



dhiraagu

Corporate Social Responsibility Report

United Nations Global Compact:
Communication on Progress (COP) 2017

Statement by the Chief Executive Officer & Managing Director

On behalf of Dhiraagu, it is my pleasure to present the Communication on Progress (COP) Report for the year 2017 to the United Nations Global Compact (UNGC).

Similar to previous years, we carried out various initiatives under our CSR programme, focusing on children, youth and the environment. We also remain committed to the 10 principles of the Global Compact covering the core areas of Human Rights, Labour, Environment and Anti-Corruption. Through this report, we are pleased to communicate our approach, actions and the progress we have made in implementing those principles.

The report will be available on our website dhiraagu.com.mv

Sincerely,



Ismail Rasheed

Chief Executive Officer & Managing Director



Introduction

DHIRAAGU became a signatory to the United Nations Global Compact in December 2012 and this report is the sixth Communication on Progress (COP) Report issued by the company. The reporting period is for the year 2017, from January – December.

The report is divided into two parts;



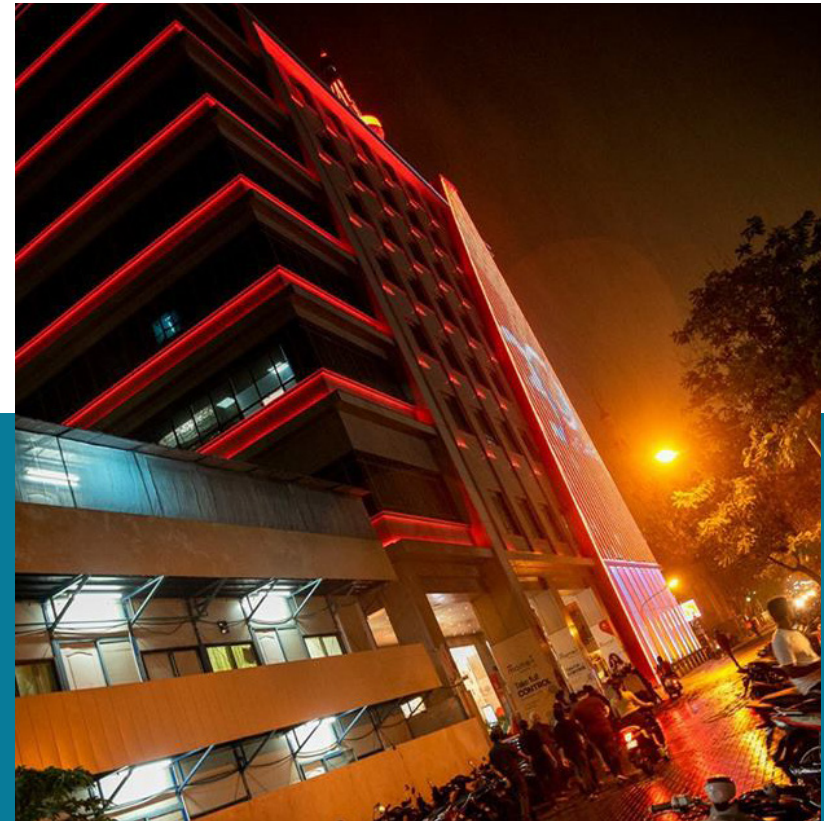
Section 1

Provides an overview about our business and our approach to corporate social responsibility.



Section 2

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





Section 1

Our Business

Our Business



Our Vision

Enrich lives through digital services.



Our Mission

To lead the market through excellence in customer experience.

Our Values



Collaborate

We work together to offer our customers a seamless experience



Serve

We keep our customer at the heart of all we do, because we win when they do



Innovate

We constantly innovate to provide our customers with the latest and best in digital services



Inspire

We empower people, and never lose sight of the bigger picture of nation-building and growth

Who We Are

Dhiraagu is the leading digital and telecommunications service provider in the Maldives. Our business is to provide future-proof digital and telecommunications connectivity that enable our customers to get ahead in the digital future. We are the pioneers that ushered the Maldives into the digital age, and we continue to lead the field by placing premium value on customer experience and consistent innovation to enhance our customers' lives through digital technology. With over 500,000 customers, and employing 99% trained Maldivians present across nine strategic operating centers throughout the country, we remain the Maldives' largest telecoms and digital service provider.



Our Products & Services

Dhiraagu brings the latest innovations and technology to help all our customers succeed in an increasingly connected world. We offer a comprehensive range of services spanning mobile, internet, data, IPTV, mobile money and fixed services and also ensure reliable international connectivity and coverage within the Maldives. We provide leading enterprise solutions from dedicated internet access to managed services and offer our customers peace of mind through our disaster recovery and redundancy offerings.

Our Shareholding

BTC Islands Limited (Batelco) holding 52%, and the Government of Maldives holding 41.8%, are the two substantial shareholders of Dhiraagu. The remaining 6.2% of shares are held by the general public. With nearly three decades of excellence and a proven record of success, we continue to lead as the Maldives' leading digital services and telecommunications provider.

Corporate Social Responsibility

The three pillars in our CSR Strategy



Our People



Our Environment



Our Community

Key focus areas under our community pillar



Care for Children



Empowering
Young People

At Dhiraagu our work is motivated by the principles of good corporate citizenship. We seek to set an example for the rest of society by adhering to the highest levels of integrity, sound ethics, transparency and accountability. We actively reinforce our ties to the Maldivian community by contributing to nation building and societal development. Which is why our CSR initiatives are strategically programmed to have maximum impact and ensure sustainability.

We have three key pillars of focus for our CSR initiatives - our people, our community and our environment.

Our people refers to the Dhiraagu family of staff, whose welfare and wellbeing remain a principal concern of ours. Likewise, we are a distinctly Maldivian company who play an important role in strengthening the social fabric of our society, which is why we remain committed to programmes that protect and preserve the sanctity of children, provide development opportunities for young people and foster a culture of learning within the community. As one of the most climate vulnerable countries in the world, we are committed to ensuring environmental protection and building a more climate-resilient country in the Maldives. We are committed to protecting our oceans and reduce our carbon footprint by remaining as one

of the largest utilisers of renewable energy in the Maldives.

Our CSR actions are informed by our CSR strategy and guided by Dhiraagu CSR Committee. The Committee is chaired by the Chief Executive Officer & Managing Director and is represented by senior management from various departments. We remain committed to our obligations under the United Nations Global Compact, the largest voluntary CSR initiative in the world, and remain steadfast in our commitment to promote the key areas of Human Rights, Labour, the Environment and Anti- Corruption.

Our Community

Care for Children

- Our eleventh annual Dhiraagu Maldives Road Race was held which is the largest run in the country and dedicated to help protect children. With the participation of 3,000 runners and support from over 200 staff members, the event was a huge success.
- 300 children of various age groups participated in the seventh Annual Dhiraagu Special Sports Festival. This event organized by Dhiraagu is a highly anticipated and popular event among schools and NGOs working with children with disabilities. Over fifteen schools and NGOs participated in the event.
- We continued our support to the Kudakudhinge Hiya by sponsoring teachers to support the children at the organage.
- As part of the company's Eid Al Fitr celebrations we distributed Eid gifts to children across Male' and atolls with Dhiraagu Regional Operations Centres.
- We pledged to support Care Society to help establish a vocational training unit for young adults with

disabilities at Twitsal (futsal tournament), the largest social media event in Maldives.

- On World Down Syndrome Day, volunteers from Dhiraagu participated in the "Buddy Walk" to support the NGO- Beautiful Eyes Down Syndrome Association to help raise awareness on Downs Syndrome.

- Renewed membership of 'GSMA Mobile Alliance Against Child Sexual Abuse Content' with the Internet Watch Foundation, to block child sexual abuse content from Dhiraagu's network. 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.







Empowering Young People

During the year, 19 new apprentices were enrolled and 22 apprentices graduated from Dhiraagu Apprenticeship Program, one of our key CSR programmes targeted for youth to gain work experience and develop skills.

Other highlights include our focused collaborations with UNDP Maldives to empower youth. Three key initiatives were launched during the year targeted specifically on youth development and empowerment.

- Techstars Startup Weekend Maldives was held in partnership with UNDP and Enterprise Development Maldives to help Maldivian young entrepreneurs to shape and transform innovative ideas into potential businesses. This was the first international initiative to support and nurture the growth of startups in Maldives.

- Film for Change programme aimed at empowering young people to explore social issues through the medium of film. The programme included a training component by industry experts which resulted in the production of short films by the trainees on key social themes.

- 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.









Section 2

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

Our committed and talented workforce is the most important and distinct strength, and the driving force behind our continued growth and success. We closed the year with 598 permanent full time staff, of whom 99% are Maldivians.

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.

Grievance Policy and Procedure

A Grievance Policy and Procedure was implemented in 2015 setting out the mechanism for employees to raise any concerns regarding any work related matters.

Whistle Blowing and Fraud Reporting

A Whistle Blowing and Fraud Reporting policy and procedure was established in 2014 to strengthen the human resource governance structures within the company, raising confidence of our colleagues and

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 (children under age of 18).

Retirement Care

We continue to contribute 10% to the employee pension fund, which is beyond the 7% required by law. We have had 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

We place great emphasis to conduct our affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. We have adopted internal policies which promote ethical and responsible conduct. These policies provide guidance to our Directors, management and employees on the standards of ethical business and personal conduct required of all employees in undertaking their daily business activities.

We target for all our employees to become familiar with our Ethics Policy and Code of Conduct. Our Ethics Policy, recognizes that our success depends on the ability to establish and maintain positive relationships, both internally within employees and externally with our stakeholders

Health and Safety

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
- 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

- To ensure that a conducive work environment is established for our staff

Implementation

Employee Induction Programme

The 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

Committee to Prevent Sexual Harassment at Workplace

Our Committee to Prevent Sexual Harassment at the Workplace is primarily responsible for increasing awareness to prevent sexual harassment, conduct investigations regarding any complaints and to take necessary actions against any persons who is proved to have carried out an act of sexual harassment.

Health and Safety implementation

Our Health and Safety Policy is applicable to all Dhiraagu employees and contractors. All senior 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.

A Safety Committee with representatives from all departments and regional centres is in place and 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

- The 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.
- The Health and Safety Environment Manual was reviewed and updated.
- An MOU was signed with Fire and Rescue Service of Maldives National Defense Force for regular fire inspections and fire safety at Dhiraagu
- Basic fire awareness training was provided for 240 employees.
- Fire safety inspections and awareness sessions were carried out at all the Regional Operation Centres.
- First Aid training was provided to 50 staff including new apprentices.
- Training on rigging, tower climbing and tower rescue was carried out for 58 staff.
- A company-wide campaign was carried out to provide vaccine against H1N1 influenza for staff and their families.



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 labor 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.



Staff Engagement

Dhiraagu seeks to foster a healthy work life balance for our staff and their families. Throughout the year, the e-club together with the HR Department organized various events in this regard. Key highlights include:

- Snap & Snack – to welcome all staff to 2017.
- Special Ramazan events including Quran and Madhaha competition and Roadha Festival.
- Inter office Netball Tournament, Inter Office TT Tournament, Women's day celebrations and the Dhiraagu Employees Soccer Cup (DESCUP 2017).
- Fun Friday – with over 400 staff and family enjoyed a fun evening playing exciting games, activities and food.
- Inter-Department Fishing Competition - 200 staff actively participated.

Staff Development

Our Human Resources Development Strategy focuses on providing a wide range of training and

developmental opportunities to support our staff in achieving business objectives along with their professional development. Following our brand refresh campaign, a companywide induction training program was carried out to familiarize all staff to the new brand identity and activate redefined core values

HRD Board

To periodically review human resource development plans, policies and procedures and recommend strategic directions, a Human Resources Board (HRD Board) is established and the committee convenes

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

- During the year, 485 staff were trained in technical and non-technical areas. This includes 82 staff who completed professional certification programs during the year.
- Brand induction sessions were extended to over 90 percent of staff through structured learning and team building activities during the year.
- At the Annual Award function, long service, outstanding work performance, leadership and teamwork were recognized- A total of 49 staff and 3 work teams received awards in these categories



United Nations Global Compact- Labour 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

Protecting and preserving our natural environment and ensuring environmental sustainability in our corporate practices is a priority goal for us.



Unite for Climate Action

We supported UNDP's "Unite for Climate Action" programme with the objective to improve community skills in addressing climate change related emergencies and natural disasters

donated reusable bags. We also supported Parley Maldives in carrying out school awareness sessions to reduce ocean plastic and distributed reusable bags to school children in Kulhudhuffushi.

Care for the Oceans

We continued our Care for the Oceans programme to raise awareness against single use plastic.

- We supported "Save the Beach", a youth movement focused on conserving the beaches in Vilingili, by supporting the "Moodhu Majaa" festival to host various activities such as snorkeling, beach cleanups.
- Our staff joined the 'Heyvahlaa Saafu Kuramaa Male' City Clean Up' programme organized by Maldives Inland Revenue Authority (MIRA).
- We marked the International Coastal Cleanup Day with a beach cleanup event at Kulhudhuffushi and

Renewable Energy

We seek to reduce our carbon footprint through increasingly relying on renewable energy to power our various systems. We are a long way off from completely weaning off fossil fuels, yet we take great pride in our role as one the largest producers and users of renewable energy in the country. During the year, we completed a project to install 134kWp of grid connected solar panels in 5 islands.





Energy Efficiency

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

- 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

- Through the additional solar panel installations, we produced 219,000 Kwh of renewable energy during the year, which resulted in an approximated reduction of 153 metric tons of CO2 emitted.
- The energy saving features incorporated in Dhiraagu Head Office resulted in an annual reduction of approximately 390,228 kwh of electricity, which is also equivalent to 276 metric tons of CO2 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.

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.



Take on tomorrow