

CORPORATE SOCIAL RESPONSIBILITY

REPORT 2013



Touch Maldives

STATEMENT BY THE CHIEF EXECUTIVE

On behalf of Dhiraagu, it is my pleasure to submit the “Communication on Progress” Report for the year 2013 to the United Nations Global Compact (UNGC).

The report signifies our continuous commitment to Corporate Social Responsibility and to the ten principles of the Global Compact in the areas of Human Rights, Labour, Environment and Anti- Corruption.

During the year, we further strengthened our internal efforts to enhance our commitment to Corporate Social Responsibility within the company. In the report, you will find the description of our policies and the implementation of our operations to support the UNGC principles, demonstrating our continued support.

We will be sharing this information with our stakeholders through our website www.dhiraagu.com.mv

Thank you in advance for taking the time to read this report and we welcome your feedback.

Sincerely,



Ismail Rasheed
CHIEF EXECUTIVE

“ We support and remain committed to the ten principles of the Global Compact with respect to Human Rights, Labour, Environment and Anti-Corruption. ”

INTRODUCTION

DHIRAAGU became a signatory to the United Nations Global Compact in December 2012 and this report is the second Communication on Progress (COP) Report issued by the company. The reporting period is for the year 2013 from January – December.

THE REPORT IS DIVIDED INTO TWO PARTS:



SECTION I

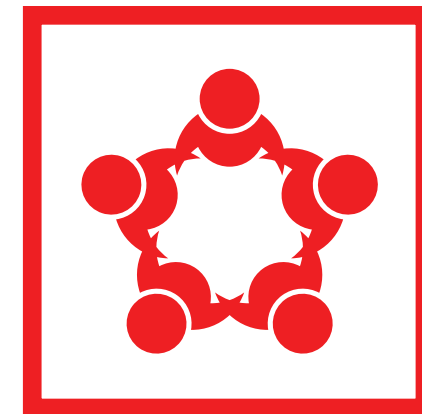
provides an overview about the company and the approach to corporate social responsibility



SECTION II

describes our policies, implementation and outcomes in relation to the specific Global Compact Principles

This report was reviewed and approved by Dhiraagu CSR Committee



SECTION I

ABOUT DHIRAAGU

CORPORATE SOCIAL
RESPONSIBILITY REPORT

2013

ABOUT DHIRAAGU

DHIRAAGU PLC is the leading and the largest telecommunication operator offering a comprehensive range of fixed, mobile, Internet and data services throughout Maldives.

In addition to the strong presence in the Capital Male', the company has 9 strategically located operating centers to serve over 350,000 customers spread across the nation's 199 inhabited islands and over 100 industrial islands including tourist resorts. This is augmented by the largest retail and distribution network established in the country.

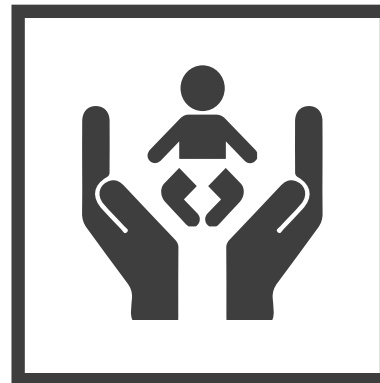
Dhiraagu provides the widest coverage in Maldives covering all inhabited islands and resort islands. With over 25 years of service, Dhiraagu continues to be the market leader.

ENHANCED COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY AT DHIRAAGU

The company strengthened internal efforts to further enhance the commitment to Corporate Social Responsibility within the company which included the formalization of Dhiraagu's CSR strategy during the year.

The corporate social responsibility strategy of Dhiraagu is based on responsibly grounded business decision-making that considers the broad impact of corporate actions on people, communities and the environment. It is based on the idea that it will form an integrated part of core business processes including, HR, Marketing, Procurement and Networks.

Under the 3 pillars; People, Community and Environment, key focus areas for community support were further established. These include,



**CHILD PROTECTION
& SUPPORT**



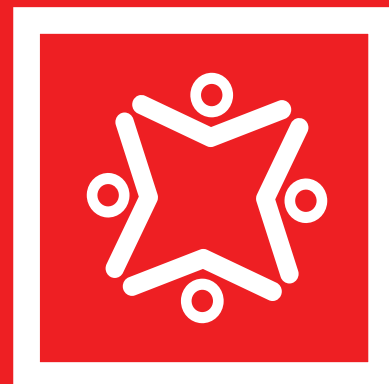
**ENVIRONMENTAL
SUSTAINABILITY**



**YOUTH DEVELOPMENT/
EMPOWERING YOUTH**

A CSR Committee was established within the company which is overseen by the Executive Committee with the purpose to support the strategic direction of the company's activities towards CSR.

KEY ASPECTS OF DHIRAAGU'S CSR PROGRAMME INCLUDE:



**RESPECT FOR THE CULTURE,
VALUES AND HUMAN RIGHTS
THROUGHOUT OUR OPERATION**



**ENCOURAGE AND NURTURE BEST
PRACTICES IN OUR ACTIVITIES**



**POSITIVE CONTRIBUTION TO
THE SOCIAL AND ECONOMIC
DEVELOPMENT
OF THE COMMUNITY**



**CONTRIBUTE TOWARDS
PROTECTING THE ENVIRONMENT**

SUPPORTING THE COMMUNITY



SOME SIGNIFICANT INITIATIVES IN COMMUNITY SUPPORT FOR THE YEAR ARE AS FOLLOWS

ESTABLISHMENT OF A NEW LIBRARY SET UP AND COMPUTER LABS AT KUDA KUDHINGE HIYAA (ORPHANAGE)

Dhiraagu established a new library set-up and made a contribution of over 700 children's books. The books included a collection of picture books and story books that support language development, children's encyclopedias and books that help with general knowledge. Dhiraagu also set up two computer labs at the orphanage. This contribution was made at a special children's evening hosted by Dhiraagu where the children enjoyed a magic show and live music during the December holidays.

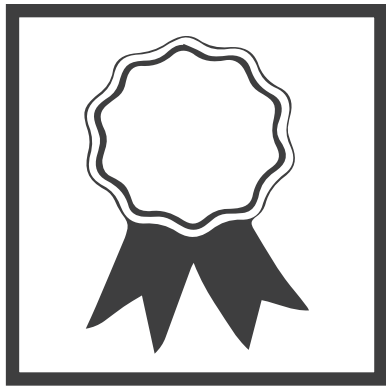
OUTREACH CAMPAIGN TO RAISE AWARENESS AGAINST CHILD ABUSE

Dhiraagu took the initiative to undertake an outreach program by conducting awareness raising workshops for parents against Child Abuse. Apart from Male', these workshops were conducted in 4 main regions across the country including Addu City, Fuvah Mulah, Kulhudhuffushi and Eydhafushi. Through these interactive workshops, topics relating to the different forms of Child Abuse including child neglect, how to recognize signs, how to report abuse and how to reach out were covered. This initiative was undertaken by Dhiraagu in collaboration with the NGO: Advocating for the Rights of Children (ARC) and Family and Children Service Centers.

TWITTER CAMPAIGN TO RAISE AWARENESS ABOUT CHILD HELPLINE

A campaign called "Do a Lil' Something Sweet" was launched on Twitter, an awareness raising campaign about the Child Helpline 1412 service supported by Dhiraagu which enables all children in the country in need of protection to remain accessible via a toll free number. The campaign enabled Dhiraagu Twitter followers to Retweet the message with the Helpline number and enter into a drawing where they had a chance to win a basket of sweet treats. The campaign helped to spread awareness, reaching to over 106,000 people.

SUPPORTING ONGOING INITIATIVES



DHIRAAGU APPRENTICESHIP PROGRAMME (DAP)

Dhiraagu Apprenticeship Programme (DAP) is a training programme that supports the work skill development of young Maldivians. While giving opportunities for youth to gain experience in a professional work environment, the programme also provides educational experiences along with soft skill development training that includes communicational skills, problem solving and decision making skills, planning, organizing and time management skills etc.

As of 2013, 86 apprentices have been given the opportunity to take part in the programme. Out of the 24 apprentices that were selected in the Year 2013, 19 apprentices were based in Male' and 5 apprentices were based across Dhiraagu regional centers across the country.



CHILD HELPLINE

Since 2009, Dhiraagu continues to provide support to the Child Helpline 1412. The service provides assistance to all children across the country in need of protection to access help via a toll free number by means of mobiles and landlines. The service was launched together with the Ministry of Gender, Family and Human Rights in Maldives and Child Helpline International, a global network of telephone helplines, operating in over 150 countries that provide outreach services to children and young people.



NATIONAL DRUG ABUSE HELPLINE

Dhiraagu provides support to the National Drug Abuse Helpline 1410 since its inception in 2011. This is a collaboration between United Nations Office on Drugs and Crime (UNODC), the Department of Drug Prevention and Rehabilitation Services (DDPRS) and the Government of Maldives. The service is targeted to the general community, providing counseling and support relating to drug abuse.

GSMA MOBILE ALLIANCE AGAINST CHILD SEXUAL ABUSE CONTENT

Since 2008, Dhiraagu has been a member of the 'GSMA Mobile Alliance Against Child Sexual Abuse Content' and blocks child sexual abuse content on Dhiraagu internet.



SPECIAL SPORTS FESTIVAL

Special Sports Festival is an annual event organized and conducted by Dhiraagu in association with various stakeholders in Maldives. The festival aims to provide opportunities for children with different disabilities to participate in sports activities. The event creates a platform for further collaboration among institutions and helps to advocate for children in need of special care. A number of Dhiraagu employees voluntarily participate in organizing the event every year. 200 students had the opportunity to take part in the event in 2013.



FREE INTERNET TO KUDA KUDHINGE HIYAA, HOME FOR PEOPLE WITH SPECIAL NEEDS AND NATIONAL THALASSEMIA CENTRE

Dhiraagu provides free internet to 'Kudakudhinge Hiya' orphanage, where a resource center and computer facilities are also established. Similarly, the company provides free internet to the home for people with special needs in Guraidhoo and to the National Thalassaemia Centre where a cyber-center is established.

DHIRAAGU MALDIVES ROAD RACE

Dhiraagu's annual road race is dedicated to a social cause and the theme for 2013 was to raise awareness against child abuse. The event had over 2700 registered participants and it provided a platform for NGOs to create awareness and raise funds for different social campaigns.



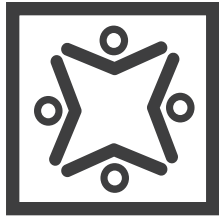
SECTION II

GLOBAL COMPACT PRINCIPLES

CORPORATE SOCIAL
RESPONSIBILITY REPORT

2013

UNITED NATIONS GLOBAL COMPACT HUMAN RIGHTS PRINCIPLES



PRINCIPLE 1

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



PRINCIPLE 2

Make sure that they are not complicit in human rights abuses.

Maldives is a signatory to the Universal Declaration of Human Rights and Dhiraagu complies with all local laws and regulations.

The respect for the culture, values and human rights throughout our operation is one of our key principles in our Corporate Social Responsibility Strategy.

MEDICAL CARE & RETIREMENT BENEFITS

The company has successfully run its own medical benefits scheme for several years, which applies to all employees and dependents and is more comprehensive than a basic health insurance scheme. The company also had a voluntary retirement benefit scheme in place, even before the establishment of the national pension scheme in 2009. The Company contributes 10% to the employee pension fund which is beyond the 7% required by law.

ETHICS POLICY- CODE OF CONDUCT

Dhiraagu's Ethics Policy recognizes that the company's success depends on the ability, as a company and as individuals to establish and maintain positive relationships, both internally with our colleagues and externally with our stakeholders. It specifies the ethical standards of behavior expected of all Dhiraagu employees in their interactions with each other, customers, suppliers, government, business partners and the wider community in which we operate and targets all staff to be familiar with the policy.

HEALTH & SAFETY

Dhiraagu is committed to ensuring the health and safety of all staff and providing a safe work environment. Dhiraagu takes responsibility to comply with local laws and regulations and work towards achieving international best practice in relevant areas relating to our industry and specific work environments. In particular, the company has the following targets.

- ❑ To ensure that work activities are not harmful to the health of employees or to the general public and are as safe as is reasonably practicable
- ❑ To provide and to maintain adequate measures to control health and safety risks arising from work activities in order to prevent accidents and cases or work-related ill health
- ❑ To provide staff with relevant information, instruction, training and supervision to ensure health and safety at work



IMPLEMENTATION

EMPLOYEE INDUCTION PROGRAMME

Ethics Policy together with the code of conduct is communicated with all new employees as part of the Employee Induction Programme and is shared on the online employee portal for further reference.






HEALTH AND SAFETY IMPLEMENTATION

In order to implement our commitments relating to Health and Safety, a policy and manual was issued in 2011 which describes the responsibilities and the arrangements for Health and Safety within Dhiraagu. The policy is applicable to all Dhiraagu employees and contractors. The Chief Executive Officer is responsible for the implementation of the policy and ensures that the policy is adhered to and regularly reviewed. Furthermore all senior managers and managers are responsible to ensure that the Safety policy is implemented in all functions under their control. As part of the Induction Programme, all staff are briefed with regard to safety procedures including fire and first aid procedures.

A dedicated Health and Safety Officer is appointed to support the Chief Executive to promote all aspects of Health and Safety at work and assist in developing and maintaining safe working practices in accordance with the Safety Policy. Comprising of the Chief Executive and the Health and Safety Officer, a Safety Committee with representatives from all departments and regional centres is in place. The committee is comprised of 10 Safety Representatives, which

includes 5 representatives for Male' and 5 representatives for regional centers. A Safety Management Review is organised once a month in order to monitor and review the programme.

THE COMPANY IMPLEMENTS THE FOLLOWING IN ACCORDANCE TO THE HEALTH AND SAFETY POLICY

-  Ensure that safe systems of work are implemented and reviewed.
-  Ensure that all personnel are given information, instruction, training and supervision as appropriate in order to carry out their work safely.
-  Carry out assessments of risk to the health and safety of persons involved in or affected by the operations of their departments
-  Arrange induction safety training for all new employees.
-  Ensure that all fire- fighting equipment is regularly inspected and serviced.



MEASUREMENT OF OUTCOMES



❑ IN 2013, THERE WERE NO MAJOR ACCIDENTS THAT RESULTED IN LOST-TIME

❑ 57 STAFF WERE GIVEN TRAINING ON BASIC FIRE SAFETY

❑ 24 STAFF WERE GIVEN TRAINING ON BASIC FIRST AID

❑ AN INDUCTION PROGRAMME WAS CONDUCTED FOR ALL NEW STAFF AND THE ETHICS POLICY, CODE OF CONDUCT AND SAFETY PROCEDURES WERE BRIEFED TO ENSURE THAT EMPLOYEES ARE FAMILIAR WITH THE POLICIES FROM THE VERY BEGINNING

❑ 81 STAFF WERE PROVIDED WITH HEALTH AND SAFETY RELATED AWARENESS TRAINING

UNITED NATIONS GLOBAL COMPACT **LABOUR PRINCIPLES**



PRINCIPLE 3

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



PRINCIPLE 5

The effective abolition of child labor; and



PRINCIPLE 4

The elimination of all forms of forced and compulsory labor;



PRINCIPLE 6

The elimination of discrimination in respect of employment and occupation.

We ensure to comply with local employment laws in the Maldives. We do not engage or employ child and forced labour in any of our operations. We also ensure to eliminate discrimination with respect to employment in all our operations.

dhiraagu Apprenticeship Program 2013



IMPLEMENTATION

We believe in open, transparent dialogue with regard to labour related issues within the organization.

THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

In accordance to the Maldives Employment Act, the company declares that no person is compelled or forced into employment and undertakes Forced Employment to mean any service of labour obtained from a person under the threat of punishment, undue influence or intimidation and does not include services or labour performed of his own violation by any person (Chapter 3, Employment Act, Maldives)

THE EFFECTIVE ABOLITION OF CHILD LABOR

In relation to the above, the company adheres to the Maldives Employment Act and does not employ minors.

HRD BOARD

A Human Resources Board (HRD Board) is established to periodically review Labour issues by senior management. The HRD Board convenes every month or as and when required if there is an urgent issue to be dealt with. Mandate of the board includes reviewing HR policies and procedures and to make strategic decisions.

THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

The company complies to the Employment act with regard to the above and ensures not to discriminate amongst persons carrying out equal work either in the granting of employment, determination of remuneration, increase in remuneration, provision of training, determination of conditions and manner of employment, dismissal from employment or resolution of other employment related matters, based on race, colour, social standing, religion, political beliefs or affiliation with any political party, sex, marital status, family obligations etc (in accordance to Chapter 2 , Part 4 of the Employment Act)

Dhiraagu's legal department regularly reviews to ensure that the company adheres to all local laws with regard to labour principles.

MEASUREMENT OF OUTCOMES

THERE HAVE BEEN NO MAJOR EMPLOYMENT ISSUES IN THE REPORTED PERIOD. THE HRD BOARD ENSURES THAT EMPLOYMENT ISSUES ARE DEALT FAIRLY AND HARMONIOUSLY AS PER THE EMPLOYMENT LAW OF THE MALDIVES. DHIRAAGU'S GENERAL COUNSEL REGULARLY GIVES LEGAL ADVICE ON EMPLOYMENT ISSUES TO DEAL WITHIN THE BOUNDS OF THE EMPLOYMENT LAW AND COMPANY PROCEDURES.



UNITED NATIONS GLOBAL COMPACT **ENVIRONMENT PRINCIPLES**



PRINCIPLE 7

Business should support a precautionary approach to environmental challenges;



PRINCIPLE 9

Business should encourage the development and diffusion of environmentally friendly technologies



PRINCIPLE 8

Business should undertake initiatives to promote greater environmental responsibility; and



IMPLEMENTATION

The company targets to reduce the environmental impacts and the footprints of our activities by implementing the following;

USE OF RENEWABLE ENERGY

Since 1988, Dhiraagu has been one of the highest users of renewable energy in the Maldives. Dhiraagu uses renewable energy as the secondary source of power in some of its equipment sites

A hybrid solar powered mobile BTS station was installed at Hulhumale' during the year

ENERGY EFFICIENCY AT DHIRAAGU HEAD OFFICE

The sustainable green design features incorporated in Dhiraagu Head Office leads to significant energy consumption efficiency.

All the lights used in the building including emergency lights are 99% LED lights

Motion detectors/sensors are used to switch off the lights in common areas of the building such as corridors, staircases, toilet areas etc, to ensure lights are switched off when not in use

High heat reflective glass is used in building facade to minimise heat entering into the building

Ozone friendly refrigerant R410A is used in the VRV AC units installed in the building

Air conditioning is set at a minimum 25 degree Celsius in all main office areas. The office adopts central AC control, where air-conditioning is centrally turned off at pre-set times and is limited to official working hours

MEASUREMENT OF OUTCOMES

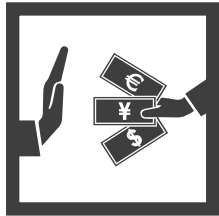
THE HYBRID SOLAR POWERED MOBILE BTS STATION AT HULHUMALE GENERATES 1,800 KWH/YEAR OF RENEWABLE ENERGY

THERE ARE 58 ISLANDS WHERE DHIRAAGU HAS INSTALLED SOLAR POWER SYSTEMS, COVERING AN AREA OF MORE THAN 1,462 SQM ACROSS THE COUNTRY AND PRODUCING 228,000 KWH OF RENEWABLE ENERGY PER YEAR

THE ENERGY SAVING FEATURES INCORPORATED IN DHIRAAGU HEAD OFFICE RESULTS IN AN ANNUAL REDUCTION OF APPROXIMATELY 390,228.00 KWH OF ELECTRICITY, WHICH IS ALSO EQUIVALENT TO 276 METRIC TONNES OF CARBON DIOXIDE OR 636 BARRELS OF OIL



UNITED NATIONS GLOBAL COMPACT ANTI-CORRUPTION PRINCIPLES



PRINCIPLE 10

Business should work against corruption in all its forms, including extortion and bribery

POLICY AND GOALS

Dhiraagu's Anti-Bribery Policy comprehensively addresses in detail with regard to the following;

- We do not tolerate bribery, and do not offer, give or receive bribes or improper payments or participate in any kind of corrupt activity, either directly or through a third party
- We do not make facilitation payments and we do not allow others who work for us to make them either

- Any gifts or hospitality or promotional expenditure we receive or give in connection with our business should always be proportionate and reasonable in terms of value and frequency. Gifts and hospitality should never be offered or accepted if it may be perceived as improperly influencing a business decision about or by us or impair independence or judgment about us

- We do not make political contributions either directly or indirectly to political parties, causes or individuals
- We are committed to ensure that those who act on our behalf as representatives, agents, consultants and other providers of services do not bribe on our behalf

UNITED NATIONS GLOBAL COMPACT- ANTI-CORRUPTION PRINCIPLES

IMPLEMENTATION

SUPPLIER CODE OF CONDUCT

From 2013 onwards, it was made mandatory for all our suppliers to sign the Supplier Code of conduct when entering into a contract with us. This code of conduct addresses the commitment to comply with applicable laws and regulations concerning bribery, corruption, fraud, and any other prohibited business practices.

DONATIONS AND SPONSORSHIPS POLICY

A Donations and Sponsorships Policy was issued which establishes a clear and transparent framework for all donations and sponsorships made by the company. It also further complements the Anti-Bribery Policy in working against corruption by implementing good governance and establishing a formal application, assessment, approval, notification and reporting process in accordance to the policy

- ALL donation and sponsorship requests received in the reporting period were formally reviewed and awarded in accordance to the Donations and Sponsorships Policy

- ALL suppliers entering into a contract with Dhiraagu signed the Supplier Code of Conduct

UNITED NATIONS GLOBAL COMPACT- ENVIRONMENT PRINCIPLES

MEASUREMENT OF OUTCOMES

The content in this report has been approved by
Dhiraagu CSR Committee.



Touch Maldives

dhiraagu.com.mv