

## General

Period covered by your Communication on Progress (COP)

From: 1-1-2013 To: 31-12-2013

### Statement of continued support by the Chief Executive Officer (CEO)

In April 2011, Telenet became signatory of the United Nations Global Compact policy initiative, confirming the company's commitment to its ten principles. The principles included in this initiative relate to human rights, working conditions, the environment and anti-corruption, and are based on a universal consensus. The principles are based on: the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work the Rio de Janeiro Declaration on Environment and Development the Convention of the United Nations against Corruption.

Telenet undertakes to incorporate the Global Compact principles as a guideline into its strategy, company culture and day-to-day operations, and to make every effort to set up partnership projects to further develop the broader objectives of the United Nations, and in particular the Millennium objectives.

Through this commitment, Telenet aims to reflect a clear position with regard to its stakeholders and towards the general public. The Chairman of the Board of Directors, Frank Donck, and myself wrote the following in the preface of the 2013 Annual Report (p.10):

*'We also continue to support and promote important initiatives such as the UN Global Compact. We recently became members of the advisory board of the Belgian Network of the UN Global Compact, and since 2011 we have adhered to the Compact's 10 principles.'*

Telenet is aware that one of the key requirements for the participation in the Global Compact is the annual communication on the progress that has been booked (Communication on Progress, COP), and, more particularly, on the efforts that the company has made with regard to the implementation of the ten principles. Telenet is in favor of a transparent approach, and is therefore committed to report on the progress achieved regarding the principles in 2013. An overview of the Communication on Progress on the basis of a selection of GRI (Global Reporting Initiative) indicators can be found at the end of this report.

John Porter  
CEO Telenet

## Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: make sure that they are not complicit in human rights abuses

### Assessment, policy & goals

In April 2011 Telenet, represented by its CEO, signed up to a commitment to uphold the ten principles of the United Nations Global Compact. The UN Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption enjoy universal consensus are derived from:

- The Universal Declaration of Human Rights
- The ILO declaration on fundamental principles and rights at work
- The Rio declaration on environment and development
- The UN convention against corruption

Where relevant, the principles of the OECD 'guidelines for multinationals' have been integrated in our Code of Conduct and our supplier contracts. Telenet's Code of Conduct addresses the following issues:

- equal opportunities and a working environment that is free from harassment
- fair competition and anti-corruption
- confidentiality of information and protection of privacy
- correct accounting and accurate communication
- conflicts of interest, insider trading and business integrity
- protection of health, safety and environment
- whistleblower regulations.

The Code of Conduct was signed by the executive committee, Telenet's top management and staff members in a position of trust.

Furthermore, Telenet emphasizes its role in respecting Human Rights in two areas: respecting children's rights and respecting human rights in the supply chain.

#### *Respecting children's rights*

Telenet's policy on the protection of children is based on increasing awareness and empowering children, parents and teachers. Specific measures are necessary to increase the protection of children and young people in particular. Telenet is Gold partner of the Safer Internet Day, with the support of principal shareholder Liberty Global.

One of the services Telenet provides for the online protection of children, is parental control on digital television set-top boxes as well as standard spam and virus filters for all customers and access to a special software package for strict online parental control.

In addition to strict compliance with all existing laws, our parent company Liberty Global closely works together with the EU on the topic of protecting minors. Liberty Global is a founding member of the “Industry Coalition to make a better and safer internet for children,” launched by the European Commission.

Additionally, Telenet meets periodically with Child Focus and supports the organization with advice to provide a broad information framework. There is a process ongoing in collaboration with Child Focus aimed at improving the legal framework that allows Telenet to block content such as child abuse and child pornography.

#### *Respecting human rights in the supply chain*

Telenet actively involves its suppliers in the quest for sustainable enterprise. The key objectives set out in the sustainable supplier policy were developed in conjunction with our main shareholder Liberty Global.

Suppliers declare to adhere to Liberty Global's Responsible Procurement and Supply Chain Principles when signing a contract with Telenet. Additionally, the Vendor Disclosure Form needs to be filled out by suppliers to ensure that our group and partners conduct business ethically in line with our policies and principles. The Vendor Disclosure Form certifies that no conflict of interest exists between Vendor/Vendor Representatives and any Telenet Related Person; and that the Vendor will ensure that all Vendor Representatives have knowledge of and will comply with the principles set out in Telenet's Code of Conduct and Anti-Corruption Policies.

The supplier contract requirements cover the following topics:

- environmental standards for the supplier's activities, products and services;
- fundamental human rights (such as forced labour, child labour: ILO agreements);
- working conditions (such as working hours, dismissal provisions);
- health and safety at work;
- company ethics (such as corruption).

We monitor and audit our supply chain on a frequent basis and on suspicion of an infraction, a formal audit will be conducted. In case of a positive case of non-observance, Telenet shall continue to work with the supplier in question to help him take the necessary corrective actions. If no correspondence is found regarding an acceptable recovery plan, Telenet may have to terminate the business relationship.

### **Implementation**

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

### *Respecting children's rights*

Insafe, the European network that teaches children how to handle the Internet and mobile telephony safely and in a responsible way, organized its Safer Internet Day for the tenth time on 5 February 2013. Hundreds of online and offline events were organized in more than 60 countries on the topic Connecting generations and educating each other, and with the slogan 'Connect with Respect'.

A new initiative deployed by Telenet in 2013 is the launch of the Yellow Thumb Award, which will be given annually to exceptional initiatives that aim to make a difference in promoting safe, responsible and accessible computer and Internet use. The Yellow Thumb Award was rewarded for the first time to three elementary school teachers for their 'Digital Schoolbag' website, which contains useful information on safe internet use and also provides ready-made instructions for fellow teachers on how to introduce computers, smart phones and tablets into lessons.

### *Respecting human rights in the supply chain*

In 2013, Telenet implemented the Ecovadis platform to assess and monitor the social, environmental and ethical risks of its suppliers. Ecovadis is a dynamic scorecard that rates the CSR performance of suppliers on the basis of 21 indicators grouped into 4 CSR themes (Environment, Social, Ethics and Suppliers) rated from 1 to 100, using questionnaires, document audits, public information and a 360° watch on suppliers through stakeholder information from NGOs, the media, etc. resulting in an assessment of suppliers' environmental performance and social practices. Social risks covered in the EcoVadis assessment include employee health and safety, working conditions and human rights.

## **Measurement of outcomes**

No infringements were reported in 2008, 2009, 2010, 2012 and 2013. In 2011, one formal complaint was submitted under the category 'whistleblower regulations', but this was officially assessed as a complaint outside the scope of the whistleblower regulations by KPMG. This makes 2013 the sixth consecutive year without infringements.

Telenet started the process of renewing the Code of Conduct (CoC) in 2011, including a non-discrimination chapter. The new code, many principles of which have already been incorporated in the Belgian legislation, will be rolled out on a broader basis. The revised CoC is currently to be approved by the works council, with the exception of the sections on antitrust, anticorruption and privacy which have already been approved throughout 2011-2013. There are 3 well trained advisors in policies or procedures concerning aspects of human rights relevant to operations.

In 2013, EcoVadis' SP Solution tool was implemented for the assessment and monitoring of social, environmental and ethical risks of its suppliers. In 2013, Liberty Global assessed 110 of its largest suppliers, equating to 50% of its overall capital expenditure.

## Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

### Assessment, policy & goals

In April 2011 Telenet, represented by its CEO, signed up to a commitment to uphold the ten principles of the United Nations Global Compact. The UN Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption enjoy universal consensus are derived from:

- The Universal Declaration of Human Rights
- The ILO declaration on fundamental principles and rights at work
- The Rio declaration on environment and development
- The UN convention against corruption

Where relevant, the principles of the OECD 'guidelines for multinationals' have been integrated in our Code of Conduct and our supplier contracts

100% of Telenet's employees are based in Belgium and are covered by collective bargaining agreements and on all sites employees have the possibility to make use of the same systems. Telenet has also appointed a Compliance officer to take part at the Management Committee. There are several systems in place to collect and handle employee grievance and complaints to ensure that workers can raise their concern in confidentiality and these are: a help line, Telenet's whistle blowing policy, an independent person or department in charge of solving complaints by employees such as diversity committee and the company ombudsman. Furthermore, counseling is provided and strict confidentiality is ensured at all times. If the outcome of the consultation results in a formal complaint, workers are protected against dismissal.

The works council is an enterprise-level consultation body, which represents all employees. It is a joint committee consisting of an equal number of representatives from both employers and employees. This general authority covers many areas, including personnel policy, organization of work, the company's financial position and economic status, conditions of employment, new technologies (Works Council Act, art. 15). Publication and distribution of works council reports to all employees is a legal requirement.

Telenet actively involves the works council with social, economic and financial policy of the organization. Well-functioning and constructive employee representative bodies are crucial for fluent day-to-day HR and business operations. Telenet has formal dialogue with the prevention and protection at work committees and the works council on a monthly basis. There is also frequent unscheduled dialogue with both parties. Annually, Telenet presents fully documented view on

company strategy, competitive position, productivity, workforce recruiting & remuneration, health & safety, training, R&D investments and future opportunities and challenges. Reports of the works council are distributed among all employees.

Every year, employees are offered the opportunity to become member of union through a letter at his home address. Membership fees for employees who are associated with a union organization is reimbursed by the company. Social elections in Belgium take place across the private sector every four years, the latest edition was held May 2012. The elections are held among Belgian employees with the purpose of nominating their representatives in the work council and in the committee for prevention and protection at the workplace.

The Committee for Prevention and Protection at Work (CPPW) is an advisory body at the level of the technical business entity that represents all employees. It is established on a joint basis and therefore consists of an equal numbers of employer and employee representatives, the company doctor and the internal office for prevention and protection at work. The CPPW must be involved in issues relating to the well-being policy of the staff with regard to the performance of their work, as well as the global prevention plan and the annual action plan (RD CPPW 3/5/1999). This general authority includes the areas of occupational safety, medical monitoring, ergonomics, hygiene, embellishment of the workplace and the psychosocial aspects relating to the work, including mobbing, violence and sexual harassment, and the (living) environment. The CPPW makes decisions regarding the appointment or removal of the occupational doctor, the prevention advisors and the confidential counselors. The CPPW has mainly advisory duties regarding new and changing technologies, work processes, the lay-out of the work stations, equipment, protective equipment, training courses, instructions, regular inspections, etc. The committee also appoints delegations for the annual safety rounds in the context of serious risks with imminent damage or serious accidents or incidents with the aim of working with the authorized officials.

Information relating to workforce rights, union consultation and HR are usually either formally circulated by the works council or via the employee representatives. Trade unions also have the possibility to disclose information on notice boards and through email directly to employees. Telenet has formal meetings with the Committee for Prevention and Protection at Work and with the Works Council on a monthly basis. In addition, there are frequent ad hoc consultations with both parties.

Eliminations of all forms of forced and compulsory labor, child labor and discrimination in respect of employment and occupation is clearly addressed in our Code of Conduct, which also applies to our suppliers.

Telenet's aim is to attract people of all backgrounds in order to establish a versatile team with the most talented professionals in which all skills are represented. Telenet is convinced that a diverse workforce contributes to creative thinking processes that help the company to serve its customers better. Telenet promotes equal opportunity and diversity, and has a system in place to monitor equal opportunities. The Sr VP Human Resources is in charge of monitoring non-discriminatory issues.

Telenet also tries to increase diversity in its management teams, for example, by promoting the recruitment and internal progress of more women. This way the company aims to accrue the necessary talent within its own environment in order to have access to a wide-ranging and varied pool of future experts and management profiles.

Moreover, employees and management teams will thus better reflect the diversity in our customer base. People have specific preferences. Technical functions tend to attract more men, whereas marketing and call centre positions attract more women. Employee surveys have shown that people consider this an additional benefit for further development within Telenet, rather than an area of concern. Over the past 3 years the number of female employees has fluctuated around 35%. At top management level (Senior Leadership Team or SLT) the percentage of women has increased by 66% over the past three years, from 27% in 2010 to 45% in 2013.

More details on diversity can be found in our Sustainability Report 2013, section 'Our employees' on page 64-66. Telenet utilizes no diversity indicators other than gender and age, since Belgian law prohibits tracking of other diversity indicators.

## **Implementation**

### **Internal complaints procedure**

Telenet makes numerous efforts to create a pleasant and safe working environment in which employees can feel safe and comfortable, and where they can perform in the best possible way.

In accordance with Belgian legislation, Telenet's wellbeing policy includes a procedure relating to inappropriate behavior at work. The complaints procedure is integrated in the company rules and relates to inappropriate behavior such as mobbing, including discrimination, violence and sexual harassment. The complaints procedure also applies to permanent third parties.

If an employee is unable to solve the problem by himself/herself or with his/her manager, the confidential counselors of the internal office for prevention and protection at work, or the prevention advisor for psycho-social aspects, can be contacted either in a formal or in an informal manner. The informal procedure involving the confidential counselor or the prevention advisor includes an initial relief or intake interview, advice, mediation and/or an intervention by authority figures within the organization.

Confidential counselors can also accept a formal complaint and submit this to the prevention advisor for further monitoring. The formal procedure not only aims at stopping the problem and preventing that it is repeated, but also at conducting an investigation in order to determine whether or not the case relates to mobbing, violence or sexual harassment. Moreover, this also involves the recommendation of individual and collective measures to the employer, if appropriate.

Telenet started the process of renewing the Code of Conduct (CoC) in 2011. The revised CoC is currently with the works council to be approved. It states the following: "We are committed to equal opportunities for our employees and those seeking employment with our Company. Company employment decisions must be based on individual merit and business needs, irrespective of race, color, ethnic, cultural, community or national origin, religion, sexual orientation/identity, family or marital status, gender, disability or age." This paragraph is already included in the Vendor Disclosure Form, which is signed by our suppliers with every new procurement contract.

## **Measurement of outcomes**

Demographic figures of management and employees by diversity factors is included in our Sustainability Report 2013, section 'Our employees', on page 64-66.

100% of the employees is covered by collective bargaining agreements. In 2013, there were 60 consultations/negotiations with trade unions over organizational changes (e.g. restructuring, outsourcing).

No infringements on the Code of Conduct were reported in 2008, 2009, 2010, 2012 and 2013. In 2011, one formal complaint was submitted under the category 'whistleblower regulations', but this was officially assessed as a complaint outside the scope of the whistleblower regulations by KPMG. This makes 2013 the sixth consecutive year without infringements.

In 2013, there were 2 informal and no formal interventions via the internal complaints procedure. Informal interventions are limited to support and advice to the relevant employees on how to manage the problem and involve minimal intervention, in view of the fact that it is not always a case of bullying, violence or sexual harassment at work or involves a less serious form of behavior that can be resolved by the parties involved with appropriate support or advice.

The indicators relating to absenteeism due to illness and occupational accidents are disclosed annually at the meeting of the CPPW (Committee for the Prevention and Protection at Work). In 2013, 16 occupational accidents occurred with temporary incapacity for work, 750 calendar days in total. There were no fatal occupational accidents or accidents with permanent incapacity for work.



## Environmental principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

### Assessment, policy & goals

Telenet's top 3 environmental priorities are:

1. Reducing carbon emissions
2. Improving energy-efficiency of the Telenet equipment at the customer's home
3. Reducing waste

#### *Reducing carbon emissions: mission climate neutral*

Telenet wants to further reduce its carbon emissions to the level at which it can call itself a carbon-neutral business. To achieve this ambitious goal of carbon neutrality in 2015, Telenet will first and foremost continue to focus on measures that further reduce its own carbon emissions and, where possible, switch to alternative energy. For instance, Telenet has underwritten the European Code of Conduct for data centre energy efficiency. The data centre in Mechelen has now achieved the status of 'participant' in this code of conduct. To close the remaining divide between current carbon emissions and the ambitious target for good, in an offsetting measure, Telenet reforests in Flanders and Ecuador.

#### *Improving energy-efficiency of the Telenet equipment at the customer's home*

Telenet invests in various initiatives with a view to reducing the energy consumption at our customers' homes and the company is a signatory of the Voluntary Industry Agreement to improve the energy consumption of set-top boxes within the EU. Telenet's most recent set-top box features a 'smart energy setting' in which the box consumes less than 1W on standby. These set-top boxes are now also 20 times more efficient than the first generation of these devices that were once marketed by Telenet. Throughout 2013, our customer base became 6% more energy efficient.

#### *Reducing waste*

Telenet's approach to waste focuses on (1) reduction in use of resources, (2) recycling and refurbishment of customer premise equipment, and (3) correct waste disposal and processing.

#### *Future perspective - a society with a lower carbon impact*

In addition to reducing its own footprint, the new services Telenet is preparing as part of the Digital Wave program, will make a major contribution to the establishment of a low-carbon or no-carbon society, for example by:

- Facilitating teleworking based on high-grade internet and phone services, which results in substantially lower commuting costs
- Increasing the flexibility of logistical flows through machine-to-machine connections or high-performance data networks
- Improving the accessibility of video-conferencing over the Telenet network, which results in fewer journeys

The environmental impact of our suppliers is assessed and monitored using the Ecovadis platform.

## Implementation

Continuous awareness-raising campaigns within the company have resulted in a striking number of specific initiatives and inspirational actions combined around various themes, including energy consumption, mobility, network efficiency, and management of premises and spaces.

At the same time, Telenet wants to accept its responsibilities towards its customers and other target groups. Telenet wants to enable all its stakeholders to reduce their ecological footprint. With this in mind, the company is investing in innovative applications and services that can make positive contributions to the resolution of sustainability issues.

### *Monitoring and efficiency*

Based on the continuous monitoring of the technical infrastructure, new investments in energy efficiency can be achieved, for example, by improving less efficient systems or by the adjustment of the cooling or heating of the buildings.

### *Set-top boxes*

Telenet has defined energy efficiency with our customers as one of our top 14 material issues, and invests explicitly in initiatives to reduce the energy consumption of the set-top boxes. All set-top boxes currently supplied by Telenet comply with the voluntary industry agreement to improve the energy consumption of set-top boxes within the EU. Improvements in technology are constantly being sought in association with the partners to make the next generation of set-top boxes even more efficient.

### *Free-cooling air conditioners*

Investments in the network and a program of replacing old equipment by newer, more efficient appliances are continually providing new energy savings. With the replacement investment for the cooling assemblies of the air conditioning for the data centers, the Services Operations Centre (SOC), and the office area for digital TV in Mechelen, the emphasis was on energy savings. Telenet opted for a free-cooling system that makes the maximum possible use of the exterior air temperature. The compressor only switches on when the heat exchanger has insufficient capacity. This saves Telenet 28 MWh of electricity consumption each year.

Replacement of the old 48V power supply systems with new, energy-efficient systems provide a yield increase of 10%, which is intrinsic to the system. The installation of a sleep mode with the 48V power

supply systems then also provides extra efficiency gains. The old emergency power supply systems (UPS, Uninterruptible Power Supply) have also been replaced by new, more efficient systems.

#### *Reducing waste by the reuse of set-top boxes*

Almost all set-top boxes and modems are reused and an approved processing company recycles the remaining versions. All returned modems and set-top boxes go to the sheltered workshop IMSIR in Boom, where the processing of the equipment employs 40 enthusiastic staff members. In 2013, Telenet's partnership with Imsir was rewarded with the 'Audience 10 Years Favorite Award' at the Belgian Supply Chain of the Year Awards.

#### *Planting forests for CO<sub>2</sub> reduction*

While efforts to further reduce carbon dioxide emissions have already achieved astonishing results, which will only improve in the future, compensations are expected to achieve the ambitious goal of climate neutrality by 2015.

In order to bridge the remaining gap between our current CO<sub>2</sub> performance and our ambitious objective, Telenet will start to plant new forests by way of compensation. After all, trees take CO<sub>2</sub> from the atmosphere, which helps combat climate change. In Flanders, Telenet planted a substantial forest of no less than 5 hectares in Moerbeke Waas in support of the Bos+ (Forest plus) One Million Trees campaign.

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

### **Measurement of outcomes**

A complete overview of Telenet's CO<sub>2</sub> emissions, energy efficiency and waste flows in 2013 can be found in our Sustainability Report 2013, section 'Environmental aspects' on page 40-53.

Telenet's revenues increased from € 1,489 million in 2012 to € 1,641 million in 2013, or by 10.2%, while total carbon emissions (scope 1+2+3) were reduced considerably from one year to another (11,087 to 10,191 tons CO<sub>2</sub>eq. or by 8.1%). Thus, the growth of the company did not have a negative effect on the absolute figures of the scope 1, 2 and 3 emissions. The intensity figure (scope 1+2+3 tons CO<sub>2</sub>eq/million €) decreased from 7.4 in 2012 to 6.2 in 2013, or by 16.6%. Compared to base year 2007, an improvement on the intensity figure is realized of 76.9%.

Telenet's energy consumption increased from 86.2 GWh in 2012 to 90.0 GWh in 2013 (or by 4%). The increasing energy requirement is mainly the result of the need to meet the increasing demand for data processing and provision of digital services. Telenet's overall energy efficiency has improved

by more than 30% compared to 2007 and by nearly 7% compared to 2012. Calculated at current electricity prices, this means an accumulated saving of almost € 4.5 million or almost 10,400 tonnes of CO<sub>2</sub> eq.

### **Reuse of set-top boxes**

In 2013, 165,500 set-top boxes and 83,253 modems were re-used. The intensive reuse reduced the amount of waste by 406 tons in 2013. This saved € 34 million in the space of 2 years.

### **Energy efficiency with our customers**

Telenet invests in various initiatives with a view to reducing the energy consumption at our customers' homes. All set-top boxes with a hard disk automatically power themselves off when left on stand-by for a certain amount of time. What is more, a special function was rolled out for new set-top boxes, so the customer can switch to the 'smart energy setting', as a result of which their decoder will consume less than 1W on standby. These most recent set-top boxes are now also 20 times more efficient than the first generation of these devices that were once marketed by Telenet. In 2014 the number of digital television customers increased by 14%. On average, the set-top boxes use 17% less energy than in 2012. Given that more households have this new box, our customer base became 6% more energy efficient.

In 2010, a voluntary agreement came into effect to speed up the adoption of more energy-efficient set-top boxes, which actually involves mutual agreements within the industry and the European Union. All set-top boxes currently supplied by Telenet comply with this voluntary agreement. Improvements in technology are constantly being sought in association with the partners to make the next generation of set-top boxes even more efficient.

Since January 2013, we have been presenting our latest HD digicorder model in a slightly different jacket. Its cardboard box is now smaller, more efficient, and last but certainly not least, more environmentally-friendly. This is saving us no less than 179 tons in paper and cardboard packaging waste a year, and 600 CO<sub>2</sub>. The box comes with a convenient handle so that our customers can take it away easily, without any need for a carrier bag. As soon as this whole process is complete and all of the decoders will be packaged in this way, it will yield a saving of €3 million a year. We were rewarded with second place in the 'Greener Packaging Awards' in December 2013 for this effort.

Finally, Telenet has not received any fines for noncompliance with environmental laws and regulations.

## Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

### Assessment, policy & goals

Telenet commits to being in compliance with all relevant laws, including anti-corruption laws. Telenet attaches a great deal of importance to its relations with policy makers, and this at all levels. We regularly enter into discussion with this target group in order to establish a durable exchange of ideas and knowledge. Our dialogue with legislators and the authorities mainly involves topics that are important to the entire industry, such as regulations and investment policy.

With a view to promoting an open dialogue with policy-makers, Telenet has produced a guide on investment, innovation, growth, competition, employment, social involvement and media pluralism. Electronic communications are an important market to Belgium and the Belgian economy. Following years of sustained investment and innovation, Telenet has managed to carve itself a niche in this market. However, we still face major challenges. This is why we call upon the policymakers to conduct a forward-looking, powerful and balanced (tele)communications policy that promotes both innovation and investment.

### Code of Conduct and Anti-Corruption Policy

Telenet's Code of Conduct addresses the following issues:

- equal opportunities and a working environment that is free from harassment
- fair competition and anti-corruption
- confidentiality of information and protection of privacy
- correct accounting and accurate communication
- conflicts of interest, insider trading and business integrity
- protection of health, safety and environment
- whistleblower regulations.

The Code of Conduct was signed by the executive committee, Telenet's top management and staff members in a position of trust.

Telenet started the process of renewing the Code of Conduct in 2011, including an anti-corruption policy. The revised Code of Conduct is currently to be approved by the works council, with the exception of the sections on antitrust, anticorruption and privacy which have already been approved throughout 2011-2013.

In addition, the Vendor Disclosure Form, which is signed by our suppliers with every new procurement contract, already contains Telenet's Anti-Corruption Policy which addresses the following:

- Definition of acts of corruption and its consequences
- Principles and rules of conduct regarding anti-corruption
  - General

- Granting presents, favors or other benefits
- Accepting presents, favors or other benefits

## **Implementation**

In addition to the written code of conduct that is applicable to all employees, every year Telenet trains its top management on anti-trust, anti-corruption and anti-piracy.

The following systems are in place to collect and handle employee grievances and complaints to ensure that workers can raise their concerns confidentially:

- Helpline
- Whistle blowing policy
- Independent person in charge of solving complaints by employees
- Counseling
- Strict confidentiality is ensured: workers are protected against dismissal in case of a formal complaint
- Policies and related information is widely circulated in appropriate languages

As of 2013, compliance of our suppliers with the Code of Conduct and Anti-Corruption Policy is monitored using the Ecovadis platform to assess and monitor the social, environmental and ethical risks of suppliers. Corruption and bribery is a specific field of interest in the ethical risk section.

## **Measurement of outcomes**

In 2013, we spent a total of € 777,000 in lobbying activities, including salaries, administration charges and sponsoring. Telenet has not resorted to the use of external lobbyists. Telenet does not support any political parties, in accordance with Belgian legislation. Furthermore, we have not spent any money on political contributions.

No infringements were reported in 2008, 2009, 2010, 2012 and 2013. In 2011, one formal complaint was submitted under the category 'whistleblower regulations', but this was officially assessed as a complaint outside the scope of the whistleblower regulations by KPMG. This makes 2013 the sixth consecutive year without infringements.

In 2013, approx . 75% of management (company-wide) has been trained on anti-corruption.

Moreover, a large scale information session on bribery and corruption is organized annually. Attendance is mandatory for approximately 200 executives. Telenet considers it important that those responsible within the organisation should be au fait with relevant stipulations pertaining to private and public bribery, particularly in view of the serious consequences associated with violations thereof.

## COP overview on GRI G4 indicators

Referring to the Telenet Sustainability Report 2013, available at [http://corporate.telenet.be/en/press\\_media/annual-reports](http://corporate.telenet.be/en/press_media/annual-reports)

This table is also included on page 100 of the Sustainability Report 2013.

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G4 - HR10	Percentage of new suppliers that were screened using human rights criteria	73-77
G4 - HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	73-77
Labour		
G4 - 10	Total number of employees etc.	64-66
G4 - 11	Report the percentage of total employees covered by collective bargaining agreements	100% for the 3d year in a row
G4 - LA9	Average hours of training per year per employee by gender, and by employee category	65
G4 - LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	60
Environment		
G4 - EN3	Energy consumption within the organization	43-48
G4 - EN4	Energy consumption outside the organization	48-49
G4 - EN5	Energy intensity ratio	46-48
G4 - EN6	Reduction of energy consumption	43-49
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G4 - EN18	Greenhouse Gas Emissions Intensity	47
G4 - EN19	Reduction of Greenhouse Gas Emissions	43-49
G4 - EN23	Total weight of waste by type and disposal method	49-51
G4 - EN24	Total number and volume of significant spills	50
G4 - EN32	Percentage of new suppliers that were screened using environmental criteria	73-77
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Anti corruption		
G4 - 56	Describe the organization's values, principles, standards and norms of behavior	78-81