

CORPORATE SOCIAL RESPONSIBILITY

REPORT 2014

UNITED NATIONS GLOBAL COMPACT
COMMUNICATION ON PROGRESS (COP), 2014



www.dhiraagu.com.mv





STATEMENT BY

THE CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

It is my pleasure to submit the third Communication on Progress Report for the year 2014 to the United Nations Global Compact (UNGC).

Our approach to CSR is based on the idea that it is more than philanthropy. We are committed to the ten principles of the Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Through this report, we hope to communicate our holistic approach to CSR and the implementation of our operations, to support the UNGC principles.

This report will be available on our website www.dhiraagu.com.mv

We welcome your feedback and we thank you for taking the time to read this report.

Sincerely,

ISMAIL RASHEED
CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR

INTRODUCTION

DHIRAGU became a signatory to the United Nations Global Compact in December 2012 and this report is the third Communication on Progress (COP) Report issued by the company. The reporting period is for the year 2014 from January – December.

THE REPORT IS DIVIDED IN TO TWO PARTS

SECTION 1

Section 1 provides an overview about the company and the approach to corporate social responsibility

SECTION 2

Section 2 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 1

ABOUT DHIRAAGU



VISION

ENRICH LIVES THROUGH
DIGITAL SERVICES



MISSION

TO LEAD THE MARKET THROUGH
EXCELLENCE IN QUALITY, VALUE AND
CUSTOMER SERVICE

Dhiraagu is the leading and the largest telecommunication operator offering total solutions and a comprehensive range of mobile, Internet, data and fixed line services throughout Maldives. Our business is based on a commitment to providing innovative products and services and a philosophy that places high value on customer satisfaction.

Dhiraagu provides the widest coverage in Maldives covering all inhabited islands and resort islands. Dhiraagu is the only operator in the country to have linked the Maldives from North to South through its 1200km long fibre-optic submarine cable which supports the nation's largest 3G and 4G LTE network.

In addition to the strong presence in the Capital Male', the company has 9 strategically located operating centers throughout the country which is also augmented by the largest retail and distribution network.

With over 27 years of excellence, Dhiraagu continues to be the market leader.

CORPORATE SOCIAL RESPONSIBILITY AT DHIRAAGU

Corporate Social Responsibility is a top priority for us . Our approach to CSR is based on the idea that CSR is more than philanthropy. It is about responsibly grounded business decision-making that considers the broad impact of corporate actions on people, communities and the environment. It is an integrated part of our core business processes including HR, Marketing, and Procurement etc. We undertake sustainable business practices that positively make a difference to our people, our community and our environment.

Our CSR activities are administered under our CSR strategy and the strategic direction of our CSR activities are overseen by Dhiraagu CSR Committee. The Committee is chaired by the Chief Executive Officer & Managing Director and is represented by senior management from cross functional departments

Under the 3 pillars in our CSR Strategy ; Caring for our People, Caring for our Community and Caring for our Environment, key focus areas for community support are:



CHILD PROTECTION AND SUPPORT



EMPOWERMENT OF YOUTH

CARING FOR OUR COMMUNITY

EMPOWER AND GROW

● The Dhiraagu Apprenticeship Programme, is an educational and training program for Maldivian youth, designed to enhance the skills and knowledge needed for different work disciplines. We selected 12 new apprentices for the 2014 intake of the Dhiraagu Apprenticeship Programme. 98 apprentices had participated in the programme since its inception in 2009 and 2014 marked the 6th consecutive year for the programme.

● 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.

CARE FOR CHILDREN

● Dhiraagu Maldives Road Race 2014 was dedicated to help protect children. It is the largest run in the Maldives and the platform was opened to all interested NGOs in the country working in the area of child protection. The race acted as a key platform for the NGOs to create awareness and enabled the NGOs to raise over MVR 240,000. With 3,000 registered participants, it remains as the largest run in the Maldives and this was the 8th consecutive year of the event

● Dhiraagu Special Sports Festival provides opportunities for children with various disabilities to participate in sports activities and creates a platform for

collaboration among various institutions. This is an annual event organized and driven by Dhiraagu in association with various NGOs and institutions. 200 children participated in the event we had in 2014.

● Volunteered by a group of Dhiraagu employees, around 50 children from the orphanage of Kuda Kudhinge Hiya were taken to the Magic Circus of Samoa. This initiative ensured that the children of the orphanage were given a great opportunity to have a joyful evening whilst enabling Dhiraagu employees to take part in a benevolent activity.

● In 2014 we renewed our commitment to extend support to Kuda Kudhinge Hiya orphanage by sponsoring three teachers at the orphanage. We also continued to support the orphanage by providing free



internet with parental control service since 2008.

● 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.

● Since 2008, we continue to be a member of the GSMA Mobile Alliance Against Child Sexual Abuse Content and blocks Child Sexual Abuse content on Dhiraagu internet. Dhiraagu was the first and the only operator from Maldives to have joined this alliance along with other leading telecom operators from around the world. The Mobile Alliance Against Child Sexual Abuse Content was

founded by an international group of mobile operators within the GSMA to work collectively on obstructing the use of the mobile environment by individuals or organisations wishing to consume or profit from child sexual abuse content. www.gsma.com

SUPPORT THE VULNERABLE

● We care about the well-being of the community and for the vulnerable in our society. Dhiraagu contributed MVR 200,000 worth of medical

and physiotherapy equipment along with communication facilities to the Home for People with Special Needs at K. Guraidhoo. The initiative was based on a needs assessment and the contribution was made at a special event actively participated by Dhiraagu management and staff.

● Dhiraagu collaborated with the Cancer Society of Maldives and created an SMS quiz to promote breast cancer awareness among the community.

DISASTER RELIEF

● An important highlight during the year was Dhiraagu’s role in the relief efforts during the unfortunate water crisis that affected the city of Male’. A team of Dhiraagu volunteers joined the national disaster management team and set up a water distribution point near its Customer Service Centre to help distribute water to the public. Dhiraagu also hired lorries to assist MNDF in the transportation and distribution of water. Additionally, we assisted the Maldives Autism

Association in the delivery of water to the homes of children with special needs. Dhiraagu also collaborated with Kickstart to provide free SMS updates regarding water point locations and other helpful information to the public.

**Information under “Caring for our People” and “Caring for our Environment” is detailed under Section 2 of the report under the respective Global Compact Principles.*





GLOBAL COMPACT PRINCIPLES

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, ASSESSMENT, POLICY AND GOALS

CARING FOR OUR PEOPLE

“Caring for our People” is one of the main pillars in our CSR Strategy. We respect the culture, values and human rights throughout our operations. We believe in the conduct of our affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Maldives is a signatory to the Universal Declaration of Human Rights and we remain committed to comply with all local laws and regulations pertaining to it.

WHISTLE BLOWING AND FRAUD REPORTING

A “Whistle blowing and Fraud Reporting Policy” was issued during 2014 to protect our employees who wish to raise concerns about irregularities within the company and to provide a mechanism for employees and other stakeholders to report any concerns.

RETIREMENT CARE

We continue to contribute 10% to the employee pension fund, which is beyond the 7% required by law. We have a Retirement and Redundancy Policy and a voluntary retirement benefit scheme in place, even before the establishment of the national pension scheme in 2009.

CODE OF CONDUCT AND ETHICS POLICY

Our code of conduct and Ethics Policy sets the ground rule in the ethical standards of behavior

of all employees in their interactions with each other and among other stakeholders. Dhiraagu’s achievements have always been founded upon a commitment to sound and ethical relationship with all our stakeholders- shareholders, employees, customers, business partners, suppliers, regulator- and, more broadly, the community and society in which we operate.

The company targets all employees to become familiar with the Ethics Policy and Code of Conduct.

MEDICAL CARE

We have an in-house medical benefits scheme that offers more benefits and is more comprehensive than a basic health insurance scheme. The medical benefits scheme applies to all staff and to their dependents.

KEEPING SAFE AT THE WORKPLACE

We care about our people and we are committed to ensuring the health and safety of all our staff. Apart from complying with local legislations, we work towards achieving international best practices in relevant areas relating to our industry and specific work environments.

WE HAVE 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

IMPLEMENTATION COMMITTEE TO PREVENT SEXUAL HARASSMENT AT WORKPLACE

During the year, we established a Committee to prevent Sexual Harassment at the workplace. The Committee is primarily responsible for increasing awareness to prevent sexual harassment, conduct investigations regarding any complaints and take necessary actions against any persons who is proved to have carried out an act of sexual harassment.

EMPLOYEE INDUCTION PROGRAMME

As part of the Employee Induction Programme at Dhiraagu, our Ethics Policy together with the code of conduct is briefed and communicated with all new employees. The policy is also accessible from the online employee portal for further reference.

HEALTH AND SAFETY IMPLEMENTATION

Our Health and Safety Policy is applicable to all Dhiraagu employees and contractors. The Chief Executive Officer & Managing Director is responsible for the implementation of the policy and ensures that the policy is adhered to and regularly reviewed. All senior managers and managers are responsible to ensure that the Safety policy is implemented in their respective functions. As part of the Induction Programme, all staff are briefed with regard to safety procedures including fire and first aid procedures.

- 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

A dedicated Health and Safety Officer is appointed to support the Chief Executive Officer & Managing Director 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 Officer & Managing Director and the Health and Safety Officer, a Safety Committee with representatives from all departments and regional centres is in place. 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 2014, there were no major accidents that resulted in lost-time.
- 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.
- 37 staff were provided with Health and Safety related awareness training
- 19 staff were given training on Basic Fire Safety
- 18 staff were given training on Basic First Aid

GLOBAL COMPACT PRINCIPLES

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 4

THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOR;



PRINCIPLE 5

THE EFFECTIVE ABOLITION OF CHILD LABOR; AND



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.

IMPLEMENTATION

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

We adhere to the Maldives Employment Act to ensure the elimination of all forms of forced and compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation.

HRD BOARD

To periodically review labour issues , a Human Resources Board (HRD Board) is established and

the committee convenes as and when required if there is an urgent issue to be dealt with. The HRD board is responsible to review HR policies and procedures and to make strategic decisions.

LEGAL REVIEWS

Dhiraagu’s General Counsel regularly gives legal advice on employment issues to deal within the bounds of the Employment law and company procedures.

MEASUREMENT OF OUTCOMES

There have been no major employment issues in the reported period.



GLOBAL COMPACT PRINCIPLES

UNITED NATIONS GLOBAL COMPACT ENVIRONMENT PRINCIPLES



PRINCIPLE 7

BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;



PRINCIPLE 8

BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND



PRINCIPLE 9

BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

IMPLEMENTATION

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

PAPERLESS BILLING

We stopped sending paper bills to all residential customers and encouraged customers to use more convenient, simpler and greener means to access bills through Dhiraagu Online Services. Customers were encouraged to register for the online services via MyAccount www.dhiraagu.com.mv/ocs. We also carried out an initiative called “The 100,000 giveaway for 100 winners” providing incentives for customers using online services, which was part of the programme to encourage customers to adopt paperless billing.

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.

ENERGY EFFICIENCY AT DHIRAAGU HEAD OFFICEY

- 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

There are 58 islands where Dhiraagu has installed solar power systems, covering an area of more than 1,462 sqm solar across the country and producing 228,476KWh 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.



GLOBAL COMPACT PRINCIPLES

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.

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.

MEASUREMENT OF OUTCOMES

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





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