



LIBERTY GLOBAL

Corporate Responsibility Report 2012

Discovering new
possibilities



Welcome to our second Corporate Responsibility (CR) Report, *Discovering new possibilities*. This report provides an overview of our progress and achievements across the Company during the calendar year 2012, and identifies some of the challenges that we have addressed along the way.

As well as the information in this printed report, you can find further detail including our latest news in the CR section of our website: www.libertyglobal.com/cr.

The structure of this report has been guided by our CR Framework (page 6), which is the basis of our CR strategy and resulting from engagement with our stakeholders on the topics of most relevance to them. In this report, we have focused on the most important issues defined by our business strategy and our stakeholders.

This report meets the Global Reporting Initiative G3.1 Sustainability Reporting Guidelines at a GRI-checked Level B.

Scope of the report

The social and environmental data in this report covers all of our operations in 2012, including UPC, Unitymedia Kabel BW, Telenet, VTR and Liberty Cablevision Puerto Rico. Our operations also include Chellomedia, our content division, Liberty Global Services, a commercial services division, and Liberty Global Ventures, our investment fund.

For our environmental data, we report on all locations and operations that have been active for a minimum of six months during the reporting period. In line with best practice and recognized reporting guidelines, we restate historic data if there have been significant changes to the corporate structure or reporting boundaries, to enable a more meaningful comparison of our year-on-year data.

All data covers the period January 1st to December 31st, 2012 unless stated otherwise.

Your views are welcome

As a reader of the report and a Liberty Global stakeholder, your views are important to us. Please send us your comments and suggestions.

cr@libertyglobal.com

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Forward-looking statements

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including our expectations with respect to our future growth prospects. See pages I-7 and I-8 of the Annual Report on Form 10-K/A for a description of other forward-looking statements that are included in this CR. These forward-looking statements involve certain of the risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including in the Annual Report on Form 10-K/A. These forward-looking statements speak only as of the date of this CR. Liberty Global expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Liberty Global's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

President and CEO message

Mike Fries reviews the year's highlights and progress.

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PRESIDENT AND
CEO MESSAGE

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Welcome to our Corporate Responsibility Report

I am pleased to share with you Liberty Global's second annual Corporate Responsibility Report. Once again, we strive to deliver an authentic account of how our business delivers value for all of our stakeholders. Our vision 'Connect. Discover. Be Free.' guides us in the way we grow and develop our business, and our Corporate Responsibility Framework provides a basis for planning and action. This year we made significant progress, while recognizing that we must continue to do more.

The rapid expansion of digital technologies, coupled with the changing needs of consumers, has brought considerable value to our global society, as well as unprecedented challenges. This is where we intend to play a strong role, by shaping a sustainable approach to the expansion of digital markets and inclusive access, while responsibly serving the markets that we help to create.

In 2012, we continued our proactive acquisition strategy to expand our reach and capabilities. In June 2013, we were delighted to close the acquisition of Virgin Media, adding a subscription base of nearly five million customers in the UK. Upon completion, we became the world's largest international cable company, with approximately 24 million customers taking nearly 48 million video, voice and broadband service subscriptions across 14 countries.

Our responsibilities to key stakeholders are at the heart of how we think, plan and act. From a base of embedded values and strong corporate governance, we strive to improve the direct impacts of our business on people, society and the planet. During the last year, for example, we engaged in numerous projects to tackle the challenge of digital inclusion. Our approach is to widen access, enhance skills and create opportunities for both individuals and communities. Whether this is helping underprivileged families access the internet, giving seniors the skills they need to get online, or helping children discover science and innovation, we help people to get more out of the digital world. By doing this, we are making an important contribution to the European Commission's Digital Agenda for Europe.

At the same time, we all want our digital services, including the internet and TV, to be a safe experience, especially for children. Therefore, we continue to work alongside expert partner organizations to raise awareness and help people to stay safe and enjoy the benefits of the online world. In Chile, for example, VTR led research into safer internet practices for children as part of their annual internet safety campaign. Globally, we sponsored Safer Internet Day for the seventh consecutive year, launching 'Who are your kids talking to online?' an animation which helps parents understand the challenges their children are facing online.

Our operating pillars

- Delivering market-leading products
- Delivering exceptional customer experience
- Creating a great place to work
- Being a respected and trusted member of the community
- Delivering international efficiencies across our countries of operation

Recognized in sustainability indices



We need to be assured that our customers are completely confident in our ability to ensure both the security of their information and the safety of their online interactions. In 2012, we embarked on 'Privacy by Design,' a process that helps to ensure that privacy risks are taken into account at the design stage of every project that we undertake. We also created a Global Information Security Forum to build a common information security framework and approach across our businesses.

We continue to advance environmental initiatives, such as the refurbishment of set-top boxes and other customer premise equipment, as well as by measuring our overall environmental footprint. We have focused on increasing the scope and accuracy of our environmental data so that we can set targets and challenge ourselves to reduce our impacts going forward.

Our investments in responsible business practices are gaining recognition and endorsement. In 2012, we were named to the Dow Jones Sustainability World and North America Indexes, and we continued to be listed in the FTSE4Good Index. However, of all the things we invest in, nothing is more important than the wellbeing and future of our employees. In 2012, we renewed our corporate vision and values, and began work on our People Agenda, our strategic HR roadmap which is launching this year.

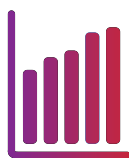
Unlocking the economic, societal and environmental value that Liberty Global seeks to maximize can't happen in isolation. All our futures – as corporate and individual citizens, as community members and contributors to society – are intrinsic to one another. For this reason, our report this year highlights the message of discovery and details some key dilemmas as we work toward solutions in partnership with others.

For Liberty Global, the journey is only starting. Thank you again for your interest in our corporate responsibility efforts.

Sincerely,

Michael T. Fries
President and Chief Executive Officer
September 2013

About Liberty Global



Over \$17 billion¹
revenue



36,000²
employees



14 cable operations



47 million homes
passed



24 million
customers

Following our acquisition of Virgin Media Inc. in June 2013, Liberty Global became the largest international cable company with operations in 14 countries. We connect people to the digital world and enable them to discover and experience its endless possibilities. Our market-leading television, broadband internet, and telephony services are provided through next-generation networks and innovative technology platforms that connect approximately 24 million customers who subscribe to nearly 48 million services at June 30, 2013.

Liberty Global's consumer brands include Virgin Media, UPC, Unitymedia Kabel BW, Telenet and VTR. Our operations also include Chellomedia, our content division, Liberty Global Business Services, a commercial division, and Liberty Global Ventures, our investment fund.

Liberty Global's business strategy emphasizes superior organic growth, opportunistic mergers and acquisitions activity, and a commitment to superior equity returns through a combination of appropriate leverage and consistent equity repurchases. These three key ingredients underpin our approach to value creation. We are also committed to driving technological innovation to deliver transformational new products and services that help improve and simplify the digital lives of our customers.

At Liberty Global, we believe that everyone should be able to explore the amazing but often complex digital world in a safe and responsible manner. That's why promoting a digital society is at the heart of our corporate responsibility strategy. We're convinced that making the most of the opportunities and benefits that our products and services create is good for our business and, at the same time, good for society.

Our vision

Connect. Discover. Be Free.

¹ Revenue is presented as annualized combined reported results of Liberty Global plc and Virgin Media for the three months ended June 30, 2013.

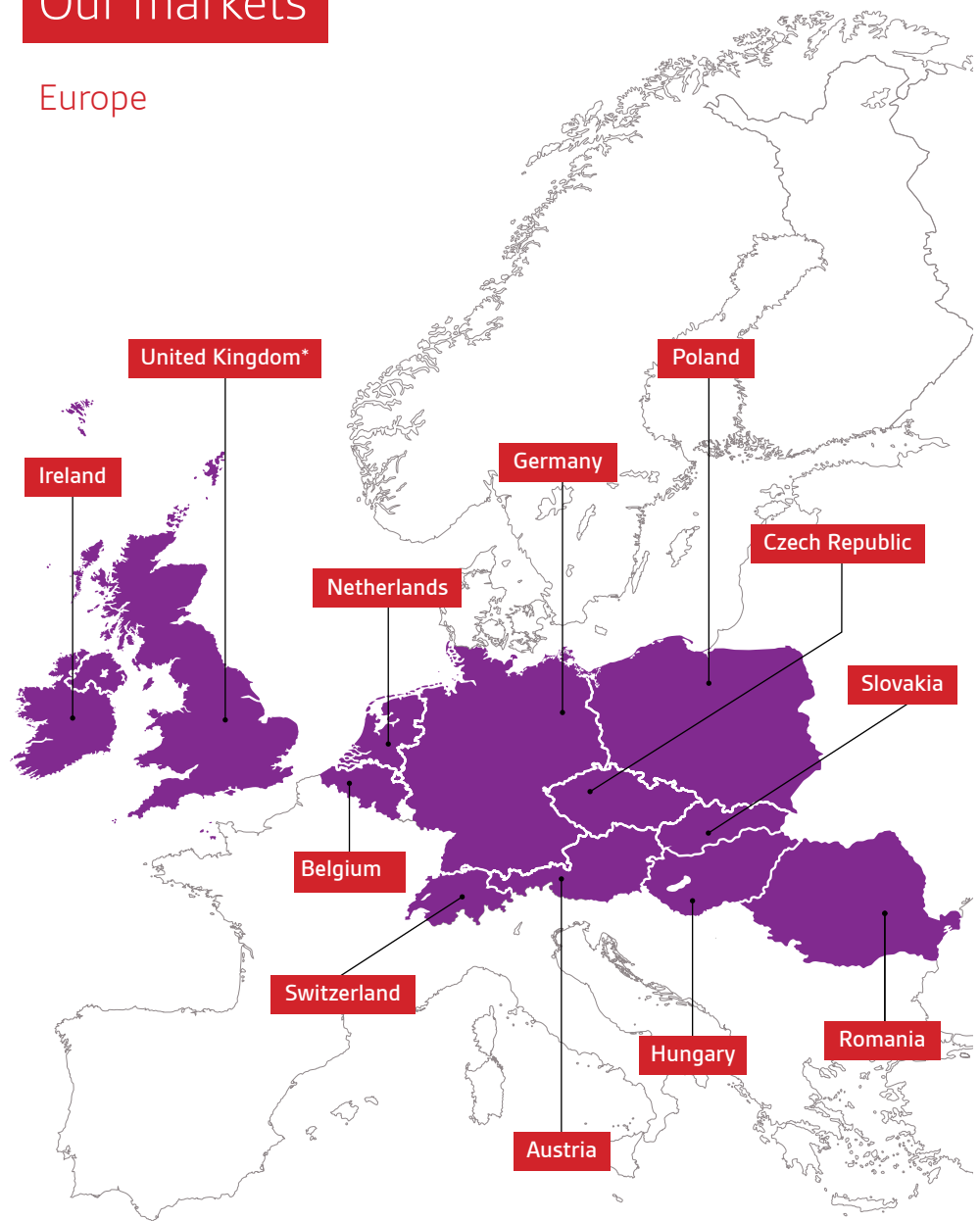
² Total number of employees based on full-time equivalent (FTE).

Our markets

Latin America



Europe



Liberty Global's Headquarters

- Denver
- London
- Amsterdam

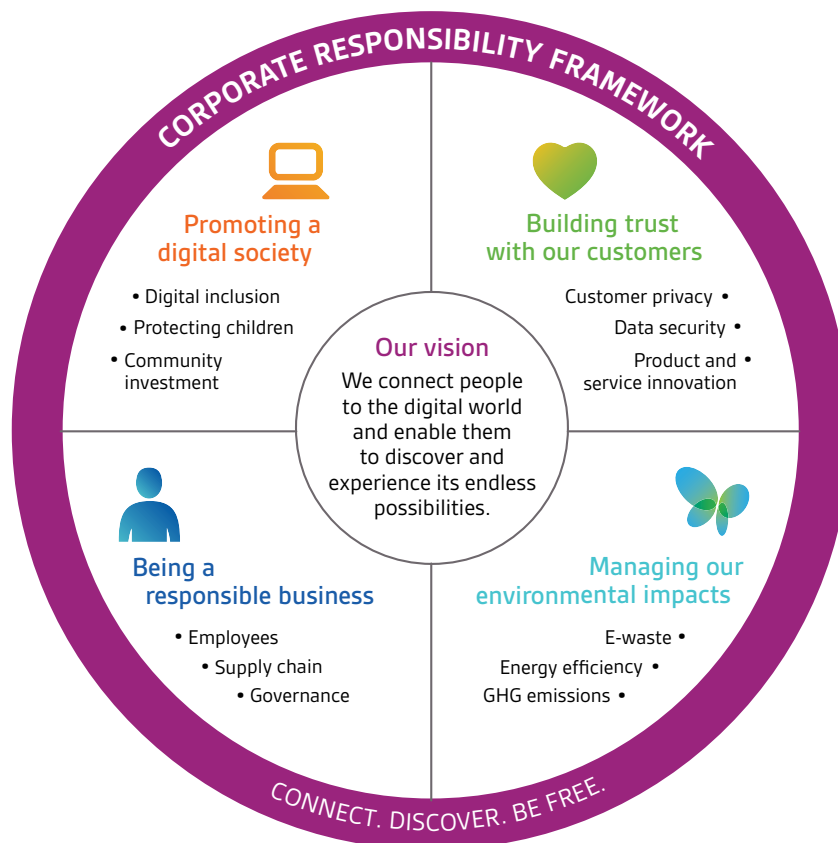
Our main brands



* Virgin Media was acquired in June 2013.

Our corporate responsibility strategy

Connecting people to the digital world brings wide-ranging economic and social benefits, as well as a responsibility to be accountable for our impacts. Our Corporate Responsibility (CR) Framework summarizes our approach to managing these opportunities and challenges.



Rick Westerman, Senior Vice President of Investor Relations and Corporate Communications, and Chairman of the Corporate Responsibility Committee

Of the four issue areas highlighted in our CR Framework, our priority is to promote a digital society. We enable this to happen by giving people access to products and services that can enrich their lives or help them do business. We then ensure they have the skills and the opportunities to make the most of them. We also actively address our responsibilities to our employees, our suppliers and the environment. This approach supports our core business strategy – helping us to win and retain contracts, attract and retain the best people, enhance our reputation, reduce operating costs and manage risk.

This report is structured around the Framework and its four issue segments.

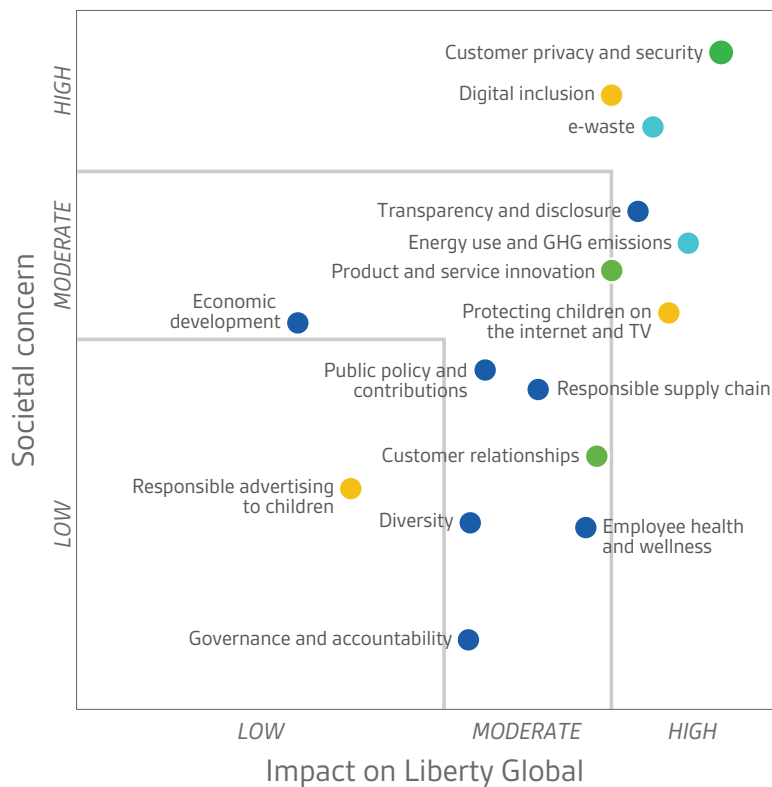
Focusing on the issues that matter

Our Corporate Responsibility (CR) strategy addresses the issues identified as most important to our business and society. These were identified and prioritized in a materiality assessment process which we conducted in early 2012.

The outcome of our materiality assessment was the matrix below, which shows the relative importance of topics identified by our stakeholders and their relation to the successful delivery of our business strategy. The topics considered to be the most material, that is, those that have the greatest impacts on our business and are of greatest concern to society, are located in the upper-right section of the matrix. We address these issues, in our strategy and in this report.

We plan to update the materiality matrix in 2014 by re-mapping the issues and formally consulting again with key stakeholders on the topics they regard as important.

Our materiality matrix



Key issue areas

- Promoting a digital society
- Managing our environmental impacts
- Building trust with our customers
- Being a responsible business

Involving our stakeholders

Engaging with stakeholders helps us build long-term relationships with the individuals and groups that affect our business, and challenges us to do better. For our stakeholders, it is a chance to be heard, and to influence the way we conduct our business.

Liberty Global's stakeholders include customers, employees, investors, suppliers, civil society organizations, policy makers, and those living in the communities where we operate. We listen and respond to these groups in many ways.

Stakeholder engagement and key outcomes

Stakeholder group	2012 engagement highlights
Customers and consumers	<ul style="list-style-type: none"> Commissioned the 2012 RepTrak™ customer survey, which indicates our reputation across our operations and also shows us where we can do better. Created a global approach to safeguard customer information. Helped launch the first Consumer Advisory Committee in Chile's telecommunications industry. Launched the Horizon TV platform in the Netherlands and captured customer feedback through social media, customer focus groups, external research and large-scale field trials.
Employees	<ul style="list-style-type: none"> Rolled out our ideas program, Spark, to over 3,000 more employees in three more countries. Delivered our Fast Forward leadership program to 39 employees. Employees gave 17,000 hours of volunteering time to community organizations through IN Heroes. Donated \$110,000 to charities through IN Givers, our matched funding initiative. Raised \$392,000 for the Lessons for Life Foundation to provide scholarship and educational support to vulnerable children in Sub-Saharan Africa.
Investors	<ul style="list-style-type: none"> Listed in the FTSE4Good, Dow Jones Sustainability World and North America Indexes.
Communities and civil society organizations	<ul style="list-style-type: none"> Engaged with the London Benchmarking Group to measure and monitor our community impacts. Helped beginners to use the internet and sponsored Get Online Week in Europe. Sponsored Safer Internet Day and rolled out more initiatives to protect children online. Partnered with Insafe and European Schoolnet and further developed VTR Chile's award-winning Internet Security Program.
Government and policy makers	<ul style="list-style-type: none"> Held engagement events and policy seminars on issues related to digital inclusion and protecting children, and commissioned research reports, including The Value of Our Digital Identity, Rethinking the Digital Agenda for Europe and The UPC Report on Ireland's Digital Future: Driving Economic Recovery. Showcased Horizon TV platform to Brussels policy makers, as part of the 'connected-TV' debate.

"Through our Consumer Advisory Committee, we have listened to and learned from consumers around how to develop a stronger relationship based on transparency, efficiency and ongoing open dialogue."

Maria Paz Epelman, Vice President of Public Affairs and Corporate Responsibility, VTR



Our 2013 commitments

As part of our process of continual improvement, our corporate responsibility (CR) team presents an annual review of progress and plans for the coming year to the CR Committee for approval. Below are our key CR commitments for 2013, which set the foundation for us to develop long-term targets and key performance indicators.



Promoting a digital society

Align our community investment programs to our 'promoting a digital society' strategy

- Increase the proportion of our community investments that focus on 'promoting a digital society' by 5%
- Produce three products and/or services aimed at 'promoting a digital society'
- Identify a Liberty Global flagship program aimed at 'promoting a digital society'



Building trust with our customers

Adopt a Liberty Global Code of Ethics for Advertising

- Develop and publish a Liberty Global Code of Ethics for Advertising
- Engage relevant employees to embed the code into business practice



Managing our environmental impacts

Increase the scope and accuracy of global environmental data collection

- Include 100% of Liberty Global operations in the global data collection process
- Develop environmental efficiency targets using 2012 data as a baseline



Being a responsible business

Enhance our transparency and best practice approach to reporting

- Maintain inclusion in FTSE4Good and Dow Jones Sustainability World and North America Indexes
- Produce a more transparent CR Report at GRI Application Level B
- Prepare submission to the Carbon Disclosure Project (2014)

Continue to engage key stakeholders in the development of our CR strategy

- Develop an environmental, social and governance data bank for the Socially Responsible Investment community
- Develop a CR employee engagement program

Implement a CR supply chain management system

- Identify a monitoring platform to assess the environmental, social and governance (ESG) performance of our supply chain
- Assess the environmental, social and governance (ESG) performance of Liberty Global's top 100 suppliers



Promoting a digital society

The digital world offers significant growth opportunities for society, by stimulating business, innovation and employment. We play our part by investing in super-fast broadband networks in all our markets. However, we recognize that not everyone can access the digital world. To create an inclusive digital society, we have to work alongside strategic partners including governments, civil society and industry peers. Across everything we do, we believe in the importance of protecting children, through education and empowerment.

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Our approach to protecting children **PAGE 20**



Policy spotlight

Digital Agenda for Europe targets include:

- 50% of European households subscribing to internet connections above 100 Mbps by 2020;
- reduce the proportion of Europeans who have never used the internet to 15% by 2015; and
- create a better and safer internet for children.

Why it matters

The digital economy is thriving despite continued global economic uncertainty, and consumer demand for high-speed broadband has continued to rise over the last decade. Growing seven times faster on average than the rest of the global economy, the digital technology sector offers a route to recovery from recession. The European Commission's (EC) [Digital Agenda for Europe](#) recognizes this, and aims to stimulate the European digital economy by setting challenging goals to increase European GDP by 5% and create 3.8 million new jobs by 2020. In 2012, the EC added a commitment to protect children in the digital world, launching its [Strategy for a Better Internet for Children](#).

For Liberty Global, realizing the considerable growth opportunities of the internet in our markets, specifically in Europe from which 85% of our revenue is derived, is part of bridging the 'digital divide' addressed by the EC's Digital Agenda targets. In 2012, 22% of adult Europeans had still never used the internet. The divide is even larger outside of Europe. These statistics reveal that large segments of society are missing out on benefits such as acquiring new skills and finding jobs, learning about healthcare and community services, and connecting with friends and family.

There is a clear need to address issues of access and inclusion, which is why we are investing heavily in super-fast networks of more than 100 Mbps in every one of our markets, and working in communities to unlock the benefits of the online world.

When it comes to our priority group, children, we align to the European Strategy for a Better Internet for Children, which identifies four pillars for action by industry:

1. Stimulating quality content online for young people
2. Stepping up awareness and empowerment
3. Creating a safe environment for children online
4. Fighting against child sexual abuse and child sexual exploitation.

While we work closely with a range of stakeholders to tackle all four pillars of the European Strategy for a Better Internet for Children, a key focus for us is Pillar 2 – stepping up awareness and empowerment. See [Our approach to protecting children](#) for an overview of our work in this area.

\$2.2 million

invested in long-term digital inclusion initiatives

4,000

community partner organizations

What we are doing

In order to promote a digital society, Liberty Global is helping people develop the skills and confidence they need to get online. We do this through a range of programs that facilitate digital inclusion and protecting children using the internet.

Our approach to the challenge of digital inclusion is based on widening access, enhancing skills and creating opportunities for individuals and communities, while protecting children through education and empowerment programs and tools. Working alongside strategic partners, including governments, civil society and industry peers, is fundamental to our approach. We measure the impacts of our efforts to promote a digital society, using the London Benchmarking Group measurement model.



Our approach to digital inclusion

Our digital inclusion strategy is tailored to meet the specific needs of the communities where we operate. It supports the European Commission's (EC) Digital Agenda for Europe goals of increasing trust and security; delivering ultra-fast broadband speeds; enhancing digital literacy; and developing information and communication technology solutions for social challenges.

Our approach to digital inclusion

Examples

Widening access

Giving everyone the tools and equipment they need to participate in the digital world.

- Invested \$1.9 billion to upgrade and expand our networks in 2012.
- Produced research and policy papers relevant to our industry and policy makers.
- Introduced the ORION webbox in the Netherlands, for those with visual impairments to listen to website content.
- Provided free or subsidized broadband services to community partner organizations.

Enhancing skills

Helping to ensure that people are able and qualified to use digital products and services safely, securely and effectively.

- Sponsored Get Online Week, an annual campaign to empower people to use digital technologies.
- Launched Internet Buttons, an intuitive tool that helps internet beginners get online.
- Provided e-training to seniors through various initiatives in Germany, Hungary and Poland.

Creating opportunities

Helping people learn how to make the most of digital products and services for the benefit of society as a whole.

- Launched Tech School in Romania, an award-winning educational platform that creates opportunities for young people to develop science skills and entrepreneurship.

\$1.9 billion

invested to upgrade and expand our networks in 2012

98%

of our networks ready to deliver 100 Mbps in Europe

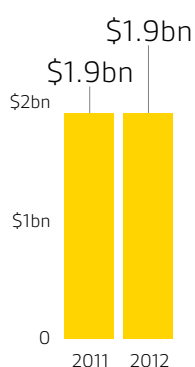
Widening access

The first step toward an inclusive digital society is to provide access to high-quality, affordable services for as many people as possible. In 2012, nearly 20 million customers in 13 countries benefited from our broadband, voice and video services. We continue to build even faster networks and more innovative services to meet the growing needs of society.

Investing in networks for the future

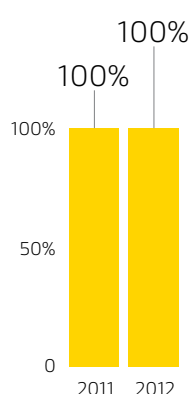
The Digital Agenda for Europe recognizes that access to next-generation broadband with speeds exceeding 100 Mbps by 2020 is vital for long-term economic development and competitiveness. In 2012, Liberty Global invested \$1.9 billion globally to upgrade and expand its networks. In Europe, we can provide 30 Mbps access across 100% of our network and 100 Mbps access across 98% of our network, helping us to deliver the Digital Agenda for Europe's targeted download rate. In Chile, VTR is ready to provide 100 Mbps broadband access across 100% of its network, while in Puerto Rico, Liberty Cablevision can offer 30 Mbps throughout its networks.

Amount invested to upgrade and expand our networks

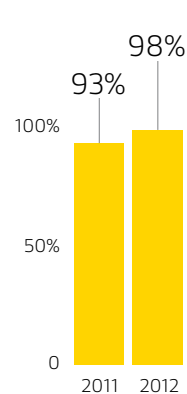


Ready to deliver broadband speeds of 100 Mbps in the EU

Speeds of 30 Mbps
Percentage of our network



Speeds of 100 Mbps
Percentage of our network



Innovative access solutions

Digital technologies can help ensure that everyone can access the internet, regardless of age or disability. For example, in the Netherlands we have introduced the ORION webbox, a compact device that allows those with visual impairments to listen to TV and website content. In Belgium, Telenet and Nextel, a wireless service partner, installed 450 multimedia monitors in patient rooms at Sint-Blasius University Hospital in 2012, providing video conference capabilities for patients and secure access to patients' medical information for use by hospital staff. This technology both helps reduce patient loneliness, a much-cited complaint at the hospital, while increasing the efficiency of staff resources.

30,000

school children in Puerto Rico reached with free broadband and video services to date

Access for community organizations

We provide free or subsidized broadband services to our community partners, such as charities and public service providers, in many of our markets. For example, in Puerto Rico, Liberty Cablevision provides free broadband and video services to schools, reaching around 30,000 students to date through Cable in the Classroom. Liberty Cablevision contributes by making available online educational tools for children, covering topics around science, history and physics. By supporting educational leadership and an innovative use of cable services, Liberty Cablevision aims to foster digital citizenship in Puerto Rico.

Driving the Digital Agenda debate

In 2012, we continued to invest in research relevant to our industry and policy makers, as part of our commitment to supporting the responsible and sustainable growth of our digital society. These publications make a positive contribution to policy debates in our national markets and at the European Commission level. As part of this activity, in 2012, we published three pivotal reports.

The Value of Our Digital Identity provides a new perspective on European consumer attitudes and behaviors regarding the use of their digital identity. Based on a survey of over 3,000 consumers in Poland, Germany and the Netherlands, the report shows that leveraging personal data and digital identity can be a key growth driver in a stagnant European economy, and could increase European GDP by as much as 8% by 2020. To unlock this potential, business and political leaders need to embrace a new online privacy framework for using digital identity applications, based on responsibility, transparency, control and benefits for the consumer.

Rethinking the Digital Agenda for Europe examines how a mix of technologies, including high-performance transition cables, combined with greater competition among different access technologies, will enable us to meet EU targets quickly and cost effectively. The report estimates that a combination of different access infrastructures in a market could cut the cost of high-speed broadband by up to 30% across Europe where cable is present.

In Ireland, UPC published The UPC Report on Ireland's Digital Future: Driving Economic Recovery, exploring the potential of digital technology for the country's economic resilience. The report estimated that the internet economy could contribute around 7% annually to Irish GDP by 2016, creating over 18,000 new jobs, if Irish society and industry were to achieve digitization levels demonstrated by the UK and Scandinavia.



"I welcome this useful and innovative research which provides further insights into the potential of the internet to contribute to economic renewal and recovery."

Pat Rabbitte, T.D., Minister for Communications, Energy and Natural Resources, commenting on UPC Ireland's report Driving Economic Recovery

e-award

for Telenet's
Recup PC program
(LINC awards)



BUILDING CONFIDENCE TO GET ONLINE

The Telenet Foundation has helped 111,000 people use the internet since 2006, and is on target to meet its goal of getting 150,000 people online by 2015. The Foundation has received over 1,200 project proposals, of which 80 have been funded with over €1.75 million to date.

One of the projects is Recup PC, an award-winning partnership project with LINC, a non-profit organization providing digital support to schools and adult learning centers, alongside the Public Center for Social Welfare in Ghent, Belgium. The project aims to help underprivileged families connect to the internet, which is part of the Telenet Foundation's commitment to support initiatives that promote digital inclusion.

Over a one-year period, Recup PC has helped 17 households from the underprivileged area of Brugse Poort develop the skills and confidence they needed to get online. Each household was given a home computer, internet connection and computer training – all free of charge. Computer use was then monitored over the year and a significant increase in the households' use of the internet was observed. A year later almost 90% of the users are still online.

To reach those most in need of online access, Recup PC also engages community partners Digipolis, an IT company, and Ghent and Oikonde's social employment centers.

Recup PC has transformed the lives of the people involved, people like Edith, who previously lost €80,000 in an internet scam and was shown how to use online banking safely and how to manage her budget.

Recup PC was celebrated during Digital Week in Flanders where libraries, social services and training institutions collaborated to help over 15,000 people access the internet. During the week, Recup PC was presented with an e-award at a ceremony held at the Flemish Parliament, reflecting the project's contribution to digital literacy and participation. Ghent is now looking to expand the program to 100 more families, and to include Mechelen, host city of Telenet's headquarters in Belgium.

"Now that we can use the internet, we feel like we are back in society. The purpose of the Ghent project, Recup PC, was not only to give impoverished people a computer, but also to teach them how to use it safely. It has certainly enriched our lives."

Edith, Recup PC participant

PRESIDENT AND
CEO MESSAGE

ABOUT LIBERTY GLOBAL

OUR APPROACH

DIGITAL SOCIETY

CUSTOMER TRUST

ENVIRONMENT

RESPONSIBLE BUSINESS

14,000

seniors given e-skills training in Europe

“Thanks to the support from Liberty Global, Get Online Week achieved astonishing outcomes. In just one week, 10,000 European ICT learning centers, libraries and schools have touched the lives of 200,000 people, enabling them digitally to get better jobs and build up a better future.”



Gabriel Rissola, Managing Director, Telecentre Europe

Enhancing skills

Access to technology alone is not enough. People can still be hindered or excluded if they lack the right skills. Our aim is to help customers and consumers understand and connect with digital technologies and the life-changing benefits they bring. These can include immediate access to employment and training opportunities, long-distance communication with family and friends, or access to medical, educational and community services.

By working together with expert organizations, we co-develop tools and programs tailored to different demographic groups. Training for beginner internet users, eSafety toolkits for the classroom, and educational platforms for teachers, are just some of the ways we invest in improving digital literacy across our markets. See [Our approach to protecting children](#) for more information on our eSafety initiatives.

A focal point for our skills programs is [Get Online Week](#), an annual campaign delivered through thousands of computer training centers at public libraries, schools and organizations across Europe. Co-sponsored by Liberty Global, almost 30 countries took part in 2012, with a shared goal of empowering people to use digital technologies.

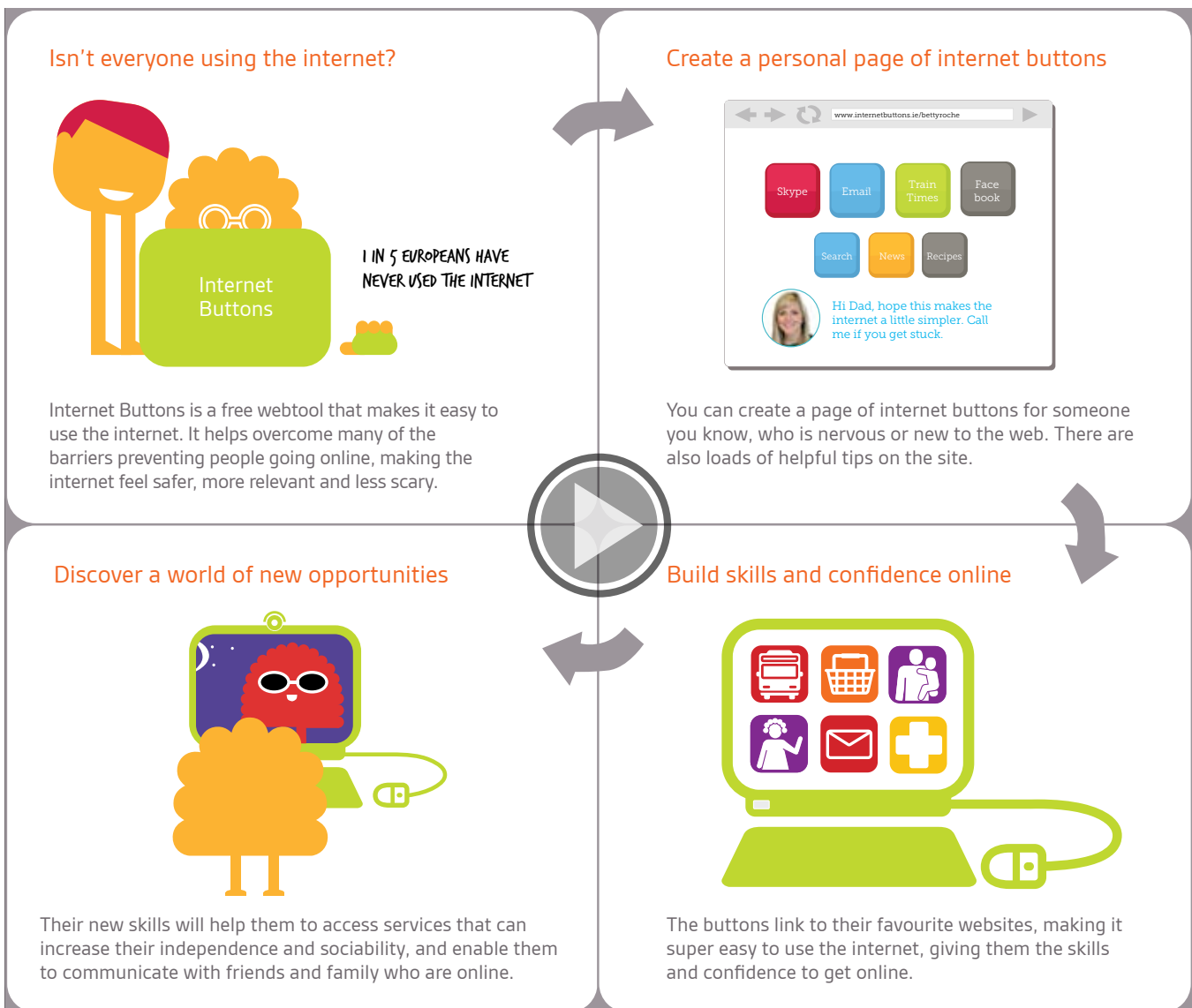
Helping people use the internet for the first time

Millions of people across our markets have never used the internet, even though the physical infrastructure is in place. From Company-led initiatives to local projects driven by local needs, we are helping people of all ages and backgrounds get online for the first time.

For example, '[M@turity in the Net](#)' is a coalition for digital inclusion in Poland, aimed at the 10 million people aged over 50 who are not benefiting from online services (around 25% of the population). UPC Poland is a founding member of the coalition and founded the e-Senior Academy in 2006, which offers support to older people through internet studios and public libraries. In 2012, 2,500 people from rural areas received e-training through the e-Senior Academy. Going forward, more than 3,000 libraries will be given free computers and training to deliver 'M@turity in the Net' programs.

In Switzerland, upc cablecom has continued its three-year project with the Swiss Red Cross to support nursing assistants in the computer skills required to adequately care for older people and care-dependent patients. In 2012, 36 upc cablecom volunteers trained nursing assistants in the computer skills needed to enter patient care information into databases, skills that the Swiss Red Cross had found to be lacking among its nursing trainees.

Another initiative aimed at helping people get online for the first time is Internet Buttons.



“Internet Buttons is not about getting people online for the sake of it, but helping people communicate with friends and family, access services that allow them to maintain and increase their independence, save money, and increase their offline social lives.”

Nick Stanhope, Chief Executive, We Are What We Do



9,000

people in total
are now online
using Internet
Buttons



INTERNET BUTTONS FOR BEGINNERS

Internet Buttons allows those confident online to create an easy-to-use customized starter page for family members and friends who are new to the internet or find it confusing. Large, brightly colored 'buttons' act as shortcuts to websites such as email, search engines, Skype, eHealth or other services tailored to the user. These can be saved to a personal homepage, making them easily accessible at the click of a button.

Internet Buttons was developed by not-for-profit company We Are What We Do, and not only provides a digital access benefit, but also reconnects generations and communities.

So far, we have tailored the product to our markets in Poland, Ireland and the Netherlands, partnering with specialist organizations, including the e-Senior Academy, SeniorWeb and Fast Track to IT. Since its launch, Internet Buttons has helped around 9,000 people in total get online. The tool was unveiled by Neelie Kroes, European Commission Vice-President responsible for the Digital Agenda, at the launch event of Get Online Week 2012. We also hosted an event at the European Commission in Brussels, where three Members of the European Parliament from Ireland, Poland and the Netherlands became Internet Buttons Ambassadors to help promote the benefits in their countries.



"There are great user-friendly internet buttons that you can set up for those less familiar with the net, to make their online experience easier and more comfortable. I was delighted to try some of these tools at the Belgian launch event for Get Online Week. If you know, or you are, someone who could do with a digital boost, then try them out too!"

Neelie Kroes, Vice-President of the European Commission

6 awards

for Tech School initiative, UPC Romania

570

science ideas submitted to UPC's Tech School in Romania

Creating opportunities

People who have access and skills are often still unable to make full use of the opportunities digital technologies offer. By helping people learn how to make the most of digital products and services, we can help them discover new possibilities, for the benefit of society as a whole.



Constantin Voiniciuc, winner of Tech School 2012

ENGAGING CHILDREN IN INNOVATION

UPC Romania's Tech School is an award-winning educational platform that helps children aged 11–19 with a passion for technology turn their dreams into reality. Designed to target the shortfall in science, technology, engineering and math skills, it is the biggest platform of its kind in the country, offering students tutorials, events, mentoring and resources in topics like robotics, programming and astronomy.

High school students can submit ideas around how technology can transform everyday life, via the Tech School platform. Three awards are granted to implement the winning ideas and a further special award is offered to enable a student to attend the Education NASA Center summer camp at Kennedy Space Center.

In 2012, over 570 ideas were submitted, 20 of which were shortlisted by a panel of specialists from Stanford University, NASA, the Romanian Ministry of Education, Youth and Sport, and Discovery Romania. The overall winner of Tech School 2012 was Constantin Voiniciuc, whose robotics idea was to reinvent the bionic hand with enhanced control and strength. The implications of this for surgery, telemedicine and other remote interventions are wide-ranging, and the grant will help Constantin develop an advanced version of his prototype.

The second place went to Costin Costea who has created a prototype T-shirt that can charge a mobile phone. Costin aims to extend the T-shirt's capabilities to other mobile devices and also reduce the charging time. In doing so, he hopes to lead a global trend in the interaction of technology and clothing.

The winning award to attend the NASA summer camp was given to Miriam Buzgau, who came up with the idea of creating a mobile observatory for children in cities that do not have an astronomy observatory.

Overall, the Tech School platform has received over 230,000 visitors since its launch in summer 2012. In recognition of its success, the Tech School was the winner in the Science and Education category at the European Excellence Awards 2012. The program's success demonstrates the potential of digital technologies to create opportunities for young people, both in skills development and in promoting a spirit of entrepreneurship and innovation, vital to thriving economies in the future.

\$1.7 million

invested in protecting children programs

"We are moving toward a society in which everyone will want and need to be connected online. Children are enthusiastic and intuitive when it comes to the internet, but also vulnerable. We need to equip them with the skills to make smart choices so that the internet remains a safe and positive place for them."



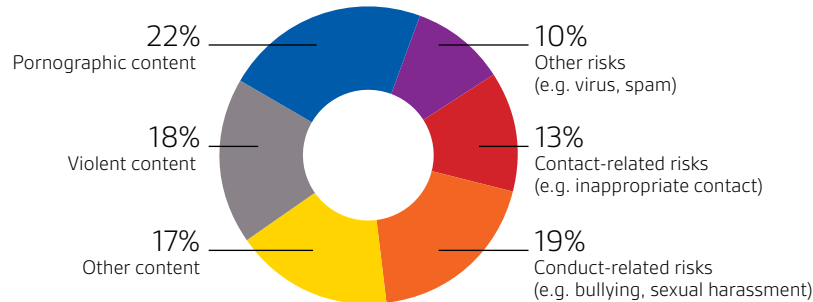
Neelie Kroes,
Vice-President of the
European Commission

Our approach to protecting children

As more young people enter the digital world, our industry's responsibility to keep them safe from potential harm has become an increasingly important issue. A major focus of our strategy to promote a digital society is protecting children, the group we believe is most at risk online or watching television.

According to EU Kids Online (2012), a pan-EU survey of 25,000 children and their parents, children perceive a range of risks facing them on the internet.

Risks children say they face online



Source: EU Kids Online (2012)

To respond to research like this, our strategy is based on education and empowerment so that children, their families and their teachers can develop self-protection and self-responsibility in the online environment. The European Commission (EC) Strategy for a Better Internet for Children (see below), which we actively support, proposes that children need to develop their critical thinking, and digital and media literacy skills, to be able to actively contribute in a participatory society. To do this, they need access to, and advice on how to use, tools suited to their age that would help them act safely and responsibly online. As children start using the internet at a very young age, it is necessary for online safety education to start in early childhood. Teaching online safety in schools is therefore a key feature of the Digital Agenda for Europe.



Policy spotlight

The European Commission Strategy for a Better Internet for Children recommends that industry: 'engages in public-private partnerships to support the development of interactive tools and platforms providing educational and awareness materials for teachers and children, building on existing initiatives.'

At Liberty Global, we implement a wide range of international and local projects, campaigns for raising awareness, education and tools, and protective features embedded in many of our products and services. These align with Pillar 2 of the Strategy for a Better Internet for Children. We are also a member of the European Commission's Coalition to make the internet a safer place for kids.

4 million

young people were reached by Safer Internet Day across 99 countries

114,000

minutes of free air time in many of our European markets, for Safer Internet Day



“The cooperation with Unitymedia Kabel BW opens up yet another meaningful channel for our media educational activities. We are very excited about this project.”

Professor Winfred Kaminski, Cologne University of Applied Sciences

Educating teachers, parents and children

Through targeted education programs, including internet safety toolkits, lessons, campaigns and public service announcements, we aim to raise awareness and provide children, young people, parents and educators with clear information on how to reduce the risks as well as enjoy the benefits of being online. In 2012, we sponsored [Safer Internet Day](#) (SID) for the seventh consecutive year. This event, organized by Insafe, promotes safer and more responsible use of online technology by young people around the world. The 2012 theme was ‘Discovering the digital world together safely,’ and the event reached over four million young people across 99 countries.

In addition to being a main sponsor of SID, we provided over 114,000 minutes of free air time for the SID public service announcement on many TV channels in our markets.

In Poland, UPC launched an internet safety campaign in PWN, a leading science-education publication which reaches 10,000 information technology (IT) teachers. PWN highlights the findings of UPC Poland’s research, which revealed that 65% of parents believe that the internet has positive impacts on their children’s development. Overall, parents find the internet is a source of inspiration for their children, helping them to excel in school. As part of this ongoing campaign, UPC plans to develop more articles to educate readers and raise awareness of the risks children face online.

In Germany, Unitymedia Kabel BW joined experts from Cologne University of Applied Sciences to launch the Young Users initiative, which aims to increase the media literacy of parents and children, and promote the safe and responsible use of TV and entertainment media. The project works through local community networks and includes research, educational measures, and events to help young people and their parents develop the skills and knowledge they need to stay safe while using our products and services.

Award

for KlasseTV, to
UPC Netherlands
(Comenius EduMedia
Seal award)

85,000

children used the
Media Literacy digital
teaching package



MEDIA LITERACY FOR CHILDREN, PARENTS AND TEACHERS

UPC and KlasseTV, the education portal for primary schools in the Netherlands, have developed Media Literacy, a digital teaching package. It is designed to help 7th-grade and 8th-grade school children (10–12 year olds), parents and teachers become more media savvy and risk aware.

The teaching package includes six modules that focus on different aspects of internet and television, including social networking, search engines, advertising, reliable and unreliable websites, suitable and inappropriate TV programs, and online bullying. The teaching package uses video, SMART Boards, and worksheets to focus on key objectives around online social skills and behaviors.

Approximately 85,000 children have used the Media Literacy curriculum in the classroom, the equivalent of 20% of 7th-grade and 8th-grade students in the Netherlands. There have been 6,600 unique visitors to the online Media Literacy portal, of which 45% were returning visitors. All schools in the Netherlands can access Media Literacy free of charge, and schools with a KlasseTV subscription can use all the features included in the package.

Gold

award for sustainable innovation in the community, VTR, Chile

44%

of children surveyed in Chile believed that Facebook was a more reliable source of information than press, radio and TV

43%

of children surveyed shared their passwords with their friends



KEEPING PASSWORDS PRIVATE

VTR in Chile launched its first internet safety campaign in 2008 with the goal of promoting a safe internet environment for children and adolescents. Every year since then, the campaign has used customer research to focus on the greatest risks to online safety. In 2012, a study by VTR and Criteria Research, involving 400 Chilean secondary school students from a range of socio-economic groups, aimed to understand the online behaviors of children and adolescents when using social media.

Of the 400 students surveyed, 100% had a Facebook account and 44% believed that Facebook was a more reliable source of information than press, radio and TV. 70% said they had received friend requests from strangers, while 22% said they would accept a friend request from a stranger without having another common friend. Only 17% of those surveyed did not believe that there were dangers associated with using social media.

The study also revealed that 43% of respondents shared their passwords with their friends or partner. With students having an average of 559 Facebook friends, the sharing of passwords makes these young people vulnerable to personal security threats.

To respond to the research findings, [VTR's Internet Security Program](#) focused on three key actions in 2012:

Educate and raise awareness through public service campaigns. VTR launched 'Your Passwords are Private' – an internet safety campaign, supported by international tennis player Fernando González. The campaign encouraged students to protect their passwords.

Empower via a toolkit for teachers and four online videos featuring television presenter Nicolás Copano. VTR also ran 15 workshops that were attended by nearly 4,000 students.

Protect through VTR's modern blocking platform that prevents access to pages with child sex-abuse content, with support from the UK-based Internet Watch Foundation.



"Since 2008, VTR has invested over \$200,000 in VTR Internet Secure, our main social responsibility program. In addition to the campaigns, with the support of TV presenter Nicolás Copano, we have carried out educational talks which have involved more than 33,000 children from 300 schools."

Guillermo Ponce, General Manager, VTR

52,207

eSafety family toolkits distributed or downloaded in 2012

23

countries have access to eSafety family toolkits

108,138

Play and Learn booklets distributed or downloaded in total



Empowering teachers, parents and children

Through research and partnerships, we have a clear insight into the specific online behaviors and issues that could put young users at risk. Having identified the issues, our strategy is to give parents and teachers the tools, resources and confidence that will enable them to take proactive actions to address serious risks such as cyber bullying or child grooming.

In Romania, to celebrate Children's Month in June 2012, UPC launched Teki, a remote control with a child-safe mode, which allows children to enjoy their favorite channels and games while protecting them from unsuitable content. Inspired by kids for kids, this is the first product of its kind on the Romanian market, and approximately 4,000 Teki controls were sold in 2012.

We continued our partnership with [Insafe](#), to roll out more eSafety family toolkits for children aged 6–12. In 2012, over 52,000 toolkits were either distributed in hard copy or downloaded across 23 countries, bringing the total reach to well over one million. Our Play and Learn booklet for younger children aged 4–8, reached over 100,000 families in 19 countries in 2012, bringing the total to almost 190,000 copies distributed since 2008.



We are also founders of the [eSafety Label](#) platform, a multi-stakeholder initiative with European Schoolnet, the European Education Ministries of Belgium-Flanders, Italy and Portugal, and industry peers Microsoft and Telefonica. The eSafety Label is a European-wide accreditation and support service for schools and teachers. The initiative provides accreditation, allowing schools to review their own eSafety practices against internationally agreed standards and offers a portal providing schools with an ever-growing set of resources including lessons, plans and policies.

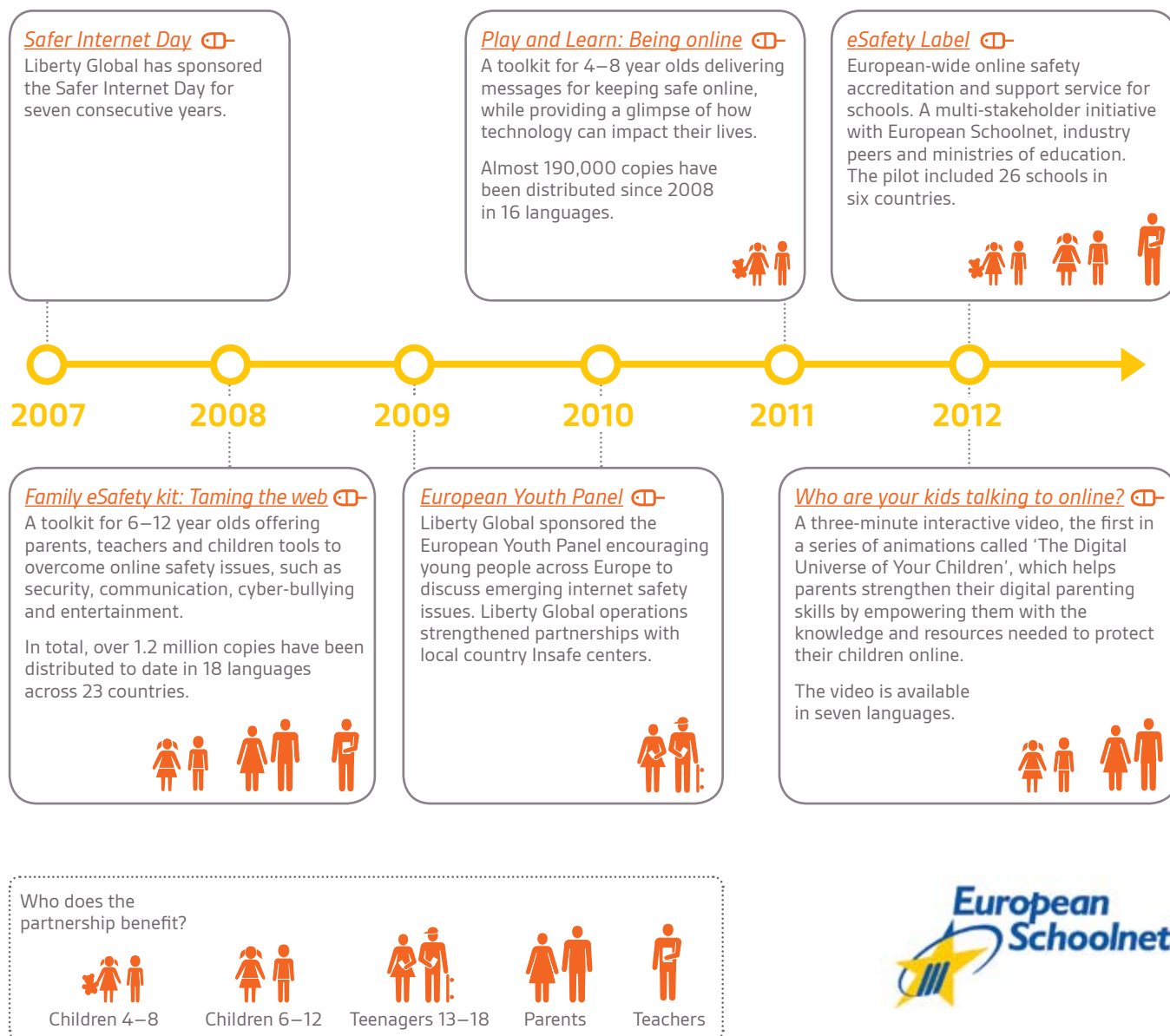
In 2012, the eSafety Label pilot project was launched on Safer Internet Day, when 26 schools across Europe were given the opportunity to test the prototype system and shape the service that will be launched in 2013.

“Liberty Global is a key partner for European Schoolnet, and our long-term collaboration is fundamental to our work in the area of children's safe and responsible use of the web.”

Marc Durando, Executive Director of European Schoolnet

Liberty Global and European Schoolnet partnership timeline

Liberty Global and European Schoolnet work together to create educational tools to keep children safe online, aimed at children, parents and teachers.



PRESIDENT AND
CEO MESSAGE

ABOUT LIBERTY GLOBAL

OUR APPROACH

DIGITAL SOCIETY

CUSTOMER TRUST

ENVIRONMENT

RESPONSIBLE BUSINESS

"I really welcome the development of this lively and engaging resource, as it does a great job of informing parents about what their children are doing online. The idea is that rather than feeling excluded or worrying in private, parents can find a way to share, discuss or join in with some of their children's experiences online and so guide them more effectively."



WHO ARE YOUR KIDS TALKING TO ONLINE?

To mark the 10th anniversary of [Safer Internet Day](#), Liberty Global joined forces with European Schoolnet and the European Commission to launch an educational animation video entitled, 'Who are your kids talking to online?'

The first in a series of educational animations, the video aims to help parents understand the challenges their children face online and provide them with the knowledge and resources needed to protect their children. The animation covers eight key issues including privacy on social networks, online gaming, blocking unwanted contacts, online risks, online friends, meeting strangers, personal information and online reputation.

It was developed using the EU Kids Online pan-European survey of 25,000 parents and children, which found that 41% of children say their parents are concerned about their online safety, when in reality the children are likely to be more confident online than their parents think. The video aims to address this misconception, by ensuring parents understand enough about online risks and protective measures to make the right decisions to protect their children.

The educational video is endorsed by the Confederation of Family Organizations in the European Union. Liberty Global has made the video available in English, Dutch, German, Hungarian, Czech, Romanian and Spanish. These versions are also endorsed and promoted through the European Insafe network.



Sonia Livingstone,
Professor of Social
Psychology at the London
School of Economics

\$9.7 million

total community contributions in 2012

\$1.2 million

in management costs of community programs¹

¹ The estimated cost of staff time spent working on community projects as part of their role, excluding staff volunteering time.

How we measure our impacts

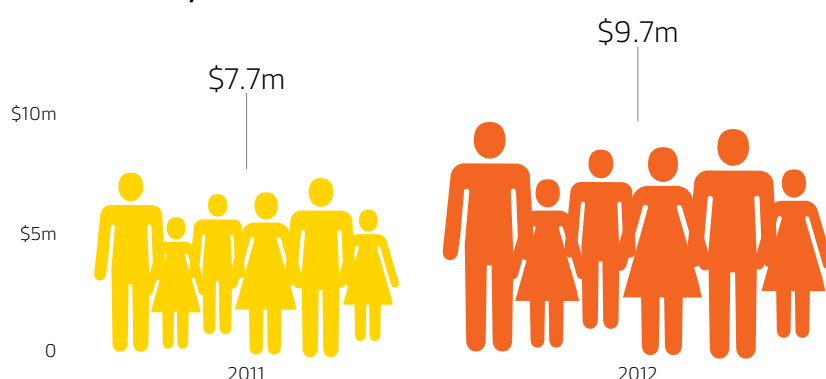
We measure the impacts of our community investment programs using the globally recognized London Benchmarking Group measurement model. This methodology records the outputs and positive community impacts of our investments in cash, time and management.



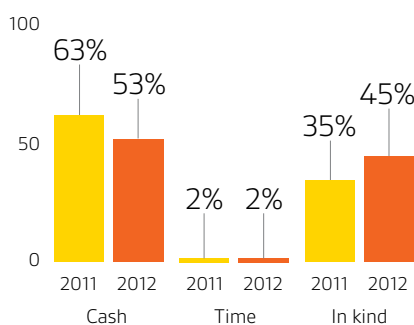
In 2012, we increased the scope of our community investment data collection to capture management costs across our markets. This helps us understand our total management investment. Additionally, we increased our in-kind contribution by 10% and increased our focus of Promoting a Digital Society investments by 11%. Employee volunteering increased from 3,555 hours in 2011 to 5,087 hours in 2012.

Going forward, our strategy is to continue to increase the proportion of our community investments contribution, which increased in total by 9% in 2012.

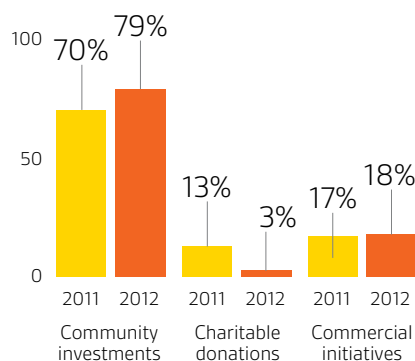
Total community contributions



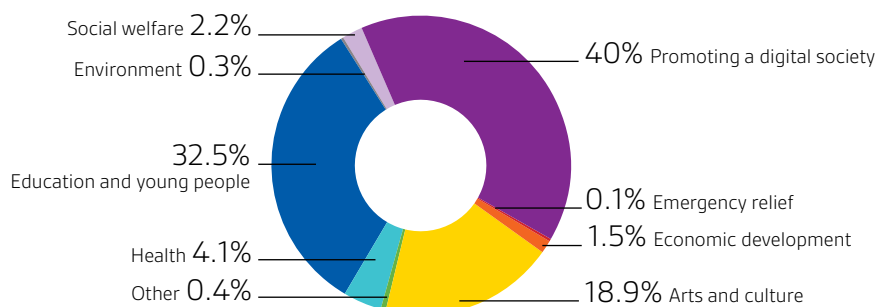
Community contributions by type



Community contributions by motivation



Community investments by focus





Building trust with our customers

Building trust starts with our customers having confidence in our products. We offer industry-leading digital solutions, personalized service, and an uncompromising approach to protecting the privacy of our customers and the security of their information. By working proactively in this area, we help build our customers' trust, while helping them to discover new possibilities in the digital world.

In this section:

Respecting customer privacy **PAGE 29**

Safeguarding customer information **PAGE 31**

Product and service innovation **PAGE 34**

Customer relationships **PAGE 35**



Why it matters

Personal data is becoming a new form of currency with huge potential value for consumers, businesses and institutions. This places it at great risk from security breaches and has the potential to damage the trust that customers have in our products and services. While society looks to governments to define consumer protection frameworks, there is much we can do to boost trust in our own way. We aim to have our brands occupy a respected and trusted position in the marketplace, so protecting our customers' personal information is a critical element of our business.

What we are doing

In 2012, we took tangible steps to improve customer data protection through a new Consumer Privacy Policy, a new Privacy by Design process which incorporates privacy considerations into early product and services design, as well as extensive employee training.

Respecting customer privacy

In order to deliver our products and services, we must receive personal data from our customers. We give the utmost care and attention to protecting their personal data as we process their information. As an international company working across many legal jurisdictions, languages and cultures, we apply our privacy principles consistently in all countries and business units.

In 2012, we issued our [Global Privacy Policy](#) to all our employees. This policy prescribes the principles, values, standards and rules of behavior for handling personal customer information. Also in 2012, we published our [Consumer Privacy Policy](#) on our country websites, informing consumers about their rights and our obligations regarding protection of their personal information.



“The opportunities presented by the digital world are endless but digital identity has to be protected at all times. We approach this issue with openness and transparency, through a wide range of protective systems.”

Manuel Kohnstamm, Senior Vice President and Chief Policy Officer, Liberty Global

23

privacy managers
at Liberty Global

Under the direction of our Group Privacy Officer, we have set up a Global Privacy Office (GPO) to lead our privacy program, apply best practices and provide insights into emerging trends. Across the Group, the GPO is supported by 23 privacy managers and 13 privacy officers who direct the implementation of our privacy compliance procedures and provide the first point of contact for employee queries or concerns.

This structure enables us to work effectively as a group to respond to emerging privacy regulation. For example, in 2012, European 'cookies' legislation came into force to give consumers more control over their browsing habits. A cookie is a small piece of data sent from a website and stored in a user's web browser while they are browsing the website. Our privacy and marketing teams worked together to ensure the impacts of the European directive were fully understood by colleagues in our countries of operation and developed an early plan to comply with the Cookie Directive for implementation in 2013.

Designing privacy into our products

In 2012, we began a process to ensure that privacy risks are taken into account at the design stage of every project, with controls embedded throughout the life cycle of all technologies. We call this Privacy by Design and it applies both to customer products and internal technologies.

Our objective is to fully embed Privacy by Design into all internal and external technologies where personal data is processed.



PRIVACY BY DESIGN FOR MOBILE SERVICES

In 2012, our Global Privacy Office facilitated a workshop to carry out a Privacy Impact Assessment (PIA) in the lead-up to the first phase of our European mobile services rollout. By undertaking this assessment, we increased focus on the privacy compliance requirements for our products at the early stages of their development.

The workshop convened Liberty Global's mobile services team and privacy personnel from across Europe. The teams discussed the mobile proposition, how the services are going to be operated and the key data flows. The teams then considered the control processes and other actions needed to ensure compliance and manage privacy risks. The next steps are for the mobile services teams to embed these controls as part of their product and service offering.

80%

of employees
completed privacy
training in 2012

Training employees in privacy requirements

Protecting people's privacy aligns to Liberty Global's values of respect, honesty and integrity. Yet it can be challenging for our people to manage the issue of privacy without fully understanding what it means.

We have developed a formal training program, customized in 10 languages, to help employees understand and uphold our privacy commitments. By the end of 2012, 80% of our employees had completed this mandatory training. The training will be rolled out to the additional markets in 2013. To reinforce our employees' knowledge, we have developed a further eight modules, focusing on privacy protection in the areas of sales, marketing and customer care. This will be rolled out in 2013 to teams requiring more in-depth guidance, specific to their role.

Safeguarding customer information

Data security is critical to our business. We want our customers to be confident that we have robust measures in place to protect their information against loss or compromise for any reason, including malicious attack.

Our Information Security Policy outlines key principles and practices for all employees connected to our information systems. These include:

- reporting any breaches of the policy to dedicated helpdesks;
- procedures to protect information security systems;
- management accountability for data protection; and
- the importance of following Group protocols for installing hardware and software.

Liberty Global's policies and procedures draw on industry best practice and recognized international standards, such as ISO 27001. They provide an integrated approach to managing physical security, IT security and network security. We continuously assess risks, actively monitor the integrity of our data and systems, and develop responses to potential threats when and where needed.

87%

of laptops encrypted
for security at
corporate and UPC
Netherlands offices

A global approach to information security

Information security must be managed at a global level with consistency and continuity. Therefore, in 2012, we boosted our practice with the creation of an Information Security Forum, engaging specialists from our corporate functions and local country operations. The Forum aims to align processes, establish a common framework, update global and local policies, and ensure compliance in the area of information security.

The Forum also recognized the on-going challenge of promoting a company culture with awareness of risks and prevention, so that security is owned by everyone, and not confined to specific personnel. Therefore, during 2012, we decided to break up our Information Security Policy into a simpler and more user-friendly format for employees. Using this approach, we developed and are implementing new policies covering issues with specific risks, such as password management, mobile devices and acceptable use of customer information. All employees will be informed in the application of these policies, including all new hires during induction training.

Most customer information is held in multiple secure operational locations in the Netherlands, and if it needs to be distributed outside of the corporate office environment, specific control systems are in place. In recognition of the focus on data privacy, we are now extending the controls to include making this data anonymous. This requirement to anonymize customer data will then be applied globally across our operations.

Liberty Global equips employees with mobile devices that enable remote working. To strengthen measures to safeguard data on Company laptops, we have a two-factor authentication solution that offers the security strength and support for a broad range of applications, utilizing a variety of authentication methods, which we need to protect our assets worldwide. In addition, data on laptop hard-drives is encrypted allowing the employees to create a personal code for storing of sensitive data. We started the process of encrypting laptops during 2012 and expect to conclude in 2013. For our mobile devices, such as tablets and smartphones, we can detect new users and also remotely wipe the data in the event of loss of the device.

As security challenges continually evolve, we track and improve our performance by monitoring data breaches on a regular basis, and addressing issues as they arise.

Our data security journey



“Our security team is demonstrating how Security by Design can add value to product development. We are sharing cross-country and cross-functional learning in order to build trust both within and outside our business.”



Alexander Lorenz,
Senior Vice President
Technology, upc cablecom



SECURITY BY DESIGN IN SWITZERLAND

Security by Design is our approach to the early inclusion of data protection considerations in the development phase of new products and services. Data security and digital confidence is a complex issue and is becoming an increasingly important factor for our business and for our customers. Security by Design ensures that the protection of customer data forms an integral part of the design phase.

At upc cablecom in Switzerland, web applications are being developed with increasing frequency. As a leading digital provider, upc cablecom accepts a responsibility to actively protect customer data. Recognizing the value of sharing knowledge and expertise, upc cablecom established a team to lead the development and ensure that data protection is a priority with the Web Community in Practice team, which comprises programmers from different business units.

The Web Community in Practice has a mission to improve the quality of web applications in order to ensure confidentiality and integrity. The team meets monthly to share ideas, concerns and learning, and makes recommendations to the Liberty Global Information Security Forum for minimum requirements for web applications essential for secure operation. Also, the upc cablecom team has created an agreed set of common principles, baselines and standards for all developers of web applications.

100,000

subscriptions for
Horizon TV in 2012

80%

of customers opting
into Horizon's privacy
features

Awards

for Chello Multicanal's
Documentaries,
Children's
Communications and
Marketing

Effie Award for VTR
Mobile Campaign
(Gold Award)

2 Golden Antenna
awards for UPC
Poland: Company of
the Year and Product
of the Year (Fixed-Line
B2B Services)

Superbrand for UPC
Poland (Superbrands
Polska)

Product and service innovation

As a leading cable company, our brands and businesses bring products and services to customers all around the world. 2012 was a milestone year for product innovation and our pioneering role in the 'connected-TV' revolution.

In the Netherlands, we launched Horizon TV, our next-generation media and entertainment platform that allows customers to view and share their favorite content across their TV, computer, tablet and smartphone. Customers can watch 80 live TV channels, 3,500 television shows and nearly 200 movies across all of their devices by downloading the Horizon TV app or via horizon.tv. Within four months of launching the Horizon Gateway, a high definition mediabox with built-in DVR, almost 100,000 subscribers signed up to enjoy the benefits of this new platform.

We were proactive in addressing customer feedback and we released Horizon software updates as a response to these queries, in the first few months, further refining usability.

Horizon is testament to the kind of market-leading products that our customers expect from us. By the end of 2012, over 185,000 of our customers were using Horizon TV online, via the web or an iOS app. Also, 80% of Horizon customers are opting into our privacy program, which allows us to recommend personalized content to them, and power the search engine with their preferences. This opt-in feature is available to customers as soon as they power on Horizon for the first time; the take-up rate shows that our customers trust us to use their data responsibly to enhance their experience.

Horizon will be launched in Switzerland, Germany and Ireland in 2013.



Policy spotlight

As part of the launch of the Horizon TV platform, the European Commission invited Liberty Global to demonstrate Horizon's features to 150 officials as part of a scenario-planning exercise on TV and internet convergence.

Combining linear (TV) and non-linear (interactive) content brings policy challenges as these two areas are regulated differently. The relationship between broadcasters and digital platform providers in this new environment will require creative solutions which benefit both parties. Our expertise and experience puts us in a position to help develop such solutions.

Our view is that new digital products must be thoroughly evaluated before regulation is applied. By showcasing Horizon, the culmination of an extensive engagement campaign with European policy makers, we were pleased to play an important role in the 'connected-TV' debate.

6.7 out of 10

2012 Trust Index score
(Group average)¹
2011 score: 6.7

¹ The Trust Index is a component of our annual Brand and Satisfaction Survey of customers of all European cable operations, excluding Kabel BW.

Customer relationships

We believe that every interaction with every one of our millions of customers is a chance for us to provide a personal, efficient and proactive service and build a long-lasting relationship. We track overall trends and themes represented in our customer feedback via our annual consumer survey and social media channels, and ensure that this valuable feedback is integrated into our customer service plans and improvement objectives.

What our customers are telling us²

Successes



Innovative products



Robust data protection and privacy controls



Strong brand familiarity in Europe



Improved reputation in Belgium, Switzerland, Germany, Netherlands and Poland, compared to 2011

Opportunities



Communicate data and privacy protection measures



Be more open and transparent about governance and ethics



Pay more attention to customer service, protecting children on the internet and TV, and delivering responsible products



Improve brand reputation in Austria, Czech Republic and Hungary, compared to 2011

² Liberty Global 2012 RepTrak™ reputation survey.



Managing our environmental impacts

As a global corporate citizen, we play a role in addressing the environmental impacts generated through our business. Reducing our environmental footprint is not only the right thing to do; it also supports the sustainability of our business. The environmental priorities we have identified with our stakeholders are energy efficiency, greenhouse gas emissions and e-waste. By fully understanding our impacts in these areas, we are discovering smarter solutions for our customers and more efficient ways of delivering our products and services.

In this section:

Energy use and efficiency **PAGE 38**

Greenhouse gas emissions **PAGE 39**

E-waste **PAGE 41**

Customer products **PAGE 43**

Why it matters

Good business practice and environmental management come together in resource efficiency. Using less to do more is not only vital for preserving the resources we rely on but makes us a leaner and more efficient business.

We anticipate global energy prices will continue to rise, which will increase our operating costs. In order to protect our business and our customers from cost increases, and to help meet the EU target to reduce energy consumption to 20% below 1990 levels by 2020, we are investing in energy efficiency measures which will mitigate our exposure to energy risks.

According to the [Global e-Sustainability Initiative \(GeSI\)](#), the Information and Communication Technology (ICT) sector's greenhouse gas (GHG) footprint is projected to rise by 12% by 2020. However, ICT solutions also have the potential to reduce global GHG emissions by 17% over the same period. At Liberty Global, we can participate in the global efforts to reduce GHG emissions by enhancing access to digital platforms that help our customers reduce their environmental impacts.

Another pivotal area which is important in the context of managing our environmental impacts relates to e-waste – defective or obsolete electronic equipment. Today, e-waste is the world's fastest growing waste stream, increasing by around 4% annually. Every year, 40 million metric tons of e-waste is produced and, according to the United Nations Environment Program, only 10% is recycled.

What we are doing

Effective environmental management is dependent on high-quality data. As such, in 2012, we focused on increasing the scope and accuracy of information relating to our resource consumption, including electricity consumption, business travel, waste and water. Using an online data-collection tool to collect, aggregate and analyze environmental data, we now report data from 13 countries and three headquarter offices, including our subsidiaries Kabel BW in Germany, Aster in Poland and Rubicon in UPC Hungary, acquired in 2011¹. In 2012, we also extended our data collection to cover VTR in Chile and convened a working group of experts from across the business to develop a Company-wide process for collecting more accurate and consistent electricity consumption data. These were significant milestones, given the scale of our global presence and continued growth over the year.

As a result, our corporate structure and reporting boundaries have changed between 2011 and 2012. In line with best practice, and to allow for a more meaningful comparison across years, we have restated data for 2011 where the impacts of these changes were considered material. In addition, Scope 2 and electricity consumption data has been restated for upc cablecom, which experienced a material change in their energy consumption data as a result of the standardized approach to the collection of this data for 2012. Please see [About this report](#) for more information on this.

Having established a more comprehensive and accurate baseline, we will plan to launch environmental targets in 2013.

¹ Liberty Global reports on a 'control' basis, which means we disclose data for all of our worldwide operations where we exercise operational control. Data for these subsidiaries is reported at 100%.

Energy use and efficiency

In 2012, we consumed 572 GWh of electricity. This is an increase of 0.6% over 2011.

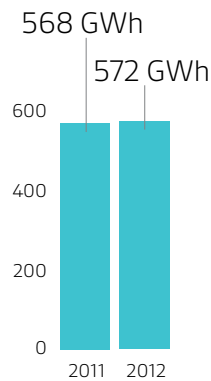
572 GWh

total electricity consumption in 2012

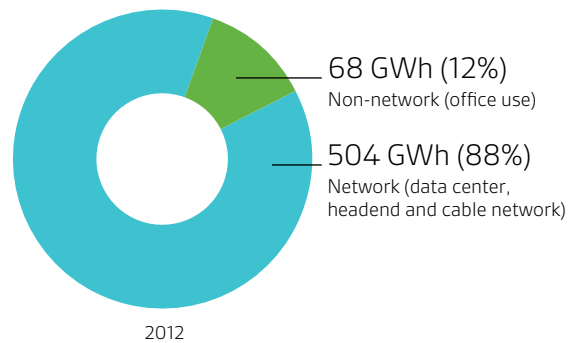
88%

of energy use comes from our network infrastructure

Total electricity consumption

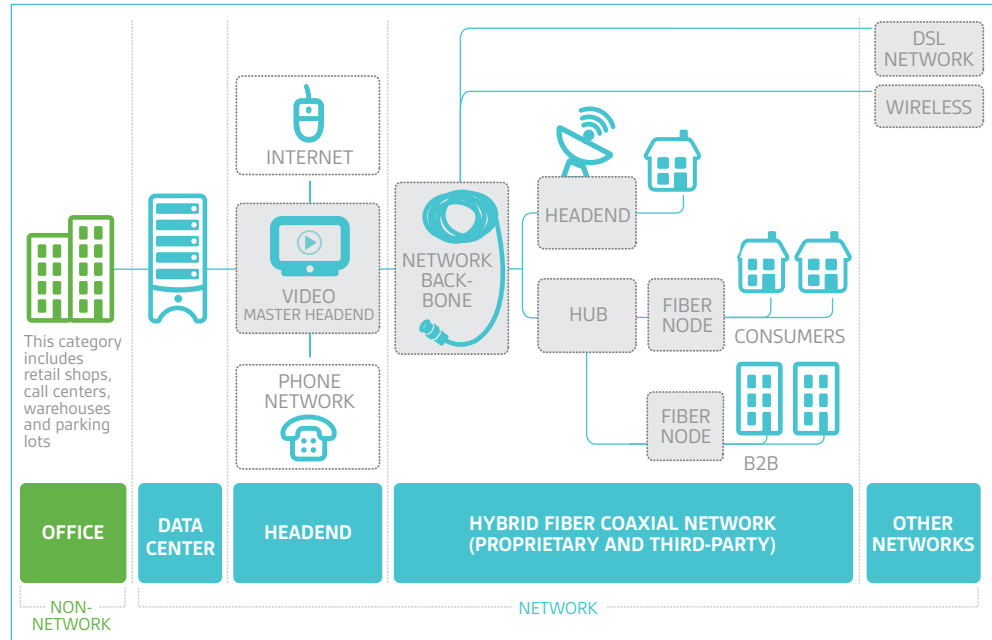


Electricity consumption by use



The scope of our electricity consumption data for 2012 covers Liberty Global's worldwide operations. This includes our offices, data centers, fiber networks and third-party hybrid fiber-coaxial (HFC) networks (combining optical fiber and coaxial cable), as well as DSL (digital subscriber line) and wireless networks not directly owned by Liberty Global but used to deliver our services. These are shown below.

What we include in our electricity consumption data



263,363

metric tons of CO₂e:
Liberty Global's
carbon footprint
(scope 1, 2 and 3)

1,988

metric tons of CO₂e
avoided through
energy conservation
and efficiency
initiatives

"Responsible use of energy is an important aspect of our CR strategy. UPC Netherlands has embraced the Climate Challenge program of parent company Liberty Global, aiming to reduce our CO₂ emissions and stimulate the environmental awareness of our employees."



Robert Dunn,
CFO, Virgin Media
(formerly Managing Director,
UPC Netherlands)

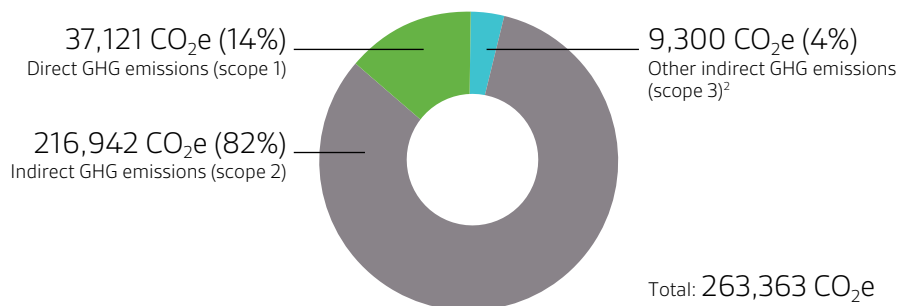
We have continued to drive energy efficiency initiatives in our markets. In 2012, UPC Netherlands was the first of our brands to become ISO 14001 certified, the internationally recognized standard for environmental management. As part of its commitment to become 30% more energy efficient by 2020, UPC Netherlands has also signed up to 'MJA-3,' a national energy efficiency initiative, together with 30 other leading information technology organizations. In 2012, 400 of their employees moved into a new BREEAM 'Excellent' sustainable building in Leeuwarden. This category is the highest score for sustainability from BREEAM – a leading environmental assessment method and rating system for buildings.

In Belgium, Telenet has also made significant progress, increasing energy efficiency by more than 7% since 2011 (30% since 2007), despite business expansion. Based on current energy prices, Telenet estimates that this equates to savings of €4.5 million since 2007. This achievement is the result of a combination of increased network efficiency and a number of improvements at its data centers.

Greenhouse gas emissions

Our greenhouse gas (GHG) emissions are expressed in metric tons of carbon dioxide equivalent (CO₂e) – a universal measure that allows the global warming potential of different GHGs to be compared. In 2012, our total carbon footprint was 263,363 metric tons of CO₂e, an increase of 0.7%.

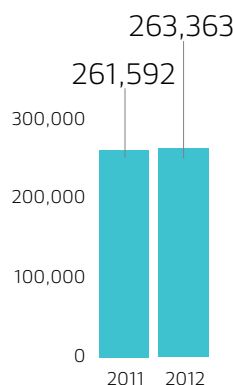
Breakdown of CO₂e emissions by scope in metric tons of CO₂e¹



¹ We have calculated the GHG emissions of our operations according to the World Business Council for Sustainable Development GHG Protocol Methodology (using the UK Department for Environment, Food and Rural Affairs (Defra) emissions factors for 2012).

² Excluding customer set-top boxes and modems at the customers' premises.

Total CO₂ equivalent emissions (metric tons of CO₂e)



“Usually, solar panels are located on rooftops, which means people often can’t even see them. Our panels at Kerpen are located on the ground – we wanted people to see a visible symbol of our commitment to green energy.”



Ingo Draheim, Project Manager, Unitymedia Kabel BW

61,853

metric tons of CO₂ saved through procurement of green energy and onsite renewables

4,500

metric tons of CO₂ saved by using TelePresence videoconferencing

Green energy

In order to reduce our emissions, a number of our markets are switching to green energy contracts (derived from renewable sources) to power their office buildings and networks. Telenet in Belgium procures 100% of its energy from ‘AlpEnergie’ certified hydroelectric sources. UPC Netherlands and UPC Direct (UPC’s satellite TV operation in Central Europe) also purchase 100% renewable energy, while renewable contracts are also in place for select locations across Unitymedia Kabel BW in Germany and our programming business Chellomedia.

As well as purchasing green energy from electricity suppliers, we also generate our own renewable energy at several sites across our global operations. In 2012, Unitymedia Kabel BW installed over 400 solar panels in its car park at Kerpen, Germany. The panels can generate up to 64,000 kWh of energy every year – enough to supply 22 households.

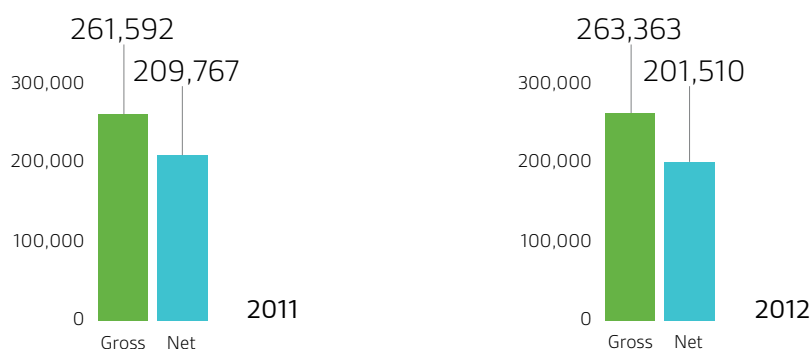
Other markets that use solar panels to generate green energy onsite include upc cablecom, UPC Czech Republic, UPC Netherlands, UPC Poland, Telenet and our corporate head office in Amsterdam.

Offsetting

In addition to reducing our carbon emissions through purchasing and generating green energy, some of our local operations offset emissions through investment in initiatives that remove carbon from the atmosphere and support communities along the way. For example, Telenet supports reforestation projects along the Rio Mira river in Ecuador, planting trees in areas of the rainforest that have been destroyed over the last 60 years. Here, replanted forests not only act as global carbon ‘sinks’ (removing carbon from the atmosphere), but they also regenerate local flora and fauna, which reduces erosion and provides shade, and enhances economic development and sustainable livelihoods for people living along Rio Mira. The carbon offsetting of these activities will be realized as of 2015.

In line with best practice, we break our footprint down into gross and net emissions, which illustrates the impacts of alternative energy and offsetting.

Gross vs. net emissions (metric tons of CO₂e)¹



Business travel

Business travel accounts for around 85% of our scope 3 emissions². Of this, in 2012, we generated 7,018 metric tons of CO₂e through air travel – equally 88% of our overall business travel emissions. We have taken steps to reduce our travel-related emissions in the last 12 months by introducing Cisco TelePresence, an advanced videoconferencing facility that enables employees to meet virtually, as if they were around a table together.

First used at our Denver office in 2011, we now have TelePresence in 51 suites at our offices in Europe and Chile, used by around 50 people every day and serving 5,000 conferences in 2012. In addition to delivering environmental benefits, it enhances productivity and wellbeing by reducing time spent traveling. In 2012, using Cisco methodology for forecasting emissions, we have calculated that we have saved approximately 4,500 metric tons of CO₂e through avoidance of business travel.

¹ Gross emissions are calculated using national grid average conversion factors for all electricity consumption and this does not account for emissions reduction activities, such as purchasing carbon offsets or consuming electricity derived from renewable energy sources. Net emissions are calculated using a conversion factor of zero for all electricity consumed from onsite renewable energy generation and from certified green energy contracts, and deducting emissions equivalent to the total amount of carbon offset purchased.

² See data table on page 55 for definitions of scopes 1, 2 and 3.

E-waste

36%

of set-top boxes and modems retrieved and refurbished

5,167

metric tons of waste to landfill avoided through hardware refurbishment

\$130 million

saved through refurbishment of set-top boxes and modems in Europe (excluding Telenet)

16

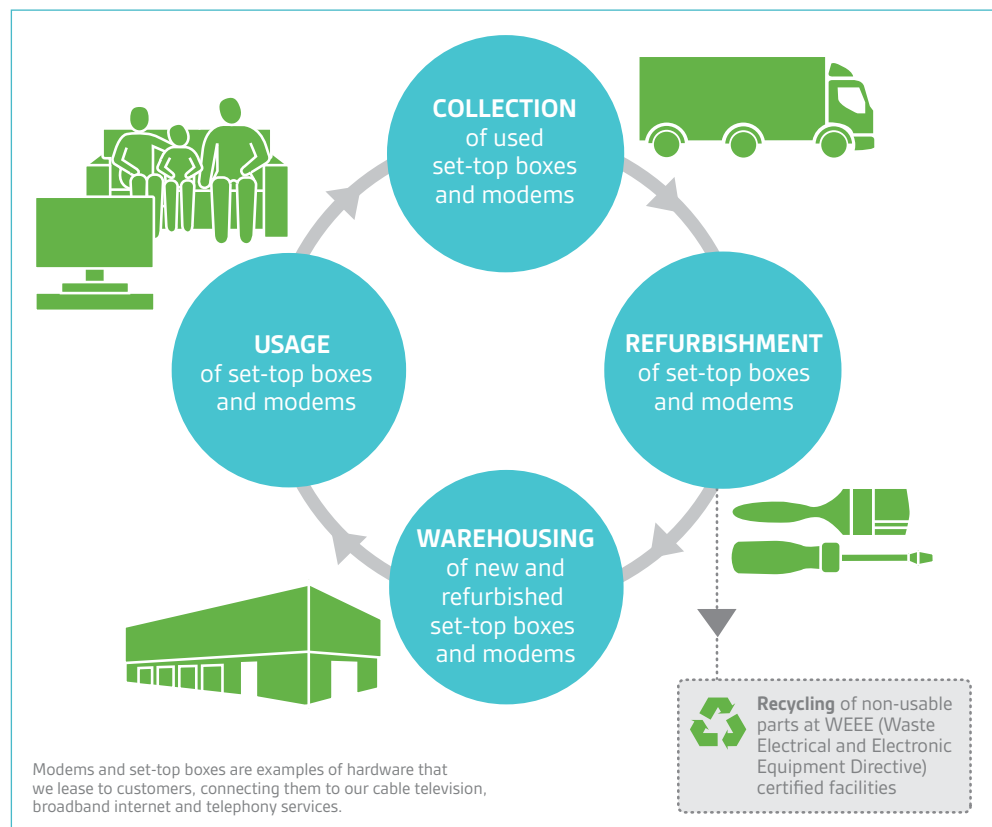
pallets of refurbished hardware from our offices were donated to Close the Gap for re-use in Kenya

Our business relies on the supply of electronic hardware to customers. When this hardware becomes obsolete, or when customers make changes, the electronic equipment may be discarded and end up as waste in landfills where it is environmentally hazardous. Liberty Global shares a responsibility for the safe and environmentally friendly handling of e-waste.

We lease customer set-top boxes and modems to our customers, and repurpose them after use, avoiding approximately 5,000 metric tons of waste being sent to landfill. In 2012, we refurbished three million set-top boxes and modems and 36% of the equipment that we deployed to our customers was sourced from refurbished stock.

Our partners Teleplan and Regeneris ensure that hardware that is collected but cannot be refurbished is disposed of according to the Waste Electrical and Electronic Equipment (WEEE) Directive.

Reuse and recycling of our set-top boxes and modems



Liberty Global also donates refurbished IT equipment to community projects that bridge the digital divide in the developing world. We have continued our partnership with Close the Gap, a UN-backed international non-profit organization, that aims to bridge the divide by offering second-hand computers to schools and hospitals in emerging markets. In 2012, we donated 16 pallets of refurbished hardware from our offices to Close the Gap, including 17 desktop computers and 50 monitors for schools and hospitals in Kenya.

712

metric tons of waste avoided at Telenet by repurposing set-top boxes and modems



PEOPLE, PLANET AND PROFIT APPROACH TO TELENET'S E-WASTE

Telenet repurposes customer-used set-top boxes, decoders and modems, and has partnered with the Belgian sheltered employment workshop, BW Imsir, for the last 10 years, sending customer equipment to be refurbished as new. BW Imsir provides training and employment for people with learning disabilities, some of whom have suffered from long-term social exclusion.

Set-top boxes and modems returned by customers to Telenet centers end up at the BW Imsir workshop, where employees test, clean and refurbish the equipment, and repackage it for use by new customers. Its operation aligns with the highest quality standards and is ISO 9001 certified.

Thanks to Telenet's growing supply of returned equipment, BW Imsir now has 40 staff dedicated to dealing with its hardware stream. In addition, the Telenet Foundation funded new computers for a training classroom at BW Imsir's facilities and actively encouraged Telenet employees to volunteer their time to train BW Imsir's staff in digital literacy.

As a result, this innovative partnership was nominated for a supply chain award, supported by the Ghent Business School. The partnership was a finalist in the 'large companies' category for its approach to the '3Ps' – People, Planet, Profit. People, because the project creates jobs for 40 people at BW Imsir; Planet, because the initiative avoids sending 712 metric tons of hardware to landfill each year; and Profit, in the form of €18.5 million capital expenditure avoidance by re-using materials.

Customer products

Our latest set-top box models have a low-power (one watt) standby mode and optional smart energy settings. The Horizon TV gateway, which launched in 2012, has multiple standby modes, including the lowest power 'cold' mode, enabling home energy savings. These are some of the measures we have taken as part of our continued commitment as a signatory to the Voluntary Industry Agreement to improve the energy consumption of set-top boxes within the EU, and as part of our responsibility to help our customers reduce their environmental impacts.

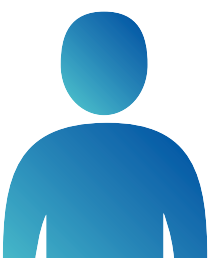
Changing customer behavior is never easy and achieving the optimum outcome – a combination of the best user experience while saving energy – remains a challenge. For example, functionalities such as boot-up time, remote recordings, automatic recordings and remote monitoring can be impeded when the box is in 'lukewarm' or 'cold' energy-saving modes. We believe we need to improve our customer communication around cost-saving and sustainability attributes of these products, to create more widespread behavioral change.

We have also worked on minimizing the environmental impacts of our product packaging by reducing the amount and improving the composition of these materials where possible. For example, Horizon's packaging is made up of plastic components which are 100% recycled, while the carton lid and underside are 66% recycled. Also, instead of issuing printed user manuals to customers, we send a short summarized user guide, while making the full manual available to customers online.

Looking ahead, we will work with our packaging suppliers to ensure, where possible, we use paper-based packaging materials certified to the Forestry Stewardship Council standard or the Programme for the Endorsement of Forest Certification. We will reduce the number of packaging components and identify biodegradable materials and inks that are sustainably sourced.



Fast Forward class of 2012



Being a responsible business

Enabling people to discover new possibilities in the digital world brings opportunities, as well as responsibilities. For us at Liberty Global, this begins with a commitment to conduct our business with honesty and integrity, in accordance with high ethical standards, and with respect for all. By investing in our employees we can build a more resilient business, and by working with our suppliers to be more responsible we can reduce our risk exposure and operating costs. Collaboration is key to a successful and responsible business.

In this section:

Engaging employees **PAGE 46**

Employees IN the Community **PAGE 50**

Lessons for Life Foundation **PAGE 52**

Building partnerships for
a responsible supply chain **PAGE 53**

Recognized in sustainability indices



FTSE4Good

Why it matters

Research by Edelman (2013) shows that public trust in business continued to decline in 2012. At Liberty Global, our own consumer perceptions survey revealed a more positive picture, showing that our reputation had improved in five of our 11 markets. However, while consumers have a high opinion of our products and services, our reputation on matters relating to corporate governance and citizenship offers an opportunity to increase trust in our brands.

Responsibility goes deeper than ensuring our consumers and customers are satisfied. It relates to the way we care for and develop our employees, maintain collaborative relationships with our suppliers, and help communities thrive. The communities in which we operate are a valued source of talented employees and suppliers of products and services that are vital to our business operations. In return, our investment in our people, suppliers and neighbors helps make our local communities more resilient, while increasing trust in our brands and the positive recognition of financial markets. Being a responsible business is a prerequisite for being a successful business.

What we are doing

Our Code of Business Conduct sets out the principles, standards and behaviors necessary to do business with honesty and integrity. The Code applies to every director, officer and employee of the Liberty Global Group. Supported by the Code of Business Conduct, we set ourselves high standards of ethical behavior, operate a strong Anti-corruption Policy and do not contribute to political parties.

Liberty Global's performance as a responsible business has been recognized by sustainability indices at leading stock exchanges. For example, we have been listed in the FTSE4Good Index since 2007, and in 2012, we achieved listing in both the Dow Jones Sustainability World and North America Indexes. In addition, our Belgian subsidiary, Telenet, was the first cable company to be named Supersector Leader in the Dow Jones Sustainability World Index.

VTR was distinguished once again among the 18 Most Responsible Companies in Chile. The ranking is compiled by ProHumana, an organization that monitors corporate social responsibility initiatives across Chile.

In 2012, the corporate responsibility (CR) team and the Strategic Marketing, Sales and Customer Care department jointly developed a Company-wide Code of Ethics for Advertising, laying out Liberty Global's commitment to truthfulness and honesty in all of our advertising activities and contacts with customers. In early 2013, this Code was published on our [corporate website](#).

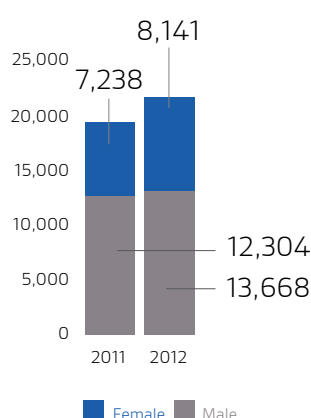


“Our position in leading sustainability indices is important because it signals to investors that our responsible performance has been recognized by independent and credible voices in the financial markets.”

Rick Westerman, Senior Vice President of Investor Relations and Corporate Communications, and Chairman of the Corporate Responsibility Committee

Engaging employees

Total employees by gender



37.3%

female employees
(2011: 37.0%)

62.7%

male employees
(2011: 63.0%)

30%

increase in new
employee hires

0.4%

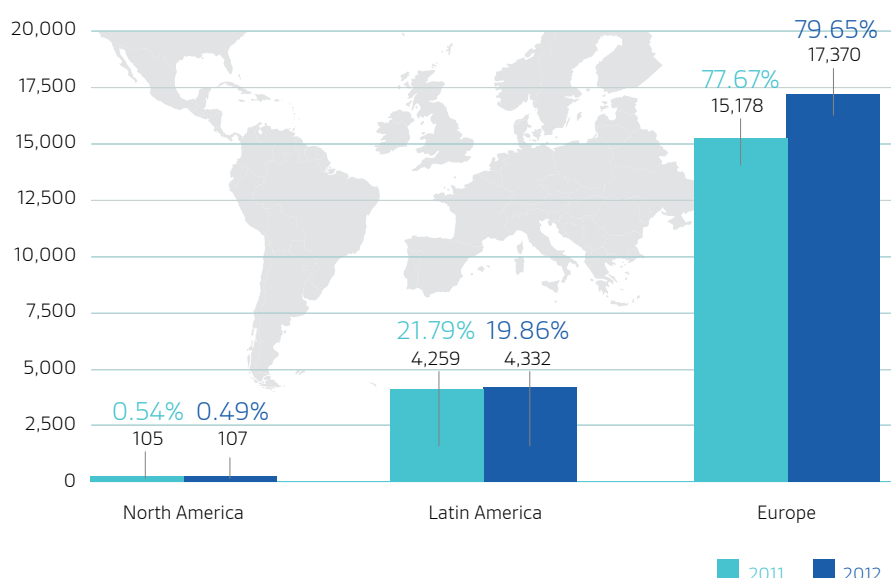
decrease in
employee turnover

At Liberty Global, we aim to be a responsible employer for our more than 21,000 people across three global regions. Our aim is for people to feel connected to the vision of Liberty Global and the values that we hold.

We support employee performance through significant investment in training and development programs. We ensure compliance with health and safety regulations and undertake additional initiatives to advance the health and wellbeing of our employees.

Total workforce at Liberty Global 2011–2012 (headcount at year end)

By region



In 2012, the first 'European Leadership Connection' was held in Amsterdam, attended by Liberty Global's Managing Directors and their direct reports from the corporate organization and our European country operations. The event aimed to develop stronger ties among our global leaders and provided a chance to share views and develop a shared approach to key opportunities and challenges. Our Chairman John Malone and Chief Executive Officer Mike Fries personally presented perspectives about the business environment, and engaged in discussions to help align the awareness and insight among this important leadership community within our Group.

For Liberty Global to remain a market leader, it is important to leverage the power of our people. To support that aim, Human Resources (HR) surveyed 900 of our global leaders on their expectations of HR in supporting business objectives. The outcome of this survey showed that the HR function was delivering well in operational aspects and helping the business to achieve its day-to-day objectives. However, leaders expressed the need for higher involvement of HR in leadership development, talent evaluation and performance management.

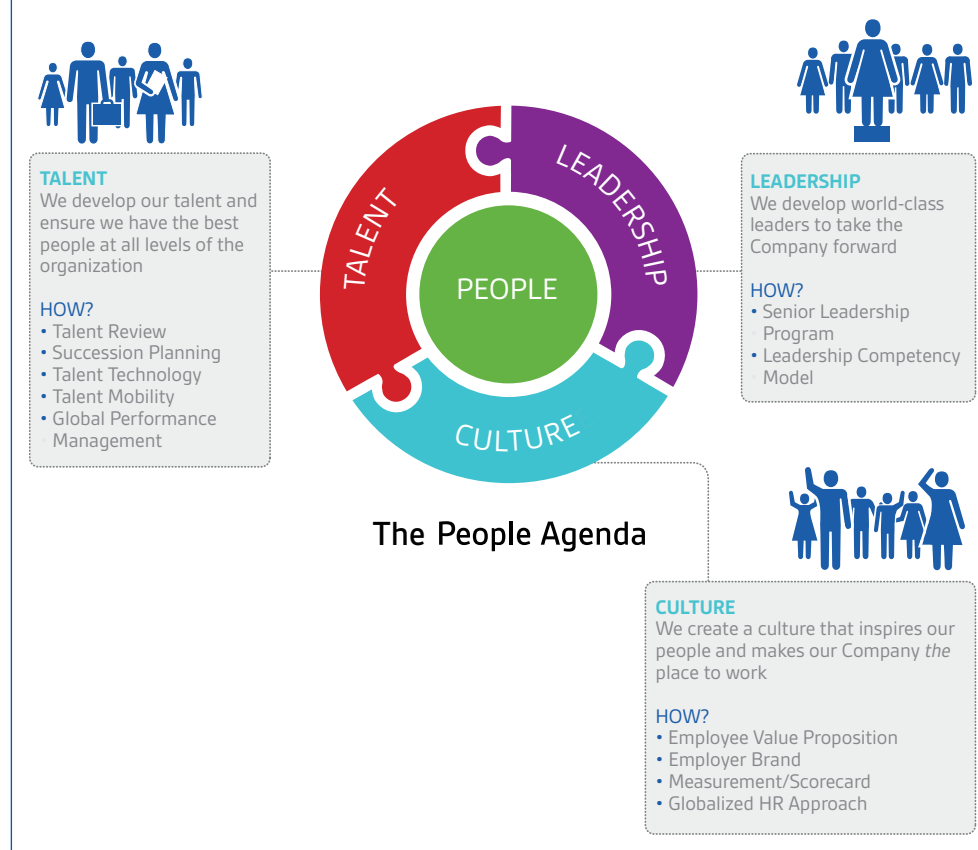
4

average training
days per full time
employee

The People Agenda

The result of our Group-wide HR consultation was the People Agenda. This initiative, which was formally launched in early 2013, sets out the Company's future direction for developing our Talent, Leadership and Culture, in line with the needs of the business. It is steered by 45 global HR leaders, supported by an advisory team of senior executives.

Our three-year strategic HR roadmap focuses on three areas.



Establishing a culture of innovation

In 2012, we saw another promising round of entries to our employee innovation and ideation platform, Spark, which encourages employees to share their ideas about how we could serve our customers better and improve internal processes. The aim of Spark is to embed a culture of innovation and knowledge sharing across our business.

The program now reaches 5,000 employees in Austria, Ireland, the Netherlands and Romania. To date, almost 800 ideas have been submitted, of which 38 were shortlisted and 10 were implemented. The winners were invited to Liberty Global's Annual Technology Summit to celebrate their ideas. We intend to introduce Spark in all markets by the end of 2014.

UPC Netherlands successfully piloted an environmental version of Spark during the year – GreenSpark. This campaign aimed to engage employees in energy efficiency and shape UPC's Energy Efficiency Plan. The GreenSpark campaign received 57 energy efficiency ideas, seven of which were selected for implementation, including 'green' service subscriptions for customers and providing UPC bicycles for nearby external meetings.

PRESIDENT AND
CEO MESSAGE

ABOUT LIBERTY GLOBAL

OUR APPROACH

DIGITAL SOCIETY

CUSTOMER TRUST

ENVIRONMENT

RESPONSIBLE BUSINESS

5,000

employees can
access the
Spark program



MY SPARK IDEA: YOUNG UPC

Brigitte Hogenbirk, Management Assistant at UPC Netherlands, came up with a Spark idea to create a staff association for young UPC employees to connect to colleagues and international organizations. The aim was to improve employer branding and attract young professionals to the Company.

Her idea became a reality in the summer of 2012, when around 150 young UPC employees signed up to join branding workshops and networking events. These included a 'speed dating' session with UPC's management team, during which employees were given three-minute slots to quiz business leaders on all aspects of the business as well as their own professional development. Participants commented that they were pleasantly surprised by the openness, accessibility and inspiration of UPC's management.

28.5%

women in
management
(% of management)

39

participants in
the Fast Forward
Leadership program

91%

of employees received
a Performance Review



Developing our future leaders

A key goal on the employee front at Liberty Global is to identify and develop our future leaders. One way that we do this is through our emerging leaders' development program, Fast Forward. This development program, launched in 2011, aims to identify emerging leaders from across our global operations.

In 2012, a new class of 39 employees started their Fast Forward program. As well as receiving 360-degree feedback and a detailed assessment of their leadership strengths, participants are assigned a senior mentor to guide and inspire them through their program, ensuring they have the support they need.

The centerpiece of Fast Forward is the Business Challenge, which offers participants the opportunity to tackle actual business issues that Liberty Global is facing. In 2012, one of these challenges focused on how Liberty Global could increase the efficiency of its capital expenditure (Capex) investment. The Executive Management Committee (EMC) wanted to know how the Company could increase its free cash flow while continuing to provide customers with the best products, at the lowest possible prices. The recommendation by the Fast Forward team was to create a Company-wide Capex Efficiency Unit to champion Capex excellence across the organization and support each market to develop technical investment competences. The EMC adopted this recommendation and established a Capex Efficiency Unit.

Assessing and improving performance

One of the prime tools we use for engaging employees is our annual Performance Review. This includes an open discussion with a direct manager about performance against objectives, professional development goals and specific learning needs, as well as feedback on how employees support our mission and values, with consistently responsible and ethical behavior. In 2012, 91% of employees participated in a Performance Review.

The objective-setting process, which is incorporated into the Performance Review for employees, reinforces our commitment to customer satisfaction through the establishment of specific performance targets, tailored to each local market, for example 'Customer Enthusiasm' in UPC Netherlands, or 'Customer Loyalty' in Telenet in Belgium.

"Fast Forward was one of the most extraordinary experiences of my career. It gave me an opportunity to meet and interact with the most interesting and inspiring people. It provided me with clear direction from a personal and professional perspective."

Rhona Bradshaw, Head of Marketing and Online, UPC Ireland

Employees IN the Community

A portion of our charitable giving at Liberty Global is guided by our employees through our Employees IN the Community initiative, including the Company-wide IN Heroes and IN Givers programs.

€196,000

awarded to employee-chosen charities since 2005

Awards

Foro Ecumenico Social Award to Chello Latin America, for its Corporate Volunteer Program (first prize)

17,000

hours of employee volunteering were recognized through the IN Heroes program



IN Heroes

IN Heroes celebrates those who volunteer to help alleviate unmet needs in their communities. Liberty Global gives the winner €5,000 for the charity of their choice, the runner-up receives €3,000 for the charity of their choice, and 20 short-listed runners-up receive €1,000 each for the charity of their choice. Over the last seven years, we have awarded €196,000 to community organizations. In 2012, we received 85 applications from employees all over the world who collectively volunteered nearly 17,000 hours of their time, outside working hours.

IN Givers

Alongside IN Heroes, our IN Givers program matches employee fundraising. In 2012, 40 employees received matched funding for their charitable endeavors, receiving a total of \$110,000 toward their chosen charities. One example of this was our support for employee fundraising for Breast Cancer Awareness Month: employees raised \$12,000, which Liberty Global matched to reach a total of \$24,000. This was donated to the Susan G. Komen for the Cure and Pink Ribbon International Foundation, which supports women suffering from breast cancer.

“I am continually impressed by the commitment and dedication demonstrated by our employees to a wide range of causes that matter to them. We strive to encourage and support them in these endeavors through the IN Heroes program. We are proud that they share not only their free time but their skill sets and creativity.”

Amy Blair, SVP, Chief Human Resources Officer, Liberty Global



129

IN Heroes award winners to date

\$110,000

matched funding for employee charitable causes



CELEBRATING OUR HEROES

The 2012 IN Heroes first-place winner was Krzysztof Chaciński, a Junior Interconnect Specialist from UPC Poland. Krzysztof is a founding member of the Radzyminskie Forum, which acts in the interests of community residents of Radzymin, a town near Warsaw. It delivers initiatives focused on promoting education, social integration, health and environmental protection.

Krzysztof was also recognized for organizing first-aid training, recycling two metric tons of waste paper, distributing 200 tree seedlings to employees, organizing breast cancer examinations for 117 women, and putting on 21 open-air film screenings, viewed by 2,000 people. Over six years, Krzysztof has raised over \$21,000 for charity.

"Through volunteering, I managed to overcome my shyness and become more assertive. This has helped me make a contribution to the local community and engage many different people in supporting the Radzyminskie Forum."

Krzysztof Chaciński, IN Heroes winner

The IN Heroes runner-up prize was awarded to Simona Kocian, a Marketing Manager from UPC Slovakia. Simona has shown dedication and altruism through her work with Šanca Deťom (Chance For Children), which produces CDs, books and theater productions for children, and donates the proceeds to support children with cancer. To date, the organization has raised \$27,000 for oncology departments in hospitals across Slovakia.

"Cancer is, unfortunately, quite common in my family. Since I started volunteering with Šanca Deťom, I feel fulfilled knowing that my skills and energy can help. Even though it's still really hard to see sick children in the hospital, it's very rewarding to see them smile."



Simona Kocian, IN Heroes runner-up

7,500

children given access to quality education thanks to the Lessons for Life Foundation, since 2007

Lessons for Life Foundation

The Lessons for Life Foundation (formerly the Chello Foundation) provides scholarships and educational support to vulnerable children affected by HIV and AIDS in Sub-Saharan Africa so they can benefit from a better education. Since its inception in 2007, the Foundation has enabled over 7,500 children to access quality education at primary, secondary and vocational schools and higher education level. Liberty Global meets the operational costs of the Foundation as well as contributing to specific programs. We also encourage our employees to support the Foundation.

In 2012, the Foundation hosted an awards fundraiser, which raised more than \$690,000 to fund educational scholarships, school and sanitation facilities, uniforms and books. Attendees included trustees of the Foundation and Mike Fries, President and Chief Executive Officer of Liberty Global. Mike presented the Foundation's 2012 Humanitarian Achievement Award to Bill Roedy, former Chairman and CEO of MTV Networks International, and chairman, envoy and board member of several global health initiatives.



Diederik Karsten, Executive Vice President of European Broadband Operations, welcomed the cyclists at our Amsterdam headquarters.

CYCLE FOR LIFE

To raise money for the Lessons for Life Foundation, 26 cyclists from Liberty Global covered over 300 kilometers in three days, cycling from London to Amsterdam. The cyclists were accompanied by family of the late Shane O'Neill (founder of the Lessons for Life Foundation and former Chief Strategy Officer, Liberty Global and President, Chellomedia) and other supporters. In total, an impressive \$392,000 was raised for the Foundation at this event, enough to fund 2,000 children at primary school for one year.



"The commitment and enthusiasm of the cyclists was incredible. The event was great fun but more importantly the amount of money raised is life changing for the children the Foundation supports. We are hugely grateful to everyone that took part and to everyone that sponsored them – thank you!"

Ruth Pirie, CEO, Lessons for Life Foundation

Building partnerships for a responsible supply chain

In order to manage potential risks in our supply chain, we are implementing a robust and consistent approach to assessing our more than 6,000 suppliers world wide to ensure that we procure products or services which conform to ethical and human rights standards.

Our supply chain processes are designed to adhere to international labor standards (such as the International Labour Organization Core Conventions) and are based on the values of openness, decency and integrity as laid out in Liberty Global's Business Code of Conduct. In addition, our Responsible Procurement and Supply Chain Principles guide us in managing potential supply chain risks.

Taking our approach to scale with EcoVadis

In 2012, we reviewed and benchmarked management systems that assess sustainability performance of suppliers. As a result, we have now partnered with EcoVadis, a management consultancy that offers a range of evaluation tools, including scorecards, to benchmark suppliers against 21 environmental, social and ethical performance indicators. EcoVadis' evaluation criteria are in line with international standards and frameworks including the Global Reporting Initiative, the United Nations Global Compact, and ISO 26000. The platform also includes the functionality to put in place collaborative corrective action plans.

By working with EcoVadis, we will be able to anticipate potential risks more effectively. In 2013, we will use EcoVadis' platform to assess our largest 100 suppliers, equating to 50% of our overall capital expenditures.



Our approach to conflict minerals

The Securities and Exchange Commission (SEC) in the U.S. has issued final rules covering certain 'conflict minerals' (tantalum, tin, tungsten and gold) that are sourced from the Democratic Republic of Congo and surrounding countries and which are used to finance armed conflict in that region. We are working with our suppliers, who help make us aware of such conflict minerals that may exist in products they supply to us.

In late 2012, we began our review of the SEC's final rules and, in parallel, we began country of origin inquiries with our vendors and suppliers of products that may fall under those rules. These inquiries include facilitating initial questionnaires to designated product manufacturers, to obtain the information needed for our reporting obligations to the SEC. Also, starting in late 2013, through our partner, EcoVadis, we will send out additional Supplier Performance questionnaires which will integrate conflict mineral questions into the supplier scoreboards.

Governance

We have adopted a Code of Business Conduct that applies to all of our employees, directors and officers. In addition, we have adopted a Code of Ethics for our CEO and senior financial officers. Both codes are available on our [website](#).

Liberty Global is governed by a Board of Directors, chaired by Dr John C. Malone, and made up of 11 members, 10 male and one female. Of the 11 members, eight are independent, two are executive officers (including the Chair and Vice-Chair) and one is non-independent. Shareholders, including those with minority shares, can nominate candidates for the Board, via the Nominating and Corporate Governance Committee. Under our corporate governance guidelines, an independent committee of our Board will resolve any conflict of interest issue involving a director, our Chief Executive Officer (CEO) or any other executive officer.

Executive compensation of our Board is managed by the Compensation Committee, whose goals are to establish a mix of financial performance objectives based on annual budgets and medium-term outlook; to establish individual performance objectives tailored to each executive's role to ensure individual accountability; and to ensure compensation is made for performance that meets or exceeds the established objectives.

Five committees report into the Board. These are the Executive, Audit, Compensation, Nominating and Corporate Governance, and Succession Planning Committees, all forming part of our corporate governance structure.

Corporate responsibility (CR) is governed by a Corporate Responsibility Committee (CRC), which reports to Mike Fries, President and Chief Executive Officer of Liberty Global. The CRC was established in 2008 and is chaired by Rick Westerman, Senior Vice President of Investor Relations and Corporate Communications. Within the CRC, champions for each of our core CR areas steer the development and delivery of our CR strategy.

Day-to-day management of our CR activities at Liberty Global resides with our dedicated team based in Amsterdam. In addition, most of our markets have employees with specialist CR duties that contribute to delivering our CR strategy.

CR governance structure



Data table

Environmental performance	Category	2011 Total	2012 Total
Direct energy consumption, by source (EN3)		GJ	GJ
Non-renewable	CNG	0.00	0.00
	Diesel	252,703.67	257,714.29
	Petrol	113,184.83	121,014.74
	LPG	0.00	0.00
	Natural gas	114,902.33	123,661.80
	Burning oil	4,487.25	182.08
	Gas oil	12,416.09	21,902.24
	Fuel oil	0.00	8,599.43
Renewable		0.00	0.00
Total		497,694.17	533,074.58
Indirect energy consumption, by source (EN4)		GJ	GJ
Non-renewable	Coal	528,627.01	527,458.49
	Oil	77,816.85	73,366.08
	Natural gas	486,750.41	492,873.05
	Nuclear	418,090.66	424,126.72
	Other fuels	37,486.91	37,881.93
	Grid electricity	496,159.79	501,594.27
Renewable	Onsite renewables	423.71	496.05
Total		2,045,355.34	2,057,796.59
Energy saved due to conservation and efficiency initiatives (EN5)		GJ	GJ
Energy saved		— ¹	22,781.05
Total water withdrawal by source (EN8)		m³	m³
Municipal water supplies		— ¹	271,393.12
Other		— ¹	0.00
Total		—¹	271,393.12
Greenhouse gas emissions² (EN16)		Metric tons CO₂e	Metric tons CO₂e
Direct		33,922.84	37,121.25
Indirect		218,433.26	216,941.62
Total		252,356.10	254,062.87
Other relevant indirect greenhouse gas emissions by weight² (EN17)		Metric tons CO₂e	Metric tons CO₂e
Other relevant indirect emissions		9,236.18	9,299.97
Greenhouse gas emissions from business travel		Metric tons CO₂e	Metric tons CO₂e
Total emissions		7,700.56	7,933.91
Emissions per full-time employee		0.41	0.38
Greenhouse gas emissions saved due to reduction initiatives (EN18)		Metric tons CO₂e	Metric tons CO₂e
Emissions saved through procurement of green energy and onsite renewables		— ¹	61,853.22
Emissions saved through energy conservation and efficiency initiatives		— ¹	1,987.55
Total		—¹	63,840.77
Waste (EN22)		Metric tons	Metric tons
Reuse	Hazardous	7.64	53.03
	Non-hazardous	7.01	23.75
Recycling	Hazardous	1,175.10	467.16
	Non-hazardous	1,087.65	4,781.11
Composting	Non-hazardous	45.65	80.68
Recovery, including energy recovery (incineration)	Hazardous	276.79	0.50
	Non-hazardous	450.75	844.60
Landfill	Hazardous	208.53	311.46
	Non-hazardous	4,280.95	3,637.37
Total		7,540.07	10,199.66

All calculations are based on site-specific activity data collected by our teams around the world. Where data was not available, estimations and extrapolations have been made from business-specific data and industry guidance.

1 Data not available for 2011

2 Scope 1 (Direct)

Direct emissions come from sources that are owned or controlled by a company, including:

- emissions from static combustion, e.g. fuel used in generators for heating/power;
- emissions from mobile combustion, e.g. fuel used in our vehicles; and
- emissions from any coolants and propellants used, e.g. in air conditioning units and fire suppression systems.

Indirect emissions are a consequence of the activities of the company, but occur at sources owned or controlled by another entity. These are divided into:

Scope 2 (Indirect)

- emissions from purchased electricity, heat and steam.

Scope 3 (Indirect)

- emissions from business travel (land and air);
- emissions from waste disposal and water use; and
- *excluding* emissions from customer set-top boxes and modems.

Data table

Social performance

	Category	2011 Total	2012 Total
Total workforce by region, gender, employment type and employment contract (headcount, year end) (LA1)		Total number	Total number
North America	Male	58	64
	Female	47	43
	Full time	— ¹	105
	Part time	— ¹	2
	Indefinite/Permanent Contract	— ¹	107
	Fixed Term/Temporary Contract	— ¹	0
Latin America	Male	2,678	2,657
	Female	1,581	1,675
	Full time	— ¹	3,829
	Part time	— ¹	503
	Indefinite/Permanent Contract	— ¹	4,050
	Fixed Term/Temporary Contract	— ¹	282
Europe	Male	9,568	10,947
	Female	5,610	6,423
	Full time	— ¹	15,488
	Part time	— ¹	1,882
	Indefinite/Permanent Contract	— ¹	15,456
	Fixed Term/Temporary Contract	— ¹	1,914
Total workforce		19,542	21,809
Women in management		%	%
Women in management (% of management team)		27.5	28.5
New employee hires (LA2)		Total number	Total number
North America	Male	2	11
	Female	9	8
Latin America	Male	627	539
	Female	379	448
Europe	Male	1,538	2,164
	Female	1,074	1,565
% of total headcount at year end		3,629	4,735
Rate of new employee hires		%	%
North America	Male	3	17
	Female	19	19
Latin America	Male	23	20
	Female	24	27
Europe	Male	16	20
	Female	19	24
Total		19%	22%
Employee turnover (voluntary)		Total number	Total number
North America		9	13
Latin America		510	509
Europe		1,195	1,295
Total		1,714	1,817
Employee turnover rate (voluntary)		%	%
North America		9	12
Latin America		12	12
Europe		8	7
Total		9	8
Training (LA10)		Total number	Total number
Average training days per full time employee		3.9	3.7
Training cost per full time employee		US dollars	US dollars
Average training cost per full time employee		641.64	643.36
Employees covered by a formal appraisal process (LA12)		Total number	Total number
Male		— ¹	90%
Female		— ¹	93%
Total		92%	91%
Fatalities		Total number	Total number
		— ¹	0
Community spending		million US dollars	million US dollars
Total community investment contributions		7.7	9.7

PRESIDENT AND
CEO MESSAGE

ABOUT LIBERTY GLOBAL

OUR APPROACH

DIGITAL SOCIETY

CUSTOMER TRUST

ENVIRONMENT

RESPONSIBLE BUSINESS



The Global Reporting Initiative

The Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental and social sustainability. GRI's Sustainability Reporting Framework enables all companies and organizations to measure and report their sustainability performance.

GRI hereby states that Liberty Global has presented its report 'Corporate Responsibility Report 2012' to GRI's Report Services, which have concluded that the report fulfills the requirements of Application Level B.

The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

The full GRI Content Index, including the Disclosures on Management Approach, can be downloaded on our website at www.libertyglobal.com/cr/report-2012.

✓ Fully reported ⚪ Partially reported 📄 Annual report 🌐 libertyglobal.com 📄 Proxy statement 📄 Full GRI Index PD Profile disclosure PI Performance Indicators

PD	Level	Location
Strategy and Analysis		
1.1	✓	Pages 02–03
1.2	✓	Pages 02–03
Organizational Profile		
2.1	✓	Page 04
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2.10	✓	Pages 15, 19, 21, 23, 29, 34, 35, 45, 49, 50, 52
Report Parameters		
3.1	✓	Inside front cover
3.2	✓	🌐 2011, http://www.libertyglobal.com/cr/cr-news-and-reports-2011.html
3.3	✓	Inside front cover
3.4	✓	Inside front cover
3.5	✓	Inside front cover, pages 06–07
3.6	✓	Inside front cover
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Governance, Commitments and Engagement		
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4.3	✓	Page 54 📄 Page 18 http://www.libertyglobal.com/PDF/AR/2012-Liberty-Global-Proxy-Statement.pdf
4.4	✓	📄 Pages 18, 57 http://www.libertyglobal.com/PDF/AR/2012-Liberty-Global-Proxy-Statement.pdf
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4.11	✓	📄
4.12	✓	📄
4.13	✓	Pages 04, 10, 📄
4.14	✓	Page 08, 🌐 Stakeholder Engagement
4.15	✓	Page 08, 🌐 Stakeholder Engagement
4.16	✓	Page 08, 🌐 Stakeholder Engagement
4.17	✓	Pages 06–07, 🌐 Stakeholder Engagement

Please see libertyglobal.com/cr/report-2012 for our full GRI Index including DMAs.

PI	Level	Location
Economic		
EC1	✓	Pages 02–04, 27 📄 Page 6, Part II pages 4, 10, 22, 28–29, 36–37, 40, 70–71, 139–147. Part III pages 1–54
EC3	✓	📄
EC8	✓	Pages 10–26
Environmental		
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EN4	✓	Pages 38, 55
EN5	✓	Pages 39, 55
EN8	✓	Page 55
EN16	✓	Pages 39, 55
EN17	✓	Pages 39, 55
EN18	✓	Pages 38–40, 55
EN22	✓	Page 55
EN28	✓	📄
Social: Labor Practices and Decent Work		
LA1	✓	Pages 46, 56
LA2	⚪	Pages 46, 56
LA4	✓	📄
LA10	⚪	Pages 47, 56
LA12	✓	Pages 49, 56
Social: Human Rights		
HR2	✓	Page 53, 📄
Social: Society		
SO3	✓	📄
SO4	✓	📄
SO5	✓	Pages 11, 20, 34, 45
SO6	✓	📄
Social: Product Responsibility		
PR5	✓	Page 34
PR6	✓	🌐 Code of Ethics for Advertising http://www.libertyglobal.com/cr/PDF/Code%20of%20Ethics%20for%20Advertising.pdf 📄



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