



**Working on
your future**

Table of **contents**



Foreword by the chairman and CEO



Company profile



The changing society



Our sustainability policy



Our most important sustainability programs

Commitment to
our customers

Commitment to
our employees

Commitment to
society and local communities

Commitment to
the environment

Commitment to
conducting fair, honest and transparent business



Sustainability reporting

Methodology

KPI per Materiality index

GRI G4 table

UN Global Compact COP table

In the spotlights

Most remarkable sustainability results **for 2015**



Commitment to **our customers**

150,000 customers

benefitted from a full and free check-up thanks to the 'Helemaal mee Tournee'



Commitment to **our employees**

55%

of the employees is (very) proud to work for Telenet; a score no less than 6 percentage points above the Belgian average



Commitment to **society and local communities**

1,915 hours

of community work invested by Telenet employees



Commitment to **the environment**

Climate Neutral

thanks to continuous efforts to reduce CO₂ emissions and an active investment in CO₂ compensation



Commitment to **conducting fair, honest and transparent business**

145 suppliers

145 out of 147 assessed suppliers achieved an average to good CSR engagement score in the dynamic EcoVadis scorecard



Commitment to **the environment**

445 tons

of waste avoided through the recycling and revaluation of used decoders and modems



Foreword by the chairman and CEO

Dear customer
Dear partner
Dear shareholder

The annual sustainability report offers an excellent opportunity to reflect on the achievements and the future of our company. In doing so, we consciously look beyond our own products, services and balance sheet figures – at the world that surrounds us and in which we want to be a responsible player.

We tailor our policy to the most important market developments and socio-economic trends. This one stands out for us: we are all becoming massively more digital.

Some notable facts:

- Internet usage doubles every eighteen months. Mobile data usage even doubles every twelve months.
- The majority of Flemish families own at least four devices that are connected to the Internet.
- Over a period of four years, mobile data usage increased fifteen-fold.

Pioneer in the digital age

The way in which people work and relax is therefore rapidly changing. This poses new challenges to our company, to which we respond with three promises to our customers:

1. Super-fast broadband connections

The explosion of fixed and mobile data usage demands constant expansion of the capacity of the network. That is why we continue to invest in our hybrid network of glass fiber optic and coaxial cable. And we expand – as the first operator in Europe – the cable network to a giga speed network. By doing so, we guarantee faster network connections for our customers with higher data volumes – anytime, anywhere.

2. Smart technologies

We provide our customers with innovative products and services that enable them to run their businesses or fully relax. Paramount to this is fast and smooth access to smart technologies. And simplicity is key: clear pricing plans, user-friendly devices and intuitive apps ensure that everyone can easily keep up with the digital age. At home and at the office.

3. Memorable experiences

The technology as such does not matter to our users. What does matter is how it helps them gain new knowledge, carelessly relax or freely interact. All experiences to which Telenet contributes directly. With quality entertainment for consumers and high-quality solutions for companies.



Balance for sustainable growth

As a leading Belgian telecom and entertainment company, Telenet strives for sustainable growth, with a good balance between financial results and social responsibility.

2015 was once again a year during which we reported solid operating and financial results – with a total revenue growth of 6 percent – and laid the foundation for a healthy, prosperous growth for all stakeholders.

We are aware of the important social role that Telenet plays locally. We make a positive contribution to society, the economy and the environment. We do so through our products and services, by creating jobs, community involvement and a responsible use of resources.

Telenet remains fully committed to being a responsible and sustainable company that strengthens its relationship with its stakeholders through consultation and dialogue. Our most important stakeholders are our employees, our customers, the shareholders, social groups, governments and regulators, labor unions and suppliers.

Our actual social contribution is demonstrated, among others, by our ranking in the annual Dow Jones Sustainability Index. This recognizes leading companies in each industry for their responsible economic, ecological and social performance. In 2015, Telenet reconfirmed its position as

Worldwide Industry Group Leader. For the fourth consecutive year we were nominated as ‘best in class’ in the global media industry. Since 2011 we also support the ten principles of the UN Global Compact, and recently embraced the Sustainable Development Goals drafted by the United Nations in September 2015.

A promising future

In 2016, we want to continue focusing on sustainable growth. It is our ambition to be a leading provider of converged connected entertainment and business solutions in Belgium. Quality connectivity, smart applications for companies, inspiring entertainment solutions and rich customer experiences are key to this.

The recent acquisition of BASE Company also marks a year of change, with new growth opportunities. We now own our own mobile network, which offers new technological and commercial perspectives. The acquisition also makes Telenet a national player, with a social responsibility to all stakeholders in both parts of the country.

Therefore, 2016 will be the year in which we thoroughly rethink our sustainability strategy. Not to drastically change course, but to ensure that in terms of sustainability, we also maintain our leading position among Belgian companies.

Bert De Graeve

Chairman

John Porter

Chief executive officer



Company profile

Telenet is a leading provider of media and telecommunications services. Telenet focuses on the delivery of cable television, high-speed internet and fixed and mobile telephony services to primarily residential customers in Flanders and Brussels through a hybrid Fiber Coax network. Through this performance network, Telenet provides high-quality entertainment services to residential customers in Flanders and Brussels, as well as professional communication services to companies in Belgium and Luxembourg.

The recent acquisition of BASE Company – which was approved by the European Commission in early February 2016 – turns Telenet into an integrated telecom and entertainment company, with operations in Flanders, Brussels and Wallonia.

It is our ambition to become a leading provider of converged connected entertainment and business solutions in Belgium by 2020.

As a leading player in the area of media & telecommunications, Telenet attaches much importance to innovation and development.

For example, we continuously improve our existing applications, constantly expand the technological possibilities and grow our content offering. A convincing marketing approach, creative product mix and efficient customer service ensure that Telenet continues to appeal to new target groups.

In August 2014, Telenet announced 'De Grote Netwerf', an investment project of 500 million EUR over a period of 5 years to expand the cable network in Flanders to a vast network that eventually will reach broadband speeds of at least 1 gigabit per second and a download speed of at least 1 Gbps.

Furthermore, the company provides oxygen to the Flemish entertainment sector through investments in the media company DeVijver Media and financial injections in the STAP fund.

As a growth company, Telenet is conscious of its increasing social responsibility. The company carries out an active sustainability policy, with attention to the ecological, social and economic aspects. Thanks to sustained efforts in the area of

CO₂ reduction and investments in CO₂ compensation, Telenet was able to present climate-neutral operations for 2015.

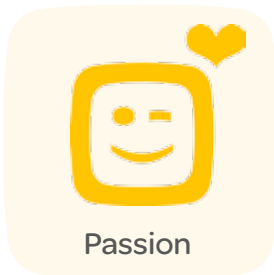
At end December 2015, Telenet - with headquarters in Mechelen - had 2,415 employees and total revenue of 1.8 billion euros – growth of nearly 6%. At end-2015, Telenet reached 2,177,500 customers.

Telenet's main shareholder is Liberty Global, which owns 56.6% of the shares.

[More information about Telenet and the results can be found in the Financial Report 2015](#)



Our values



Passion



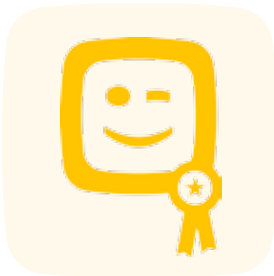
Cooperation



Leadership



Customer centricity



Accountability





The changing society

As a responsible company, Telenet aims to offer an answer to the socio-economic challenges and technological developments that determine the way in which we live and work – today and tomorrow. We recognize the following important social trends that require our special attention:

Climate change

The global warming of the climate is no longer in question. The increasing presence in the atmosphere of gases such as methane and carbon dioxide creates a greenhouse effect with serious consequences for humans and the environment. In 2015, the global community took a major step forward: at the end of December at the Climate Conference in Paris, almost all governments pledged to reduce emissions from fossil fuels by 2030 in order to limit global warming to 2 °C above the pre-industrial level. The climate agreement recognizes the significant role played by corporates. It calls on them not only to limit harmful emissions, but also to take the lead in the search for new and environmentally sound technologies.

Demographic changes

The steady progress of transport, telecommunications and international trade leads to a strong globalization. What is new is that the global power balance is increasingly shifting: the economic dominance of the West is being challenged by the East and South. This has major implications for the position of Europe, where economic growth and job creation are under pressure.

Yet Europe continues to attract migrants who for humanitarian, economic and geopolitical reasons are looking for a new home in the 'old continent'. The migration flow that accelerated in 2015 showed a striking trend: the new generation of migrants relies on mobile telecommunications to plan routes and maintain contact with fellow travelers and the home front.

Despite the globalization, more and more people are finding a new appreciation for their immediate surroundings. Local products and services are on the rise – partially because of their lower impact on the environment.

Another notable demographic trend is the growing urbanization. Already more than half of the world population resides in cities. In the next decades this is expected to increase to 80%. This creates new challenges in terms of livability, energy supply and mobility. ICT plays a crucial role in this.

Digital innovations can create 'smart cities' that offer a better quality of life. In Belgium too, governments, enterprises and research institutes are joining forces to give shape to the 'smart cities' and 'smart regions' of the future. Such a 'smart city' is based on the continuous connection of people, devices and objects. This of course will not be possible without an intricate, efficient and accessible network.

Finally, the aging population is an important demographic trend. Our society is aging in two ways: life expectancy increases while the proportion of elderly people in the total population is growing. This is pressuring our health care systems, which require a more innovative and proactive approach. Here too digital applications can offer a sustainable solution, both preventive and curative.

Economic growth & jobs

According to experts, the internet economy contributed to a growth of 21% of GDP of the G8 countries between 2005 and 2010. New technologies and extensive digitalization are resulting in a new economic dynamic, with new growth models, such as the share economy.

The digital economy does require different skills – so-called '21st century skills' – from existing and future employees, with STEM (science, technology, engineering & mathematics) competencies, creativity and entrepreneurship being key. It is up to the government and the corporate world to strengthen these skills through education and lifelong learning.

Similarly, the vision of work is ready for change. Because digitalization

Massively more digital, key proof points



allows us to choose where and when we work, the relationship between employee and employer is changing. If companies wish to attract talented people, they have to offer meaningful jobs to employees. As well as a good balance between work and private life.

Massively more digital

In the digital world the user's demand for speed and data has significantly increased. In particular, digital natives – the generations that grew up with the internet and mobile phones – have higher expectations.

Research has shown that data use doubles every 18 months. On the one hand, this is a result of the multiplication of the number of

devices that is connected to the internet (on average four devices per family). At the same time, all of us also use more applications. For example, two thirds of Belgians watch movies, videos and TV over the internet and over 60% streams music on a daily basis. The ecommerce boom also results in increased usage: every second 5 products are ordered via online shopping. Finally, mobile data usage is increasing exponentially, with a multiplication factor of 15 over a four-year period.

At the same time, the consumer is becoming increasingly aware of the risks related to the use of ICT, in particular in terms of privacy, protection of personal data and the prevention of data fraud. It is our responsibility to take appropriate

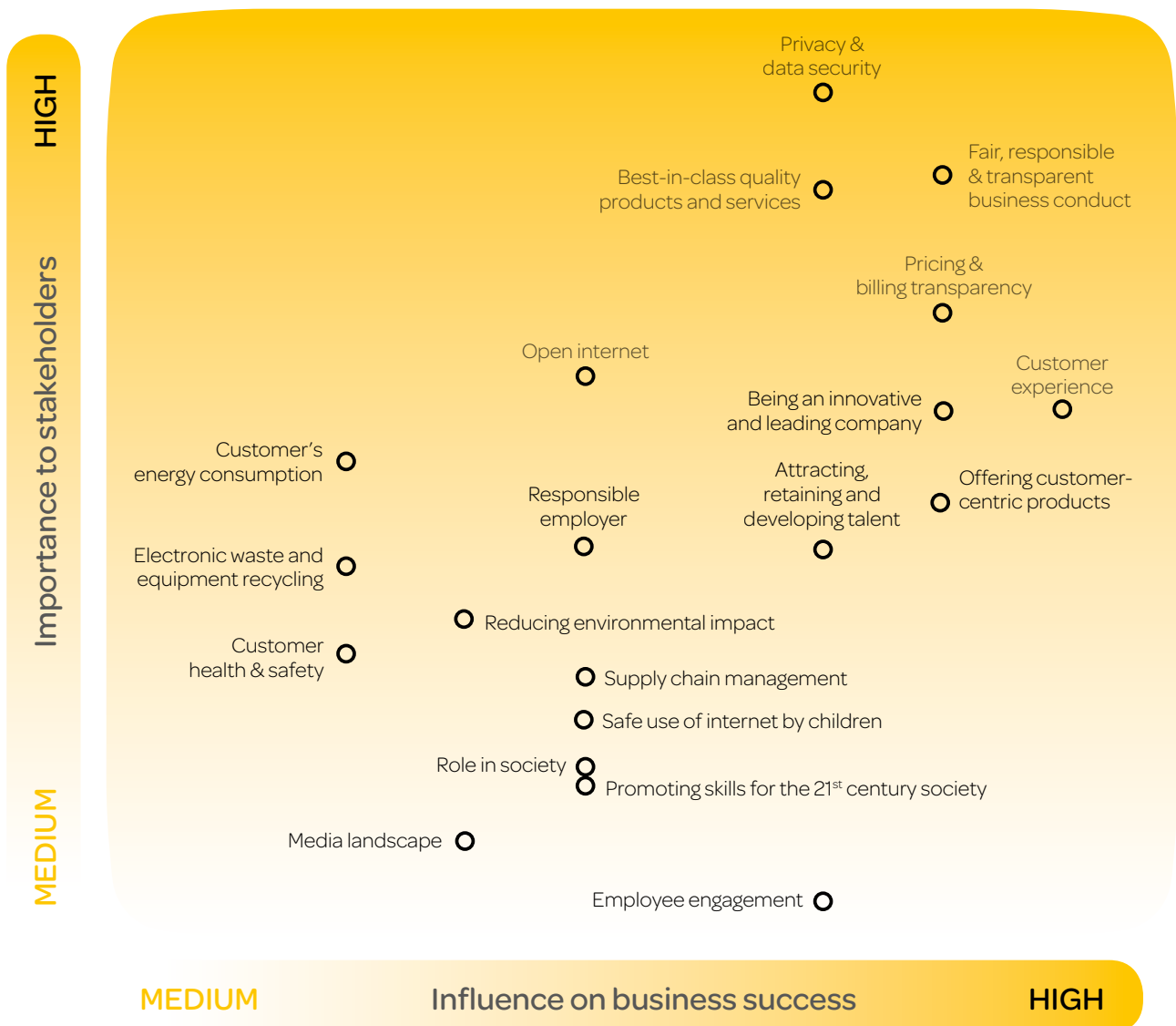
action and to protect in particular those who are vulnerable, such as children, in the digital world.



Our sustainability policy

The materiality matrix

Sustainability is a multi-faceted concept – more than one company can tackle at the same time. Therefore, Telenet has made the conscious decision to focus its efforts on the most relevant issues: the materialities. Telenet determines the importance of the various material matters in close consultation and dialogue with its stakeholders. The result is a schematic representation of the sustainability priorities and their relative importance: the materiality matrix. In April 2015, a new materiality matrix was defined.



How is the materiality matrix designed?

In 2012, Telenet designed its first materiality matrix.

To ensure that Telenet's sustainability policy remains aligned with the most current interests of its stakeholders, the materiality matrix was updated in the spring of 2015.

The materiality matrix is developed according to a structured process:

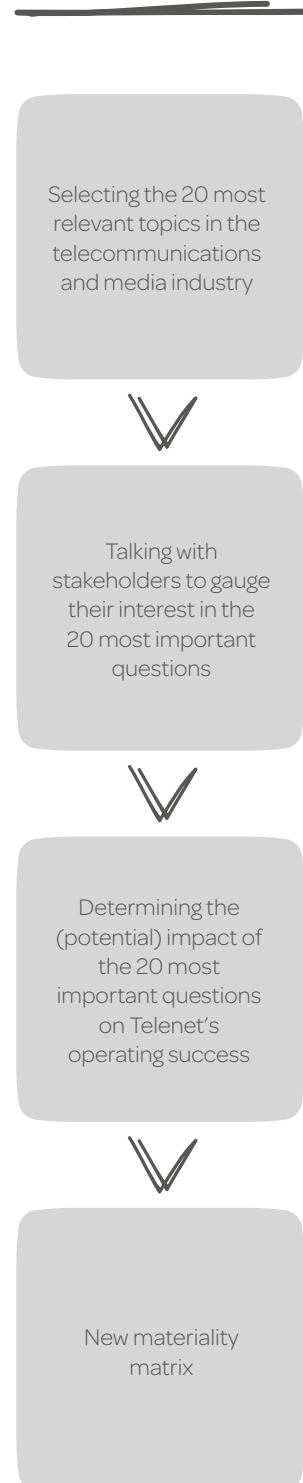
- A detailed analysis of relevant economic, social and ecological considerations in the telecommunications and media sector results in a long list of 100 topics
- The long list is further refined and categorized into a short list of 20 topics
- The most important stakeholder groups (private and corporate customers, employees, investors and shareholders, suppliers, policy makers/regulators, consumer organizations, media and sector organizations) are consulted to

determine how important they deem each of the 20 issues to Telenet. For the most recent exercise in 2015, a total of 1,405 were surveyed.

- The senior management determines the (potential) effect of each issue on the commercial success of Telenet

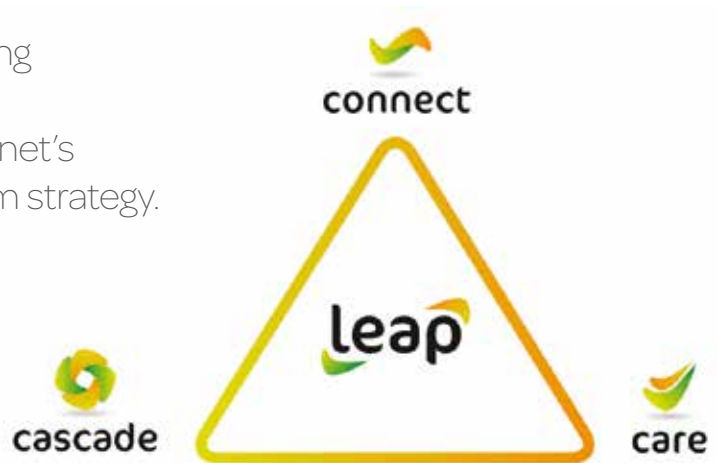
The materiality matrix is an important tool in Telenet's sustainability policy.

A clear and measurable objective is set for each materiality, as shown in table 'KPI per Materiality' (pages 59-61).



The Sustainability Strategy: LEAP

The LEAP program represents Linking Environment And Profit and makes sustainability an integral part of Telenet's overall business vision and long-term strategy. It rests on three pillars:



1. Connect:

creating digital opportunities

Since its establishment in 1996, Telenet has been a leader in the digitalization of Flanders and Belgium. The physical network ensures fast and flexible connections and brings technological innovation within the reach of our customers. We encourage education and training that teaches people the skills to get the most out of ICT. In addition, we invest in creativity, innovation and entrepreneurship.

2. Care:

responsibility to our stakeholders

Telenet has the ambition to play a responsible role in the community to which it belongs. We actively involve our stakeholders in the policy and align our approach with the themes that are important to them. Our materiality matrix best illustrates this.

3. Cascade:

integrating sustainability into everyday life

Our social responsibility extends beyond the walls of our company. Sustainability should play an important role in the daily life of our stakeholders. We achieve this, for example, by continuously improving the energy efficiency of our business operations.

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 12 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

Corporate Affairs Director

Manages daily activities and provides reports

Towards a new sustainability strategy

The recent acquisition of BASE Company marks a year of change. From now on, Telenet is a national player with a social responsibility to all stakeholders in both parts of the country. Therefore 2016 will be the year in which we thoroughly rethink

our sustainability strategy. Not to drastically change course, but to ensure that we maintain our leading position among Belgian companies in terms of sustainability.

The commitment to our stakeholders

At Telenet, each department is responsible for developing structural stakeholder relationships. At the corporate level, Telenet maintains dialogues with the following stakeholder groups:



Customers

- Telenet uses the Net Promotor Score (NPS) to assess the satisfaction of its customers.
- Telenet applies four values to every new product: simplicity, transparency, focus on loyal customers, and forward-looking.
- Telenet maintains transparent communication around sensitive issues such as price adjustments.
- Through our social media channels we actively engage in dialogue with our customers..



Investors

- As a listed company, Telenet openly, actively and simultaneously communicates with all its investors.
- Telenet issues financial reports in accordance with International standards such as the International Financial Reporting Standards (EU) and the US Sarbanes-Oxley Act.



Employees

- Telenet actively assesses the satisfaction of its employees through the annual Zoom survey.
- Telenet employees work in an environment that encourages personal development.
- Telenet gives young employees the opportunity to develop their talent in the Young Grads program.
- Telenet employees are surrounded by an organization that constantly changes to encourage their growth, for example through The New Way of Working.



Suppliers

- Telenet uses a code of conduct on sustainability that has to be signed by every supplier.
- Telenet evaluates and monitors the sustainability risk of each supplier through the EcoVadis platform.
- Telenet develops structural partnerships with suppliers who have a strong social dimension, such as the company IMSIR.



Local community

- Telenet consults local communities and neighborhood committees for major projects, such as the roll-out of 'De Grote Netwerf' project in Flemish cities and municipalities.
- Telenet sponsors local initiatives such as Alle Gezinnen Online in Mechelen and Ghent.



Policy makers

- Telenet does not use external lobbyists and does not support political parties.
- Telenet is a member of specific professional organizations, such as the ISPA (Belgian Internet Service Providers Association), Cable Belgium, Cable Europe and the Platform Telecom Operators and Service Providers



Important memberships



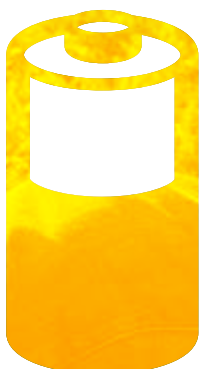
Global Compact Network
Belgium



PLATFORM
TELECOM OPERATORS • SERVICE PROVIDERS



Our most important sustainability programs



Telenet remains committed to being a responsible and sustainable company that takes into account the social, economic and environmental aspects of its business operations. Sustainability however is a multi-faceted concept – more than one company can tackle at the same time. At Telenet, we therefore consciously choose to focus our efforts on the most relevant issues – the materialities – which we define in close consultation with our various stakeholders. These materialities also form the foundation for the various sustainability programs that we actively support as a company:



Commitment to
our customers



Commitment to
our employees



Commitment to
**society and
local communities**



Commitment to
the environment



Commitment to
**conducting fair, honest and
transparent business**



Commitment towards **our customers**

The best service delivery
for our customers

A forward-looking
approach to
customer engagement



It is our ambition to develop lasting trust relationships with our customers by investing in **best-in-class, customer-friendly products and service**, by implementing a transparent pricing policy, and by striving for **memorable experiences** that enhance customer satisfaction. The **wellbeing of our customers** is key to this.



The best service delivery for our customers

At Telenet, we put in all effort to offer innovative products and services to our customers. The technology as such does not matter to our users. What does matter is how it helps them gain new knowledge, carelessly relax or freely interact. These are all experiences to which Telenet actively contributes, thanks to access to fast network connections with high data volumes, quality entertainment for consumers and high-quality business solutions.

Positive customer experiences form the foundation for sustainable growth.

For that reason, Telenet since 2014 has been investing in the Amazing Customer Experience Program (ACE), through which we constantly monitor, analyze and report on the experiences of our customers. As a result, we are able to more quickly identify pain points and provide targeted corrections. Since the start of ACE, we are proving more than ever that customer satisfaction is not an empty phrase for us. As such, the number of customers that the Ombudsman for Telecommunications feeds back to us has been declining:

- 1 file per 1,485 services delivered in 2013;
- 1 file per 1,639 services delivered in 2014;
- 1 file per 2,081 services delivered in 2015.

ACE also means that we take a critical look at ourselves from the perspective of our customers. We earn their trust every day by ensuring user-friendly products, a transparent pricing policy and clear communication.



Case Helemaal mee Tournee

Since September 2014, Telenet is pro-actively conducting home visits at customers for a full and free check-up of their indoor installation. 250 Telenet technicians ensure that customers are able to fully use their Telenet products and are fully up to date with the digital age:

- They check the Wi-Fi service and optimize it if needed.
- They connect all mobile devices to the Wi-Fi network.
- They recover forgotten passwords.
- They replace the modem free of charge for a newer model, if needed.
- They check the wiring of the HD Digibox-Digicorder.
- They guide the customers through useful apps such as Yelo Play.

In 2015, the Telenet technicians visited 150,000 customers. Another 150,000 will be added to this in 2016.

With the 'Helemaal mee Tournee' Telenet is setting itself apart in customer-focused service provision, with a positive impact on customer satisfaction: the Net Promotor Score (NPS) increased with 43 points among visited customers. The total NPS impact was + 3.1 points.

Best in class and user-friendly products

Simple and easy product choices

Whop and Whoppa. King and Kong. Play, Play More and Play Sports ... Thanks to a limited offering it is easy for the customer to compare different products and to make a fast, balanced choice.

Clear product information

With every Telenet product, the customer will find a leaflet with the general conditions, and installation guide and an explicit CE certificate or technical flyer, if needed. Telenet will

also always state the legally required information about waste treatment, information about energy use, and the SAR values of mobile phones.

Availability

Telenet remains close to its customers and actively guides them towards the best digital experiences. We use various channels to achieve this:

- On television channel 444 and the Telenet YouTube channel short videos provide extra product information.
- On My Telenet, customers can subscribe to various commercial newsletters.

- On social media, such as Facebook, Twitter and LinkedIn, we enter into dialogue with our customer.
- On our story platform SNAP (snap.telenet.be) the customer will read more about the use of Telenet products and about our entertainment offering.
- On the Online Telenet Community Forum, customers ask questions, share experiences and make suggestions to improve new or existing products.

Hello Telenet?

Availability of the customer service & technical helpdesk in 2015

Some notable numbers

Via telephone

- 78 percent of phone calls are answered within 120 seconds.
- We achieved a First-Time Right percentage (customer receives optimal assistance during first contact) of 71 percent.

Via internet, e-mail and mail

- The online customer service was visited 850,000 per month. This platform offers customers specific step-by-step plans and useful information to initially resolve problems on their own.
- My Telenet was visited over 17 million times through the year and reached 1 million unique visitors, an increase with 4 percent compared to 2014.
- 80 percent of complaint emails and letters were answered within two days.

Via social media

- We can be reached every day from 8AM to 10PM and in the weekend from 8.30AM to 6PM, even on public holidays (with the exception of Christmas and New Year).
- We achieved 324,580 registered social media mentions, a decrease with 1.8 percent compared to 2014.
- The hottest topic in 2015 was Game of Thrones: #choosesides.

Transparent pricing policy

Prices and rates without surprises

We strive to transparently show our prices and any other costs both on our websites and in our promotions or advertisements. For example, our website shows the total price for the product, including monthly costs such as decoder rent and the cable subscription fee.

We communicate one-off costs for activation, installation or the exchange of hardware as clearly as possible. On our website we clearly show all potential one-off costs.

Clear invoices

A transparent invoice that clearly lists all details, contributes to the trustworthiness of the company. Therefore we take extra care here. Customers, who choose to receive an

electronic invoice, will automatically receive an email notification when a new invoice is available on My Telenet. They can view their invoices for up to fourteen months.

Proactive communications

Is Telenet making important changes to its products or services? Then its customers will be notified well in advance. In case of a change that may have a significant impact, customers will be informed via email or will receive the relevant information along with their invoice.

No notice period

The Telecommunications Act limits the contractual duration of all telecom services to six months. Telenet goes beyond this: it removed the notice

period for product bundles, Internet, fixed or mobile telephone and television, with the exception of the paid channel package Play Sports, which is subject to the legal contract term of six months.

The newest tariff plans for everyone

Telenet will contact customers for who it is cheaper to change to a product formula that better matches their product use.

Customer satisfaction

Customer satisfaction is the best measure for the quality of our products and services. Therefore, Telenet every month asks close to 12,000 residential and business customers what they think of the Telenet products and related services – such as installation, availability and the quality of the contact center. The Net Promotor Score (NPS) is an objective measure of the customer satisfaction and guides the improvement and optimization of our products and services.

At end-2015, we achieved a NPS score of -5.36.

The NPS also counts towards 15% of the bonus system of executive employees. A convincing proof that this score is important to Telenet.





A forward-looking approach to customer engagement

Telenet strives for a permanent improvement of the customer experiences and therefore actively employs an innovation policy across various activity domains:

- Optimization of the network infrastructure: Telenet customers benefit from high-speed internet connections with large data volumes thanks to investments in:
 - The 'Grote Netwerf' – a giga speed network that eventually will enable broadband speeds of at least 1 gigabit per second.

- Wi-Free – a network of hotspots and home spots for which customers, thanks to EAP technology, have to register only once.
- Product innovation: Telenet customers know that they always have the best and most innovative products on the market. Examples from the last few years:
 - Play and Play More – a balanced package of channels, with local channels, international movies and series. This includes innovative television

functionalities, such as Rewatch TV.

- Yelo Play – an app with a digital TV guide, smart search function, multiple screen view, and ability to swipe to a larger screen.
- Service innovation: Telenet is setting a new standard for customer-focused servicing thanks to the 'Helemaal mee Tournee' initiative.

Case

Always stronger together with Play Sports

In July 2015, Telenet launched the successor to Sporting Telenet. Play Sports innovates through a broader offering and an intense total experiences that bring sports people and supporters more closely together. Sports enthusiasts are in the front row for the best in the area of soccer, hockey, volleyball, basketball, car and motor sports, golf and cycling. They come closer to their heroes thanks to live reporting, new sports magazines and a Play Sports app that adds an extra dimension with revealing live statistics, extra summaries, the goal alert function, etc. Play Sports ensures top entertainment on and on the side of the screen, as well as a total sports experience.



Case

New modem

In November 2015, Telenet started installing its newest Eurodocsis 3.0 modem. This is a crucial switch in its transition to the network of the future that will enable internet speeds of at least 1 gigabit per second. In addition, this new modem meets the latest Wi-Fi standard (802.11ac), which for compatible devices is already creating a faster Wi-Fi connection.



Commitment to **our employees**

Notable
HR numbers

Attracting,
developing and
engaging talent

A sustainable
employment policy

Welfare at work



As an employer, Telenet wants to be a passionate partner that encourages strong work performance and personal growth in a continuously changing society. We have selected an employment policy that enhances talent and maximum engagement. And we ensure that everyone is happy at work.

Notable HR numbers





Attracting, developing and engaging talent

Recruitment

As a large, dynamic company, Telenet always has a diverse offering of vacancies. We share this through traditional and less-traditional channels, such as newspaper ads, specialized job sites, our own website (jobs.telenet.be) and social media, such as Facebook and LinkedIn. We regularly organize one-day recruitment events where applicants go through the entire process in one day. Through our 'Refer a friend' program, employees can also recommend colleagues.

Our goal is to attract people from all backgrounds – with a wide range of skills and professional experience. Telenet is convinced that a diverse employee base contributes to more creativity, a strong service delivery, and better corporate results. That we grow through diversity, with a healthy mix of male and female, young and old. That the meeting of cultures and beliefs results in increased creativity and for more color in our ideas and products.

In addition to external recruitment, the internal rotation system is an important way to fill vacancies, accounting for 60 percent in 2015.

Talent development

We foster acquired talent through various talent programs and trainings. Development trajectories are mapped out individually and are linked to the competency model.

We encourage our employees to take control of their own development trajectory (empowerment) and to look beyond traditional education. In doing so, we apply a 70-20-10 model:

- 70% learning on the job;
- 20% learning through coaching and feedback;
- 10% learning through formal trainings and courses.

The third part comprises a wide selection of internal trainings and external courses by Cevora and other partners. The offering is particularly diverse with sessions around mindfulness, people management, and presentation & business writing skills. We make extensive use of alternative learning methods, such as company theater, role playing and individual coaching sessions.

In addition to general courses, Telenet also offers specific talent development programs. For example, newly promoted managers within the IT and Engineering departments receive extra guidance through the 'from colleague to manager' program. They explore their own behavioral styles, their role as a manager, and their impact on the team. Extra coaching is available for our advisors within the Sales & Customer Operations organization. They learn how to make a stronger connection with customers by sincerely listening to their questions and needs. Many of these advisors become team coaches thanks to this special trajectory of six months of theoretical and practical experience, followed by an assessment.



Mid-year & end-year reviews

Allowing talent to flourish also requires regular moments of reflection between employees and managers, during which the daily performance is evaluated and development trajectories are mapped.

Telenet identifies two important moments:

- The mid-year conversation is a development meeting with a special focus on personal growth and development intentions.
- The end-year appraisal focuses on the realization of individual objectives of the last year.

Since 2014, the performance management process is standardized for all entities within Liberty Global. The Pearl Platform allows the setting of goals, biannual progress meetings, and end-of-year assessments. Pearl also provides self-evaluation tools for employees.

Telenet employees are rewarded fairly and competitively for their

performance. The basis package for all employees comprises a gross salary, plus fringe benefits such as meal and eco vouchers, hospitalization and group insurance, and subsidized telecom facilities. The bonus system is linked to the end-of-year performance and is not just determined by the result of the personal goals, but also by the collective performance of Telenet, including the NPS score. For executive employees, this parameter has a weighting of at least 15 percent, which further highlights the importance of customer satisfaction.

Engagement

Telenet encourages its employees to actively contribute and engage. Because doing so benefits our products and services and therefore our customers.

Open communication is a key condition for this: people should be able to speak without hesitation when they have something to say. In particular if they are swimming against the current. Our way of

working is tailored to that. Telenet is a company with a flat, informal organizational structure, with a lot of interdepartmental working groups.

And as a high-tech company, we use ICT to promote that open communication:

- A large part of our internal communications takes place through our intranet 'Tine'. Our employees receive regular business updates and information about training and development programs.
- Communications between parties takes place – in particular in the case of working from home – through communication tools such as Skype for Business. Employees use several forms of communications, such as chat, audio and video conferencing and the ability to share their screen with colleagues.
- A special tool is the internal social network 'De Gele Draad'. Employees exchange ideas via private or public online groups.

The engagement of our employees is also shaped by the annual ZOOM Engagement Survey which measures their satisfaction. In 2015, we achieved an engagement score of 55 percent – no less than 6 percentage point above the Belgian average. The ZOOM survey also asks questions about the coaching quality of direct managers. For them, this is a good basis to further develop their skills.

Case Young Graduate-program

The Young Graduate-program is a two-year training program for recently graduated master students.

These young professionals are evenly distributed across all departments of the company and for two years become full members. During that period, they follow a number of targeted trainings around core competencies such as innovation, leadership, and customer focus. Through pitch- and presentation sessions, the participants in the Young Grads program get the opportunity to present their competencies and skills to the Senior Leadership team.

In January 2015, a group of 15 Young Grads – including 8 new employees and 7 existing employees – started the training program. They are all younger than 28 and have been working less than 2 years for Telenet.



A sustainable employment policy

Telenet makes sustainability and the welfare of its employees central to its employment policy, which is developed in close consultation with the social partners. This is evidenced by a number of specific initiatives:

- **The New Way of Working:** in September 2013, we rolled out teleworking in a structural manner. In 2015, 2,569 individuals – including consultants – possessed the ability to work remotely. Teleworking gives employees more flexibility and responsibility to organize their work, resulting in a better work-life balance. Telenet uses the guideline of one day of teleworking per week. This way, employees will remain connected to their colleagues and the company.
- **Sabbatical:** a career pause is part of the legal regulation of time credit. The maximum duration is one year of the entire career and can be either a full suspension or a reduction of working hours. The regulation states that an employer cannot refuse the time credit to an employee that meets all legal requirements – unless at that time more than 5 percent of the population is using its time credit. Upon return, the employee must take up the same position. In 2015, 381 employees took advantage of this possibility.
- **Employment plan for older employees:** companies with more than 20 employees must develop such a plan in order to realize an increased participation rate of employees of 45 years and older.
- **Outplacement:** the employer offers the employee a set of guiding services and advice to enable him to find employment with a new employer as soon as possible, or to develop a professional activity as a self-employed person. Outplacement is arranged for by law. In 2015, 16 employees were offered outplacement.
- The **OR** (Ondernemingsraad - Conseil d'Entreprise) is an equal representation and comprises the same number of employer and employee representatives, and is involved in the social, economic and financial policies of the company. Reports from the OR are, as required by law, published to all employees.
- The **CPBW** (CPBW: Comit es voor Preventie en Bescherming op het Werk - CPPT: Comit es pour la Pr vention et la Protection au Travail) is a consultative body that represents all employees and that is composed equally. It comprises both employer and employee representatives, the occupational doctor and the internal service for prevention and protection at work. The CPBW is actively involved in the health policy for employees in the performance of their work, the global prevention plan and the annual action plan. This includes the domains of labor safety, health supervision, ergonomics, hygiene, workplace decoration, the psychosocial aspects of work, including bullying, violence and unwanted sexual behavior and the (living) environment. The CPBW primarily has advisory tasks around new and changing technologies, work procedures, the design of the workplace, work means, protection measures, trainings, instructions, periodic check-ups, etc.

Diversity and equal opportunities

Telenet promotes equal opportunities and diversity and condemns all forms of discrimination. We actively work on diversity to ensure our organization is a good reflection of the broader society and our customer base.

We pay extra attention to the recruitment and promotion of women.

In 2015, the number of female employees was 35.4 percent.

Telenet also has a strong representation of women in senior management (45 percent of women) and in the Board of Directors (2 women).

Consultation with social partners

Every month, Telenet has formal meetings with the committees for prevention and protection at work (CPBW) and with the Works Council (OR), a consultative body that fully represents employees.



Welfare at work

Safety, welfare and the environment are integral parts of the overall business policy.

Once every three years, Telenet conducts a comprehensive health survey based on the S-ISW list, which measures a number of welfare indicators, such as stress, motivation, unwanted behavior and absenteeism. Furthermore, it identifies risk factors, such as how burdened employees feel in their job, and the risks at a team and organizational level. In 2014, the health survey was completed by 75 percent of all employees. The results were very similar to those of 2011.

In the Global Prevention Plan, Telenet lays down the welfare and environmental goals for the next five years, as identified through audits, risk analysis, safety inspections, complaints, reports, and the results of the health survey. This is in accordance with the act on the welfare of workers in the performance of their work.

Every year, we update and specify the goals of the annual action plan. In 2015, the most important actions focused on following up on the health survey and elaborating on projects around a

sustainable health policy. In addition, the adjustment of internal procedures around the psychosocial aspects of work was a major focus area. Extra attention was given to the prevention against stress and burn-out. By doing so, Telenet is proactively responding to recent survey results that show an increase of psychological problems among the Belgian professional population.

The results are reported every year to the General Direction Supervision on Welfare at Work, which is part of the Federal Government Service Employment, Labor and Social Consultation, and to the committees for prevention and protection at work.

In 2015, there were 74 occupational accidents, of which 19 occupational accidents with temporary incapacity, 32 with some medical care, and 23 accidents to or from work. There were no fatal occupational accidents or accidents with confirmed permanent disability

The welfare policy is carefully monitored at both the business and department level. The Manager Compensation & Benefits

is responsible for the general coordination of the welfare policy and is supported by external environmental coordinators, the prevention advisors and occupational doctors from the external prevention service. So called 'Welfare champions' are also appointed for each department, who are partially responsible for the communication on and the follow-up of the health survey every three years.

Telenet makes its employees aware, and activates them, with regard to welfare and the psychosocial aspects of work. For example, we create trainings on how to handle stress, how to be assertive, how to manage conflict, mindfulness, problem solving, interpersonal intelligence, speaking enthusiastically before a group, mind mapping & radiant thinking, fast processing and remembering of information... When needed, we refer employees on an individual basis for counseling and coaching via an employee assistance program or other forms of personal coaching.



Commitment to **society and local communities**

Investment
and Innovation

Investing in
the digital
and creative
economy

Strengthen
digital skills,
enhance online
safety

Ensuring digital
inclusion

Investing
in the local
community:
stronger
together



The digitalization offers significant growth opportunities for society. **By investing in innovation**, we as a company help build the knowledge society of today and tomorrow. We ensure that **everyone is given an opportunity to develop their digital skills** and **safely uses the digital tools**. We **encourage digital entrepreneurship** and **are giving the Flemish media landscape a boost**. Finally, we want to be a warm company that is **rooted in the local community**.



Investment and innovation

Digital innovation is of crucial importance to the prosperity of our region. It ensures a rising quality of life, sustainable growth and new jobs. The European Commission for that reason intends to stimulate the digital economy and boost the European GDP by 5 percent by 2020 and create 3.8 million new jobs. Our country too is investing in digitalization through the Digital Belgium action plan. This links investment in a state-of-the-art digital infrastructure with high-speed Internet to the strengthening of the digital skills and the closing of the digital gap. In the European Digital Economy & Society Index (DESI), Belgium scores well: it ranks second in connectivity, third in Internet use, and fourth in the integration of digital technology in society and the economy.

Telenet actively contributes to digital innovation by investing in the network and in high-quality products and services. In 2015, investments totaled 383.6 million euros – or 21 percent of corporate revenue. The majority of these commercial investments were used to expand and improve the network. Thanks to EuroDocsis 3.0 technology, Telenet today reaches

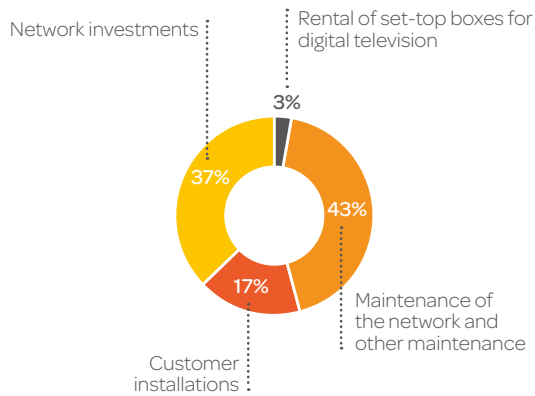
almost its entire service area, with speeds of up to 100 Mbps. 100 percent of Telenet Internet customers surf the web at speeds of 30 Mbps. In 2015, the average Internet speed was 114 Mbps.

In 2015, our total contribution to the Belgian treasury was 440.1 million euros, or 81 percent of realized

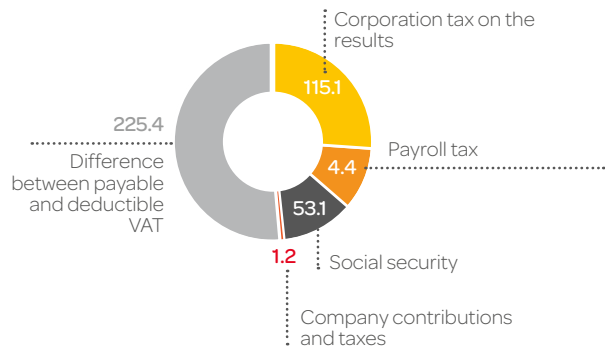
operation profit – the difference between turnover on the one hand, and the cost of goods and sales on the other hand. The total contribution was up 9.2 percent from 2014.



Overview investments



Contributions to the Belgian treasury



in millions of euros

Case De Grote Netwerf & Nexus

In the digital world, user demand for high-speed Internet and large data volumes is increasing significantly. For example, data usage doubles every 18 months. This requires a high-speed network.

With De Grote Netwerf project, Telenet is accepting the challenge. Between 2014 and 2019 we will systematically expand the capacity of our network from 600 MHz to 1 GHz. As a result, private and corporate customers will enjoy broadband speeds of up to 1 Gbps. Flanders will become the first European region of this size with a 1 GHz network.

To make this possible:

- we will invest 500 million euros over a 5-year period;
- we will replace or modify all 150,000 amplifiers and 1.8 million other components, such as splitters and taps;
- we will create 250 new jobs in Flanders.

At end-2015, De Grote Netwerf already reached 53 Flemish cities and municipalities and over 100,000 customers.

With the Nexus project, Telenet moreover strives to connect the SME zones and business parks to the high-speed network. To do so, we will invest another 9.5 million over a 5-year period.



Investing in the digital and creative economy

To succeed in the knowledge economy, creativity and entrepreneurship should be encouraged. By doing so, we create economy added value and sustainable growth in a competitive global market. The growing start-up community has already proven that it pays off to bet on innovation and creativity – with a good dose of courage and entrepreneurship.

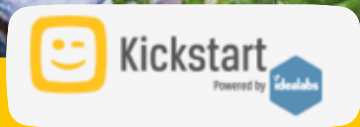
Since 2014, Telenet encourages young digital entrepreneurship via the Telenet Kickstart start-up acceleration program, in collaboration with the Antwerp-based incubator Idealabs. Telenet also actively invests in growth companies such as Pebble Media,

which is building a unified platform, and Doccle, which is building unified platform to exchange, process and archive documents from various suppliers.

As a local player in the Flemish media ecosystem, Telenet has been committed for years to a strong Flemish audio-visual landscape:

- We support local broadcast initiatives, such as Studio 100, Ment TV, Acht and Njam.
- We hold a 50% stake in DeVijver Media and are working with channels FOUR and FIVE on the convergence of TV and Internet.

- We support Flemish television productions and movies through STAP, an investment program of 30 million euros that runs from 2013 to 2017. One of the most notable productions is *Chaussée d'amour*, a Flemish drama series that was created in conjunction with the production house De Mensen, and for which all ten episodes were released simultaneously in May 2016 for Telenet Play and Play More customers.



Case Telenet Kickstart, powered by Idealabs

Start-ups are essential to the digital ecosystem. For that reason, Telenet provides oxygen to young entrepreneurial talent. Over a period of 2 years Telenet is investing 1 million euros through this project in the Flemish digital business landscape.

The Telenet Kickstart program is supported by the professional incubator Idealabs and takes place in two phases of 4 months each. During the acceleration phase, the start-up teams convert their innovative idea into a workable prototype or MVP (minimum viable product). If they thus convince the jury, they will be given the opportunity to further refine their MVP into a market-ready product that can win over customers and investors.

Telenet Kickstart provides guidance to the start-ups throughout the process, by:

- **expertise** – A network of experienced mentors coaches the teams in fiscal, legal, psychological, technical and marketing matters.
- **technology** – The start-ups can access top-notch telecom, cloud and entertainment platforms.
- **work space** – The Idealabs hub in the heart of Antwerp is an inspiring second home for the entrepreneurs.
- **financing** – The teams receive 25,000 euros in seed funding during the acceleration phase and

a convertible loan of 50,000 euros during the growth phase.

In September 2015, eight start-up teams were selected from over 400 applications.

They were given the opportunity to develop a digital solution in one of the following domains:

- **connected entertainment:** ideas around music, photography, video and gaming;
- **connected living:** ideas around employment, aging, healthcare, wellbeing and ecology;
- **connected business:** ideas around digital business solutions.

The second year of Telenet Kickstart, powered by Idealabs, concluded at the end of June 2016.

Meanwhile, the start-up teams from the first cohort of the Telenet Kickstart program (2014-2015) continue their journey. Some teams (INTUO and Scriptbook) recently convinced new investors, with investments of up to 1 million euros.

More information: www.telenetkickstart.be



Strengthen digital skills, enhance online safety

In today's knowledge economy, digital skills are imperative.

There is a particular need for people with the STEM profile: Science, Technology, Engineering and Mathematics.

Nevertheless, for years there has been a shortage of graduates in the technical and science branches of education. It is therefore important that the children and young people of today choose STEM. In 2012, the Flemish government decided to encourage careers in mathematics, science and technology through the STEM action plan. Education plays a major role in this. But also social partners, media and companies are supporting the plan. In November 2015, Telenet signed the STEM charter.

We are also a member of the STEM academy, which mainly supports extracurricular STEM activities.

In this context, Telenet supports CoderDojo Belgium, a non-profit organization that teaches boys and girls between the ages of 7 and 18 in a group setting to code, build websites, and develop apps and games. Every week, free 'Dojo' gatherings are organized in some 40 locations in Flanders and Brussels. Every month, the organization reaches more than 1,400 children. On 7 May 2015, more than 1,100 children between the ages of 10 and 14 gathered in the Genkse Limburghal for a MegaDojo programming event.

Children and young people should not only acquire digital skills, but also learn how to use digital tools in a safe manner. Through its main shareholder, Liberty Global, Telenet is a Gold Partner of the annual Safer Internet Day, a European awareness campaign for a safer internet use. To increase the online safety of children and youth, we also offer parental control solutions for all our Internet and television services.



Ensuring digital inclusion

In an inclusive digital society, technological innovations should be available to all.

We work closely with strategic partners, such as the government, social organizations and other industry players to introduce the wider society and socially vulnerable groups to innovative ICT applications. For this reason, Telenet applies a social fee to all its telecom products and services (Internet, television, fixed & mobile telephony) and thus goes beyond what is legally required. In 2015, 111,827 customers enjoyed the social fee, up 8.5 percent from 2014.

The Telenet Business department also offers – in cooperation with the Flemish government – SchoolNet, a commercial solution with a social purpose: tailor-made Internet for all schools and libraries in Flanders.

Case **Alle Gezinnen Online**

Digital inclusion is more than the availability of a PC or Internet connection. Underprivileged families have at least as much need for technological skills and attitudes. 'Alle Gezinnen Online' started from that philosophy. Fifty underprivileged families in Ghent for a year and a half received a computer with Internet access, digital literacy courses and technical support. This allowed them to discover the added value of digital applications and reconnected them with the digital society.

The project ran from 2013 to mid-2015 and was a collaboration between Telenet, the City of Ghent, Digipolis Gent, OCMW Gent, Oikonde and Leerpunt, a Center for basis education



Investing in the local community: stronger together!

As a committed member of the local community, Telenet invests in various social projects.

In 2015, our financial contribution to charities and community initiatives was over 1,351 million euros.

But we go beyond mere financial support: we encourage and support

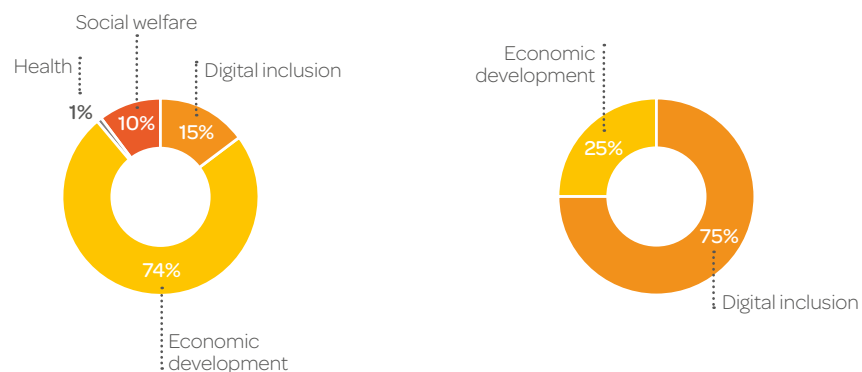
our employees' active engagement. From 2015, every Telenet employee can take one day paid leave per calendar year to volunteer on one of the projects supported by Telenet: Kom op tegen Kanker, CoderDojo, STEM, Vélo Afrique and Big Ride for Africa.

In 2015, Telenet employees thus invested 1,915 hours of community work. The 'Give a smile' program enables Telenet employees to dedicate their annual teambuilding activity to a charity. We work with the non-profit Time4Society, which offers customized socially oriented events.

Contributions to charities and community initiatives



Community investments per type





Case Telenetters cycle for charity

During the Ascension Weekend in 2015, **Kom op tegen Kanker** organized its '1,000 km'. 598 teams of 8 people each paid an entry fee of 5,000 euros – thus raising a total of almost 3 million euros. Two teams from Telenet also courageously participated. Telenet paid half of the registration fee and provided every new Telenet team member with a brand new cycling outfit.

In June 2015, the Telenetters jumped back onto their bikes again for the **Big Ride for Africa**, a multiple-day cycle tour for the benefit of Lessons for Life, an international non-profit that promotes educational opportunities in Africa. The Big Ride is an initiative from Liberty Global, Telenet's main shareholder. In 2015, more than 500 cyclists cycled one of the 200 km-long routes in Europe – finishing together in Amsterdam. Among them were around 30 sporty Telenetters.



Case Telenetters are the warmest employees

The Flemish radio station Studio Brussel for the past 10 years has been raising money for charity during the Christmas period.

During the Warmest Week ('De Warmste Week'), listeners can choose a charity for which they would like to raise money.

For the 2015 edition, a number of Telenet employees sold candles to support 6 initiatives in which they themselves are active or which they support:

- The non-profit Mama Lufuma is building a shelter for street children in Congo.
- Bednet offers synchronous long-distance education for chronically ill students.
- Vélo Afrique supports the construction of local schools by cycling in Africa.
- Sniffing Snouts is a shelter initiative for dogs and cats.
- The National Multiple Sclerosis Center is a hospital and rehabilitation center for MS patients.
- Levedale is a residential and service center for adults with intellectual disabilities.

The 'warmest employees' of Telenet together raised 3,000 euros. Telenet gifted an additional 5,000 euros for each of these initiatives.



Commitment to **the environment**

Investing in CO₂ reduction

CO₂-Compensation



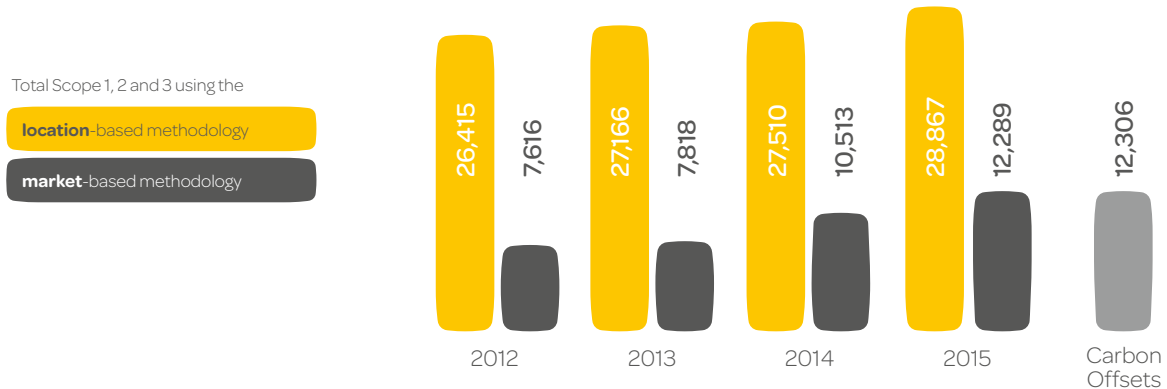
We are taking our responsibility to **reduce our impact on the environment** by reducing our **CO₂ emissions throughout the value chain**.

We also commit to **recycling our electronic devices and are taking action to significantly reduce the energy consumption at our customers' homes**.

Thanks to these efforts and to investments in CO₂ compensation, we achieved our goal of being climate neutral in 2015.

Telenet is climate neutral | 2015

Metric ton CO₂





Investing in CO₂ reduction

Climate change through CO₂ emissions is the environmental challenge of our time. To contain the negative consequences, we must limit global warming this century to 2° C above pre-industrial levels. Telenet supports this goal, and in September 2015, along with other Belgian industry partners and NGOs, signed the charter in support of the Climate Conference in Paris.

It remains our ambition to grow Telenet as a company while reducing our impact on the environment. No easy task: Telenet's electricity consumption increases every year on the back of rising demand for data processing and the increasing availability of digital services.

In 2015, Telenet's overall energy efficiency improved by 37.6 percent relative to the reference year 2007. A detailed overview is included in the sustainability results 2015 on page 56 of this report.

As a company, we take the following actions to increase energy efficiency:

Electricity consumption within own buildings and leased premises

Since mid-2008, Telenet uses 100 percent green energy within its own buildings. Hostbasket has been doing the same since 1 January 2010, Belcompany since September 2010, and Interkabel since 2012. Telenet opts for renewable energy sources such as solar panels. In the course of 2013, Telenet expanded the scope of its CO₂ reporting to leased building, which even today do not all use green electricity. In 2015, the share of grey electricity was 7.3 percent. In the coming years, this grey electricity will be converted to green energy as much

as possible, in consultation with the owners of the leased properties.

Energy efficiency of the network

We ensure important savings by investing in the network and by replacing old equipment with more efficient equipment. The energy efficiency – Power Usage Efficiency (PUE) – of the 53 technical stations is continuously measured in real time to enable fast adjustment and optimization of the systems and processes.

Energy efficiency of the data centers

Telenet supports the European code of conduct on data centers to increase their energy efficiency. The data centers are responsible for the second-largest share of total electricity usage. To improve the Power Usage Efficiency values, we invest in LED technology, alternating pulsion for climate cabinets, and turbo compressors for cooling units. We are also replacing old cooling equipment and are increasing the use of the server farm.

Mobility and transportation

We encourage responsible mobility solutions among our employees:

- **clean vehicles** – The average CO₂ emission of all passenger vehicles in 2015 was 107 g/km, a 4.5 percent improvement from 2014. The average CO₂ emission of the newly deployed passenger

vehicles was 111 g/km an increase by 1.8 percent compared to 2014.

- **mobility alternatives for company cars** – Since January 2013, employees can combine their company car with a rail subscription. Or they can opt for a smaller lease car with lower CO₂ emissions and a compensation for unused budget. They can also opt out of the company car in exchange for a compensation.
- **Train-Bike@Work** – Telenet provides rental bikes from the social workshop 't Atelier for train commuters.

Energy efficiency in customers' homes

To reduce our customers' energy consumption at home, Telenet invests in various innovative solutions:

- **Set-top boxes:** An increasing number of households are using an energy-saving box that automatically switches off when it is left in standby mode for a long time, and that has a smart energy function. Consequently, the decoder consumes less than 1W in standby mode. These recent set-top boxes are more than 20 times more energy efficient than those of the first generation. The number of digital television customers increased by 2 percent in 2015. On average, the set-top boxes used 2.8 percent less energy than in 2014.
- **Modems:** The new generation of wireless internet modems (HomeGateway 3.0) with 3-in-1 functionality (Internet, telephony, Wi-Fi) consumes 24 percent less energy than the average modem.



Case

Telenet & IMSIR: tailor-made reverse logistics

Every year, Telenet recycles more than 220,000 decoders and modems that its end-customers return to the Telenet Centers or that are replaced by Telenet technicians.

Telenet was looking for a sustainable and cost-efficient reverse logistics solution, that could substantially reduce waste and that had a social dimensions. Since 2007, we collaborate with the company IMSIR in Boom that offers job opportunities to individuals with limited access to the labor market.

The 50 IMSIR employees have a structured approach to work: the received goods are unpacked, counted and sorted. They are then tested on modern test benches. The decoders and modems that still function well, are refurbished by the IMSIR team and put in a new package. They are then completely ready for use.

Devices that no longer function properly, are recycled.

This reverse logistics process follows strict procedures and complies with stringent quality standards. At the end of 2011, IMSIR obtained the ISO9001 quality certificate for this.

The sustainable partnership between Telenet and IMSIR every year results in an important contribution to the environment. For example, in 2015 we avoided more than 445 tons of waste through the recycling and revaluation of used decoders and modems. The cooperation with IMSIR also creates jobs for more than 50 individuals with limited access to the labor market. And the project offers opportunities to dozens of interns from special education, and internships for job seekers looking to re-enter the labor market.

The reverse logistics cooperation between Telenet and IMSIR in 2011 was awarded the audience award in the Supply Chain Awards, and in 2013 the audience award for the best project of the past 10 years.

- Smart Meters:** Between 2014 and 2018, three million buildings in Flanders will be fitted with a smart electricity meter. The meter at any time will show how much the available energy costs and how much energy is generated by heat pumps and solar panels. Consumption can be adjusted accordingly. Telenet together with network manager Eandis is working on a pilot project in Mechelen.

- Smart Grid or smart energy network:** Telenet participates in the Flemish platform Linear that is testing the possibilities of a 'smart grid'. The research program was initiated by the

Flemish government, VOKA, and the KU Leuven. Through the Smart E-project, Telenet focuses on the intelligent data streams needed for the system.

Investing in waste reduction

Telenet wants to minimize the amount of waste by reusing material, correctly disposing of waste and reducing paper waste.

Reusing material: a large proportion of the decoders and modems is recycled. Telenet works with the company IMSIR in Boom for this.

Telenet's old PCs are given a second life thanks to PC Solidarity, the Belgian branch of the non-profit Close the Gap. By doing so, Telenet yearly donates quality, used desktop computers, laptops, tablets and smart phones to good causes.

In 2015, 0.67 percent of the customers who bought a new mobile handset traded in their old device at a Telenet Mobile sales point. Ecowave processes some of these mobile devices and resells others as second-hand devices.

Correct disposal of waste: First and foremost, we try to avoid waste as much as possible:

- **Rational paper use:** Since 2010, Telenet is 100 percent FSC. We have implemented several initiatives to limit paper consumption. We remind our employees to print double-sided or even less through secure printing and badge printing.
- **Digitization of our administration:** Our supplier accounting department processed 56,330 invoices in 2015 (86 percent of the total) digitally – a huge paper saving. Since 2013, Telenet uses electronic meal vouchers and in 2015, 1,869 employees opted for an electronic pay slip. Finally, in 2015 47.3 percent of our customers opted for an electronic invoice.
- **Smart Packaging:** Since 2013, our HD Digidocorder is in a new package: a small, cardboard box with a handle. Thanks to this environmentally friendly packaging, we save no less than 285 tons of paper and 600 tons of CO₂ every year.

When waste is inevitable, we put in every effort to ensure it is disposed of correctly. Normally, the waste that we produce is recycled or permanently removed through energy recuperation (e.g. incineration). For its waste disposal, Telenet works with SIMS Recycling Solutions and SITA. SIMS Recycling Solutions processes discarded electric and electronic products and ensures 95 percent of the material from these devices is recycled into reusable raw materials or energy. Telenet is also improving the registration of its waste streams.

In 2015, no new incidents involving significant spills occurred, but three past incidents were resolved or underwent ongoing treatment. The case of a hydraulic oil spill in 2014 was formally closed upon approval by the authorities in January 2015. Ongoing ground watering in follow-up of a fuel leakage in 2012 will continue until 2017. In December 2015, historic spilling was discovered when two underground fuel tanks were found on the parking lot of our headquarters in Mechelen during construction works. These tanks date back to the former military

activities on the property before it was acquired by Telenet. The tanks were removed, results of the soil and ground water investigation were finalized and submitted for approval by the authorities in 2016.

For a proper disposal of the waste created by our customers, Telenet is affiliated with several government-recognized organizations. For every purchase of a Telenet product, a contribution is made to Recupel and Bebat. For other waste streams, such as packaging and ad prints, we pay an annual contribution to Fost Plus, Val-i-Pac, and the non-profit Interventiefonds Oud Papier.



CO₂-compensation

Telenet puts in a lot of effort to reduce its CO₂ footprint. Still, this is insufficient to achieve our goal of climate neutral operations. We close the gap by planting new forests. These reduce the overall amount of CO₂ in the atmosphere and compensate for the excess emissions.

Since 2011, Telenet is in a structural partnership with the nature organization Bos+, dedicated to better and more forests in Flanders and the world.

In 2015, we made additional CO₂ compensation investments in the Ugastove project, which distributes environmentally friendly stoves in Uganda.



Case

Bos+, Nature-friendly forest management with a social dimension

Telenet cooperates with the non-profit nature organization BOS+ on a sustainable reforestation project in Ecuador.

In cooperation with local NGOs, Bos+ is working to restore a forest that has been largely cut since the middle of the last century. Since the start of the project in 2011, 533,000 mainly native trees were planted, good for a reforestation of 500 hectares with an estimated accumulated carbon sequestration storage of 10,006 tons in 2015.

However, the benefits stretch far beyond mere carbon sequestration. The forest is reviving the local fauna and flora, providing shadow, clean air and food. Growing trees and the planting and management of forests are also creating jobs and have resulted in the activation of dozens of local residents.

The project also meets two international standards for climate projects: Verified Carbon Standard and Climate, Community and Biodiversity Alliance. The impact is effectively measured in collaboration with the University of Ghent.



Commitment to **conducting fair, honest and transparent business**

Towards our customers:
protecting privacy and
security

Towards our suppliers: strict and
transparent standards

Towards our
stakeholders and
the society



As an important Belgian player in telecommunications, media and entertainment, Telenet wants to maintain and strengthen the trust of its stakeholders. We pledge to **conduct our business in a fair, responsible and transparent manner**. To do so, we apply the highest corporate governance standards.

We build open and transparent relationships with our employees, customers and suppliers, but also guard out operational performance:

- We protect the **privacy and personal information** of our customers.
 - We screen our suppliers for **ethical business practices**.
 - We respect **legal requirements** and implement **codes of conduct** within our organization – a clear example of our commitment.
-



Towards our customers protecting privacy and security

Telenet manages a vast amount of information from and about its clients. That responsibility requires us to pay special attention to privacy and security. This care is deeply rooted in various consultative bodies and documents:

- The **Customer Data Policy** describes what information we process, why we do so, and what our customers' rights are. This document applies to the full commercial activities of Telenet. The Customer Data Policy is publicly available on our website. In 2016, Telenet expects to amend the Privacy Policy, in accordance with the relevant legal provisions.
- Since 2014, the **Privacy Council** discusses all privacy matters and priorities. The Privacy Council comprises representatives from the various departments.
- The **Security Council** formulates strategic recommendations around risks and threats arising from the malicious or erroneous use of data.
- The **Cyber Security Road Map** outlines the most important security projects and is revised annually based on the recommendations of the Security Council. This is part of the ISO 27001 standard that we apply in developing our Information Security Management System (ISMS). Our security policies, requirements and management standards are fully modeled on the international ISO 27002 standard.

Privacy and security are not just empty words for Telenet. All our permanent employees receive

information on their introduction day on the importance of confidentiality of information – and subsequently regular updates on the latest risks as posted on the intranet Tine. This also covers Belgian and European legislation and regulations on the collection and processing of personal data. Every year, we also organize an information session around bribery and corruption. This is mandatory for executives. In 2015, 142 employees received an introduction to privacy and security while attending the mandatory Business Discovery Day.

At the start of each project we assess the privacy & security risks and adjust our security requirements accordingly.

For example, when we deliver SIM cards to our customers, they will receive the corresponding PIN in a separate letter. And if they ask us a privacy sensitive question, we first thoroughly check their identity through a specific procedure.

We combine all these awareness campaigns and procedures with a watertight protection of our hardware and software. Our applications and systems are protected to prevent outsiders from gaining access to confidential information. The hard disks of all our laptops and field terminals are protected with encryption software that automatically encrypts the entire content of the hard drive.

We also ensure the hardware and software of our products remain up to date. Some of these updates are visible to our customers, but the updates often occur automatically.

In 2015, Telenet received 7 complaints from third parties about breaches of their privacy. The Belgian Commission for the Protection of Privacy last year sent us 3 requests for information with regard to the processing of (personal) customer data.

Case **Telenet Security Pack**

Telenet provides its customers with the tools to protect their own privacy and security. The Telenet Security Pack is a user-friendly optional software package that customers can use to install an advanced firewall and thus protect their computers against viruses and spyware. In addition, they can block certain websites per user and decide how long their children are allowed to surf the web every day.

In 2015, 77,821 residential customers installed the Security Pack.



Towards our suppliers: strict and transparent standards

The products and services that we purchase from our suppliers have as much of an ethical, environmental and social impact as our own products and services. And as such deserve just as much attention. Telenet rewards its partners that strive for sustainable operations and encourages others to improve in that area. That goal is firmly embedded in our procurement process.

We require our suppliers to provide the following information with every quotation:

- social policies in the workplace;
- respect for legislation and regulations on child labor;
- commitment to efficient transportation;
- environmental efforts in business operations.

When we select a supplier, these criteria are given a relatively large weight, in addition to the price and quality of the goods or services to be supplied.

Once the contract is agreed on, we very precisely include the security and environmental specifications: guidelines on equipment and raw materials, specifications on energy consumption and packaging, waste and recycling.

In addition, all suppliers sign the **Vendor Disclosure Form**, which consists of our Code of Conduct and Anti-Corruption Policy. It also officially confirms that there is no conflict of interest between the suppliers and their representatives on the one hand, and between Telenet and persons affiliated with Telenet on the other hand.

The Code of Conduct covers the following themes:

- environmental standards for the supplier's activities, products and services;
- fundamental human rights (such as the prohibition on forced and child labor);
- working conditions (such a working hours and termination procedures);
- health and safety at work;
- business ethics (such as anti-corruption).

Suppliers also guarantee to comply with the **principles around Responsible Purchasing and Supply Chain** from our parent company Liberty Global. These principles contain international labor standards, including the International Labour Organization Core Conventions, the UN Treaty on Human Rights, Bribery and Corruption, Health, Safety and the Environment.

Telenet Supplier Policy

- Suppliers and subcontractors should comply to the conventions of the International Labor Organization (ILO) in relation to prohibition on child and forced labor, discrimination and freedom of association.
- Covers all labor policies and standards, including health and safety, working conditions and remuneration.
- Is publicly available.
- Is firmly embedded in the procurement process.

Telenet enforces its Supplier Policy by:

- Communicating the Supplier Policy to all its suppliers worldwide. All supplier contracts do include clauses regarding labor standards and policies.
- Regularly assessing its suppliers on policy compliance.
- Driving audits to check policy compliance. When suppliers are suspected to breach the policy, a formal audit is done.
- Providing support and guidance to non-compliant suppliers through the implementation of corrective actions and recovery plans.

EcoVadis: tell the tale

To measure the ethical, environmental and social risks of its suppliers, Telenet since 2013 uses the dynamic scorecard of EcoVadis. This assesses the CSR performance of companies on 21 indicators, grouped into 4 themes: environmental risk, social risks (working conditions and human rights), ethical risk and supplier risk. On this basis, every company is given a score between 1 and 100. Telenet uses this system to compare and benchmark the performance of its suppliers. Therefore we know exactly where a (potential) supplier fails and what it can do to improve its CSR performance.

We regularly monitor our suppliers and, in case of a suspected breach, will start a formal audit. In case of non-compliance with CSR principles, Telenet will initially help the supplier to take corrective action. If no agreement is reached on an acceptable recovery plan, the business relationship may be terminated.

In 2013, Liberty Global launched a comprehensive review of its largest suppliers, using EcoVadis SP Solutions. Telenet suppliers were also surveyed. 77 percent of Telenet suppliers accepted the invitation. Of those:

- 57 percent achieved a confirmed Corporate Social Responsibility (CSR) engagement score, which means that they have a structured and proactive CSR policy. These are the 'low-risk suppliers'.

- 43 percent achieved a partial CSR score, meaning their approach is ad-hoc and unstructured. Their risk is assessed as medium, with potential corrective measures.
- not a single supplier was placed in the high-risk category.

In 2015, a risk analysis was carried out on 147 Liberty Global suppliers. Two suppliers were placed in the high-risk category. A recovery plan was established for both. The 145 other suppliers achieved an average to good CSR engagement score. In 2015, Liberty Global rewarded Cisco with the 'Sustainable Supplier Award' for reaching a top score in EcoVadis.

Telenet continuously encourages its suppliers to raise their sustainability and undertakes the following initiatives for this:

- developing a supplier manual that is given to every new supplier;
- developing a quality handbook with the warehouse partner;
- organizing an annual 'day of the contractors' gathering, with a prize for the best contractor;
- training new employees at installation companies on customer service and technical aspects;
- including bonus/malus clauses in the contract with critical suppliers.

Example EcoVadis Scorecard





Towards our stakeholders and the society

As a large company, Telenet is very conscious of its role in the society.

We want to conduct our business in a fair, honest and respectful manner.

And this goes beyond what is required of us by law. To guarantee the integrity and performance of our business, we are convinced that we must meet the highest standards of corporate governance. We therefore monitor all aspects of our business with internal and external codes of conduct.

Our **Code of Conduct** is signed by the management board, senior management, and all employees with confidential roles. The code includes a number of business policy principles and covers themes such as equal opportunities, fair competition and anti-corruptions, confidentiality of information and protection of privacy, proper accounting, conflicts of interest, insider trading and business integrity, protection of safety, health and environment, and rules on

whistleblowers. In 2015, no violations were found on fair competition and monopoly practices. Telenet did receive a fine of 5,000 euros from the Vlaamse Regulator voor de Media (VRM - Flemish Media Regulator) for the late registration of Fox.

Telenet did update its Code of Conduct which was rolled-out in 2015 to the Senior Management team and mission-critical functions within the organization.

In addition, there are **special codes of conduct for anti-corruption and bribery, competition and privacy issues** that apply to the entire workforce.

Through training and information sessions, Telenet employees are regularly informed about these codes of conduct. Violations can be reported anonymously. In 2015 – for the eighth consecutive year – no violations were reported.

All complaints are handled by the Company Compliance Officer and the chairman of the Audit Committee.

Compliance with the codes of conduct is periodically monitored through Entity Level Controls (ELC) and IT General Controls (ITGC). On an annual basis, these monitors are tested by the main shareholder Liberty Global and the auditor (KPMG).

In 2011, Telenet also signed the **United Nations Global Compact**. This contains ten principles with regard to human rights, environment and anti-corruption. Telenet undertakes to apply these principles to guide its strategy, corporate culture and daily operations. On an annual basis, Telenet reports on the progress achieved on these principles, as shown in the table on p. 67 of this report.

In 2015, we signed the **Sustainable Development Goals of the UN**, 17 internationally agreed targets for the development of a more sustainable society and economy.

Telenet's **anti-corruption policy** is in line with international regulations, the Belgian legislation and the policy of Liberty Global. The anti-corruption policy has been approved by the Board of Directors and the Audit Committee. It is extensively communicated to all employees and agents, contractors and suppliers.

The policy is further clarified with the help of specific examples and practical guidelines. It contains a prohibition on the giving and taking of bribes, a limitation on the giving and receiving of gifts, and a reminder to observe laws and regulations, restrictions on the giving and taking of gifts, and an obligation of transparency around political donations. Telenet did not spend any money on political

contributions in 2015. The company invested 1.19 million euros in lobby activities including salaries, administrative fees and sponsoring contributions

Furthermore, Telenet uses specific codes of conduct on energy efficiency. For example, it endorses the **European Code of Conduct on Energy Efficiency of Data Centers** and the **Voluntary Agreement of the EU action plan on Energy Efficiency** in general and the **Eco Design Directive on Power Consumption of Complex Set-top boxes (CSTBs)** in particular.

The **Corporate Governance Charter** contains a summary of the rules and principles around which the Corporate Governance of the company is organized. The charter can be found on the [Investor Relations website of Telenet](#).

The high **ethical standards** that Telenet imposes on itself, also apply to its **advertising and publicity campaigns**. Telenet acts in accordance with the rules of the JEP – the Jury for Ethical Practices in Advertising. The JEP is a self-disciplinary body of the advertising sector in Belgium and guards the correct and fair nature of advertising messages. The JEP's decisions are considered opinions. These opinions are published on the JEP's website. Telenet follows these recommendations as far as possible. In 2015, there were no alleged breaches of ethical advertising practices. In 2014, five alleged breaches were reported.

Finally, through its main shareholder Liberty Global, Telenet is a member of **AAPA – the Audiovisual Anti-Piracy Alliance**. The AAPA represents major European players in the digital television and telecommunications



sector and maintains relationships with the European institutions in order to promote effective legislation.

Telenet itself takes the following actions with regard to anti-piracy:

- Our set-top boxes are in accordance with the guidance regarding piracy.
- Our customer contracts (general conditions) contain clauses for the prevention of piracy.

We strictly comply with the privacy requirements included in contracts for the broadcasting of programs of large studios and broadcasters, and have a cooperation agreement with IFPI Belgium (International Federation of Phonographic Industry) to remove illegal content from newsgroups on the internet.

Freedom of expression: maximum but not absolute

As a leading provider of Internet services, we have a special social responsibility with regard to the freedom of expression. Our general principle: we do not limit it in any way except when requested to do so by an authorized authority.

Together with other Belgian Internet providers, we signed a Protocol with the Belgian Gaming Commission in which we, in cooperation with the Federal and Regional Computer Crime Unit, take action against websites offering illegal gambling. The judicial powers can also require us to block websites that violate copyrights or that distribute illegal pornographic material.

Finally, we are a leading member of the Association of Internet Service Providers in Belgium (ISPA) and adhere to their code of conduct to – in cooperation with Child Focus – prevent and combat child abuse via chat applications and websites.

Case

Telenet's Code of Ethics for Advertising and Promotional Activities

Telenet's commercials and advertisements must represent the products and services in a fair and accurate manner, with respect for the relevant laws and marketing guidelines. With its four core values – 'catching, attentive, agreeable and entrepreneurial' – Telenet goes beyond the fair and accurate advertising practices required by law. These values are essential to our good reputation with our stakeholders. All claims in advertisements and other statements to customers and potential customers must be done on a sincere and reasonable basis. Moreover, they must be tested before they are published or distributed. This applies to all advertising statements across all types of media. As well as to oral presentations and even casual conversations wherein objective, factual or quantifiable remarks are made about our products or services. Finally, suppliers such as research bureaus or (digital) marketing agencies take care of the protection of privacy and information when they collect, use and retain information about customers.



Sustainability reporting





Our approach to reporting: general principles

Scope

This sustainability report is an explanation of extra-financial parameters and indicators from all sectors of the company Telenet over the calendar year 2015 (01/01/2015 to 12/31/2015). This report follows Telenet's Financial Annual Report 2015, published in March 2016. Every year, Telenet publishes an update on its CSR activities in a sustainability report. When the report mentions Telenet, we, us, the company, the corporation, the group or the business, it refers to Telenet Group Holding NV, including its subsidiaries and within the context of the Belgian market engagement. Data and information about the extra-financial practices and performance of the Telenet Group from the year 2015 are reported through two additional documents:

- Telenet Financial Annual Report 2015
- Telenet Sustainability Report 2015

Commitment

With this document, Telenet wants to report truthfully on the economic, social and ethical activities and environmental achievements that are most relevant to the company and its stakeholders. In this annual report, Telenet provides an overview of the goals it strives to achieve, of the latest achievements and of the new initiatives that are being developed to realize the sustainability goals of the company.

In its sustainability management, Telenet strives to adhere to the general applicable principles of inclusion, materiality and responsiveness. This report emphasizes the strengths and weaknesses of each of the defined physical aspects and provides us with the opportunity to continuously improve processes and performance.

Because all concerned departments respect the results of this analysis, we can make an important contribution to the further progress of the ratings in

2015. To us, extra-financial information is as important as financial information. Telenet is working to have more environmental aspects and social data externally verified. This report is read and approved by Birgit Conix, the CFO of Telenet.

The policy of Telenet's sustainability program was checked through an internal audit. Deloitte most recently did this in 2013.

Explanation of key numbers

The reported results and key social numbers relate to all Telenet offices and locations.

GRI G4 Core

The extra-financial parameters and indicators reported in this document are organized in accordance with the Global Report Initiative (GRI) guidelines. This report complies with GRI G4 guidelines on a core level, which means that the report on the one hand is focused on the general

standard disclosures, and on the other hand provides relevant information by plotting the twenty material issues on the G4 Material Aspects and by reporting on at least 1 of the indicators per aspect. Where information was available, multiple indicators were included in the report.

Relevant topics	Category	Aspect	G4 Indicator	Boundary within organization	Boundary outside organization
Privacy & data security	Economic	Customer privacy	PR8	Telenet NV	customers
Fair, responsible and transparent business conduct	Economic	Society	SO8	Telenet NV	only relevant within organization
Best-in-class quality products and services	Economic	Compliance	PR9	Telenet NV	customers
Pricing and billing transparency	Economic	Marketing Communications	PR7	Telenet NV	customers
Customer experience	Economic	Product and Service Labeling	PR5	Telenet NV	customers
Being an innovative and leading company	Economic	Indirect Economic Impacts	EC7	Telenet NV	customers, society
Offering customer-centric products	Economic	Compliance	PR9	Telenet NV	customers, suppliers
Open internet	Social	Access to content	PA7 (Telecommunication Sector Supplement)	Telenet NV	customers
Attracting, retaining and developing talent	Social	Labor	LA1, LA9 & LA10	Telenet NV	employees
Responsible employer	Social	Labor	LA5	Telenet NV	employees



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Sustainability Indices**
In Collaboration with RobecoSAM



Principles to determine the content of the sustainability report

Telenet takes various elements into account when deciding on the content for this report. Telenet has identified its main stakeholders, identified the key expectations from these shareholders and describes how Telenet meets these expectations. In addition, the company looks at its own performance in the broader sustainability context by determining, among others, the most important trends faced by

telecommunications companies today. With this report, Telenet wants to show how the company will encourage economic, social and environmental developments both locally, regionally and globally. Telenet does this with a focus on the material aspects, provided to it by its stakeholders.

Significant changes and restatements

Telenet is part of Liberty Global plc and in order to align group reporting, the reporting for Telenet from 2014 is fully aligned with that of its main shareholder, Liberty Global. As a result, various definitions and measure points were adjusted. The figures with regard to environmental and social results in the report were restated for the past 3 years (2012, 2013 and 2014).

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Summary of the performance

Note: In alignment with the Financial Reporting, we follow the US notation style in the figures

Environmental performance	Metric	2012	2013	2014	2015
Energy consumption					
Non-renewable fuel					
LPG	kWh	0	0	1,978	0
Diesel	kWh	20,507,485	20,156,793	19,410,317	19,780,916
Petrol	kWh	0	60,840	320,977	96,741
Natural gas	kWh	5,730,652	4,268,305	3,774,485	3,906,108
Burning oil	kWh	21,985	0	0	0
Gas oil	kWh	369,349	396,518	167,228	188,806
Fuel oil	kWh	0	0	0	0
Jet fuel	kWh	0	0	0	0
Total	kWh	26,629,472	24,882,456	23,674,986	23,972,571
Electricity, heating and cooling					
Electricity	kWh	86,265,195	90,024,444	92,677,700	100,550,691
Heating and cooling	kWh	0	0	0	0
Total	kWh	86,265,195	90,024,444	92,677,700	100,550,691
Electricity sold					
Total energy consumption ¹	kWh	112,894,667	114,906,900	116,352,686	124,523,261
Energy intensity					
Energy intensity	kWh of electricity per terabyte of data usage	267	206	136.9	96.7
Electricity generated from onsite renewables	Kwh	31,536	31,227	28,882	32,662
GHG Emissions					
Scope 1 emissions ³	Tons CO ₂ e	7,210	6,903	6,385	6,571
Scope 2 emissions ⁴	Tons CO ₂ e	18,803	19,766	18,165	19,045
Scope 3 emissions ⁵	Tons CO ₂ e	402	497	2,960	3,251
Total location-based GHG emissions	Tons CO₂e	26,415	27,166	27,510	28,867
Total market-based GHG emissions	Tons CO₂e	7,616	7,818	10,513	12,289
Emissions intensity (scope 1 and 2)	Tons CO ₂ e per terabyte of data usage	0.08	0.06	0.04	0.02
Emissions from business travel	Tons CO ₂ e	385	467	356	512
Waste by type and disposal method					
Reuse	Metric tons	0	0	0	63
Recycling	Metric tons	387	1,024	1,239	1,040
Incineration	Metric tons	192	178	182	202
Landfill	Metric tons	0	0	0	0
Composting	Metric tons	19	18	13	16
Total waste generated	Metric tons	597	1,219	1,435	1,322
Recycling rate	%	65	84	86	79
Water withdrawal by source					
Municipal water supplies	m ³	13,222	13,600	15,293	18,224
Other	m ³	0	929	1,045	1,076
Total	m³	13,222	14,529	16,338	19,300
Initiatives					
Emissions reductions	Tons CO ₂ e	NA	243	109	105
Energy saved through efficiencies	kWh	NA	1,080,627	555,000	555,000
Costs savings from environmental initiatives	€	NA	NA	137,221	74,774
Revenue generated from environmental initiatives	€	NA	NA	0	0

Social performance		Metric	2012	2013	2014	2015		
Total community investment		€	NA	1,740,148	2,112,129	1,351,559		
Total workforce and breakdown by employee category								
Employees	Headcount, year end		2,133	2,189	2,247	2,415		
Outsourced employees	Headcount, year end		NA	1,815	1,766	1,938		
Employees by contract type								
Permanent contracts	Headcount, year end		2,013	2,187	2,245	2,415		
Temporary contracts	Headcount, year end		3	2	2	0		
Employees by contract type								
Full time	Headcount, year end		1,787	1,821	1,868	2,014		
Part time	Headcount, year end		346	368	379	401		
Average age								
General	In years		NA	38	38	38		
Men	In years		NA	39.5	39	40		
Women	In years		NA	35.5	35	36		
Employees by age group								
Under 30 years old	Headcount, year end		NA	499	483	537		
30-50 years old	Headcount, year end		NA	1,449	1,516	1,613		
over 50 years old	Headcount, year end		NA	241	248	265		
Division of employees by department								
Engineering/technical profiles	% of total staff		NA	27	26	27		
Sales & Customer Care	% of total staff		NA	37	36	33		
Marketing & Product Management	% of total staff		NA	5	5	5		
Telenet Business	% of total staff		NA	14	15	16		
IT	% of total staff		NA	8	8	9		
Staff & administration	% of total staff		NA	9	10	10		
Women in management								
Women in management positions	% of total management workforce		29	30	25	25		
New employee hires and employee turnover								
New employee hires by age group and gender								
Under 30 years old	Headcount		NA	177	155	126		
30-50 years old	Headcount		NA	100	122	120		
over 50 years old	Headcount		NA	6	4	4		
Total	Headcount		266	283	281	250		
New hires – male	Headcount		151	162	153	141		
New hires – female	Headcount		115	121	128	109		
Rate of new hires	Rate (%)		12	13	13	10		
Employee turnover by age group								
Under 30 years old	Number of leavers		NA	94	104	93		
30-50 years old	Number of leavers		NA	96	89	95		
over 50 years old	Number of leavers		NA	11	30	27		
Total	Headcount		183	201	223	215		
Employee training								
Average training hours	Hours per FTE		43.2	39.9	31.6	35.5		
Average training investment	€ per FTE		567	554	522	530		
Occupational health and safety								
Work-related fatalities			0	0	0	0		
Employee performance reviews								
Employees reviewed	%		100	93	93	95		
Social performance								
Employee performance reviews - by gender and employee category								
			Male	Female	Male	Female	Male	Female
Senior Management	%	NA	100	80	100	100	100	100
Managers/ Supervisors	%	NA	93	100	94	100	99	100
Non-management	%	NA	94	90	92	91	91	95

Telenet's reporting methodology

All environmental and social data relate to the period from 1 January to 31 December – unless noted otherwise. The environmental data that Telenet reports is in accordance with the GHG Protocol Corporate Standard of 31 December 2014, the World Resources Institute and the World Business Council on Sustainable Development. We use the operational control approach for this.

Our 'scope 1' and 'scope 3' emissions are calculated using the emission factors (2014) of the UK Department for Environment Food & Rural Affairs (DEFRA). Our 'scope 2' emissions are calculated using the DEFRA emission factors (2014). Our footprint was adjusted for 2011 and 2012 to take into account the substantial changes to the conversion factors made available by DEFRA for company reporting in 2013.

- **Scope 1 (direct):** emissions from sources that the companies own and control, including emissions from static combustion (e.g. fuel in generators for heating or power supply), mobile combustion (e.g. fuel for own or leased fleet)

and refrigerants and propellants (e.g. in air-conditioners units and fire extinguishing system). Relevant gases: CO₂, N₂O, CH₄, hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs).

- **Scope 2 (indirect):** emissions from purchased electricity, heating and steam. Relevant gases: CO₂.
- **Scope 3 (indirect):** emissions from business air and land travel (e.g. flights taken by employees and car travel by private cars), water and waste (e.g. emissions from water usage and from waste that results from that activity), emissions from the recycling of customer devices, and movements through installation and service cars of third parties. In 2014, we added for the first time emissions from movements through installation and service cars of third parties to our 'scope 3' emissions. Relevant gases: CO₂, N₂O, CH₄ (if applicable). Our 'scope 3' data does not take into account any emissions that result from the use of set-top boxes by our customers.

Location-based and market-based emissions

As prescribed by good practices, we publish both the location-based and market-based emissions, which provide a good illustration of the impact of our purchase and production of alternative energy. Location-based emissions are calculated using the average conversion factors of the national grid for the entire electricity consumption. This does not take into account activities that reduce emissions, such as the purchase of CO₂ compensation or the use of electricity from renewable energy sources. Market-based emissions are calculated using a conversion factor of zero for all the used electricity that comes from locally generated renewable energy and from certified green energy contracts.

For more information, go to <http://www.libertyglobal.com/cr/cr-report-2015.html> and view our full criteria for environmental reporting.

KPI per Materiality

Materialiteit	KPIs	Resultaat (2015)	Toelichting	Doelstelling
Best-in-class quality products and services	Net Promotor Score (NPS)	-5.36	NPS scores are on a range between -100 to +100, resulting from subtracting the percentage of detractors from the percentage of promoters.	-7.6
Privacy and data security	Number of breaches of data protection	0	More information on page 46.	To be defined.
	RepTrak score - protecting data and privacy of customers	67.5		67.5
Fair, responsible and transparent business conduct	BrandTracker score on 'Considerate'	63	This reflects our customer experience of the extend to which Telenet does its best to be attentive and respectful. The score increased by 5.0% compared to 2014.	To be defined.
	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	0	More information on page 49.	Not applicable.
Pricing & billing transparency	Customer Effort Score	12.9%	Measures how much effort a customer has to take in order to get an answer or a solution: the lower, the better.	10%
	# phone calls received per 1,000 invoices	32,2		31 calls per 1,000 invoices
Being an innovative and leading company	RepTrak score for innovation	69.1		70.2
Customer experience	Customer churn rate	7.3%	This is the average weighted customer churn for video, internet and fixed telephony.	To be defined.
	# visits 'Fully Up to Date' Tour	150,000 customer visits in 2015		Another 150,000 customer visits are planned for 2016
Offering customer-centric products	BrandTracker score "Products are simple and easy to use" (customer experience)	69.0	The score for this indicator increased by 5.4% compared to 2014.	To be defined.
Attracting, retaining and developing talent	Employee turnover	5.0%	Voluntary employee turnover stood at 5% in 2015, a decrease from 6% voluntary turnover in 2014.	To be defined.
	Training hours per FTE	35.5	Training hours per FTE increased by 11% compared to 2014.	To be defined.

Materialiteit	KPIs	Resultaat (2015)	Toelichting	Doelstelling
Employee engagement	Employee engagement score (Zoom)	55%	The employee engagement score of 55% for 2015 is the sum of engaged and highly engaged staff based on six-point scale. This new measurement was introduced in 2015.	To be defined.
Open Internet	Policy on net neutrality and adhering to related rules		Refer to page 51	Not applicable.
Responsible employer	% women in management positions (Board of Directors and SLT)	2 female directors on the Board since early 2016, 45% of Senior Leadership Team consists of women		The goal is to have at least 3 women on the Board of Directors by the beginning of 2017.
	Number of lost days (on which it was not possible to work due to work-related illnesses or accidents)	14.62 lost days per 200,000 hours worked		To be defined.
	% of employees covered by collective bargaining agreements	100%		Continue 100% coverage in 2016 and beyond.
Supply chain management	# suppliers monitored with EcoVadis	147 suppliers were assessed by Liberty Global in 2015.		LG will continue expanding the assessment program to a further 50 suppliers in 2016.
Safe use of internet by children	Investments in the local community, category 'digital inclusion'	€ 202,388		To be defined.
Role in society	Number of start-ups accelerated through Telenet Kickstart	In 2015, 8 new teams joined the Telenet Kickstart program, bringing the total amount of accelerated start-ups to 18.		In 2016, we continue accelerating start-ups in partnership with iMinds and Start it @kbc, Belgium's largest start-up community.
	Total community investments (€)	€ 1,351,559		To be defined.
	RepTrak score for citizenship	62.5		62.5
Promote skills for the 21st century society	# children and teens trained in the CoderDojo-workshops	17,900		To be defined.

Materialiteit	KPIs	Resultaat (2015)	Toelichting	Doelstelling
Reducing environmental impact	CO ₂ -emissions (in tons) including compensation		The total sum of location-related and market-related emissions (12,289 tonnes of CO ₂ equivalents) were 100% offset in 2015, making Telenet a climate-neutral company.	To be defined.
	Energy efficiency (KWh/€ revenues in million - intensity)	68.9	The energy efficiency ratio increased by 1% compared to 2014. In comparison to base year 2007, Telenet is 37.6% more energy-efficient.	To be defined.
Customer's energy consumption	Customer Premise Equipment (CPE) energy use (MWh)		The total energy consumption from customer-premise equipment (set-top boxes and modems) in 2015 was 359,314 MWh.	To be defined.
Electronic waste and equipment recycling	Recycling rate of hazardous waste (%)	100%	100% of Telenet's hazardous waste was recycled in 2015.	Maintain recycling rate of hazardous waste at 100%.
	CPE refurbishment (%)	35.5%	35.5% of newly deployed set-top boxes and modems were from refurbished stock.	To be defined.
	Capital expenditures saved (€) & waste (kg) avoided through reverse logistics		In 2015, refurbishment (reuse and recycling) of set-top boxes and cable modems realized a € 24 million reduction of capital expenditures and avoided 445 tons of waste.	To be defined.
Health and safety of customers	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets		Refer to page 19	Not applicable.
Media landscape	Investments in the STAP fund and local media productions (€)	€ 6.4 million		To be defined.

GRI G4

General standard disclosures

Indicator	General Standard Disclosure	Telenet Sustainability Report 2015	Telenet Financial Report 2015	External Assurance
G4-1	CEO statement.	Foreword by the chairman and CEO, page 2-3		-
G4-3	Name of the organization.	Company profile, page 4		-
G4-4	Primary brands, products, and services.	Company profile, page 4		-
G4-5	Location of the organization's headquarters.	Company profile, page 4		-
G4-6	Number of countries where the organization operates.	Company profile, page 4		-
G4-7	Nature of ownership and legal form.	Company profile, page 4	Shareholder structure, page 27	-
G4-8	Markets served.	Company profile, page 4		-
G4-9	Scale of the organization, including employees, operations, revenues and quantity of products and services.	Company profile, page 4		-
G4-10	Total number of employees broken down by contract and gender and employment type, and supervised workers.	Social performance, page 57		-
G4-11	Percentage of total employees covered by collective bargaining agreements.	KPI per Materiality, page 60		-
G4-12	Description of the supply chain.	The commitment to our stakeholders: suppliers, page 13 + Towards our suppliers, page 47-48		-
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	Our approach to reporting: general principles, page 53-55		-
G4-14	How the precautionary approach or principle is addressed by the organization.	Towards our stakeholders and the society, page 49-51		-
G4-15	External economic, environmental and social charters, principles, or other initiatives to which the organization subscribes.	Towards our stakeholders and the society, page 49-51		-
G4-16	Memberships of associations maintained at the organizational level.	The commitment to our stakeholders, page 13 + Towards our stakeholders and the society, page 49-51		-
G4-17	Entities included the report.	Our approach to reporting: general principles, page 53-55		-
G4-18	Process for defining the report content and the Aspect Boundaries.	Our approach to reporting: general principles, page 53-55		-
G4-19	Material Aspects identified in the process for defining report content.	Our sustainability policy: the materiality matrix, page 8-9 + Our approach to reporting: general principles, page 55		-

Indicator	General Standard Disclosure	Telenet Sustainability Report 2015	Telenet Financial Report 2015	External Assurance
G4-20	Aspect Boundary within the organization.	GRI G4 Core, page 54		-
G4-21	Aspect Boundary outside the organization.	GRI G4 Core, page 54		-
G4-22	Effect of any restatements of information provided in previous reports.	Our approach to reporting: general principles, page 55		-
G4-23	Significant changes from previous reporting periods.	Our approach to reporting: general principles, page 53-55		-
G4-24	List of stakeholder groups engaged by the organization.	The commitment to our stakeholders, page 12-13		-
G4-25	Basis for identification and selection of stakeholders with whom to engage.	The commitment to our stakeholders, page 12-13		-
G4-26	Approach to stakeholder engagement.	The commitment to our stakeholders, page 12-13		-
G4-27	Key topics and concerns that have been raised through stakeholder engagement.	Our sustainability policy: the materiality matrix, page 8-9 + Our approach to reporting: general principles, page 53-55		-
G4-28	Reporting period.	Our approach to reporting: general principles, page 53		-
G4-29	Date of most recent previous report.	Our approach to reporting: general principles, page 53		-
G4-30	Reporting cycle.	Our approach to reporting: general principles, page 53		-
G4-31	Contact point for questions.	Contact, page 55		-
G4-32	The 'in accordance' option the organization has chosen.	GRI G4 Core, page 54		-
G4-33	Policy and current practice with regard to seeking external assurance for the report.	Our approach to reporting: general principles, page 53		-
G4-34	Governance structure of the organization.	Decision-making process, page 11	Corporate governance statement, page 24-46	-
G4-56	The organization's values, principles, standards and norms of behavior.	Our values, page 5 + Towards our stakeholders and the society, page 49-51		-

*GRI Sector Guidance Telecommunication Services – Pilot Version, May 2013.

GRI G4

Specific standard disclosures

Material Aspects (G4-19)	Disclosure on Management Approach (DMA) and Performance Indicators	Telenet Sustainability Report 2015	Omissions	External Assurance
Privacy & data security	G4-DMA	Towards our customers: protecting privacy and security, page 46		-
	G4-PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Towards our customers: protecting privacy and security, page 46		-
	PR3 (Telecommunication Sector Supplement) - Description of reporting organization's policy, procedures/management systems, and compliance mechanisms for consumer privacy. Identify geographic areas covered by policy.	Towards our customers: protecting privacy and security, page 46. Geographic scope of our policy is Belgium.		-
Fair, responsible and transparent business conduct	G4-DMA	Towards our stakeholders and the society, page 49-51		-
	G4-SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	KPI per Materiality, Fair, responsible and transparent business operations, page 59		-
	G4-SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Towards our stakeholders and the society, page 49		-
Best-in-class quality products and services	G4-DMA	KPI per Materiality, Best in class and user-friendly products, page 59		-
	G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Towards our stakeholders and the society, page 49		-
Pricing and billing transparency	G4-DMA	Transparent pricing policy, page 20		-
	G4-PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	Towards our stakeholders and the society: alleged breaches of ethical advertising practices, page 50		-
Customer experience	G4-DMA	The best service delivery for our customers, page 18		-
	G4-PR5 - Results of surveys measuring customer satisfaction.	Customer satisfaction, page 20		-
Being an innovative and leading company	G4-DMA	Investment and innovation, page 30		-
	G4-EC7 - Development and impact of infrastructure investments and services supported.	Investment and innovation + Case De Grote Netwerf & Nexus, page 30-31		-

Material Aspects (G4-19)	Disclosure on Management Approach (DMA) and Performance Indicators	Telenet Sustainability Report 2015	Omissions	External Assurance
Offering customer-centric products	G4-DMA	KPI per Materiality, Best in class and user-friendly products, page 59		-
	G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Towards our stakeholders and the society, page 49		-
Open internet	G4-DMA	Freedom of expression: maximum but not absolute, page 51		-
	PA7 (Telecommunication Sector Supplement*) - Policies and practices to manage human rights issues relating to access and use of telecommunications products and services.	Freedom of expression: maximum but not absolute, page 51		-
Attracting, retaining and developing talent	G4-DMA	Attracting, developing and engaging talent, Sustainability Report, page 24-25		-
	G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region.	Social performance, page 57	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-LA9 - Average hours of training per year per employee by gender, and by employee category.	Social performance, page 57		-
	G4-LA10 - Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	A sustainable employment policy, page 26		-
	G4-LA11 - Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	Social performance, page 57		-
Responsible employer	G4-DMA	A sustainable employment policy + Welfare at work, page 26-27		-
	G4-LA5 - Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	A sustainable employment policy, Consultation with social partners: committees for prevention and protection at work, page 26. Coverage is 100% of Telenet NV and Telenet Mobile.		-

*GRI Sector Guidance Telecommunication Services – Pilot Version, May 2013.

GRI G4

Specific standard disclosures

Additional performance indicators*	Disclosure on management approach (dma) and performance indicators	Telenet Sustainability Report 2015	Omissions	External assurance
G4-EN3	Energy consumption within the organization.	Environmental performance, page 56		-
G4-EN4	Energy consumption outside the organization.	Environmental performance, page 56		-
G4-EN5	Energy intensity ratio.	Environmental performance, page 56		-
G4-EN6	Reduction of energy consumption.	Environmental performance, page 56		-
G4-EN7	Reductions in energy requirements of products and services.	Energy efficiency in customers' homes + Environmental performance, page 40, 56	Resulting emissions of products is not reported. To be reported as soon as possible.	-
G4-EN15	Direct Greenhouse Gas Emissions Scope 1.	Environmental performance, page 56		-
G4-EN16	Energy Indirect Greenhouse Gas Emissions Scope 2.	Environmental performance, page 56		-
G4-EN17	Other Indirect Greenhouse Gas Emissions Scope 3.	Environmental performance, page 56		-
G4-EN18	Greenhouse Gas Emissions Intensity.	Environmental performance, page 56		-
G4-EN19	Reduction of Greenhouse Gas Emissions.	Environmental performance, page 56		-
G4-EN23	Total weight of waste by type and disposal method.	Environmental performance, page 56		-
G4-EN24	Total number and volume of significant spills.	Investing in CO ₂ reduction, page 42		-
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Towards our suppliers (EcoVadis results), page 48		-
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain.	Towards our suppliers, page 47-48		-
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	Towards our suppliers (EcoVadis results), page 48		-
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	Towards our suppliers, page 47-48		-

* These additional performance indicators are not considered the most important materialities for the purpose of this report: which is to comply with the GRI G4 standard 'in accordance' at 'core' level. We nevertheless add them for stakeholders that are looking for additional information.

UN Global Compact COP

Area	Indicator	Description	Page
Human rights	G4 - HR10	Percentage of new suppliers that were screened using human rights criteria	48
	G4 - HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	47-48
Labour	G4 - 10	Total number of employees etc.	57
	G4 - 11	Report the percentage of total employees covered by collective bargaining agreements	59
	G4 - LA9	Average hours of training per year per employee by gender, and by employee category	57
	G4 - LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	57
Environment	G4 - EN3	Energy consumption within the organization	56
	G4 - EN4	Energy consumption outside the organization	56
	G4 - EN5	Energy intensity ratio	56
	G4 - EN6	Reduction of energy consumption	56
	G4 - EN7	Reductions in energy requirements of products and services	56
	G4 - EN15	Direct Greenhouse Gas Emissions Scope 1	56
	G4 - EN16	Energy Indirect Greenhouse Gas Emissions Scope 2	56
	G4 - EN17	Other Indirect Greenhouse Gas Emissions Scope 3	56
	G4 - EN18	Greenhouse Gas Emissions Intensity	56
	G4 - EN19	Reduction of Greenhouse Gas Emissions	56
	G4 - EN23	Total weight of waste by type and disposal method	56
	G4 - EN24	Total number and volume of significant spills	42
	G4 - EN32	Percentage of new suppliers that were screened using environmental criteria	48
	G4 - EN33	Significant actual and potential negative environmental impacts in the supply chain	47-48
Anti corruption	G4 - 56	Describe the organization's values, principles, standards and norms of behavior	5; 49-51



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