014 was 99.98%. 	2015's target for average general service level is a maximum of 10 minutes unavailability per month.
Customers' energy efficiency	<ul style="list-style-type: none"> Set-top box energy efficiency 	↗	<ul style="list-style-type: none"> The average energy use of the total amount of set-top boxes in our customers' homes decreased by 14.4% in 2014 compared to 2013. 	To be defined.
Work-Life balance	<ul style="list-style-type: none"> Number of employees eligible for teleworking 	↗	<ul style="list-style-type: none"> By the end of 2014, 714 out of 1,600 employees (excluding field technical and customer care staff) have signed a telework contract addendum, an increase of 35% compared to the end of 2013. 	We expect that all 1,600 employees having signed the contract addendum by the end of 2015.

MATERIAL ISSUE	KPIS	RESULT	DETAILED RESULT (2013)	TARGET
Access to IT/Protection of children	<ul style="list-style-type: none"> Investment in activities to bridge the digital gap 	➔	<ul style="list-style-type: none"> In 2014, Telenet invested €108,000 to bridge the digital gap. 	To be defined
Talent attraction & retention	<ul style="list-style-type: none"> Employee engagement score 	➔	<ul style="list-style-type: none"> By mid-2014, Telenet's employee engagement score stood at 80.8%, an increase of 0.2% compared to the score at the end of 2013. 	In 2015, Telenet will implement a new measurement method. A new target is being developed.
Freedom of speech	<ul style="list-style-type: none"> #Voluntary take-downs 	➔	<ul style="list-style-type: none"> In 2014, Telenet took down 40 phishing websites after they were reported by customers and the authorities. In 2013, this figure stood at 0. 	To be defined.
	<ul style="list-style-type: none"> # Involuntary take-downs 	➔	<ul style="list-style-type: none"> The number of involuntary take-downs rose from 82 in 2013 to 487 in 2014 (-28%). In these cases, the government ordered Telenet to block (mainly gambling) websites. 	To be defined
Supply Chain	<ul style="list-style-type: none"> % suppliers assessed 	➔	<ul style="list-style-type: none"> In 2013 and 2014, 78 of Liberty Global's and Telenet's suppliers were assessed using EcoVadis 	To be defined.
E-waste	<ul style="list-style-type: none"> Quantity of e-waste in tons 	➔	<ul style="list-style-type: none"> As in 2013, there was no hazardous waste sent to landfill or incinerated in 2014. The amount of recycled hazardous waste in 2014 stood at 530 tons. 	To be defined.
Electromagnetic radiation	<ul style="list-style-type: none"> To be specified 			To be defined.

Decision-making process

Board of Directors

10 members, 3 of which are independent directors

Design, implementation and checking the sustainability program as a permanent item on the agenda

Meets at least once per quarter

Senior Leadership Team (SLT)

Top 11 managers

Sustainability progress as fixed agenda item

Meets fortnightly

Reputation Board

Board consisting of SLT and board members

Assesses and directs improvements to Telenet's corporate reputation, including sustainability aspects

Meets every two months

CSR Manager

Manages daily activities and provides reports

Sustainability policy

Internal organization

The LEAP program targets were previously incorporated in a charter, which was endorsed by the group's entire Senior Leadership Team. The individual SLT members are responsible for the material issues that fall within their own fields of expertise.

Given the increasing impact and importance of corporate social responsibility and sustainability in terms of Telenet's operations, the Board of Directors decided in 2013 that the creation, implementation and monitoring of Telenet's sustainability program (the LEAP program) would be discussed and approved by the entire board.

As of 2015, representatives of the Board of Directors and the SLT meet as part of the

Reputation Board in order to monitor the corporate reputation of Telenet. Where relevant, specific action plans are created, and aspects of sustainability play an important role in this respect.

Management of Telenet's sustainability policy was assessed in 2013 by an Internal Audit Team from Deloitte.

External monitoring of our policy

The fact that Telenet was included in both the Dow Jones Sustainability Europe Index and the Dow Jones Sustainability World Index for the fourth time in a row in September 2014 again demonstrates that our sustainability policy is bearing fruit. Dow Jones Sustainability Indices (DJSI) determine which companies in each sector are leading the way with respect to economic, social and environmental achievements.

Telenet was also voted 'industry group leader' in the worldwide media industry for the third time in a row.

In addition to our continuous inclusion in the Dow Jones Sustainability Index, Telenet has also been included in the FTSE4 Good Index since 2013.

Telenet considers these significant benchmarks for integrating sustainability.

➤ Extra-financial results obtained by Telenet in 2014

BENCHMARK	GLOBAL RESULT	COMMENT	BEST SCORES	LOWEST IMPROVEMENT
Dow Jones Sustainability Index	Global leader of the Media industry group; total sustainability score 84/100	Best overall score industry-wide and best in class for economic and social dimensions	<ul style="list-style-type: none"> • Codes of conduct • Risk and crisis management • Development of human capital • Working conditions and human rights 	<ul style="list-style-type: none"> • Corporate governance • Environmental reporting • Operational eco-efficiency
CDP	Category B, Disclosure Score 93/100	Included in CDP Benelux Climate Disclosure Leadership Index	N/A	N/A
RepTrak	RepTrak Pulse score 2014: 67.1	Best reputation in Belgian telecom sector	<ul style="list-style-type: none"> • Performance • Innovation • Products 	<ul style="list-style-type: none"> • Governance • Workplace • Citizenship

➤ Stakeholder engagement

Telenet aims to deepen the relationship with its stakeholders and to integrate social and environmental issues or concerns into all our actions. The standardized practice of dialog with our stakeholders allows us to mitigate risks, identify new business opportunities and improve financial results.

Stakeholder engagement policy

At Telenet, every department is responsible for identifying and engaging with its department related stakeholders (which they are intrinsically linked to, are affected by, or could have an effect on). We hereby explain a few directives for stakeholder engagement on department level. It is aimed at every department dealing with internal and external target groups and provides guidelines for identifying and prioritizing stakeholders.

Identifying stakeholders

Who are Telenet's stakeholders? In general, a stakeholder is defined as a person, group or organization that has an interest or

concern in an organization. Stakeholders can affect or be affected by Telenet's actions, objectives and policies.

A simple yet effective exercise to determine who the stakeholders are is to make a list of all the names of individuals, organizations, interest groups, institutions, authorities, who are concerned in any way with the department, hold an influential position, may be affected by the department's actions or policies or are located in the region that your department is covering. Departments are advised to do this exercise as a group or team to make sure no stakeholder is left out.

Prioritizing stakeholders

When all stakeholders are identified, it is relevant to assign a level of priority to stakeholder groups in order to determine the engagement strategy. Mitchell, Agle and Wood's Stakeholder Saliency model is a useful tool to prioritize stakeholders. The model ranks stakeholders based on three variables:

Power: is the stakeholder able to influence the organization?

Legitimacy: does the stakeholder have authority towards the organization?

Urgency: does the stakeholder need a critical and time-sensitive response?

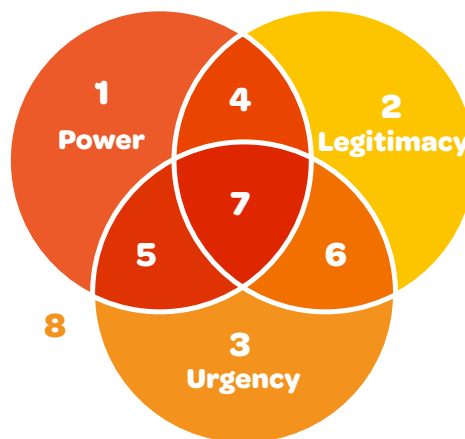
By giving a yes/no answer to all three questions, the stakeholder can be assigned to one of seven categories. Appropriate engagement methods should be in place for the stakeholder groups depending on their level of power, legitimacy and urgency. The crucial stakeholders form the most important stakeholder group, since this group possesses power as well as urgency and legitimacy, and therefore plays a crucial role for any organization or project. Special attention must be paid in determining how to engage with the crucial stakeholder. Non-stakeholders (those without any power, legitimacy or urgency) require no further engagement.



Example: Materiality and Stakeholder Engagement

The application of the Stakeholder Salience model can be illustrated by the stakeholder prioritizing exercise which was held by Telenet prior to the materiality research in early 2015. By applying the Stakeholder Salience model's definition questions, the stakeholder groups were assigned to a category based on priority. Their opinions were included in a weighted average (with the highest weight for the most important stakeholder group) to determine the final importance of the material issues and their relative position in the materiality matrix.

Salience Model: Stakeholder Classification



- 1. Dormant
- 2. Discretionary
- 3. Demanding
- 4. Dominant
- 5. Dangerous
- 6. Dependant
- 7. Definitive
- 8. Non-stakeholder

Overview of communication channels

Telenet actively initiates dialog with various groups of stakeholders over a broad range of channels as a way to promote participative and integrated decision-making. We understand how the involvement of stakeholders supports our long-term success by enhancing transparency, sharing knowledge and generating innovative solutions enabling us to perform our everyday task to offer leading and innovative products with a strong customer focus.

STAKEHOLDER GROUP	GENERAL ENGAGEMENT METHODS	SPECIFIC TOOLS
Employees	<p>Communication within the company is done by:</p> <ul style="list-style-type: none"> • The intranet; • Regular updates by e-mail; • Interviews; • Regular meetings, which include a quarterly update for middle managers, an annual "All Employee Meeting", etc.; • Training and development programs; • Team meetings, 1-on-1 meetings; • Surveys; • Infographics and click frames in the office building. <p>We probe for improvements via the "My Idea" suggestion platform and an internal social network, "The Yellow Thread".</p>	<ul style="list-style-type: none"> • Zoom engagement survey; • Health and safety survey: three-yearly measurement of health and safety indicators based on I-ISW list. • Whistleblower arrangement • Talks with the trade union
Customers	<p>Telenet has contact with customers, both residential and commercial via various initiatives such as focus groups, interviews, visits, mailings and of course also via the daily contacts in sales points and call centers. There is also customer interaction via specific Web Care teams on various online forums, chat boxes in Internet banners and the Telenet Twitter and Facebook pages.</p>	<ul style="list-style-type: none"> • Customer Loyalty Score • RepTrak survey: quarterly measurement of corporate reputation • Telenet social media channels: Twitter, Facebook, YouTube, Telenet Snap • Customer certificate: all employees are introduced to a position involving direct contact with the customer for at least half a day a year • Brandtracker: A quarterly survey about the recognition of our four brand values: "contagious", "can do", "smooth" and "considerate". • The Office of the Ombudsman for telecommunications Belgium
Policymakers	<p>The dialog with legislators and government refers chiefly to subjects that are of interest to the entire field of expertise, such as regulations and investment policy.</p>	<ul style="list-style-type: none"> • Investment guide • Parliamentary hearings • Platforms including Cable Europe, Cable Belgium, ISPA, Agoria, VBO, IBBT, Beltug, ADM.
Shareholders	<p>The company communicates with its shareholders at the shareholders meeting, but also through the annual report, the corporate and investor website, the quarterly reporting, conference calls, investment meetings and via the investor relations department.</p>	<ul style="list-style-type: none"> • Sector screenings and shareholder benchmarks: e.g. Dow Jones Sustainability Index, FTSE4 Good • Annual investor surveys: e.g. Thomson Extel and BVFA/ABAF

STAKEHOLDER GROUP	GENERAL ENGAGEMENT METHODS	SPECIFIC TOOLS
Suppliers	<p>Telenet actively involves the suppliers in the pursuit of sustainable entrepreneurship. The outlines of the sustainable vendor policy have been drawn up with majority shareholder Liberty Global.</p> <p>After every contract the Vendor Disclosure Form is taken into account, as well as the 10 principles of the United Nations Global Compact and environment, health and safety clauses. Certain requirements in the field of corporate responsibility have been integrated into specifications and requests for purchase (FRPs). For instance, we map what guidelines the equipment, raw materials etc. meet, the specifications about energy consumption, packaging, waste and recycling and whether any dangerous chemical substances are included in the production.</p> <p>With regard to the vendor evaluation, corporate responsibility is both a selection criterion and an element in the vendor risk analysis.</p>	<ul style="list-style-type: none"> • Risk analysis • EcoVadis Corporate Responsibility ratings • Vendor scorecards • Communication through workshops, vendor portal and exchanges • Assessment of the management systems and audits on site
Sector organizations	<p>To facilitate the contacts, Telenet is a member of a number of specific industry associations, which act from different perspectives as the voice for the sector in its entirety, or for specific subdivisions. Telenet actively participates in the consultation with sector counterparts via these platforms.</p>	<ul style="list-style-type: none"> • Platforms such as ISPA, Cable Belgium, Cable Europe and the Platform Telecom Operators and Service Providers.
NGOs	<p>Telenet has partnerships with various NGOs such as BOS+. Via the Telenet Foundation we work with NGOs which endeavor to close the digital gap.</p>	<ul style="list-style-type: none"> • Measurement by independent organizations such as Carbon Disclosure Project and United Nations Global Compact.
Consumer organizations	<p>Telenet communicates proactively with consumer organizations such as Test Aankoop about new developments, and keeps them up-to-date via press releases.</p> <p>Telenet also stays in touch with the consumer via specialized consumer websites such as TalkToo. Through these sites we receive a considerable number of notifications about Telenet every month. Telenet offers a suitable solution for as many as possible..</p>	<ul style="list-style-type: none"> • Consumer platforms and specialized forums such as TalkToo, TIK and Userbase.

Key stakeholders at group level: description and engagement

Our key stakeholders at group level are our employees, shareholders, community groups, governments and regulators, unions and our major suppliers. We tailor our engagement processes to suit each different stakeholder group. A summary of our stakeholders and our process of engagement is provided below.



telenet.be / Telenet Center / Technician

Suppliers

Telenet actively tries to involve its suppliers in the quest for sustainable enterprise. It is our ambition to implement improvements through the entire value chain, from the recovery of raw materials through the assembly of modems and set-top boxes to the hardware at the customer's home. The key objectives set out in the sustainable supplier policy were developed in conjunction with the main shareholder Liberty Global.

Commitments

Our purchasing decisions also take into account ethical, ecological and social considerations. They relate not only to optimum price, quality and availability, but also to the ecological and social aspects of the source of products and services.

The safety and environmental specifications are specified whenever a contract is drawn up.

Telenet also employs a code of conduct which has to be signed together with each supplier contract.

From 2013, Telenet will start to use the Ecovadis platform to assess and monitor

the social, environmental and ethical risks of its suppliers.

In action

Telenet takes part in several working groups on the theme of supply chain improvement. One such working party is E-TASC (Electronics – Tool for Accountable Supply Chains). E-TASC was launched in 2007 as a sustainable solution for businesses to efficiently implement a joint approach to the problem of evaluating and managing supply chain risks and find what it is that ensures improvement in performance.

Local community

As a locally oriented company, Telenet is strongly involved in the local community. We make every effort to be good citizens in Mechelen, the home of our headquarters, but also in the local communities of our contact centers in Herentals, St-Trond and Alost, and our regional sites in Flanders.

Commitments

Extensive consultation with neighborhood committees about major works that have an impact on their living circumstances,

such as the construction of our head office in Mechelen.

Sponsoring local initiatives whereby Telenet strengthens its connections with the local community.

In action

Telenet has since 2007 been the main sponsor of KV Mechelen, the Belgian ProLeague football club which is based next to our office. We also sponsor Racing Mechelen, another local football club. However, Telenet not only supports professional sport. We are one of the partners of the first Johan Cruyff Court in Belgium, which opened in Mechelen during the summer of 2013. This multifunctional artificial grass pitch was specially developed as a place where children and young people can play and practice sport in an enjoyable and safe way.

Since 2012, Telenet has offered wireless Internet via our hotspots at the most important tourist sites in Mechelen.

Customers

We communicate with customers in many ways as part of our normal business, for example through our retail outlets, contact centers and customer research. Understanding the attitudes of consumers towards sustainability issues is critical to getting our strategy right.

The Customer Loyalty Score (CLS) is the principal customer satisfaction benchmark amongst both residential and business customers. Each month we conduct surveys and ask over 2,500 customers to tell us what they think of their Telenet products and the associated services. The end result of these surveys is a monthly overall figure. These measurements tell us which aspects we need to work on precisely. As of 2015, customer satisfaction will no longer be measured using the CLS, but NPS – the Net Promoter Score – will be used instead.

Commitments

Since launching the mobile products KING & KONG, Telenet has always applied 4 values when launching and maintaining its products: simplicity, transparency, focus on loyal customers and readiness to face the future. In this way, Telenet wishes to enter

into a sustainable and honest relationship with its customers.

In action

Telenet has completely reviewed its product range over the past two years. After the launch of KING & KONG, we also dreamed up the bundles Whop & Whoppa and the channel packs Rex & Rio (renamed Play and Play More in 2014). The pricing points are also clearly communicated on the website. Customers remain informed about the latest trends via surrounding channels such as social media, and Telenet enters into a dialogue with its customers.

Investors

As a publicly listed company, Telenet pursues an open and active information policy. A governing principle of this policy is to treat all stakeholders alike and inform them at the same time.

Commitments

Telenet sets great store by high-quality and transparent financial reporting. Its reports are compiled in accordance with the International Financial Reporting Standards

introduced by the EU (IFRS as approved by the EU). At the same time, Telenet complies with the requirements of the US Sarbanes-Oxley Act.

In action

Telenet publishes a detailed overview of its financial results on a quarterly, half-yearly and annual basis. In 2014, Telenet continued its regular, open and intensive dialogue with existing and potential shareholders, institutional and private investors, other credit providers and their intermediaries, and financial analysts who follow our shares on a primary (sell-side) or secondary (buy-side) basis, via roadshows, investor days and the Annual General Meeting.

Employees

Telenet wishes to attract and retain talented people and to develop a flexible organization. As an employer, Telenet aims to be an energetic business partner, and promote and facilitate successful performance and personal growth in a continually changing environment. We focus on courageous and authentic leadership, based on a motivating, innovative and varied human approach.



Commitments

As a sustainable employer, Telenet pursues an HR policy that is based on three core values:

1. Employee involvement

Creating working conditions that maximize employee performance and satisfaction levels. This involves, amongst other things, the following:

- Set unequivocal objectives, with a clear description of the end product.
- Encourage personal development.
- Internal promotion: we fill vacancies from within to enable our employees to progress internally and give us the opportunity to attract new talent at lower levels.

- Attractive pay and benefits: competitive salary and additional benefits.

2. Attracting and developing talent

Attracting talent and promoting continual development via constructive feedback. This involves, among other things:

- Continual improvement of our recruitment capacity: our people as ambassadors.
- Development and implementation of talent development programs such as the Young Graduate Program.
- Career development irrespective of age or position.
- Development of leadership capacities with a focus on results instead of efforts.

3. Transformation

Facilitating organization changes to stimulate future growth. This involves, among other things:

- The New World of Work: more freedom to choose where you work to improve home/work balance.
- More cooperation via social media.
- Customer focus is in our DNA: Telenet employees operate on the basis of the premise that the customer's needs are paramount - 'the customer is king'.
- Leadership 2.0: a new generation of leaders who are self-assured, confident, positive and focused on results.

In action

Telenet started a program in 2009 to convince all of our employees of the crucial importance of customer service. This Customer Service Certificate is now a permanent part of our HR policy and seeks to make constantly improving customer service the consistent theme running through our day-to-day business operations. In practical terms, all of our employees spend at least half a day every year familiarizing themselves with a business role that requires direct contact with the customer, such as an employee in the contact center, shop assistant or installation inspector. 1,539 employees gained their Customer Service Certificate in 2014.

The Annual General Employee Meeting (AEM) is an essential leadership tool to clarify strategy, provide feedback and define expectations for behavior and business performance. The annual employee appraisal and coaching meeting is intended to support the personal and professional development of every employee, and contributes to a relationship of trust by providing a structure for open dialogue. Telenet also conducts specific employee surveys.

Policymakers

Telenet attaches great importance to its relationships with policymakers, at all levels. We regularly consult this target group to achieve a sustainable exchange of ideas and knowledge. Telenet does not make use of external lobbyists. Telenet does not support any political parties, in accordance with Belgian law. No money was spent on political contributions.

Commitments

The dialogue with the regulators and the authorities mainly concerns topics that are important for the entire professional field, such as regulations and investment policy.

Telenet maps out the main issues on the basis of the debate with its stakeholders. This is prioritized based on the strategy and importance for the stakeholders.

In action

To facilitate contacts, Telenet is a member of a number of specific professional organizations which function as a mouthpiece for the industry in general from various perspectives, or for specific sectors of

the industry. For example, Telenet actively participates in consultations with fellow industry members via platforms such as ISPA, Cable Belgium, Cable Europe and the Telecom Operators and Service Providers Platform.

With a view to stimulating open dialogue with policymakers, Telenet has produced a guide about investment, innovation, growth, competition, employment, social commitment and media pluralism. With this guide, Telenet calls on policymakers to conduct a strong and visionary, but also balanced (tele)communications policy that stimulates innovation and investment.



Economic aspects

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Closing the digital divide



> Promoting the digital society

The digital world offers substantial growth opportunities for society, by stimulating business, innovation and employment. Digital television and superfast broadband have brought huge economic benefits for society.

A McKinsey study estimates that the Internet economy has contributed to a growth of 21% in the GDP of the G8 countries during 2005-2010, and advantages such as doubling broadband speeds are some of the biggest drivers of this growth.

The European Commission's Digital Agenda for Europe recognizes that super-fast broadband brings great economic benefits to society, and aims to stimulate the European digital economy by setting challenging goals to increase European GDP by 5% and create 3.8 million new jobs by 2020.

We play our role by investing in our Giga network through 'De Grote Netwerf' and in the Flemish media landscape, which results in the creation of innovative technologies and products. This also means we create more jobs among our subcontractors.

The average download speed of Telenet's broadband subscribers increased in 2014 to 83 Mbps.

However, we recognize that not everyone has access to the digital world. To make the digital society accessible to everybody, we work together with strategic partners such as the government, social organizations and other industry players. This chapter will make the economic impact of Telenet clear.

> Investments

Overview investments

Network

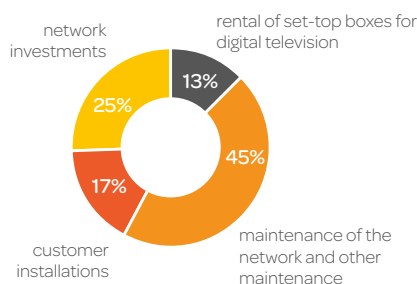
The first step toward an inclusive digital society is to provide access to high-quality, affordable services for as many people as possible.

In 2014, Telenet invested € 387.2 million, 4% more than in 2013, or 23% of its revenue, to upgrade its network and to make sure its systems are future proof.

The lion's share of our investments was spent on the expansion and improvement of our network. The remaining share went, among other expenditures, to repairs and replacement of network equipment, the acquisition of sports broadcasting rights and investments in IT systems.

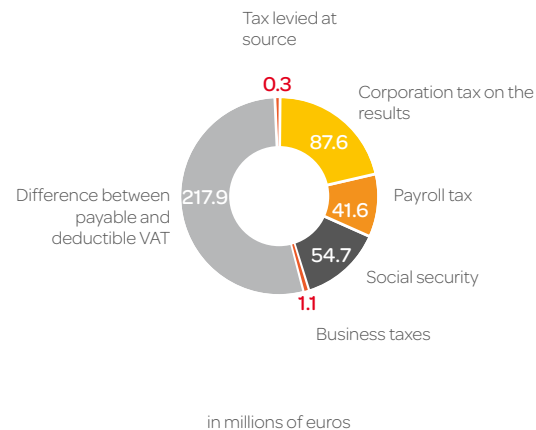
This way the company ensures that its customers always have access to highly competitive products and services.

Because of EuroDocsis 3.0 technology, Telenet can now cover nearly 100% of its service area with speeds of up to 100 Mbps. 100% of Telenet's Internet subscribers are now surfing at speeds of at least 30 Mbps. This means that Telenet has already achieved the targets of the 2020 Digital Agenda. Telenet customers are able to surf at particularly high speeds compared to other countries. The average speed of Telenet Internet in 2014 was 83 Mbps.



At the close of August we presented 'De Grote Netwerf, our upgrade program for the next-generation network intended to boost the digital economy in Flanders. Over the next five years, we expect to spend in the region of € 500 million on increasing our network's capacity from the present 600 MHz to 1 GHz, allowing for lightning fast broadband speeds of up to 1 Gbps. The regions that experience the most data traffic, and which thus need expansion the most, will be first up. In order to expand the network, 150,000 boosters will be installed across Flanders in a fixed network, while

Contributions to the Belgian treasury



1.8 million other components such as splitters and taps will be replaced or modified. They are located beside streets, on poles or on facades. Flanders is the first region in Europe where a 1 GHz network of such a size is being launched, putting it firmly on top of the list of European regions with the best digital infrastructure. Furthermore, some 350 jobs will be created in Flanders during the course of the project.

CableLabs is working flat-out on the development of the next version, DOCSIS 3.1. This will make it possible to achieve even faster speeds. Another advantage is that the

specification will be more efficient, which means that the capacity in the same spectrum will increase by approximately 25%.

Contributions to the Belgian treasury

We make a direct economic contribution through our payments to employees, suppliers, investors and governments.

Telenet's total contribution to the Belgian treasury is € 402.9 million or 75.7% of the operating profit achieved by Telenet Group Holding. The operating profit is the difference between the sales on the one hand and the cost of goods (cost of services provided) and the selling costs (selling, general and administrative expenses on the other hand). The total contribution is a year on year increase of 7% when compared to last year.

Flemish media landscape

In addition to the network investments, Telenet also cooperates with Flemish players (authors, producers, broadcasters and distributors) in order to lay down a stable long-term vision with respect to audiovisual policy. Discussions between the various players highlighted that a joint solution needs to be developed to counter the threat from foreign initiatives and new (international) operators in the audiovisual landscape. Forward-looking government policies, supplemented by private sector resources and a focus on international

marketing and distribution should safeguard the position of Flemish content in the new television eco system.

As a local player in the Flemish media ecosystem, Telenet has already been working for a number of years on a strong audiovisual landscape in Flanders as a counterweight to the evermore powerful foreign players. Telenet supports local broadcasting initiatives such as Studio 100, Ment TV, Acht, (L)Acht, Njam and LibelleTV. Telenet also has contracts with all the major broadcasters, such as VRT, RTBf and MEDIALAAN. In 2014 Telenet once again acquire broadcast rights to all the top tier Belgian football matches. Through Yelo Play, Play and Play More, Telenet ensures that the viewing experience is constantly improving for its customers.

Thanks to its 50% stake in De Vijver Media, which was approved by the European Commission in early 2015, Telenet can push for a new broadcasting model and, together with the broadcasters VIER and VIJF, can also play a role in developing the Flemish broadcasting industry. The increasing convergence between fixed and mobile services and the confluence of the Internet and traditional television mean that a further step must be taken so that the customer can make the best possible use of the new opportunities. Telenet believes that, together with VIER and VIJF, it can create an even richer TV experience for the consumer.

Telenet contributes to the development of Flemish content by collecting copyrights

and transferring them in full to both Flemish and foreign broadcasters and rights management companies. Furthermore, since 1 January 2013, Telenet has been supporting Flemish content creation via STAP, an investment program through which we will contribute a total of € 30 million to Flemish television productions and films over the next 4 years. We hope that this will give the Flemish television industry a sound financial boost and provide producers and broadcasters with every opportunity to continue producing high-quality films, series, animations and first-rate documentaries in the future.

Ten fiction projects were also granted financial backing in 2014 through the STAP investment program. Once again, a broad mix was selected that included both new and established talent in different genres, ranging from firm favorite Bowling Balls to horror adventure Welp and the musical comedy Brabançonne.

In September 2014, Telenet announced that it would produce its own television series, together with deMENSEN production company. The series will be financed through the STAP investment program. Chaussée d'Amour is set to be an exciting Flemish drama series, directed by Nathalie Basteys and consisting of 10 episodes, all of which will be simultaneously available to Play and Play More customers in the course of 2016. This is a double first for the Low Lands both the fact that an operator is providing such substantial backing to a series and the fact that all the episodes of the series will be simultaneously available.



In this sense Telenet is anticipating the changing viewing habits and expectations of the modern television viewer.

Investing in talent

Our people

As a large and dynamic group, Telenet has always had a wide range of vacancies, with 281 new employees starting at Telenet in 2014, raising the total workforce to 2,247. We work hard on encouraging the talent we have recruited via various talent programs and training courses.

Telenet-BBC Public Speaking Awards

Telenet also supports the Telenet-BBC Public Speaking Award every year, a competition for 16- to 20-year-old students from Belgium, where students are given speaking assignments in English. Encouraging English language teaching at all levels is important in a world where language and communication skills are the key to success.

Investing in ideas

Since 2012, the 'My Idea' platform has offered employees the opportunity to make proposals for improvements to our

customer services and products. All ideas are studied in detail and the most useful ones are put into practice. 2014 was a successful year for 'My Idea', with 1,193 active employees. No less than 1,417 proposals were submitted in 2014, compared to 900 in 2012, of which 15% have in the meantime been implemented or are in the starting blocks. Over half the proposals are submitted by employees in our contact centers. Ideas are launched around a variety of topics, ranging from administrative aspects, including bills or My Telenet, product improvements such as adjustments to the voice mail menu, to ideas for entirely new innovative products and services.

➤ Innovation

Our network investments have the result that Telenet can always offer its customers the best and most innovative services, and new products were also launched in 2014 while existing products were improved. It is important for Telenet that its customers are always aware of these technological developments. We are more than just a network system that is connected to the customer's home. The technology we supply offers a huge number of possibilities. Telenet accurately measures how innovative customers find our company.

Play and Play More

In December 2014, Telenet renamed its Rex and Rio broadcasting packages to Play and Play More. Through Play, Telenet is the only operator in Belgium to bundle content from local stations, an extensive collection of international films and series and the best television functionalities, such as *Terugkijk TV*, all together into a simple and smart product. Customers can use *Terugkijk TV* to rewatch shows that are up to 7 days old without having to record them. Those tuning in to a program that has already started can also watch it from the start. Play, together with a digital television subscription, offers customers an all-in solution for the best of TV. They have unlimited access to linear TV, *Terugkijk TV*, recordings and a wide selection of films and series. Play More is for families who want to watch the very latest blockbusters and the best

international series, exclusively and before they appear anywhere else on Belgian television. Play More has all the functionalities of Play, plus additional themed stations and a larger and newer catalogue of films and series.

Yelo Play app

Thanks to the Yelo application launched in 2010, viewers have discovered the benefits of watching TV on other screens. At the launch of Play and Play More at the end of 2014, this app also got a major update. The new 'Yelo Play' guides you better than ever through the extensive range on offer on television. A smart search function displays results in linear television, *Terugkijk TV*, recordings and TV-theek. The easy swipe function allows you to send films and programs to the big screen at a flick of a finger. By the close of 2014, around 26% of digital subscribers used the app.

Wi-Free

Telenet invested in a wireless strategy as early as 2003 with the takeover of Sinfilo and its 120 hotspots. Over the years, Telenet has considerably expanded this Wi-Fi network, which has had the brand name Wi-Free since 2011. At the moment, there are more than 2,000 public Telenet Hotspots. The hotspot network has been supplemented with homespots since 2012,

whereby the customer's wireless home Telenet modem emits public Wi-Fi signals. Customers can decide for themselves whether or not to switch off the signal. The homespot network had over 1.2 million locations at the end of 2014. In addition, Telenet customers can also browse the Internet wirelessly through some 350,000 VOO homespots in Wallonia.

The increasing presence of hotspots and integration of smartphones and tablets are significantly boosting the use of hotspots. More than 360,000 unique users logged in to the Telenet hotspot network in 2014.

Over the next few years, Telenet will continue to invest considerable sums in expanding its Wi-Free network so as to ensure that customers can have the best connectivity and the latest digital apps when on the road, all the time and everywhere. The company was the first operator in Belgium to implement EAP, a new technology where customers only have to log in once on mobile devices, after which they automatically connect to homespots and hotspots. Telenet is also investigating the concept of 'city Wi-Fi' together with a number of cities, which will see the commercial centers fully covered using Wi-Fi. This will mean innumerable digital opportunities for both citizens and tourists. Mechelen and Kortrijk will start the ball rolling in 2015.



The possibilities of the future

IT may in the future lead to considerable social changes relating to health, energy and safety. Telenet also continually evaluates how its knowledge can be applied to maximum effect in these fields, always together with partners.

When it comes to energy, Telenet is also involved in the Flemish Linear platform, initiated by Voka and KU Leuven (Leuven University), which aims to test the smart grid. Smart grids, which optimize the use of green energy generated by customers at home, are based on a two-way traffic system. Smart meters, an essential component of smart grids, communicate the customer's energy use to the central computer of the power station via the Telenet broadband network. This system gives customers

the opportunity to make their energy consumption greener and more economical. Smart grids are an essential part of our future green economy.

Another social theme concerns safety, not only data-related safety, but also the improvement in the general perception of safety at home and out and about. There is considerable demand for a simple approach to safety improvements via networks. In practical terms this means, for example, cooperating with security companies to monitor a specific environment using cameras. Another concrete example is the increase in 'panic buttons' for senior citizens, which transmit pre-programmed data to any number of preset emergency numbers at the push of a button.

Finally, the health aspect is one of the key social priorities for the future. By 2020, half the Belgian population will be older than

50. This ageing of the population means that innovative solutions must be found to enable senior citizens to live independently as long as possible. As a supplier of connectivity, Telenet can act as a link between the various players, which include doctors, hospitals, patients, the government, etc. Using simple applications, the elderly will be able to gauge their blood pressure, heart rate or weight and transmit these results automatically to their doctor or care authority. Video calls also have significant added value in this context and could offer a solution for problems associated with isolation.

➤ Supporting innovation

In an inclusive digital society everyone should have the opportunity to access the new telecom resources resulting from the creativity and technological development facilitated by Telenet. We are well aware that the digital world is not accessible to everyone yet, just like the innovative products and services that we want to put on the market. This is why Telenet also applies a social tariff to all its products.

Social subsidy

Telenet applies a social subsidy to all its products. In fact, Telenet is the only operator to apply a social subsidy to a combination of Internet and telephony.

Social contributions

An example of a product with a social impact is the Telenet Incentive Plan (TIP), which offers employers the chance to pay a part of the telecoms account of their employees. In 2014, the income of TIP increased by more than 60% compared with the start year 2010.

The main contribution that Telenet makes to society lies in its IT services. Other 'Telenet for Business' products that make a social contribution are cloud computing, hosting and security packages. Telenet and its partners are well-placed to contribute to offering such services, which allow customers to switch over to the New World of Work

and to achieve a better balance between work and private life.

Telenet is innovating and investing in Doccle, a start-up which is building a platform with which users can exchange, settle and archive documents from various suppliers in a uniform and recognizable way.

Telenet Idealabs

Innovation is and remains of prime importance to Telenet, which is why we joined hands in May 2014 with the start-up community and accelerator Idealabs, which will henceforth be known as Telenet Idealabs. Through Telenet Idealabs, Telenet is making a major investment in young Flemish digital entrepreneurial talent and is thus encouraging local innovation. Furthermore, Telenet also supports iMind's iStart program. Over the next two years, Telenet will invest a total of 1 million euros in innovative plans from young and local entrepreneurs, placing Flanders even more firmly on the map when it comes to innovation.

Each year, the Telenet Idealabs program gives young entrepreneurs and start-ups the chance to develop their innovative idea into a marketable product or service. During the start-up selection phase in the summer of 2014, over 400 young innovators took a shot, with 10 start-ups finally selected and taking a 4-month accelerator program. Telenet Idealabs helps the entrepreneurs to develop their ideas into products and

services ready to conquer the market. The young go-getters can count on a network of 80 mentors and experts, while each of them receives 25,000 euros in support in the accelerator program. After the accelerator phase, the 10 start-ups pitch their business concept and present their Minimum Viable Product. An independent jury selects 5 of them on the basis of their pitches, who then follow a growth program – GrowthLabs – for a 4-month period, each with a maximum of 50,000 euros in backing, paid by the Telenet Idealabs Fund. This program is designed to lift the start-ups to the next level of entrepreneurship. Once the Accelerator & GrowthLabs program has concluded, the start-ups are ready to further develop their projects on their own. Telenet Idealabs will give them further support through pitch days, where they will be able to present their projects to investors.

The following 5 start-ups are presently in the Telenet Idealabs growth program:

1. Campnr: this online platform introduces a new way of travelling, whether luxury camping or in a back garden: glamping, urban camping or adventure camping. www.gocampnr.com
2. Dot: a mobile app that allows the user to assign an identity to a place. This allows you to discover new places that are of interest to you. www.dotisfun.com
3. Intuo: an interactive platform for companies that want to train their staff and customers. It allows companies to



provide the right courses at the right time, taking into account the skills level of each individual. www.intuo.io

4. On Air: a mobile app for videos made by different people and bundled into a single story. Travelling with friends, attending a festival – there’s a story in everything. www.getonair.co
5. Pith.li: the magic marker for the Internet. Pith.li lets you highlight articles on the Internet. Plith.li doesn’t save links, but gives you the essence. www.pith.li

Cooperation with Telenet

Telenet seeks structural solutions to support the operation of social projects, together with various departments within Telenet.

Telenet for Business thus provides an Internet connection, laptops and tablets via the MyZone project to children in hospitals with long-term illnesses. Young people who stay in hospital for long periods of time often feel isolated from the outside world. Via the Internet, they can still stay in contact with their families and friends and take part

in social life. My Zone is currently present in a total of 12 hospitals, distributed all over Flanders and Brussels.

Telenet also offers support to various projects such as ‘Alle Gezinnen Online’ (‘All Households Online’), a collaboration with Digipolis, the city of Ghent, OCMW Ghent, Oikonde and Leerpunt, where 50-100 disadvantaged households receive a free computer and Internet for 18 months. After a comprehensive evaluation of the project, the intention is to roll out this project to other Flemish cities as well in the coming years. OCMW Mechelen recently started a similar project ‘Ik ben mee met de pc’ (‘I’m with the PC’), for 30 disadvantaged households from Mechelen.

Telenet also supports CoderDojo Belgium. CoderDojo is a global non-profit movement that arranges free gatherings for youngsters between the ages of 7 and 18 to learn coding as part of a club. CoderDojo conducts tours of technology companies, invites guest speakers to talk about their careers and organizes events called dojos. It is at these dojos that boys and girls learn to program, create websites, develop apps and games and many other things. They meet likeminded people and exhibit what they

have been working on. CoderDojo turns education and programming into a fun, sociable and excellent learning experience.

Dojos are created voluntarily and run by mentors with sufficient IT expertise and the drive needed for coaching youngsters. CoderDojo places much emphasis on open source and free software, and the movement consists of a rapidly growing network of members and volunteers from around the world.

There’s only one rule in CoderDojo: ‘Above all: be cool!’

Telenet actively encourages and supports its employees’ contribution to social projects, such as the Give a Smile program that allows Telenet staff to use their teambuilding skills for a good cause. Telenet has joined up with the Mechelen non-profit association Time4Society, which specialises in customised socially oriented team events, to further this goal.



Environmental aspects

→ **40** → **41** → **47**
Introduction CO₂ reduction CO₂ offset



> Introduction

We include our responsibility for energy consumption and emissions in our value chain.

We are now growing our business but emitting less carbon dioxide, and thus energy, to do it. Since 2007, our CO₂ emissions of greenhouse gasses have dropped by 60% and we are well underway to our target of 66% in 2015. By offsetting the remaining CO₂ emissions, it is our ambition to be carbon neutral in 2015.

➤ CO₂ reduction

Energy

Our aim is to allow Telenet to grow and at the same time reduce our environmental impact. We reduced our emissions by more than 60% in 2014 compared to the 2007 base year. This means that we are well on course to our target of 66% and by offsetting the remaining CO₂ emissions, be climate-neutral by the end of 2015. To achieve this aim, we are first and foremost continuing to focus on measures that will reduce our own CO₂ emissions further. We will do this among other things by focusing on means of efficient energy use in every respect. In order to bridge the gap between our current CO₂ performance and the ambitious aim of making Telenet entirely climate-neutral, we are planting new forests in Flanders and Ecuador by way of compensation.

The main contribution that Telenet makes to an energy-efficient world, while growing the company's revenues, lies in its IT services. The role of broadband networks in the drive towards a low-carbon economy is included in the roadmap of the EU commission for the development of a competitive low-carbon economy by 2050. Telenet and its partners are in a good position to contribute to the range of cloud solutions and cooperation services that make it possible for customers to switch to the New World of Work and directly reduce their CO₂ emissions.

Electricity consumption and energy efficiency

Telenet has been using 100% green electricity in its own premises since mid-2008, Hostbasket since 1 January 2010, Belcompany since September 2010 and Interkabel since 2012. In addition, Telenet has made significant efforts to use renewable energy sources itself and to promote them among its stakeholders. Solar panels had already been installed at Telenet's head office in Mechelen.

In the course of 2013, Telenet has extended the scope of its CO₂ reporting from its own premises to its own premises and rented buildings, such as Telenet sales points. Specifically, we are taking account of the electricity consumption of 48 additional locations, consisting mainly of grey electricity, and the gas consumption of 26 extra premises. Therefore, we have recalculated the results of 2013 to include the new scope.

Not all these additional premises use green electricity. For 2014, 3.8% of electricity was derived from grey power. In the coming years, this will be converted as much as possible into green energy, in consultation with the owners of the rented premises.

Telenet's electricity consumption is increasing every year, especially as a result of the increasing demand for data processing and provision of digital services.

We are making every effort to improve the efficiency of our consumption year on year. For this, we have expressly invested in monitoring systems. This makes it clear where new investments are required for efficient and effective energy saving, for example by controlling the cooling or heating of buildings. The energy efficiency is moreover effectively measured and expressed in Power Usage Efficiency (PUE). These measurements make it possible to see the energy consumption instantly. This offers the means of optimizing the systems and processes and making them more efficient.

The total energy usage of our decoders and modems at the homes of our customers is also decreasing every year. In 2014 the total usage of these devices was 331 million kWh, a decrease of 10% compared to the previous year.

Energy efficiency of the network

Investments in the network and a program of replacing old equipment by newer, more efficient appliances are continually providing savings. The measurement of the PUE (Power Usage Efficiency) of 53 technical stations in real time with effect from 2012, with the opportunity to calculate daily or monthly averages for each type of building or for them all, ensures that we immediately see the energy consumption and can optimize the systems and processes.

Energy efficiency of data centers

Our data centers account for the second largest part of our total electricity consumption. We have succeeded by means of a whole series of actions in improving the PUE of our data centers and reducing energy, such as the introduction of LED technology, alternating pulse power for the air conditioning cabinets and turbochargers for the cooling groups, replacement of old cooling equipment with free-cooling air conditioners... The greatest gain in efficiency is probably increasing the use of the server cluster: the more it is filled, the more efficiently everything is used.

Telenet subscribes to the European code of conduct for data centers issued by the European Commission to improve the energy efficiency of data centers, by adhering to a number of best practices.

Energy efficiency, a general overview

Telenet's overall energy efficiency (consumption versus turnover) has improved by more than 34.2% compared to 2007. A complete overview can be found at the end of this report.

Climate and environment: our objectives & results	Indicator	Result for 2014 compared to 2013
Electricity consumption in the value chain	Energy savings at the customer	Set-top boxes: customer base 18% more energy efficient, with 4% fewer set-top box customers
	Energy savings at suppliers	Modems: customer base 4% less energy efficient, with 3% more modems at the customers Environmental aspects taken into account in purchasing decisions
Vehicle fleet	Energy efficiency	1.0% more energy-efficient
Green electricity	CO ₂ reduction	6% reduction in CO ₂ emission of company cars
CO ₂ emissions	Percentage green electricity Telenet Group	96.2% use of green electricity
Recycling and reuse	Reduction of CO ₂ emission in tons	N/A – no decrease due to expansion of scope
Eco rating	Number of recycled modems and set-top boxes	140,000 reused set-top boxes 110,000 reused modems
Eco rating	Voluntary industry agreement	Voluntary agreement between industry and European Union to accelerate the use of more efficient set-top boxes



Mobility and transport

The maximum CO₂ values were again reduced in the car policy for 2014 compared to 2013. The average CO₂ for all passenger cars in 2014 was 112 g/km. This is 6% better than the previous year (119 g/km). The average CO₂ emissions of cars newly deployed in 2014 was 109 g/km. That is 2% better than in the previous year (111 g/km).

About 32% of the new employees recruited in 2014, does not work at the headquarters in Mechelen, but on a site closer to home. Through this local recruitment commuting distance, and CO₂ emissions decreases.

A number of mobility alternatives for company cars were also developed, which are available since 1 January 2013. Employees can combine their company car with a train subscription or their leased car with a

Railease formula from the NMBS. It is also possible to opt for a smaller leased car with lower CO₂ emissions and to receive a payment for the unused budget. Lastly, Telenet employees can also waive a company car entirely in exchange for a payment.

Under the heading Train-bike@Work, Telenet makes bicycles rented from the sheltered workshop 't Atelier available to train commuters. In addition, Telenet is investigating the possibility for employees to buy e-bikes under specially favorable conditions. Employees themselves are also taking all kinds of initiatives to reduce their car use. Thus the Finance department has for some years been able to cut its car trips to work by 10%. Staff can now also get a free bus pass and use one of the 10 new bicycles to cycle to the city center during their lunch break.

General overview

Telenet classifies its CO₂ footprint under three main categories in accordance with the World Business Council for Sustainable Development Greenhouse Gas Protocol:

- Category 1 or direct energy sources such as fuels (gas, diesel, heating oil, etc.).
- Category 2 or indirect energy sources such as electricity.
- Category 3 or other energy sources, in particular subcontractors' traffic and business and home-work travel.

Telenet is part of the Liberty Global group and in view of further alignment with group reporting on CO₂, we have applied since 2013 the Defra conversion factors set to CO₂ reporting. More precisely, this means that as of 2013, Telenet has used the

national conversion factors for electricity consumption and has updated the conversion factors for commuting. With the extension of category 3, the total CO₂ emissions in 2014 amounted to 10,025 tons. This marks an increase over 2013, but when compared to the 2007 base year, total CO₂ net emissions of greenhouse gasses decreased by 60% in 2014.

If we calculate the CO₂ efficiency, where the emissions are related to the generated revenue, it turns out that Telenet achieved an improvement of 1% in 2014 compared to 2013. Telenet's CO₂ efficiency has already improved by over 34% since 2007.

Actual customer campaigns

Set-top boxes

Telenet invests in various initiatives with a view to reducing the energy consumption at our customers' homes. All set-top boxes with a hard disk automatically power themselves off when left on stand-by for a certain amount of time. What is more, a special function was rolled out for new set-top boxes, so the customer can switch to the 'smart energy setting', as a result of which their set-top box will consume less than 1W on standby. These most recent set-top boxes are now also 20 times more efficient than the first generation of these devices that were marketed by Telenet. An increasing number of homes have the new and more energy efficient set-top box. The number of digital television customers increased in 2014 by 6%. On average, the set-top boxes consumed 20% less energy than in 2013.

In 2010, a voluntary agreement came into effect to speed up the adoption of more energy-efficient set-top boxes, which

actually involves mutual agreements within the industry and the European Union. All set-top boxes currently supplied by Telenet comply with this voluntary agreement. Improvements in technology are constantly being sought in association with the partners to make the next generation of set-top boxes even more efficient.

Modems

The average energy efficiency per modem fell in 2014 by 0.7%. We are endeavoring to install the latest cable-free Telenet Internet modem (Home Gate Way 3.0) with "3-in-1" (Internet, Telephone, and Wi-Fi) for as many of our clients as possible. This type of modem is gradually replacing the previous generation of Internet modems. The latest model of this cable-free Internet modem consumes 24% less energy than the average modem. However, since just under half of the "3-in-1" modems are still of the type which consume more energy, we have seen a slight drop in the energy efficiency total for this year.

Smart meters

Energy consumption in Flanders is still increasing, although some of this energy is generated locally. Solar panels, wind energy, and heat pumps produce renewable energy, some of which can be 'returned' to the grid by small household producers. Three million buildings in Flanders will be equipped with a smart electricity meter between 2014 and 2018. This smart meter always shows the cost of the energy available and the price paid for self-produced energy, enabling users to make informed choices about how much energy they consume and when. If the network has sufficient power and the revenue from self-produced energy at that moment is relatively low, it is always more advisable to consume the self-produced power, to

charge the batteries of an electric car, for instance, rather than returning it to the grid.

Telenet is cooperating with network administrator Eandis on a pilot project in the Mechelen area. 3,000 households have already been equipped with smart meters.

Smart grid

The smart grid, the smart energy network, goes one step further than the smart meters. Telenet is participating in the Flemish Linear platform with initiator Voka to test the smart grid. The smart grid is needed to enable renewable but variable energy sources to be hooked up to the grid on a large scale and for new advances such as the electric car, to be efficiently used. The Linear program tests the new possibilities. Apart from Telenet, Voka, and the Flemish government, the Catholic University in Leuven (KU Leuven) also participates in the program. In the Smart E Project, Telenet is focusing on the smart data flows that are needed for the system's introduction, and which are made possible by the finely meshed high-performance communications network.

Reduction in waste

Every year, Telenet tries to reduce the quantity of waste it generates as far as possible. In this respect we make efforts in recycling materials, processing waste properly, and restricting paper waste.

Reuse of materials

Set-top boxes and modems

A high number of set-top boxes and modems are reused and refurbished an

approved processing company recycles the remaining pieces.

All returned modems and set-top boxes go to the Imsir sheltered workshop in Boom, where the processing of the equipment employs 40 enthusiastic staff.

Computers

Old computers are given a second lease of life. As part of its partnership with PC Solidarity, the Belgian part of the NGO Close The Gap, Telenet donated 856 high-quality used desktop computers, laptops, tablets and smartphones to this social institution in 2014.

Mobile phones and smartphones

In 2014, 1.14% of customers who bought a new mobile phone returned their old phone to a Telenet Mobile sales point, against 2.34% in 2013. The phones go to the specialized processing company Ecowave, which sells on a part as second-hand sets and recycles the rest.

Old mobile phones can, for example, also be taken to a waste recycling center. For the proper processing and disposal of all waste that is created at the customer, Telenet is affiliated to various organizations approved by the authorities.

Correct waste processing

Overview

Two waste flows are significant for Telenet: Telenet's own waste flows, and the waste flow that is generated by customers.

Telenet pays a contribution for the proper processing of a number of waste fractions, but now wants to take the next step in the reduction of waste flows. In addition to

limiting waste from old modems and set-top boxes, Telenet also wants to drive down the amount of the other waste fractions. By default, waste flows such as batteries, electrical panels, fire extinguishers, chillers, transformers, cabling, cooling liquids, diesel and lubricating oil are recycled professionally. To this end, Telenet works in partnership with various collecting organizations, which either perform the recycling in-house or outsource it to a third party.

The waste is either:

- a) permanently removed (dumped), or
- b) recycled, or
- c) permanently removed with energy recovery (e.g. by incineration).

'Waste that is not dumped' means the combination of the last two. For its waste disposal and processing, Telenet works with two major parties, specifically SIMS Recycling Solutions and SITA. Telenet is also working intensively on improved recording of the waste flows.

In 2014, there were no significant spills.

For the proper processing and disposal of all waste that is created at the customer, Telenet is affiliated to various organizations approved by the authorities. With every purchase of a Telenet product, a contribution goes to Recupel and Bebat. Thus there is automatic payment for proper processing of batteries and the collection and recycling of discarded electrical devices, and customers can therefore, for example, take their old appliances to the container park without any problem. For the other waste flows, which are the packaging and printed-paper advertising, Telenet pays an annual contribution to FostPlus, Val-i-Pac and the vzw Interventiefonds oud papier (non-profit old paper intervention fund).

Smart packaging

Since January 2013, the most recent model of the HD Digicorder has been given a face-lift. The cardboard box is smaller, more efficient and, most of all, more environmentally friendly. This has helped us to annually save no less than 285 tons of paper and cardboard every year in packaging waste, and 600 tons of CO₂. Moreover, a clever handle ensures that our customers can easily take the box with them, without a plastic bag. When all our set-top boxes feature this new packaging, this will lead to a saving of € 3 million per year. Telenet was rewarded with second place in the 'Greener Packaging Awards' in December 2013 for this effort.

Lastly, Telenet developed a packaging prevention plan, where we recorded the waste streams and described how we wanted to reduce these. The plan was finalized in 2014 and is approved by IVCIÉ.

Paper: more and more digital

Telenet has already been developing numerous initiatives to limit paper consumption for many years now. Telenet has been 100% FSC since 2010. We also make vigorous efforts to involve stakeholders, such as customers and suppliers, in the rationalization of paper consumption.

Secure printing or badge printing ensures that employees do more double-sided printing and print less overall. This project started in 2007. The effects have been fully transparent since 2012 and will now remain more or less stable. The result of this is that printing has been cut by almost a half since 2007.

The suppliers' accounts department already saves a lot of paper every year by processing 52,000 invoices digitally. An ambitious and fully in-house designed

automation project has been running for two years in order to receive the remaining 20% paper invoices in digital form. There were 80% e-invoices in 2014, while at the end of 2012 this was still 43%. Our aim is to make supplier administration 87% digital by the end of 2015. An additional advantage of this digitization is that the team can work from home.

We also have the ambition to digitize 100% of our network plans by 2020, an investment of approximately € 5 million. Printing out plans at this time takes up 100,000 m² of paper every year, or 15 football fields. Our ambition fits in with the Flemish government plans for a platform where all utilities and contractors can exchange their network plans digitally. We are also working on the digitization of planning requests by contractors. Instead of printing plans and sending them in the post, we can offer our digital plans directly on a portal site. This has the advantage for contractors that they will have access to the plans immediately. This has reduced the number of print-outs to one quarter of the total number of requested plans.

In 2014, 72% of employees opted for an electronic wage slip. Moreover, in 2013, paper lunch vouchers were replaced with electronic lunch vouchers where the credit is loaded automatically every time. This has several advantages: thus not only is 528 kg of paper saved every year, but there is also a time saving of approx. 2,200 working hours because the vouchers no longer have to

be distributed manually. In addition, there is also a CO₂ saving, given that the vouchers no longer have to be delivered by van to Telenet.

Paper invoices to residential and business customers have already decreased by a third. By the end of 2014, 40.5% of bills were being sent electronically. Telenet is innovating and investing in Doccle, a start-up which is building a platform with which users can exchange, settle and archive documents from various suppliers in a uniform and recognizable way. This will allow us to help consumers find their way to and experience digitization for themselves. We hope to reach 48% 'digital customers' by the end of 2015. Furthermore, Telenet also entered into a cooperation with the organization WeForest to encourage customers to move to electronic invoicing. Telenet plants a tree for every customer who transfers to 'e-billing'. This campaign has resulted in no less than 100,000 trees being planted in Senegal.

➤ CO₂ offset

In order to bridge the remaining gap between our current CO₂ performance and our ambitious objective, Telenet will start to plant new forests by way of compensation. After all, trees take CO₂ from the atmosphere, which helps combat climate change. In Flanders, Telenet planted a forest of no less than 5 hectares in Moerbeke Waas in support of the Bos+ (Forest plus) One Million Trees campaign.

In addition, we are supporting a reforestation project in Ecuador. The project area on both sides of the river Rio Mira wants to restore the forest there, a large part of which had been cleared since the middle of the previous century. What is more, the project offers numerous benefits for the local population. On the one hand, the new forest encourages the revival of local flora and fauna, and on the other it provides wood, shade, clean air and all sorts of food. Residents get opportunities for local employment. We cooperate in this regard with the Flemish wildlife organizations Bos+ and Bos+tropen (tropics), and with local NGOs.





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Code of conduct

➤ Privacy & Security

Security and personal data

Being a communication and entertainment provider, Telenet has access to a large amount of customer data, which it manages with the utmost care and attention. In the course of 2014, Telenet published its 'customer data policy' on its website. This document provides an overview of the data that is processed by Telenet, as well as the objectives of the processing and the rights of the customer. At the end of 2014 the 'Privacy Council' was established, in which all departments are represented and where privacy issues and priorities are discussed.

The "Cyber Security Roadmap" outlines security related priority projects that support general security objectives. The implementation of this roadmap ensures that any potential risks and/or threats associated with the wrongful or improper use of information and/or data are managed in a responsible manner. The roadmap is reviewed annually in line with the strategic recommendations submitted by the Security Council, in which relevant departments of the organization are represented. These activities are based on the "plan-do-check-act" principle stipulated in the ISO27001 security standard, which we

employ to develop our Information Security Management System (ISMS). Furthermore, our security policies, requirements and management standards are fully compliant with the ISO27002 standard.

All permanent Telenet employees are instructed about the importance of data confidentiality during a mandatory introduction day. Belgian and European legislation pertaining to the collation and processing of personal data is also covered in great detail. Participants are also provided with sources of further information, templates and training material. Regular updates are organized and include warnings on recent risks such as (spear) phishing as well as safety tips.

A formal 'security and privacy risk assessment' precedes the launch of each new project. To maintain consistency risks are initially assessed by those responsible via a standard questionnaire and then validated by the Cyber Security department. Appropriate safety requirements are defined on the basis of risk assessments.

Moreover, a large scale information session on bribery and corruption is organized annually. Attendance is mandatory for approximately 200 executives. Telenet considers it important that those

responsible within the organization should be au fait with relevant stipulations pertaining to private and public bribery, particularly in view of the serious consequences associated with violations.

These training and awareness campaigns are complemented by the necessary hardware and software protection. All laptops and field terminals are equipped as standard with hard disk encryption software. The software automatically encrypts the entire contents of the hard disk to prevent data from being stolen in the event of loss or theft of the equipment. Moreover, applications and systems are equipped with the necessary security measures to prevent external parties from gaining access to confidential information such as customer data.

Telenet did not receive complaints from external parties relating to personal privacy infringements in 2014. In the past year, the company received 3 requests for further information from the Belgian Privacy Protection Commission concerning the handling of (personal) customer data. Possible incidents were reported to the authorized body, pursuant to the applicable regulations. Together with other operators, Telenet also consulted with the Privacy Protection Commission on a number of

industry-wide issues, such as the use of the electronic identity card for identifying customers, the use of traffic and location data, etc.

Product security

Privacy and security are permanent issues in the telecoms and media sector as each new technology brings with it a risk of security breaches. Telenet continually focuses on this issue by keeping its products' software and hardware up to date at all times. Although some of these updates are visible to the customer, others are frequently implemented without causing disruption to the customer.

Telenet does incorporate a number of security settings that customers can manage themselves. For instance, the set-top box has a built-in safety mechanism to ensure that some content on the digital TV platform can only be viewed or ordered via a password. The mailbox is also equipped as standard with a spam filter to keep out undesirable messages. Having said that, spammers are becoming more and more inventive when trying to access personal data. In order to make their e-mails look more authentic, spammers often use

standard text and logos from well-known companies. Telenet regularly alerts both its customers and its workforce to the dangers associated with these types of e-mails.

The Telenet Security Pack enables customers to install an advanced firewall to protect their computer from viruses and spyware. It is also possible to block certain sites on an individual user basis and to define how long children should be allowed to surf every day.

Whenever a customer contacts Telenet with a privacy-sensitive query, his/her identity is always checked using a specific procedure.

Furthermore, to protect customer data Telenet always forwards mobile phone SIM cards and pin codes under separate cover. These monitoring procedures were specifically communicated to all employees once again during the past year.

➤ Our employees

Attracting and retaining talent

As an employer Telenet aims to be an energetic business partner, and promote and facilitate successful performance and personal growth in a continually changing environment. We focus on authentic leadership based on a motivating, innovative and varied human approach.

Recruitment

As a major dynamic group Telenet always has vacancies at every company level. Telenet aims to attract people from many different backgrounds in order to create a versatile, multi-skilled team made up of the most talented professionals. Telenet is confident that a multifaceted workforce contributes to a creative thinking process that will ultimately help the company provide an even better service to its customers. Telenet's growth is nourished by a healthy mix of youthful enthusiasm, experience and skill. Different persuasions and opinions also boost the development of new ideas and products. Greater creativity is the outcome of a mix of views and perceptions from different backgrounds and cultures. The company was designated 'Top Employer' for the third year in a row. In 2014, the old jobsite was turned into a new career site, with the emphasis being on the

bigger picture. The site is now a platform containing stories from our own staff. The growing importance and more active use of LinkedIn also fits in this framework. We want to broadcast the Telenet story more proactively through various channels and particularly through our own people.

Since November 2014, Telenet has also switched to a new process and internal tool for managing all vacancies. As part of the broader Liberty Global project, the end-to-end process of 'new employee application' to 'selection and offer for the right applicant' will be fully managed in Telenet's Successfactors. Aside from improved consistency and efficiency for both the applicant and the recruiter, this change also means greater transparency and cooperation between the recruiters and the managers seeking new staff.

To fill vacancies, Telenet not only employs traditional recruitment channels when sourcing new talent, but also resorts to alternative sources such as social media (LinkedIn, Facebook) or one-day recruitment events, during which the entire selection procedure is completed in a single day. The Telenet "Refer a friend" program also encourages existing employees to recommend potential new colleagues.

In addition to external recruitment, the internal rotation system also represents a significant tool when filling vacancies. This internal mobility system has become

increasingly popular over the past four years. In 2014, 56% of all vacancies were filled internally, definitely a record!

Talent development programs

We are making every effort to motivate our talent via various programs and training options and regularly develop and update our training plans and measurement methods.

Individual career development paths are linked to the competency model that was updated in 2014.

In preparation for the mid-year interview, all Telenet managers attended a workshop dealing with this. The focus here is clearly on self-management on the part of the employee, on taking control of their own development and in particular on looking at the bigger picture rather than traditional education (the 70-20-10 model).

Telenet also has a standard training program that comprises an extensive range of internal and external training opportunities, which are offered to our employees in conjunction with Cevora and other external training partners. The range is extended at regular intervals with sessions, for example, on mindfulness, people management skills, convincing presentations to senior management and business writing skills. We also employ alternative teaching methods such



as drama-based training, role play, intervention and individual coaching sessions.

General training is complemented by a number of specific other training programs.

The Young Grad program is a 2 year training program for young professionals. A total of 16 candidates were selected, evenly distributed across all Telenet departments, for the 2014 launch. During this 2 year period participants continue to perform their duties in a specific department but are offered a number of training sessions each month, always relating to key Telenet competencies.

The 'employee to manager' program was introduced at Telenet in 2014 in order to assist newly promoted managers in IT and Engineering. Using a variety of learning modules, their own behavioral style, their role as a manager, skills building, change management and its impact upon the team and many other issues were examined in-depth. An important aspect of this was the strong action-learning approach, which saw great strides forward for both individuals and the group as a whole, led by an external trainer.

In Sales & Customer Operations, much emphasis was placed in 2014 on the coaching and managing of advisors in order to enable them to engage perfectly with customers. This means that much importance was placed on the connection with the customer and how to listen with sincerity to his or her questions and needs, allowing the advisors to answer correctly and provide the right solution. This approach is likewise found in the coaching of the advisors. Aside from figures and results, a great deal of qualitative coaching is also provided. During coaching sessions the team coach puts himself in the world of the advisor so as to be able to give the latter tailored support and so that they can give their very best. This manner of coaching, controlling and managing within this structure environment is undertaken in a specific way. There are also many potential candidates for the team coach role in the contact centers, and we have created a Teamcoach course for them, allowing them to acquire theoretical and practical experience over a six month period. At the end of this time, after having passed an assessment, they commence as junior managers in the contact centers.

Employee satisfaction surveys

Telenet regularly conducts two types of employee satisfaction surveys. The "Employee Compass" has been used every six months since 2011. Our questionnaire gauges the general wellbeing of Telenet employees. The 2014 results showed that no less than 95% of employees are proud to be working for Telenet and 91% perceive a satisfactory level of trust between colleagues.

The second type of survey is a "Coaching Compass". This six monthly survey has been conducted since 2009 and focuses on job satisfaction levels amongst employees and their immediate superiors' coaching skills. The survey is consequently used by managerial personnel as a basis for the development of their coaching skills. Results demonstrate that three in four Telenet employees have a positive view of their jobs. 77% of respondents indicate that they receive satisfactory recognition from their superior. The results for the five clusters of questions (managing employees, developing employees, skills coaching,

recognition and customer focus) have improved tremendously since that time.

As part of the broader Liberty Global project, it was decided that as of January 2015, we would switch to the Zoom engagement survey. It will eventually replace Telenet's Coaching and Employee Compass, and its methodological construction will allow for comparisons with external benchmarks.

Every three years, Telenet also conducts an extensive welfare survey amongst its employees, using the S-ISW list and measuring a number of welfare indicators such as stress, motivation, inappropriate behavior and absenteeism. Risk factors, including job related pressure, recognized challenges, risks at team and organizational level and risks resulting from the wider socio-economic context are also charted.

In 2014, the well-being survey was completed by 75% of employees. Compared to 2011, the situation in most main areas has remained the same. The results of the welfare survey were used to define priorities, for example with respect to motivation and stress, using a priority matrix. Specific steps were undertaken on the basis of the set priorities to further improve the welfare of employees, both at a departmental level and in terms of the bigger Telenet picture. When it comes to the sub-departmental activities we are working together with the 'welfare champions' – staff that assist management in creating and following up on welfare campaigns.

Telenet is active in making both managers and staff aware of and training them with regard to psychosocial aspects. Further, a number of initiatives from previous surveys have been structurally retained, such as the mindfulness course and the Telefit program..

Mid-year interview and final assessment

In order to monitor day-to-day performance two significant assessments are undertaken each year for all employees. Time is set aside, halfway through the year, for a moment of reflection. This "mid-year interview" is a development meeting centered on the personal development plan and an open discussion on potential internal mobility intentions.

The final assessment, on the other hand, looks in more detail at the realization of individual objectives throughout the year. The bonus system linked to this final assessment is affected, not only by the results of personal objectives, but also by Telenet's collective performance, including the customer loyalty score. This parameter accounts for at least 15% of the executive bonus structure, another means for Telenet to highlight the importance of customer satisfaction.

Since 2014, the entire Performance Management process has been

standardized for all entities within Liberty Global. The Performance Management cycle consists of 3 major sections – creating targets, the six-monthly progress interview and the assessment at the end of the year. The PEARL platform (Success Factors) was implemented for all entities for the purpose of supporting this process. This new platform allows us to load a number of Telenet and/or departmental targets from a central location and to highlight certain areas of focus in our strategy or culture. Another innovation is the self-evaluation performed by all staff, giving managers sufficient input so that they can perform assessments.

Work/life balance

Teleworking

The benefits of the "New World of Work" can be summed up by three key elements, i.e. "people", "profit" and "planet". Employees (people) are able to better organize their work, which leads to a better work/life balance. The organization (profit) benefits because well motivated and committed employees guarantee better operating results. Finally, the environment (planet) benefits from a reduction in commuter traffic.

Telenet aims to create a sustainable policy with respect to the New World of Work.

Following the completion of a pilot scheme, Teleworking was introduced across the organization in a more structured fashion in September 2013. Preconditions and agreements relating to teleworking were laid down in a CLA in conjunction with our trade union partners.

Almost 2,350 people, including consultants, were able to telework in 2014. Workstations at the Telenet headquarters in Mechelen are designated “flex desks”, i.e. they can be used by everyone. In 2014, these flex desks had an occupancy rate of 85%, an improvement of 11% compared to 2011. The ambition is to cut occupancy further for the renovation project of the offices, whereby we will be focusing on activity-based working.

The New World of Work enables employees to organize their tasks to suit their own and their colleagues’ requirements. For example, they can choose their work location in conjunction with their colleagues and superior. This responsibility and flexibility lead to a better work/life balance. Telenet has introduced a guideline of 1 teleworking day per week, to ensure that employees keep in touch with their colleagues and with what’s happening in the organization.

Sabbatical

A sabbatical or career break is part of the legal time credit arrangement. Time credit,

which can be taken for a duration of 1 year throughout an overall career, can relate to a total suspension of, or reduction in, duties. The arrangement stipulates that if an employee, who complies with the relevant legal requirements, applies for time credit the employer cannot refuse provided that less than 5% of the population is enjoying time credit at that time. The law also stipulates that the employee must be reinstated in the same position upon their return to work. Five people took advantage of this opportunity in 2013.

Communication with and between employees

Some communications with employees are routed via the Intranet, regular e-mail updates or training and development programs, but a few years ago Telenet introduced various new communication tools as a result of teleworking. Employees can use various means of communication via the Lync application on their computers, whereby a single click will provide access to a chat box, audio and video conferencing or the option to share their screen with colleagues.

The “Yellow Thread” internal social network, which was launched in October 2012, is now also well-established. Telenet encourages its employees to exchange ideas via this platform rather than organizing meetings or

generating long e-mail chains. Some communications are faster and more efficient when organized via private or public groups.

As a company, our staff deserve the same level of openness as our customers. We encourage open communication and anchor it in our processes, such as our performance management process. We also provide feedback channels such as our Welfare Survey conducted every three years and the annual ZOOM survey that actively enquires of Telenet staff where there is room for improvement.

Telenet staff also have an uncensored voice on the internal social network, De Gele Draad (The Yellow Thread). When we launched De Gele Draad we first hosted workshops dealing with external social media, as we also want staff to be able to voice their opinions on those sites.

Open communication and transparency are a given when it comes to living and experiencing our values. At Telenet we expect that you speak out when you have something to say, which falls under Accountability. This also holds – in fact, it is especially pertinent – when you go against the flow. This is what we call Leadership.

At Telenet we are passionate about our business and so it is in our nature to proactively state our opinions. Our entire manner of cooperation is geared towards this, as can be seen in the many interdepartmental work groups, our flat organizational

structure and our informal approach to working together.

In other words, we give everyone space to provide their input and we encourage our people to be team players.

It is through working together – and cooperation is another one of our values – that we create openness, and vice versa. The openness that is present in Telenet only exists because there is a high level of participation. The fact that our staff are invited and urged to think with us and participate in turn stimulates that openness. We can only continue to innovate and succeed time and again in delivering better solutions by adopting an open attitude. And it can only benefit our customers and our staff.

Sustainable personnel policy

Employment opportunity plan for older employees

Telenet has developed an employment opportunity plan based on one or more company-specific measures to raise the employment rate amongst employees over the age of 45.

Companies with more than 20 employees must provide an employment opportunity plan for older employees. This measure is

based on the goal Belgium has set itself as part of the execution of the Europe-2020 strategy to achieve a 50% participation rate for older employees between 55 and 65 by 2020.

Outplacement

Outplacement is an overall package of support services and advice provided on behalf of the employer to the employee to enable the latter to find a job with another employer or take up a self-employed occupation within the shortest possible time. Outplacement is a legal requirement. Employers must offer outplacement services once employees have reached the age of 45. Usually this is done via Cevora, which companies subject to PC 218 are entitled to use. The employer decides whether an employee who has been made redundant should use outplacement via Cevora or whether they should be offered more specialized outplacement services (e.g. for higher level profiles).

Diversity and equal opportunities

Telenet promotes equal opportunity and diversity, and has a system in place to monitor equal opportunities. The Sr VP Human Resources is in charge of monitoring non-discriminatory issues. Telenet also

tries to increase diversity in its management teams, for example, by promoting the recruitment and internal progress of more women. This way the company aims to accrue the necessary talent within its own environment in order to have access to a wide-ranging and varied pool of future experts and management profiles. Moreover, employees and management teams will thus better reflect the diversity in our customer base. People have specific preferences. Technical functions tend to attract more men, whereas marketing and call center positions attract more women. Employee surveys have shown that people consider this an additional benefit for further development within Telenet, rather than an area of concern.

Over the past 3 years the number of female employees has fluctuated around 35%. At top management level (Senior Leadership Team or SLT) the percentage of women has increased by 66% over the past five years, from 27% in 2010 to 45% in 2014.

Fair remuneration

Telenet employees are fairly remunerated, in accordance with current market levels, for their results and added value. The basic package for all employees consists of a gross salary, topped up with additional benefits such as luncheon and eco vouchers, hospital and group insurance and subsidized telecom facilities. Employees



also receive a special bonus, which is linked to Telenet's customer satisfaction score. Furthermore, every employee at Telenet receives a bonus linked to their individual assessment score. In 2014, at least 15% of the executive bonus was linked to Telenet's financial results. The same benefits are provided to full-time employees as to part-time employees.

Consultation with social partners

Telenet organizes monthly consultations with health & safety committees and the works council (WC) as well as frequent ad hoc consultation meetings. The works council is an enterprise-level consultation body, which represents all employees. It is a joint committee consisting of an equal number of representatives from both employers and employees. The works council has a say in the company's social, economic and financial policies. This general authority covers many areas, including personnel policy, organization of work, the company's financial position and economic status, conditions of employment,

new technologies (Works Council Act, art. 15). Publication and distribution of works council reports to all employees is a legal requirement.

The CPPW (Committee for Prevention and Protection at Work) is also a consultation body, which represents all employees. It is a joint committee consisting of representatives from both employers and employees, the company physician and the internal health & safety and environment department, which handles the secretarial tasks as well. The CPPW has an input in policies pertaining to the welfare of employees at work, the global prevention plan and the annual action plan (Royal Decree CPPW 3/5/1999). This general authority covers safety at work, health supervision, ergonomics, hygiene, workplace enhancement, the psycho-social aspects of work including bullying, violence and sexual harassment, as well as the (living) environment. The CPPW takes decisions pertaining to the appointment or removal from office of the company physician, health & safety advisors and counselors. The CPPW mainly has an advisory role with respect to new and changing technologies, operating processes, workplace layout, tools and equipment, protective

equipment, training, instructions, periodic inspections, etc. It appoints delegates for the annual safety inspections, for meetings concerning serious risks associated with imminent damage, serious occupational accidents or incidents, and for addressing officials.

Welfare at work

The management of Telenet considers welfare and prevention key objectives of the organization. This goal fits in with, and is part of, the company's general policy aimed at building up and maintaining a strong image both internally and vis-à-vis clients and other third parties. The management is of the opinion that this requires dedicated input from everyone:

- to protect one's own safety and that of colleagues and third parties;
- to safeguard one's own health and welfare, and that of colleagues and third parties;
- to promote an environmentally friendly working environment.

Safety, welfare and the environment are an integral part of the responsibility at all levels of the hierarchic line and are also the concern of the company's own, temporary and agency employees. The Manager Compensation & Benefits also oversees welfare and environment. He is supported in this task by the Internal Department of Prevention and Protection at Work, backed up by external environmental coordinators and the prevention officers-occupational physicians of the external prevention service.

For installers and technicians who also work outside, several courses are provided, including basic safety for newly hired technicians that deals with risk activities they face, such as electricity, building site warnings, risk analyses, working at a height, back care and basic safety. For the appointed first responders at Telenet, there is a First Aid and Intervention training. Regular open PC ergonomics trainings are organized for all employees.

For residential contact centers, sessions were held that dealt with 'effectively dealing with difficult customers' and 'dealing with aggression' for shop staff. A range of teams used Insights to work on team effectiveness. Various managers took courses dealing with absenteeism interviews, while there were also workshops for the 'welfare champions' that dealt with communication and following up on the three year welfare survey. There were also individual training courses for dealing with stress and

its causes, as well as courses on communication techniques, assertiveness, conflict management, mindfulness, problem-solving, relational intelligence, addressing a group with enthusiasm, mind-mapping & radiant thinking, rapidly processing and remembering information and numerous other topics. Where necessary, employees were referred for counselling and coaching through an employee assistance program for other forms of personal coaching. The HSE received environmental training, were informed on recent amendments to legislation concerning psychosocial risks at work, fire safety and health supervision.

The Telenet Global Prevention Plan identifies goals with respect to well-being and environmental targets for five years using auditing, risk analyses, safety inspections, handling of complaints, reports and the results of the health supervision. This way, Telenet complies with the laws pertaining to the welfare of employees at work. The objectives are updated and laid down in annual action plans. In 2014, the most important initiatives focused on: following up on the welfare survey and devising projects related to a sustainable health policy. The modification of internal procedures related to psychosocial aspects at work was another important point for attention.

Results are reported annually to the Health and Safety Inspection Authority, which is part of the Federal Public Service Employment, Labor and Public Dialogue, and to the committees for prevention and

protection at work. The various key figures relating to sick leave and industrial accidents, psychosocial aspects and ergonomics, are discussed during CPPW meetings. 58 industrial accidents involving temporary incapacity were recorded in 2014, 18 that required medical care and 20 accidents on the way to or from work. No fatal accidents or accidents involving confirmed permanent incapacity were recorded.

Protection from psychosocial risks at work (internal procedure)

Rules concerning psychosocial risks at work were reviewed and broadened in 2014. Telenet makes every effort to create a pleasant and secure working environment in which employees feel contented and safe and are able to perform to the best of their ability. As part of its welfare policy, Telenet had introduced a procedure concerning unacceptable behavior at work, in accordance with Belgian legislation. As a result of the changed rules for psychosocial risks at work, the complaints procedure will be replaced by an internal procedure. This procedure focuses on inappropriate behavior such as bullying, discrimination, violence and sexual harassment. The new procedure will be a part of the company rules and will also apply to permanent third parties.



If an employee cannot solve the problem independently or together with their superior or another relevant person, then they can appeal to counsellors of the IDPPW or the prevention advisor who deals with psychosocial issues of the external prevention service. The informal approach with the counsellor or prevention advisor involves an initial meeting, advice, mediation or, if necessary, intervention by people in authority within the organization. The formal follow-up on social risks can only be done directly through the psychosocial aspects prevention officer. The formal procedure is more serious and is recommended for complex situations or serious incidents where the informal approach is not sufficient for solving the problem, or where it is necessary to define collective measures

and where an extensive investigation of the situation is consequently required. This approach also provides, where necessary, for precautionary measures to prevent or limit physical or psychological damage and escalations. In 2014, all intermediary action was informal in nature. There were 17 incidents requiring intermediary action and involving support and/or advice, 5 interventions and 2 mediations. The new legislation has helped employees to seek support for psychosocial risks at work more easily. They have much more scope in approaching the counsellor or psychosocial aspects prevention officer, and it is not just limited to unacceptable behavior but also to issues such as stress, burnout, depression, conflicts, and so on.

TOPIC	OBJECTIVE	ACHIEVEMENTS
Psychosocial aspects of work	Follow-up of 3-yearly welfare survey	TelefitPLUS (exercise and lifestyle) program, introduction authentic leadership training etc. formulated
Procurement policy	Better integration of safety and environmental requirements into purchasing policy	Formulated safety and environmental requirements for product purchasing. Provided recommendations on specific sets of specifications such as those for subcontractors involved in installation, repair and network installation.
Environmental policy	Waste management optimization	Tool boxes, additional briefings and signage on correct sorting of various materials ok.
	Further follow-up of environmental licenses	Better agreements with processing companies and reporting system ok.
	Further follow-up of environmental declaration processes	Introduction VLAREMA (continuous process) environmental licenses technical buildings in Flanders completed. Improvement environmental declaration concerning printed advertising ok.
	Develop environmental processes for products, market, transport, utilize, inspect and maintain, remove, process installations and machines.	Operation greatly improved, processes still require unequivocal descriptions.
	Develop environmental processes re mandatory acceptance of electrical and electronic equipment (other than dealers, centers, shops – last ones already in 2012).	Consultation of various stakeholders about return and processing mobile phones (Telenet Mobile) already running via Telenet (via Supply Chain). Is now ok for Telenet, but still needs to be refined for acquisition with Telenet Mobile.
Dynamic risk management	Systematic approach to risk analyses.	Risk analysis system development for small contracting projects ok. Function risk analysis reviews (also included in 2014 action plan).
Office ergonomics Safety	Improve ergonomic posture in contact centers. Monitor safety during works involving third parties, including during temporary or	Train and deploy ergonomics ambassadors in various contact centers with a view to increasing awareness (also included in 2014 action plan). S&Q tool in place for work involving third parties in the event of temporary or mobile construction sites (Build, Fiber, KAWs, Installations). Various incidents highlighted to promote awareness concerning high risk situations (also refer to discussions during monthly CPBWs).
HR	Further refine function risk analyses in consultation with relevant	Function risk analyses and workplace sheets online on HRforYou

➤ Optimum customer service

User-friendly products and services

Straightforward product line-up

Telenet adheres to four pillars - “simplicity”, “transparency” “focus on customer loyalty” and “ready for the future” – when it comes to its product range.

A limited range of only 2 or 3 products makes it easier for the customer to compare the various products and quickly make an informed choice.

Unequivocal product information

All Telenet products are accompanied by a leaflet stipulating the general conditions and an installation guide. Some products, e.g. power cables, also include specific CE markings and/or a technical leaflet. Telenet also provides all mandatory information on product waste disposal, as well as energy consumption data and SAR values for mobile phones. All our products and services comply with the international ISO27007 safety standard.

No instances of non-observance of regulations and voluntary codes concerning

product and service information and labeling were recorded in 2014.

Newsletters, testimonials, test labs, etc.

Telenet aims to give its customers access to the best possible digital experience via various channels. Channel 444 (TV) and the Telenet YouTube channel provide video clips with additional information. Customers can also subscribe via My Telenet to various commercial newsletters to keep up to date with the Telenet product range. Inspiring testimonials on the SNAP platform that provide customers with information concerning product use or the entertainment range on offer can be accessed via the Telenet, Telenet Entertainment and Sporting Telenet Facebook pages, or via Twitter and LinkedIn. This enables us to enter into dialogue with our customers and keep them up to date with what’s happening at Telenet.

To assess new digital products and to encourage conversation between customers, we recently created the Telenet Community Forum. This is a platform where customers can ask questions, share their experiences and provide suggestions for improving new and existing products. As far as Telenet is concerned, this is the ideal tool to gauge how developments are received

by customers and how we can ensure our range is tailored them to our customers’ wishes and requirements with maximum effect. We have moreover seen that over 80% of the questions asked on this platform are solved by other customers – a result that we are very happy with, and we will continue to work for in the future.

Transparent pricing policy

Fixed costs

Prices and, where applicable, other costs are detailed on our website, in promotion campaigns and in advertising with maximum transparency. Since the launch of Whop and Whoppa, the website always shows the total product price, including monthly charges such as set-top box rental and cable subscription cost. Customers can choose between renting the HD Digicorder or buying a set-top box. At the start of 2014, the cable price, which has been subject to historic variations, was harmonized throughout Flanders. Customers can cancel the Play and Play More packages free of charge on a monthly basis.

Overview product information

	YES	NO
The sourcing of components of the product or service		x
Content, particularly with regard to substances that might produce an environmental or social impact	x	
Safe use of the product of service	x	
Disposal of the product and environmental/social impacts	x	

One-off charges

One-off charges, e.g. costs associated with activation, installation or hardware exchanges/upgrades to the latest type, are communicated with maximum transparency. Moreover, in some cases customers can avoid them by using the “self-install” option. The website clearly displays all potential one-off charges.

Transparent invoicing

Transparent invoicing, clearly showing all necessary details, contributes to the company’s reliability score. Telenet aims to make both the invoice itself and the way in which the customer can access it as easy as possible. Customers opting for electronic invoices automatically receive an e-mail when a new bill is posted in “My Telenet”. Invoices are stored for up to 14 months.

As of February 2014 European companies must bring their direct debit system in line with SEPA, a European measure that aims to harmonize European payment systems via, amongst others, European bank account numbers. This means that customers can now arrange direct debits with Telenet rather than the bank. Customers were notified of the new measure in good time.

Transparent communications

Customers like to be told in advance when Telenet implements changes to its products or services. In the event of changes that might have a major impact, customers are sent an information e-mail or receive the necessary information included with their bill.

No specific contract duration

The new telecom legislation took effect on 1 October 2012. The main stipulation of this act states that the contract duration for all telecom services must not exceed six months. Telenet no longer imposes a notice period for subscriptions to product bundles, Internet, landlines, mobiles or television. Only Sporting Telenet, a pay TV package, is still subject to a legal contract duration of 6 months. Customers, who have taken out a mobile phone subscription with handset, only have to pay the residual value of the handset if they cancel their subscription.

New tariff plans all around

Telenet is proactive in calling customers if it is in their interest, or complements their product use better, to switch to another product formula. Nearly all mobile Telenet customers use the KING or KONG tariff

plans. We also transferred as many customers as possible with fixed services to Whop and Whoppa.

Reliable products and services

Customer Loyalty Score

Reliable products and services go hand in hand with high customer satisfaction levels. The Customer Loyalty Score (CLS) is the principal customer satisfaction benchmark amongst both residential and business customers. Each month we survey approximately 2,500 customers to ask for their views on their Telenet products and associated services such as installation, accessibility and the quality of the contact center, invoicing and other customer communications. The survey results are converted into a monthly global figure. The surveys also tell us which aspects we need to focus on. For example, they tell us what is the best approach to product launches or service changes. Telenet highlights the significance of customer satisfaction by including the Customer Loyalty Score, a monthly objective customer satisfaction benchmark, up to a level of at least 15% in the executive bonus system.

We have noticed that connectivity at home

Overview CLS score

2012	2013	2014
80.6	80.2	80.5

plays an increasingly important part with respect to optimum customer experience. We are facing a challenge in that we need to ensure that our customers have a basic knowledge in order to optimize the use of Wi-Fi and are able to benefit everywhere from a reliable connection.

Check up

Since September 2014, Telenet has been proactively calling on Internet customers in order to check on their in-house installation. The technicians ensure the customers have the best possible Internet connection and explain all the services included, allowing customers to always make full use of their Telenet products. We had already visited over 20,000 customers by the end of March 2015, and by the summer over 700 customers a day will receive a visit from Telenet.

Accessibility

The Customer Loyalty Score also comprises traditional accessibility related figures. Most of these contacts are associated with requests for information, administrative and technical queries as well as commercial and customer loyalty related contacts.

Accessible by telephone

Telephone response times always play a major role in the perception of customer satisfaction. 78.9% of calls were answered within two minutes in 2014. We continue to make every effort to reach our target of 85% within 120 seconds. Since 2012 customers who have to wait longer than 150 seconds

have been given the option to be called back at a time that suits them.

In view of the fact that customers are often already au fait with our products and services anyway, Telenet makes certain that all helpdesk employees have the right expertise and can offer customers concise and consistent advice, to ensure that they receive an optimum response from their first contact. In 2014, we achieved a "First Time Right" percentage of 74.3%.

Accessible via Internet, e-mail and by post

Since 2012, most of our technical customer support was Internet-based. Our online customer service provides access to specific staged plans with additional information to help customers in their attempts to solve a problem themselves initially. In 2013 this site registered no less than 1.5 million hits per month, almost 50% more than in 2012. The Mobile Configurator, a page where customers have access to a manual for their specific type of mobile, was especially popular and clocked up 1 million hits in just one year.

Customers can also manage their products and services via 'My Telenet', where they have access to an overview of general settings such as password and contact data, and all their product options. This platform will also generate electronic invoices. This site clocked up more than 17 million hits in one year, an increase of 21%.

Almost 64.7% of customers who contacted Telenet via e-mail (or by post) were dealt with within two days, and 93.5% within five days.

Accessibility via social media

Telenet also supports customers via social media (Twitter, Facebook, the Telenet blog, forums, etc.). A 9-man team is available on weekdays from 8 a.m. to 10 p.m., in the weekend from 9.30 a.m. to 6 p.m. Our service is also in operation on public holidays (excluding Christmas and New Year's Day). We consider social media an important tool through which we can offer customer

service and collect feedback about our products and services. Telenet clocked up 330,481 mentions this year, 11% more than the previous year. Every 2 minutes, someone somewhere was twittering, blogging, etc. about Telenet. The price increase in December was the hottest topic of the year. We learnt from this that we have to communicate more clearly about such matters.

Focus on customer satisfaction: Amazing Customer Experience Program

In early 2014, Telenet launched its Amazing Customer Experience or ACE program, the next step in its transition to a Telenet experience where the customer is the central point of focus.

In this program the customer experience is continually monitored, analyzed and reported, allowing us to keep our finger on the pulse and enabling us to identify and correct problem areas in that experience. This continual focus on improvement from the perspective of the customer is molded into projects and in the past year Telenet has demonstrated that customer care is not just a hollow phrase. Through initiatives such as Telenet Check-up, where we visit our customers at home to optimize their installation for the perfect product experience and also check whether they are using the full potential of their products, we aim to ensure that our customers are getting value for money. They are also provided with effective solutions for extending Wi-Fi reach in their homes, while their digital setups are examined and, if necessary, improved and if the customers do not yet use our apps we install them and show them how to get even more pleasure from our products. We also continue to work on ever more user friendly products and services, while the quest for ways to improve our support is likewise a daily task. In this way Telenet has entered into a clear commitment at all levels of the company



– we continue to examine ourselves from a critical perspective through the eyes of the customer and aim to earn our customers anew each and every day. Through this program, Telenet is dedicating itself entirely to an Amazing Customer Experience.

Complaints via the Ombudsman

Telenet received 25% fewer complaints in 2014 than in 2013 via the Telecommunications Ombudsman. This decrease is the result of continual customer service improvements and a specific focus on customer service via social media such as Facebook and Twitter.

The complaints procedure runs as follows:

- The Ombudsman accepts complaints from customers who have initially contacted Telenet but then want to lodge a further appeal.
- As soon as Telenet receives a complaint from the Ombudsman, the

claims procedure is suspended for a period of 4 months until the case has been finalized.

- The Ombudsman responds to the customer once the investigation has been completed.
- This will be followed by an amicable settlement provided that the customer agrees.
- If the customer wants to submit a counter argument the Ombudsman will re-investigate the case if necessary and respond again.

Telenet received 1 complaint per 6,118 services rendered in 2014. In 2013 it was still 1 complaint per 6,731 services rendered. The Telecommunications Ombudsman offers telecom users an extrajudicial dispute settlement procedure and is, therefore, recognized as an ADR (Alternative Dispute Resolution) authority by the European Commission.

➤ Suppliers

Supply chain policy

Our purchasing decisions also take into account ethical, ecological and social considerations. They relate not only to optimum price, quality and availability, but also to the ecological and social aspects of the origin of products and services. After all, the ecological impact of the products and services we obtain from our suppliers is similar to that of our own products and services. Telenet actively tries to involve its suppliers in the quest for sustainable enterprise. The key objectives set out in the sustainable supplier policy were developed in conjunction with the main shareholder Liberty Global.

Each quotation refers to this supply chain policy as standard and tenderers are expected to provide the necessary information with respect to, amongst others, the following aspects:

- social aspects in their own workplace;
- compliance with legislation and regulations pertaining to child labor;
- quest for transport optimization;
- green aspects of the supplier's operational management.

When selecting suppliers, we consider the above-mentioned aspects of considerable importance, on a par with the price and quality of the goods or services to be supplied.

The safety and environmental specifications are documented whenever a contract is drawn up. This includes a record of which guidelines the equipment, raw materials, etc. comply with, specifications on energy consumption, packaging, waste and recycling and whether or not production is associated with hazardous chemicals.

Signing of the Vendor Disclosure Form

Suppliers must also complete a Vendor Disclosure Form to ensure that our group and partners engage in ethical trade practices in accordance with our policy and principles. The Vendor Disclosure Form comprises a Code of Conduct and Anti-Corruption Policy. In concrete terms the document stipulates that there is no conflict of interest between the seller / supplier representatives and people that might be associated with Telenet, and that the Seller shall ensure that all supplier representatives are familiar, and will comply, with the principles laid down in the Code of Conduct and Anti-Corruption Policy.

100% of Telenet's suppliers have thus confirmed that they will comply with the Telenet Code of Conduct and Anti-Corruption Policy. The Code of Conduct covers the following issues:

- environmental standards pertaining to the supplier's activities, products and services;
- basic human rights (including forced and child labor: International Labor Organization agreements);
- working conditions (e.g. working hours, redundancy procedure);
- health and safety at work;
- business ethics (including corruption).

Suppliers also declare to adhere to Liberty Global's Responsible Procurement and Supply Chain Principles when signing a contract with Telenet. This framework for managing social and environmental risk in the supply chain, is also applicable to Telenet. The principles are designed to extend Liberty Global's responsible business values to its suppliers and relate specifically to the impact of the products and services the company purchases. The principles encompass international labor standards, including the International Labor Organization Core Conventions and UN Convention on human rights, bribery and corruption, health and safety and the environment. In 2012 Telenet also brought its procurement into line with that of its majority shareholder Liberty Global. The use of shared suppliers promotes synergy in both technology and finance. Telenet and Liberty Global share suppliers, for example, for set-top boxes. This has allowed Telenet to make significant savings in 2012.

Ecovadis for risk management

Met When it comes to risk and opportunity management in the supply chain Telenet also focuses on, for example, single vendor-ship, warehousing and non-availability of goods and services.

As of 2013 Telenet uses Ecovadis' SP Solution for the assessment and monitoring of the social, ecological and ethical risks of its suppliers. Ecovadis is a dynamic scorecard that rates the CSR performance of suppliers on the basis of 21 indicators grouped into 4 CSR themes (Environment, Social, Ethics and Suppliers) rated from 1 to 100, using questionnaires, document audits, public information and a 360° watch on suppliers through stakeholder information from NGOs, the media, etc. resulting in an assessment of suppliers' environmental performance and social practices.

- **Environmental risks**
- Production process and product effects (i.e. use of the product, "end of life" and customer health and safety)
- **Social risks**
- Employee health and safety, working conditions and human rights.
- **Ethical risks**
- Corruption, anti-competitive practices and truthful marketing issues.

Telenet leveranciersbeleid:

- eist van zijn leveranciers en onderaannemers om te voldoen aan de fundamentele gebieden van de ILO-conventie over verbod op kinderarbeid, dwangarbeid, discriminatie en vrijheid van vereniging
- dekt andere arbeidsnormen inclusief gezondheid en veiligheid, arbeidstijden, lonen
- is publiek beschikbaar
- is geïntegreerd in haar inkoopproces

Onderhouden van het beleid:

Telenet:

- communiceert zijn beleid naar zijn leveranciers wereldwijd - alle leverancierscontracten bevatten een clause met betrekking tot arbeidsnormen
- controleert de leveranciers voor de naleving van zijn beleid
- voert audits uit bij zijn leveranciers voor de naleving van het beleid - Telenet zal regelmatig de supply chain en op verdenking van een overtreding, zal een formele audit worden uitgevoerd
- heeft procedures voor de behandeling van niet-naleving - Telenet zal leveranciers helpen om corrigerende maatregelen te nemen in geval van niet-naleving

The system enables Telenet to benchmark and compare supplier performance scores. It also helps to formulate action plans for suppliers, as a starting point for effective dialogue on measures suppliers can implement in order to improve its CSR score. The Vice-President Supply Chain & Procurement is responsible at operational level for the management of the implementation of ESG goals. The executive responsibility for supply chain management lies with the Chief Financial Officer.

We regularly check our supply chain and, if we suspect an infringement, we carry out a formal audit. In the event of non-compliance Telenet will continue to work with the supplier in question and help him implement the necessary corrective measures. If no agreement can be reached on an acceptable recovery plan Telenet may have to terminate the business relationship.

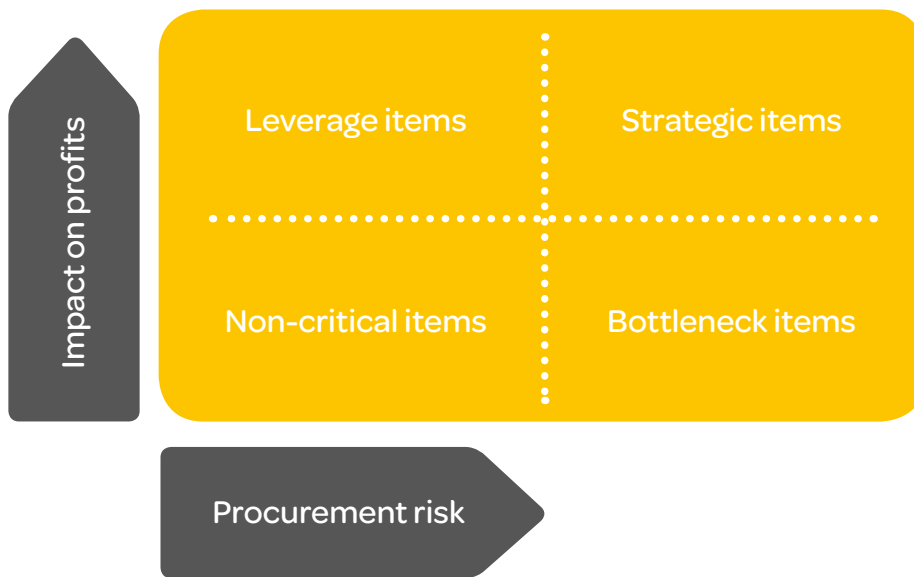
Telenet carries out annual general risk assessments across the entire strategic supplier base, including (but not limited to) bribery. If a risk is considered high, a risk containment plan will be ready for implementation.

Due diligence before the establishment of joint ventures is implemented by both Ecovadis as well as the ongoing financial screening of all Telenet suppliers by Dunn & Bradstreet.

Appropriate systems for the selection and payment of suppliers have been implemented and are part of the sales flow.

Telenet is also involved in a number of initiatives with contractors and suppliers concerning training and capacity building. We offer specific training for both customer focused sales personnel and strategic suppliers, with special diplomas for those who are successful.

Kraljic-matrix



- development of a quality assurance manual with Telenet's warehouse partner;
- joint approach to improvement of the logistics procedure in conjunction with Telenet shops;
- annual 'contractor day' gathering together with a prize for the best contractor;
- extensive 'customer friendly approach' and technical training for new technicians in installation companies;
- annual call center prize for call center employee with the best results;
- bonus/malus clause in contracts with critical suppliers.

Telenet measures supplier performance using KPIs such as

- the percentage of purchases made from preferred suppliers,
- fuel consumption of installation vans and
- the percentage of supplier contracts with contractual stipulations concerning the environment, social aspects and good management (ESG).

These three aspects are combined in our ongoing cooperation with IMSIR, a sheltered workshop and social initiative that generates a reduction in waste, employment and cost savings. In 2013 the consistent re-use of set top boxes led to a 400 ton reduction in waste, employment for 50 people and purchasing cost savings of € 15.5 million.

In 2013, Liberty Global assessed 78 of its largest suppliers, equating to 50% of its overall capital expenditure, using EcoVadis SP Solutions tool including major suppliers for Telenet. 77% of Telenet's suppliers invited to the assessment responded. Out of the scored suppliers, 57% received a confirmed CSR engagement score, meaning they have a structured and proactive CSR approach in place and are low-risk suppliers in terms of ESG performance. The remaining 43% received a partial CSR engagement score, meaning their approach is ad hoc rather than structured and that they pose a medium risk in terms of ESG performance. Further analysis of the supplier risk will be conducted and, where necessary, Telenet will set up a corrective action plan with the particular supplier. None of Telenet's assessed suppliers were scored in the high risk-category.

Identification via Kraljic

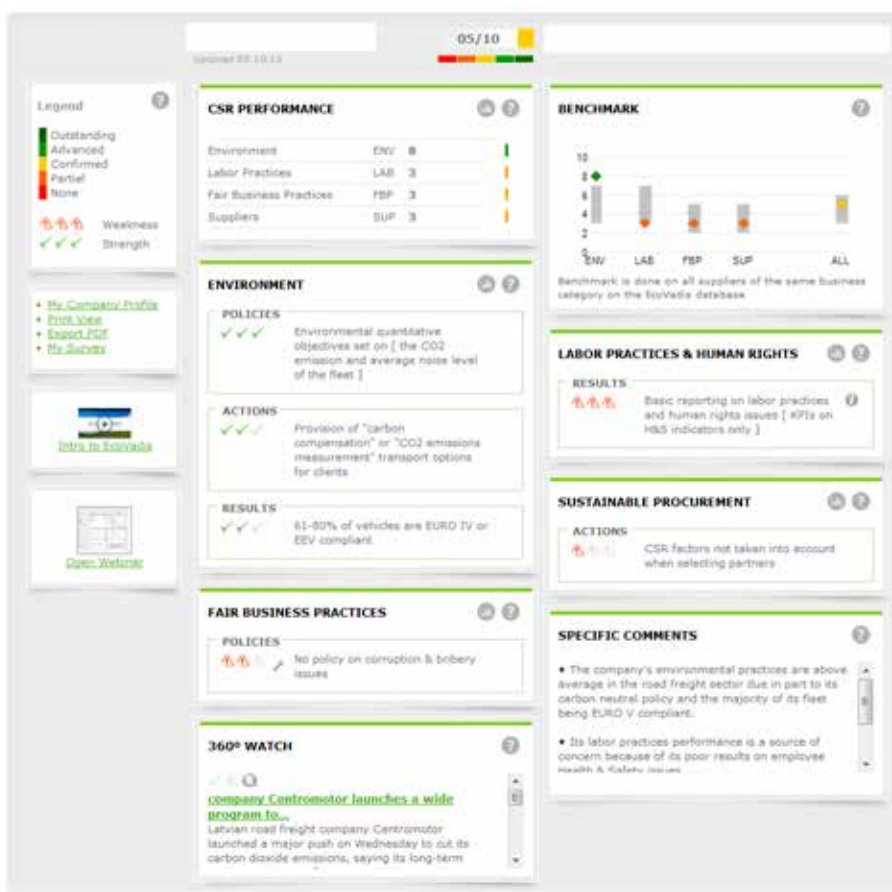
In order to be able to effectively manage our supply chain, we have formalized a process to identify critical suppliers using the Kraljic matrix to classify the 4 main categories: leverage items (15% of suppliers), strategic items (5%), bottleneck items (5%) and non-critical items (75%).

Supplier results

Telenet also maintains that skills development and performance encouragement can improve the results of, and relationship with, critical suppliers. Typical examples include:

- development of a supplier manual for each new supplier;

Example EcoVadis Scorecard



Working groups

Telenet participates in several working parties focused on supply chain improvement.

One such working party is E-TASC (Electronics – Tool for Accountable Supply Chains). E-TASC was launched in 2007 as a sustainable solution to help businesses implement an effective shared approach to the assessment and management of supply chain risks, bring about performance improvements.

We are also focusing on the further development of the CSR potential in supply chains. Telenet participates in the development of training modules and other learning resources for ICT companies and their suppliers in order to create greater awareness of social and ecological issues and to help implement change management programs.

In December 2011 Telenet and Imsir were awarded the public's prize at the Supply Chain Awards. The sector also proclaimed Telenet the 2012 ambassador of sheltered workshop employment. And in November 2013 Telenet won the public's prize for the best project of the past ten years at the 10th supply chain awards ceremony.

Telenet supply chain policy:

- requires its suppliers and sub-contractors to meet the core ILO convention areas of prohibition of child labor, forced labor, discrimination and freedom of association;
- covers other labor standards including health and safety, working hours, wages;
- is publicly available;
- is an integral part of its procurement process.

Maintaining the policy: Telenet:

- communicates its policy to its suppliers globally - all of Telenet's supplier contracts contain a clause covering labor standards;
- audits suppliers for compliance with its policy - Telenet will regularly screen the supply chain and, if a transgression is suspected, perform a formal audit;
- visits/audits its suppliers for compliance with its policy - Telenet regularly checks its supply chain and on suspicion of an infraction, a formal audit will be conducted;
- has procedures for addressing non-compliance - Telenet will help suppliers to take corrective action in case of non-compliance.

➤ Codes of conduct

Being a major enterprise, Telenet wants to continually maintain and increase the level of confidence shown by stakeholders and society at large. In order to achieve this Telenet has implemented various procedures and codes.

Telenet undertakes to execute its activities with honesty, integrity and respect. Corporate governance has a direct impact on the way in which the company is managed and on the relationship with stakeholders. Telenet is convinced that the highest corporate governance standards are necessary in order to guarantee the integrity and performance of its activities. It has, therefore, devised a number of policies to support corporate governance in each business aspect.

Telenet's Code of Conduct comprises a number of business policy principles and is intended to act as a guideline for the implementation of various judicial and legal requirements and professional practices that apply to the activities executed on behalf of the company.

Telenet also implements a number of corporate policies.

Telenet Code of Conduct

Telenet's Code of Conduct relates to the following:

- equal opportunities and a working environment free from intimidation;

- fair competition and anti-corruption;
- information confidentiality and right to privacy;
- correct accounting and accurate communication;
- conflicts of interest, insider information and business integrity;
- protection of health and safety and the environment;
- whistle-blower policy.

The Code of Conduct was signed by the Telenet executive committee and top management, and by employees in positions of trust. In addition to this general code of conduct Telenet also imposes specific codes of conduct relating to anti-corruption & bribery, issues relating to competition law and privacy matters that apply to the entire workforce. Employees are kept up to date with these codes of conduct via regular training sessions.

No infringements were reported in 2008, 2009 and 2010. One formal complaint was submitted in 2011 in the 'whistle-blower policy' category, but KPMG officially evaluated it as a complaint outside the whistle-blower policy. No infringements were reported in 2012, 2013 and 2014, making 2014 the seventh consecutive year without infringements. Employees can ask to remain anonymous. Complaints received by phone or via the website are managed by the Corporate Compliance Officer and chairman of the Audit Committee.

Telenet is currently updating its Code of Conduct. The new code, which already incorporates many principles enshrined in Belgian legislation, will be systematically introduced across the organization.

Compliance is monitored in different ways, for example, using Entity Level Controls (ELC) and IT General Controls (ITGC). Their implementation is guaranteed and recorded via a web-based tool. They are also rigorously tested each year by Liberty Global, our parent company, and our auditors (KPMG).

United Nations Global Compact

In April 2011 Telenet, represented by its CEO, signed up to a commitment to uphold the ten principles of the United Nations Global Compact which relate, amongst other things, to human rights, labor conditions, the environment, anti-corruption and enjoying a general consensus. The principles are based on the following:

- the Universal Declaration of Human Rights
- the International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- the Rio Declaration on Environment and Development
- the United Nations Convention Against Corruption.

Telenet has agreed to implement the Global Compact principles to act as a guideline throughout its strategy, corporate culture and day to day operations, and to endeavor to initiate partnership projects in order to develop the United Nations' wide-ranging goals, in particular the UN Millennium Goals. Where relevant, the principles of the OECD guidelines for multinationals have been incorporated in our ethical code and supplier contracts.

Telenet wants to make its commitment quite clear to stakeholders and the public at large.

In the introduction to the 2014 sustainability report the CEO and Chairman of the Board comment as follows: 'We continue to support and promote important initiatives such as the UN Global Compact. We are a member of the advisory council of the Belgian Network of the UN Global Compact, and as of 2011 Telenet endorses the ten principles of the UN Global Compact.'

Telenet is well aware that in order to participate in the Global Compact it is vital to submit annual Communication on Progress (COP) reports, more specifically on efforts made by the company to implement the ten principles.

Telenet favors a transparent approach and is consequently committed to reporting progress concerning these principles every year.

Code of conduct for data centers

Telenet data centers are responsible for a large share of the company's overall energy consumption. Telenet wants to significantly reduce its energy consumption and has, therefore, underwritten the European Code of Conduct for data center energy efficiency. The data center in Mechelen has now achieved the status of 'participant' in this code of conduct.

Voluntary Industry Agreement

The Voluntary Industry Agreement aims to contribute to the realization of the EU energy efficiency action plan, more specifically the Ecodesign Directive, by lessening the potential environmental impact of complex set top boxes (CSTBs), i.e. set top boxes with conditional access.

Service providers, equipment manufacturers, software providers, conditional access providers and component manufacturers, who represent the majority of the set top box industry, have endorsed this voluntary agreement.

In November 2012 the EU Commission underwrote the Voluntary Agreement on set top box energy consumption.

As a co-signatory of the Voluntary Agreement, Telenet takes its principles into account for all products, technical and purchasing processes, even for potential future product definitions and RFPs.

Vendor Disclosure Form

The primary purpose of the Vendor Disclosure Form is to demonstrate to relevant stakeholders that all reasonable measures have been taken by Telenet to ensure that our group and its partners conduct business in an ethical manner, in accordance with our policies and principles.

The Vendor Disclosure Form certifies that there is no conflict of interest between the supplier / representatives of the supplier and people associated with Telenet, and that the supplier shall ensure that all his representatives are familiar, and will comply, with the principles of the Telenet Code of Conduct and Anti-Corruption Policy. All suppliers must sign this Vendor Disclosure Form.

Anti-corruption Policy

Telenet's anti-corruption policy ensures that business interests are, and will remain, compliant with relevant international stipulations and Belgian legislation pertaining to bribery and anti-corruption. These rules are explained on the basis of typical examples and practical guidelines. The anti-corruption policy has been approved by the Board of Directors and Audit Committee and is in line with the anti-corruption policy of our main shareholder, Liberty Global. The policy is communicated in detail to all employees (e.g. via team meetings), contractors, suppliers (via the Vendor Disclosure Form) and agents.

The policy comprises the following elements:

- prohibition to offer or receive bribes – the company is a co-signatory of UN Global Compact;
- compliance with legislation and regulations;
- restriction on giving and receiving business gifts;
- transparency with respect to political donations – employees are not authorized to make political contributions for the benefit of or on behalf of Telenet, or with Telenet funds, without prior approval from the appropriate Corporate Compliance Officer; No funds were used for political contributions in 2013.
- commitment at management level, i.e. the Code of Conduct was signed by the Board of Directors.

Corporate Governance Charter

The Corporate Governance Charter comprises a summary of the rules and principles pertaining to the organization's corporate governance. It is subject to, and does not prejudice, the Articles of Association and relevant stipulations in Belgian law such as the Company Code. Any summaries or descriptions in this Charter of legal and statutory stipulations, company structures or contractual relationships are included purely for information purposes and shall not be considered legal or fiscal advice relating to the interpretation or enforceability of such stipulations or relationships.

The comprehensive text of the Corporate Governance Charter can be found on the Telenet Investor Relations website.

Ethical advertising code

The high ethical standards Telenet has adopted also apply to its advertising and publicity. The company wants to comply with all relevant legal instructions, regulations and codes.

Telenet acts in accordance with the rules of JEP, the Jury for Ethical Practice in Advertising (www.jep.be). JEP, a self-disciplinary body in the Belgian advertising sector, monitors the accuracy and truthfulness of advertising messages vis-à-vis the public. Its decisions are based on legislation and self-disciplinary codes, including the Code of the International Chamber of Commerce. JEP decisions are seen as recommendations.

Telenet takes this advice into account whenever possible. The advice is published on the JEP website. If the advice is not taken on board JEP can submit a recommendation for suspension to the media. In the course of 2014, JEP reported 5 alleged infringements of these ethical advertising practices to Telenet, which amended its advertising on the basis of the JEP recommendations.

Telenet is a member of UBA, the Union of Belgian Advertisers (www.ubabelgium.be), which is a member of JEP. UBA is an independent institute that formulates guidelines, for instance with respect to advertising, for the benefit of its members.

Telenet also formulated its own ethical code for advertising and promotional activities in the past year:

"Telenet advertising must depict its products and services truthfully and accurately, with due respect for relevant legislation and marketing rules and regulations. By implementing its four core values - 'catching, attentive, agreeable and enterprising' - Telenet is exceeding the legally required honesty and accuracy advertising practices. These values are a vital ingredient to maintain our reputation amongst stakeholders. All statements in adverts and other declarations to customers and potential customers must be truthful and reasonable. More importantly, they must be corroborated prior to publication or dissemination. This applies to all advertising messages in all media. The same applies to oral presentations and even informal discussions during which objective, factual or quantifiable remarks are made about our products or services. Finally, suppliers such as research or (digital) marketing agencies must observe privacy and data protection guidelines when collating, using and/or storing customer data."

In addition to the general regulations and guidelines, present codes of conduct and green purchasing policy, Telenet applies the following rules to all marketing activities:

- limit the use of paper and opt for digital alternatives;
- all printing to be done on FSC paper;
- choose suppliers with a green and sustainable approach;
- avoid blister packaging whenever possible;
- optimize the sustainability of gadgets and POS materials used for sponsoring purposes, including packaging, transport and recycling.

Anti-piracy

Our majority shareholder, Liberty Global International, is a member of AAPA, the Audio-visual Anti-Piracy Alliance and successor of AEPOC. Its members are prominent players in the European digital television and telecommunications sector. More specifically, AAPA combines and represents operators in four major sectors, i.e. TV channels, suppliers of secure access technology for set top boxes, transmission infrastructure suppliers and hardware manufacturers. AAPA maintains a dialogue with EU institutions in order to promote effective legislation.

In 2011 Telenet, in conjunction with other Belgian Internet operators, signed a protocol with the Belgian Gaming Commission to block access to illegal gambling sites at the request of the Belgian courts.

The program broadcasting contracts with major studios and broadcasters include extensive piracy prevention clauses. Telenet strictly complies with these instructions and distributes set-top boxes that comply with piracy regulations. Contracts with customers (general terms and conditions) also comprise piracy prevention clauses and include penalties to be applied in the event of infringements.

In 2004, Telenet drew up and signed a cooperation agreement with IFPI Belgium (the International Federation of the Phonographic Industry) to remove illegal content from Internet news groups.

A photograph of a man with dark, wavy hair and a slight smile, sitting on a grey couch. He is wearing a blue shirt. A large, brown dog is lying on the couch next to him, looking towards the camera. In the foreground, a bowl of popcorn is visible. The background is softly blurred, showing what appears to be a living room with warm lighting.

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Protection of
minors

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Freedom of
speech

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Radiation

A photograph of a person sitting on a couch, eating popcorn from a glass bowl. The person is wearing a blue denim jacket. The background is a dimly lit room with a bookshelf. The text "Telecom Aspects" is overlaid in the center of the image, enclosed in a white oval.

Telecom Aspects

➤ Protection of minors

Parental Control over Internet and television

Specific measures are necessary to increase the protection of children and young people in particular. Telenet also applies the highest standards with respect to customer protection for all other Internet users. Spam and virus filters are built into the network as standard and customers have access to a special software package for strict online Parental Control. It is in fact the government that decides which websites are (not) acceptable. Telenet helps the authorities to uphold relevant legislation by ensuring that queries of a judicial nature are handled on the basis of a fixed procedure, within legal parameters and solely by personnel with appropriate qualifications/authority. Telenet has also built a Parental Control system into the set-top box for its television product, whereby the head of the household can secure certain channels with a PIN code.

The telephone-based services supplied by Telenet can have an undesirable downside. Premium text services can lead

to customers being burdened with an unwanted, expensive subscription. When it comes to this type of text services, Telenet complies with GOF guidelines. If a supplier exceeds these guidelines, Telenet will take action immediately. There are several tools available such as the mobile application usage app that one of the parents can install on their smartphone. With this app they can control the consumption of all Telenet mobile subscriptions in the family.

Cooperation with Child Focus

Telenet has signed the 'E-Safety Charter' of Child Focus along with all its Belgian industry partners. The Charter aims to promote awareness and introduce more control options to increase Internet safety. Telenet also supports Click Safe, a Child Focus helpline, which promotes safe Internet use for children and young people. Anyone with a question relating to the online safety of children and young people, can find answers via this helpline, which is accessible via the Child Focus prevention website.

Together with scientists, civil servants and other telecoms/IT operators, Telenet is also a member of the guidance committee for the BESIC III project – Belgian Safer Internet Center. The center, which is supervised by Child Focus, combines three relevant tenets, i.e. emergency number, support line and awareness promoting channel. The guidance committee supports the center with advice, for example, on the development of a parental tool to combat cyber bullying.

Children's rights and the business community

Telenet supports and actively pursues the 'Children's Rights and Business Principles'.

These corporate guidelines were formulated by UNICEF, UN Global Compact and Save the Children. The objective is to give the corporate world an insight into measures they could implement in the area of working conditions, the market and the community taking into account children's rights. Our products and services are



geared to the 10 guidelines pertaining to Children's Rights and Business Principles. Telenet is a partner of the Children's Rights and Business Principles Forum Belgium.

In February 2013, the Annual General Meeting of Global Compact Network Belgium approved the creation of a commission to promote Children's Rights and Business Principles for 2014-2016. The Board of Directors will appoint a commission chairman and will supervise the activities and the budget of the commission. The VP Corporate Office & Sustainability of Telenet has a seat on this Board of Directors.

Safer Internet Day

Telenet continually monitors EU campaigns for a safer Internet and actively participates

in the annual Safer Internet campaign. With support from the main shareholder LGI, Telenet is a Gold Partner of Safer Internet Day. Two practice-based booklets were released to mark this day. 'Spelend leren: Online zijn' ('Learning at play: Being online'), for example, is aimed at 4- to 8-year-olds, and 'e-Safety Kit' at 6- to 12-year-olds. These brochures, which are distributed via schools, teach children in a playful manner about safety on the Internet. In 2013, European Schoolnet, together with LGI, introduced an educational film entitled 'The Digital Universe of your Children'. This interactive video provides tips for parents on how children can surf the Internet safely. At the end of the film clip, there is an opportunity to download PDFs concerning privacy, online gaming, online friends etc. A new manual for 13- to 16-year-olds, The Web We Want, was launched in 2013.

➤ Freedom of speech

As one of the leading Belgian Internet providers, Telenet respects the freedom of expression on the Internet, and in particular of its Internet customers. However, freedom of expression is not absolute and is bordered by Belgian and international legislation and jurisprudence.

In that context, Telenet is actively working with a number of government agencies authorized to limit the freedom of expression or freedom of enterprise. Telenet closed, together with other Belgian Internet providers, a protocol with the Belgian

Gaming Commission in which Telenet, in cooperation with the Federal and Regional Computer Crime Unit(s) takes action against websites with harmful content such as illegal gambling. Furthermore, upon claim of the judiciary, Telenet has to block sites on which copyright infringements are committed (e.g. The Pirate Bay) or pornographic material is distributed.

In addition, Telenet is a leading member of ISPA and follows their code of conduct in which, among other things, amenities are included for cooperation with Child Focus

to prevent and combat abuse of children via chat applications and websites.

In general, we can state that Telenet does not intervene in the rights of free speech, unless the company is required to do so by an entitled authority.

➤ Radiation

As of 1 March 2014, traders are forbidden to sell mobile phones which have been developed especially for children under the age of 7. This prohibition concerns mobile phones in the form of a toy (such as a cuddly bear) which are designed for toddlers and young children under the age of seven. Mobile phone adverts aimed at that age group are also prohibited. Telenet does not sell such smart phones and does not make any adverts for them.

From 1 March 2014, for all mobile telephone sales, apart from giving the technical specifications of the appliance, traders are also obliged to state the specific absorption rate (SAR) of the mobile phone or smart phone. To that end, the appliances will be given a rating which varies between A (low radiation) and E (appliances with the highest specific absorption rate). This gives consumers the opportunity to take account of this rating when they purchase a product. Telenet always displays the specific absorption rate of its handsets in its sales points.

For implementation & maintenance technicians who work on installations near mobile phone infrastructure, there is a set procedure and toolbox. This service department is responsible for the maintenance and installation of apparatus which converts the electrical signals of mobile phone masts

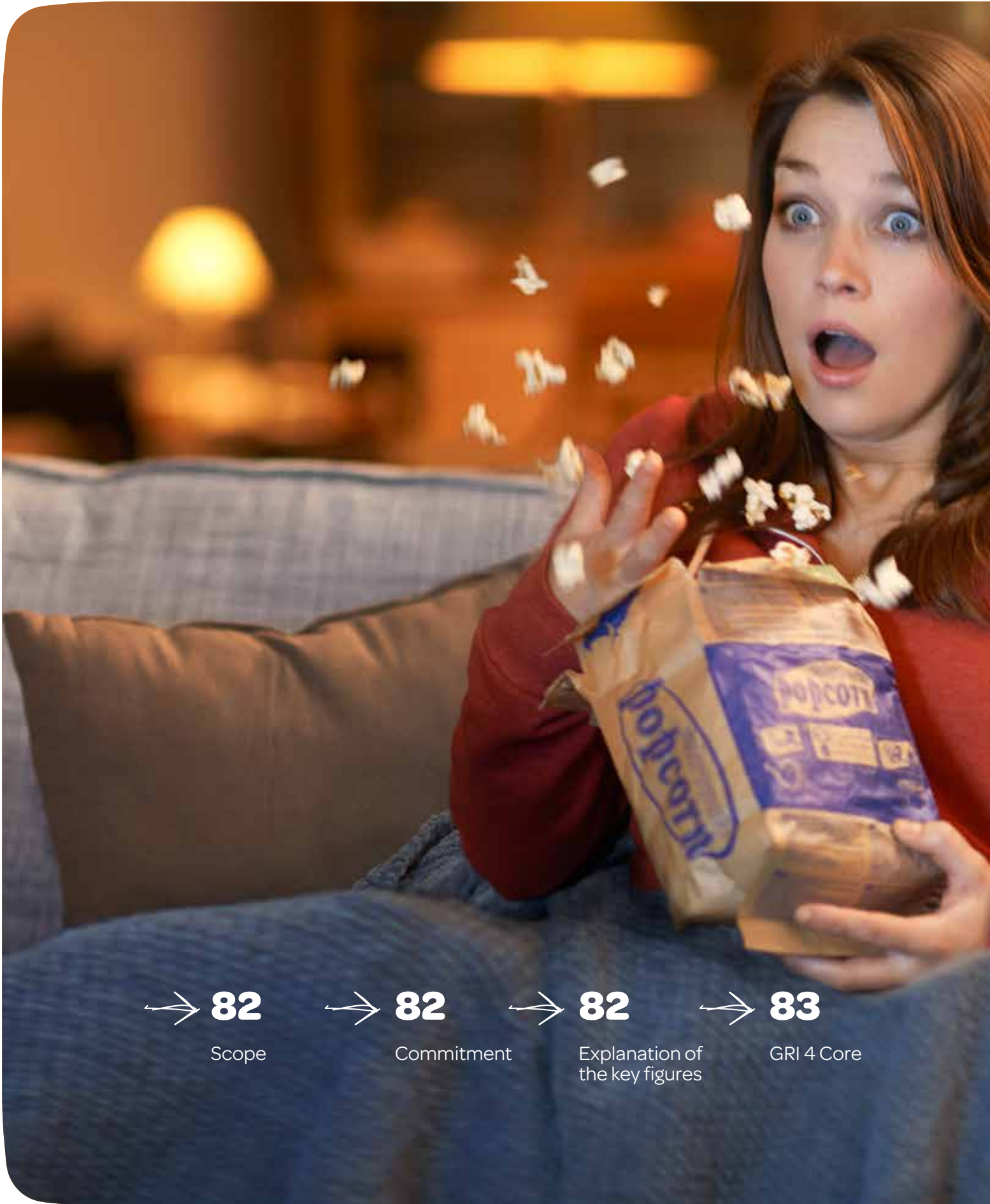
to optic signals for glass fiber connections. The cupboards where this apparatus is located are also in the vicinity of the mast. And so, there is a danger of these workers being exposed to non-ionized radiation. The toolbox and the procedure give an insight into the dangers and the possible preventive measures. The stress is on the LMRA (Last Minute Risk Analysis) by the technician on the spot. He or she must assess the possible risks and, on that basis, take the necessary action. We have also purchased radiation meters for these technicians.

In June 2013, Telenet published an information brochure about Wi-Fi and mobile phone radiation. In recent years, more and more people have expressed concern about the effects of increased radiation on our health. Is it harmful? Can we become sick as a result of it and how can we protect ourselves against it? This brochure considers these and other concerns in depth. After a general introduction to precisely what radiation is, the brochure deals with the most common questions on radiation in general and mobile phone and Wi-Fi radiation in particular.

The information in the brochure is based on the study 'Exposure to non-ionizing radiation at home', written by Professors from the University of Ghent at the request

of viWTA – Society and Technology. You will find a selection of other useful publications on the corporate website:

- The radiation from my mobile phone in questions and answers – Publication by the mobile operators KPN/Base, Proximus and Mobistar
- Mobile phones and health: standards, scientific facts and tips for safe use – Publication of the Federal Public Service for Public Health
- Electromagnetic fields and health: your guide in the electromagnetic landscape – Publication of the Federal Public Service for Public Health
- Ook getest op mensen (Also tested on people) – A consumer program on the VRT



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> Scope

This sustainability report covers the non-financial parameters and indicators of all echelons of the Telenet organization for the whole calendar year 2014 (1-1-2014 to 31-12-2014). This report follows on the Telenet 2013 annual report, published in March 2014. Every year, Telenet publishes an update of its CSR activities in

a sustainability report. When the report mentions Telenet, we, us, the enterprise, the company, the group, or the business, this means Telenet Group Holding NV, including its operating companies, and within the context of the Belgian market engagement.

Data and information on the non-financial

practices and performance results of the Telenet group for the year 2014 are reported in two complementary documents:

- Telenet Annual Financial Report 2014
- Telenet Sustainability Report 2014

> Commitment

With this document, Telenet wishes to give a truthful account of the economic, social and ethical activities and environmental performance results that are most relevant to the company and its stakeholders. This annual report provides information on the objectives we are working towards, the most significant recent achievements and the new initiatives being developed to attain Telenet's sustainability goals. Telenet pursues a sustainability management in compliance with general accepted principles of inclusiveness, materiality and responsiveness.

This report emphasizes the strengths and weaknesses of each of the defined material aspects and offers us the chance of, among other things, improving our processes and performance results via the Telenet Way. Because all the departments concerned are taking the results of this analysis to heart, we can make a significant contribution to further progress in the Group ratings in 2014.

We believe the non-financial information to be as important as the financial information. For this reason, we arrange for the

non-financial information to be verified where possible. Selected HR-data have been checked by KPMG to guarantee the accuracy and credibility. Telenet is working on extending the external assurance to include more social and environmental data points. This report was checked and approved by Birgit Conix, CFO of Telenet.

The governance of Telenet's sustainability program was audited by the Internal Audit Team Deloitte, for the last time in 2013.

> Key figures

Reported social and economic key figures in this report relate to the Telenet headquarters and regional contact centers in Herentals, St-Trond and Alost.

A note to the reader of this report

Telenet is a part of the Liberty group and, for the purpose of further coordinating group reports, as of 2014, the Telenet report will be fully aligned with that of the chief shareholder, Liberty Global. This means that various definitions and measuring points have been adjusted. The figures concerning environmental and social results in this report have been restated for the last three years (2011, 2012, 2013). Should you have any queries regarding these restatements, please contact Rob.Goyens@stafftelenet.be.

> GRI 4 Core

The non-financial parameters and indicators reported in this document are arranged according to the Global Reporting Initiative (GRI) guidelines. This report is in accordance with GRI G4 Guidelines at core level,

which means that the report focuses on the general standard disclosures and provides the necessary information to plot sixteen material issues on the G4 material Aspects and to report on at least 1 of the indicators

per Aspect. If the information was available, several indicators are included in the reporting.

Relevant topics	Category	Aspect	G4	Boundary within organization	Boundary outside organization
Innovation	Economic	Indirect economic impacts + Self created	EC7 + self created Indicator	Telenet NV	only relevant within organization
Work life balance	Labor	Self created		Telenet NV	only relevant within organization
Talent attraction	Labor	Employment	LA1-2	Telenet NV	only relevant within organization
		Training & education	LA9-11	Telenet NV	only relevant within organization
User friendly products & services	Product responsibility	Product & service labeling	PR3-5	Telenet NV	only relevant within organization
Pricing & billing	Product responsibility	Product & service labeling	EC7	Telenet NV	only relevant within organization
Reliable Network	Economic	Indirect economic impacts, Infrastructure investments	PR5	Telenet NV	only relevant within organization
Privacy & security	Product responsibility	Product & service labeling, results of customer satisfaction	PR8	Telenet NV	only relevant within organization
Protection of children	Product responsibility	Customer privacy	PA7	Telenet NV	only relevant within organization
Freedom of speech	Sector supplement: providing access	Access to content	PA7	Telenet NV	only relevant within organization
Radiation	Sector supplement: providing access	Health & safety	IO3	Telenet NV	customers, policy makers, employees
Energy efficiency with customers	Sector supplement: internal operations	Products & services	EN3-7, EN15-19	Telenet NV	customers
Waste reduction	environment	Effluents & waste	EN23,24	Telenet NV	only relevant within organization
Suppliers		Supplier environmental assessment	EN32-33	Telenet NV	suppliers
	environment	Supplier assessment for labor practices	LA14-15	Telenet NV	suppliers
	labor	Supplier HR assessment	HR10-11	Telenet NV	suppliers
	Human rights	Supplier assessment for impact on society	SO9-10	Telenet NV	suppliers
Access to ICT	society	Indirect impacts. Infrastructure investments	EC7	Telenet NV	customers, policy makers
	Economic	Self created (LBG)	LBG	Telenet NV	customers, policy makers

➤ Principles for defining report content

Telenet has taken various elements into account when deciding on the content of this report. Telenet has identified its main stakeholders and has recorded all the main expectations for each of these stakeholders and described how Telenet is going to fulfil these. Furthermore, the company is looking

at its performance results within a wider sustainability framework by defining the five main trends which telecom companies are facing at this time. Telenet wishes to make it clear, partly with this report, how the company is going to stimulate economic, social and environmental developments on the

local and regional, as well as global levels. Telenet does this with a focus on the material aspects provided by its stakeholders.

➤ Significant changes & restatements

Telenet is a part of the Liberty Global plc and, for the purpose of further coordinating group reports, as of 2014, the Telenet report will be fully aligned with that of its chief

shareholder, Liberty Global. This means that various definitions and measuring points have been adjusted. The figures concerning environmental and social results in

this report have been restated for the last three years (2011, 2012, 2013).



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Performance summary

Environmental performance	Metric	2011	2012	2013	2014
Energy consumption					
Non-renewable fuel					
LPG	kWh	0	0	0	1,978
Diesel	kWh	20,119,725	20,507,485	20,156,793	19,410,317
Petrol	kWh	0	0	60,840	320,977
Natural gas	kWh	3,495,926	5,730,652	4,268,305	3,774,485
Burning oil	kWh	0	21,985	0	0
Gas oil	kWh	0	369,349	396,518	167,228
Fuel oil	kWh	0	0	0	0
Jet fuel	kWh	0	0	0	0
Total	kWh	23,615,651	26,629,472	24,882,456	23,674,986
Electricity, heating and cooling					
Electricity	kWh	70,829,058	86,265,195	90,024,444	92,677,700
Heating and cooling	kWh	0	0	0	0
Total	kWh	70,829,058	86,265,195	90,024,444	92,677,700
Electricity sold					
Total energy consumption ¹	kWh	94,444,709	112,894,667	114,906,900	116,352,686
Energy intensity					
Energy intensity	kWh of electricity per tera-byte of data usage	302	267	206	144
Electricity generated from onsite renewables	kWh	25,000	31,536	31,227	28,882
GHG Emissions					
Scope 1 emissions ³	Tons CO ₂ e	6,103	7,168	6,862	6,385
Scope 2 emissions ⁴	Tons CO ₂ e	21,214	18,803	19,766	18,165
Scope 3 emissions ⁵	Tons CO ₂ e	848	402	497	2,960
Total gross GHG emissions	Tons CO₂e	28,165	26,373	27,124	27,510
Total net GHG emissions	Tons CO₂e	25,893	7,570	8,130	10,025
Emissions intensity (scope 1 and 2)	Tons CO ₂ e per terabyte of data usage	0.12	0.08	0.06	0.04
Emissions from business travel	Tons CO ₂ e	763	385	467	356
Waste by type and disposal method					
Reuse	Metric tons	0	0	0	0
Recycling	Metric tons	318	112	456	679
Incineration	Metric tons	119	192	178	182
Landfill	Metric tons	138	0	0	0
Composting	Metric tons	NA	19	18	13
Total	Metric tons	576	323	652	874
Percentage of recycled waste	%	55	31	69	77
Water withdrawal by source					
Municipal water supplies	m ³	11,000	13,222	13,600	15,293
Other	m ³	NA	0	929	1,045
Total	m³	11,000	13,222	14,529	16,338
Initiatives					
Emissions reductions	Tons CO ₂ e	NA	NA	243	109
Energy saved through efficiencies	kWh	NA	NA	1,080,627	555,000
Costs savings from environmental initiatives	€	NA	NA	162,297	137,221
Revenue generated from environmental initiatives	€	NA	NA	NA	0

(1) Sum of total energy consumption from non-renewable fuel and electricity, heating and cooling, minus electricity sold

(2) For our intensity metrics, we report our electricity consumption and also our net emissions, per terabyte of data consumed

(3) Scope 1 (Direct): Direct emissions come from sources that are owned or controlled by company, including: emissions from static combustion (e.g. fuel used in generators for heating/power); emissions from mobile combustion (e.g. fuel used in our vehicles); and emissions from any coolants and propellants used (e.g. in air conditioning units and fire suppression systems).

(4) Scope 2 (Indirect): Emissions from purchased electricity, heat and steam.

(5) Scope 3 (Indirect): Includes emissions from business air and land travel; water and waste; emissions arising from the impact of recycling customer premise equipment; and travel by our third party service and installation vehicles. In 2014, for the first time, emissions from the travel by our third party service and installation vehicles has been included as part of our scope 3 emissions.

Social performance		Metric	2011	2012	2013	2014	
Community investment	€		NA	421,997	1,103,406	642,890	
Total workforce and breakdown by employee category							
Employees	Headcount, year end		2,020	2,133	2,189	✓ 2,247	
Outsourced employees	Headcount, year end		NA	NA	1,815	1,766	
Employees by contract type							
Permanent contracts	Headcount, year end		NA	2,130	2,187	2,245	
Temporary contracts	Headcount, year end		NA	3	2	2	
Employees by contract type							
Full time	Headcount, year end		NA	1,787	1,821	1,868	
Part time	Headcount, year end		NA	346	368	379	
Average age							
General	In years		NA	NA	38	✓ 38	
Men	In years		NA	NA	39.5	✓ 39	
Women	In years		NA	NA	35.5	✓ 35	
Employees by age group							
Under 30 years old	Headcount, year end		NA	NA	499	483	
30-50 years old	Headcount, year end		NA	NA	1,449	1,516	
over 50 years old	Headcount, year end		NA	NA	241	248	
Employees by age group							
Engineering/technical profiles	% of total staff		NA	NA	27	✓ 26	
Sales & Customer Care	% of total staff		NA	NA	37	✓ 36	
Marketing & Product Management	% of total staff		NA	NA	5	✓ 5	
Telenet Business	% of total staff		NA	NA	14	✓ 15	
IT	% of total staff		NA	NA	8	✓ 8	
Staff & administration	% of total staff		NA	NA	9	✓ 10	
Women in management							
Women in management positions	% of total management team		29	29	30	25	
New employee hires and employee turnover							
New employee hires by age group and gender							
Under 30 years old	Headcount		NA	NA	177	✓ 155	
30-50 years old	Headcount		NA	NA	100	✓ 117	
over 50 years old	Headcount		NA	NA	6	✓ 9	
Total	Headcount		375	266	283	✓ 281	
New hires – male	Headcount		222	151	162	✓ 153	
New hires – female	Headcount		153	115	121	✓ 128	
Rate of new hires	Rate (%)		19	12	13	13	
Employee turnover by age group							
Under 30 years old	Number of leavers		NA	NA	94	104	
30-50 years old	Number of leavers		NA	NA	96	89	
over 50 years old	Number of leavers		NA	NA	11	30	
Total	Headcount		223	183	201	✓ 223	
Employee training							
Average training hours	Hours per FTE		24.4	43.2	39.9	31.6	
Average training investment	€ per FTE		497	567	554	✓ 522	
Occupational health and safety							
Work-related fatalities			0	0	0	0	
Employee performance reviews							
Employees reviewed	%		100	100	93	93	
Social performance							
Employee performance reviews - by gender and employee category							
				Male	Female	Male	Female
Senior management	%		NA	NA	100	80	100
Managers/ Supervisors	%		NA	NA	93	100	94
Non-management	%		NA	100	94	90	92

V - Key figures and percentages shown only relate to (employees of) Telenet NV

Telenet's reporting methodology

All environmental and social data covers the period January 1st to December 31st, unless stated otherwise.

Telenet's reported environmental data follows the World Resources Institute and World Business Council on Sustainable Development's GHG Protocol Corporate Standard as of December 31, 2014, using the operational control approach.

Our scope 1 and 3 emissions are calculated by using the UK Department for Environment, Food & Rural Affairs (DEFRA) emission factors (2014). Our scope 2 emissions are calculated by using the DEFRA emission factors (2014). Our footprint has been restated for 2011 and 2012 to account for material changes to the 2013 conversion factors provided by DEFRA for company reporting purposes. We have also amended prior year data as a result of previously used estimates and other changes that have been identified.

- **Scope 1 (Direct):** emissions come from sources that are company owned or controlled, including: emissions from static combustion (e.g. fuel used in generators for heating/power); mobile combustion (e.g. vehicle fuel from company owned or leased fleet); and coolants and propellants used (e.g. in air conditioning units and fire suppression systems). Gases included: CO₂, N₂O, CH₄, hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).
- **Scope 2 (Indirect):** emissions from purchased electricity, heat and steam. Gases included: CO₂ (for the UK CH₄ and N₂O gases are also included).
- **Scope 3 (Indirect):** includes: emissions from business air and land travel (i.e. flights taken by employees and car travel from private vehicles); water and waste (i.e. the emissions arising from water usage and waste generated from operations); emissions arising from the impact of recycling customer premises

equipment; and travel by our third party service and installation vehicles. In 2014, for the first time, emissions from the travel by our third party service and installation vehicles have been included as part of our Scope 3 emissions. Gases included: CO₂, N₂O, CH₄ (where available). Our scope 3 data excludes emissions arising from operation of customer set-top boxes and modems at the customers' premises.

Net emissions

In line with good practice, we disclose both gross and net GHG emissions, which illustrates the impacts of our procurement and production of alternative energy. Gross emissions are calculated using national grid average conversion factors for all electricity consumption and this does not account for emissions reduction activities, such as purchasing carbon offsets or consuming electricity derived from renewable energy sources. Net emissions are calculated using a conversion factor of zero for all electricity consumed from onsite renewable energy generation and from certified green energy contracts. For more information, please see our full 'Environmental Reporting Criteria' at <http://www.libertyglobal.com/cr/cr-report-2014>.



GRI 4 Core table



CATEGORY	ASPECT	INDICATOR	DESCRIPTION	SUSTAINABILITY REPORT	FINANCIAL REPORT	Page
General disclosures	Strategy & analysis	G4 - 1	company statement	Letter of the CEO and chairman		6-9
	Organizational profile	G4 - 3	Report the name of the organization	Company Profile		4
		G4 - 4	Report the primary brands, products, and services	Company Profile		4
		G4 - 5	Report the location of the organization's headquarters	Company Profile		4
		G4 - 6	number of countries where the organization operates, and names of countries	Company Profile		4
		G4 - 7	Report the nature of ownership and legal form.	Company Profile		4
		G4 - 8	Report the markets served	Company Profile		4
		G4 - 9	Report the scale of the organization	Company Profile		4
		G4 - 10	total number of employees, ...	Social performance summary		103
		G4 - 11	Report the percentage of total employees covered by collective bargaining agreements.	100% for the 4th year in a row		
		G4 - 12	Describe the organization's supply chain.	stakeholder management / supply chain		24, 66-70
	G4 - 13	Report any significant changes during the reporting period	How we report > restatements		84	
	G4 - 14	Report whether and how the precautionary approach or principle is addressed by the organization	Code of Conduct, section United Nations Global Compact		71	
	G4 - 15	List externally developed economic, environmental and social charters, principles, or other initiatives	code of conduct		71-73	
	G4 - 16	memberships of associations	Code of conduct / Stakeholder engagement > Sector organizations		23, 71-73	
	Identified Material Aspects and boundaries	G4 - 17	List all entities included in the organization's consolidated financial statements or equivalent documents.	How we report		82-83
		G4 - 18	Explain the process for defining the report content and the Aspect Boundaries	How we report		82-84
		G4 - 19	List all the material Aspects identified in the process for defining report content.	How we report		83
		G4 - 20	For each material Aspect, report the Aspect Boundary within the organization	How we report		83
		G4 - 21	For each material Aspect, report the Aspect Boundary outside the organization,	How we report		83
		G4 - 22	Report the effect of any restatements of information provided in previous reports	We have calculated the GHG emissions of our operations according to the WBCSD GHG protocol methodology. Our footprint has been restated for 2011 and 2012 to account for material changes to the conversion factors provided by Defra for company reporting purposes		
	G4 - 23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	How we report		84	
Stakeholder engagement	G4 - 24	Provide a list of stakeholder groups engaged by the organization	stakeholders		20-27	
	G4 - 25	Report the basis for identification and selection of stakeholders with whom to engage	stakeholders		20-27	

CATEGORY	ASPECT	INDICATOR	DESCRIPTION	SUSTAINABILITY REPORT	FINANCIAL REPORT	Page
General disclosures		G4 - 26	Report the organization's approach to stakeholder engagement	stakeholders		20-27
		G4 - 27	Report key topics and concerns that have been raised through stakeholder engagement	stakeholders / material issues		15
	Report Profile	G4 - 28	Reporting period	How we report		82
		G4 - 29	Date of most recent previous report	How we report		82
		G4 - 30	Reporting cycle	How we report		82
		G4 - 31	Provide the contact point for questions regarding the report or its contents	How we report		85
		G4 - 32	Report the 'in accordance' option the organization has chosen	How we report		83
		G4 - 33	organization's policy and current practice with regard to seeking external assurance for the report.	How we report		82
	Governance	G4 - 34	Report the governance structure of the organization,		corporate governance	24-48
	Ethics	G4 - 56	Describe the organization's values, principles, standards and norms of behavior		corporate governance	24-48
Disclosure on Management Approach						
Disclosure on Management Approach Economic						30 - 37
		Indirect economic impacts		Investments/Innovation		
Disclosure on Management Approach Environment						
		Energy		CO ₂ -reduction,/ CO ₂ -compensation		41-42
		Emissions		CO ₂ -reduction,/ CO ₂ -compensation		41-44
		waste		CO ₂ -reduction,/ CO ₂ -compensation		44-46
		supplier environmental assessment		suppliers		66-70
Disclosure on Management Approach labour						
		Employment		our employees		52-60
		training & education		our employees		52-53
		supplier assessment for labour practices		suppliers		66-70
Disclosure on Management Approach Human Rights						
		supplier Human rights assessment		suppliers		66-70
Disclosure on Management Approach Society						
		supplier assessment for impacts on society		suppliers		66-70
Disclosure on Management Approach Product Responsibility						
		product & service labeling		user friendly products & services		62-65
		customer privacy		privacy and security		50-51
Disclosure on Management Approach Telecom addendum						
		access to content		Cooperation with Telenet		37
		health & safety		Our employees, radiation		57/79

CATEGORY	ASPECT	INDICATOR	DESCRIPTION	SUSTAINABILITY REPORT REPORT [section, page]	FINANCIAL REPORT [section, page]	OMISSIONS
Specific Standard Disclosures						
Economic	Economic performance	G4 - EC1	Direct economic value generated and distributed	Company profile: Revenues, 4 Payments to government, 31-32 Social Performance: Community investments, 103	Operating costs, 15 Employee wages and benefits, 15, 114 Payments to providers of capital, 18	
	Indirect economic impacts	G4 - EC7	Development and impact of infrastructure investments and services supported	Introduction by the Chairman and the CEO, 6-9		
Environment	Energy	G4 - EN3	Energy consumption within the organization	Environmental Performance: Consumption data, 102 How we report: Standards, methodologies & assumptions, conversation rates, 82-84		
		G4 - EN4	Energy consumption outside the organization	CO ₂ -reduction > Electricity consumption and energy efficiency, 41		
	G4 - EN5	Energy intensity ratio	Environmental performance: Energy efficiency, 102			
	G4 - EN6	Reduction of energy consumption	CO ₂ reduction: general overview, 43			
	G4 - EN7	Reductions in energy requirements of products and services	CO ₂ reduction: general overview, 43		Resulting emissions of products is not reported. To be reported as soon as possible	
	emissions	G4 - EN15	Direct Greenhouse Gas Emissions Scope 1	Environmental Performance: Emission data, 102 How we report: Standards, methodologies & assumptions, conversation rates, 82-84		
		G4 - EN16	Direct Greenhouse Gas Emissions Scope 2	Environmental Performance: Emission data, 102 How we report: Standards, methodologies & assumptions, conversation rates, 82-84		
		G4 - EN17	Direct Greenhouse Gas Emissions Scope 3	Environmental Performance: Emission data, 102 How we report: Standards, methodologies & assumptions, conversation rates, 82-84		
		G4 - EN18	Greenhouse Gas Emissions Intensity	CO ₂ reduction: general overview, 43		
		G4 - EN19	Reduction of Greenhouse Gas Emissions	Our objectives: Climate & Environment, 42		
Waste	G4 - EN23	Total weight of waste by type and disposal method	Environmental Performance: waste, 102			

CATEGORY	ASPECT	INDICATOR	DESCRIPTION	SUSTAINABILITY REPORT REPORT [section, page]	FINANCIAL REPORT [section, page]	OMISSIONS
		G4 - EN24	Total number and volume of significant spills	Environmental Performance: waste, 102		
	Supplier environmental assessment	G4 - EN32	Percentage of new suppliers that were screened using environmental criteria	Suppliers, 66-70		
		G4 - EN33	Significant actual and potential negative environmental impacts in the supply chain	Suppliers, 66-70		
Social: labor practices & decent work	Employment	G4 - LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Social Performance, 103		Due to our limited geographic scope, Telenet does not differentiate between regions, therefore employee data is not reported per region, but at company level.
		G4 - LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees,	Our employees, 56		
	Training & education	G4 - LA9	Average hours of training per year per employee by gender, and by employee category	Social Performance, 103		
		G4 - LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Our employees, 52-53		
		G4 - LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Social Performance, 103		
	Supplier assessment for labor practices	G4 - LA14	Percentage of new suppliers that were screened using labor practices criteria	Suppliers, 66-70		
		G4 - LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Suppliers, 66-70		
Social: HR	Supplier HR assessment	G4 - HR10	Percentage of new suppliers that were screened using human rights criteria	Suppliers, 66-70		
		G4 - HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	Suppliers, 66-70		
Social: society	supplier assessment for impact on society	G4 - SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Suppliers, 66-70		
		G4 - SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Suppliers, 66-70		

CATEGORY	ASPECT	INDICATOR	DESCRIPTION	SUSTAINABILITY REPORT [section, page]	FINANCIAL REPORT [section, page]	OMISSIONS
Social: product responsibility	Product & service labeling	G4 - PR3	Type of product and service information required by the organization's procedures for product and service information and labeling	User friendly products & services, 63		
		G4 - PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	User friendly products & services, 63		
		G4 - PR5	Results of surveys measuring customer satisfaction	User friendly products & services, 63-64		Telenet is making the transition towards Net Promoter score as the new standard for measuring customer satisfaction. As of FY2015, we will report according to our new standard.
	Customer privacy	G4 - PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Privacy & security, 50		
Telecom specific Indicators: Internal operations	Health & safety	IO3	Practices to ensure health and safety of field personnel	Wellbeing at work, 56-57 Radiation, 79		
		IO6	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets	Radiation, 79		
Telecom specific Indicators: providing access	Access to content	PA7	Polices and practices to manage human rights issues relating to access and use of telecommunications products and services.	Protection of children / freedom of speech, 78		

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AREA	INDICATOR	DESCRIPTION	Page
Human rights	G4 - HR10	Percentage of new suppliers that were screened using human rights criteria	66-70
	G4 - HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	66-70
Labour	G4 - 10	Total number of employees etc.	103
	G4 - 11	Report the percentage of total employees covered by collective bargaining agreements (100% for the 4th year in a row)	
	G4 - LA9	Average hours of training per year per employee by gender, and by employee category	103
	G4 - LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	103
Environment	G4 - EN3	Energy consumption within the organization	102, 82-84
	G4 - EN4	Energy consumption outside the organization	41
	G4 - EN5	Energy intensity ratio	102
	G4 - EN6	Reduction of energy consumption	43
	G4 - EN7	Reductions in energy requirements of products and services	43
	G4 - EN15	Direct Greenhouse Gas Emissions Scope 1	102, 82-84
	G4 - EN16	Direct Greenhouse Gas Emissions Scope 2	102, 82-84
	G4 - EN17	Direct Greenhouse Gas Emissions Scope 3	102, 82-84
	G4 - EN18	Greenhouse Gas Emissions Intensity	43
	G4 - EN19	Reduction of Greenhouse Gas Emissions	42
	G4 - EN23	Total weight of waste by type and disposal method	102
	G4 - EN24	Total number and volume of significant spills	102
	G4 - EN32	Percentage of new suppliers that were screened using environmental criteria	66-70
G4 - EN33	Significant actual and potential negative environmental impacts in the supply chain	66-70	
Anti corruption	G4 - 56	Describe the organization's values, principles, standards and norms of behavior	24-48

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