

# **UN Global Compact Communication on Progress**

Report 2018



# 1. Introduction

In its 11 years of presence in telecommunications market in Serbia, Vip mobile has accomplished the sustainable growth in all business segments owing to its strategic determination to focus on providing the best customer experience and on continuous improvement of the network, technology and offering of the innovative products and services. Vip always puts its customers first, and the company is dedicated to adapt the products and services to their needs.

Our objective in Vip mobile is to support the improvement of the local community, while constantly achieving better business results, which is why we continuously invest in the environment, sports, culture, education, digitalisation.

Accepting the responsibility for our business operations and their influence, we induce, through our socially responsible operation, positive changes in the society and contribute to improving the quality of life in Serbia.





## 1.1. Dejan Turk

director/CEO address



As the youngest telecom operator in the country, we know it is essential to be different and to introduce changes. We know that the world is left to the young, which is why we want to show by example the importance of responsibility towards the community in which we live and work. Vip is the initiator of the projects that make Serbia a better place to live in and through these projects we are telling a different story, the story of trust and unity. In the past 11 years through our social responsibility programs, we helped the children and the elderly people, influenced the development of culture and sports, opened and resolved a number of environmental issues, and thus set up the foundation of responsible, humanitarian impact in the business world. The doors of our company are always opened to the community and all of those who want to be

drivers of change and tell different stories, are always welcome to join us in this effort!

Our CSR strategy in 2017/2018 has been mainly focused on our long-term projects related to support to children internet safety in Serbia, programs aimed at social integration of people with autism and digital improvement in education.

We will continue with the implementation of corporate social responsibility based on UN Global Compact principles and lead other companies as a good example of permanent and stable CSR practice in the Serbian business sector.

A stylized, handwritten signature in black ink, appearing to read 'Dejan Turk'.





A photograph of two women in a workshop or office setting. The woman on the left has blonde hair and wears a patterned headband and a light blue shirt. The woman on the right has brown hair in a bun and wears a dark top. They are both looking down at a document held by the woman on the right. In the background, another person is blurred, and there are colorful posters on the wall.

## 2. Vip social responsibility

**2.1. Care for employees**

**2.2. Responsibility towards community**

**2.3. Sponsorships**

**2.4. Responsibility towards compliance**



## 2.1. Care for employees

HR Sector 2017/2018 strategy was focused on talent management and leadership development, strengthening of corporate culture and promoting Vip mobile as a desirable employer.

For our employees we provide additional benefits such as:

- Voluntary health insurance
- Voluntary pension insurance
- Kindergarten on site at our headquarters building
- Special benefits and discounts for shopping, sports, leisure
- Various work-life balance benefits

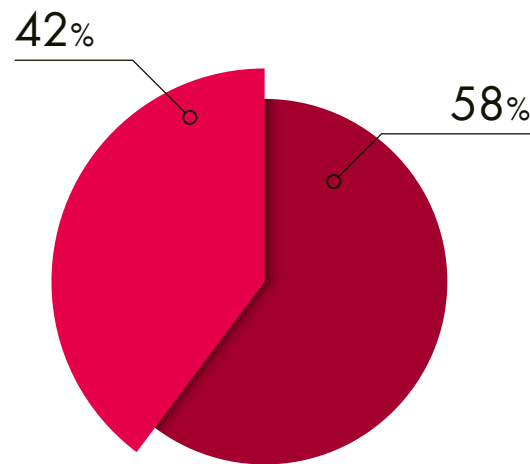




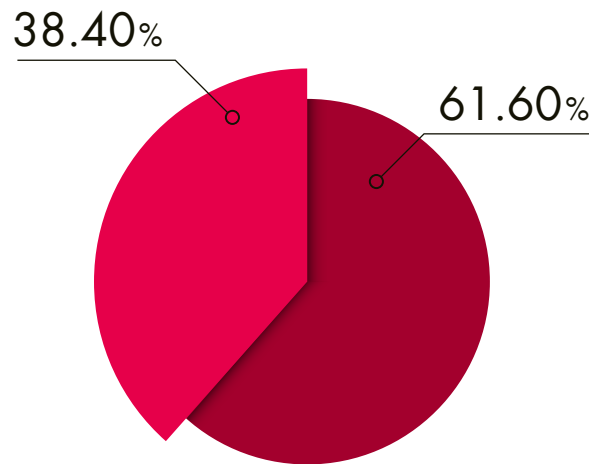
# 2.1.1. Basic information about Vip employees and investment in their development 2018

● Woman ● Man

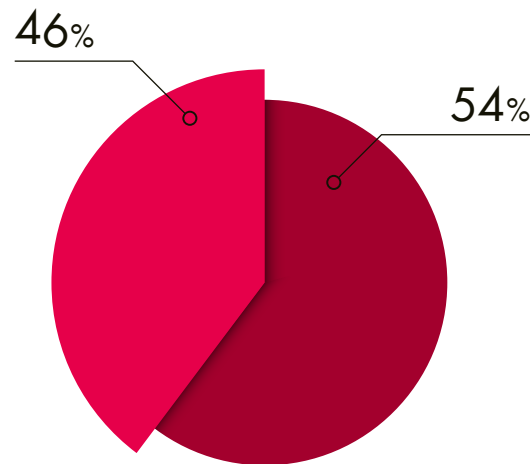
Gender structure 2017



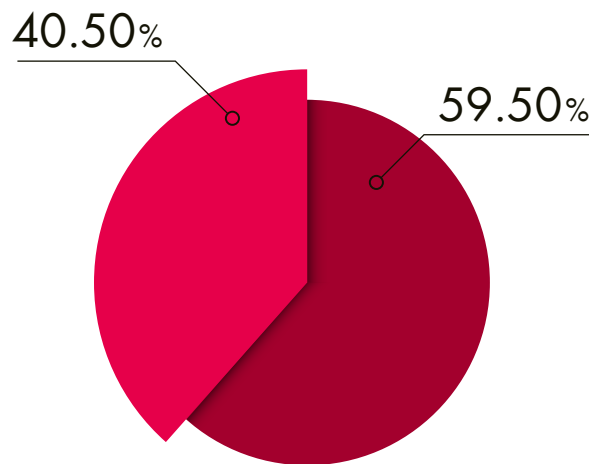
Gender structure 2018



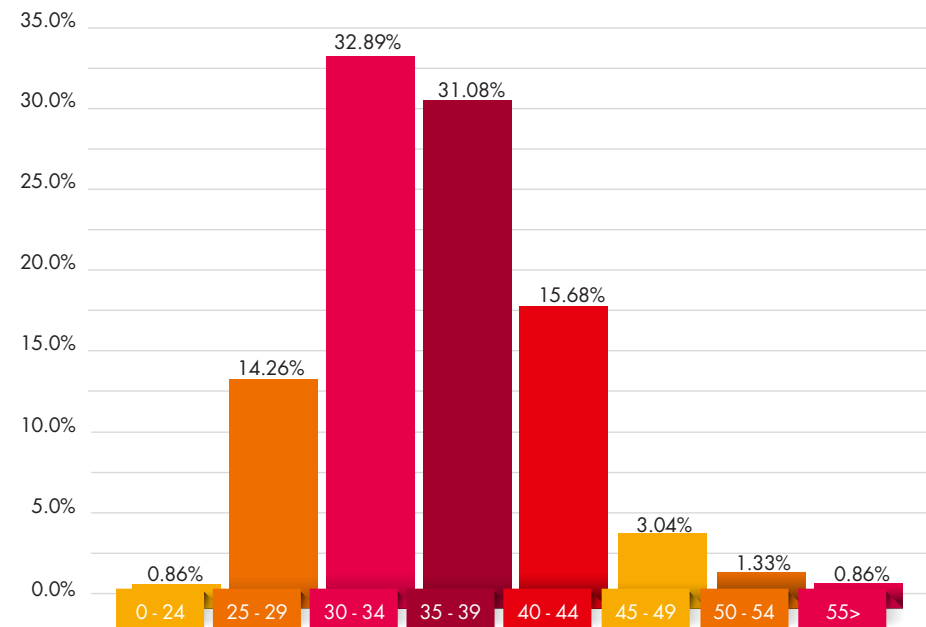
Management share 2017



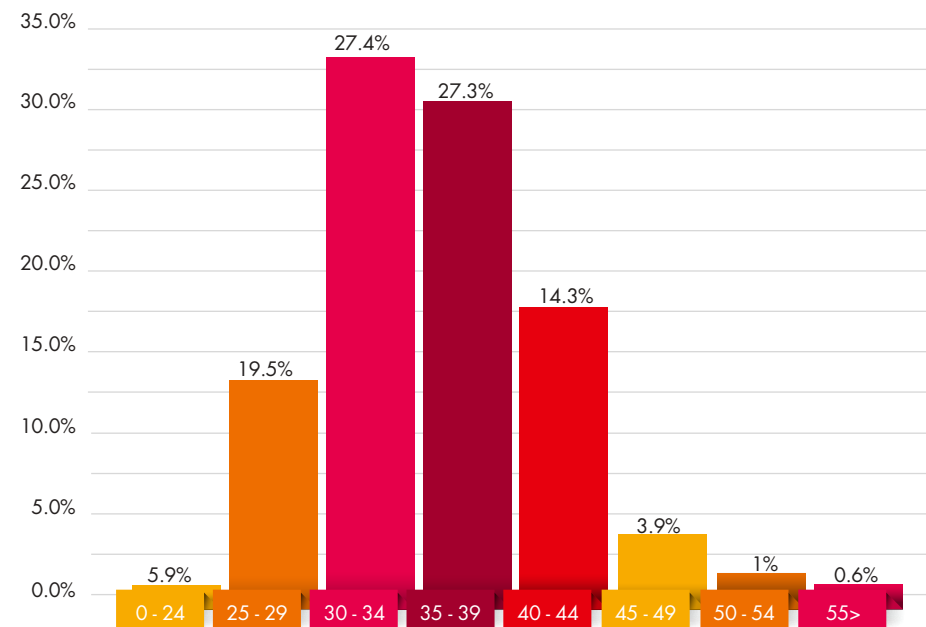
Management share 2018



Age structure 2017



Age structure 2018



## 2.1.2. Managing talents, recognizing top performers, raising competencies

One of the major company aims in human resources development is continuing of employee competence development, creation of new development programs which will enable this aim's implementation and enrich the programs that have been a constituent part of Vip mobile business culture for years. Our aim is to create an inspiring and stimulating environment in which our employees can grow together with the company, fulfil their potentials and be passionate about their work.

**"Gallup Strength Based Program"** - good practice of this program continue in 2018. This year we focused on development of leadership skills through coaching. This program includes creating of each employee's profile, based on their key strengths, 4 individual as well as 2 team coaching sessions. Each of the participants has their own individual coach with whom they continuously work on their development.

During 2018 we continued the project **"Vip e-empowering classroom"**, e-learning platforms (online learning platform, a vault of new knowledge and skills in the form of virtual interactive courses on various themes) enabling access to all employees in order to provide even larger support to employee development. In 2018, the e-learning platform was improved, due to which, in addition to numerous new and modern functionalities, the employees gained access to a large number of various contents. E-learning knowledge and content are available at all times, so that the employees, regardless of their gender,

may use them wherever and whenever they need them.

**Leadership Journey Workshops**, launched in 2016, are still contributing to our leaders' development. The program is continuously improved, so that it responds to employee development needs as well as current issues at all times. This workshop concept contributes to additional internal exchange of knowledge and experience between the younger and more experienced colleagues - and even better connecting of colleagues at all levels.

Within regularly planned activities for professional development in 2018, our employees will attend courses for development of professional skills, leadership, organizational and other "soft" skills in order to accomplish improvement in their respective fields. In addition, we continuously support internal exchange of knowledge through the rotation programs, insight into the workplace of colleagues from other departments as well as through an increasing number of cross-functional projects.

**Employee development in the field of new trends and work methodologies** - digitalization, agile transformation and an increasing access to new technologies are making us face the new challenges in the field of employee education. The transformation project, which is currently under way, includes, among other things, developing of internal and external education programs regarding these issues.

**A1 Group Programs** - A1 Group portfolio contains various development programs for the employees from all companies which are a part of this Group. Our colleagues have on their disposal "A1 Learning Hub" school open trainings, development programs for various target groups as well as various online contents. A1 Group largely participates in the development strategy for all employees, which is further developed and tailored to local needs by each of the respective companies.

**Cooperation with start up community:** Changes on the market, technology development and growth of start up community brought along the need for developing the new competences necessary for finding one's way around the coming era. Given the circumstances, in order to connect with the start up community, we have launched a partnership cooperation with ICT Hub within which we jointly create the strategy for development of future competences. In addition to attending the ICT Hub open trainings, we are free to hire their lecturers and organize educational programs specifically intended for our needs.

**Mentorship Program** - During 2018 we rolled Mentorship Program in which our key employees will receive the support from experienced mentors from other companies who will transfer their knowledge and experience as well as various examples from other industries' practice.





### 2.1.3. Social Recruiting

In the course of 2018 we have continued and improved job recruiting via social networks in order to be able to search more efficiently and find the talents who are hard to come by, but also to increase the company visibility and raise the level of awareness regarding Vip as an employer.

This year, we have launched a new IT system for employee recruiting and selection whose functionalities will enable us to be even better positioned in various channels, among other things, social networks.





## 2.2. Responsibility towards community

Vip is dedicated to initiating positive changes in its environment, and, as a responsible company, it focuses its operations on improving the quality of life in Serbia.







## 2.2.1. Education

Aiming to provide support to young talents, Vip mobile company has improved cooperation with the Faculty of Organizational Science, the Faculty of Transport and Traffic Engineering, the Faculty of Economics and a local group of Electrical Engineering Students' European Association (EESTEC) in Belgrade.

In 2018 we supported winners of Case Study Show with paid internship within the company. Through this project we support students in their education.





## 2.2.2. Vip annual donation

In the last ten years, through the New Year's donation Vip has been helping the most vulnerable social groups in the country. Together with its customers, Vip has so far collected significant funds that have been used to improve the conditions of vulnerable groups of the population, such as children without parental care, human trafficking victims, blind and visually impaired people, children treated for malignant diseases, etc.

Funds that Vip mobile traditionally donates for the New Year, in 2018, were given to the Association Autism Serbia for the implementation of three projects - the creation of a digital platform for advising families of people with autism, equipping so-called medical rooms across the country and opening of the first Work Center for persons with autism in Serbia.

The donation contributed to the launch of the first digital

counseling platform that allow family members to receive all the information necessary to provide support to people with autism. Regardless of where they are in Serbia, they are able to talk and consult with selected physicians of different specializations, therapists or lawyers in on-line sessions. The New Year's donation also included equipping five "Medical rooms" in four cities throughout our country. People with autism need additional support and help in encountering unknown situations that cause a sense of fear and anxiety and medical examinations and interventions pose as one of the biggest challenges. Simulation of the doctor's office within the "Medical rooms" enables timely preparation for all situations at the doctor's office, from the first meeting with the doctor to the preparation for various interventions. Owing to the donation, the first Work center for people with autism in Serbia was open, as a part of solving one of the biggest problems faced by people with autism - exercising their

right to work. Creative manual work, such as painting, making greeting cards and multipurpose products have a therapeutic effect on them and they are assisted by occupational therapists and artistic mentors.



### 2.2.3. 4G classrooms

The 4G classroom project originated from the strategic direction of the company to take the position among the drivers of positive changes in education by introducing new technologies. In cooperation with the Ministry of Education, Science and Technological Development, Vip mobile installed 4G Internet routers in 25 primary schools in rural parts of Serbia. The Internet is provided also to

support teaching staff in digital education and further development of students in this field. This project is an important step towards digitization in education and digital literacy of students as well as teaching staff.







#### 2.2.4. Digital platform Safe kids

Digital educational platform “Bezbedni klinici” (“Safe Kids”) was presented in November 2018, in order to become a new source of quality content on the topic of safe internet use for the children and the need for digital education for their parents. Experts from the Pedagogic Society of Serbia have helped create the content of the platform, and offered valuable advice on how to keep children safe online. The platform offers parents relevant, educational and interesting content to help them recognize potential dangers in the digital environment, as well as to find ways to avoid or prevent them. The platform includes

online digital literacy sessions with an aim to protect the safety of children on the internet. The parents’ understanding of the digital world will be completed on the platform with the lists of popular games, educational apps and channels where their children can spend quality time. In the course of the coming year, along with experts from the Pedagogic Society of Serbia, we intend to deliver a large number of educational workshops for parents and teachers across Serbia, on the topic of child internet safety. The project is supported by the Ministry of Education, Science and Technological Development.



## 2.3. Vip Sponsorships

As a company that offers and uses digital solutions and new technologies, we support innovative projects relevant for our core business. Vip also strives to enrich everyday life with valuable content while supporting education, sports and culture.

During the previous year our main focus was on new sponsorship project "Vip Kinoteka" aimed at preserving national film heritage, as well as on promoting contemporary dance in Serbia in partnership with Belgrade Dance Festival.







### 2.3.1. Belgrade Dance Festival

Enjoying the title of one of the most outstanding European event, every spring Belgrade Dance Festival brings together the most prestigious dance companies. As a major partner of the Belgrade Dance Festival, Vip mobile has introduced a distinctive pattern of large companies' investments in Serbian culture, and jointly created the slogan "Communication on the Move", best reflects the strength of an eleven-year cooperation. To the popularization of artistic dance in Serbia, Vip contributes by awarding a prize "Vip calls" to prominent artists from the region with distinctive dancing career abroad, then journalistic award "Vip step forward", but also through

the "Vip talents" and support to the National Dance Foundation.

Owing to this cooperation Serbia became an indispensable stopping point to a large number of significant international dance performances.

Through the accompanying "Vip Talents" project, Belgrade Dance Festival and Vip mobile had the youngest ballet talents enrolled into the high quality educational and practical workshops held by top mentors who contribute to guiding them on their way to professional artistic dancing.



### 2.3.2. Vip Kinoteka

The project "Vip Kinoteka", carried out jointly by Vip mobile and the Yugoslav Film Archive, aims to preserve and protect some of the most famous masterpieces of the seventh art, which have been proclaimed national cultural property of great importance.

During 2018, within the project, 8 cult films that marked Serbian and regional cinema were digitally restored and re-screened with high image and sound quality in 16 cities across Serbia.

By using the technique of digital restoration, legendary films such as "Who's singin' over there", "The National Class", "The Marathon Family" are now preserved for future generations in the quality they deserve. The project currently includes ten works of cinematic art of national importance produced in the period from 1967 to 1993, is just a starting point of the long-awaited process of digital restoration of the Serbian film heritage.







## 2.4. Responsibility towards Compliance

Vip mobile, as member of Telekom Austria Group, complies with the highest corporate management standards, which are a foundation for establishing an excellent and long-term relationship with our customers, partners and relevant state institutions.

Telekom Austria is listed on Vienna Stock Exchanges and operates in accordance with Austria security trade acts as well as with stock exchange regulations. Vip mobile is conducting its operations in accordance with all laws

and regulations in force in the Republic of Serbia and with all business ethics principles. Vip is also fully committed to transparency in business reporting. Compliance is actively implemented and incorporated into existing processes and controls. Right way -Right results. Compliance awareness through Code of Conduct, compliance management policies, regular compliance trainings to all level employees within Vip mobile, whistle-blower (local and group), Compliance Risk assessment sessions clearly shows that it is important not only to achieve our

goals, but also how we achieve them. Our business partners, users of our services, shareholders, public, and our employees expect us to meet the highest standards, also in the sense of integrity.