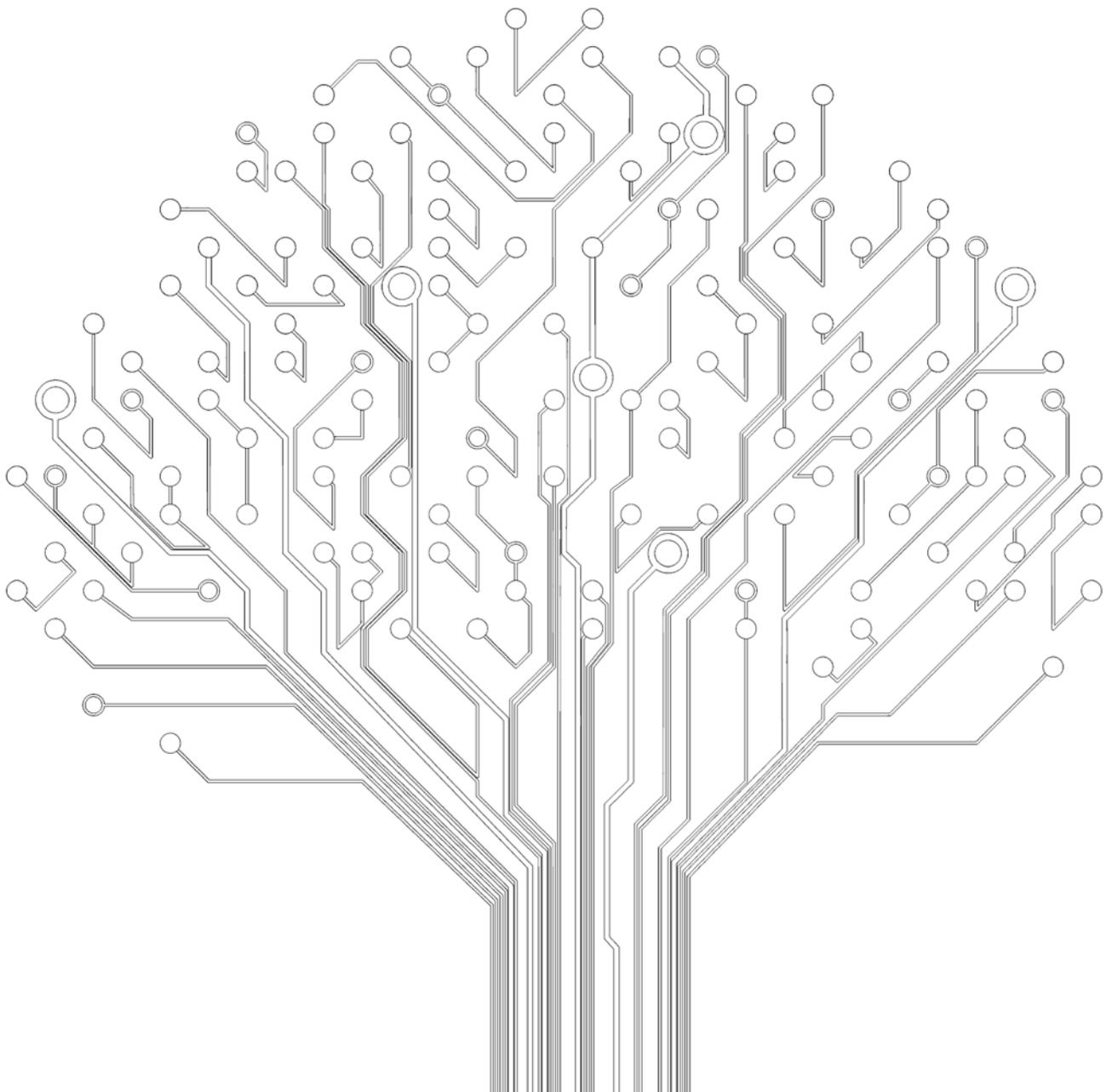


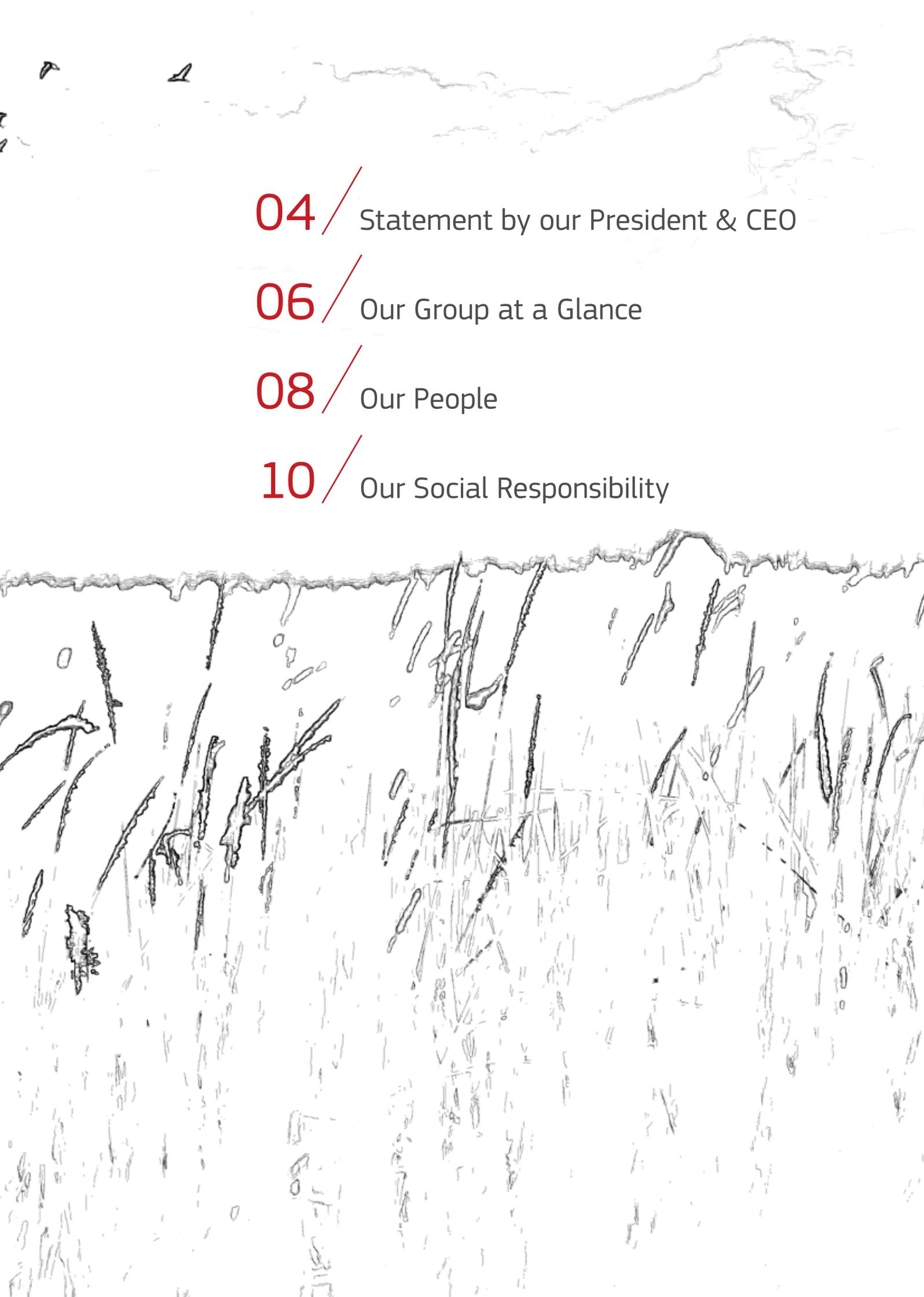
UN GLOBAL COMPACT

COMMUNICATION
ON PROGRESS

DECEMBER 2018







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*It's in our company's culture
to be committed to making a
positive impact to our people
and communities.*

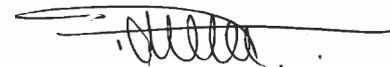
/ STATEMENT BY OUR PRESIDENT & CEO

Intracom Telecom, during the last year proceeded in the development of its sustainability vision and strategy throughout its global operations. Our work focused on the continuous technological advancement of our products and solutions respecting the environmental and society's needs.

I am pleased to confirm that we continue our membership with CSR Hellas and Global Compact Network Hellas remaining fully aligned with the 10 principles of the United Nations Global Compact in respect to human rights, labour rights, the protection of environment and anti-corruption. We commit to continuously incorporate the Global Compact values and its principles as part of our strategy, culture and day-to-day operations. Our commitment to sustainability is also reflected by our involvement in global initiatives such as the UN Global Compact and our ongoing work on CSR projects. This is supported by the below mentioned activities that took place during 2018:

- we created an integrated Business Continuity Planning strategy through the recognition of threats and risks the company faces, with an eye to ensure that our people are protected and our assets are able to function in the event of a disaster;
- we enhanced our commitment on developing the degree of information and data security across the organization by upgrading our systems and procedures in accordance with the new imposed General Data Protection Regulations (GDPR);
- we achieved to grant the ISO/IEC 27001 Information Security Management System certification emphasizing the need for an ethical reflection on the digital environment and fundamental rights;
- we responded to the needs of the local society that suffered from the fires that took place in July, by donating Electronic Equipment to the Fire Service Unit.

We are proud to share our stories and we hope they will provide inspiration to all our people in pursuing our common goals while working in an excellent workplace environment and leaving our environmental footprint. Within this scope, in 2019 we will extend our involvement in CSR activities participating in charities and donations, supporting the young people education and developing our partnerships with Universities. It's in our company's culture to be committed to making a positive impact to our people and communities and strengthening their growth and development. We are optimistic that our performance will continue to improve with a continuous respect to the communities in which we operate.



Mohamed Ahmed
President & CEO
Intracom Telecom



Dedication to R&D and commitment to technology innovation is at the foundation of the company's business strategy.



1,750
employees
worldwide



20
countries with
local presence



74%
international
activities



3
R&D
centers

OUR GROUP AT A GLANCE

Intracom Telecom is acknowledged as a company that produces high technology with “from-idea to-market” capability. A global telecommunication systems and solutions vendor, Intracom Telecom operating for over 40 years in the market, successfully participating in major ICT projects worldwide. With a high quality workforce of 1,750 professionals in Europe, Russia & the CIS, the Middle East & Africa, Asia and North America, proprietary R&D facilities in Greece and a production plant in the European Union, the company has been distinguished for its technological achievements and excellent work environment. The company was derived from Intracom, a company that began operating in 1977 in Athens, Greece, manufacturing and assembling telecommunication equipment to address domestic needs. In 2005, Intracom was transformed into a holding company and the telecommunications business unit became a company under the name Intracom Telecom. Leveraging its extensive know-how and a proven track record in the telecommunications market, serving more than 100 renowned customers in over 70 countries.

Dedication to R&D and commitment to technology innovation is the fundamental part of the company’s business strategy. Intracom Telecom invests significantly in R&D programs developing cutting-edge products and competitive solutions on an international level. The company operates its own R&D and production facilities in the European Union and has a strong participation in the European Union’s (EU) flagship initiative for 5G and a significant involvement in the EU Horizon 2020 research framework. Intracom Telecom maintains strategic R&D partnerships with major technology vendors and leading academic institutions globally, jointly conducting research and development of new products and services.

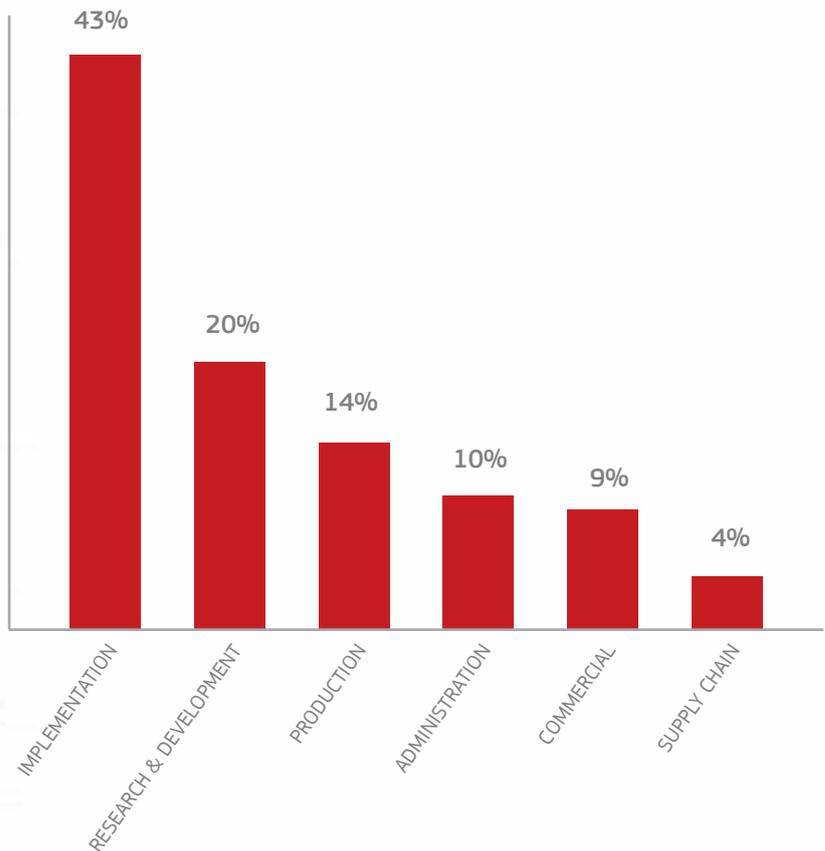
The company develops and provides products, solutions and professional services primarily for fixed and mobile telecom operators, public authorities and large public and private enterprises. The company has become the benchmark in fixed wireless access and it successfully innovates in the 5G/4G wireless fronthaul, backhaul and small-cell SON backhaul international arena. Intracom Telecom offers a comprehensive portfolio of revenue-generating software solutions and a complete range of ICT services, focusing on IoT, SDN/NFV, Big Data analytics & data-driven intelligence, Smart City solutions and Network & Enterprise Security. The company also addresses the Energy & Utilities industry, emphasizing on smart metering and end-to-end IT solutions.



We recognize that human capital is the key to success in today's business environment.

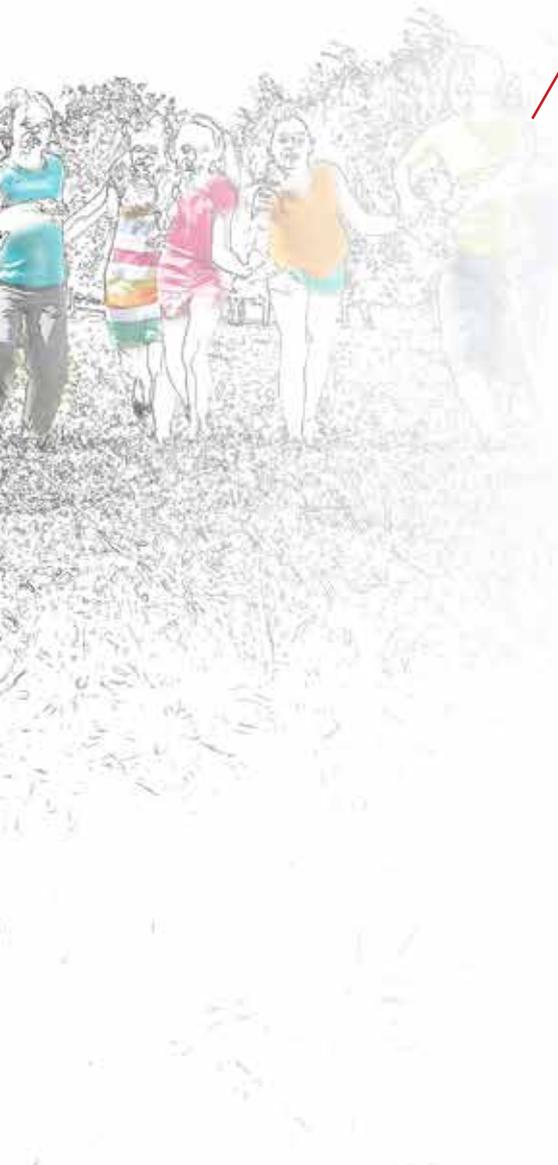
/OUR PEOPLE

Intracom Telecom recognizes that human capital is the key to success in today's business environment. The Group's highly specialized and experienced employees are pivotal to achieving demanding objectives and advancing the capabilities of the Group to better serve its customers. Intracom Telecom offers a fast-paced, success-oriented and rewarding working environment fueled by the talent and skills of its people who are among the best in the industry.





*We are conducting our business
in an environmentally sound
and sustainable manner.*



OUR SOCIAL RESPONSIBILITY

Strongly committed to the values of Corporate Social Responsibility, Intracom Telecom actively supports the growth and advancement of CSR in Greece and contributes through Hellenic Network for Corporate Social Responsibility policies.

As a member of the United Nations Global Compact and the Global Compact Network Hellas, Intracom Telecom is committed to aligning its operations and strategies with the ten principles of the UN Global Compact regarding human rights, labour rights, environment and anti-corruption.



HUMAN RIGHTS

■ HEALTH AND SAFETY (OHSAS 18001:2007) STANDARD

In Intracom Telecom we want to be ensured that our employees work under the best health and safety conditions. A healthy and safe working environment is provided for all employees, in accordance with international standards and national laws. Intracom Telecom has adopted an OHSAS 18001:2007 certified Occupational Health and Safety Management System, ensuring that all Health and Safety regulations are strictly followed in the workplace, enabling the company to identify and control health and safety risks, preparing Emergency Response plans and improving its overall performance. Moreover, all new employees attend orientation seminars aimed at familiarizing them with all the security measures. Additionally, occasioned by the World Diabetes Day, we offered free finger-stick glucose screening to all employees, at the medical office of our premises, during the 3rd week of November.

■ DONATIONS

Twice a year, the company organizes a voluntary blood donation in its premises, in cooperation with General Hospital of Athens “G. Gennimatas”, reflecting our people’s social responsibility awareness and resolve to save lives. In 2018, we collected 138 blood units. In support of patients lacking social security coverage, company employees and medical staff donated one carton of medicines and medical supplies to the Athens Medical Association this year. In 2018, we donated more than 20 electronic devices and technology equipment to Greek Fire Service Unit’s mobile operations center “Olympos”, responding to the needs of the local society that suffered from the fires that took place in July. To enable public schools and non-profit organizations in Greece to upgrade their IT infrastructure and offer their students, members and stakeholders improved and easier access to knowledge, Intracom Telecom has also donated more than 620 used personal computers in the last ten years. Since 2005, Intracom Telecom has focused its financial support on non-profit organizations which provide protection and care to social groups in need, especially children. Until today, the company has spent in total over 200,000 euros on charities. During 2018, the company continued the long-term collaboration with nonprofit child welfare and protection organizations, such as “The Smile of the Child” and “Educational Centre for People with Disabilities in Piraeus”, and hosted charity bazaars on its Athens, Salonica and Patras premises in Greece. Moreover, the company continues the collection of bottle caps on behalf of the Association of Paraplegic and Handicapped of Pellas Prefecture in order to exchange them with wheel chairs for the Association’s members. It is our duty to be part of initiatives that encourage the adoption of healthy eating habits and eliminate children’s food insecurity in the country. Therefore, we continue for the second year to support the DIATROFI Program offering in total, every year, 11,500 meals to students in primary and secondary public schools in socioeconomically vulnerable areas throughout Greece. Through this program, during the academic year 2017-2018, more than 600,000 meals were offered to over 8,000 students across 137 Greek schools. The DIATROFI Program has been implemented since 2012 by the Institute of Preventive Medicine Environmental and Occupational Health, Prolepsis, with main funding from the Stavros Niarchos Foundation and is executed under the auspices of the Greek Ministry of Education and Religion.

■ OUR ROLE IN YOUNG GENERATION'S EDUCATION

Intracom Telecom also plays a dynamic role in educating young scientists by supporting the European Pact for Youth initiative, launched by CSR Europe and the European Commission, inviting businesses, social partners, education and training providers, employment services and parents to develop and consolidate partnerships in support of youth employability and inclusion. Additionally, in our recruitment process we include our active participation to career fairs. We have an annual golden partnership in Athens Job Fair and we are actively involved in career days hosted by the Greek Universities. Furthermore, our support of the Gefyra initiative, successor of the European Pact for Youth program, is steadfast. We participated in the CSR Hellas-led task force coordinating efforts to set up 2,000 high quality traineeships in Greece, which will reduce the skills gap and create a new framework for traineeships. The company also organizes workshops for university students in order to share our professionals' technical knowledge and offers university graduates the opportunity to participate in research projects as part of their thesis.

■ BUSINESS CONTINUITY PLAN

No one can predict the future, but can be prepared for it. However, from this year in Intracom Telecom we pursued to be ready with a Business Continuity Planning. Our business continuity plan outlines procedures and instructions the organization must follow in the face of an emergency or disaster in order to ensure that business processes, procedures, assets and human resources can continue operating during and after this time. Our goal is to be a proactive organization with employees that feel safe working in it.

■ GDPR & ISO 27001 INFORMATION SECURITY MANAGEMENT SYSTEM

In 2018, all European companies were enforced to be complied with the new European Union General Data Protection Regulation (GDPR). In Intracom Telecom, we face GDPR as something more than just a legislation that we are imposed to be complaint with. We believe that GDPR can improve our practices, act as a platform for better data insights and lead to a competitive advantage. Within this scope, we created a strong GDPR strategy by upgrading our systems and procedures in order to be compliant with the new regulations and strengthening our privacy and data protection policies. Furthermore, we were certified with the ISO/IEC 27001 Information Security Management System, emphasizing the need for an ethical reflection on the digital environment and fundamental rights. For Intracom Telecom, data security is a dynamic field that requires respect and a continuous effort for improvement. And that's our goal!

LABOUR RIGHTS

■ EXCELLENT WORK ENVIRONMENT

Our employees' well-being is our key factor in determining Intracom Telecom's long-term effectiveness and sustainability. The biggest reward and success of our company is our employees' satisfaction about their job and their continuous development that will assist them in reaching their highest potential. Within this framework, we offer benefits to all employees such as:

- » Free employee and subsidized family medical insurance plan
- » Free transportation on company buses
- » Free parking on company premises
- » Flexible working hours

■ FAIR HUMAN RESOURCES OPERATIONS

It is the policy of Intracom Telecom to maintain a work environment free of unlawful discrimination for all employees. Our Human Resources Management System and its subsystems, including recruitment & succession planning, career development, performance and rewards management, training and development, are in full alignment with our corporate principles of equal opportunity and meritocracy. Our company applies policies for equal opportunities irrespective of caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age. Given this framework, an 8% of Intracom Telecom Group's employees are people who belong in categories such as: parents or members of multi-child families, disabled people or relatives of disabled people, etc. Promotions are awarded once a year as part of the annual performance appraisal procedure and employees are rewarded according to their performance and their individual contribution towards achieving the company's goals. We are hiring with meritocracy, using criteria as academic qualifications and skill sets, with candidates taking written exams during a regularly organized assessment center process.

■ FREEDOM OF ASSOCIATION

In Intracom Telecom, employee trade union rights are respected and all employees are free to join trade unions or similar external representative organizations. The Employees' Union was formed in 1984 and has been active ever since with approximately 70% of our employees being union members.

■ LIFELONG LEARNING

Intracom Telecom's culture focuses on the lifelong learning of its employees and the attraction of highly qualified professionals in Greece and abroad. The company offers lifelong learning opportunities to all employees with continuous in-house and off-site training, determined by the challenges they have to face regarding their job. In 2018, more than 10,000 training hours were invested on 419 employees throughout the Group.

■ INTERNAL COMMUNICATION

Intracom Telecom's culture of sharing and collaboration is also supported by keeping up to date our employees. Our employees are updated in a weekly basis, through our company portal, bulletin boards, e-mails, staff meetings and corporate publications. In "Interact", our company portal, they can find information like latest news and announcements, useful links about daily life, guidelines, internal services procedures and company's policies.

ENVIRONMENT

■ ENVIRONMENTAL MANAGEMENT SYSTEM (ISO 14001:2015)

Intracom Telecom is committed to conducting its business in an environmentally sound and sustainable manner and takes precautionary measures to protect the environment and minimize any negative environmental impacts that may result from its daily operations. The company defines and documents identification and evaluation methods of all environmental aspects of its operations and their associated impacts. Evaluation is performed against predefined criteria including legislative and other regulatory requirements. Emergency Response Plans are designed to secure prevention and mitigation of the associated environmental impacts. The company has established an Environmental Management System (EMS) which is certified in accordance with the international standard ISO 14001:2015 and is integrated with the ISO 9001:2015 (Quality) and OHSAS 18001:2007 (Health and Safety) based Management Systems. The company is subject to assessments by an independent certification body for its compliance with the abovementioned standards. The company seeks continual improvement by setting specific environmental objectives based on identified environmental impacts, on compliance obligations and on risks and opportunities, and by monitoring and documenting the achievement of these objectives. Intracom Telecom recognizes that environmental responsibility is crucial to its long-term success. Developing, manufacturing and marketing products that are not energy demanding and that can be reused, recycled or disposed of safely along with using environment-friendly manufacturing methods and enhancing employee awareness and training, contribute to the company's aim towards sustainable development.

■ PARTICIPATION TO COLLECTIVE ALTERNATIVE MANAGEMENT SYSTEMS

Procedures for recycling and reusing materials are applied at all facilities. The company participates in the nationwide Collective Alternative Management System- "RECYCLING" (organized by "HE.R.R.CO") for the collection, sorting and recycling of used packaging materials and in Collective Systems for the operation of Alternative Management of WEEE in Greece ("APPLIANCES RECYCLING S.A.") and other European Countries, fully adhering to the EU directive on waste electrical and electronic equipment (recast WEEE directive - 2012/19/EU).

■ **WASTE MANAGEMENT**

Intracom Telecom's waste is collected by authorized companies. Indicatively, waste includes used electrical and electronic equipment (e.g. PCs of no further use, rejected finished or semi-finished products, etc.), building installation lighting, nonusable cables, metals (e.g. iron, aluminum, etc.), timber (e.g. pallets, wooden reels, etc.), packaging waste, (e.g. cardboard, plastic bags, etc.), printed material, lead batteries (e.g. from uninterruptible power supply units-UPS), small batteries, etc. Depending on their physical and chemical properties, waste produced is collected by authorized companies and delivered to authorized facilities for provisional storage, sorting, recycling, treatment, recovery or disposal. In 2018, the tonnage of non-hazardous waste was 113 tonnes, while the tonnage of collected hazardous waste was about 1 tonne, pending collection of additional 8 tonnes⁽¹⁾.

■ **RESTRICTION OF THE USE OF CERTAIN HAZARDOUS SUBSTANCES IN ELECTRICAL AND ELECTRONIC EQUIPMENT**

Intracom Telecom has taken all necessary steps to ensure that its products comply with the EU directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (recast RoHS directive - 2011/65/EU).

■ **GREENHOUSE GAS EMISSIONS**

Intracom Telecom calculates and monitors greenhouse gas emissions produced from the company's activities, using internationally approved calculation standards for greenhouse gas emissions such as "The Greenhouse Gas Protocol" etc. In 2018, the CO₂ emissions were 3,818 tonnes⁽¹⁾⁽²⁾. For the eighth consecutive year Intracom Telecom, participated to the Carbon Disclosure Project (CDP) initiative and reported on its carbon footprint.

■ **ENERGY SAVING**

Intracom Telecom has undertaken a line of action that contributes to energy saving and the minimization of climate change impacts. Indicatively, the company performs preventive maintenance on equipment and electrical networks, regulates electrical parameters, operates building service equipment (e.g. air-conditioning units, lifts etc.) in an environmental friendly manner, uses video-conference equipment, which reduces the number of business trips required, uses integrated information systems aiming to restrict the consumption of paper, hires coaches for the transportation of personnel from central points in the city to Intracom Telecom, etc.

⁽¹⁾ Data available as of September 30, 2018.

⁽²⁾ From combustion of purchased diesel oil and natural gas for heating and purchased electricity.

■ ECOLOGICAL DESIGN OF PRODUCTS

Intracom Telecom is paying close attention to the latest trend developments in the ICT field, and keeps its personnel informed and aware on the fundamentals and practices of ecological design. Indicatively, design fundamentals concern:

- » the reduction of the use of virgin materials that is harmful to the environment and the promotion of the use of recycled materials where technically and economically feasible
- » the capability of repairing and upgrading of products in order to extend their lifespan
- » the capability of products to be fully or partially disassembled and reused aiming to facilitate the recycling process and reduce the volume of waste
- » the provision of instructions for the end-user regarding the management of equipment at the end of its lifecycle, etc.

■ EMPLOYEES' ENVIRONMENTAL AWARENESS

Intracom Telecom aims to increase its employees' environmental awareness through induction activities, reviews and audits. Employees are informed about the company's environmental policy, and relevant activities and initiatives, such as the waste management processes implemented, during the induction seminar at the beginning of their employment. Notifications and reminders to the employees are circulated and published in the company's intranet.

ANTI-CORRUPTION

■ CODE OF BUSINESS ETHICS

Intracom Telecom is committed to the highest standards of ethical behavior in all its actions and decisions. We have our Code of Business Ethics that defines the company's position on fundamental legal, ethical and social matters, determines the way it operates around the world and applies to all employees and external consultants, regardless of position or location. The Code offers clear guidance and sets certain non-negotiable standards of behavior that must be adhered to when interacting with coworkers, customers, suppliers, partners, shareholders, communities and public or state authorities while it is also communicated to suppliers and external consultants. The Code covers topics like compliance with laws and regulations, dealing with conflict of interest, proprietary information, dealing with competition, bribery and anticorruption, political contributions, integrity, record keeping, company property, human rights and labor practices, health and safety, environment, leading by example, compliance and code violation reporting.

■ **EMPLOYEE HANDBOOK**

We have issued an Employee Handbook which is posted on the company intranet and contains information about company policies as well as guidelines, expectations and procedures regarding employees' conduct and responsibilities. It is also vetted and approved by Greek public authorities. Among other key issues, the handbook underlines that employees are not allowed to accept payments, gifts, bribes and other benefits or privileges offered to them or their relatives. All new employees attend onboarding orientation seminars that cover corporate policies and procedures, including anti-corruption policies.

■ **DISCIPLINARY ACTIONS**

Our goal is to achieve the highest ethical standards of global citizenship and compliance, both internally and across our business activities. For this reason, we need to enforce disciplinary actions when an employee violates provisions of the Code of Business Ethics and/ or the Employee Handbook. The disciplinary actions to employees are imposed by the Management of the Company. In 2018, no disciplinary actions were imposed on employees for corruption cases.

■ **COMPLAINT PROCESS**

In Intracom Telecom we have implemented a complaint mechanism in which all information regarding any specific incident will be kept confidential within the necessary boundaries of the fact-finding process. No reprisal or retaliation against the employee reporting the unethical incidents will be tolerated. All employees can raise a complaint, following a process which is described in the company's Employee Handbook and the Code of Business Ethics.

■ **INTERNAL AUDIT**

Internal audit can assess the effectiveness of anti-bribery and anti-corruption programs to help anticipate the risk, and identify the existence of potential and actual incidents. Within this framework, we have in place auditing mechanisms, audit committees (permanent and ad hoc) as well as internal control procedures in order to assure that risks are minimized and all activities are carried out in accordance with the corporate policies. All employees are strongly encouraged to talk to the Internal Audit Director or company's Management about any behavior they believe may breach the Code of Business Ethics and about the best course of actions that can be followed in an anti-corruption direction.



