MOBILINK COMMUNICATION ON PROGRESS 2013

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MESSAGE FROM THE PRESIDENT & CEO, MOBILINK

Mobilink's brand of corporate responsibility is unique and extends to all the stakeholders that we interact with. Mobilink adheres to integrity and ethics when engaging with employees, vendors, regulators or investors, and extends beyond our customers into the communities in which we operate.

This commitment to excellence has been the driving force behind Mobilink's corporate responsibility and has withstood the test of time and challenges. Mobilink remains committed to leadership in Corporate Responsibility (CR) initiatives, throughout Pakistan, and it is a value that permeates across all levels of our business, and is strengthened by an internal culture that encourages ownership and taking responsibility.

To reiterate the commitment, we continue to invest in sustainable social projects that are beneficial for the masses and our organization's future. Being a part of the United Nations Global Compact (UNGC) has helped Mobilink in aligning our CR focus with UNGC's initiative in order to adopt sustainable and socially responsible policies, and to report on their implementation.

We hope to continue our unremitting support to the marginalized and destitute to alleviate socioeconomic deprivation. We believe that sustainable growth is the key to a healthier, better educated and prosperous society.

Rashid Khan President & CEO Mobilink

ABOUT MOBILINK

Mobilink is Pakistan's leading voice and data service provider. With over 37 million subscribers, Mobilink maintains market leadership through cutting-edge, integrated technology, a strong consolidated brand portfolio, the largest number of value added services in the industry, a broadband carrier division providing next generation internet technology as well as the country's largest voice and data network with over 9,000 cell sites. Housing Pakistan's largest distribution and contact center networks and an unparalleled 6,500 kilometers fiber optic backbone, Mobilink has already invested over US \$3.9 billion in the country to date and provides uninterrupted countrywide connectivity, unmatched customer services and international roaming in over 140 countries.

Mobilink offers exclusively designed tariff plans that cater to the communication needs of a diverse group of people, from individuals to businessmen to corporate organizations. To achieve this objective, Mobilink offers both postpaid and prepaid solutions to our customers.

In addition to providing advanced voice communication services that make the lives of millions that much easier, Mobilink also offers a host of value-added-services to its customers. At the same time, Mobilink places high importance on its coverage, which is why its covers its customers across 20,000+ cities and towns nationwide as well as over 140 countries on international roaming service.

As a responsible corporate citizen, Mobilink offers a range of socially inclusive products and services dedicated to enhance access to information. Through Mobilink Foundation, the company supports education, health and environmental initiatives and promotes sustainable business practices. The Mobilink Foundation is the only Pakistani telecom CR function to be certified by the Pakistan Centre for Philanthropy.

MOBILINK's VISION

"To be the leading Telecommunication Services Provider in Pakistan by offering innovative Communication solutions for our Customers while exceeding Shareholder value & Employee Expectations"

COMMUNICATION ON PROGRESS

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 in Place

- 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 globally recognized covenants of equal opportunities at work place
- Mobilink is committed to protecting and securing the organization's most valuable asset (employees) by utilizing a proactive approach. To accomplish this task, the Security Department promotes a safe and secure environment by installing world class security equipment and procedures nationwide
- Mobilink does not allow, engage or support any practice that can be deemed discriminatory or
 preferential in nature. The company doesn't engage in or support activities that would interfere
 with an employee's right to exercise and observe tenets or practices, or to meet needs relating
 to race, caste, nationality, gender, religion, disability or political affiliation
- The company does not allow behavior at work place that is discriminative or harassing in nature. Gestures, language and physical contact that are sexually coercive, threatening, abusive or exploitive are prohibited and can result in termination
- All allegations of discrimination or harassment are brought immediately to the attention of Management and are investigated immediately.

Outcomes

GENDER DIVERSITY AT MOBILINK

Year	Male	Female
2010	85.7 %	14.3 %
2011	86.4 %	13.6 %
2012	87.5 %	12.5 %

AGE DIVERSITY AT MOBILINK

	20 & below	21 - 30	31 - 40	41 – 50	51 & Above	Total
2010	5	2006	1708	251	44	4014
2011	8	2493	1547	221	43	4312
2012	1	1551	1803	280	49	3684

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's success has been built upon the ability to attract, hire and retain some of the most talented people from across Pakistan and abroad. Mobilink's work environment is inclusive and diverse, the organization being an equal opportunity employer for both genders as well as people with special needs. The organizational culture and professional ethos displayed across the organization is built on a framework of human rights and equitable & fair governance of the work force. At Mobilink, each individual is valued and given respect.

Policies in Place

• Social Accountability Policy

The above parameters are addressed by Mobilink's Social Accountability Policy which is stipulated to ensure that the organization adheres to all relevant Labor laws related to work force management and is also compliant with International Social Accountability Guidelines. The policy defines the standards that are engaged in managing the human resource and would assist in ensuring respect for human rights and ethical work practices, and shows a duty of care to Mobilink's employees.

Actions

- Mobilink doesn't employ anyone under the age of 18. All employees whether directly or indirectly employed must bear National Identity Cards. Mobilink ensure the same compliance in its entire supply chain.
- There is no forced labor or compulsion in any work stream in Mobilink. All employees are chosen strictly on merit and can leave on personal discretion. The work philosophy encourages employees that are happy and satisfied with their work environment and conditions
- Mobilink is in compliance with all labor laws related to minimum wage regulations

Outcomes

- Mobilink for the past 3 years boasts a single digit turnover rate.
- Proactive employee engagement and career progression plan has progressively improved the results of employee satisfaction surveys.

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

Mobilink is in the process of finalizing a Health, Safety, Security and Environment Policy that aims to protect the environment and promote sustainable practices in business value chain. The policy includes an elaborate Environment Management System that will encourage a change in behavior and will take progressive steps for the four areas of consumption; fuel; electricity; paper and air travel emissions.

Systems in Place

Mobilink has subscribed to WWF's Green Office Initiative which is a pragmatic and consummate environmental program designed to promote the implementation of the Environmental Management Systems (EMS) in offices, leading to enhanced savings and reduced burden on the natural environment. Some of the highlights of initiative are as below;

- Improve the office's environmental efficiency by reducing consumption of Natural Resources
- Promote sustainable practices amongst employees by increasing environmental awareness
- Promote climate change mitigation by endorsing energy saving measures and sponsoring the use of renewable energy resources

Actions

- Office buildings are designed to fully utilize daylight
- High power generators are not used after working hours
- Equipment put on IDLE mode when not in use, where applicable
- Regular volunteer led cleaning activities are conducted at the coastal lines and mountain eco systems, in the vicinity of Mobilink's operations to help preserve the environment
- Face-to-face meetings are replaced with conference calls, where possible
- A paperless environment is advocated and practiced 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 including scrap paper, boxes, wires and wooden boxes are recycled on a regular basis
- Billboard skins are recycled to manufacture school bags for underprivileged children
- Network equipment is reused where possible and obsolete equipment is disposed of in an environmentally friendly manner

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 has enhanced 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

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.

Policies in Place

• Anti-Bribery & Corruption (ABC) Policy

The Board approved and stipulated Anti-Bribery & Corruption (ABC) Policy outlines policies and procedures to support this commitment and ensures compliance with applicable anti-bribery and corruption laws in jurisdictions and in light of all applicable statutes. The ABC Policy sets forth minimum standards and is not intended to be a substitute for the substantive legal requirements of the applicable anti-bribery and corruption laws.

Actions

Mobilink does not tolerate any form of bribery or corruption. Any breach of the policy is regarded as a serious matter by the Company and is likely to result in disciplinary action. The on-going Enterprise Risk Management (ERM) identifies and assesses bribery and corruption risk on regular basis. Relevant management actions to prevent detect or correct possible bribery and corruption will be implemented and monitored.