

Communication on Progress (COP)

United Nations - Global Compact

General

Period covered by your Communication on Progress (COP)

From: 15 November 2011 **To:** 15 November 2012

Statement of continued support by the Chief Executive Officer (CEO)

Toledo Telecom being a Belgian company operates in a country, where the values which are embodied within the UN Global Compact declaration have always implicitly or explicitly governed business practices. As a company we strive to implement a sustainable development policy, principles of good corporate governance, and conduct business in a way that is compliant with the principles of the Global Compact charter. Toledo Telecom does not tolerate any form of discrimination, based on ethnic origins, religious beliefs, gender identity or disabilities. The products and services we market and sell are designed for contributing to the reduction of ecological burdens and we expect the same from our suppliers when we are on the buying side. Toledo Telecom and all its employees share a conviction that sustainable development based on good stewardship of environmental, ethical, social and societal factors are at the core of our existence.

Michel Coric, CEO

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 (For more information on the principles, [click here](#))

Assessment, Policy and Goals

Toledo Telecom subscribes the Belgian, European and worldwide legal and ethical frameworks, which govern the interaction between employees and employers. Toledo Telecom expects its employees to maintain a high standard of conduct and work performance to make sure the business maintains its good reputation with customers and suppliers. Good personal conduct contributes to a good work environment for all.

This involves all employees:

- *observing all policies and procedures;*
- *treating colleagues with courtesy and respect;*
- *treating customers and clients in a professional manner at all times;*
- *working safely at all times.*

Implementation

Each employee receives upon signing her or his contract a copy of the Code of Conduct that governs rights and obligations of the employee. The HR Manager is the person of confidence that will treat any employee complaint confidentially.

Measurement of outcomes

The HR Manager reports to the Toledo Telecom CFO. Twice monthly the executive directors convene; the CFO reports on any incidents or issues that may have arisen during the previous period and proposes corrective actions if required. During the period January until November 2012 no incidents or issues have been reported.

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 labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

(For more information on the principles, [click here](#))

Assessment, Policy and Goals

All Toledo Telecom employees have fixed working times, governed by the interdisciplinary agreements that are reviewed on a 2-yearly basis during sector consultations. All employees receive at the beginning of the calendar year the schedule of official holiday. If an official holiday coincides with a Saturday or Sunday, compensation is granted automatically. If employees work more than the contractual labor time, they are entitled to compensation in terms extra days off or a financial reward. Toledo Telecom does not tolerate any form of discrimination, based on ethnic origins, religious beliefs, gender identity or disabilities. Toledo Telecom rejects any form of forced or child labor; we condemn any form of exploitation and oppression because of economical or any other motives.

Implementation

Toledo Telecom has a multi-ethnic, multi-cultural workforce and adheres to a strict non-discrimination policy with respect to personal and gender identity, religious or philosophical beliefs and handicaps and disabilities. These policies are communicated to all Toledo Telecom employees. Whenever an employee, a partner, a supplier or a customer would feel to be a victim of discriminatory practices or violations of rights, executive management will treat this matter in a respectful and transparent manner.

Measurement of outcomes

Toledo Telecom operates in Belgium, which has 3 officially recognized languages: Dutch, French and German. Every Toledo employee has the right internally to express herself or himself in the language of choice. English is used as the universal language both for internal and external communications. No incidents have ever been reported due to discriminatory practices or the way our employees from different backgrounds work together. Toledo Telecom wants its employees, partners, suppliers or customers to be delighted by the way we conduct business.

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies
(For more information on the principles, [click here](#))

Assessment, Policy and Goals

*Toledo Telecom has since two years been assessing how we can reduce our environmental footprint.
This assessment covers:*

- *The office building with its infrastructure*
- *Geographical dispersion of workforce and customer base*
- *Transportation home-work*
- *Transportation commercially*
- *Technological support infrastructure*
- *Products and services.*

As a result of this assessment we have engaged in a continuous change program to ameliorate the elements which can be improved to judicious choices.

The products and services we market and sell are designed for contributing to the reduction of ecological burdens and we expect the same from our suppliers when we are on the buying side.

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents

Following changes have been initiated or are being executed:

- *The office building with its infrastructure*
 - *Decided not to stay in the current offices because*
 - *The building is not up to ecological standards of isolation, heating, electrical cabling*
 - *The building has no stairs, only elevators*
 - *Is located in downtown Brussels with sub-optimal access to public transport*
 - *Does not support more flexible working schemes such as walk-in desks*
 - *Has an outdated technological infrastructure (Internet access, telephony etc)*
- *Geographical dispersion of workforce and customer base*
 - *Our workforce lives dispersed throughout Belgium*
 - *Our clients are increasingly dispersed throughout Belgium*
 - *Whenever possible, employees make direct appointments at the customers' premises, without having to show up in the office, reducing travel*
- *Transportation home-work*
 - *Tele-working and flex-working are essential to minimize travel and its ecological consequences*
 - *Rationalization of automotive fleet; disposal of high-end executive limousine; focus on eco-friendly cars*
 - *New offices are well served by public transport and in the immediate vicinity of many of our suppliers as well as existing and new customers.*
- *Technological support infrastructure*

- *We have consolidated all individual computer servers onto a centralized virtualized infrastructure*
- *This virtualized infrastructure is housed in a datacenter that has the newest low-energy consumption infrastructure for cooling, electrical alimentations etc*
- *Products and services*
 - *Products are developed to work in a cloud based environment, reducing the need for on-premises customer equipment that consumes electrical power*
 - *Video conferencing is being marketed as a solution to avoid physical travel.*

Measurement of outcomes

The new office location is situated in a business park next to the Brussels Ring. This means each day 30 minutes in the morning and 30 minutes in the evening, so 60 minutes less travel time for employees who come by car, approximately 25 out of 40. Per day Toledo Employees will reduce exhausts with the equivalent of a medium passenger car, continuously driving around for 24 hours.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery (For more information on the principles, [click here](#)).

Assessment, Policy and Goals

This principle is part of Code of Conduct that all Toledo Telecom employees and officers subscribe to.

Implementation

All Belgian Telecom companies are supervised by the BIPT/IBPT, the Belgian regulator, that continuously monitors all licensed operators in the Belgian market. Suspicious business practices can lead to suspension or withdrawal of an operator's license.

Measurement of outcomes

Any inappropriate practices from the part of Toledo Telecom employees or its associated parties, will be reported to the appropriate judicial authorities for further investigation.

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