

COMMUNICATION ON PROGRESS (COP)

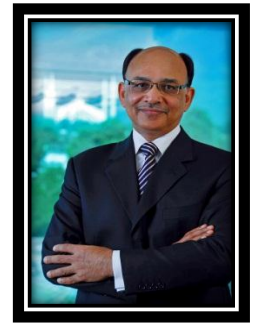
2010-11

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MESSAGE FROM THE CEO

We have seen some major natural calamities, recently like the Tsunami disaster in Japan and the unprecedented flood devastation across Pakistan. Such calamities create major challenges for the affected nations, and necessitate a collective response from humanity as a whole.



In Pakistan, the flood catastrophe in 2010 took a heavy toll on the infrastructure and economy, whereby the after effects are adding to the suffering of the common people, especially in rural Pakistan. Being a socially - embedded enterprise, Mobilink has launched a broad-based rehabilitation program and is consistently engaged in meeting these challenges and enabling robust recovery, with increased focus on sustainable growth. Over the time, Mobilink has donated prefabricated sheets worth Rs. 140 million to WHO to be used as Health Units across Pakistan. Additionally, Mobilink with the support of Orascom Telecom Holding has committed a comprehensive relief-package worth Rs. 85 million for those affected by the floods.

Mobilink remains committed to leadership in Corporate Social Responsibility (CSR) initiatives, throughout Pakistan. Volunteerism remains an integral part of the company's philosophy and culture. As we serve a growing subscriber-base of over 32 million people, we continue to share our success with the common man, through flood-relief, rehabilitation, internally displaced person support, promotion of literacy, environment protection and health drives.

Through the implementation of CSR best- practices, we aim to promote the spirit of humanity and national development amongst our employees. We are working with a long-term vision, whereby the scope of our CSR activities expands with each passing year. Mobilink recognizes the importance of catering to the social needs of the masses while ensuring healthy growth. The respect and success enjoyed by Mobilink today, is nurtured through our operational excellence and revolutionary humanitarian initiatives.

To reiterate this commitment, we continue to invest in sustainable social projects that are beneficial for the masses and our company's future. Being a part of the United Nations Global Compact (UNGC) has helped Mobilink in re-aligning the CSR focus with UNGC's highly evolved principles. We hope to continue our vigorous support to our less fortunate brethren; by building on our resources and accomplishments.

Rashid Khan-President & CEO, Mobilink

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

Under these principles, Mobilink recognizes the inherent dignity and the inalienable rights of all members belonging to the human race to lay the foundation of freedom and justice in the corporate culture of the company. Mobilink recognizes that all human beings are equal, without any distinction pertaining to race, color, gender, religion or any other status. Mobilink also recognizes that everyone has a right to liberty and security: which is the basic necessity of life.

Policies

- Discrimination and harassment policy
- Workforce and Diversity
- Physical security

Actions

- Mobilink is committed to equal opportunity for all its employees and hires without any discrimination based on race, color, sex, nationality, ancestry, religion or disability. All Mobilink premises adhere to our Equal Opportunity for Employees policy.
- Mobilink is committed to protecting the organization's most valuable asset i.e. employees, and to secure all physical assets, by utilizing a proactive approach. To accomplish this task, the Security department promotes a safe and secure environment by installing world class security equipment nationwide.

Outcomes

- As of 2010 female representation represented an estimate of 16% of our staff.

Mobilink workforce by age group

Age Group	18-25	26-30	31-35	36-40	41-45	46-50	51-55	56+
%	6.52	42.30	31.33	12.38	4.48	1.72	0.72	0.55

LABOR STANDARDS

Principles 3, 4, 5 & 6:

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- The elimination of all forms of forced and compulsory labor;
- The effective abolition of child labor; and
- The elimination of discrimination in respect of employment and occupation.



Mobilink aims to attract and retain talented, committed and responsible people by treating employees fairly and offering a safe and healthy work environment. We help our employees develop their potential professionally by providing opportunities for leadership. We also recognize that a diverse workforce brings innovation in our products, services and technologies and enables us to meet the needs of our stakeholders.

Policies and Systems

- Discipline policy
- Employee old age benefit policy
- Employee education assistance policy
- Employee training and development

Actions

- Mobilink follows the labor laws in letter and spirit. We have internal and external auditors to keep a check and balance on the system.
- Mobilink recognizes employees' personal and professional growth. Skills are developed through cross-training, education assistance, and multidisciplinary skills. The total training hours in 2010 were 3,927.
- Mobilink PMCL is recognized as one of the top employers of Pakistan. As an organization it takes pride in the training and development of its employee's at all hierarchical levels. In an effort to continue providing diverse platforms of learning and development for its employees, in 2010, the HR Organizational Development team, in collaboration with London Business School, organized a 2-day workshop titled 'Strategy to Action'. The workshop, conducted by Professor Dominic Houlder from LBS, comprised of Directors and Vice Presidents, including the President of Mobilink, Rashid Khan. The content of the program was customized to address the specific organizational culture in addition to the alignment of strategic goals and objectives.
- A program '**People Managers Toolkit Program**' designed specifically for Mobilink's people managers to equip them with managerial tools and skills that would enable them to manage individual, team performance and resources more effectively.
- Mobilink strives to consult its employees in a wide variety of areas, from regular performance reviews to ongoing communication using our intranet, biannual newsletter, Mobilink Family Portal and during our Town Hall meetings where employees are encouraged to share their views, suggestions and queries with the president and the management team.
- Mobilink engaged an external Human Resources firm to conduct a "Culture of Excellence Survey" which focuses on the values and behaviors to assess how well these are demonstrated by each department.
- A campaign to highlight how Mobilink encourages and invests into the individuality of every Mobilinker was launched. The Mobilink spirit proudly reflected throughout this campaign as it came together as a visual culmination of how harmoniously people of all faces and from varied places come together as one, under Mobilink. The result of this campaign was the increase of job applications by 80%.

Outcomes:

- Through the awareness seminars and placement of policies on the family portal, employees have a better understanding of their workplace
- Turnover rate has decreased from double digits to single digit

ENVIRONMENT

Principles 7, 8 & 9:

- Businesses should support a precautionary approach to environmental challenges;
- Undertake initiatives to promote greater environmental responsibility; and
- Encourage the development and diffusion of environmentally friendly technologies.



Policies and Systems:

- Protect the environment and promote sustainable practices in business value chain
- Change behavior and take positive steps for the four areas of consumption; fuel; electricity; paper and air travel emissions

Actions

- Office buildings are designed to fully utilize daylight.
- High power generators are not used after working hour.
- Equipment put on IDLE mode when not in use, where applicable.
- Electronic ballast being used in lights for efficient consumption of electricity and maximum output.
- Face-to-face meetings are replaced with conference calls, where possible.
- A paperless environment is incorporated as much as possible.
- Energy use for the whole company is monitored regularly and any increase investigated to ensure that there are no leakages or wasteful use of energy.
- Office waste paper is recycled on a regular basis including scrap paper, boxes, wires and wooden boxes.

- Billboard skins are recycled to manufacture school bags for underprivileged children.
- A handset recycling system is in place for internal and external audience.
- Network equipment is reused where possible and obsolete equipment is disposed of in an environmentally friendly manner.

INITIATIVES TO MINIMIZE IMPACT OF POTENTIALLY HAZARDOUS MATERIALS

<i>Hazardous Materials</i>	<i>Measures</i>
<i>Generator Noise & Smoke</i>	<i>Sound proofing of canopy on generator with 70dba noise level at 1m & smoke within environmental limits.</i>
<i>Site drainage</i>	<i>Site is designed to have proper drainage to the nearby sewerage system or any safe disposal without harm to anyone.</i>
<i>Lightening & electricity affect on towers/poles/equipment</i>	<i>Systematic grounding system is designed for all equipment including tower, lightening arrestor & surge arrestors are installed at key locations.</i>
<i>Oil leakage from generator</i>	<i>Joints sealed with approved standards</i>
<i>High steel structure & heavy equipment</i>	<i>Towers are designed to withstand high speed wind up to 180km/hr qualifying international standards, air craft warning lights in red color are installed as per standards. Detailed structure feasibility is conducted from approved engineering design firm when installing equipment/tower on any building/water tank.</i>
<i>Electricity shock</i>	<i>Electricity resistant gloves, belts & approved tools are provided to engineers. Cables are covered with pipe & insulation to avoid any hazard.</i>

- Mobilink also collaborated with other cellular service provider of Pakistan, to sign an accord for tower-sharing. The collaboration took place as a response to an initiative taken by the Pakistan

Telecom Authority (PTA) and the Federal Government to encourage cellular providers to drive greater efficiencies while reducing their carbon foot print.

Outcomes:

- Reduction in travels nationwide has helped to reduce carbon emission
- 50% electricity consumption has been reduced by replacing the lights with electronic ballasts and the carbon emission from lights has also reduce by 50%
- Through the sharing of network infrastructures, Mobilink enhanced the customer experience by offering a wider coverage footprint while reducing their carbon foot prints as means of protecting the environment.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Policies:

Employees of Mobilink abide by strict laws in place to counter corruption and may not engage in any act or course of conduct, which even if legal, customary and accepted in any such country, could be deemed to be in violation of the accepted business ethics of Mobilink or the laws of Pakistan relating to business ethics. Employees may not accept any payments, gifts or gratuities of any.

Actions:

If any case of corruption is discovered, it is referred to the Business Ethics Compliance Committee. Mobilink has a zero tolerance policy for corruption and any employee found to be engaging in the practice is duly terminated from the company.

Outcome:

The keystone to Mobilink's business success is integrity with respect to the dealings with customers, suppliers, government and the organization itself. As a result of the anti-corruption policies in the organization, everyone adheres to the code of conduct and it continues to be the subject of

management attention, periodic audits of the Internal Audit Department and reviewed by the Business Ethics Compliance Committee.