



Social report *life:*)



2010



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Welcome to life:)

Dear Friends,

Since our foundation, corporate social responsibility has been embedded into the company's DNA. We at life:) are dedicated to maintaining our leadership position as a responsible, transparent and fair employer, a reliable taxpayer and a provider of high quality goods and services. Through adherence to these principles, we have ensured not only strong business results but also earned the respect of our customers and the general public.

Over six years of operation on the Ukrainian market, life:) has implemented numerous projects to tackle pressing social issues. As part of the «To Help Is So Easy!» program, which was established to support homeless children in Ukraine, we have raised over 3 million UAH, which was donated to children's charities.

According to official statistics, the number of homeless children in Ukraine has fallen by 30%. We believe we have played at least some part in this drop. In 2011 we will continue to expand our CSR activities with a particular focus on the environment. We will pay special attention to energy conservation, recycling and introducing e-documentation into our daily workflow, as well as encouraging our employees to adopt similar initiatives.

It is our strong belief that CSR and sustainable development should become integral parts of doing business in Ukraine, forming the basis for our country's prosperity. We will continue to actively promote such ideas, employing best CSR practices in our day-to-day business activities.

Alexander Barinov
life:) General Director





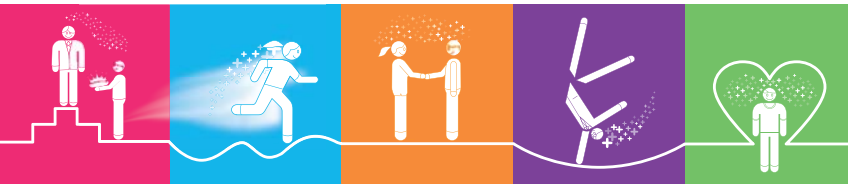
Look at things from a different angle!

We see the future of telecommunications as a synergy of fixed-line and mobile solutions with added entertainment and information services.

This vision inspires us to create new products that empower our customers to share their worlds. In other words, we work to unite people by introducing simple services and adding new value to their communication. We are guided by the company's values in our daily business practices and in strategic decision making.

At life:), our customers always come first. We know how to offer services that enrich and improve lives and businesses.

- We believe that our customers deserve the very best.
- Our relations with customers are built on mutual trust.
- We are quick in our decisions.
- Our approach to clients is simple, transparent and consistent.



WE ARE A DYNAMIC TEAM

- We define success by efficiency, flexibility and a drive for results.
- We are enthusiastic hard workers.
- We work together towards a common goal.

WE PROMOTE OPEN COMMUNICATION

- We build open and fair relations on all levels.
- We share our knowledge and motivate our employees to look at things from different angles.
- We are very demanding of ourselves and of others and strive to achieve the best results.

WE MAKE A DIFFERENCE

- We are leaders in everything we do.
- We encourage a creative and innovative approach to everything, especially in technology.
- We deliver results by taking responsibility and making bold decisions.

WE VALUE PEOPLE

- Our employees are the key to our success.
- As a socially responsible company, we contribute to the development of our society.

Discover a new world of mobile communication!

Discover life:)!



life:)
Strive for better!



About the company

life:) is a Ukrainian GSM operator established by Astelit in January 2005.

life:)'s initial growth was unprecedented; within 8 months, life:) attracted one million customers. Although life:) was the fifth company to enter the Ukrainian mobile communications market, the dynamic development of our network, our innovative services and our clearly-defined marketing strategy meant that within the first year of our operations in Ukraine, we were already ranked third among GSM operators. life:)'s network currently covers territory in which 96% of the population live. We provide roaming services in 174 countries through 489 international partners.

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In June 2006, Astelit became the first Ukrainian company to receive a Stevie, a prestigious international business award, for being the Best New Company of the Year. Over the subsequent four years, life:) was awarded a whole host of prestigious awards and accolades in the sphere of corporate social responsibility, technical solutions and tariffs.

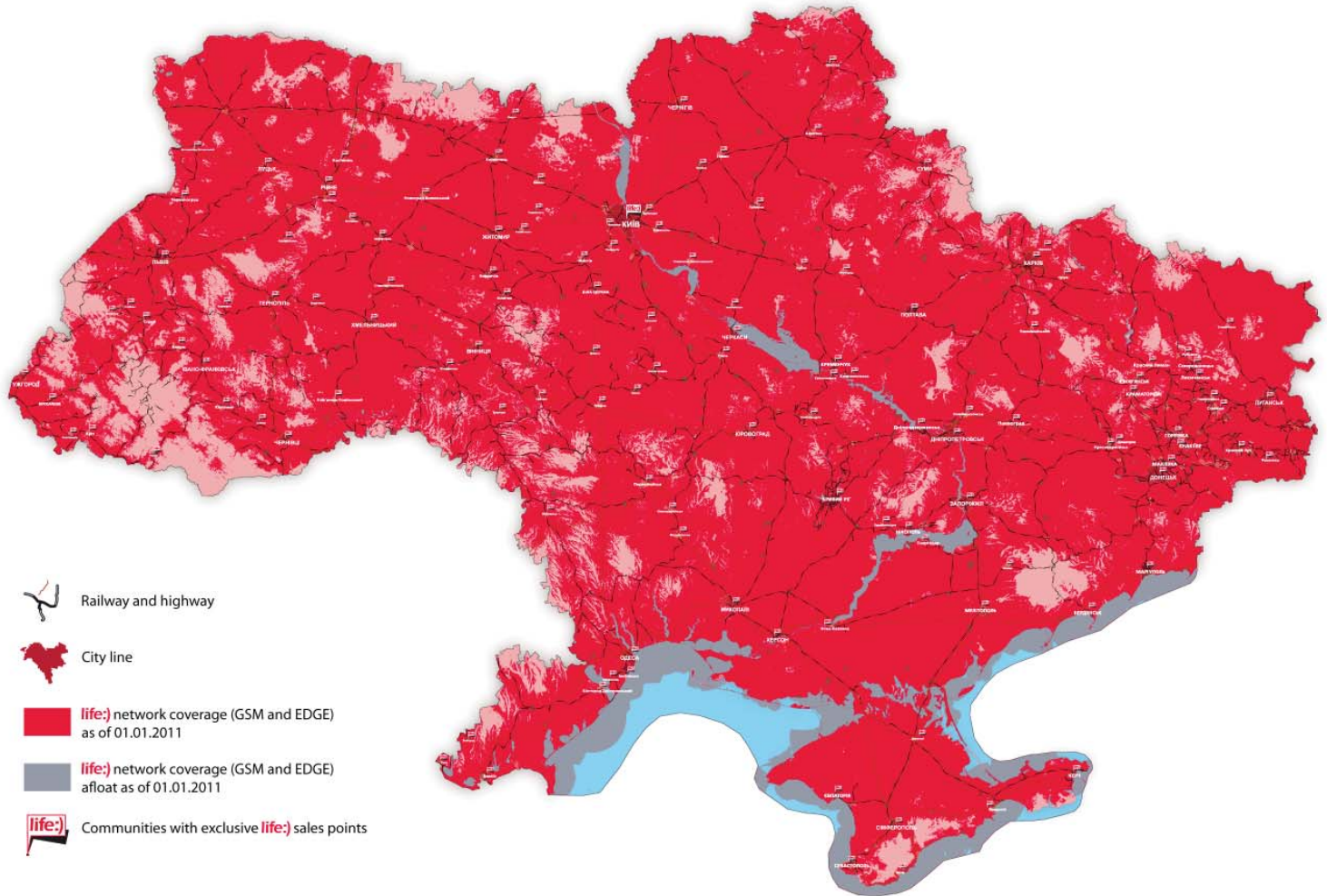
life:) provides high quality mobile services for all customer segments. We have 488 customer care centers and exclusive shops in 185 cities throughout Ukraine. life:) subscribers can also obtain life:) products and services through 34,600 sales points in the country.

We constantly strive for further growth, expansion and development. We plan to invest in network development so that life:) customers continue to benefit from the most competitive tariffs and enjoy attractive promotional campaigns and telecommunications services of the highest quality.





Coverage map





Human Resources

At life:), our most valuable asset is our people. We do everything possible to retain and develop our employees, encouraging professional progression and career growth. Our human resources division strives to inspire confidence in each and every employee that their work is noticed, appreciated and fairly compensated.

life:) is proud to operate in complete accordance with all applicable Ukrainian legislation and to conform to international labor standards. We offer our employees competitive salaries and a compensation and benefit system that ensures a decent standard of living. We guarantee equal rights and opportunities for everyone, in complete accordance with all UN Global Compact principles. We strive to be the best employer on the Ukrainian market.

*Natalia Gorbenko,
Manager of Human Resources Division*



life:) is one of the largest employers in the country, employing around 1,100 people. Through collaboration with our partners, we have created more than 50,000 jobs.

Each year we conduct salary reviews to ensure our remuneration packages remain competitive. We also pay our employees annual and quarterly performance-based bonuses.

All life:) employees enjoy equal career opportunities based on experience, professionalism, performance and work ethic. We encourage our employees to grow and develop professionally and provide professional development and training opportunities in Ukraine and abroad.

life:) supports its employees in all aspects of their lives, offering social benefits including: medical, family and life insurance; welfare, loans, social security and more.

All employees are entitled not only to all types of legally mandated leave (annual, study, maternity, etc.) but also to additional leave (for occasions such as weddings, the birth of a child or other personal events).



Organizational development

We invest over \$1.5 million annually in professional development of our employees.

TALENT MANAGEMENT / SUCCESSION PLANNING

Every one of our employees is important, which is why we create opportunities for personal and professional development tailored to the needs and wishes of individuals who managed to prove their ability to grow within the company by their achievements and self-actualization. Based on performance and potential evaluation results each employee is entitled by one of four so called «talent statuses». In subsequent year the talent status is used as a reason for employee's promotion and participation in various educational programs and cross functional projects. Talent status is revised at annual talent committee meetings,



within framework of which managers of company's units discuss employees' talent statuses and the steps necessary to support and develop promising employees, having good potential for further growth.

360°

We have conducted corporate competency surveys among managers and employees using our 360° method for the past four years. The surveys allow all employees to obtain confidential and reliable feedback on their strengths and weaknesses from colleagues, subordinates and managers. The goal of these surveys is to give employees objective information for consideration to support the development of long and successful careers with us. These reviews are voluntary and do not impact salary or benefits in any way.

Each employee is welcome to choose respondents under the survey; the digital questionnaire is completely confidential and set up for ease and efficiency. The survey is based on the company's corporate competencies model.



Organizational development

ENGLISH

We have two official working languages – Ukrainian and English. Approximately 500 employees are enrolled on distanced English courses and then have an opportunity to develop spoken language through attending our Speaking Club. All employees have access to a special page containing English language resources, where grammar, vocabulary, idioms, links to online dictionaries and leading language courses are available.

Over their time at the company, many of our employees manage to improve their English from basic to business level. We also provide specialized legal terminology courses for our lawyers.



IN-HOUSE TRAINERS

Over our 6 years of operation, we have formed an internal pool of professionals with unique competencies and knowledge in the field of telecommunications. We pass along this knowledge and these competencies within the company through an in-house trainers program.

We have also developed a broad range of internal training programs aimed at developing non-technical skills, such as personal efficiency, effective meetings and project management, business economics and tax planning, presentation skills, and others.

In 2010 over 500 employees participated in courses and seminars organized by our in-house trainers.

“ Over their time at the company, many of our employees manage to improve their English from basic to business level. ”



Organizational development

DENISON SURVEY

Once a year, the company conducts a management survey based on the Denison model. This gives us a feel for corporate culture and leadership trends that have a direct impact on company financials. The four areas in the Denison model are adaptability, involvement, consistency and mission. We compare our results with those of our competitors in the high-tech and telecommunications fields. This gives us an understanding of our competitive strengths and areas for improvement with regard to our organizational culture. In accordance with the results of our Denison survey, we make the necessary changes to corporate regulations and personnel education and development programs, as well as developing special projects for separate functional units.



E-LEARNING

In February 2009, we developed an electronic learning portal that serves as a unified platform for information about learning tools and programs. It remains the most advanced platform on the Ukrainian market and has enabled our people to acquire unique experience in the development and use of electronic products.

Every employee and our major partners have individual access to this high-tech platform, through which they can enroll on and complete e-learning courses in various fields such as management, GSM, customer service, finance and work and time management.

Distance learning courses are compiled by life:) specialists in collaboration with in-house experts in varying fields so as to take advantage of and share their unique knowledge of the technologies and processes crucial for our business.



Jump into life:)



2009 saw the successful launch of «jump into life:»), our social educational program. Aimed at unleashing the potential of undergraduates at leading universities, the program takes goal-oriented academic achievers who are committed to rapid professional development, have fluent English and are considering a career in the spheres of telecommunications, IT, marketing, finance or economics. «jump into life:») provides participants with the unique opportunity to complete training courses and compete for the opportunity to undergo an internship at life:).

In the program's first year, we welcomed undergraduates and master's candidates from leading Kyiv-based universities. In 2010, we expanded the scope of training offered on the program as well as its geographical reach, also including students from Donetsk and Lviv. Over the last two years, 50 students successfully completed life:) training courses and 22 students jumped into life:) and joined the company.





Jump into life:)



In 2011, we will continue to expand this project, welcoming students not only from Kyiv, Lviv and Donetsk, but also from Kharkiv, Odessa and Dnipropetrovsk with the hope of attracting even more talented young people

«jump into life:)» gives students the opportunity to better define their career path, develop skills in a real business environment and get a taste of what it is like to work in a successful and dynamic international company.

For life:), this is an opportunity to help shape the future of Ukraine by supporting young, ambitious and talented professionals – the leaders of tomorrow.

In December 2010, the «jump into life:)» program was recognized by Ukrainian and international experts and awarded a diploma in the National Corporate Social Responsibility Business Case Contest.



life:)
Strive for better!



Internal communications

PROMOTING EQUAL RIGHTS AND OPPORTUNITIES

In our daily official communication we use two languages – Ukrainian and English – to ensure that all of our local and expatriate employees receive accurate and up to date information. All employees, regardless of their position in the company, age, sex or nationality are entitled to participate in all internal motivational programs and events.

life:)’s internal communications practice is guided by the principles of effective and open dialogue. Adhering to high standards of modern business communication, we promote informal communication between employees, encouraging cooperation and mutual support.

CORPORATE life:) PORTAL – EASE AND FREEDOM OF COMMUNICATION

To simplify internal communications, life:) launched an internal corporate portal where all internal news, policies and procedures can be found, as well as our organizational structure, corporate programs, and self-service opportunities.

HAPPY life:) CORPORATE MAGAZINE

life:) publishes a bilingual internal corporate magazine HAPPY life:) on a quarterly basis. The magazine is distributed among all life:) employees, partners and friends, such as Global Bilgi Ukraine and life:) Belarus.

All life:) employees are welcome to contribute content for the magazine, while members of the life:) corporate photography club provide photograph content.

CORPORATE life:) TV

life:)’s internal corporate television channel is a unique communication tool in Ukrainian business. life:) TV is bilingual, broadcasting both business and entertainment information and is available in all life:) offices throughout the country.

life:) INFO DAY – COMMUNICATION WITHOUT BORDERS

life:) Info Day is an annual corporate event that unites all employees in a unique opportunity to share knowledge and experience, report results, discuss corporate strategies and key performance indicators (KPI) for coming periods as well as ask the top management direct questions at Q&A sessions.





Internal communications

RECOGNITION AND AWARDS

life:) Excellence Awards is an internal employee awards program launched in 2006. More than 5,500 people voted for the Best of the Best employees across several different categories. More than 200 life:) employees around the country received awards from the top management.

Since 2009, the award has been given to those employees who showcase and exemplify the company's corporate values in their everyday work and relations with customers and colleagues. Appraisal is based on the results of open voting by employees.



IDEA2life:)

This program enables all employees to share their thoughts and ideas about:

- new products and services;
- enhancing customer service and relations;
- raising business efficiency and better use of company assets, energy, materials and other resources.

life:) FULFILLS EMPLOYEES CREATIVE POTENTIAL

To maximize the creative potential of our employees, we have organized social and creative clubs. At present these are the life:) Photo Club, the Mafia Club, Kids Club, English and Spanish learning courses, and Dance School. All employees are eligible to join the clubs.





Internal communications

life:) ENCOURAGES SOCIAL INITIATIVES AMONG EMPLOYEES

life:) employees initiate and implement various social projects. life:) supports its employees' individual social initiatives. They visit orphanages, retirement homes, programs to support veterans of World War II and more.

In 2010, life:) employees organized 10 social projects. More than 100 employees participated in social initiatives all over Ukraine.

Since 2008 life:) contributes to the organization of annual charity exhibitions of photos made by the company's employees. The project is entitled «Catch the moment – catch life!». In 2010 life:) employees also held the cookies fair. All money raised from these activities went to various charities.

SPORTS IN life:)

life:) encourages its employees to live a healthy lifestyle, and to that end holds several corporate sporting events annually: charity marathons, relay-races, competitions such as tennis and ping-pong tournaments, seasonal sport competitions like cycling, skating and skiing, roller skating and more. Our sporting events have already united over 250 employees from all over Ukraine. The company is also very proud of its corporate football, basketball, bowling and tennis teams.

life:) HAPPY FRIDAYS

In 2010 the company introduced a new Happy Friday corporate tradition. Each Friday employees have an opportunity to spend an evening doing things they enjoy and mingling with their colleagues and friends. For example, they can watch a movie at Happy Friday Movie, or share their ideas at Happy Friday Tips, take participation in Happy Friday Survey or meet at monthly Happy Friday Party. The company office is also a nice place to have funny and pleasant communication that triggers positive emotions and makes life much more exciting!

HAPPY
friday



DREAM TEAM

As of 2007, Astelit company has been pleased to invite all its employees to join DREAM TEAM. The project is aimed at broad-gauge personnel development, encouraging employees to active social life, closer contacts and communication.



DREAM TEAM has six directions: leisure, kids club, photo club, Mafia club, active and social life.

Leisure is an integral part of success, just as the work itself. Leisure helps to fulfill one's dreams, unleash creative potential, while traveling and communicating with friends and colleagues. life:) employees take sightseeing tours and trips together, go to a concert, a theater and the cinema.

Kids Club is a fun place for all life:) members having children or planning to become parents. It is a wonderful place to share experience, find support or even promote a kid within the company. Various children events are held within the Club's framework.

Photo Club is an open arts workshop for professionals and all life:) employees interested in photo arts. This is a place where they meet and share professional secrets, experience and skills.

Fans of this popular game established **Mafia Club**. Its members meet every week after work in a conference room of the company's headquarters for a tour of the game, personating into its famous heroes.





DREAM TEAM



Active Life engages people in their favorite sports activities. Its members take part in ski mountaineering trips; organize marathons, championships or cycling tours with friends and colleagues to enjoy picturesque routes.

Social Life is about everything that helps to find your inner feelings. The club is about becoming a contributor and a creator, not just a cog in a machine. Being socially active means giving a helping hand to others and changing the world for the better. life:) employees visit orphanages, retirement homes and animal shelters. They participate in environmental projects and events, which promote a healthy lifestyle.

To facilitate communication, there is a special **DREAM TEAM** page in the corporate Intranet. Any employee is welcome to start a discussion on related topics, organize an event and send invitations to friends right from the working place.

In 2010, over 500 life:) employees from all regions of Ukraine took part in more than 50 DREAM TEAM events.





Corporate Ethics

C:\Ethics \ Inform... **GO**

Wait...

If you notice any actual, suspected or potential violation of Astelit Common Values and Business Ethics Rules please submit your complaint through one of three channels:

1. Fill in hard copy of "Notification Form" and put it into this box.
2. Fill in the "Notification Form" on Astelit's corporate intranet.
3. Send an email to codeofethics@life.com.ua (to preserve confidentiality use an anonymous email account). Confidentiality in this regard is under the guarantee of the Audit Committee.

Якщо Ви помітили будь-яке фактичне або можливе порушення Загальних цінностей та Правил Бізнес Етики «Астеліт», будь ласка, надішліть нам свою скаргу одним з трьох способів:

1. Заповніть «Форму повідомлення» та покладіть її до цієї скриньки.
2. Заповніть «Форму повідомлення» в корпоративній мережі «Астеліт».
4. Надішліть е-мал на codeofethics@life.com.ua (для збереження конфіденційності використовуйте анонімну поштову скриньку).

life:)

Confidential

Any Astelit employee should file a concern of notification regarding any accrual, suspected or potential violation of rules, regulations or any concerns regarding questionable accounting or auditing matters, whether or not such mater is or may result in a potential violation, through one of three channels:

1. By filling out a notification form on Astelit's corporate intranet;
2. By filling out a notification form or sending it via email to codeofethics@life.com.ua (concerned persons are encouraged to use an anonymous email account for preserving confidentiality of notifications via email).
3. By filling out a notification form and putting it in mail boxes available in every Astelit office.

Regardless of how concerns are communicated, the identity of the person reporting a concern or making a notification will be disclosed only with that person's consent. Confidentiality in this regard is guaranteed by the audit committee.



Customer and Partner Experience Management (CPE)

Customer and partner care are corner stones of life:) business. We believe that our commitment to enhancing consumers' satisfaction contributes to our brand's success and reflects the company's long-term goals.

We work hard to create the proper perception of the company in the regions where we are present. To that end, we have introduced the Customers and Partner Experience Management program. The program is aimed at tracking perceptions, expectations and needs of partners, as well as aligning the company's strategy and operations with the acquired insights.

We listen to our customers and partners.

In order to fully satisfy our subscriber needs, life:) gathers and analyzes feedback received from their clients and partners. This allows us to improve our services, tariffs and network quality.

GfK, an independent research company, every six months conducts surveys of customer and partner satisfaction in all regions of Ukraine through thousands of subscriber interviews. This way our clients and partners evaluate our compliance with the promises that we make as an organization. Such analysis provides valuable insights and better understanding of the impact that our activities have and the best way to meet the needs of our partners and subscribers. We also gather the client feedback through various interviews, round tables, web-surveys, online tools, forums and self-service centers. Based on the results, our specialists undertake initiatives aimed at improving experience of end clients after using our products and services. After all, it is the opinion of partners and clients that determines our daily work.





Customer and Partner Experience Management (CPE)

According to the received feedback, our technicians continuously carry the optimization of life:) network, so that every region and household benefit from the quality communication. As a result, the network quality and customer care satisfaction of our subscribers is constantly increasing.

As a result of a series of partner roundtables held in 2010, we received a lot of valuable recommendations. We offered a broad range of new regional tariffs, striving to meet the needs of subscribers across Ukraine. On top of that, we introduced a lot of innovative services to enrich our customers' communication experience.

Partnership with Global Bilgi, a leading European call-centre, along with hard work aimed at broadening access to directory inquiry services has contributed to an increased customer satisfaction with our service and call centers. Today, our inquiry services process a larger amount of calls more efficiently. Moreover, we have fine-tuned our procedures of dealing with client requests, which has improved an overall response rate.



life:) moved on from a simple focus on partners to building a culture of responsibility towards its clients, involving every company unit into the process. All life:) employees and management do their best to increase the level of satisfaction of partners and subscribers. Individual input into the CPE program is an important criterion of the annual personnel evaluation. We value our customers and clients and recognize their contribution to the company's overall success.





life:) Blog



In November 2009 life:) launched a corporate blog <http://blog.life.com.ua>. The blog is another tool to maintain a dialogue with key stakeholders such as customers, partners, journalists and everyone else who is interested in following mobile communications market trends and developments in Ukraine.

Subscribers for <http://blog.life.com.ua> and partners can keep up with the company news, leave their feedback, criticize or praise, ask questions and receive answers.

The blog has a full-time dedicated staff made up of the company's employees, who are always ready to generate interesting content, provide feedback and answer any questions.

Today life:) blog has 136 posts, 2,432 comments and 395 registered users. The blog's users have an opportunity to contact life:) call centre in a real time mode via web-chat function. Chatting with the call-centre is an alternative communication tool to provide a client support.

life:) also has official pages in popular social networks such as Twitter and YouTube with 1,305 and 194 followers, respectively.

life:) has recently launched a group at Vkontakte social network. The group keeps users informed about the latest company news and new services. It contains photo-, audio- and videostreams, providing a great platform for discussing topical issues, sharing opinions and posting questions.





Corporate social responsibility

In its six years on the market, life:) has become a corporate social responsibility leader. We realize that the future of any country is the future of its people, and as a result our CSR activities focus on helping people, especially those that are the most vulnerable, neglected and in dire need of help. We are thrilled that all our efforts were acknowledged at the highest public level as in 2010 we were awarded the prestigious title of Philanthropist of the Year.

Ukraine's large number of homeless children is one of the gravest issues impacting the country's development today. We want to give these children the opportunity to live a better, happier life. Our program for homeless children, called To Help Is So Easy, has been our flagship CSR program since 2005. We seek to raise public awareness of the issue, as well as raise funds for charity foundations working with street children.



Our other CSR activities are aimed at similarly resonant social issues, including human trafficking, in which Ukraine sadly occupies a leading global position. For several years now, life:) has worked with the International Organization for Migration (IOM) on human trafficking issues.

We also provide support to people with special needs by offering them special tariff packages and supporting our Paralympics team. We advocate for child safety on the Internet. We are always ready to react to national disasters and catastrophes, helping our fellow Ukrainians get through hard times. Taking responsibility for the society in which it operates is one of the major tasks for any successful company.

Oksana Rudiuk

Head of External and Corporate Communications





Corporate social responsibility

UN GLOBAL COMPACT

In 2007, life:) joined the UN Global Compact, as an initiative to encourage development of CSR practices in business community. As a Compact signatory, life:) follows the 10 basic principles of human rights, labor standards, environmental protection and anti-corruption measures, which over 3,800 companies – members of the Global Compact worldwide – are already following.

All company departments are responsible for advancing life:)’s corporate social responsibility efforts, and every employee recognizes these activities as an essential area of our work, crucial for the development of the society in which we operate.





Corporate social responsibility

INTERNATIONAL ORGANIZATION FOR MIGRATION (IOM) PROJECT AGAINST HUMAN TRAFFICKING

In cooperation with International Organization for Migration, life:) and other mobile operators initiated a free hotline number – 527 - for people who fall victim to human trafficking and their relatives. Callers receive assistance in either returning home or finding their friends/relatives who disappeared while traveling abroad. It is also possible to receive psychological, legal or educational assistance as well as get advice on traveling abroad and learn about your rights when working or traveling abroad.

According to IOM, Ukraine has the highest number of victims of human trafficking out of all South-Eastern European countries. Since 1991, approximately 100,000 Ukrainians (mostly women and children) have been subjected to sexual exploitation or used as cheap labor.

SUPPORT OF UKRAINIAN PARALYMPIC TEAM

Since 2007, life:) has provided financial assistance and also free mobile communications to the Ukrainian Paralympics Team, supporting their preparation and performance at the games in Beijing (China) where our athletes achieved outstanding results! In 2009 life:) also supported Deaf-Paralympics team during Summer Games.





Corporate social responsibility

SUPPORT OF PEOPLE WITH HEARING AND SPEECH DISABILITIES

In October 2010 life:) jointly with the Ukrainian Hard-Of-Hearing People Association and the Operating Centre, which supports the Emergency Medical Services in Kyiv, provided people with hearing and speech disabilities with a free short number «10003» that allows them to call an ambulance.

In Ukraine more than 300 thousand people with hearing and speech disabilities need access to emergency services, ambulances and rescue services. Today life:) subscribers, who are not able to make a call using a conventional ambulance number, can send a free SMS to 10003. SMS will be forwarded further onto the Operating Support Centre at the Emergency Medical Services in Kyiv.



COUNTERING THE DISTRIBUTION OF PORNOGRAPHY

In 2008, life:) began to work with the Ukrainian Ministry of Internal Affairs to counter the distribution of pornography through mobile Internet. Upon Ministry's request life:) can block short numbers used by pornographic sites to pay for access to their products.

There are many children among life:) subscribers, so special attention has been given to the issue.

ONLANDIA

life:) is a partner of Microsoft in its «Onlandia» initiative, dedicated to child safety on the Internet.

This campaign aims to instruct children, teenagers and parents in safe Internet use. The program addresses issues such as «How to defend yourself from unwanted content?», «Why you shouldn't put personal information on the Internet», «Which web sites you don't have to visit and why» and others.

NEW WAVE JUNIOR

In summer 2010 life:) supported the final tour of the «New Wave Junior - 2011», the international competition for young pop singers, which took place in Artek International children's centre. The competition is aimed at strengthening friendly relations and cultural interaction between representatives of different countries, as well as seeks to help children develop their creative and intellectual potential.

The competition opens young musical talents, providing children with a unique opportunity to get a valuable performing experience. At the same time, it gives a chance to become well-known artists and fulfill talents.





Corporate social responsibility

TO HELP IS SO EASY!

life:)’s charity program, called «To Help Is So Easy!», was launched in 2005, shortly after the company started operations in Ukraine.

The program seeks to help homeless children, being a very serious issue for Ukraine. life:) united with charity funds which work to take homeless children away from the streets. During 5 years «To Help Is So Easy!» campaign have raised and transferred for charity needs over 3 million UAH.



GSD:
life:)
Життя стає цікавішим!



The program was launched on the eve of 2006 Christmas season with a small TV advertisement inviting subscribers to donate 1 UAH for orphaned children. This initiative received an overwhelming response from subscribers, over the course of the first month they donated 155,000 UAH by SMS. Some subscribers sent 50, 100, 300 and even 500 SMS. life:) included money raised with its own funds, and in total over 300,000 UAH (\$60,000) was distributed among 15 orphanages in Lviv, Rivne, Lutsk, Novograd-Volynskiy, Nadvorna, Ternopil, Chernivtsi, Bila Tserkva, Makiivka, Luhansk, Kharkiv, Dnipropetrovsk, Izmail, Cherkasy and Symferopil.

In 2006, the charity initiative continued and was extended in scale in order to attract the attention of the whole country to the plight of street children. Honored artist of Ukraine Iryna Bilyk supported us and in 2006 gave concerts in 25 cities on a charity tour entitled «To Help Is So Easy!». Having added its own donation of 250,000 UAH, life:) distributed the aggregated amount of 730,000 UAH between «Otchy Dim» (Kyiv region) and «Myloserdya» (Khmelnitsky city) charity foundations.



life:)
Strive for better!



Corporate social responsibility

In 2007-2008, «To Help Is So Easy!» was extended in scale once again. Many Ukrainian celebrities such as Grigoriy Chapkis, Vladimir Gorianskiy, Masha Efrosinina, Irma Vitovskaya, Sergiy Prytula, Dasha Malakhova, Natalya Dolya and others supported us. They all took part in a charity play by a famous playwright Anatoliy Krym «To Help Is So Easy, or Where the Children Come From». Proceeds from the show reached almost 600,000 UAH. life:) again added its own funds and transferred 1 300,000 UAH to children rehabilitation centers and charity foundations, namely «Shans» (Vinnytsa region), «Vidrodzhennya» (Poltava region), «Mir Vam» (Odessa region), «Otchyi Dim» (Kyiv region), «Myloserdya» (Khmelnyskiy region), and «Edinstvennaya» (charity fund under Edipresse Publishing House).

The program continued in 2009-2010. life:) supported presentation of a new film by an outstanding Ukrainian director Kira Muratova «Melody for the Street Organ», telling the life story of two little orphans. Through joint efforts of the company, its partners and subscribers, over 1 million UAH was aggregated. The amount was transferred to «Oasis» (Lviv region), «Ridna Oselya» (Ivano-Frankivsk region), the family type children's home (Zhytomir region), «Otchyi Dim» (Cherkasy and Kharkiv region) childcare centers.



Our charity program continues. Because we can only help children through united efforts!

Join us!

Detailed information about the program can be found at corporate website under «Social Responsibility» section (<http://www.life.com.ua/index.php?area=general&lng=uk&page=1-30>).



life:)
Strive for better!



Corporate social responsibility

CSR AWARDS AND RECOGNITIONS

In Autumn 2008, life:) was the first Ukrainian company to receive the prestigious international Platinum PR Awards prize in recognition of its charity programs.

In early 2010, life:) was recognized as the most socially responsible company in Ukraine according to the alternative survey by BUREAU VERITAS, the world's leading provider of services in CSR, quality, ecology and occupational safety.



In 2010 life:) was among the top ten most socially responsible companies of Ukraine according to All-Ukrainian «Gvardiya» rating program which was based on the analysis of questionnaires, publicly available social reports and independent experts' opinions.

In 2010 «To Help Is So Easy!» charity program was ranked among the best social projects according to the influential Russian «Silver Archer» PR awards. The Project received a well-deserved recognition among the best social projects, as well as featured in «50 Best Projects» awards publication.

In June 2010 life:) won Communicator Awards «Social Responsibility» nomination for its project «To Help is So Easy!»

In December 2010 life:) received the highest public recognition by having won the Philantropist of the Year-2010 National Contest in the «Domestic Company – Large Business» nomination. The award was given in recognition of a number of charity initiatives implemented by the company within the last 5 years.





Responsibility to the state



Ukrainian operator life:) pays taxes in full and in a timely manner, which is an important component of social responsibility. life:) is on the list of major taxpayers in the Kyiv region.

In 2010, the amount of taxes paid increased to more than 342 million UAH.

In addition, life:) complies with all state standards and laws in its work.





Environment

Guided by the principles of the Global Compact, life:) encourages its employees to conserve resources whenever possible and does its best to improve the global ecological situation.

In all aspects of its daily work, life:) strives to stick to «green office» standards. Our efforts help to decrease our impact on the environment and leave a better world for future generations.

life:) strives to support environmentally conscious activities, and is always seeking new ways to conserve and recycle.



We seek to apply green principles in the following ways:

- safe and reasonable use of office resources;
- safe handling of environmentally hazardous materials and equipment;
- conservation of resources (energy, water, paper);
- creating a culture of reuse;
- reducing our impact on the environment.

life:)'s national and regional offices are powered by category A power sources. The company adheres to state environmental standards, has certificates of compliance with environmental and health standards for all materials and equipment.

life:) strives to save most working documents electronically, as well as conduct the majority of staff training using electronic documents and presentations. Not only does this reduce the volume of paper used, it also is more time efficient.

Widespread use of video conferencing for trainings and staff strategy meetings helps minimize travel, which reduces harmful emissions. Company regulations dictating moderate use of official vehicles also help minimize our carbon footprint.

life:) is also introducing the concept of the customer electronic signature to simplify all processes that require a client's signature. This will simplify subscribing to life:) services and make billing, SIM-card replacement, contract modification and exchanging documents between operator and customers much easier. This also contributes to our ongoing drive to conserve resources and streamline our work in the interest of efficiency.



Procurement

The procurement process acquires goods and services within approved budgets and is regulated by company procurement procedures, contract management policy and financial operations procedural guidelines.

A special **Code of Procurement Ethics** was created within the company to combat corruption throughout the procurement process.

Suppliers working with life:) must prove compliance with Ukrainian and international labor legislation. Suppliers must provide a safe working environment for employees in accordance with Ukrainian and international standards and should provide appropriate safety information and trainings to its employees.

Any form of bribery, including improper offers of payments to or from employees, organizations or any other third parties is strictly prohibited.

Tax and financial accuracy and government relations shall be properly managed by the supplier in compliance with Ukrainian legislation.

life:) guarantees its suppliers the following during all tender processes:

- equality of rights;
- straight dealing (fairness);
- transparency;
- responsibility.



life:) chooses suppliers according to the following criteria: financial conditions (price, payment terms, etc.), corporate governance and quality of work.

Procurement Process is aimed at acquisition of goods & services within approved budget and regulated by Procurement Procedures, Contract Management Policy and Financial Operations Procedure.

The scheme of procurement reporting system allows LLC «Astelit» to demonstrate the undisputable transparency of the procurement process. Thus, it allows avoiding any issues related to corruption.





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