



# THE Value JOURNEY

SUSTAINABILITY REPORT 2014





## Independent Verification

This sustainability report has been independently verified by Ernst & Young (EY) Climate Change and Sustainability Services group (CCaSS) as fulfilling all requirements to be classified a “GRI G4 Comprehensive” report. The assurance is for a ‘Type 2’ and ‘limited level report’ as set out in the ISAE3000 Assurance Standard.



# Contents

02	Dialog at a Glance
04	Value: Revisited
07	Report Scope and Boundary
16	Chairman's Message
18	Group Chief Executive's Message
22	Seven years' performance data
24	Stakeholder Engagement
32	Creating Value
38	Delivering Value
44	Preserving Value
57	Community Investments and Strategic Engagements - Maximizing Value
<b>OTHER DISCLOSURES</b>	
76	Direct Economic Value Generated (Group)
77	Customer Experience
78	Workforce Operations
82	Progress on Targets 2014
83	Targets 2015
84	Enterprise Risk Management
85	Other Standard Disclosures
<b>APPENDICES</b>	
97	GRI Content Index
108	United Nations Global Compact Advanced Criteria
110	Self-Assessment Relative to ISO26000 Non-Certifiable Standard
111	Abbreviations

## NOTES

### FORWARD-LOOKING STATEMENTS

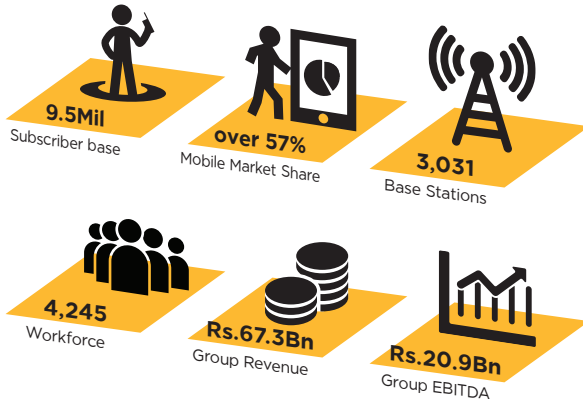
This report contains forward-looking statements characterised by the use of words and phrases such as "might", "forecast", "anticipate", "project", "may", "believe", "predict", "expect", "continue", "will", "estimate", "target," and other similar expressions. Our business operates in an ever changing macro-environment and is subject to uncertainties that could cause actual results to differ from those reflected in the forward-looking statements. Such statements reflect the expectations of the Group and may or may not turn out as predicted.

### CHANGES FROM PREVIOUS REPORT

Restatements of previously reported data is noted in the appendices to this report.

# Dialog at a Glance

## BUSINESS PORTFOLIO



### DIALOG MOBILE

Since the late 1990's Dialog Mobile spearheaded the exponential growth of the country's mobile telecommunication sector, propelling it to a status on par with the developed world. Dialog operates on a 2.5G, 3G, 3.5G and 4G communications network that support the very latest in multimedia and mobile internet, coupled with the distinction of being the first service provider in South Asia to launch mobile 4G FD-LTE services.

With a customer base of over 9.5 million, Dialog provides the best in mobile coverage, with 3,031 base stations spanning all provinces in the country. In addition, customers are linked to over 200 global destinations via international roaming, including 3G services.

### DIALOG TELEVISION

Dialog Television (Private) Limited (DTV) operates a Direct-to-Home (DTH) Digital Satellite TV service and is the market leader in Sri Lanka's Pay TV sector. DTV supports a broad array of international and local content in both Standard Definition (SD) and High Definition (HD) formats

alongside a wide portfolio of Sri Lankan television channels and delivers high quality infotainment to a viewer base in excess of 450,000 Sri Lankan Households.

### DIALOG BROADBAND NETWORKS

DBN is Sri Lanka's second largest Fixed Telecommunications provider. DBN serves residential and enterprise customers with voice, broadband, leased lines and customized telecommunication services. DBN has the distinction of being the first telecommunications operator in Sri Lanka to launch 4th Generation LTE High Speed Broadband Services. DBN is also a leading provider of Radio and Optical Fibre based transmission infrastructure facilities.

### DIALOG GLOBAL

Dialog Global, the international arm of Dialog provides a rich portfolio of international services with access to major submarine cable systems, satellite earth stations and state-of-the-art gateway facilities. Networked globally through its parent company, Axiata, and its partnership with 'Tier-1' international carriers, plus, the domestic support of Dialog Broadband Networks, Dialog Global is positioned to play an integral part in meeting the demands of retail and wholesale international voice and data services, which will be further enhanced by the organisation's plans to boost the delivery of International Bandwidth to Sri Lanka via a submarine cable to be landed in South Colombo via the Bay of Bengal Gateway (BBG), triggering the single largest infusion of International Bandwidth to Sri Lanka.

### DIALOG TELE-INFRASTRUCTURE

Dialog Tele-Infrastructures (DTI) is Sri Lanka's leading provider of telecommunications infrastructure, providing state-of-the-art transmission and co-location facilities to licensed operators. DTI's vision is to develop and maintain an advanced, universal infrastructure for operators of all kinds.

# Values

## Service from the Heart

- Passion for Delighting External and Internal Customers
- Place customer experience at the centre of our work ethic and corporate ethos
- Uphold a 'yes we can' attitude

## Create the Future

- Set paradigms for others to follow
- Incessantly extend Leadership in Multi-sensory connectivity through innovation and forward thinking
- Irrepressible desire to create a better future for the nation through empowering enriching Sri Lankan lives and enterprise
- Be incessantly ignited by the desire to innovate and extend boundaries

## Champions of Change

- Embrace change, constantly and as a way of Dialog life
- Agile, flexible and fast in action, adaptation and reaction
- Courageous and bold in leading change

## Exceptional Performance

- An irrepressible desire to deliver the best in whatever we do
- Delivering excellence in quality and value creation consistently
- Single minded resolve to push boundaries and exceed expectation

## Uncompromising Integrity

- An exemplary culture of transparent and ethical behaviour
- A zero tolerance orientation towards the enforcement of a high integrity ethic across everything we do

## Responsible Leadership

- Leadership that delivers value to stakeholders
- Leadership that is caring
- Leadership that drives sustainability and creates shared value

## One Team

- An 'Api Dialog' team which pursues a common purpose in accordance with the Dialog Values, together
- A team which delivers the utmost in care and respect to each other, values diversity and is proud of collective achievement and excellence
- A team that embodies culture that makes Dialog a great place to work as a second home to the team

# Value: Revisited

"Creating Value." At its most abstract definition, this is what Dialog believes is its mandate from, and responsibility to, its many stakeholders. The definition of stakeholders itself, when considered most broadly, is more complex than simply customers, shareholders and employees. The list of stakeholders who have a stake in, and an impact upon, the Value Dialog attempts to create, must be defined inclusively and sensitively, while still providing a tangible, measurable target for Dialog's young, energetic team to aim at.

Over the years, Dialog has in word and deed delivered value, with its Annual Report reporting each year on financial value – for shareholders, for the Nation. For six years, Dialog has also reported on the Company's view of a more holistic picture of Value, considering the complex interplay of value created (and, potentially – impaired) across the economic, social and environmental measures of performance – the Triple Bottom Line. Over that period, the world's, and Dialog's, understanding of Value, in a field that has seen rapid evolution and dynamic debate, has necessarily evolved and matured. Essential, then, in such a dynamic field of measuring value, is a willingness to review, question and strengthen the fundamentals of our purpose.

## OUR VISION

To be the undisputed leader in the provision of multi-sensory connectivity resulting always, in the empowerment and enrichment of Sri Lankan lives and enterprises.



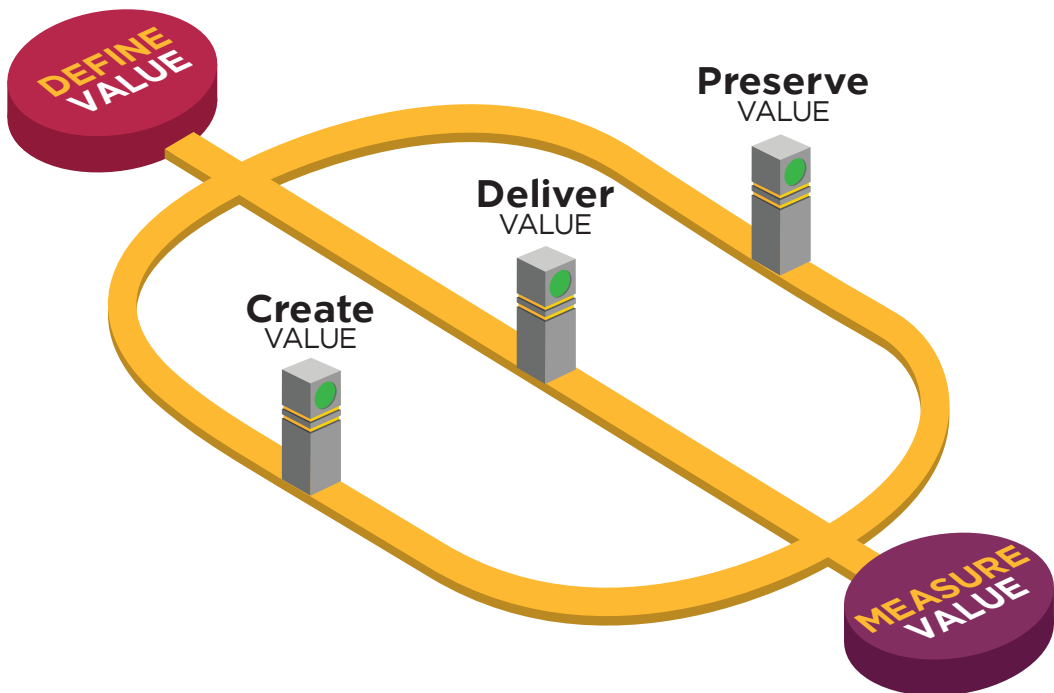
# The Value Processes

Several interlinked activities form a larger cyclical process concerned with Value. The Company's and its stakeholders' definition of Value itself must be articulated, and occasionally reviewed and refined – a cycle in itself, albeit ideally a long one. Periodically, key stakeholders must challenge each other to reflect upon and agree upon their collective definition of Value.

With a working definition of Value in hand, the Company must work to Deliver this Value. A clear, consistent and reasonably stable definition of Value enables coherent and effective activities such as Creating Value; Delivering that Value as efficiently as possible; and at all times, in all activities, Preserving value. Can a company actively

Preserve value in its operations? We believe it can, and that with focused vision, considered strategy informed by the definition of value, and sensitive execution, a Company can proactively mitigate many impairments that could occur to the value the company creates or that exists in the world around it.

A stable, universally understood definition of Value would enable consistent and comparable Measurement of Value in its Creation, Delivery, Preservation, and any Impairment in those activities. A key requirement for any organization seeking to maximise the value created and delivered by it, while minimizing any impairment, is strong, timely Measurement.









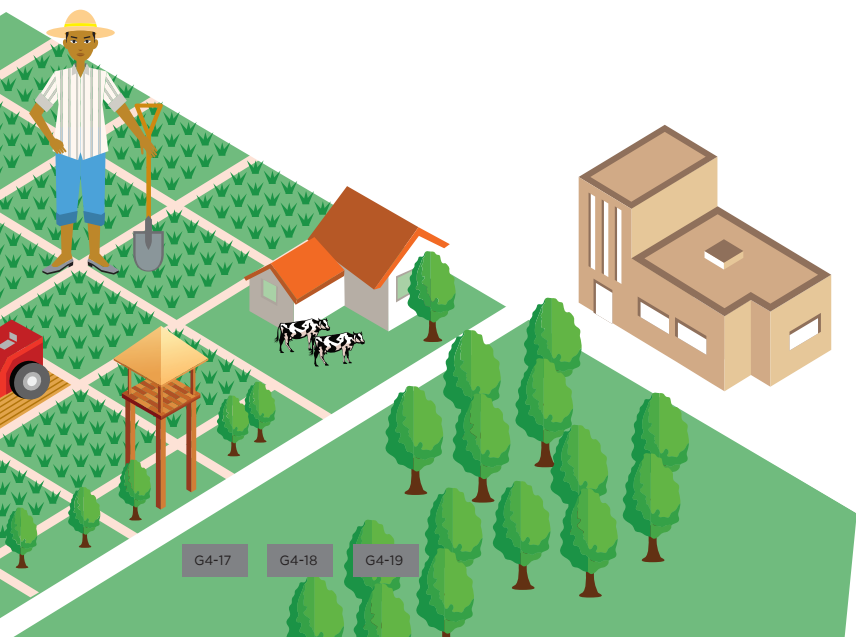
- 1 Media
- 2 Suppliers
- 3 Customers
- 4 Distributors/Retailers
- 5 Regulators
- 6 Business Partners
- 7 Community
- 8 Employees

# Report Scope and Boundary

This is Dialog Axiata PLC's (Dialog) seventh consecutive sustainability report, reporting on the period from 1st January to 31st December 2014, accompanying the Annual Report to Shareholders. This report is structured to directly address the 10 issues found to be most material to Dialog and its stakeholders in the previous reporting year. Those ten most material issues correspond to 15 reporting aspects as defined by the Global Reporting Initiative's (GRI) G4 sustainability reporting framework. Therefore in addressing the ten most material issues, this report documents for the year under review the Company's management approach to, and performance on material Economic, Social, and Environmental reporting aspects.

The definition of the boundary between aspects to be reported on or not is determined by a materiality assessment, described later in this report. In addition to the main GRI aspects thus found to be material, we have also reported on material telecommunication industry-specific indicators found to be material as a result of the above process.

This Sustainability Report also serves as Dialog Axiata PLC's 7th consecutive Communication of Progress (COP) in realising the United Nations Global Compact's (UNGC) Ten Principles in the areas of Human Rights, Labour, the Environment, and Anti-Corruption. Further, this is our 4th consecutive Advanced Communication on Progress on 24 Advanced Criteria relative to the Ten Principles.



# Materiality Waypoints – A Navigator’s Guide

Dialog’s Value Chain can be seen at a highly abstract level as a continuous cycle of Value Creation and Value Delivery. Embedded in both primary acts of Value Creation and Value Delivery is the act of mitigating value impairment – which can be called the act of Preserving Value.

This report focuses on communicating progress against the ten most Material Issues derived via the materiality assessment undertaken in the reporting year. The Materiality process itself is discussed in detail later in this document. While the Value Creation, Preservation and Delivery cycle is applied to organize and address the ten most material issues to the Company and its stakeholders, the below tables provides guidance on the position of a particular issue among the top ten issues, and which section the issue is addressed under.

	CREATING VALUE	DELIVERING VALUE	PRESERVING VALUE
01		Stability and Profitability	
02			Confidentiality of Customer information
03			Following Best Practices
04	Offering Applicable Products and Services		
05			Managing Environmental Impacts
06			Compliance with Codes, Policies and Regulations
07		Employee Development	
08		Network Quality	
09			Health & Safety
10	Affordability		

The GRI aspects relating to each of the ten most material issues are mapped below, and the disclosures on management approach to the respective aspect could be found in the sections indicated alongside each aspect.

GRI REPORTING ASPECTS	FOR DISCLOSURE ON MANAGEMENT APPROACH, PLEASE REFER
Biodiversity	Managing Environmental Impacts
Customer Privacy	Customer Information Privacy
Economic Performance	Stability and Profitability
Effluents and Waste	Managing Environmental Impacts
Emissions	Managing Environmental Impacts
Energy	Managing Environmental Impacts
Environment – Compliance	Managing Environmental Impacts
Environmental Grievance Mechanisms	Managing Environmental Impacts
Occupational Health and Safety	Health & Safety
Product and Service Labelling	Following Best Practices
Product Responsibility – Compliance	Compliance with Codes, Policies & Regulations
Products and Services	Managing Environmental Impacts
Society – Compliance	Compliance with Codes, Policies & Regulations
Training and Education	Employee Development
Transport	Managing Environmental Impacts

The below table depicts Dialog's value chain in relation to the GRI aspects found to be material in the context of the ten material issues that this report focuses on.\*

	SUPPORT ACTIVITIES				PRIMARY ACTIVITIES					EXTERNAL					
	Firm Infrastructure	Human Resource Management	Technology Development	Procurement	Inbound Logistics	Operations	Outbound Logistics	Marketing & Sales	After Sales Service	General Public	Customers	Employees	Distributors/Retailers	Suppliers	Regulators/Government
Biodiversity	✓			✓ <sup>2</sup>	✓	✓	✓			✓					✓
Customer Privacy	✓							✓	✓		✓	✓			
Economic Performance		✓		✓		✓					✓	✓			✓
Effluents & Waste		✓ <sup>3</sup>	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓
Emissions	✓ <sup>1</sup>		✓	✓	✓	✓	✓			✓					✓
Energy			✓	✓		✓				✓				✓	✓
Environmental Compliance	✓			✓	✓	✓	✓			✓					✓
Environmental Grievance Mechanism	✓			✓	✓	✓	✓		✓	✓					
Occupational Health & Safety		✓		✓		✓						✓			
Product & Service Labeling								✓			✓		✓		✓
Product Responsibility Compliance	✓		✓	✓			✓	✓	✓		✓		✓		✓
Products & Services			✓	✓	✓	✓	✓	✓	✓		✓				
Society Compliance	✓	✓		✓		✓		✓	✓	✓				✓	
Training & Education		✓	✓									✓			
Transport				✓	✓		✓	✓	✓				✓	✓	

1 - Regulations Governing Impact

2 - Marginal (Raw Material Conservation)

3 - Training & Education

✓ - Material

\* The rows represent the aspects found to be most material to the Company's operations in the year under review, while the columns include as support and primary activities, the different segments of the value chain as described by Porter and Kramer in "Strategy & Society" - The Link Between Competitive Advantage and Corporate Social Responsibility"

# Independent Limited Assurance Report in relation to Dialog Axiata PLC's 2014 Sustainability Report

To the Management and Directors of Dialog Axiata PLC ('Dialog')

We have carried out a limited assurance engagement in order to state whether anything has come to our attention which causes us to believe the subject matter detailed below ('Subject Matter'), and as presented in the Dialog 2014 Sustainability Report ('the Report'), has not been reported and presented fairly, in all material respects, in accordance with the criteria ('Criteria') below.

## SUBJECT MATTER

The Subject Matter for our limited assurance engagement included the following for the year ended 31 December 2014:

- Subject Matter 1: Dialog's adherence to the AA1000 AccountAbility principles of inclusivity, materiality and responsiveness in the preparation of the 2014 Sustainability Report ('the Report')
- Subject Matter 2: Selected sustainability performance data ('Selected Performance Data') listed in Table 1 and related disclosures included in the report – which were selected based on Dialog's materiality assessment process, and
- Subject Matter 3: Dialog's reported alignment to the self-declared Global Reporting Initiative's ('GRI') G4 "in accordance" requirements (comprehensive).

The subject matter did not include:

- Assessing the accuracy, fairness or balance of data sets, statements, information, systems or approaches relating to areas other than the sustainability performance data and disclosures selected.
- Management's forward looking statements.
- Assurance of financial data, other than that relating to environmental, social or economic performance where applicable.

## CRITERIA

The following criteria have been applied to the Subject Matter described above:

- Subject Matter 1: The Criteria listed in APS (2008) for each of the Principles
- Subject Matter 2: GRI indicator protocols, and Dialog's reported criteria detailed throughout The Report, as identified in Table 1 below:

Table 1 Selected Performance Data

Performance data	Criteria	Report section
Total hours of training (by category and gender)	GRI G4-LA9	Seven years' performance data
Average training hours per employee	GRI G4-LA9	Seven years' performance data
Volunteer hours by staff	As per Dialog criteria and GRI G4-EC1,8, and associated DMA	DVN
Total greenhouse gas emissions for direct and indirect energy	GRI G4-EN3,4,15 and 16	Reducing Negative Environmental Impacts
Total area of high biodiversity land covered (km <sup>2</sup> )	GRI G4-EN11	Reducing Negative Environmental Impacts

- Subject Matter 3: The GRI's G4 "In accordance with Comprehensive" Guidelines.

## MANAGEMENT'S RESPONSIBILITY

The management of Dialog is responsible for the preparation and presentation of the Subject Matter in the Report in accordance with the above Criteria, and is also responsible for the selection of methods used in the Criteria. No conclusion is expressed as to whether the selected methods used are appropriate for the purpose described above. Further, Dialog's management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

## ASSURANCE PRACTITIONER'S RESPONSIBILITY

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our assurance engagement conducted in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') and in accordance with the requirements of a Type 2 assurance engagement under AccountAbility's AA1000 Assurance Standard (2008) ('AA1000AS (2008)') and the terms of reference for this engagement as agreed with Dialog.

Our procedures were designed to obtain sufficient assurance evidence about the subject matter being audited on which to base our limited assurance conclusion. The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the subject matter, whether due to fraud or error. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems, which would have been performed under a reasonable assurance engagement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

## WORK PERFORMED

In order for us to provide a conclusion in relation to the above scope of work, we have considered the criteria specified in AA1000 AccountAbility Principles Standard 2008, and considered the following questions:

- Inclusivity: Has Dialog demonstrated a commitment to be accountable to stakeholders on whom it has an impact or to those stakeholders who have an impact on it?
- Materiality: Does Dialog have in place a process for determining material issues that results in a balanced understanding and prioritisation of its material sustainability issues?
- Responsiveness: Does Dialog have a process in place that enables it to respond to stakeholders in a way that addresses their needs, concerns and expectations in a comprehensive, balanced and timely way?

**Our assurance procedures included, but were not limited to:**

- Gaining an understanding of Dialog's business and approach to sustainability.
- Conducting interviews with key personnel and collating evidence to understand:
  - The process for stakeholder engagement across the organisation
  - The process for determining material issues and reporting against them, and
  - The activities relating to the sustainability priorities during the reporting period.

- Performing a gap analysis between Dialog's implementation of the principles of materiality, inclusivity and responsiveness based on the evidence gathered, and the guidance outlined in the AccountAbility AA1000 Principles standard 2008.
- Conducting limited assurance procedures for the five sustainability performance indicators:
  - Checking that methodologies have been correctly applied
  - Undertaking analytical review procedures to support the reasonableness of the data
  - Identifying and testing assumptions supporting calculations
  - Testing on a limited sample basis underlying source information to check accuracy of the data, and
  - Assessing the reliability of specific sustainability performance information.
- Checking the Report to determine whether material risks and opportunities and performance issues identified during our procedures on the ten material issues had been adequately disclosed.
- Checking the Report against the GRI G4 "In accordance with Comprehensive" Guidelines.

## USE OF OUR REPORT

Our limited assurance report has been prepared for distribution to the management and directors of Dialog. We disclaim any assumption of responsibility for any reliance on this assurance statement or on the subject matter to which it relates, to any person other than management and directors of Dialog, or for any purpose other than that for which it was prepared.

## INDEPENDENCE, COMPETENCE AND EXPERIENCE

In conducting our assurance engagement we have met the independence requirements of the APES 110 Code of Ethics for Professional Accountants. We have the required competencies and experience to conduct this assurance engagement.

## LIMITED ASSURANCE CONCLUSION

### Subject Matter 1

On the basis of our limited assurance procedures, nothing has come to our attention that causes us to believe that:

- Dialog has not engaged with key stakeholders nor considered the information obtained from the stakeholder engagement process in developing an accountable and strategic response to sustainability in accordance with the AA1000 APS (2008) Inclusivity principle
- The Report does not address Dialog's material sustainability issues most significant to Dialog and its stakeholders in accordance with the AA1000 APS (2008) Materiality principle, and
- The Report does not respond to stakeholder issues in a timely and balanced fashion in accordance with the AA1000 APS (2008) Responsiveness principle.

### Subject Matter 2

Based on the limited assurance procedures conducted, nothing has come to our attention that causes us to believe that the key sustainability performance data and related disclosures listed above, have not been reported and presented fairly, in all material respects, in accordance with the Criteria listed above.

### Subject Matter 3

Based on the limited assurance procedures conducted, nothing has come to our attention that causes us to believe that Dialog's self-declared "in accordance" level of 'comprehensive', has not been reported and presented fairly, in all material respects, in accordance with the Criteria listed above.

## POSITIVE OBSERVATIONS AND OPPORTUNITIES FOR IMPROVEMENT

Dialog has requested that we provide selected observations and areas for improvement, as identified through the assurance procedures, within this assurance report. The observations and opportunities for improvement do not affect our conclusions expressed in the Limited Assurance Conclusion section above.

### Inclusivity

Dialog has a wide variety of well-established mechanisms that assist the business to engage with its stakeholders. The Report identifies significant stakeholder groups, mechanisms for engagement, and typical interests and concerns raised by each stakeholder group. The Report also provides specific examples of where Dialog has engaged directly with external stakeholders on issues of concern. Dialog's next stakeholder study is anticipated to be conducted in 2015. Going forward we recommend that external stakeholder workshops are undertaken for the purposes of obtaining richer engagement and feedback.

We also encourage Dialog to develop an overarching stakeholder engagement framework to ensure consistency in its approach to identify and prioritise stakeholders and their issues. Further, the framework should specify how the information collected through stakeholder engagement is to be addressed and communicated to management, as this information will help inform Dialog's future sustainability strategy.

The business was found to have placed a great deal of focus on furthering its innovation strategy. Many of the resulting innovation projects were found to have a number of benefits including efficiency and productivity gains, cost savings, and social benefits. While the sustainability function has been engaged in the innovation process, it is recommended that the focus places greater emphasis on the sustainability aspects of each idea introduced by the business, in addition to focussing on its commercial significance.

We also noted that Dialog is continuing to respond to emerging shared value opportunities with the advent of 'Ideamart', a technology enabler for developers and content providers to use Dialog's platform and resources to develop applications and monetise their efforts.

### Materiality

Dialog has a process in place to help the business identify its material issues for reporting. Material issues were defined using inputs from internal sources and external stakeholders.

The Report was found to contain detailed information on the top ten high priority material issues that were prioritised by the sustainability team. Dialog also made improvements in the disclosure of its materiality process, improving the Report's alignment with GRI G4 guidance. While the materiality process is broad and balanced, the outputs of materiality assessments could be integrated into the broader company risk management processes and used to inform the Group and business unit strategies.

Dialog might also consider building relationships with a broader range of stakeholders, including those from issues based NGOs, where appropriate, to enable the organisation to identify emerging issues.



### Responsiveness

Dialog's approach to including stakeholders in the materiality determination process allows the organisation to develop strategies that are responsive and balance the expectations of key stakeholders. EY tested the responsiveness of Dialog to issues of digital services, human resources, supply chain, information technology, legal and innovation. It was found that Dialog had implemented a collaborative approach to engagement in these areas. For example, during the reporting period, Dialog improved the conditions for career continuation and advancement for its female employees by ensuring all major committees and panels have equal representation of men and women. We commend Dialog's proactive approach on gender, since this was an area receiving significant internal focus in response to stakeholder concerns raised in 2013.

Notwithstanding this improvement, we recommend that feedback obtained during engagement activities be used across all of Dialog's business areas to inform future strategies and approaches.

### Data Collection Integrity – Safety Data

We recommend that Dialog makes significant improvements in environmental and safety data collection systems. During the year, Dialog was unable to report data on key safety performance indicators including 'lost days rate' and 'injury rate'. The main reason for this was due to the absence of safety data and availability of appropriate safety source documentation. EY recommends that Dialog makes improvements to data capture, data management and reporting processes in relation to safety data. We can then provide assurance on the safety data if it is within the scope, and the controls and records for safety data are adequate.

We also recommend that Dialog further aligns and simplifies its environmental data management systems which will improve visibility of performance across sites as well as improve data quality. Our findings and recommendations are discussed in more detail in EY's report to Dialog's Board and Management.



Terence Jeyaretnam, FIEAust, Lead CSAP (AccountAbility UK)  
Partner  
Ernst & Young  
Melbourne, Australia  
20 April 2015



Ernst & Young 8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au



As a service company  
striving to empower  
Sri Lankans by employing  
the technologies and  
human resources at its  
disposal, we at Dialog  
regularly ask ourselves  
what defines true Value  
- to the people we serve,  
to our stakeholders,  
and even to ourselves.



I am pleased to contribute a few words to Dialog Axiata PLC's seventh Sustainability Report, published in conjunction with the Annual Report. In 2014 Dialog retained its Number 1 ranking for Corporate Accountability, as independently assessed and reported by the Lanka Monthly Digest. While I am immensely proud of the fact that Dialog attained this position at the inception of the ranking system in 2010, and is yet to relinquish it, I am perhaps prouder still to note that this is with increasingly close competition for the top ranking. This is a sign of the increasing maturity of Sri Lanka's private and public entities which compete in the rankings – led from the front, I venture to say, by your Company.

As a service company striving to empower Sri Lankans by employing the technologies and human resources at its disposal, we at Dialog regularly ask ourselves what defines true Value – to the people we serve, to our stakeholders, and even to ourselves. While some aspects may be nearly universal and unchanging, other aspects of what comprises true value may differ based on time, place, situation, and the individual or group in question. Measuring such value therefore, is complicated beyond the fact that many aspects are qualitative or hard to isolate. Sometimes they are relative; sometimes they are on scales, including time scales, that are challenging to

monitor or that the present state of the art is not advanced enough to reliably report.

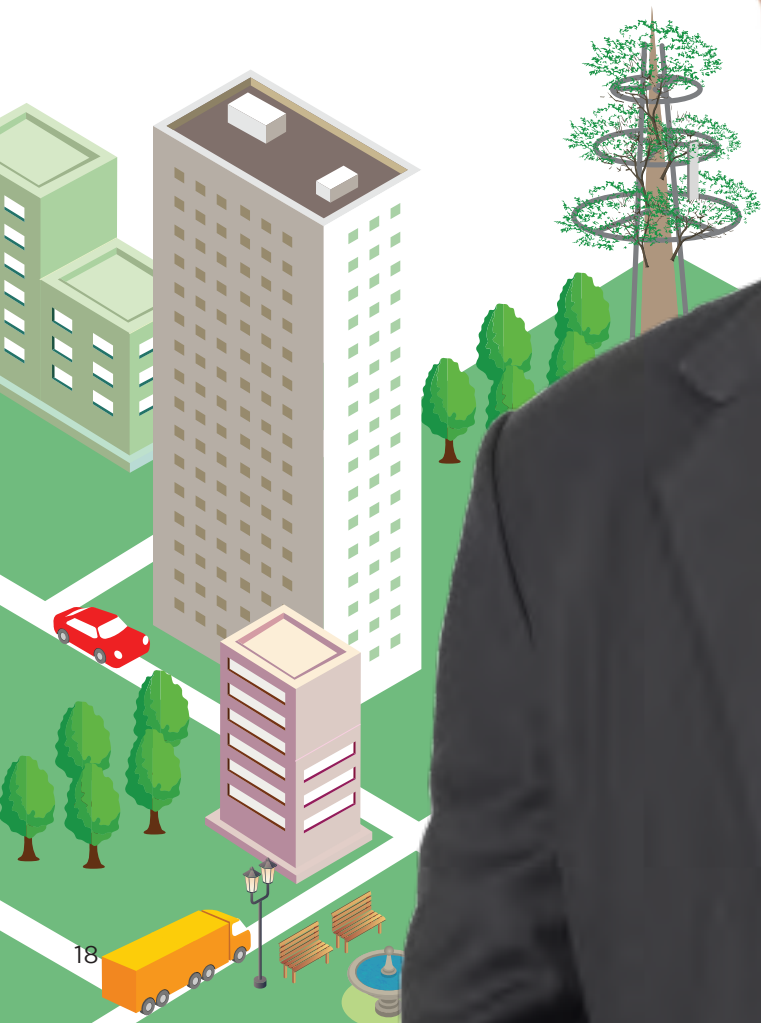
Yet we cannot wait for such questions to be conclusively settled; indeed we sometimes discover and refine parts of the answer in the course of our effort to deliver Value, as best understood in the moment, to our different stakeholders, even as the discourse continues on multiple planes.

With that in mind, I conclude by noting with satisfaction that the key themes that stand out when one surveys our work in 2014 – Affordability and Digital Inclusion – demonstrate your Company's commitment to achieving both the most basic as well as the more abstract concepts of Value to our stakeholders, and further, with such exciting products as Hybrid billing, putting more and more power in the hands of customers themselves to continue to help us understand how they see and manage Value.



**Datuk Azzat Kamaludin**  
**Chairman of the Board of Directors**  
15<sup>th</sup> May 2015

Dialog's sustainability journey was defined over a decade ago seeded on a commitment to systematically plan, implement, measure and continuously improve our sustainability footprint.



This report constitutes our seventh attempt at publicly disclosing our efforts in creating value along the clichéd Triple Bottom Line paradigm, and attempts to provide a balanced and candid account of our sustainability thrust, its successes and areas for further improvement. Dialog's sustainability journey was defined over a decade ago seeded on a commitment to systematically plan, implement, measure and continuously improve our sustainability footprint.

Last year I reiterated our commitment to the principle of inclusive and sustainable development towards which we direct our core business levers and capabilities on a consistent basis. I also affirmed that the Digital Empowerment of citizens, communities and businesses, and its application on a plural and inclusive basis, would continue to be a fundamental facet of our sustainability ethos. Looking forward, Dialog continues to see its role in society, as being one charged with democratising the digital future along with the multiple facets of empowerment the emerging era promises to deliver to citizens and businesses.

The ensuing narrative in this report provides a cohesive and detailed account, of our efforts in creating value through our core business during the Year 2014 and also of our contribution to society through the Dialog Foundation.

## **DIGITAL INCLUSION & EMPOWERMENT**

During the period under review, Dialog continued to drive forward, its ethos of digital inclusion through product and service innovation. Sri Lankans enjoy an ICT access environment which is characterised by tariffs and financial barriers which are amongst the lowest in the world. World over however, even as more people now access the Internet for the first time through a mobile phone, the most disadvantaged citizens continue to find the cost of a handset the most significant barrier to unlocking digital value to better their lives.

Dialog has continued to innovate with respect to the minimum cost of ownership associated with the adoption of a digital lifestyle. Solutions architected by Dialog over the past year, and enhanced on an ongoing basis include a multitude of "Pay per Day" propositions across a broad

spectrum of life enhancing services. In 2014, Dialog also created a charging model representing a hybrid of Post-paid and Prepaid charging principles in order to match the diverse usage models required by customers in line with individual usage scenarios. Dialog's per-day direct-to-home satellite TV product is slated as a "First" in the region if not the world and has proved to have addressed a latent demand in the market, growing by more than three times in the last year.

Dialog also translated a similar innovation paradigm to the sphere of Micro-Insurance, enabling a Pay-Per-Day Personal Accident Cover of Rs 1 Million (7,500 USD) for as little as 1 Cent (0.75 US Cents) per day. Through this beachhead initiative, Dialog and its partners in the Insurance sector succeeded in breaking an affordability barrier with respect to insurance in the context of low income segments of the population. Over 500,000 citizens (2.5 percent of National Population and 5 percent of Dialog subscriber base) adopted the base product and a further 300,000 signed up for policy extensions to include hospitalisation or enhanced cover values. We note with pride and innate satisfaction, that pay-outs have secured the lives of 34 families during a relatively short period of 18 months.

With respect to core mobile financial services, Dialog also led the industry through its award winning multi-operator mobile money platform eZ Cash. Pursuant to Etisalat Lanka and Hutch Sri Lanka joining the eZ Cash mobile money platform in 2014, eZ Cash earned the distinction of becoming the world's first end to end inter-operable mobile money platform. The unique inter-operability architecture facilitates a wider network effect encompassing the subscribers of multiple networks and an expansive eco-system of value chain partners. eZ Cash features at the transaction layer of a large number of life enhancing services which would otherwise have not been feasible to facilitate. For example, in 2014 the eZ Cash system enabled the University of Ruhuna Faculty of Medicine's Nuclear Medicine Unit to administer the acceptance and processing of blood samples from new born children across the country. Likewise eZ Cash has enabled smooth and efficient transaction linkages between citizens and broad spectrum of institutions and government services.

## **STRATEGIC INTERVENTIONS - BRIDGING ASSYMETRY**

During the course of 2014 the Dialog Group also further bolstered its contribution to Sri Lanka's Education sector. The Satellite based Nenasa Distance Learning Network now operates two dedicated education channels and supports state of the art bilingual features. Nenasa is a Gift to the Nation's children from Dialog and is jointly operated by the Ministry of Education, National Institute of Education and the Dialog Group, with a vision of delivering best in class educational content to rural schools across Sri Lanka. The Year 2014 also saw the disbursement of the 500th Dialog Scholarship. The Dialog Scholarship has been in operation since 2003 and rewards top performers at Ordinary and Advanced Level from across all 25 districts of Sri Lanka with ongoing monetary support during their course of advanced studies.

Dialog's contribution to society over the years has been underpinned by a strong social innovation focus which was carried forward in to the year under review with renewed focus featuring One-off milestone investments in long-standing Public-Private Partnerships (PPPs) such as the several flagship initiatives including the Disaster and Emergency Warning Network (DEWN), the SMS based Blood Donor network of the National Blood Bank and the Ratmalana Audiology Centre. Dialog also continued to build on its established mobile waste take back programme and its advocacy for responsible use of mobile. In 2014, Dialog's successful 'Be Mobile Wise' programme evolved to become 'Be Technology Wise' underscoring the nature of our changing digital lifestyles and the internet of things and people.

Strategic Investments in Sustainability grew YoY by 41%.

## **ENGAGED EMPLOYEES**

The sustainability thrust of the Dialog Group is also singularly unique in that the passion to create a more equal nation and world underpinned by triple bottom line principals pervades across the Dialog Organisation. In 2014 more than 9% of the employee base volunteered in excess of 7,000 person-hours on projects encompassing a beneficiary base exceeding 20,000 less fortunate Sri Lankan citizens. The Dialog Volunteer Network, which empowers staff members to propose projects aligned with

Dialog's community investments in a competitive process, embarked on a new format during 2014 enabling significantly larger teams, projects and investments in beneficiary communities. Dialog part funds all projects carried out by the Volunteer Network.

## **STAKEHOLDER ENGAGEMENT AND STRATEGY CONDITIONING**

During the year under review Dialog proactively engaged a broad spectrum of stakeholders with a view of assessing our focus on, and responsiveness to, material issues. Stakeholder engagement remains a pivotal dimension in our sustainability strategy and continues to inform our strategic outlook with respect to sustainability practice. As alluded to in our previous report, Dialog also uses a variety of engagement touch points to facilitate wide-ranging and educative discourse with respect to the contextual positioning of Corporate Sustainability within the diverse communities in which we operate. This report charts our responses to the material issues raised in our previous stakeholder engagement process with specific reference to targets related to sustainability performance and core business operations. We will continue to call on stakeholder engagement as a key input to our business strategies and sustainability thrust going forward.

## **THOUGHT LEADERSHIP IN PERFORMANCE MEASUREMENT**

This report also provides an insight to thought leadership spawned at Dialog, in the sphere of Sustainability Performance Measurement. During the course of self-evaluation Dialog has recognised the scarcity of robust sustainability performance metrics that help measure and report sustainability performance and value creation in a holistic and integrated manner. It is our view that the current state of sustainability performance reporting and value creation impact measurement practiced globally, is siloed along social, environmental and economic dimensions with little scope for attributing value impairment across social and environmental dimensions in determining the net outcomes of our core business. In order to challenge this current status quo in sustainability performance measurement we embarked on a beachhead initiative in collaboration with the International Finance Corporation (IFC) to develop and test a range of new and bespoke

sustainability valuation metrics. The initiatives target the development of a set of metrics which transcend traditional financial metrics in terms of their applicability within a representative value measurement framework which would accentuate net positive outcomes achieved through a sustainability focus. We believe that this bold, empirical programme has the potential to disrupt the way we define and measure value creation and thereby provide cues that posit value impairment through non-traditional intangible costs. More importantly the proposed net value framework also holds the promise of guiding the maximisation of value through the achievement of stronger alignment between social return on investment, profit maximisation and environmental stewardship. We believe that the outcome of our investment in developing this value measurement framework will benefit a population of organisations and sustainability practitioners, way beyond the confines of Dialog. We are singularly excited by the breakthrough potential of the initiative and the impact we could contribute to the process and methodology of the sustainability practice globally.

Underscoring the discourse of a new 'breakthrough era' Dialog had the pleasure of hosting Dr John Elkington in Sri Lanka for two days during the period of review, during which Dr Elkington elucidated the emerging challenges and subject areas which called for breakthrough thought leadership with respect to the practice of sustainability, amongst which the development robust metrics for value creation ranked high in terms of priority. Dialog considers itself privileged not only to host Dr Elkington but also to facilitate wide engagement between Dr Elkington and a broad spectrum of Sri Lanka's sustainability practitioners through two public events hosted in collaboration with the British Council and the United Nations Global Compact Network in Sri Lanka.

## IN CONCLUSION

I would like to take this opportunity to thank our strategic partners in Government as well as like-minded Non-Government sectors who have worked with us towards scaling and maximising the impact we could deliver to the communities in which we operate. The partners include the International Finance Corporation, the GSM Association, the Ministries of Education, Disaster

Management, Health, the National Blood Transfusion Center, British Council, Central Environmental Authority, University Grants Commission and the Ceylon School for the Deaf.

Dialog continued to serve on the Board of the UNGC Network Ceylon during the period of review. At the end of 2014, the UN Secretary General presented a synthesis report "The road to dignity by 2030" covering all the processes and reports related to post-2015 development goals, which are expected to replace the millennium development goals in 2015. I wish to reiterate our commitment towards the UNGC mandate in supporting the post 2015 development goals and look forward to making our due contribution to this process.

As we move into 2015 we are confronted with a new wave of social, environmental and economic challenges and opportunities. Our company is well poised to face up to and leverage these challenges and opportunities respectively based on its singular focus on inclusive business and its desire to create shared value for all Sri Lankans. We will look to scale up our nascent value measurement and reporting efforts and drive innovation through inclusive and relevant digital services. We will actively look to strengthen our partnerships and alliances with like-minded organisations and people, while basing our strategies and future thrust squarely on material issues which are informed through rigorous stakeholder engagement.

In 2015, we will challenge ourselves to raise the bar with respect to the practice of sustainability at Dialog. We aspire to be global thought leaders with respect to the measurement of value creation and downstream of this innovation we stand committed to apply on ourselves the most stringent yardsticks with respect to ensuring that our organisation delivers measurable and relevant value to our society, economy and environment.



**Dr. Hans Wijayasuriya**  
**Director/Group Chief Executive**  
15<sup>th</sup> May 2015

# Seven Years' Performance Data

ASPECT	Measure	2008	2009	2010
Economic Performance	Revenue (Rs. Million)	36,278	36,246	41,423
Market Presence	Local spend (%)	59.04	62.37	57.58
	Foreign personnel in Senior Management	1	0	2
Material	Paper used in operations (MT) <sup>1</sup>	382.50	44.17	150.85
	Recycled (%)	0	0	0
Energy	Direct (GJ)	72,224.00	33,065.00	15,424.00
	Indirect (GJ)	345,821.00	365,675.00	353,746.00
	Savings			
Water	Consumption (kL)	82,218.00	54,106.00	48,145.00
Biodiversity	Area of high Biodiversity land covered (km <sup>2</sup> )	0.0025	0.0025	0.0025
Emissions	GHG for direct energy <sup>5</sup> (TCO <sub>2</sub> )	6,367.00	2,945.00	1,259.00
	GHG for indirect energy <sup>6</sup> (TCO <sub>2</sub> )	43,990.00	41,979.00	44,936.00
	GHG for other <sup>7</sup> (TCO <sub>2</sub> )	4,250.00	5,273.00	4,919.00
	Discarded e-waste (units)	186	302	508
	Recycled paper (MT)	92.50	54.50	35.60
	Significant spills (kL)	None	None	None
Compliance	Fines and sanctions for environmental non-compliance	None	None	None
Employment	Total employees (no.)	4,406	3,435	2,871
	Total workforce (no.)	4,912	3,940	3,389
	Female employees (%)	25.55	22.64	21.49
	Turnover (%)	17.00	33.62	28.04
	Retention following parental leave (%): female/male		81.49	76.35
Occupational Health & Safety	H&S representation (%)	100	100	100
	Injury rate (%)	2.00	1.00	1.91
	Lost day rate (%)	0.12	0.01	0.34
	Absentee rate (%)	2.00	2.00	2.10
	No. of fatalities	2	0	0
Training	Average training hours for the year per employee (%)	26.77	8.56	12.18
Investment and procurement practices	Significant vendors screened (%)	25.61	28.97	66.00
	Other developments			
Customer data protection	Customer complaints on divulgence of information (%)	0.0030	0.0030000	0.0009000

<sup>1</sup> Prior to the 2013 reporting period, this measure was calculated based on total paper procurements for the Company. From 2013 onwards, to better reflect significant material usage in operations, this measure accounts only for paper consumed in the billing process.

<sup>4</sup> The figure provided in the 2013 report (16.11 MT) accounted only for one month's usage. The figure is re-stated here accounting for the complete year's usage of paper in the billing process.

<sup>5</sup> Using data of GHG protocol website: <http://www.ghgprotocol.org/calculation-tools>.

<sup>6</sup> Calculation as per Clean Development Mechanism project National Grid GHG emission factor as quoted in CDM validation report No. 53601511-11/356 - the latest available at time of calculation



2011	2012	2013	2014	Comparison to 2013
46,136	56,790	63,498	67,634	
53.57	37.72	47.90	52.10	
2	2	3	3	
132.40	150.34	193.36 <sup>4</sup>	245.97	
0	0	0	0	
22,662.00	39,385.00	37,128.12	34,060.81	
452,995.00	480,483.66	383,626.29 <sup>5</sup>	410,177.13	
411,877 kWh (0.4 GJ)		14,918 GJ	2,769.95 GJ	
46,884.00	43,275.00	63,077.83	51,437.85	
0.0025	0.0025	0.0157	0.012	
1,965.00	3,809.20	3,249.40	3000.20	
52,004.00	58,026.16	67,145.26	79,676.90	
4,881.00	4,201.76	4,384.21	4,990.00	
1580	None	149,980 kg	535,230 kg	
47.90	48.60	35.59	54.65	
None	None	None	None	
None	None	1	None	
2544	2,993	3,053	2,996	
3,001	3,535	4,398	4,245	
19.73	19.68	19.91	18.86	
13.78	10.69	9.40	9.34	
84.62	86.87	78.43	93.25	
	96.88	94.44	91.28	
100	100	2.91 <sup>8</sup>	2.21	
0.27	1.09	0.82	DNA	
0.0	0.0	0.20	DNA	
1.76	1.80	1.84	DNA	
0	0	0	0	
16.39	15.57	24.7	21.6	
78.00	68.00	100 <sup>9</sup>	80.95	
(CoC booklet), (Ombudsman), (Volunteer programmes)	Vendor COC	Dialog Axiata Procurement Code of Conduct		
0.0019787	0.0047	0.0035	0.0035	

<sup>7</sup> Fleet Emissions and air travel emissions calculated using the GHG protocol website

<sup>8</sup> In previous years this figure was interpreted as the fraction of workforce represented by Health and Safety volunteers. From the period under review this figure has been interpreted as the percentage of the workforce actually representing their colleagues as Health and Safety volunteers

<sup>9</sup> Screening of vendors is based on vendors expressing adherence by making a self-assessment and signing the Supplier Code of Conduct

# Stakeholder Engagement

Dialog as a business has evolved beyond any single definition of traditional industry sector in its quest to provide life-enhancing services to all Sri Lankans. In doing so, Dialog today as a business, an employer, a client and a service provider, touches directly the lives of nearly one in two Sri Lankans, and indirectly, perhaps all Sri Lankans.

Such a vast and varied base of stakeholders requires careful analysis of stakeholder segments, interests and aspirations. It also calls for managing various stakeholder relationships with selective, targeted education and interactions on varied topics material to different stakeholders, considering capacities and interest, with analysis and appropriate internalization of their feedback. Facilitating stakeholder feedback is a prerequisite to the business, as it provides insight into stakeholder views and expectations that in turn help to review company priorities and realign business processes to suit stakeholder expectations.

## SHARING OUR PHILOSOPHY

As a leader and innovator concerned with some of the most cutting edge aspects of Sustainability in a global context, Dialog is mindful of its responsibility to engage and educate local stakeholders, and to attempt to reconcile the tensions between practice and presentation.

In 2013 Dialog as leading corporate sponsor, along with some other private sector entities, worked with the British Council to take several corporate Sustainability practitioners on a Social Innovation Learning Journey to the United Kingdom. In 2014, the partnership held the Futures Social Innovation Forum with broad representation from the corporate, state, civil sector, including many social innovators. The forum served to spark several interesting collaborations on new approaches to address identified problems that existing systems and institutions are failing to resolve.

In 2013 and 2014 Dialog participated in the creation, and was the main sponsor of the 2014 launch, of CSR Sri Lanka. CSR Sri Lanka is a forum of Sri Lankan companies and entities with a distinctly different composition to other forums Dialog already participates in to learn, share and engage with peers and the public. These include the Global Compact Network of Ceylon (GCNC, the Sri Lankan chapter of the United Nations Global Compact), the Sri Lanka Business and Biodiversity Platform (SLB&BP) and others.

As in previous years, Dialog also took the opportunity through selective placement of articles, advertisements and advertorials to educate different stakeholder groups of Dialog's Sustainability principles, major activities and achievements. A National Brand campaign in the first quarter of the year highlighted the Company's longstanding commitment to Education and the Nenasa Education Channels. Dialog took the opportunity to engage peers and business readers in the Lanka Monthly Digest (LMD) October issue's "CSR" supplement.

## JOHN ELKINGTON IN SRI LANKA

Following on from connections established in 2014 of which Dialog was principal sponsor, Dialog undertook to share with its Sri Lankan stakeholders a rare opportunity to interact in multiple opportunities and formats with one of the leading thinkers in the field of Sustainability, Mr John Elkington, founder of SustainAbility and Volans Ventures. The Company invited Mr Elkington to Sri Lanka to share his sustainability vision with Dialog, in addition to sharing his 'disruptive thinking' with thought leaders and top executives from corporate Sri Lanka.

A world authority on sustainability and corporate responsibility, John Elkington, originated the term 'Triple Bottom Line' which is today synonymous with sustainable development agendas the world over. He has written and co-authored 19 books, which include The Green Consumer Guide, Cannibals With Forks (the book which brought the concept of triple bottom line to a much wider audience), The Power of Unreasonable People, The Zeronauts: Breaking the Sustainability Barrier and The Breakthrough Challenge (co-authored with former PUMA CEO Jochen Zeitz)



In presenting Mr. Elkington to our peers and to the wider public too, Dialog partnered with the Global Compact Network of Ceylon – the Sri Lankan chapter of the United Nations Global Compact to convene business leaders, top executives and practitioners from Sri Lankan corporates at an exclusive session hosted on the 1st of September 2014. A public forum was held the following day in collaboration with the British Council to engage young activists and innovators. The DailyFT newspaper was an equal partner in the programme, to engage the wider public.



**John  
Elkington**  
Tomorrow's Bottom Line &  
the Power of Unreasonable people

### Some Major Partnerships

eZ Cash – Etisalat Lanka Pvt Ltd, Hutchison Telecommunications Lanka Pvt Ltd

SME Toolkit Sri Lanka – International Finance Corporation

Nenasa Distance Education Channels – Ministry of Education and National Institute of Education. Recent TV donation partnership with World Vision International

Dialog Merit Scholarships Programme – Ministry of Education and University Grants Commission of Ministry of Higher Education

BloodSMS – National Blood Transfusion Service of the Ministry of Health

Ratmalana Audiology Centre – Ceylon School for the Deaf and Blind under the Church of Ceylon

Testing for Congenital Hypothyroidism – College of Paediatricians and Nuclear Medicine Unit of the Faculty of Medicine of the University of Ruhuna

Disaster and Emergency Warning Network (DEWN) – Disaster Management Centre of the Ministry of Disaster Management, Microimage Media (Pvt) Ltd, Dialog-Moratuwa Research Laboratory

Futures Social Innovation Forum – British Council, Brandix, AMW, Softlogic, Horizon Campus

MAS-Deutsche Bank-Dialog-3M Summer Internship Programme

mWaste Programme – Central Environment Authority of the Ministry of Environment and Natural Resources. Corporate Partners Citizen Development Business Finance PLC, Bureau Veritas Consumer Products Services Lanka (Pvt) Ltd, and Polytex Garments (Pvt) Ltd host mWaste collection boxes at their sites

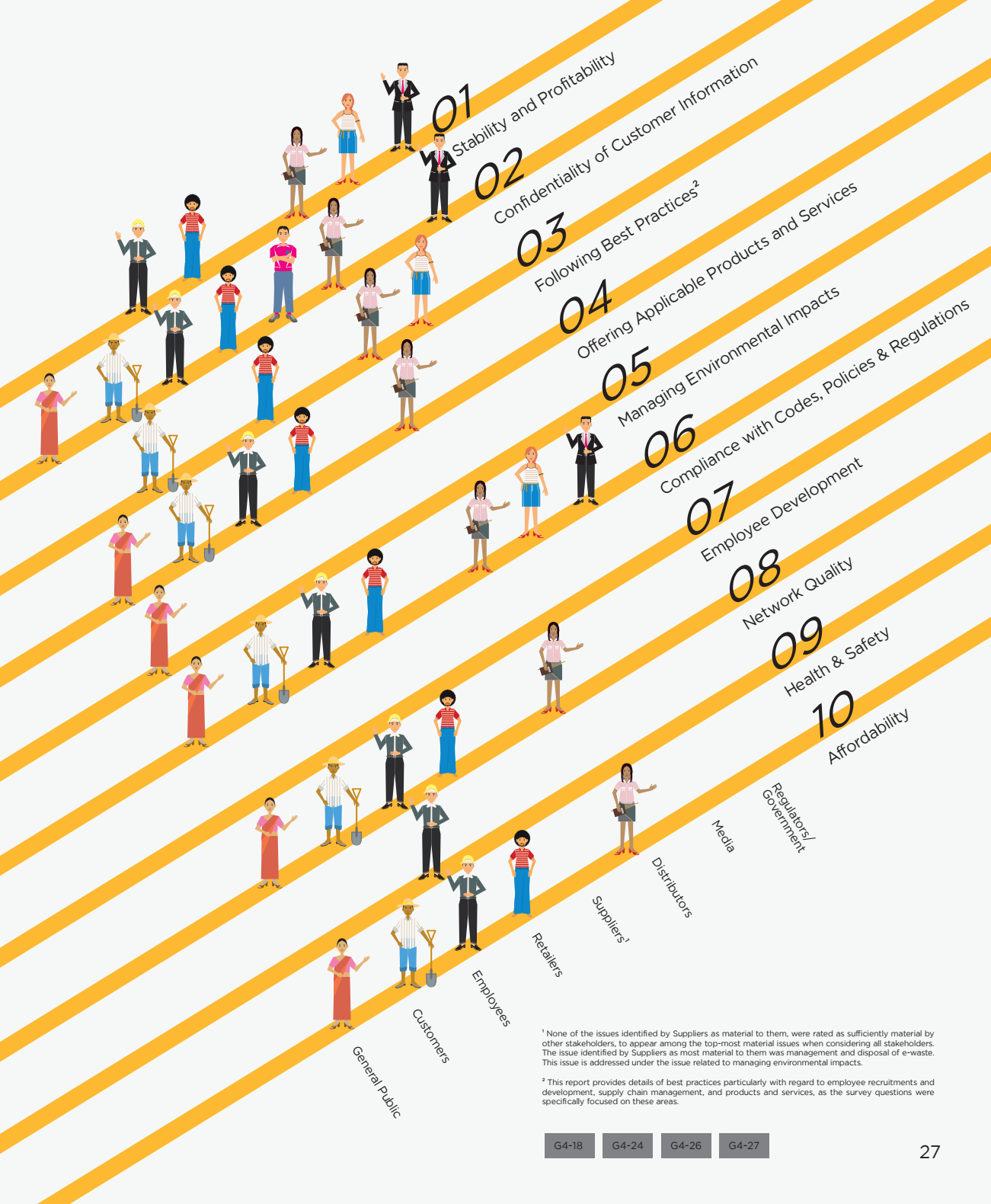


### STAKEHOLDER SURVEYS

For the purpose of charting its Sustainability strategy, Dialog has followed a stakeholder feedback survey process along a 2-year cycle since it commenced formal stakeholder engagement activities intended for its Sustainability focus. In this cycle, comprehensive Stakeholder Surveys are carried out every two years, while a dip-stick survey of a number of the more material stakeholder groups is carried out in intervening years. In the year 2012 Dialog carried out the last of a series of comprehensive qualitative-only stakeholder surveys. Towards the end of 2013, Dialog undertook for the first time a GRI G4-driven quantitative stakeholder survey, reaching out to the same groups originally identified and surveyed in each cycle. This study was completed in Q1 of 2014, results of which were

presented to the Company in February 2014. No further stakeholder studies specific to Sustainability topics were carried out during the reporting year, in the interest of continuity and to enable comparison following the completion of a full cycle.

This report discusses in detail the ten most material concerns identified as being of high importance to stakeholders and the organization in the materiality assessment for the year 2014. The depiction in the next page outlines the ten most material issues against the stakeholder groups consulted, providing an indication of issues considered most material by each group.



<sup>1</sup> None of the issues identified by Suppliers as material to them, were rated as sufficiently material by other stakeholders, to appear among the top-most material issues when considering all stakeholders. The issue identified by Suppliers as most material to them was management and disposal of e-waste. This issue is addressed under the issue related to managing environmental impacts.

<sup>2</sup> This report provides details of best practices particularly with regard to employee recruitments and development, supply chain management, and products and services, as the survey questions were specifically focused on these areas.

All GRI reporting aspects reported upon in previous years were mapped against stakeholder groups related to each aspect, yielding a list of the most material stakeholder groups considering both materiality of related aspects and number of aspects of concern to each group. The eight material stakeholder groups derived from this exercise were surveyed based on the aspects found to be relevant to them in the mapping exercise. The engagements that took place during the reporting year with each stakeholder group are detailed below.

STAKEHOLDER GROUP	FORM OF ENGAGEMENT	FREQUENCY
Customers	Net Promoter Score (NPS)	Annually
	Corporate and retail CSAT surveys	Annually
	Sustainability Stakeholder study 2013/14	Once every 2 years
Employees	Employee Engagement Survey conducted by Axiata Group through Towers Watson (independent research agency)	Annually
	Independent Sustainability Stakeholder Engagement Study (2013/14)	Once every 2 years
General Public	Independent Sustainability Stakeholder Engagement Study (2013/14)	Once every 2 years
Shareholders	AGM	Annually
	Investor Forum	Annually
	Earnings call with local and foreign analysts	Quarterly
	One-on-one engagements via meetings/calls	39 one-on-one meetings/calls in 2014
	Overseas road shows	3 including one in the UK in 2014
	Forums held by local stockbrokers	Annually
Regulators and Government authorities	Independent Sustainability Stakeholder Engagement Study (2013/14)	Once every 2 years
Most material Suppliers and Service Providers	Independent Sustainability Stakeholder Engagement Study (2013/14)	Once every 2 years
	Vendor Satisfaction Survey	Annually
Business partners (Retailers/Distributors)	Regular one-on-one engagements	
	Dialog 5-Star Partner initiative	Project
	Dialog Viyapara Diriya (DVD) Programme	Project
	Independent Sustainability Stakeholder Engagement Study (2013/14)	Once every 2 years
Media	Independent Sustainability Stakeholder Engagement Study (2013/14)	Once every 2 years
NGOs and Interest Groups	As part of the Engagement work led by the Sustainability division	Regular business-as-usual interactions

Marketing practices

Ethics and Integrity

Applicability & affordability of products

Environment conservation

Waste management and resource optimisation

Network quality

Energy consumption

National contributions and Infrastructure development

Customer service and satisfaction

Digital Inclusion

Confidentiality of customer information

Employee health and safety

Corporate values

Following best practices

Human rights

Labour practices

Public policy

Financial stability

Business performance

Value added services

Supply chain management

Product responsibility

Compliance

Corporate governance

Community investments

Training and development

## MATERIALITY

The Materiality Assessment carried out during the year under review, considered five key inputs in determining the ten most material issues for the year.

1. The results of the Stakeholder Survey concluded in February 2014
2. Aspects determined to be of strategic importance to Company, as identified by the strategic planning function
3. Key Performance Indicators assigned to the Company by its Board
4. The Company's Risk Register
5. A review of global Peers' material concerns and issues

The universe of GRI aspects considered for this exercise were in relation to the broader topics of concern to the industry as depicted in this page. The inputs, weighted appropriately, yield a comprehensive unified listing of all issues prioritised by materiality. The top ten material issues were selected for reporting purposes, to provide a combination of coverage as well as actual materiality and addressability.



## Inputs

Stakeholder Survey

Strategy

KPIs

Risk Register

Peers



## List of Issues

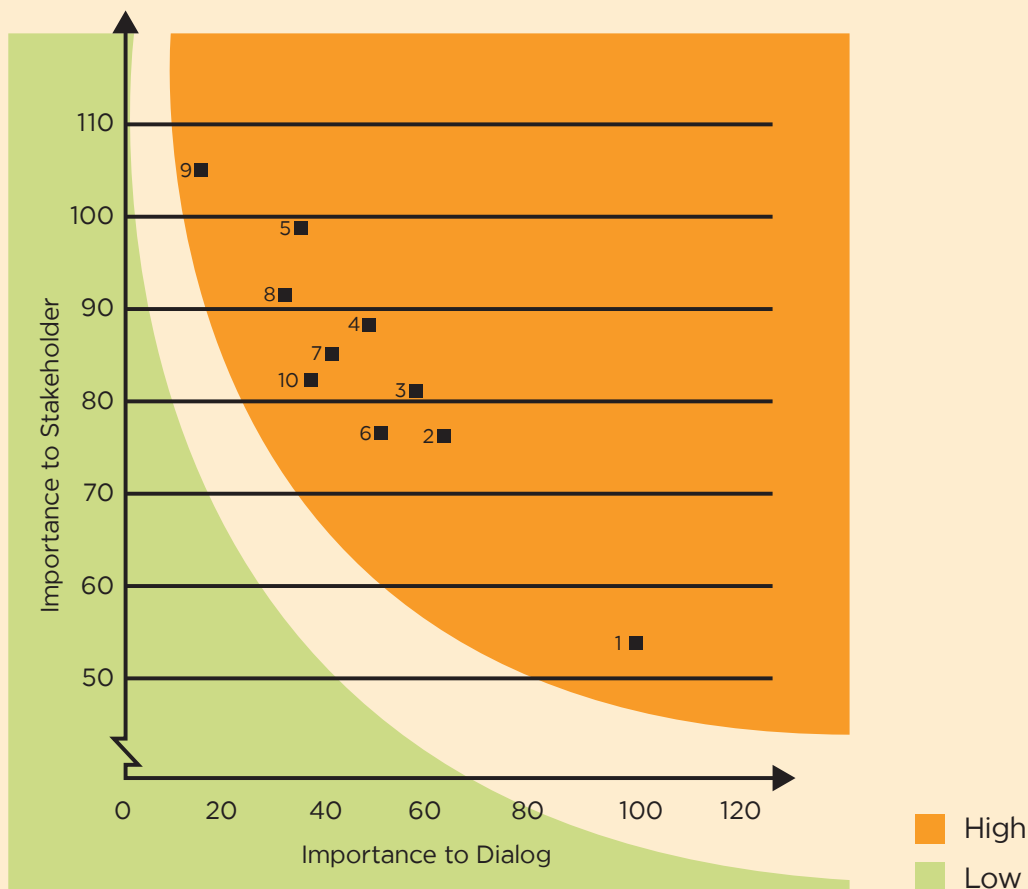
Top 10 Material issues



## 2014 Report

Targets

Follow-up Cycle

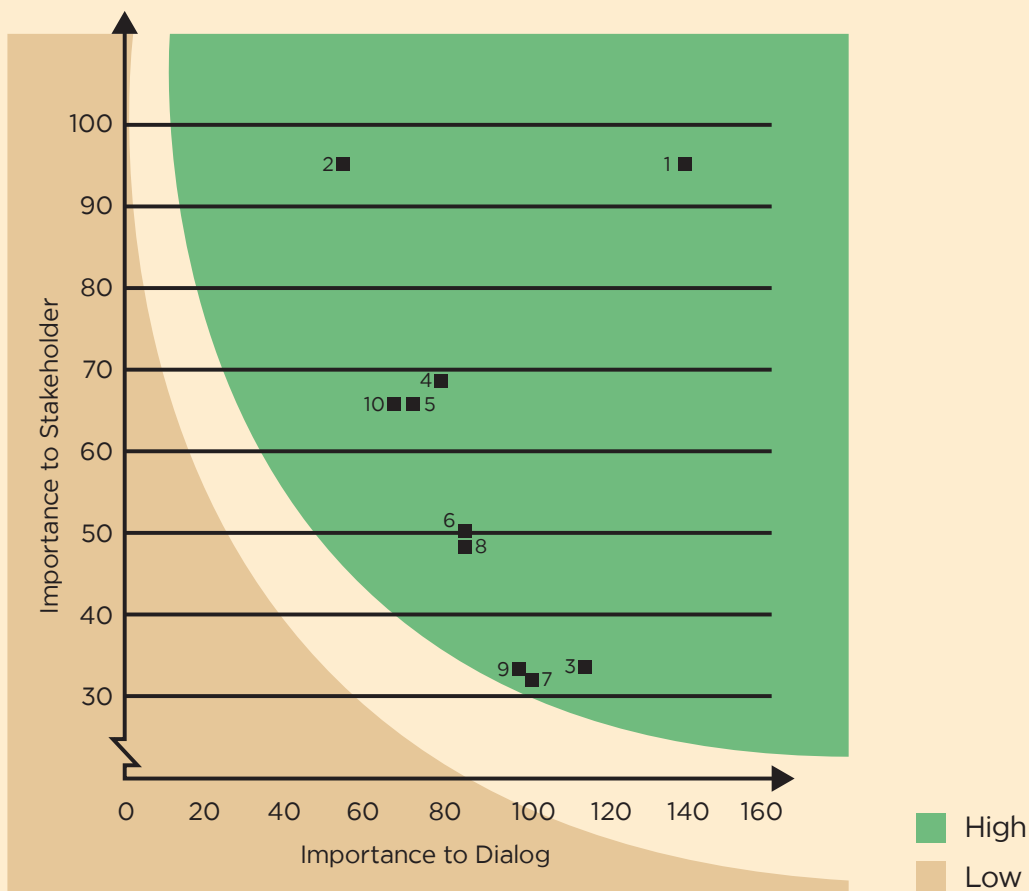


- |   |   |
|---|---|
| 1 Stability and Profitability               | 6 Compliance with Codes, Policies and Regulations |
| 2 Confidentiality of Customer Information   | 7 Employee Development                            |
| 3 Following Best Practices                  | 8 Network Quality                                 |
| 4 Offering Applicable Products and Services | 9 Health and Safety                               |
| 5 Managing Environmental Impacts            | 10 Affordability                                  |

The graph of Material Issues thus derived for the 2013 reporting period is depicted above.

For the 2014 reporting period, a reassessment of the same issues was undertaken to identify any shifts in the materiality of the issues assessed in the previous period. Among the inputs for the materiality process, the Company Risk Matrix, the benchmarking study of peers, and the corporate Key Performance Indicators for 2015, differed from their equivalents in the previous year.





- |   |  |
|---|--|
| 1 Following Best Practices                | 6 Applicability of Products              |
| 2 Stable and Profitable Company           | 7 Protecting Customers from Scams & Spam |
| 3 Ethical Marketing Communications        | 8 Affordability                          |
| 4 Network Quality                         | 9 Non-Discrimination                     |
| 5 Confidentiality of Customer Information | 10 Promoting Corporate Values            |

The output of the process depicted a slight shift in the materiality of issues between the two reporting periods. Seven of the issues found to be most material in the previous reporting period have remained among the top ten most material issues, with some shifts in ranking. Three issues dropped off the top ten most material issues, replaced with issues that had previously been ranked below the top ten.



# Creating VALUE

Dialog considers itself a Digital Inclusion Company, working to pluralise access to digital technologies and to enrich the lives of all Sri Lankans, guided by its 4A's philosophy for Digital Inclusion.



## Digital inclusion

The 4A's philosophy has consistently driven Dialog's Digital Inclusion efforts over the years. More Sri Lankans' consumption of Digital products and services is expanding as lifestyles change. As more Sri Lankans increase their points of interaction with Dialog's universe of voice, data, television and digital services, the first pillar, Affordability, received Dialog's renewed focus in the year 2014 as we pushed the transition from Exclusive luxuries to Inclusive digital tools.

## Offering Applicable Products & Services

Despite the Sri Lankan mobile telephony market having some of the lowest tariffs in the world, Dialog focused on the nexus of Affordability with Availability, and looked beyond telephony at our suite of technologies. We did so with affordable smart devices including easy-payment schemes, starter packs and pay-as-you-go TV to expand the Digital franchise to the masses. Going even further, Dialog took the unprecedented step of allowing many new owners of WiFi-equipped devices to explore the possibilities at their fingertips, with its month-long "Free WiFi for All Sri Lankans" promotion. With the introduction of the BOINC and Thaala music services, Dialog for the first time brought

to all Sri Lankans, and particularly our youth, an affordable, legitimate and convenient way to consume and participate in the global and local music scene. Thaala in particular focuses on and fosters the local Sinhala and Tamil music eco system, providing a more affordable and accessible platform for aspiring musicians and content producers.

The numbers confirm that this strategy fulfilled hitherto unmet needs, for example with a per-day TV subscription growth from 26,000 to 85,000, Dialog-branded affordable smart device sales of 46,415.

## Affordability

Two key innovations made the best of post-paid services available to more Sri Lankans, while enabling them to retain the advantages of the pre-paid model. Hybrid services for post-paid subscribers, another world-first, enables them to manage their finances particularly at crucial times, by switching to pre-paid, topped-up credits for selected services (e.g. data, SMS, voice) or all services. This enables segregation and management of spends on different services, particularly in situations where a line is shared, such as between family members, enabling services to be

maintained without interruption while capping selected services. Process innovations at the back-end significantly increased the availability and speed of obtaining post-paid connections, making the service available through Dialog's vast retail network and enabling customers to walk out of a retail point with their post-paid connection already activated. The integration of eZ Cash into this hybrid credit management system makes the system even more versatile in serving customers' diverse financial situations.



## From Launch to Biggest Insurance Product Within a Year

A major social breakthrough enabled by Dialog's Digital Inclusion agenda in 2014 was the rapid take-up of accident insurance (launched in 2012) and hospitalization cover (launched in 2014) made possible by the in-place identification and pay-as-you-go platform in the hands of millions of Sri Lankans. Dialog's insurance products surpassed all existing insurance plans in the country in terms of coverage, and with payouts already made in the first year of operations, demonstrate the transformative power of the convergence of multiple technologies and enabling platforms to improve the social condition.

The primary focus of this product is to serve the BOP (base of the pyramid) segment with an affordable insurance product. 29 claims of the personal insurance cover amounting close to Rs. 24 million was granted in the period under review - farmers, daily waged employees and trishaw drivers were among those who benefitted. Within the 5 months since launch, the Hospitalization cover was paid out to over 100 claimants.



## Special Service Bundle for the Hearing Impaired

Dialog's philosophy of inclusiveness and equity in adding value to Sri Lankan lives irrespective of differences, places special significance on those groups most challenged in accessing the benefits of a Digital lifestyle. The Company has a long-standing affinity with the hearing impaired, as some of its earliest work as a provider of multisensory connectivity sought to assist those whose hearing and speech challenges were a hurdle to enjoying the Company's services.

In 2014 Dialog re-launched a mobile connection package customised to suit customers with hearing impairments, with a new mix of modern features priced appropriately to their specific needs. This package enables reduced rates on video calls (used heavily for sign-language conversations), text messaging, and data, which are a hearing impaired customer's predominant uses for a mobile phone.





## The World's First and only Multi-Operator Mobile Money Platform

Dialog's eZ Cash mobile money platform became the world's first mobile money service to open with end-to-end interoperability across multiple service providers, merchants and brands, to customers of other mobile networks, creating one payment solution for all financial needs in 2014. Dialog's eZ Cash platform began the year by welcoming Etisalat Lanka (Pvt) Ltd and its subscribers, placing 60% of the country's mobile subscribers on one common payments platform. eZ Cash ended the year welcoming Hutch subscribers too to the same platform, consolidating the platform's reach and ability to provide more services.



At the end of 2014 eZ Cash numbered nearly 1.7 million users, having added nearly 0.9 million of them in the same period. Those users carried out more than half a million transactions totaling a value of nearly Rs 800 million in the period under review.



Another example of Dialog's technologies enabling wonderful new opportunities to enhance lives in partnership with dynamic stakeholders was when in 2014 the eZ Cash system enabled the University of Ruhuna Faculty of Medicine's Nuclear Medicine Unit to accept blood samples from new-born children across the country as recommended by the

Sri Lanka College of Paediatricians. The University's Nuclear Medicine Unit had the expertise, equipment and capacity, proven in a limited trial, to test all new-borns in the country for Congenital Hypothyroidism – a condition that can cause stunting and mental retardation at huge cost to individual, family and country over a lifetime, yet that can be fully treated with minimum long-term costs if identified at birth. However the inability to cover the cost of consumables per test – Rs. 300 – via traditional models, borne by the government threatened to deny this life-changing test to new-born Sri Lankans and their families. A simple, rapid development of an alternative fund transfer model using Dialog's existing eZ Cash eco system already available across the country overcame the hurdle of covering testing costs by allowing parents to pay via the mobile payments system.



<http://www.gsma.com/connectedwomen/wp-content/uploads/2013/09/Enabling-Mobile-Money-Policies-in-Sri-Lanka-GSMA-MMU-Case-Study-July2013.pdf>





# Delivering VALUE

As a leading Sri Lankan corporate, Dialog's operations and its success have impacted far beyond its shareholder, subscriber and employee bases. As a Knowledge Sector company, Dialog's employees and their development is key both to its competitiveness in attracting, training and retaining top talent, as well as to its eventual success in a competitive marketplace. Finally, the most immediate touch point where Dialog delivers Value to its stakeholders is in strong, consistent and therefore reliable availability of all its many services, across many networks. Today many stakeholders increasingly rely upon Dialog's connectivity less as a service, but more as infrastructure, upon which many further value-creating eco systems prosper.



# Stability and Profitability

Dialog is a publicly listed, shareholder-owned company regulated under the related governance and reporting requirements of the land, while being accountable to its shareholders and directors appointed by its shareholders. As a blue-chip company that has led Foreign Direct Investment and technology dissemination, Dialog's performance has an important bearing upon the country at large.

Though the Company is one of Sri Lanka's most valuable companies and the market leader in its segments of operation, Dialog operates in a highly regulated and competitive environment, providing its services to very price-sensitive customers. Dialog's approach has consistently been one of protecting its most profitable current businesses while investing in the future, seeking new businesses to ensure future growth and profitability. Conservative fiscal stewardship and access to preferential sources of capital leveraging Dialog's value as a development enabler and multiplier as well as its parent Axiata Group Berhad, also contribute to ensuring Dialog's financial stability. Similarly, a consistent commitment to profitability in Dialog's revenue-generating mainstream businesses, and a focus on execution and market leadership in emerging businesses, ensure Dialog's profitability in the near term as well as for the future. This is borne out in the consistent upward trend in revenues and EBITDA recorded over time.

Dialog maintaining its status as a stable and profitable company emerged as the most material topic in the 2014 materiality assessment conducted in consultation with various stakeholders. The independent international rating agency Fitch in September 2013 published an 'AAA(lka)' National Long-Term rating for Dialog – the highest rating on the Sri Lankan National scale, pronouncing a "Stable Outlook" for the company.

The agency added that some key drivers for the rating included,

- Support from Dialog's parent Axiata, which holds 83% of the Company and shares common brand and creditors;
- Dialog's independent strength as the market leader in domestic mobile telecommunications and as one of two quad-play service providers, receiving a standalone rating of 'AA+(lka)' with low business risk and an encouraging fund flow net of leverage over the medium term;
- Satisfactory liquidity despite high Capital Expenditures, supported by a strong credit profile and access to domestic bank funding, with foreign currency earnings sufficient to meet foreign-currency debt.

In the year under review the Company's Board took the decision to place the responsibility upon the members of its Nominations and Remuneration Committee to also oversee the Company's Sustainability performance.

- Please also refer the Annual Report to Shareholders for the year 2014, published alongside this report, focuses on economic value created, financial assistance received from government, and company performance.
- Please also refer the next section on Best Practices

# Employee Development

Dialog believes that developing manager competency is imperative in its journey of transformation, and as such a “Manager School” was inaugurated in late 2014 to enhance the competencies essential both in the short term and long term for existing and new Managers, to meet the highest level of People Management Skills necessary to create a High Performing Team. Managers over a period of 15 months will go through continuous development focusing on managing self, teams and business. The design of the programme offers on-the-job learning, application of new learning through assessments and simulations. People management is key in the curriculum, as the Company believes that first-line managers are a vital cog in

managing line staff and offering recommendations to the management above in the journey of transformation.

This programme will be institutionalised with regular annual cohorts alongside the Company’s existing four-pronged talent development initiative - Dialog Accelerated Development Programme (DADP), Corporate Management Development Programme (CMDP), Axiata Group Accelerated Development Programme (GADP), and General Manager Development Programme (GMDP). Further information on the programmes and activities therein are provided below.



- For new and junior managers
- Creating People Managers

November  
2014



- Develop top talent on accelerated
- track for future leadership

December  
2014



- Enable vertical movement from junior
- management to middle management

April  
2014



- Develop top talent on accelerated
- track for Axiata Group

a new batch  
initiated each year  
since 2010



- Process for transition from middle
- management to General Management

October  
2014

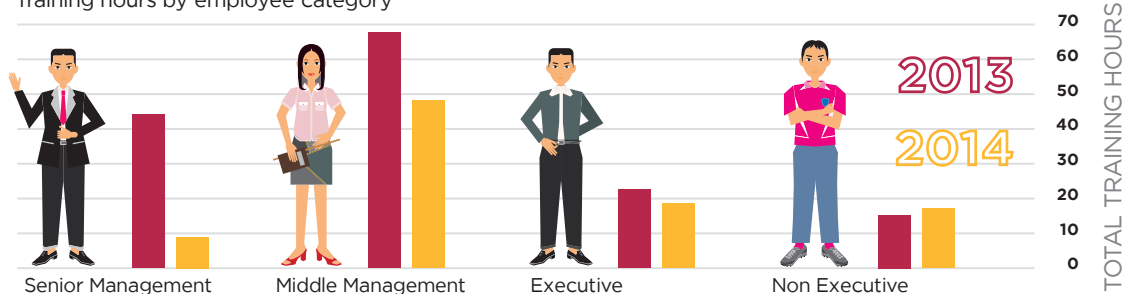


## TRAINING AND DEVELOPMENT

In 2014, Dialog took a step further in furthering provision of Learning and Development opportunities for its employees by introducing the Internal Career Mobility Support Centre (ICMSCC), through which employees were provided new avenues for career progression and development beyond their areas of expertise. This

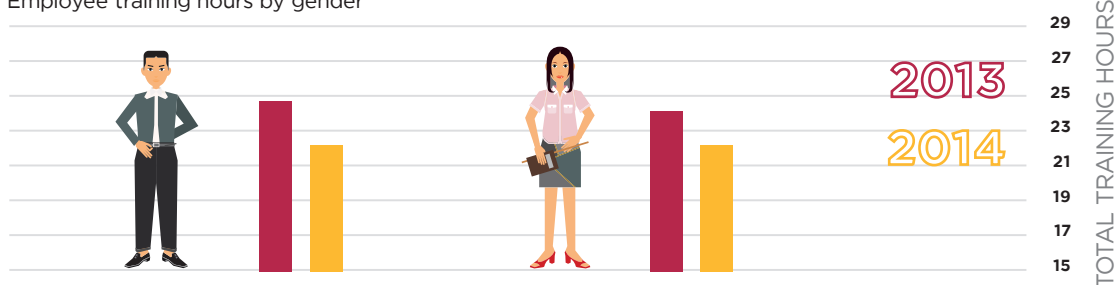
initiative opened up opportunities for employees to acquire new skill sets and knowledge and to move out of their comfort zones to become experts in multiple domains, which in turn enables more career growth opportunities for them.

Training hours by employee category



As illustrated in the above graph, the training programmes carried out in the reporting year, were designed to focus more on the career and skills development opportunities for the lower categories of employees as opposed to the focus on senior employee development in the previous year.

Employee training hours by gender



The graph above depicts the average employee training hours by gender in comparison to figures reported under this indicator in the previous reporting year. The per employee average training hours has seen a drop of 12.5% compared to 2013 with a total of 64,648 training hours for the year, whereas a total of 75, 725 hours of trainings were recorded in the previous reporting year.

# Network Quality

KPIs (Key Performance Indicators) for 2G (second-generation) network and 3G (third-generation) data have seen significant improvements compared to the previous year. Congestion at peak times was reduced by 20% and call setup success rates were improved by 17% on the 2G network, while average 2G data download speeds were improved by 16% over previous average speeds. Average HSPA upload time per megabyte of data was reduced by 64% on the 3G network, while average throughput improved by 5% per user.

Dialog's 2G voice network, the widest spread network, saw Call Drop Rates reduced 17% year-on-year, to a national rate of 0.49%, 0.02% better than the previous Best-in-Class value. Call Drop Rates in Colombo City taken separately were reduced to 0.25%. Call drop rates on 3G networks remained stable at 0.37%, as did data drop rates and data session success rates.

Dialog continued to invest in the infrastructure necessary to serve our customers, building on quality and availability of 3G data services. An investment of USD 30 million to enable the Bay of Bengal Gateway (BBG) cable connection increased the nation's resilience to connectivity issues while enhancing international traffic flows.

*On 5th July 2014 Dialog powered the Metta Convention's global webcast focused on sharing the message of world peace, harmony and stability. Dialog's 4G network carried this message of compassion from Anuradhapura's historic Ruwanweli Seya in real time to the world.*







# Preserving VALUE

Seven of the ten issues most material to Dialog's stakeholders are concerned with the preservation of the value created or prevention or mitigation of value impairment that could occur in the course of creating and delivering value, or indeed with poorly informed definitions of what represents Value to all stakeholders.



# Confidentiality of Customer Information



Customer information privacy is highly material to our operations. Customers share information when obtaining Dialog services, and generate additional information of a sensitive nature as they make use of those services. Explicit commercial contracts and implicit social contracts place great importance upon the Company's ethical treatment of and protection of this data.

Dialog maintains and enforces strict access controls to customer information and call records. The ISO/IEC 27001:2005 Information Security Management System Standard provides the necessary framework for data security in the Company's IT infrastructure, which hosts all customer information and key CRM systems. All employees are bound by a specific clause in the contract of

employment, and a non-disclosure agreement with perpetual validity regardless of continued employment status at Dialog. Customer Information is protected by law and regulations, with strict protocols for exceptional, legally required cooperation with authorities, and with severe penalties for non-compliance. Customer complaints in relation to privacy have remained at 0.003% as a percentage of the total base, unchanged from 2013. Further measures to strengthen processes are undertaken through regular basis internal reviews and audits. An increased focus has been applied to the topic of Data Privacy and Information Security since the commencement of Internet Data Centre (IDC) operations in 2012.

## ROAD SHOWS AND NEW EMPLOYEE ORIENTATION ON DATA PRIVACY AND INFORMATION SECURITY

Further to an audit recommendation following a periodic surveillance audit of the ISO/IEC 27001:2005 Information Security Management System (ISMS), the Group's Human Resources (HR), Information Technology (IT) and Legal functions collectively conducted a series of company-wide classroom-style awareness sessions on Data Privacy and Information Security, with broader coverage beyond the ISO 27001 standard's topics. In emphasising the need for protection of confidential information and the consequences of breach, some waypoints covered included,



What Data Privacy  
and Information  
Security entail



The related  
regulatory position



The Axiata  
Group's position



Dialog's Information  
Technology policy



Who has access to  
customer data within  
the organization



Incident  
reporting process



Separate focused internal and external sessions were conducted for employees in the Group IT and Engineering functions on managing mobile security and cyber security from a systems perspective. As an offshoot of this programme, a special session on 'Data Privacy and Information Security' was included in the New Employee Orientation programme starting in 2014. Alongside regular road shows for all staff, these activities are intended to ensure awareness and education.



# Following Best Practices

## BEST PRACTICES IN RECRUITMENT AND PROMOTIONS

Dialog is an equal opportunity employer affording individuals of different backgrounds the opportunity to join its cadre. A transparent and unbiased selection process is followed in hiring employees, adhering to Human Resource best practices devoid of discrimination irrespective of gender, cast, creed, ethnicity or any other differences. Promotions are based on an annual systematic performance appraisal cycle that does not allow for favouritism of any form. In both recruiting and promoting employees, qualifications for the job, skills and performance of the individual take precedence over any other consideration.

Please also refer, 'Employee Development' on page 40

## BEST PRACTICES RELATED TO PRODUCTS AND SERVICES

### Product Responsibility

Dialog promotes the K9 Web protection and Vodafone Guardian safety applications for computers and mobile devices, to help protect customers from undesired or unsafe websites, programmes, applications and for parents to manage their child's smartphone usage.

Since May 2014, Dialog offers the Vodafone Guardian tool free of charge to its customers enabling free usage of the application on a range of Android-enabled devices, giving parents the comfort and assurance that their child is safe from malicious online content, calls and messages as they use a smartphone. The Vodafone Guardian application can be downloaded for free from the Google play store, via a Dialog connection. Dialog Axiata was the first signatory to the GSM Association's Mobile Alliance against Child Sexual Abuse Content in Sri Lanka in 2008, which demonstrates the Company's commitment to protecting children and encouraging safe and responsible use of mobile phones and digital technology among children.

Dialog Direct to Home (DTH) Satellite TV subscribers have access to parental control features via their set top boxes, with step by step instructions available on Dialog's website.

Please also refer, 'Managing Environmental Impacts' on page 50  
Please also refer, 'Compliance with Codes, Policies, and Regulations' on page 54  
Please also refer, 'Health and Safety' on page 55



In 2014 all drivers in Dialog's fleet operation stepped forward as champions of the long-standing Be Mobile Wise initiative, pledging to use hands-free devices and encouraging all staff to set the same example. All Dialog fleet drivers were provided with hands free sets compatible to their individual phones in order to ensure the safety of their passengers and bystanders while carrying out their duties and relaying information.

Dialog's Sustainability team engaged with the young Technology and Social media enthusiast community on responsible technology use, at a regular community meet-up known as nGage. Dialog's popular Be Mobile Wise educational card packs featured at this event, were given away as prizes for participation and questions.

The Be Mobile Wise programme evolved in 2014 to become Be Technology Wise, reflecting the fact that more Sri Lankans are connected in increasingly different ways to a digital lifestyle. The Be Technology Wise initiative better spans Dialog's many technologies delivered through telephony, broadband data and television, and educates customers on safe and correct usage of related technology.

Please also refer, 'Customer Information Privacy' on page 45  
Please also refer, 'Network Quality' on page 43

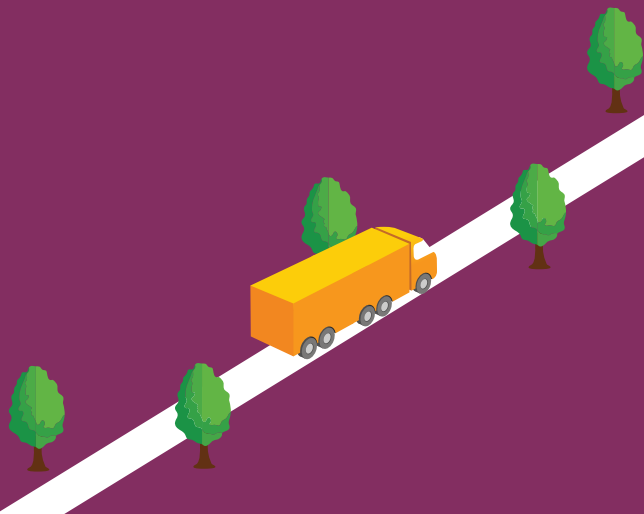
## BEST PRACTICES IN SUPPLIERS AND PROCUREMENTS

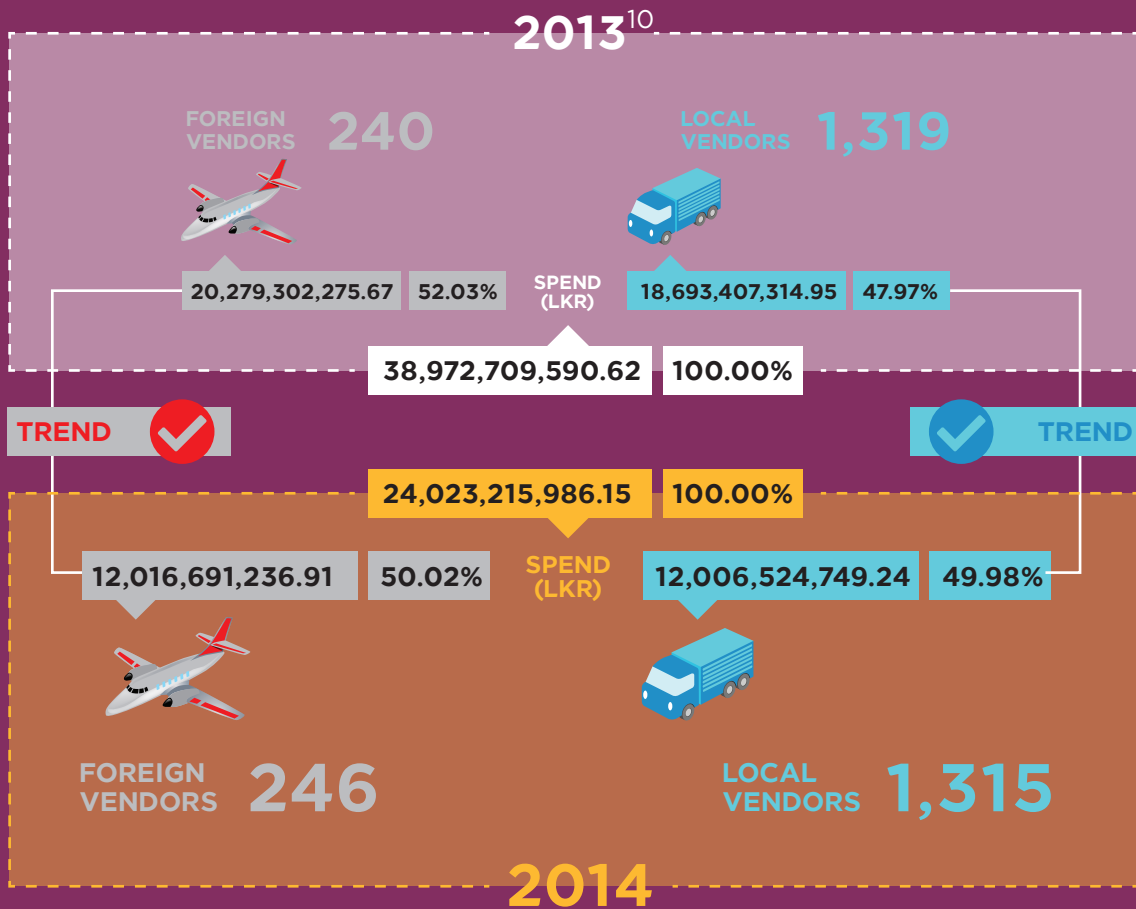
In 2014, Dialog continued to strengthen its Procurement operations under the Supply Chain Management function, whereby a more inward-looking approach to increasing process and resource efficiency was implemented. Whilst this new initiative was undertaken, a focus on ethical and responsible procurement practices continued to be the basis on which Dialog's Supply Chain Management function operates.

All new suppliers are requested to expressly acknowledge compliance with Dialog's Supplier Code of Conduct (CoC) at the time of registering as a new vendor with the Company, covering key labour practices and social and environmental protection criteria. In doing so, they also agree to allow their operations to be audited by Dialog for compliance with the practices stated in the Supplier CoC including social and environmental best practices. Dialog's supplier base saw the addition of 84 new vendors registering with the Company, of which 66 declared their compliance with the Supplier CoC. None of the suppliers were identified to have been in violation of any of the labour practices, human rights, social or environmental performance criteria. This screening was based on the suppliers expressing adherence by making a self-assessment and signing the Supplier Code of Conduct. Dialog's Supply Chain function has since 2013 carried out periodic onsite audits of suppliers. In the reporting period 10 such audits were carried out with satisfactory findings overall, though it was noted that suppliers' staff might benefit from further education on Dialog's Vendor CoC and its implications for themselves.

Dialog at all times strives to prioritise local suppliers over foreign suppliers in its day to day business operations. Most exceptions to this philosophy occur where the required technology or expertise is found to be unavailable locally. Of total supplier expenditures in the reporting year, 49.98% was spent on local suppliers, while the remainder was spent on foreign suppliers. However these total spend values accounted for 1,315 local suppliers and 246 overseas based suppliers respectively.

Another key strategic step taken in the procurements function in 2014 was the implementation of a Spend Performance Management (SPM) Tool in collaboration with Dialog's parent Axiata Group Berhad. This was carried out under the e-procurement project initiated at Axiata, with a view to develop a centralized group-wide procurement management system, that provides procurement information visibility not only within the respective Operating companies (OpCos) but across the Axiata Group as well. This also provides OpCo procurement leaders with greater visibility as well as more meaningful spend analytics which will facilitate the next level of purchasing decisions and maximize savings whilst reducing supplier risks.





As illustrated above, the overall procurement spend has seen a reduction in the year under review from the previous year's spend on procurements. This resulted in a 41% drop in foreign procurements and 36% drop in local procurements in terms of spend values, although number of unique vendors remains almost consistent with the figures reported for 2013.

<sup>10</sup> Procurement spend details reported in the 2013 report have been corrected here, as the changes made in the system due to a few cancelled payments had not been recorded when the data was obtained. However this change has not impacted the number of vendors and as such there is no change in the number of local and foreign vendors reported.

# Managing Environmental Impacts

Dialog's environmental footprint consists most materially of consumption (of energy, water as well as some materials), waste streams and emissions, and radiation (acceptable, known radiation from telecommunications signals).

## CONSUMPTION

### Energy Consumption

Energy is consumed most materially in Dialog's provision of network availability to underpin its services, a highly energy-intensive activity. Dialog's total energy consumption increased by 15% from 2013 to 2014 during the period, while its number of base stations increased from 2,971 to 3,031. Major 2G, 3G, 4G and Optical Fibre Network capacity upgrades raised the baseline energy usage in network operations.

Investments in network infrastructure in 2014 were focused on further modernization and in particular, ensuring a greener footprint. A major modernization in IP core and microwave infrastructure across the network will lead to significant reductions in power consumption while establishing an efficient end-to-end IP network. The last lap of Access Network infrastructure modernizations also commenced in 2014. Thanks to this effort the network is equipped with low power consumption BBU/RRU (Base Band Unit/ Remote Radio Unit) technology replacing indoor macro base stations. Reconfiguring existing transmitters at base stations to more active energy-saving modes such as dynamic transmitter shutdown during low load hours, has also reduced power consumption.

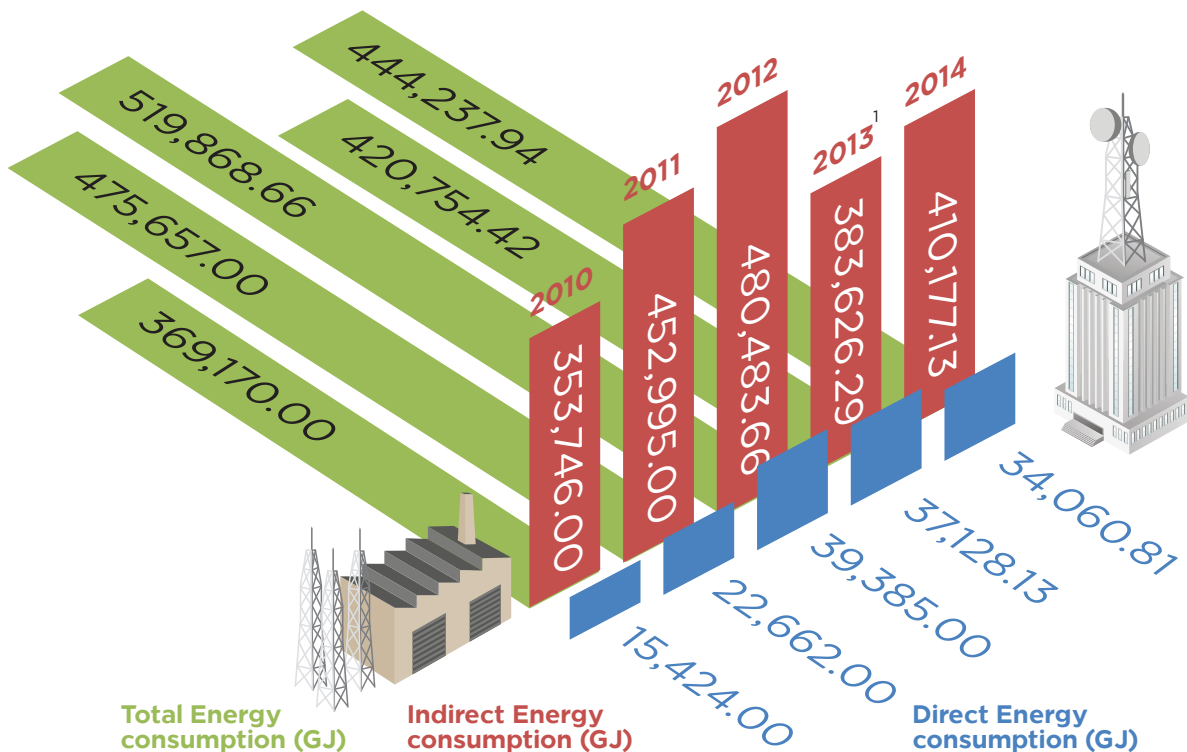
Energy used in delivering Dialog's services is constantly monitored with numerous interventions undertaken to manage and minimize such use. In 2014 the initiative for redeployment and removal of underused generators was continued in order to ensure maximum utilization of generation capacity. The Company also reduced fuel usage, and thereby direct emissions, by connecting to the national grid 19 more sites which previously ran on

generators. Sites employing full-time generators have been reduced from more than 100 to around 60. A focussed effort on obtaining commercial power has helped in reducing full-time generator usage, while at remaining full-time generator-powered sites cyclic battery use reduces generator running hours.

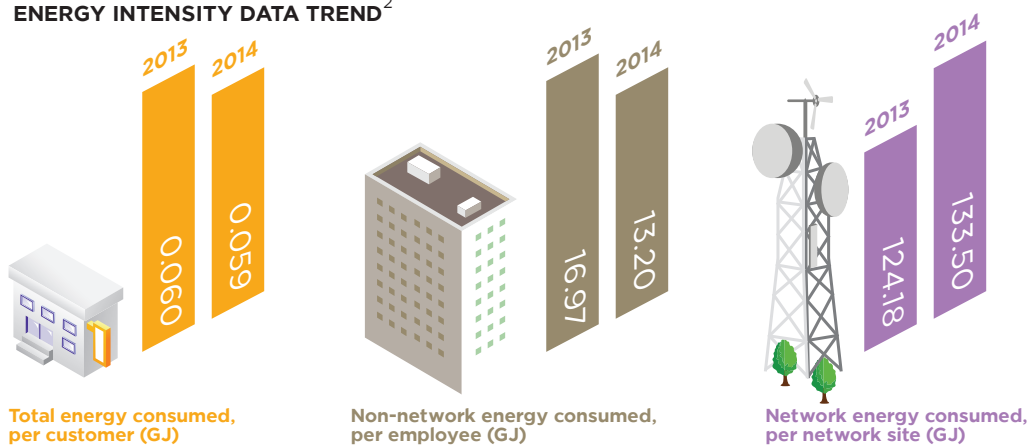
The total number of Green base stations stands at 16 in 2014, reflecting an addition of 4 new green sites. Renewable power sources are redeployed to new off-grid sites as previously off-grid sites are connected to the national grid.

Energy use reduction measures in the Network function in 2014 included deployment of 287 inverter air conditioners; completely switching 51 air conditioned sites to free cooling systems; removal and replacement of over-capacity air-conditioner and free-cooling boxes; replacement of 35 indoor AC-to-DC power rectifiers and 20 outdoor rectifiers with higher-efficiency rectifiers; installation of 138 generator delay units to switch to battery first and thus reduce unnecessary generator starts during short fluctuations; and installing 4 motorized Automatic Transfer Switches (ATS) to govern switching between grid and direct power, more efficient than previous technologies.

Further to this Dialog also trialled Lithium ion batteries and sodium nickel chloride batteries, DC air conditioners and heat exchangers, and at 423 sites made temperature adjustments to reduce air-conditioner load. The results of these different trials will be considered for future.



## ENERGY INTENSITY DATA TREND<sup>2</sup>



<sup>1</sup> Indirect energy figure for 2013 is restated here by employing a KWh to GJ conversion factor of 0.0036. In reports up to 2012 a custom conversion factor was employed. The conversion factor employed for 2013, in switching away from the previous custom conversion factor, has been discontinued.

<sup>2</sup> 2013 figures restated - driven by restatement of Indirect Energy figure for 2013 (see previous footnote)

## Water Consumption

Total water consumption at office sites decreased in 2014 by 18% which was a result of the push tap mechanism which was installed at the Head Office complex in 2013. Per-employee water consumption decreased from 20.66 kl to 17.17 kl compared to the previous period.

Dialog's facilities management team continued this effort by installing push taps in Dialog's iconic new head office building, which has been designed to conform to the LEED (Leadership in Energy and Environmental Design) Gold standard.

## Material Consumption in Operations – E Bills

Dialog, given the nature of its businesses, does not consume materials at the same scale as organizations producing physical products. The most significant material usage by Dialog in providing its services is in the form of paper bills sent to customers. Prior to 2013 we reported the paper procured for use in all operations as the nearest available measured proxy for this indicator. In 2013, to more accurately report on this indicator, we reported the actual volume of summary bills, detailed bills and envelopes consumed in billing operations. We continue this for the year under review.

## E Bill Conversions

Dialog continues to promote electronic billing and summary bills to post-paid customers for its environmental and cost-reduction value. Electronic billing also reduces likelihood of postal delays that may further inconvenience customers. Dialog's Group Billing function completed two promotions in 2014 to increase the number of e bill conversions.

5,577 mobile and television customers, who were briefed by appropriately incentivised frontline staff about the e bill option, chose to switch to electronic billing in 2014. An internal staff campaign incentivised staff members to

convert customers on their personal networks to electronic billing, resulting in a further 603 conversions.

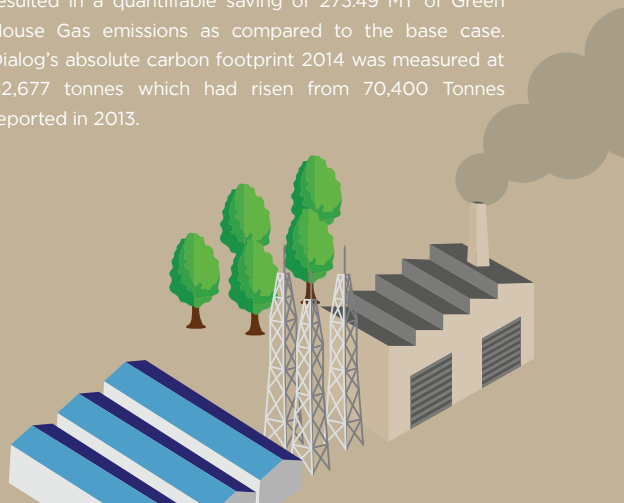
## E-Payslips

An effort was undertaken by the Group HR function in 2014 to reduce material use, costs and delays in producing and delivering paper-based pay slips to employees. Payment execution and email dispatch of payment advice are now carried out by one of the Company's banking service providers. Within the year 93% of staff were transitioned to electronic pay slips, reducing material usage corresponding to monthly print runs of around 2,800 paper pay slips with associated delivery costs and delay-related dissatisfaction.

## Emissions, Effluents and Waste

Dialog's highly energy-intensive network operations, most materially, are powered by both the national grid as well as renewable and non-renewable direct energy sources where national grid supply is non-existent or intermittent. Since 2008 Dialog has measured energy consumption where provided by diesel generators and derived CO<sub>2</sub> emissions, and attempted to reduce emissions by setting internal targets.

The energy-efficiency efforts mentioned previously resulted in a quantifiable saving of 273.49 MT of Green House Gas emissions as compared to the base case. Dialog's absolute carbon footprint 2014 was measured at 82,677 tonnes which had risen from 70,400 Tonnes reported in 2013.



## Biodiversity

Dialog's most material area of operations that may impact biodiversity are its network expansion and maintenance activities that on occasion occur adjacent to high biodiversity areas, given Dialog's island-wide network of towers. Dialog follows all environmental regulations related to site acquisition and maintenance, including any special clearances where necessary from the Departments of Wildlife and Forestry, and fulfilling the requirements to receive mandatory certifications of compliance with all requirements by the environmental regulator. In assessing readiness in 2014 for the ISO 14001 Environmental Management System, measures were undertaken to prevent the dumping of waste and spills.

Only 4 of Dialog's base station sites, representing 0.84% of total sites, are in close proximity to protected high-biodiversity areas. Dialog routinely takes all necessary measures to comply with all regulations and to minimize minimum damage to these locations. Dialog identified in 2014, 30 sites adjacent to non-protected areas popularly considered to exhibit high biodiversity. Dialog intends to go beyond the regulated requirements to identify potential impacts of our presence in undeclared areas that may yet be found to exhibit high biodiversity.

## mWaste

Dialog expanded its mWaste collection points to all its arcades and franchise outlets, numbering in total 145 collection points across the country, further expanding a programme commenced in 2007 to enable customers to responsibly dispose of their mobile waste. Dialog Customer Service teams introduced mWaste boxes at the sites of several corporate clients who signed up to collect and hand over to Dialog the recyclable mobile waste for responsible recycling.

As a continuation of its legacy as the pioneers in setting up the mobile waste collection program with the Central Environment Authority in 2014, Dialog signed up for the Corporate E waste Management Week which took place between the 27th May to 2nd of June. Dialog renewed this partnership by signing a MOU with the Central Environment Authority on the 26th of May during an event and committed to carry out the Mobile waste collections through our network of retailer outlets.

Dialog also extended its support to a request from The Central Environment Authority for a CRT monitor recycling initiative conducted.

## Environment Week

The third annual Dialog Environment Week ran as a two-week long "Bring your Waste to Work" campaign for all Dialog Employees. It was identified that insufficient infrastructure and services exist for waste segregation, recycling and disposal. Through this programme Dialog set up recyclable waste collection points in 5 office locations in Colombo for employees to drop off their polythene, paper, plastic, glass and E waste. The collected waste was then handed over to companies registered under the Central Environment Authority (CEA) for responsible recycling.



# Compliance with Codes, Policies and Regulations

Apart from the general laws of the land and financial regulation which apply to all operations, specific licenses issued by the Telecommunications Regulatory Commission of Sri Lanka (TRC), the Ministry of Media and Information of the Government of Sri Lanka, and the Central Bank of Sri Lanka (CBSL) apply to specific operations and products.

No incidents of non-compliance were reported in 2014 in legal, environmental, financial, or regulatory compliance areas.

Dialog places strong emphasis on compliance and stakeholder awareness of such compliance. Stakeholders' awareness of Dialog's compliance, and of Dialog's responsiveness to concerns and issues, are key to the company's "license to operate."

Approvals for new network towers involve compliance with TRC as well as Central Environment Authority (CEA) requirements for Environment Protection Licences (EPL). Promotions and sales, while adhering to basic consumer protection practices, also comply with regulatory requirements as Dialog operates in regulated industries. Packages offered to consumers are subject to approval by the TRC and bear such approval numbers in all promotions. Packaging on hardware resold by Dialog complies with labelling requirements and TRC regulations.

Dialog's employee-related policies and procedures comply with the Shop and Office Employees Act, and International Labour Organization (ILO) standards and guidelines. All employees are advised of their rights and responsibilities and issue management options and procedures via an Employee Code of Conduct made available in multiple forms with regular reinforcement. These include anonymous Whistle Blower Policies and Ombuds processes with strong protection for employees wishing to raise issues they feel cannot be handled through other processes.

Dialog's Vendor Code of Conduct goes beyond external compliance by requiring suppliers and vendors to acknowledge their compliance with social and environmental best practices maintained by Dialog, thus extending the Company's best practices further up its value chain.

The Dialog Group of Companies, comprising Dialog Axiata PLC, Dialog Television (Pvt) Ltd, and Dialog Broadband (Pvt) Ltd comply with the ISO 2001:2008 Quality Management System Standard, which provides the framework for ensuring consistent service quality and process compliance.

Dialog Broadband Networks (Pvt) Ltd, which operates Internet Data Centres, and Dialog Axiata PLC's Group Information Technology function also comply with the ISO/IEC 27001:2005 Information Security Management System Standard.





# Health & Safety

## Customer Health and Safety

All consumer hardware sold by Dialog is tested for compliance with the safety standards stipulated by the Telecoms Regulatory Commission of Sri Lanka (TRC SL).

## Public Health and Safety

Dialog complies with all environmental and safety regulations with regard to siting, installation and operation of towers.

The Be Mobile Wise mobile phone safety education campaign promotes responsible use of mobile phones to protect the safety of mobile phone users and those around them.

## Employee Health and Safety

Dialog's employees and outsourced cadre numbering over 4,000 individuals in the course of their duties engage in a variety of activities that include hazardous activities as well as tasks that can lead to occupational injuries.

Employee Health and Safety at Dialog is addressed via a special Health and Safety function established under the Group Human Resources office. This function however has its presence across the Dialog Group, in the form of a formal joint management-worker Health and Safety Committee to oversee the Health and Safety operation of Dialog's entire workforce. 2.21% of the total workforce was represented in this committee in 2014. This Committee is an inclusive entity, in that it sufficiently includes representatives of the female workforce as well as the outsourced cadre, to ensure their needs and concerns are heard. The committee and its roles and responsibilities are reviewed each year to further improve this function, which plays a vital role in the welfare of the organization's employees. However, Dialog has also been exploring several standards and guidelines in relation to this subject, in order to further strengthen and formalize the Health and Safety function, which is currently under review.



In addition, Dialog supports medical expenses of all its permanent and fixed-term contract employees in the form of reimbursements of non-hospitalization medical expenses (Out Patient Department - OPD - expenses), with a standard amount applicable for all employees irrespective of employee category. This medical reimbursement scheme also supports the medical needs of immediate family members where applicable. The Company also takes care of hospitalisation and other unforeseen medical emergencies of employees via a medical insurance cover provided to every employee in the permanent and fixed-term contract cadre. Thus, Dialog stays ahead of many of its peers in the local corporate space in offering care for its employees in the form of a generous medical support scheme.

In the absence of a formal process to measure Injury Rate (IR) and Lost Day Rate (LDR) metrics, these are not reported in the 2014 disclosures. This has been included as a target for the 2015 period and progress will be reported in the 2015 report.





# Maximising VALUE

Beyond the activities most immediate to the Value Creation, Value Preservation and Value Delivery cycle, Dialog undertakes many community investments and partnerships to maximize the Value Dialog and its partners create.



## Blood SMS

BloodSMS Version 2.0, a continuation of our partnership since 2002 with the National Blood Transfusion Service (NBTS) of the Ministry of Health, was launched by the Hon. Minister of Health at the time, on World Blood Donor Day 2014, which Sri Lanka, having one of the few 100% donor-driven national blood systems, had the honour of hosting. Built on the futuristic IdeaMart platform that won accolades as the 'Best Technology Enabler' at the Mobile World Congress, BloodSMS Version 2.0 allows the NBTS to grow and interact with its pre-screened base of blood donors, while managing the national and regional blood stock more efficiently. Blood donors make the unique commitment to bear the cost of the rarely-used charged services as part of their meritorious commitment, thus ensuring the system's sustainability at no additional cost to the NBTS.

The new version of the system enables the National centre connect with 18 regional Blood Collection Centres island wide using a purpose-built app running on Dialog Smart Tabs donated for use at each of the locations.

Dialog subscribers can continue to register for blood donation via SMS, by simply typing REG<space>BLOOD and sending to 770 with their Dialog mobile. Upon registering they can access free of charge the services provided by the National Blood Transfusion Service using their Dialog mobile by dialling #770#, and even locate the nearest blood donation centre and view their donation history. The service was first launched in 2002, and it won a GSMA Global Award for the best use of wireless technology for emergency situations.



or Day

ENT

SRI LANKA





# Nenasa



'Nenasa' is a partnership between Dialog and the Ministry of Education of the Government of Sri Lanka aimed at enhancing the quality and reach of education within Sri Lanka. Dialog supports content development, and has donated key equipment to the National Institute of Education under the Ministry of Education which oversees content and script production and quality assurance. The Dharmavahini Foundation, a Community Based Organization, has contributed content and expertise to Nenasa as well as other Dialog education initiatives. Nenasa makes full use of Dialog's expertise and leadership in information and communication technologies to enable digital inclusion, distance learning and other means of enhancing the public's ability to seek knowledge and learning.

Over the years, Nenasa has become a Public-Private Partnership of national importance. Dialog has donated 2,000 televisions to connect schools around the island to the Nenasa Distance Education Channels. The 'Nenasa Laboratory' has become an integral part of the 'Mahindodaya Technical Laboratory' buildings constructed in 1,000 secondary schools across the country. A most encouraging development is the amount of requests for schools outside of the planned list of recipient schools, being independently equipped with televisions through various means such as donations from past pupil groups, with requests to the Ministry and to Dialog being gladly served to connect them to the network.

The project took a step forward in the year 2014 with another 250 TVs donated to the project by World Vision International, expanding the total reach of the project beyond the 2,000 schools and Teacher Training Colleges equipped by Dialog, and embarking on the path of building a broader-based partnership to serve the nation's education needs.

Today Nenasa Channel 10 and Channel 11, focusing primarily on English, Mathematics and Science for the Ordinary Level examination, reach all Nenasa-connected schools as well as all Dialog TV subscribers, at no extra charge. Educational material for new syllabuses and additional grades and streams of study, in both Tamil and Sinhala, are under development, while additional channels are to come online during 2015 and later years.



## 2000 Schools Project

Total Connected: 1763 (including 851 Mahindodaya schools)

## Beyond 2000 Schools Project

World Vision Donated 250 TVs to the project  
31 additional schools receiving TVs from other sources were connected upon request

## 2,000 televisions donated by Dialog to the MoE between 2009 and 2013.

Over 100 teachers were selected as resource persons to carry out this project, including teachers from the Northern and Sabaragamuwa provinces, and capacity building workshops were held to improve skills of selected teachers for the project.





NENASA

# Dialog Merit Scholarships Programme

The induction of the 10th batch of G.C.E. Ordinary Level Dialog Merit Scholars, who sat their exams in 2012, was held at Devi Balika Vidyalaya in Q1 of 2014. This was a milestone event in the Dialog Merit Scholarship Programme as the initiative celebrated its tenth year anniversary.

To date 570 scholarships were awarded under this programme, inclusive of both G.C.E. Ordinary Level and G.C.E. Advanced Level students. The Induction of the ninth and tenth cohorts of G.C.E. Advanced Level scholarship recipients (whose exams were held in 2011 and 2012) was held in October 2014. A sum of nearly Rs. 6.6 million worth of scholarship grants have been disbursed during the reporting year.

The Dialog Merit Scholarship programme has since 2003 awarded monthly disbursements to the top students in every one of the island's 25 districts at the G.C.E. Ordinary Level and G.C.E. Advanced Level examinations. District-topping Ordinary Level students as well as the five national leaders, who choose the Mathematics stream in the state curriculum at the Advanced Level, are supported through their studies up to the Advanced Level examination. District-topping Advanced Level Mathematics students, as well as the best male and female student at the national level, who enter state universities in the engineering disciplines, are supported through their undergraduate studies. The active support of the Ministry of Education, and of the Ministry of Higher Education and the University Grants Commission, are vital to the success of this long-standing Public-Private Partnership devoted to supporting excellence in Sri Lankan education.





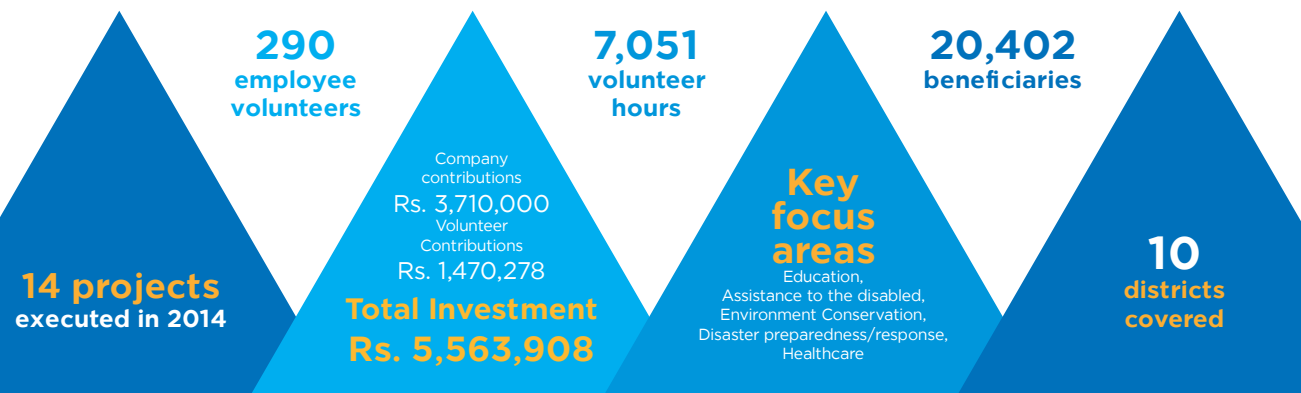


# Dialog Volunteer Network (DVN)

The Dialog Volunteer Network, which empowers staff members to propose projects aligned with Dialog's community investments in a competitive process, embarked on a new format enabling significantly larger teams, projects, and investments in beneficiary communities, bringing in external experts as well as senior managers as arbiters. The programme also saw an increased outlay

compared to previous years, with per-project and total awards being significantly higher. Dialog's direct financial contribution was amplified by another 40% raised by employees. More than 9% of the employee base volunteered more than 7,000 person-hours directly benefiting more than 20,000 individuals in a variety of projects, amply justifying the new approach.

Project Name	Project Team	District
Pure Water for All	CC-Network / IT - Converged Charging	Polonnaruwa
Mahabodhi Vidyalaya	Payment Operations & Control	Colombo
Mandaramnuwara school water project	Facilities Management	Nuwara Eliya
Sri Rahula Vidyalaya - Open Stage and Retaining Wall	Dialog Network Services- Uva Region	Ratnapura
Com-Unity - Water	National Sales - North Central	Anuradhapura
Every Child Matters - Meegawewa Primary School	Group Business Programme Management Mobile Money and Digital Services Operations	Polonnaruwa
Matibambiya Maha Vidyalaya	HR- Payroll / Pre Paid Ops / Billing / Supply Chain	Nuwara Eliya
Education and Health and safety facilitation project	Warehouse Operations / Network Operations & Management /Group Information Technology	Rathnapura
Meegahakiula Komarika school - School Roof Renovation	Facilities Management	Badulla
Kaithady Nuffield school	Group Service Delivery - Jaffna	Jaffna
Pediatric Ward - Vavuniya	Group Service Delivery - Vavuniya	Vavuniya
Weliweriya Madduma Bandara Maha Vidyalaya	Dialog Network Services WCR	Gampaha
Thirugnanasampanthar Vidyasalai	Dialog Network Services - North	Jaffna
Supplying a Water filters to G/T/M School	National Sales - North	Mannar



Deliverable	Beneficiaries	Volunteer hours
<ul style="list-style-type: none"> <li>Constructed a room for water filtration</li> <li>Water testing performed, and an appropriate Water Purifier System was installed and commissioned</li> <li>Educated the community on taking ownership and maintaining the system</li> </ul>	2,000	975
<ul style="list-style-type: none"> <li>Renovated Science and IT laboratories • Refurbished electrical wiring system of entire school</li> <li>Renovate IT lab • Provided sanitary and drinking water facilities</li> </ul>	800	446
<ul style="list-style-type: none"> <li>Connected school to water source at distance of 3Km, having negotiated routing and permissions</li> </ul>	72	1,209
<ul style="list-style-type: none"> <li>Demolished existing dilapidated structure and constructed new retaining wall</li> <li>Constructed an open stage</li> </ul>	420	360
<ul style="list-style-type: none"> <li>Constructed bases upon which to place water tanks at locations nominated by Divisional Secretariat</li> <li>Deployed water tanks, installed and commissioned water distribution facility</li> <li>Educated the community and government officials on taking over and sustaining the project</li> </ul>	3,145	224
<ul style="list-style-type: none"> <li>Repaired building and plumbing system • Deployed full scale Water Purifier system in the school</li> <li>Equipped primary school with a play area, and school library with essential books for ages 5-16</li> <li>Facilitated access to digital knowledge experience via Nenasa channel • Educated the community in order to sustain the project</li> </ul>	5,000	489
<ul style="list-style-type: none"> <li>Constructed water system • Renovated sanitary and drinking water facilities • Renovated school building</li> </ul>	183	767
<ul style="list-style-type: none"> <li>Mihitiya Vidyalaya - Repaired staircase and provided railings / Established School Library</li> <li>Aththota Vidyalaya - Renovated drinking water facility / Established School Library</li> <li>Dharmapala Maha Vidyalaya - Upgraded computer laboratory</li> </ul>	2,000	700
<ul style="list-style-type: none"> <li>Renovated roof of main building • Refurbished school furniture</li> </ul>	35	608
<ul style="list-style-type: none"> <li>Renovated the proposed room to be used as the Computer Laboratory</li> </ul>	100	640
<ul style="list-style-type: none"> <li>Renovated the ward complex and implemented 5S</li> <li>Educated hospital staff on maintaining the ward based on the 5S framework</li> </ul>	840	400
<ul style="list-style-type: none"> <li>Donated equipment and established a dedicated room for the School Band</li> </ul>	40	105
<ul style="list-style-type: none"> <li>Renovated and converted proposed room to be used as School Computer Laboratory • Procure the required equipment</li> <li>Donated computers and other related IT equipment</li> </ul>	100	0
<ul style="list-style-type: none"> <li>initiated the water filtration room construction • Water testing performed, and an appropriate Water Purifier System was installed and commissioned • Educated the community on taking ownership and maintaining the system</li> </ul>	1,200	13

## DVN-O PROVIDES CLEAN DRINKING WATER FACILITIES TO STUDENTS AND VILLAGERS IN THALAIMANNAR

Access to clean, safe drinking water has been a longstanding problem in the Mannar District due to high Calcium saturation in the groundwater. The chronic kidney disease prevalent in the area is directly linked to the scarcity of safe drinking water. A team of Dialog staff volunteers that identified this issue, worked together through the company's Volunteer Network (DVN) programme to provide potable water to a group of school children in Thalaimannar.

The Northern sales division of Dialog selected Mannar G/T/M school located in Thalai Mannar to implement their project to provide safe drinking water facilities, which touched the lives of over 550 students, 30 teachers as well as over 1,200 local villagers.

The main aim of the exercise was to provide water filters to purify the water and to provide water that was safe for consumption. To that end, two large water tanks were built to retain water supplied to the school through bowsers, and filters installed to make the water safe for consumption. The team also built a facility complete with tiled floors for the school children to drink water. The students, teachers, parents and villagers assisted the Dialog team in constructing the facility, installing tanks and painting the area.

Prior to the implementation of the project by Dialog, the school children were compelled to carry their own drinking water despite having to travel long distances to reach the school. Many parents who assisted the Dialog team said the children did not have any alternative but to drink the contaminated water on days they forgot to bring their own water. It was with great relief that they assisted and thanked the Dialog team for initiating the project that offered the children with access to safe drinking water.

Coordinator of the DVN Outreach project of the Dialog Northern Sales Division, Mr. Punya Moorthi commenting on the efforts of the team at the Mannar G/T/M school said, "Despite their busy work schedule in meeting sales targets particularly during the fourth quarter of the year, they worked tirelessly to help these deserving school children. If not for their commitment, this project would not have been completed promptly."

While thanking all the team members for their contribution, he added, "They showed a true spirit of Service from the Heart and I am very privileged to have led this team. We look forward to continuing many more projects to bring better days for those around us, via the Dialog Volunteer Network initiative."

The students, teachers and parents who benefitted through the project were very grateful to Dialog since it resolved one of the major issues they faced. The school authorities, with the help of parents agreed to ensure the proper maintenance of the water tanks and filters and sustain the project for the benefit of future generations.







## **SAFE DRINKING WATER FOR ALL BY THE COM-UNITY PROJECT**

Project 'Com-unity' - initiated as part of the Dialog Volunteer Network (DVN) Challenge 2014, was aimed at providing access to poor farmers and their families to clean drinking water in areas where pipe-water supply is unavailable.

The project also aimed at contributing towards the prevention of the chronic kidney disease that has plagued the people of the Anuradhapura district.

The work implemented by the project team consisting of 30 members helped uplift the living standards of more than 3,000 people in 23 villages in the Padaviya Divisional Secretariat.

The team consisted of staff from eight divisions of Dialog. Six Dialog business partner staff members and 10 distributor staff members also joined hands, making it one of the most diverse volunteer teams in the DVN outreach network.

During the implementation of the project, the people in Padaviya were severely affected by the drought. Well water was not consumable due to being contaminated by pesticides and artificial fertilizers. The Divisional secretariat had established a system to supply drinking water to the villages through bowser but the villagers were not equipped with storage facilities.

Therefore, tanks that could store and retain water until the next bowser arrived were a vital need in the villages and that is where the Com-Unity team stepped in and installed water tanks in each village to ensure that consumable water was available 24 hours a day for the villagers.

As always, stakeholders' involvement is critical for the success of any volunteer project and it was amply extended by the communities in Padaviya. Some 14 Grama Sewakas led by the Divisional Secretariat, the Cooperative Society of the area and villagers enthusiastically assisted the project to make it a success.

A total of 23 double-layer water tanks with a 1000 litre capacity, were installed in the 10 villages and were included in the inventory of the divisional secretariat. The future maintenance is to be done by the Divisional Secretariat. In each village, a Community Based Organisation (CBO) was set up to ensure the sustainability of the project. The CBO together with the Grama Sevakas of the area will coordinate to send water bowser twice a week to refill the water tanks and provide drinking water continuously to the villagers.



Sanjeeva Wimalagunaratna of National Sales who gave leadership to the project said, “We as a team, worked together to make this project a reality. If not for the strong leadership, smooth coordination and active participation of all members, a project of this magnitude would have been impossible. I also wish to thank the Padaviya Divisional Secretariat, Grama Sewakas and the villagers who showed great enthusiasm and assisted us in every way.”

For the people of Padaviya who had to endure harsh climate conditions, natural disasters, environmental hazards and poverty, there's no doubt that this project has ushered in a welcome change to their lives. True to the objectives of the DVN programme, the Com-Unity project team has given the people of Padaviya hope for a better future.









## DVN OUTREACH USHERS IN BETTER DAYS FOR MATIBAMBIYA

Despite being located in the backwoods of the Nuwara Eliya District and deprived of the most basic facilities, students of the Matibambiya Maha Vidyalaya have excelled in their studies and extracurricular activities over the years. Under the DVN programme, a group of 16 team members led by Kanchana Wijewardana selected Matibambiya Maha Vidyalaya as a beneficiary for the team's project upon witnessing the hardships faced by its students..

The team's primary goal had been the construction of a water supply system for the school children and villagers living in close proximity to the school through a process named 'spring capping' – a technique through which, water from a natural source such as a spring, is retained by constructing a protective structure to collect and maintain the purity of the water.

For this purpose, water tanks had been installed at the school premises and in the school playground. Pipes leading from the natural spring provided a constant flow of water to the tanks and taps were fixed at locations within the school, to distribute water to the students. Families residing close to the school had also been given access to the water supply and outdoor showers had been fixed for their use.

Toilets that were unusable at the school due to poor maintenance had been repaired to provide better sanitation facilities. Moreover, the team had volunteered to completely rewire an entire building inclusive of the Principal's room that had posed a safety hazard for the students and staff due to dilapidated conditions.

The lack of shower facilities in the staff quarters was resolved by building a shower room so that the staff could use the school quarters. Sundry repairs to the school

buildings, the stairway and the drainage system had been done and two school buildings were completely painted. The team had also donated three new blackboards.

Team Leader Kanchana Wijewardana commenting on the project said, "The school was in a very remote area so we had to travel a long distance and stay overnight to do the project work. Due to mist setting in early we had to stop work around 2.00 PM each day. The natural water source that we utilized was atop a hill and we had to temporarily stop construction due to a risk of landslides until clearance was given. Despite these challenges, our team worked very hard to achieve the desired results and ended up doing more than what we initially planned. This was not our first volunteer project and the experience from past projects too helped us."

Some 169 school children, 12 staff members and several families of Matibambiya were among those who benefitted from the project. Dialog brought a positive change to their lives for which, they expressed their sincere gratitude.





# Ratmalana Audiology Centre

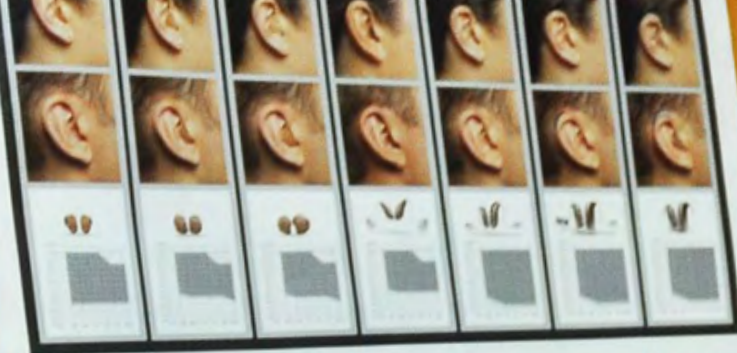
The Ratmalana Audiology Centre (RAC), an unique partnership with the Ceylon School for the Deaf and Blind, has for seven years provided free hearing tests to the students of the School and qualifying members of the public, cross-subsidised by paying customers for its world-class hearing tests, speech therapy and sales of high-quality, custom-calibrated hearing devices at affordable prices. The partners' vision is for it to be a Centre of Excellence in research, practice and teaching for hearing and speech, with early detection and therapy.

In 2014, RAC served over 7,000 clients including free services for the students of CSD as well as to those who could not afford to pay for such services.

Besides the focus to extend services to a wider community, in 2014, RAC took measures to enhance the quality of services. Such measures included conducting training programmes for its audiometricians to update and advance their technical know-how as well as introducing changes to operating procedures to make clinical follow up services more systematic.

Dialog's investments in 2014 were significantly above average, and included new state-of-the-art machinery to conduct Auditory Brainstem Response (ABR) testing, key to detecting hearing impairments in infants and thus ensuring the earliest possible interventions to help them lead normal lives. With Dialog's support, RAC hosted its first Consultants' Forum in December 2014. This brought together local and foreign ENT specialists and created a platform to discuss topical issues associated with hearing and speech defects to and to learn from each other's experience.





oticon  
PEOPLE FIRST

People First logo provided for information only. It is not a trademark of Oticon. Oticon is a registered trademark of Oticon A/S.





# Disaster and Emergency Warning Network (DEWN)



The Disaster Emergency Warning Network (DEWN), South Asia's first mass alert early warning system was established in Sri Lanka in January 2009 following the Indian Ocean Tsunami of 2004. Developed by Dialog Axiata together with Microimage Media (Pvt) Ltd and the Dialog-University of Moratuwa Mobile Communications Research Laboratory in partnership with the Disaster Management Centre (DMC), DEWN used GSM communication technology and devices in revolutionary ways to transmit alerts through the GSM network to issue customized alerts to recipients. The DEWN partners formally launched Version 2.0 of the early warning system, at the commemoration of the tenth anniversary of the Indian Ocean Tsunami on 26th December 2014, a date that is now known in Sri Lanka as National Safety Day.





# Other Disclosures

## DIRECT ECONOMIC VALUE GENERATED (GROUP)

Direct Economic Value Generated (Group)	YTD 2014	YTD 2013
Revenues (Net sales plus revenues from financial investments and sales of assets)	67,634,399,000	63,498,611,000
Economic value distributed (Group)	49,172,142,453	43,095,691,279
Operating costs (Payments to suppliers, non-strategic investments, royalties, and facilitation payments)	16,451,236,692	17,970,286,932
Employee wages and benefits (Total monetary outflows for employees (current payments, not future commitments)	5,169,624,000	4,908,644,000
Payments to providers of capital (All financial payments made to the providers of the organization's capital.)	3,085,540,000	3,128,959,000
Payments to government (Gross taxes)	24,424,865,308	17,020,177,429
Community investments (Voluntary contributions and investment of funds in the broader community includes donations)	40,876,453	67,623,918
Economic value retained (calculated as Economic value generated less Economic value distributed) - Investments, equity release, etc.	18,462,256,547	20,402,919,721





## CUSTOMER EXPERIENCE

An annual customer satisfaction survey is conducted as part of customer experience monitoring and improvement efforts. Call centre calls are monitored randomly and followed up with simple satisfaction questions to callers, with SLAs for resolution and satisfaction rates. Dialog was voted as the Youth Brand of the Year, Most Preferred Telecom Service Provider of the Year, and Internet Service Provider of the Year, and was voted to have produced the Advertisement of the Year in an independent national survey.

The Group Service Delivery function is the focal point for providing customer service and ensuring satisfaction. A key focus in the Group Service Delivery function for the year 2014 continuing from 2013 was to improve customer experience (assessed via the Net Promoter Score mechanism - NPS) and operational efficiency in delivering consistently high-quality service to all Dialog customers. These efforts were recognized when Dialog was ranked Sri Lanka's Leader in NPS for the 2nd consecutive year among Sri Lankan telecommunications companies, ranked by Nielsen Singapore.



The Group Service Delivery function enhanced its focus on increasing sales and cost efficiency during the year, in addition to maintaining providing optimum value to customers as its core guiding principle. To this end, internal processes were further reviewed in order to reduce lead times involved in different processes, thereby reducing lag at the customer end.

Some major Group Service Delivery initiatives in 2014 were,

- Launch of the Dialog self-care application targeting the smart phone user base, empowering customers to have access to self-care services at their convenience
- Launch of #147# unified USSD self-service portal for the feature phone base. #147# includes a search option to simplify the use of the USSD portal
- People CMM level 5 certification - the only Sri Lankan company to have this certification which looks into high performance processes and capabilities in people management and operational excellence
- 197 regional service camps carried out, bringing dialog services closer to customers. These service camps included product / service demos, issue resolutions, educating customers of the services available to them
- 40 retail events held to engage customers in celebrating events whilst increasing footfall & revenue.
- Discount offers and events to reward long-stay and high-value customers
- The social media customer support function was enhanced and strengthened with Social bakers recognition for customer engagement - Q3 79% (industry benchmark 83%)
- Launch of five Dialog shop-in-shop outlets with extended hours for customer convenience in high-footfall locations in Rajagiriya, Thalawathugoda, Wattala, Arpico Super Centre Hyde Park & National Identity Card office

## WORKFORCE OPERATIONS

In the year under review, a key focus of Dialog's Group Human Resources function was the internal mobility drive commenced to enhance productivity and efficiency while offering employees multiple career tracks and career development opportunities. 275 jobs were advertised internally receiving a total of 470 applicants. Within 7 months of this initiative taking off, the Company saw 152 employees applying to a new internal mobility programme, leading to 91 applicants making new career changes.

Under this initiative, the Internal Career Mobility Support Centre (ICMSC) was established as a dedicated function under the Group HR portfolio to encourage career movements and to ensure fast skill transfer for employees. The ICMSC focuses on developing skills integral to employees on change management, acquiring of new skill sets pertinent to chosen fields, induction on the function itself and adopting to a new culture. The ICMSC is equipped with internal faculty and external trainers using different training models suited to the fields of work. Sessions are not necessarily confined to classrooms, and different tutor-based models are used.

As a key development in the engagement strategy in the year under review, the company focused on increasing employee engagement in the regions, where Dialog accounts for 16% of its total employee strength spread across 8 regions. 702 (531 Dialog and 171 outsourced staff) staff members and their families in 6 locations enjoyed opportunities away from the workplace to mingle and relax with senior company leadership. Strengthening alignment to a common goal and vision while building engagement and purpose were the objectives of these events, whereby employees based out of Colombo operations feel an equal sense of belonging with the rest of the Company and are provided equal opportunities on all fronts.

The Company as part of its HR strategy also continued to maintain focus on seeking constant feedback from employees using an external consultant for transparency (Towers Watson) for the fourth consecutive year. In 2014, 2,772 of the staff responded to the survey and the Company has thus managed an engagement score of 80%. Employees have many avenues to reach the management formally and informally - direct access to the GCEO, an open door policy that prevails at all levels of management, Skip Level meetings between managers and employees below their direct reports, Town Hall Sessions, the HR Pal help desk system for HR-related inquiries and escalations by staff, the HR hotline, an independent Ombudsman process operating since 2010, and the 360 degree survey are some available means.

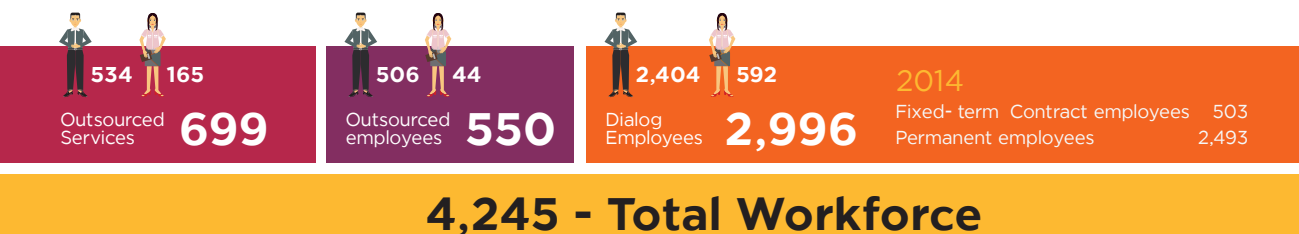
As mentioned in the previous report, the Company values were re-defined in 2014. As such Dialog embarked on a robust initiative to live and understand the Company's values. Workshops were conducted to refresh selected employees on the Company's values, and to derive realistic Situational Judgement Tests with consensus on appropriate actions for different values-related challenges. Several different unconventional formats were used to engage all employees through the year on applying the values to situations in their lives, to create a culture of 'Living our values' and to drive high performance through uncompromised integrity.

An increase was observed in the Disciplinary cases brought to notice in the reporting year, mostly stemming from internal process violations during the year. As a mitigation plan, a refresher training session has been formulated, focusing on workshops on increasing awareness on the Company's values. The increase in the disciplinary cases reported may also be attributed to a possible outcome of these refresher training sessions carried out during the year, as most employees with increased awareness feel it a responsibility now to blow the whistle when instances of breach are perceived.

## OTHER STANDARD DISCLOSURES

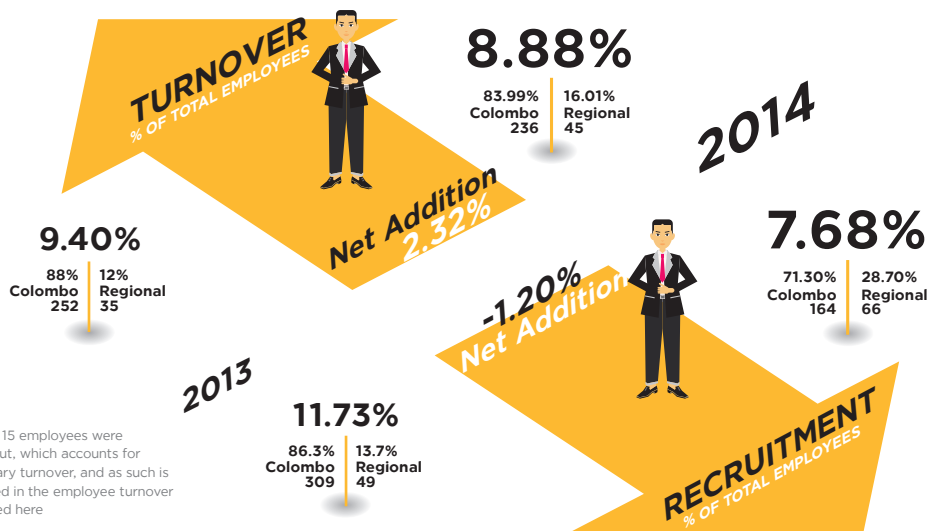
### OUR WORKFORCE

The Dialog employee base saw a minor reduction of 57 employees from a total of 3,053 in 2013 to 2,996 in the year under review. The outsourced employee count which was 550 in Dec 2013 remains the same as at end of 2014. Other outsourced services inclusive of security, janitorial, and tea service staff accounted for a total of 699 at the end of 2014. This brings the total workforce count to 4,245 in 2014, in comparison to 4,398 in the previous reporting year.



The group has maintained its male to female ratio of employees at 80:20 over the reporting year, continuing from previous years. The recruitment and turnover figures denote the same ratios among male and female employees.

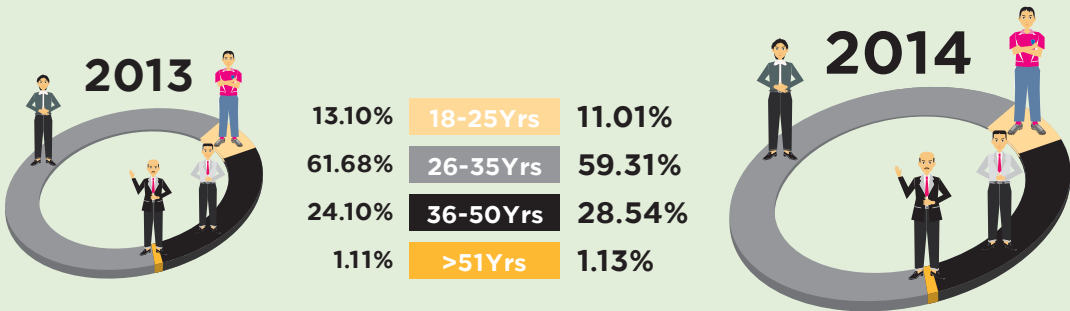
The majority of employee turnover occurred among Colombo based employees, accounting for 84% of turnover, with an overall turnover rate of 8.88%<sup>11</sup>. Turnover in the Colombo region in the previous reporting year accounted for 88% of an overall turnover rate of 9.40%.



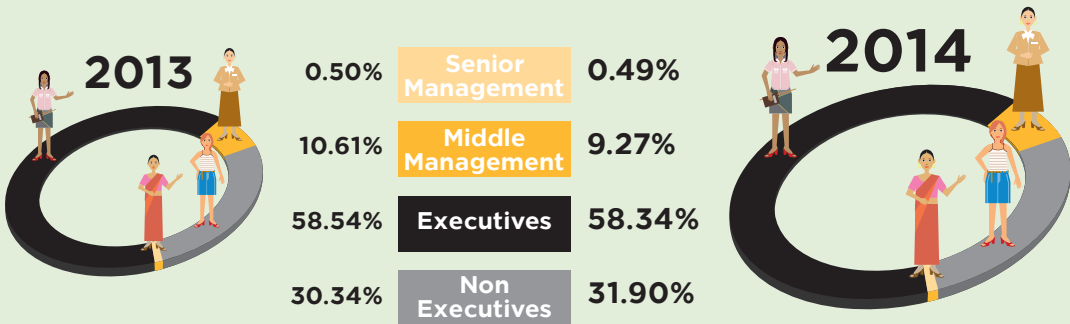
<sup>11</sup> In addition, 15 employees were managed out, which accounts for non-voluntary turnover, and as such is not captured in the employee turnover rate reported here

External Employee recruitment was limited to 230 employees in total for the year, which denotes a recruitment rate of 7.68%, a 4.05% reduction in comparison to the recruitment rate reported in 2013, owing to the internal mobility drive which sought to fill in vacant positions primarily with internal talent prior to looking externally. Of the externally recruited staff, 84% was intended for Colombo based operations predominantly for the customer-facing operations, with an increase of 15% in the regional recruitments as opposed to the regional recruitment rate of 13.7% in 2013.

These values thus denote a 1.70% net deduction in the Dialog employee base in comparison to the previous reporting year, wherein a net addition of 2.32% was recorded.



As shown in the illustration above, Dialog possess an overwhelmingly young workforce, with over 70% of the employees less than 35 years of age, a pattern that has remained relatively constant over the years.



The staff distribution by management level for 2014 as depicted in the chart above, indicates a very close resemblance, to the figures reported in 2013 under the four key staff categories reported each year.

## PERFORMANCE MANAGEMENT

All employees undergo an annual performance review to assess their performance against the performance indicators assigned for the preceding period. This exercise, which was systematized via a performance management framework in 2011, has been a regular process ever since. All employees entitled for appraisals in the reporting year were appraised and received feedback, an improvement upon the high completion percentages achieved in the previous 6 years, as presented below. The published performance management training calendar aimed at skill enhancement of new and existing managers, focusing on how to drive and manage high performance has added value to the existing performance management process to further improve objectivity and to ensure performance is more 'socialised' in the organisation.



2008	2009	2010	2011	2012	2013
98.75%	98.47%	95.05%	98.82%	99.24%	100%

Returned to  
work after  
paternity leave

Retained  
after returning  
to work

Returned to  
work after  
maternity leave

Retained  
after returning  
to work



100%  
100%  
100%  
100%  
100%  
100%

75.18%  
84.27%  
92.47%  
86.87%  
94.44%  
93.25%

2009  
2010  
2011  
2012  
2013  
2014

96.67%  
96.22%  
94.78%  
99.00%  
100.00%  
94.67%

81.49%  
76.35%  
84.62%  
96.88%  
78.43%  
91.28 %



## BENEFITS AND COMPENSATION

The benefits offered to permanent employees and employees on fixed-term contracts remain the same. Dialog statutorily compensates employees as per the EPF and ETF benefit plans regulated by the government. There has been no change in the benefits offered in the year under review in comparison to previous years.

# Progress on Targets 2014

## SR Targets 2014

01	System to formally record employee grievances or reports on issues related to labour practices, human rights, and corruption	Implemented, records maintained commencing from December 2014
02	Expand BMW product responsibility initiative to cover full range of Dialog services	Initiated; campaign developed to be carried out in 2015
03	Initiate implementation of improved sustainability performance measurement system	Phased-out approach undertaken; data gathering automated for identified areas where possible; remaining data points being considered for automation
04	Expand Dialog's work in services for the hearing-impaired and in preventive-health	Package for hearing impaired relaunched with improved balance of features, pricing. System developed to resolve challenge preventing nation-wide screening of new-borns for Congenital Hypothyroidism
05	Reduce fuel consumed	Achieved – direct energy use reduced by 8.13%, fuel used by company fleet reduced by 4%. Please refer section 'Seven Years' Performance Data'
06	Add 5 more green base stations to the network	4 new green bases stations added to the network, in alignment with network expansion strategy. Please refer "Managing Environmental Impacts" in section "Preserving Value"

## TARGETS CARRIED FORWARD FROM 2013

01	Initiate project to build Net Value Creation-driven decision support tool for measuring social and environmental impacts and investments	Achieved; project initiated and ongoing
02	Evaluating and reporting on social and economic risks / opportunities in effect of climate change	Achieved; assessment initiated
03	Develop a Monitoring and Evaluation guideline for social investments	Parked pending outcome of Net Value Creation measurement tool project
04	Conduct an impact assessment of our operations on bio-diversity	De-emphasised following an assessment of current most material concerns
05	Reporting on scope 3 GHG emission	De-emphasised following an assessment of current most material concerns
06	Waste management solution for the group	Achieved; A waste collection project covering all regions initiated to responsibly handle all waste types
07	Quarterly Audits on the health and safety and fire safety functions	Ongoing
08	Develop guidelines for best practices in using our ICTs	Initiated, and merged into new Be Technology Wise campaign. National marketing campaign developed to be carried out in 2015



## Targets 2015

The Company has chosen to focus upon the recommendations made by its Assurance Provider, as its guide to development efforts driven by the Sustainability measurement, reporting and improvement process. The recommendations made following the 2013 Assurance cycle that could not be fully addressed in the ensuing period, and early findings and recommendations in the 2014 Assurance engagement, thus comprise the targets for the year 2015.

Area	Target
Data	1. Data Collection Integrity – significant improvements in safety data collection systems
	2. Align, simplify and systematize environmental data management systems to improve visibility of performance across sites as well as improve data quality
	3. Improve data control procedures for the consistent collection and reporting of data year-on-year
Stakeholders and Materiality	4. Engage separately and in depth with key internal and external stakeholders to increase clarity around key issues



## ENTERPRISE RISK MANAGEMENT

The Company's Business Continuity Management (BCM) Programme, initiated in the previous reporting year, was a major focus of activity in 2014 for the Enterprise Risk Management team.

BCM is a holistic management process that identifies potential threats to an organization and the impacts to business operations that those threats, if realized, might cause. ISO 22301:2012, the standard on Business Continuity Management provide generic guidelines to implement a framework to build organizational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities.

The objective of Dialog Axiata PLC's (Dialog) BCM program was to develop a BCM Framework consistent with ISO guidelines, to provide the principles and guidelines for developing, implementing and exercising Dialog's BCM Programme in a coordinated and consistent manner based on local and international policies and guidelines.

The implementation of Dialog's BCM Programme ensures that Dialog respond effectively and efficiently to business disruptions by resuming essential operations within the required timeframes and minimise the impact on Dialog's overall business operations due to a major crisis and/or disasters.

The ERM function appointed BCM Champions and alternates for every business function, who were then trained in the aspects of BCM, to ensure that a culture of BCM becomes well rooted at Dialog. A Business Impact Analysis (BIA) exercise pushed BCM project milestones to all internal functions via BCM Champions, to ensure inclusiveness in addressing BCM aspects with the

business functions and to have each function identify its dependencies and analyse the impact to business if such dependencies fail.

Dependencies among business functions were identified, their impacts analysed, and BCM Plans based on BIAs developed for each function across the enterprise. Functional BCM Plans serve as operations manuals in a disaster/ crisis situation, and are the most important outcome of the project. 64 BCM plans in total were developed to cover all functions of the enterprise.

A Desktop Walkthrough Exercise (DWE) followed the submission of BCM Plans, to test their recovery procedures, in October 2014, with the participation of The Crisis Management Team (CMT) and BCM Champions, with observers from Dialog's parent company, Axiata.

The development points gained from the DWE were used to refine the BCM Plans' accuracy and comprehensiveness. This gave Dialog further experience to formulate and finalize its Crisis Management Plan (CMP).

The CMP was put to test with a Crisis Simulation Exercise (CSE) in December 2014, where all critical business functions within a Recovery Time Objective of 24 Hours was tested.

Learning points gained through the CSE will help improve BCM Plans and CMP further, and the BCM journey will continue with periodic BCM exercises and reviews.



## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
----------------	-------------	----------------------

### ORGANIZATIONAL PROFILE

#### G4-10

a.Total number of employees by contract and gender

Employee Contract	Gender	2014	
Contract	Male	381	503
	Female	122	
Permanent	Male	2,023	2,493
	Female	470	

b.Total number of permanent employees by employment type and gender

Dialog Axiata PLC currently employs full-time employees only

c.Total workforce by employees and supervised workers by gender

	2014	Male	Female
Employees	2,996	2,404	592
Outsourced Staff	550	506	44
Outsourced Services	699	534	165
Total Workforce	4,245	3,444	801

d.Total workforce by region and gender

Location	Gender	2014	Total
Colombo	Male	1,805	2,322
	Female	517	
Outstation	Male	599	674
	Female	75	
Grand Total			2,996

e.Portion of the organization's work performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.

N/A

a.Significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).

None

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure																																																												
ORGANIZATIONAL PROFILE																																																														
G4-12	Description of organization's supply chain	<ul style="list-style-type: none"><li>• User requirement identification</li><li>• Identifying the potential vendor list</li><li>• Vendor Pre-qualification process</li><li>• Preparation of RFQ/RFP</li><li>• Sharing the RFQ/RFP</li><li>• Collection of Bids</li><li>• Technical &amp; Commercial evaluation</li><li>• Negotiation and vendor selection</li><li>• Contract finalization</li><li>• Procurement approval</li><li>• Order</li></ul>																																																												
	a. Sequence of activities or parties that provides products and services to the organization																																																													
	Types of suppliers (such as contractors, brokers, wholesalers, licensees)	<ol style="list-style-type: none"><li>1. Sub-contractors</li><li>2. Wholesalers</li><li>3. Retailers</li><li>4. Local partners</li><li>5. Service providers</li><li>6. License providers</li><li>7. Original Equipment Manufacturers</li><li>8. Channel partners</li><li>9. Regulatory bodies</li></ol>																																																												
	Sector-specific characteristics of the supply chain (such as labour intensive)	<p>TECH/IT:</p> <ul style="list-style-type: none"><li>• Imported equipment (Machine intensive)</li><li>• Local Supplies (Labour intensive)</li></ul> <p>General:</p> <ul style="list-style-type: none"><li>• Admin, Marketing, Trading categorizations are a balance of labour and machine intensive</li></ul>																																																												
Location of suppliers by country or region		<table><tr><th colspan="4">Country</th></tr><tr><td>United Arab Emirates</td><td>Denmark</td><td>North Korea</td><td>Russian Federation</td></tr><tr><td>Argentina</td><td>Spain</td><td>South Korea</td><td>Saudi Arabia</td></tr><tr><td>Austria</td><td>Finland</td><td>Sri Lanka</td><td>Seychelles</td></tr><tr><td>Australia</td><td>France</td><td>Monaco</td><td>Sweden</td></tr><tr><td>Bangladesh</td><td>United Kingdom</td><td>Mauritius</td><td>Singapore</td></tr><tr><td>Belgium</td><td>Ghana</td><td>Maldives</td><td>Swaziland</td></tr><tr><td>Bulgaria</td><td>Hong Kong</td><td>Malaysia</td><td>Thailand</td></tr><tr><td>Bermuda</td><td>Hungary</td><td>Nigeria</td><td>Tunisia</td></tr><tr><td>Canada</td><td>Indonesia</td><td>Netherlands</td><td>Turkey</td></tr><tr><td>Switzerland</td><td>Ireland</td><td>Norway</td><td>Taiwan</td></tr><tr><td>China</td><td>Israel</td><td>New Zealand</td><td>USA</td></tr><tr><td>Colombia</td><td>India</td><td>Oman</td><td>South Africa</td></tr><tr><td>Czech Republic</td><td>Italy</td><td>Pakistan</td><td></td></tr><tr><td>Germany</td><td>Japan</td><td>Qatar</td><td></td></tr></table>	Country				United Arab Emirates	Denmark	North Korea	Russian Federation	Argentina	Spain	South Korea	Saudi Arabia	Austria	Finland	Sri Lanka	Seychelles	Australia	France	Monaco	Sweden	Bangladesh	United Kingdom	Mauritius	Singapore	Belgium	Ghana	Maldives	Swaziland	Bulgaria	Hong Kong	Malaysia	Thailand	Bermuda	Hungary	Nigeria	Tunisia	Canada	Indonesia	Netherlands	Turkey	Switzerland	Ireland	Norway	Taiwan	China	Israel	New Zealand	USA	Colombia	India	Oman	South Africa	Czech Republic	Italy	Pakistan		Germany	Japan	Qatar	
Country																																																														
United Arab Emirates	Denmark	North Korea	Russian Federation																																																											
Argentina	Spain	South Korea	Saudi Arabia																																																											
Austria	Finland	Sri Lanka	Seychelles																																																											
Australia	France	Monaco	Sweden																																																											
Bangladesh	United Kingdom	Mauritius	Singapore																																																											
Belgium	Ghana	Maldives	Swaziland																																																											
Bulgaria	Hong Kong	Malaysia	Thailand																																																											
Bermuda	Hungary	Nigeria	Tunisia																																																											
Canada	Indonesia	Netherlands	Turkey																																																											
Switzerland	Ireland	Norway	Taiwan																																																											
China	Israel	New Zealand	USA																																																											
Colombia	India	Oman	South Africa																																																											
Czech Republic	Italy	Pakistan																																																												
Germany	Japan	Qatar																																																												

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
ORGANIZATIONAL PROFILE		
G4-15, G4-16	Memberships in National or International Organizations	<ul style="list-style-type: none"> <li>• Ceylon Chamber of Commerce</li> <li>• Signatory to the United Nations Global Compact since inception</li> <li>• Founder Board Member and Steering Committee member of the Global Compact Network of Ceylon</li> <li>• Founding Patron Member of the Sri Lanka Business and Biodiversity Platform</li> <li>• Employers' Federation of Ceylon</li> <li>• GSM Association</li> <li>• SLASSCOM</li> <li>• Member of the CSR Council of Sri Lanka</li> <li>• Member of GSMA M-Women Working Group</li> <li>• Founding Member of the Coalition against AIDS</li> <li>• Member of the GSMA Green power Working Group</li> <li>• Member of the GSMA Mobile Alliance against Child Sexual Abuse</li> </ul>
G4-22	Effects of any restatements of information provided in previous reports, and the reason for such restatements	<p>EN1 : The figure provided in the 2013 report (16.11 tonnes) was for paper use in one month in the billing process – the only instance of significant material usage in operations. The figure is restated here to reflect the consumption for the year (1st January 2013 to 31st December 2013). However, the trends are not comparable as prior to the 2013 reporting period, this measure was calculated based on total procurements of paper regardless of eventual usage</p> <p>EN3: The conversion factor employed for 2013, in switching away from the previous custom conversion factor, has been discontinued. As a result, the indirect energy and energy intensity figures for 2013 are restated</p> <p>Procurement spend details reported in the 2013 report have been restated on page 49, as the changes made in the system due to a few cancelled payments had not been recorded when the data was obtained. However this change has not impacted the number of vendors and as such there is no change in the number of local and foreign vendors reported</p>
G4-23	Significant changes from previous reporting periods in the Scope and Aspect boundaries	As per the G4 guidelines the reporting boundaries were mapped using the ten most material issues identified in the 2013 materiality assessment. Aspects related to these material issues were considered as the scope for the report
G4-28	Reporting period	01st January 2014 to 31st December 2014
G4-29	Date of most recent previous report	May 2014
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions	<p>Mr J. Charitha Ratwatte            Jr., Chief Manager – Sustainability,            Group Sustainability &amp; Corporate Affairs,            Dialog Axiata PLC            2nd Floor, No. 57, Dharmapala Mawatha,            Colombo 03, SRI LANKA.            D: +94 77 7 088 806            F: +94 11 7 694 343            charitha.ratwatte@dialog.lk</p>

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure																																																						
GOVERNANCE																																																								
G4-34	Governance structure, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Refer Corporate Governance section of Annual Report. The Board Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee oversee different parts of the economic and governance aspects of the company's operations. Since 2014, the Board of Directors have entrusted the NRC with the responsibility of decision making and oversight on sustainability issues including economic, environmental and social impacts																																																						
G4-35	a. Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	The delegation of authority has been formalised in the Group Policies and Limits of Authority document																																																						
G4-36	Whether organization has appointed executive level position(s) with responsibility for environmental and social topics and whether post holders report directly to the highest body	The Head of the Group Corporate Office, under whom the Group Sustainability Division operates, reports to the Group Chief Executive, who in turn reports to the NRC and Board of Directors																																																						
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	The GCEO and the NRC will act as the intermediary (ies)																																																						
G4-38	Composition of the highest governance body and its committees by: Competences relating to economic, environmental and social impacts	<table><tr><th></th><th>BOD</th><th>BAC</th><th>EXCOM</th><th>NRC</th></tr><tr><td>Executive</td><td>1</td><td>0</td><td>4</td><td>0</td></tr><tr><td>Non-executive</td><td>7</td><td>3</td><td>1</td><td>3</td></tr><tr><td>Independence</td><td>3</td><td>2</td><td>1</td><td>2</td></tr><tr><td>Tenure on the governance body</td><td>Please refer the Annual Report - Profile of Directors</td><td>Please refer the Annual Report - Profile of Directors</td><td>Please refer the Annual Report - Profile of Directors</td><td>Please refer the Annual Report - Profile of Directors</td></tr><tr><td>Number of each individual's other significant positions and commitments, and the nature of the commitments</td><td>Please refer the Annual Report - Profile of Directors</td><td>Please refer the Annual Report - Profile of Directors</td><td>Please refer the Annual Report - Profile of Directors</td><td>Please refer the Annual Report - Profile of Directors</td></tr><tr><td>Gender</td><td>Male</td><td>Male</td><td>Male-6 / Female-2</td><td>Male</td></tr><tr><td>Membership of under-represented social groups</td><td>None</td><td>None</td><td>None</td><td>None</td></tr><tr><td>Competences relating to economic, environmental and social impacts</td><td>None</td><td>None</td><td>None</td><td>None</td></tr><tr><td>Stakeholder representation</td><td>Major shareholder representation only - by 04 nominee directors</td><td>Major shareholder representation only - by 01 nominee director</td><td>Major shareholder representation only - by 03 nominee directors and 01 ex-officio</td><td>Major shareholder representation only - by 01 nominee director</td></tr></table>						BOD	BAC	EXCOM	NRC	Executive	1	0	4	0	Non-executive	7	3	1	3	Independence	3	2	1	2	Tenure on the governance body	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Number of each individual's other significant positions and commitments, and the nature of the commitments	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Gender	Male	Male	Male-6 / Female-2	Male	Membership of under-represented social groups	None	None	None	None	Competences relating to economic, environmental and social impacts	None	None	None	None	Stakeholder representation	Major shareholder representation only - by 04 nominee directors	Major shareholder representation only - by 01 nominee director	Major shareholder representation only - by 03 nominee directors and 01 ex-officio	Major shareholder representation only - by 01 nominee director
	BOD	BAC	EXCOM	NRC																																																				
Executive	1	0	4	0																																																				
Non-executive	7	3	1	3																																																				
Independence	3	2	1	2																																																				
Tenure on the governance body	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors																																																				
Number of each individual's other significant positions and commitments, and the nature of the commitments	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors	Please refer the Annual Report - Profile of Directors																																																				
Gender	Male	Male	Male-6 / Female-2	Male																																																				
Membership of under-represented social groups	None	None	None	None																																																				
Competences relating to economic, environmental and social impacts	None	None	None	None																																																				
Stakeholder representation	Major shareholder representation only - by 04 nominee directors	Major shareholder representation only - by 01 nominee director	Major shareholder representation only - by 03 nominee directors and 01 ex-officio	Major shareholder representation only - by 01 nominee director																																																				



## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
GOVERNANCE		
G4-40	<p>Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including:</p> <ul style="list-style-type: none"> <li>• Whether and how diversity is considered</li> <li>• Whether and how independence is considered</li> <li>• Whether and how expertise and experience relating to economic, environmental and social topics are considered</li> <li>• Whether and how stakeholders (including shareholders) are involved</li> </ul>	<p>In the process of nomination of directors, the Board and the NRC, evaluate the balance of skills, knowledge and experience on the Board and select candidates who would complement the make-up of the Board. When doing so the skill-set, experience, knowledge, diversity, and availability of the candidate are taken into consideration. Further checks are whether the candidate is independent in character and judgment and whether there are relationships or circumstances which are likely to affect, or could appear to affect, his/her judgment is also considered.</p> <p>All directors appointed to the Board are required to submit themselves for re-election by the shareholders at the AGM immediately succeeding his/her appointment.</p>
G4-41	<p>Processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum:</p> <ul style="list-style-type: none"> <li>• Cross-board membership</li> <li>• Cross-shareholding with suppliers and other stakeholders</li> <li>• Existence of controlling shareholder</li> <li>• Related party disclosures</li> </ul>	<p>All directors are required to disclose their interest, which is entered in the interest register maintained by the Company. Disclosure of directors' interest is made in the Annual Report.</p>
G4-42	<p>Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.</p>	<p>Subject to the authority delegated to management under the Limits of Authority document which is reviewed and approved by the Board, based on the recommendation of the GCEO as proposed by the relevant Chief Officer.</p>
G4-43	<p>Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.</p>	<p>Board/NRC is briefed on such matters by the management at the Committee meetings. Further an internal briefing for the Board of Directors on Sustainability was carried out in 2014.</p>

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
GOVERNANCE		
G4-44	a. Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Whether such evaluation is independent or not, and its frequency. Whether such evaluation is a self-assessment.	Annual self-assessment; does not currently consider environmental and social topics.
	b. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	None
G4-45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.	The identification of risks is carried out by the Enterprise Risk Management team on behalf of the Board of Directors, in consultation with the relevant business process owners and reported to the Board Audit Committee on a quarterly basis.
	b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	No
G4-46	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	The Group's risk management framework is reviewed by the Board Audit Committee and the Board on a quarterly basis.
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	As and when required
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered.	Director/Group Chief Executive
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	None

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
REMUNERATIONS AND INCENTIVES		
G4-51	a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration:	
	Fixed pay and variable pay:	
	Performance-based pay	Salary increments are based on annual Performance Reviews and are driven by Rank (rank 1: lowest performer – rank 3: performance to expectation – rank 5: exceptional performer) accorded during performance review. An annual increment plan submitted for Board approval as part of a presentation on Employee Performance, Motivation and Retention.
	Equity-based pay	An Employee Share Option Scheme (ESOS) was implemented in 2005 with initial validity for 5 years. A subsequent extension was made up to 25th October 2014.
	Bonuses	Bonuses are paid based on the rank accorded during Performance Reviews. A benchmark annual pay mix of 80% salary and 20% bonus for rank 3 performers drives bonus quantum, with no bonus for those ranked below 3, and incrementally increasing bonus for higher ranks. The annual bonus plan is also submitted for Board approval as part of a presentation on Employee Performance, Motivation and Retention. The bonus strategy is designed to drive high performance where performance related pay ensures variation of pay quantum based on performance ranking.
	Deferred or vested shares	Given that an alternative employee share scheme which was approved by the shareholders, has been introduced by the Company and further taking into consideration the provisions introduced by the Colombo Stock Exchange in the rules applicable to established employee shares schemes, the ESOS Committee resolved that no further tranches will be granted to employees under the ESOS and further resolved to dispose of the ESOS shares with the view of concluding the scheme.
	Sign-on bonuses or recruitment incentive payments	No corresponding policy. However based on level of recruitment and the terms negotiated at time of hiring sign-on bonus has been offered. (there has been no sign-on bonus payout during the year under review)
	Termination payments	Termination payments are based on the termination clause in standard Letter of Appointment, governing exceptional cases.
	Claw backs	No corresponding policy
	Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.	All retirement benefits are provided in line with statutory requirements.
	b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.	Dialog's Remuneration policy is governed by the performance framework. In the year under review, the performance framework did not widely spread accountability for Economic, Environmental and Social objectives across the organisation.

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
REMUNERATIONS AND INCENTIVES		
G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	Recruitments are performed in line with an approved salary matrix. Any deviations require authorisation by relevant approvers. Annual Remuneration adjustments consider any increase in cost of living, performance ratings and results of salary survey conducted by independent parties every two years. Adjustments proposed in any year are executed from the subsequent year. Once in two years a market salary survey is conducted, commissioned with an external consultant to understand the market salary movement and to ensure the Company offers a competitive pay mix.
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	Requests or suggestions made at Skip Level meetings, One-on-One meetings or reflected in Employee Engagement Survey results are considered.
ETHICS AND INTEGRITY		
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organizational integrity, such as helplines or advice lines.	<p>Internal escalation procedure:</p> <ol style="list-style-type: none"> <li>1. Refer Employee Code of Conduct</li> <li>2. Consult Immediate Supervisor</li> <li>3. Skip-level: consult Immediate Supervisor's supervisor</li> <li>4. Consult HR Manager for portfolio</li> <li>5. Consult Chief Officer</li> <li>6. Consult Head of Group Human Resources</li> <li>7. Consult Group Corporate Office</li> <li>8. Consult GCEO</li> </ol> <p>External escalation or where internal procedure is considered insufficient:</p> <ol style="list-style-type: none"> <li>9. Consult Ombudsman</li> <li>10. Employers' Federation of Ceylon</li> <li>11. Labour Department</li> </ol>
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	<p>Internal escalation procedure:</p> <p>Standard grievance procedure OR</p> <ol style="list-style-type: none"> <li>1. Report to Immediate Supervisor</li> <li>2. Skip-level: report to Immediate Supervisor's supervisor</li> <li>3. Report to HR Manager for portfolio</li> <li>4. Report to Chief Officer</li> <li>5. Report to Head of Group Human Resources</li> <li>6. Report to Group Corporate Office</li> <li>7. Report to GCEO</li> </ol> <p>External escalation or where internal procedure is considered insufficient:</p> <ol style="list-style-type: none"> <li>8. Report to Ombudsman</li> <li>9. Report to Labour Department</li> </ol>

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure
ECONOMIC		
G4-EC3	Coverage of the organization's defined benefit plan obligations.	Dialog does not have pension plans other than statutory EPF and ETF pay outs. Employer contribution amounts to 12% for EPF and 3% to ETF, whilst employees are required to contribute 8% of their salary towards the EPF.
ENVIRONMENTAL		
G4-EN21	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions.	Dialog does not engage in any large scale production where emissions tagged as atmospheric pollutants under the GRI G4 guidelines would make a materially significant impact. Through the Company's passive infrastructure maintenance project Dialog ensures that scheduled maintenance on all its network equipment including the generators are carried out. In order to maintain and reduce the number of generators in operation Dialog has embarked on an initiative to upgrade its battery backup power thereby reducing the generator usage. Through this initiative even with the addition of new sites the company will be maintaining the number of generators avoiding any new additions. The company is currently also carrying out a green power conversion of all off-grid sites in order to further reduce the generator usage thereby reducing harmful emissions to the environment.
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention <sup>2</sup> Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	None in the year under review

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure																																																															
SOCIAL - LABOUR PRACTISES AND DECENT WORK																																																																	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	<p>Gender breakdown of the highest governance body:</p> <table> <tr> <td rowspan="2">Board of Directors</td><td>Male</td><td>100%</td></tr> <tr> <td>Female</td><td>0</td></tr> </table> <p>Age-wise breakdown of the highest governance body:</p> <table> <tr> <td rowspan="4">Board of Directors</td><td>18-25</td><td>0</td></tr> <tr> <td>26-35</td><td>0</td></tr> <tr> <td>35-50</td><td>25%</td></tr> <tr> <td>&gt;50</td><td>75%</td></tr> </table> <p>Composition of minority groups in the governance body:</p> <table> <tr> <td rowspan="6">Board of Directors</td><td>Sinhalese</td><td>25%</td></tr> <tr> <td>Tamil</td><td>0</td></tr> <tr> <td>Muslim</td><td>12%</td></tr> <tr> <td>Malay</td><td>0</td></tr> <tr> <td>Burgher</td><td>0</td></tr> <tr> <td>Other</td><td>63%</td></tr> </table> <p>Age-wise breakdown of employees by employee category:</p> <table> <tr> <td rowspan="4">Senior Management</td><td>18-25</td><td>0</td></tr> <tr> <td>26-35</td><td>0</td></tr> <tr> <td>35-50</td><td>80%</td></tr> <tr> <td>&gt;50</td><td>20%</td></tr> <tr> <td rowspan="4">Middle Management</td><td>18-25</td><td>0</td></tr> <tr> <td>26-35</td><td>33%</td></tr> <tr> <td>35-50</td><td>64%</td></tr> <tr> <td>&gt;50</td><td>3%</td></tr> <tr> <td rowspan="4">Executives</td><td>18-25</td><td>5%</td></tr> <tr> <td>26-35</td><td>66%</td></tr> <tr> <td>35-50</td><td>28%</td></tr> <tr> <td>&gt;50</td><td>1%</td></tr> <tr> <td rowspan="4">Non Executives</td><td>18-25</td><td>27%</td></tr> <tr> <td>26-35</td><td>56%</td></tr> <tr> <td>35-50</td><td>16%</td></tr> <tr> <td>&gt;50</td><td>1%</td></tr> </table>	Board of Directors	Male	100%	Female	0	Board of Directors	18-25	0	26-35	0	35-50	25%	>50	75%	Board of Directors	Sinhalese	25%	Tamil	0	Muslim	12%	Malay	0	Burgher	0	Other	63%	Senior Management	18-25	0	26-35	0	35-50	80%	>50	20%	Middle Management	18-25	0	26-35	33%	35-50	64%	>50	3%	Executives	18-25	5%	26-35	66%	35-50	28%	>50	1%	Non Executives	18-25	27%	26-35	56%	35-50	16%	>50	1%
Board of Directors	Male	100%																																																															
	Female	0																																																															
Board of Directors	18-25	0																																																															
	26-35	0																																																															
	35-50	25%																																																															
	>50	75%																																																															
Board of Directors	Sinhalese	25%																																																															
	Tamil	0																																																															
	Muslim	12%																																																															
	Malay	0																																																															
	Burgher	0																																																															
	Other	63%																																																															
Senior Management	18-25	0																																																															
	26-35	0																																																															
	35-50	80%																																																															
	>50	20%																																																															
Middle Management	18-25	0																																																															
	26-35	33%																																																															
	35-50	64%																																																															
	>50	3%																																																															
Executives	18-25	5%																																																															
	26-35	66%																																																															
	35-50	28%																																																															
	>50	1%																																																															
Non Executives	18-25	27%																																																															
	26-35	56%																																																															
	35-50	16%																																																															
	>50	1%																																																															



# OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure																																																				
SOCIAL - LABOUR PRACTISES AND DECENT WORK																																																						
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	<p>Composition of minority groups among employees broken down by employee category:</p> <table> <tr> <td rowspan="6">Senior Management</td><td>Burgher</td><td>0%</td></tr> <tr> <td>English</td><td>7%</td></tr> <tr> <td>Malay</td><td>7%</td></tr> <tr> <td>Muslim</td><td>13%</td></tr> <tr> <td>Sinhala</td><td>67%</td></tr> <tr> <td>Tamil</td><td>7%</td></tr> <tr> <td rowspan="6">Middle Management</td><td>Burgher</td><td>1%</td></tr> <tr> <td>English</td><td>0%</td></tr> <tr> <td>Malay</td><td>3%</td></tr> <tr> <td>Muslim</td><td>10%</td></tr> <tr> <td>Sinhala</td><td>80%</td></tr> <tr> <td>Tamil</td><td>6%</td></tr> <tr> <td rowspan="6">Executives</td><td>Burgher</td><td>1%</td></tr> <tr> <td>English</td><td>0%</td></tr> <tr> <td>Malay</td><td>1%</td></tr> <tr> <td>Muslim</td><td>7%</td></tr> <tr> <td>Sinhala</td><td>84%</td></tr> <tr> <td>Tamil</td><td>7%</td></tr> <tr> <td rowspan="6">Non Executives</td><td>Burgher</td><td>1%</td></tr> <tr> <td>English</td><td>0%</td></tr> <tr> <td>Malay</td><td>1%</td></tr> <tr> <td>Muslim</td><td>8%</td></tr> <tr> <td>Sinhala</td><td>80%</td></tr> <tr> <td>Tamil</td><td>10%</td></tr> </table>	Senior Management	Burgher	0%	English	7%	Malay	7%	Muslim	13%	Sinhala	67%	Tamil	7%	Middle Management	Burgher	1%	English	0%	Malay	3%	Muslim	10%	Sinhala	80%	Tamil	6%	Executives	Burgher	1%	English	0%	Malay	1%	Muslim	7%	Sinhala	84%	Tamil	7%	Non Executives	Burgher	1%	English	0%	Malay	1%	Muslim	8%	Sinhala	80%	Tamil	10%
Senior Management	Burgher	0%																																																				
	English	7%																																																				
	Malay	7%																																																				
	Muslim	13%																																																				
	Sinhala	67%																																																				
	Tamil	7%																																																				
Middle Management	Burgher	1%																																																				
	English	0%																																																				
	Malay	3%																																																				
	Muslim	10%																																																				
	Sinhala	80%																																																				
	Tamil	6%																																																				
Executives	Burgher	1%																																																				
	English	0%																																																				
	Malay	1%																																																				
	Muslim	7%																																																				
	Sinhala	84%																																																				
	Tamil	7%																																																				
Non Executives	Burgher	1%																																																				
	English	0%																																																				
	Malay	1%																																																				
	Muslim	8%																																																				
	Sinhala	80%																																																				
	Tamil	10%																																																				

## OTHER STANDARD DISCLOSURES

GRI Disclosure	Description	Reference/Disclosure										
SOCIAL - LABOUR PRACTISES AND DECENT WORK												
G4-LA13	<p>a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.</p> <table><tr><th>Category</th><th>Ratio (Female : Male)</th></tr><tr><td>Non-Executive</td><td>1:1.068</td></tr><tr><td>Executive</td><td>1:1.006</td></tr><tr><td>Managerial</td><td>1:0.966</td></tr><tr><td>Senior Management</td><td>1:0.750</td></tr></table>	Category	Ratio (Female : Male)	Non-Executive	1:1.068	Executive	1:1.006	Managerial	1:0.966	Senior Management	1:0.750	<p>Dialog does not discriminate between genders in its remuneration practices. The analysis below shows that differences – driven by the effect of performance management frameworks over time – are marginal, or in the case of Senior Management, significantly favourable to women.</p>
Category	Ratio (Female : Male)											
Non-Executive	1:1.068											
Executive	1:1.006											
Managerial	1:0.966											
Senior Management	1:0.750											
	<p>b. Definition used for 'significant locations of operation'</p>	<p>Dialog's only significant location of operation is restricted to the geographic and political boundaries of Sri Lanka.</p>										
SOCIAL - PRODUCT RESPONSIBILITY												
G4-PR3	<p>Type of product and service information required by the organization's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements.</p>	<p>Dialog does not currently require any further labelling beyond prevailing statutory or regulatory requirements.</p>										
G4-PR4	<p>Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.</p>	<p>None</p>										

SECTOR SUPPLEMENT - TELECOMMUNICATIONS		
IO1	Capital investment in telecommunication network infrastructure broken down by country/region.	Please refer Annual report 2014
IO4	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) standards on exposure to radiofrequency (RF) emissions from handsets	Please refer Compliance with codes, policies and Regulations
IO5	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) guidelines on exposure to radiofrequency (RF) emissions from base stations.	
IO6	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets.	
PA1	Access to low income group	
		Please refer Group Chief Executive's Review and section - Creating Value

# GRI Content Index

## GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>STRATEGY AND ANALYSIS</b>					
G4-1	Group Chief Executives's Message (Page 18-21)				No Assurance applies
G4-2	Group Chief Executives's Message (Page 18-21), Enterprise Risk Management (Page 84)				No Assurance applies
<b>ORGANIZATIONAL PROFILE</b>					
G4-3	Annual Report - Corporate Information				No Assurance applies
G4-4	Group Chief Executives's Message (Page 18-21), Annual Report- Business and Financial Review				No Assurance applies
G4-5	Annual Report - Corporate Information , Report back cover				No Assurance applies
G4-6	Annual Report- Business and Financial Review				No Assurance applies
G4-7	Annual Report- Corporate Information				No Assurance applies
G4-8	Annual report - Business and Financial Review				No Assurance applies
G4-9	Annual report, Workforce Operations				No Assurance applies
G4-10	Workforce Operations (Page 78-81) , Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-11	Workforce Operations (Page 78-81)				No Assurance applies
G4-12	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-13	Annual report - Business and Financial Review, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-14	Materiality Waypoints - A Navigator's Guide (Page-8)				No Assurance applies
G4-15	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-16	Other Standard Disclosure (Page 85-96)				No Assurance applies
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>					
G4-17	Report Scope and Boundary (Page 7), Annual Report - Business and Financial Review				No Assurance applies
G4-18	Report Scope and Boundary (Page 7-10), Stakeholder Engagement (Page 24, 27-28), Materiality (Page 29-31)				Yes ; Pages 11-15
G4-19	Report Scope and Boundary (Page 7, 9-10)				Yes ; Pages 11-15
G4-20	Report Scope and Boundary (Page 10)				Yes ; Pages 11-15
G4-21	Report Scope and Boundary (Page 10)				No Assurance applies
G4-22	Other Standard Disclosures (Page 87)				No Assurance applies
G4-23	Other Standard Disclosures (Page 87)				No Assurance applies

## GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>STAKEHOLDER ENGAGEMENT</b>					
G4-24	Stakeholder Engagement (Page 24-28)				Yes ; Pages 11-15
G4-25	Stakeholder Engagement (Page 24,26,28)				Yes ; Pages 11-15
G4-26	Stakeholder Engagement (Page 24-28)				Yes ; Pages 11-15
G4-27	Report Scope and Boundary (Page 7), Stakeholder Engagement (Page 24-25), Materiality (Page 29-31)				Yes ; Pages 11-15
<b>REPORT PROFILE</b>					
G4-28	Report Scope and Boundary (Page 7), Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-29	Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-30	Report Scope and Boundary (Page 7), Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-31	Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-32	Report Scope and Boundary (Page 7), GRI Content Index (Page 97-107)				Yes ; Pages 11-15
G4-33	Independent Verification (Page 11-15) , Report inner page cover				No Assurance applies
<b>GOVERNANCE</b>					
G4-34	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-35	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-36	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-37	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-38	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-39	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-40	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-41	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-42	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-43	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies

## GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>GOVERNANCE</b>					
G4-44	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-45	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-46	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-47	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-48	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-49	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-50	Annual Report -Corporate Governance Report, Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-51	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-52	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-53	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-54	Not reported	Ratio between highest paid individual to medium pay or of all other individuals	The information is subject to specific confidentiality constraints	This includes Senior Executives' pay data	No Assurance applies
G4-55	Not reported	1. Percentage increase in the highest paid individuals from the previous year to the reporting year 2. Percentage increase of the median total annual compensation from previous year to the reporting year	The information is subject to specific confidentiality constraints	This includes senior executives' annual increment data	No Assurance applies
<b>ETHICS AND INTEGRITY</b>					
G4-56	Values (Page 3), Compliance with Codes, Policies and Regulations (Page 54)				No Assurance applies
G4-57	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-58	Other Standard Disclosure (Page 85-96)				No Assurance applies

## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
CATEGORY: ECONOMIC					
MATERIAL ASPECT: ECONOMIC PERFORMANCE					
G4-DMA	Stability and Profitability (Page 39)				Yes ; Pages 11-15
G4-EC1	Direct Economic Value Generated (Group) - (Page 76)				Yes ; Pages 11-15
G4-EC2	Progress on Targets 2014 (Page 83), Enterprise risk Management (Page 85)				No Assurance applies
G4-EC3	Other Standard Disclosure (Page 85-96)				No Assurance applies
G4-EC4	Annual Report - Financial Notes				No Assurance applies
MATERIAL ASPECT: MARKET PRESENCE					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-EC5		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-EC6	Seven years' performance data (Page 22-23)	Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS					
G4-DMA	Maximizing Value (Page 57-75)				No Assurance applies
G4-EC7	Maximizing Value (Page 57-75)				No Assurance applies
G4-EC8	Maximizing Value (Page 57-75)				Yes ; Pages 11-15
MATERIAL ASPECT: PROCUREMENT PRACTICES					
G4-DMA	Best Practices in Suppliers and Procurements (Page 48-49)				No Assurance applies
G4-EC9	Best Practices in Suppliers and Procurements (Page 48-49)				No Assurance applies
CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: MATERIALS					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN1	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN2	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				No Assurance applies
MATERIAL ASPECT: MATERIALS					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN3	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
G4-EN4	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				Yes ; Pages 11-15



## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>MATERIAL ASPECT: ENERGY</b>					
G4-EN5	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN6	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				No Assurance applies
G4-EN7	Managing Environmental Impacts (Page 50-53)				No Assurance applies
<b>MATERIAL ASPECT: WATER</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-EN8		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-EN9		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-EN10		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: BIODIVERSITY</b>					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN11	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
G4-EN12	Managing Environmental Impacts (Page 50-53)				Yes ; Pages 11-15
G4-EN13	Not Applicable				No Assurance applies
G4-EN14	Not Applicable				No Assurance applies
<b>MATERIAL ASPECT: EMISSIONS</b>					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN15	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
G4-EN16	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
G4-EN17	Managing Environmental Impacts (Page 50-53) Seven years' performance data (Page 22-23)				No Assurance applies
G4-EN18	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN19	Managing Environmental Impacts (Page 50-53)				Yes ; Pages 11-15
G4-EN20	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN21	Other Standard Disclosure (Page 85- 96)				No Assurance applies
<b>MATERIAL ASPECT: EFFLUENTS AND WASTE</b>					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies

## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>MATERIAL ASPECT: EFFLUENTS AND WASTE</b>					
G4-EN22		Not Applicable	Not Applicable	Dialog does not use water in any of its productions. Hence the only water discharge we have is the sewage discharge from office sites to the city sewer system. Hence this indicator is non applicable to Dialog.	No Assurance applies
G4-EN23	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN24	Managing Environmental Impacts (Page 50-53), Seven years' performance data (Page 22-23)				No Assurance applies
G4-EN25	Managing Environmental Impacts (Page 50-53), Other Standard Disclosure (Page 85- 96)				No Assurance applies
G4-EN26	Not Applicable	Not Applicable	Not Applicable	Dialog's operations do not result in the generation of waste water	No Assurance applies
<b>MATERIAL ASPECT: PRODUCTS AND SERVICES</b>					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN27	Managing Environmental Impacts (Page 50-53), Compliance with Codes, Policies and Regulations (Page 54)				No Assurance applies
G4-EN28	Managing Environmental Impacts (Page 50-53)				No Assurance applies
<b>MATERIAL ASPECT: COMPLIANCE</b>					
G4-DMA	Managing Environmental Impacts (Page 50-53), Compliance with Codes, Policies and Regulations (Page 54)				
G4-EN29	Managing Environmental Impacts (Page 50-53), Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
<b>ASPECT: TRANSPORT</b>					
G4-DMA	Not Applicable		The Standard Disclosure or part of the Standard Disclosure is not applicable	Not identified as material	No Assurance applies
G4-EN30	Not Applicable		The Standard Disclosure or part of the Standard Disclosure is not applicable	Not identified as material	No Assurance applies
<b>MATERIAL ASPECT: OVERALL</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-EN31		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies

## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-DMA	Seven years' performance data (Page 22-23), Compliance with Codes, Policies and Regulations (Page 54), Best Practices in Suppliers and Procurements (Page 48-49)				No Assurance applies
G4-EN32	Seven years' performance data (Page 22-23), Compliance with Codes, Policies and Regulations (Page 54), Best Practices in Suppliers and Procurements (Page 48-49)				Yes ; Pages 11-15
G4-EN33	Seven years' performance data (Page 22-23), Compliance with Codes, Policies and Regulations (Page 54), Best Practices in Suppliers and Procurements (Page 48-49)				Yes ; Pages 11-15
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS					
G4-DMA	Managing Environmental Impacts (Page 50-53)				No Assurance applies
G4-EN34	Managing Environmental Impacts (Page 50-53)				No Assurance applies
CATEGORY: SOCIAL					
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	Workforce Operations (Page 78-81)				Yes ; Pages 11-15
G4-LA1	Workforce Operations (Page 78-81)				Yes ; Pages 11-15
G4-LA2	Workforce Operations (Page 78-81)			The information is subject to specific confidentiality constraints	No Assurance applies
G4-LA3	Workforce Operations (Page 78- 81), Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS					
G4-LA4			Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	Health & Safety (Page 55)				No Assurance applies
G4-LA5	Health & Safety (Page 55), Seven years' performance data (Page 22-23)				No Assurance applies
G4-LA6	Health & Safety (Page 55), Seven years' performance data (Page 22-23)				No Assurance applies
G4-LA7	Health & Safety (Page 55)				No Assurance applies
G4-LA8	Not Applicable			The Standard Disclosure or part of the Standard Disclosure is not applicable	No Assurance applies

## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>MATERIAL ASPECT: TRAINING AND EDUCATION</b>					
G4-DMA	Workforce Operations (Page 78-81), Following Best Practices (Page 47)				Yes ; Pages 11-15
G4-LA9	Workforce Operations (Page 78-81), Employee Development (Page 40-42)				Yes ; Pages 11-15
G4-LA10	Workforce Operations (Page 78-81), Employee Development (Page 40-42)				Yes ; Pages 11-15
G4-LA11	Workforce Operations (Page 78- 81)				Yes ; Pages 11-15
<b>MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY</b>					
G4-DMA	Workforce Operations (Page 78-81), Following Best Practices (Page 47)				Yes ; Pages 11-15
G4-LA12	Workforce Operations (Page 78- 81), Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
<b>MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-LA13	Other Standard Disclosure (Page 85-96)				No Assurance applies
<b>MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES</b>					
G4-DMA	Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies
G4-LA14	Best Practices in Suppliers and Procurements (Page 47-49), Seven years' performance data (Page 22-23)				No Assurance applies
G4-LA15	Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies
<b>MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS</b>					
G4-DMA	Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-LA16		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>CATEGORY: SOCIAL</b>					
<b>SUB-CATEGORY: HUMAN RIGHTS</b>					
<b>MATERIAL ASPECT: INVESTMENT</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR1		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR2		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies

## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
<b>MATERIAL ASPECT: NON-DISCRIMINATION</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR3		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR4		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: CHILD LABOR</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR5		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: FORCED OR COMPULSORY LABOR</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR6		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: SECURITY PRACTICES</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR7		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: INDIGENOUS RIGHTS</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR8		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: ASSESSMENT</b>					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR9		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
<b>MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT</b>					
G4-DMA	Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies
G4-HR10	Best Practices in Suppliers and Procurements (Page 47-49), Seven years' performance data (Page 22-23)				No Assurance applies
G4-HR11	Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies

## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-HR12		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
CATEGORY: SOCIAL					
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: LOCAL COMMUNITIES					
G4-DMA	Maximizing Value (Page 57-75)				No Assurance applies
G4-SO1	Maximizing Value (Page 57-75)				No Assurance applies
G4-SO2		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-SO3		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-SO4		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-SO5		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: PUBLIC POLICY					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-SO6		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-SO7		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Compliance with Codes, Policies and Regulations (Page 54)				Yes ; Pages 11-15
G4-SO8	Seven years' performance data (Page 22-23), Compliance with Codes, Policies and Regulations (Page 54)				Yes ; Pages 11-15
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
G4-DMA	Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies
G4-SO9	Seven years' performance data (Page 28-31), Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies
G4-SO10	Best Practices in Suppliers and Procurements (Page 47-49)				No Assurance applies



## SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-SO11		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
CATEGORY: SOCIAL					
SUB-CATEGORY: PRODUCT RESPONSIBILITY					
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY					
G4-DMA	Health & Safety (Page 55)				No Assurance applies
G4-PR1	Health & Safety (Page 55)				No Assurance applies
G4-PR2	Seven years' performance data (Page 22-23), Compliance with Codes, Policies and Regulations (Page 54)				No Assurance applies
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING					
G4-DMA	Customer Experience (Page 77), Following Best Practices (Page 47)				Yes ; Pages 11-15
G4-PR3	Best Practices Related to Products and Services (Page 48), Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-PR4	Seven years' performance data (Page 22-23), Other Standard Disclosure (Page 85-96)				Yes ; Pages 11-15
G4-PR5	Best Practices Related to Products and Services (Page 48), Customer Experience (Page 77)			The information is subject to specific confidentiality constraints	No Assurance applies
MATERIAL ASPECT: MARKETING COMMUNICATIONS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-PR6		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
G4-PR7		Not Considered Material	Not Considered Material	Not Considered Material	No Assurance applies
MATERIAL ASPECT: CUSTOMER PRIVACY					
G4-DMA	Confidentiality Of Customer Information (Page 45-46)				Yes ; Pages 11-15
G4-PR8	Confidentiality Of Customer Information (Page 45-46), Seven years' performance data (Page 22-23)				Yes ; Pages 11-15
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Compliance with Codes, Policies and Regulations (Page 54)				No Assurance applies
G4-PR9	Seven years' performance data (Page 22-23), Compliance with Codes, Policies and Regulations (Page 54)	Not applicable	Not applicable	Not applicable	No Assurance applies

# United Nations Global Compact Advanced Criteria

CRITERION	DESCRIPTION	RELEVANT SECTIONS IN THE REPORT
Strategy, Governance and Engagement		
1	Key aspects of the company's high-level sustainability strategy in line with Global Compact principles	Message from Group Chief Executive
2	Effective decision-making processes and systems of governance for corporate sustainability	Annual Report Corporate Governance, Other Standard Disclosure
3	Engagement with all important stakeholders	Stakeholder Engagement
UN Goals and Issues		
4	Actions taken in support of broader UN goals and issues	Creating Value, Maximizing Value, Preserving Value
Human Rights Implementation		
5	Robust commitments, strategies or policies in the area of human rights	HR10, HR11, HR12
6	Effective management systems to integrate the human rights principles	Best Practices in Suppliers and Procurements
7	Effective monitoring and evaluation mechanisms of human rights integration	HR10, Best Practices in Suppliers and Procurements
8	Key outcomes of human rights integration	Best Practices in Suppliers and Procurements
Labor Principles Implementation		
9	Robust commitments, strategies or policies in the area of labor	Employee Development, Workforce Operations
10	Effective management systems to integrate the labour principles	LA1, LA13, HR4, HR11
11	Effective monitoring and evaluation mechanisms of labour principles integration	Compliance with Codes, Policies and Regulations
12	Key outcomes of integration of the labour principles	Workforce Operations

CRITERION	DESCRIPTION	RELEVANT SECTIONS IN THE REPORT
Environmental Stewardship Implementation		
13	Robust commitments, strategies or policies in the area of environmental stewardship	EN3, EN4, EN11, EN12, Managing Environmental Impacts
14	Effective management systems to integrate the environmental principles	Product Responsibility, Customer Experience, PR1
15	Effective monitoring and evaluation mechanisms for environmental stewardship	EN1, EN3, EN4, EN5, EN11, EN12, EN16, EN17, EN19, EN20, EN23, EN 26, EN 28, Managing Environmental Impacts
16	Key outcomes of integration of the environmental principles	EN1, EN3, EN5, EN8, EN16, EN 19, EN20, EN26, Managing Environmental Impacts
Anti-Corruption Implementation		
17	Robust commitments, strategies or policies in the area of anti-corruption	Compliance with Codes, Policies and Regulations
18	Effective management systems to integrate the anti-corruption principle	Compliance with Codes, Policies and Regulations
19	Effective monitoring and evaluation mechanisms for the integration of anti-corruption	Compliance with Codes, Policies and Regulations, GRI Verification, ISO 26000
20	Key outcomes of integration of the anti-corruption principle	Compliance with Codes, Policies and Regulations
Value Chain Implementation		
21	Describes implementation of the Global Compact principles in the value chain	Employee Development, GRI Content check, Annual Report
Transparency and Verification		
22	Information on the company's profile and context of operation	GRI Content check, Annual Report
23	High standards of transparency and disclosure	GRI Content check, Assurance and cover page , Report front inner cover page
24	The COP is independently verified by a credible third-party	GRI Content check, Ernst & Young Australia, AA 1000AS, ISAE 3000

# Self-Assessment Relative to ISO26000 Non-Certifiable Standard

CORE SUBJECT	SUB CATEGORY	RELEVANT SECTIONS IN THE REPORT
 Human Rights	Due diligence	-
	Human rights risk situations	-
	Avoidance of Complicity	Page 47-49, 54, 79-81
	Resolving grievances	Page 82, 84-96,
	Discrimination and vulnerable groups	Page 47-49, 54, 79-81
	Civil and political rights	-
	Economic, Social and Cultural Rights	Page 47-49, 54, 79-81
	Fundamental principles and rights at work	Page 47-49, 54, 79-81
 Labour Practice	Employment and employment relationships	Page 54, 79-81, 85-96
	Conditions of work and social protection	Page 54, 79-81, 85-96
	Social dialogue	Page 54
	Health and safety at work	Page 55
	Human development and training in the workplace	Page 40-42
 The Environment	Prevention of pollution	Page 50-53
	Sustainable resource use	Page 50-53
	Climate change mitigation and adaptation	Page 84
	Protection of the environment, biodiversity and restoration of natural habitats	Page 50-53
 Fair Operating Practice	Anti-corruption	Page 54
	Responsible political involvement	-
	Fair competition	Page 33, 54
	Promoting social responsibility in the value chain	Page 47-49, 57-77
	Respect for property rights	-
 Consumer Issues	Fair marketing, factual and unbiased information and fair contractual practices	Page 47
	Protecting consumers' health and safety	Page 47, 55
	Sustainable consumption	-
	Consumer service, support, compliant & dispute resolution	Page 33-37, 77
	Consumer data protection and privacy	Page 45
	Access to essential services	Page 33-37
	Education and awareness	Page 47
 Community Involvement and Development	Community involvement	Page 57-75
	Education and culture	Page 57-75
	Employment creation and skills development	Page 40-42
	Technology development and access	Page 32-37, 57-75
	Wealth and income creation	Page 36-37
	Health	Page 57-75
	Social Investment	Page 57-75

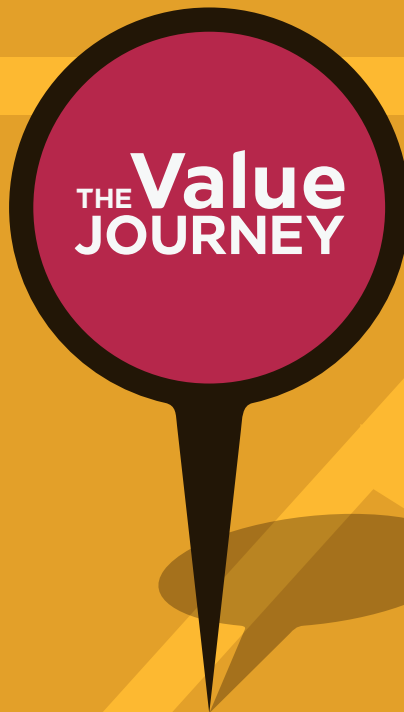
# Abbreviations

ABR	Audiology Brainstem Response	H&S	Health And Safety
AC	Alternating Current	HR	Human Resources
ATS	Automatic Transfer Service	ICMSC	Internal Career Mobility Support Centre
BAC	Board Audit Committee	ICTA	Information And Communication Technology
BBG	Bay Of Bengal Gateway	IDC	Internet Data Centre
BCM	Business Continuity management	ILO	International Labour Organization
BIA	Business Impact Analysis	ISMS	Information Security System
BOD	Board Of Director	ISO	International Organization For Standardization
CCaSS	Climate Change And Sustainability Services	IT	Information Technology
CEA	Central Environment Authority	KL	Kilo Litres
CG	Corporate Governance	KM <sup>2</sup>	Square Kilometers
CMDP	Corporate Management Development Programme	KPI	Key Performance Indicators
CMM	Capability Maturity Model	kWh	Kilo Watt Hour
CMP	Crisis Management Plan	LMD	Lanka Monthly Digest
CMT	Crisis Management Team	MOE	Ministry Of Education
CO <sub>2</sub>	Carbon Dioxide	NBTS	National Blood transfusion Service
CoC	Code Of Conduct	NPS	Net Promoter Score
COP	Communication Of Progress	NRC	Nominating And Remuneration Committee
CSAT	Customer Satisfaction	OpCos	Operating Companies
CSE	Crisis Stimulation Exercise	OPD	Out Patient Department
CSR	Corporate Social Responsibility	PLC	Private Limited Company
DADP	Dialog Accelerated Development Programme	PVT	Private
DC	Direct Current	Q1	First Quarter
DEWN	Disaster And Emergency Warning Network	Q2	Second Quarter
DTH	Direct To Home	Q3	Third Quarter
DTI	Dialog Tele-Infrastructure	Q4	Fourth Quarter
DVN	Dialog Volunteer Network	RAC	Ratmalana Audiology Centre
DWE	Desktop Walkthrough Exercise	REG	Registration
EPF	Employee Provident Fund	SLA	Service Level Agreement
EPL	Environment Protection License	SLB&BP	Sri Lanka Business And Biodiversity Platform
ETF	Employee Trust Fund	SMS	Short Message Service
EXCOM	Executive Committee	SPM	Spend Performance Management
EY	Ernst & Young	TRCSL	Telecommunication Rights Commission Sri Lanka
G.C.E.(A/L)	General Certificate Of Examination, Advance Level	TV	Television
G.C.E.(O/L)	General Certificate Of Examination, Ordinary Level	UK	United Kingdom
GADP	Axiata Group Accelerated Development Programme	UN	United Nations
GCEO	Group Chief Executive Officer	UNGC	United Nations Global Compact
GCNC	Global Compact Network Of Ceylon	USSD	Unstructured Supplementary Service Data
GHG	Greenhouse Gas	WIFI	Wireless Fidelity
GJ	Giga Joules	2G	Second Generation
GMDP	General Manager Development Programme	3G	Third Generation
GRI	Global Reporting Initiative	4G	Fourth Generation
GSMA	Global System For Mobile Communication Association		

# Notes







## SUSTAINABILITY REPORT 2014

**Dialog Axiata PLC**

475, Union Place, Colombo 02, Sri Lanka | +94 777 678 700 | [www.dialog.lk](http://www.dialog.lk)