

Communication on Progress 2021

October 2019 - October 2021

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

September 28, 2021
H.E. António Guterres
Secretary – General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary – General,

ICT as an industry is one of the most dynamic and fastest growing industries in the world. Telemach Croatia as a company is a member of United Group the leading multi-play telecoms and media provider in South East Europe.

Our company efforts are closely aligned with United Group's company values, the programmes and causes we support are reflecting both the importance of entrepreneurship, agility and efficiency, and innovation, as well as the local priorities in the communities where we are active.

I am pleased to confirm that Telemach Croatia (re)affirms 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,

Adrian Josip Ježina
CEO
Telemach Croatia

telemach ¹⁶
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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

We are guided by the idea that environmental protection, education, and support to local community are the fundamental pillars of Telemach Croatia's CSR and sustainability. Some of our CSR activities includes our employees.

Telemach Croatia adopted and applies following documents:

- 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 are obligatory to all 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.

Our 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 By-Law that consists of the Code is available to employees on company's common drive // shared files // Intranet // Share Point, along with all other relevant policies and procedures.

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

“Telemach employees are entitled to a fundamental human right 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, including management of the Company and Board Members are obliged to act upon By-Law that consists Code of Conduct.

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;

“Telemach 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. Telemach 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.”

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

Measurement of outcomes

Telemach does not discriminate against any employee. 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. Telemach provides fair pay which is on par and/or above market and industry rates.

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. Telemach promotes a sustainable development and cost efficiency by proactively reducing resource consumption and thus the impact on the environment. Telemach’s environmental efforts are guided by the Telemach Environmental Policy in which further details on our environmental work are specified.”

Measurement of outcomes

Telemach takes seriously its impact on climate change. The past few years, Croatia has faced great fires during the summer months. Telemach recognized the need for prevention of fires and decided to donate drones to some of the local firefighting association. 30 drones

in total were donated and education on operating drones has been provided. By this initiative Telemach addresses and supports SDG13.

Anti-Corruption

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

“No Telemach 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.

Telemach 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, management and Board Members are obliged to act upon By-Law that consists Code of Conduct.