

Communication on Progress 2019

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Statement of continued support for the UN Global Compact and its ten principles by the Chief Executive Officer

October 23, 2019
H.E. António Guterres
Secretary – General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary – General,

Telecommunication industry is one of the most dynamic and fastest growing industries in the world. Tele2 as a company is customer-oriented, always going the extra mile for our customers and their needs. Challenger spirit goes hand in hand with responsibility towards customers, employees and society.

Tele2 proudly calls itself responsible challenger – we incorporate sustainability in everything we do. But more importantly, we strongly believe that a focus on sustainability will benefit both our customers and our employees while at the same time generating additional value to our shareholders. We make our company stronger while contributing to the community around us.

I am pleased to confirm that Tele2 Ltd. Croatia reaffirms its support of the ten principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. With this communication, we express our intent to continue to advance those principles within our sphere of influence.

We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects.

Sincerely yours,

Viktor Pavlinić
Chief Executive Officer
Tele2 Ltd. Croatia

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Self – assessment

- ✓ Includes CEO statement of continued support for the UN Global Compact and its ten principles
- ✓ Includes description of actions or relevant policies related to Human Rights, Labour, Environment and Anti-Corruption
- ✓ Includes measurement of outcomes

Tele2 incorporates responsibility in everything we do. Corporate social responsibility is embedded in our daily activities as well as in our business strategy as a foundation and strategic goal. We strongly believe that a focus on corporate responsibility will benefit both our customers and our employees while at the same time generating additional value to our shareholders. We make our company stronger while contributing to the community around us.

The most relevant documents in corporate responsibility are Code of Conduct (hereinafter: the “Code”), Business Partner Code of Conduct (hereinafter: the BP CoC) and Labor By -Law (hereinafter: the “By – Law”). Both the Code and the By-Law apply to all Tele2’s employees including Leadership Team members and Members of the Board. Moreover, the Code is a constituent part of the By-Law.

BP Coc on the other hand must be signed by all relevant business partners who are meeting prescribed criteria in terms of purchase value and impact on business prior to entering into a contractual relationship.

All the above-mentioned documents are based on the ten principles provided by the United Nations (UN) Global Compact.

All employees and/or business partners are obliged to read, acknowledge and act according to the latest version of the Code, By-Law and BP CoC (hereinafter: Documents) wherever applicable.

The Documents are available to employees on company's common drive // shared files // Intranet // Share Point, along with all other relevant policies and procedures. The Code identifies how irregularities in compliance with the Code can be reported (responsible person on Group level, e-mail _____ and _____ phone _____ number). Below are references to the Code referring to the ten principles provided by the United Nations (UN) Global Compact that are embodied in the Code.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: make sure that they are not complicit in human rights abuses

“Tele2 employees are entitled to fundamental human rights which shall be known, understood and respected and be applied equally. No one shall be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse. Forced labour, exploited or bonded labour is strictly forbidden. Employees shall not be required to lodge deposits or original identity papers as a condition for employment. Employees shall not be forced to work more than the limits on regular and overtime hours allowed by the law of the country in which they are employed. Overtime shall be compensated at no less than the legally required rate. All employees shall have contracts specifying the terms of employment. Children under the minimum working age established by local law or fifteen (15) years, whichever is greater, shall not be used as part of the labour force. Employees under eighteen (18) years shall not be engaged in hazardous or heavy work, or on night shifts.”

Measurement of outcomes:

All employees, members of Leadership Team and Board Members have read and signed Code of Conduct at the time of joining the company and review the Code once a year.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

“The rights of employees to freely associate and to bargain collectively, in accordance with the laws of the countries in which they are employed, shall be recognized and respected “

Principle 4: the elimination of all forms of forced and compulsory labour;

“Employees shall not be forced to work more than the limits on regular and overtime hours allowed by the law of the country in which they are employed. Overtime shall be compensated at the legally required rate. All employees shall have contracts specifying the terms of employment”.

Principle 5: the effective abolition of child labour;

“Children under the minimum working age established by local law or fifteen (15) years, whichever is greater, shall not be used as labour force. Employees under eighteen (18) years shall not be engaged in hazardous or heavy work, or on nights shifts.”

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

“Tele2 believes in creating an inclusive work environment where everyone can be at their best. Building a diverse employee population is a key element of its approach to talent management. Tele2 does not accept discrimination, whether active or by means of passive support, whether based on ethnicity, national origin, religion, disability, gender, sexual orientation, marital or parental status, union membership, political affiliation or age.”

“Tele2’s approach to Diversity and Inclusion is set out in the Tele2 Diversity and Inclusion Policy in which further details are specified.”

Measurement of outcomes

Tele2 does not discriminate against any employee. Moreover, Tele2’ guidelines for recruitment and employment encourage diversity and inclusion as one of the main guidelines while recruiting new employees. Also, there is no child labour, all employees are older than 18 years of age. Apart from that, there is no compulsory labour and employees are entitled to join any association. Tele2 provides fair pay which is on par and/or above market and industry rates.

Group Diversity and Inclusion Policy is adopted locally, Tele2 signed the Charter on Diversity Croatia and joined the Gender Equality Alliance founded with the aim to promote equal opportunities at workplace regardless of gender and/or marital status.

Tele2 contributes to both SDG5 and SDG8 by all these initiatives and policies.

Environment

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

Principle 8: Undertake initiatives to promote greater environmental responsibility;

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

“Environmental laws and regulations applicable to local surroundings and the relevant business sector shall be complied with. Practices minimizing the impact on the environment shall be encouraged and care shall be taken with any environmentally sensitive substances or processes. Tele2 promotes a sustainable development and cost efficiency by proactively reducing resource consumption and thus the impact on the environment. Tele2’s environmental efforts are guided by the Tele2 Environmental Policy in which further details on our environmental work are specified.”

Measurement of outcomes

Tele2 very seriously understands its impact on climate change. The past few years, Croatia has faced great fires during the summer months. Tele2 recognized the need for prevention of fires and decided to donate drones to some of the local firefighting association. In the past two years,

10 drones were donated and education on operating drones has been provided. By this initiative Tele2 addresses and supports SDG13.

Anti-Corruption

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

“No Tele2 employee or member of our Board of Directors may offer, ask, give or accept, directly or indirectly, any undue advantage for personal gain from any third party, unless it can be constituted as being within the boundaries of accepted business practices such as representation and reasonable hospitality given in the ordinary course of business.

As guidance, no single gift or benefit should exceed the value of 50 Euro. When In doubt, employees are expected to seek advice from their managers.

Tele2 employees must not offer money or any gift to an official or employee of a governmental entity, except for symbolic gifts of insignificant monetary value provided this is allowed by local law.”

Measurement of outcomes

All employees, members of Leadership Team and Board Members have read and signed Code of Conduct. All managers are encouraged to take more active role in demonstrating compliant behavior, monitoring the compliance with the Code and encouraging employees to adhere to the Code and, if necessary, report violations.

Also, every business partner who meets the prescribed criteria is obliged to sign BP CoC.

That is an example of Tele2 support towards SDG8 and SDG16.

It is also worth mentioning significant amount of financial investment and non – financial i.e. advisory support to an international foundation Reach for Change. Through that cooperation, Tele2 is one of the pioneer of supporting social entrepreneurship in Croatia, as well as an example of SDG17.