Dialog

Sustainability Report 2015

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 are noted in the appendices to this report.

ERRATUM
An error was noted on page 34 in the table relating to Remuneration ratios in the earlier
version of this report, which is corrected accordingly herein.

The Global Goals for Sustainable Development

In late 2015, 192 member countries of the United Nations, representing the majority of the world's population and corporations, adopted 17 Sustainable Development Goals (SDGs) to succeed the Millennium Development Goals. From 2016 individuals, organisations and countries will be communicating the SDGs, educating stakeholders about them, taking part in a global discourse about them, and aligning their agendas behind them. Dialog Axiata PLC will be part of this. Throughout this report, icons representing the SDGs will identify the relationships between the topics being discussed and the identified SDGs. More information on the SDGs is available at www.globalgoals.org.

Independent Verification
Selected subject matter within this Sustainability Report has been independently assured by Ernst & Young (EY) to a limited level as defined by ISAE3000. For details on the subject matter and scope of the assurance please refer to EY's assurance statement on page 74

Dialog

Dialog Axiata PLC, a subsidiary of Axiata Group Berhad (Axiata), operates Sri Lanka's largest and fastest growing mobile telecommunications network. As one of the largest listed companies on the Colombo Stock Exchange in terms of market capitalization, Dialog is also Sri Lanka's largest Foreign Direct Investor (BOI) with investments totalling over USD 1.9 billion.

A winner of six Global Mobile Awards, Dialog has the distinction of being voted by Sri Lankan Consumers as the 'Telecom Service Provider of the Year' for 6 years in succession at the SLIM-Nielsen People's Choice Awards. Dialog was also voted by Sri Lankan consumers as the 'Internet Service Provider of the Year' for the fourth consecutive year, and has topped Sri Lanka's Corporate Accountability rankings for the past six years in succession and is an ISO 9001 certified company. The Company has received numerous local and international awards including the National Quality Award and Sri Lanka Business Excellence Award.

Dialog has been at the forefront of innovation in the mobile industry in Sri Lanka since the late 90's, propelling the nation's mobile telephony infrastructure to a level of advancement on par with the developed world. The company delivers advanced mobile telephony and high speed mobile broadband services to a subscriber base in excess of 10 Million Sri Lankans, via 2.5G and 3G/3.5G and 4G networks.

Dialog Axiata supplements its market leading position in the Mobile Telecommunications sector with a robust footprint and market presence in Sri Lanka's Fixed Telecommunications and Digital Television markets through its fully-owned subsidiaries Dialog Broadband Networks (Private) Ltd (DBN) and Dialog Television (Private) Ltd (DTV).

Company Highlights

SELECTED MILESTONES

- SELECTED MILESTONES
- 2014 NUMBER ONE FOR YEAR 2014 LMD CORPORATE ACCOUNTABILITY RANKING
- NENASA OPENED TO ALL DIALOG TV SUBSCRIBERS FREE OF CHARGE
- 2012 2000 TELEVISIONS DONATED TO NENASA PROJECT
- 2013 7000 DIALOG VIYAPARA DIRIYA CERTIFICATES
- 2014 NEILSEN PEOPLE'S CHOICE AWARD
- 2013 NENASA OPENED TO ALL DIALOG TV SUBSCRIBERS FREE OF CHARGE
- 2011 NUMBER ONE FOR 2011 LMD CORPORATE ACCOUNTABILITY RANKING
- 2010 LMD CORPORATE ACCOUNTABILITY RANKING NUMBER ONE FOR 2009
- MOBILE INCLUSION FOR TRADENET
- 2006 MARKET CAPITALIZATION OF RS ONE BILLION ON THE CSE
- 2005 CELEBRATING THE COMPANY'S TEN YEARS
- 2003 GLOBAL AWARDS FOR BLOOD SMS PROJECT
- 2007 FIRST IN SOUTH ASIA REGION TO LAUNCH WIMAX
- 2006 LAUNCH OF DIALOG TELEVISION - ACQUISITION OF CBN SAT PRIVATE LTD
- 2005 RE LAUNCHED AS DIALOG TELEKOM LTD
- 2012 1000- 5STAR PARTNER-DIALOG RETAILER NETWORK
- 2001 FIRST OPERATOR TO OBTAIN ISO9001-9002
- FIRST TELCO OBTAINED ISO9001-9002
- 1997 INTERNATIONAL ROAMING
- 1996 FIRST GSM NETWORK IN SOUTH ASIA
- 2001 FIRST GPRS AND MMS OPERATOR IN SOUTH ASIA
- 2001 RECEIVED ISO 9002
- 2002 LAUNCH DIALOT SAT
- 2002 WON 3 GSM WORLD AWARDS
- 1995- LAUNCH OF COMMERCIAL OPERATIONS
- 1998 WON 3 GSM WORLD AWARDS
- 2012 CORPORATE ACCOUNTABILITY RANKING NUMBER ONE FOR 2010
- 2015 LMD CORPORATE ACCOUNTABILITY RANKING PVT LTD
- 2015 GLOBAL MOBILE AWARD WINNER FOR EZ CASH AND IDEAMART
- 2014 TELECOM SERVICE PROVIDER OF THE YEAR
- 2012 WORLD SUMMIT AWARD -MOBILE HEALTH PVT LTD
- 2012 CORPORATE ACCOUNTABILITY SOLUTION PVT LTD
- AND 4G ROAMING
- 4G NETWORK AND 4G ROAMING
- 2010 DIGITAL HSPA IN SOUTH ASIA
- COMMERCIAL OPERATIONS OF 3G
- 2002 LAUNCHED COMMERCIAL A 100% STAKE IN MTT NETWORK PVT LTD
- 2006 LAUNCHED COMMERCIAL A 100% STAKE IN MTT NETWORK PVT LTD
- 2005 DIALOG TELEKOM SUBSCRIPTION BASE
- 2006 FIRST OPERATOR TO LAUNCH HSPA
- 2004 ONE MILLION SUBSCRIPTION BASE
- 2011 INCORPORATION OF FIRST SOURCE-DIGITAL HEALTH PVT LTD
- 2009 FIRST OPERATOR TO LAUNCH DIALOT SAT
- 2012 EZCASH MOBILE LTED MOBILE MONEY
- 2014 ADVERTISEMENT OF THE YEAR
- 2013 SOUTH ASIA'S FIRST MOBILE MONEY
- 2012 EZCASH SOUTH ASIA'S FIRST MOBILE MONEY SERVICE
- 2014 DIGITAL AND DIGITAL LANKA PVT LTD
- 2013 SOUTH ASIA'S FIRST MOBILE SERVICE PROVIDER OF THE YEAR
- 2013 A FIXED-LINE SERVICE, A FIXED-LINE SERVICE
- 2015 AQUISITION OF DIGITAL COMMERCE LANKA PVT LTD
- 2015 AQUISITION OF SUNTEL, A FIXED-LINE SERVICE
- 2014 INTERNET SERVICE PROVIDER OF THE YEAR
- 2012 AQUISITION OF SUNTEL, A FIXED-LINE SERVICE

DIALOG IN 2015

MEN : WOMEN – 80:20

ENERGY CONSUMPTION – 419,715.73 GJ (ALMOST 420,000 GJ OF ENERGY)

ENERGY USAGE PER NETWORK OPERATIONS SITE

ENERGY USAGE PER CUSTOMER – 0.05 GJ / CX

ENERGY SAVINGS – 10,288.45 GJ (OVER 10,200 GJ)

EMPLOYEE VOLUNTEERS – 10%

ENERGY USAGE PER EMPLOYEE – 5.64 GJ/ EMPLOYEE

MOBILE INSURANCE SUBSCRIBER BASE -11MN

GROUP PROFIT – 5.2BN

SERVICE OUTLETS – 142

TAXES PAID TO GOVERNMENT – 28BN

DTV SUBSCRIBER BASE -1,836,543

EZCASH SUBSCRIBER BASE -650,000

MOBILE SUBSCRIBER BASE -2.2 MN

GROUP REVENUE -74BN

COMMUNITY INVESTMENT -60 MN

GROUP EBITDA GROWTH -14%

WORKFORCE – 4374

TOTAL SAVINGS IN RS BY ENERGY SAVING METHODOLOGIES – RS. 56,437,823

BASE STATIONS - 3,051

TOTAL SAVINGS IN RS BY TECHNICAL SITE – 118.89 GJ/ TECHNICAL SITE

Chairman's Message

It is my pleasure to pen a few words for Dialog Axiata PLC's eighth Sustainability Report. In a regulatory environment that does not require disclosures beyond the financial from public companies, stakeholders of such companies may ask how their interests are furthered by publishing an additional Sustainability Report.

The Axiata Group Berhad's regional insights have reinforced the importance of not just engaging stakeholders, but taking necessary proactive actions to raise the standards of engagement and discourse to a post-"CSR" one. Stakeholder groups, particularly in emerging economies, too often have widely varying views on and levels of understanding of the key issues at global, national, industrial and individual levels. Clear – and repeated – articulation of what a company stands for, and in what ways it puts those words to action, is not just valuable for burnishing the company's image. It is also the most effective way for a company to reach out to the world around it, and to touch those in turn reaching out to the company. No one company can solve all the world's problems.

Modern history has however shown how focused, well-executed capitalist enterprises have changed the face of this world and the lives of its denizens. Not all the changes have been desired, no doubt. Nor have all beings been positively affected. These are the very reasons why an evolved, better-informed and more engaged breed of capitalism is necessary to preserve and equalize the quality of human life while stewarding the planet and the species that share it with us.

Yet in maximizing stakeholder value many of the most successful and longest-lasting companies have raised the living standards of millions, if not billions, of people, generated immense financial value, and pushed technologies to ever-greater efficiencies with minimum strain on resources. One can also see Adam Smith's Invisible Hand at work in the way the best-led, best-informed companies have, for more than a century in some cases, gravitated to and become long-term agents in tackling some of the most tenacious problems facing the world around them. These problems are not always aligned or adjacent to the companies' areas of business – though arguably some of the most sustainable and enlightened engagements are such; sometimes companies courageously recognize that certain social lacunae or environmental issues are too important or have been ignored for too long, and act to rectify those. Sustainability Reports, then, are a way to share companies' thinking; share their work and encourage others to join and collaborate; and to raise the level of discourse on the most challenging issues affecting those companies' stakeholders.

These are the reasons why I am, along with Dialog Axiata's other stakeholders, delighted to be a part of this Sustainability Report, looking at the year ended December 31st 2015. It has been yet another hectic year for the Company and its Sustainability goals. On the financial performance front, in the Year 2015, against a backdrop of driving an aggressive digital inclusion agenda, your Company grew its EBITDA by 14%, and gained market share across the multiple segments of its comprehensive portfolio of ICT business, no small achievement for a market leader. The Company's performance vindicates the credence we place on building solid, adaptable platforms upon which both the Company and its stakeholders can build with confidence, empowered and enabled by the most advanced technologies, and reaching an inclusive cross section of Sri Lankan society cutting across geographic, linguistic, demographic and socio-economic barriers.

In this Sustainability Report you will read also how in the year under review, we have made great progress in addressing the key issues highlighted by our external assurance providers for the previous period. You will read how we have further extended key Digital Inclusion goals of Affordability and Availability, bringing the latest Cloud technologies to Sri Lankans, underpinned by world-standard processes, while also surpassing half a million Satellite TV connections. You will read how our product responsibility activities such as mobile waste reclamation and the 'Be Technology Wise' campaign I have always enjoyed, and the business-positive 'Suraksha' child security device. And you will read of our continuing work with persons with disabilities and our staff voluntarism, among our many community investments.

This year's report discusses Dialog's work through the lens of the many platforms the Company has built for itself and for others to build upon. I have no doubt you will enjoy and find your views of the Company's activities from this perspective refreshed. I conclude by inviting you to join us on the platforms you find the most resonant and valuable to you and the causes you find most significant to you.

Datuk Azzat Kamaludin
Chairman of the Board of Directors
15th April 2016

Group Chief Executive's Review

In my message last year, I alluded to the fact that Dialog continues to see its role in society, as being one charged with democratising the digital future. This also means rendering inclusive and plural, the multiple facets of empowerment the emerging digital era promises to deliver to citizens and businesses.

The Scale and Impact of Inclusion

While the overarching ethos of driving inclusive digital empowerment has remained consistent and core to Dialog's sustainability thrust, the execution and implementation of this paradigm in a scalable form has matured over the years, with requisite expansion in the scale of impact the company could deliver to person and society. A fundamental learning in this respect has been the fact that the success of achieving scale with respect to impact, reach or relevance of a product, service or concept is almost always predicated on the congruence between the scaling methodology adopted and the inherent features of the original concept itself. A second and related learning we have derived is that the evolution of scaling methodology is best left to the forces of organic innovation, and in the hands of the beneficiaries themselves.
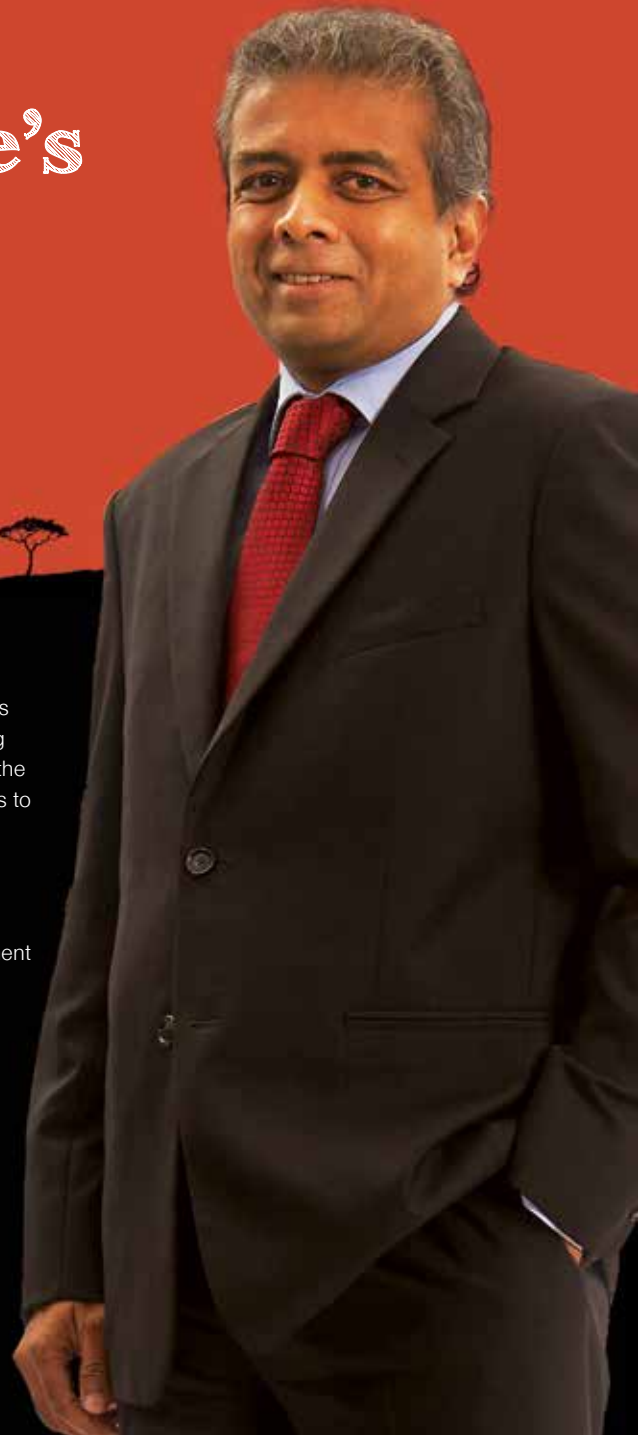
Platforming

While this approach of organic innovation is singularly intuitive it does not mean that such organic innovation leading to multifaceted and parallel scaling, and rapid pluralisation can be left unassisted. It does not by any means render the driver of inclusion absolved of the onus of facilitating an environment for assisted and empowered innovation. So emerges the paradigm and concept of "Platforming". If platforms are established from inception, to flexibly enable the base technology, idea, concept, capability or empowerment enabler, to be manipulated through multiple layers of innovation and adaptation, the end result would be an expansive level of scalability. Platforms are indeed Dialog's business. For over two decades we have built networks and made new technologies plurally available so that they may enhance Sri Lankan lives and enterprises. Our consumers and partners use these platforms, at first experimentally, but soon innovatively and strategically to build parallel hierarchies of use cases and applications. Today many of Dialog's technologies and services are employed in ways that were never expected or envisioned. Platforms seeded by Dialog have fostered new ecosystems and have opened new frontiers for market dynamism and individual persistence and excellence.

Overcoming Complexity – Advancing Technology May Defy Platforming

Platforming, to the believer in the concept, was relatively easy in the decades past when technologies themselves were less complex. Over time the confluence of technologies, systems and applications which had to come together to deliver an advanced Mobile Telecommunications environment increased exponentially in number and complexity. The problem of "Platforming" in such an environment was rendered exponentially more complex than in the past. Notwithstanding this challenge Dialog remained resolute in its thrust to "Platform" its ever increasing digital capabilities so that the resultant digital empowerment could be distributed plurally, at scale and in a form relevant to micro and macro segments of society.

The Platforming problem – once a conceptual one, was now a technological challenge – specifically, how could the complexities of multifarious technologies and digital capabilities be dis-intermediated to multi-layered platforms which would provide for simple and intuitive templates for the self-scaling and proliferation of applications and services thereby enabling the inclusive empowerment of a wide array of users. Driven by this fundamental paradigm of "inclusion", Dialog set forth to innovate and develop a framework for the exhaustive exposure of network APIs (Application Programme Interfaces). This innovation fundamentally enables the simplification of complex network interfaces into plug and play attributes which in turn can be exposed in simple and templated form via "Platforms" for consumption by developers and content owners who in turn would drive parallel innovation and proliferation in the same manner they did with simpler base technologies in the past.

API Frameworks – Dialog's Breakthrough Enables Wider Inclusion

Dialog's innovation in the API sphere won Global recognition at the Mobile World Congress 2015, winning the Global Mobile Award for the Best Technology Enabler. Dialog's API framework was exposed through its Open Development Platform Ideamart enabling Developers to create applications and content services on top of the base network infrastructure. Today, the Ideamart eco-systems consists of nearly 4,000 developers and extends over 7,500 applications and services to a consumer base exceeding 1.3 Million consumers of digital services. Dialog's advanced rendition of "Platforming" provided the foundation for Global recognition once again, at the 2016 Mobile World Congress – powering the company in its successful bid to win the Global Mobile Award for the Best Network Technology for Serving Customers. The API exposure framework had now reached much greater scale and scope, with a plethora of network features being exposed directly to customers alongside a subset made available for service creation and open innovation. The "Platform" so created has expansive potential, and enables the many to many orchestration of a multitude of network

attributes and payment options in a manner which an exponential number of consumer needs could be met while simultaneously aligning to the affordability and payment flexibility requirements of the consumer. The scope of services as stated is expansive – Mobile Money, Micro Insurance, Device Financing, hundreds of value added services, Internet of Things (IOT) applications, location based services, music, movies, alerts, information on demand, business solutions, with "Platforming" providing maximised and simplified digital inclusion on par with that applicable to the simpler but less capable services in the past.

Platforming Transcends Traditional Boundaries

Today, Dialog's platforms transcend traditional competition and network providers – 2.2 million Sri Lankans can today seamlessly transact with each other across the Dialog, Hutch and Etisalat networks, on the eZ Cash mobile money platform. eZ Cash has the distinction of being the first Mobile Money platform in the world to be end to end interoperable across network service providers enabling the maximisation of digital inclusion and seamless inter-connectivity of transactions. The eZ Cash Platform joined Ideamart on the world stage in 2015 – winning yet another Global Mobile Award – for the Best Mobile Money Platform. Dialog's eZ Cash platform now also connects to a several International Money Remittance partners, extending its transactional capability beyond the shores of Sri Lanka with the objective of extending the scope and scale of inclusion to encompass the many millions of Sri Lankans resident overseas.

Dialog's Satellite based Distance Learning platform continued to expand in reach and depth of content during the course of the Year 2015. The platform was enriched with the capacity for dual language broadcast, and furthermore the depth of content development was enriched through the establishment of content development partnerships capable of scaling to the requirements of the curriculum and the target segment of student audiences.

The Nenasa platform is built on top of the Dialog's base Satellite Television service platform. Parallel with Nenasa which is broadcast to more than 2,000 under-resourced schools across Sri Lanka, Dialog transmits a wide spectrum of edutainment, news and sports content to over 750,000 Sri Lankan homes.

The development of National Sport through commercial sponsorship is a platform that Dialog has helped support and built over the years with a focus on developmental objectives across multiple sports at national level. Dialog continued to carry the mantle of the Sponsor of the National Cricket Team alongside its sponsorship of the National Rugby Team, the National Volleyball Federation the National Football Federation and the Disabled Sports Federation. The total investment by the Group towards the development of Sports in Sri Lanka exceeds several hundred million Rupees on an annualized basis. Dialog continued to build its entertainment and engagement platforms beyond direct to home satellite TV in 2015. A partnership with Facebook, Inc. brought to Sri Lankans a special package with one month's free surfing, targeting the acceleration of Broadband adoption among under-penetrated segments. The 8th season of the Games. lk Counter Strike League gaming competition was powered by Dialog, which also launched a first-of-its kind service connecting fans with celebrities over a voice platform.

In alignment with Dialog's vision of being the undisputed leader in providing multi-sensory connectivity to empower and enrich Sri Lankan lives and enterprises, the Company built on long-standing engagement platforms resulting in a portfolio of community investments addressing Hearing, Sight and Speech. Alongside its support of the Ratmalana Audiology Centre (RAC), Dialog also supported patients at the Lady Ridgeway Hospital awaiting Auditory Brainstem Response (ABR) tests, by sponsoring free tests at the RAC,. In the sphere of vision impairment, Dialog supported the provision of 10,000 pairs of spectacles to low-income patients under the Vision2020 programme at the National Eye Hospital. Dialog also supported several other initiatives

focused on enhancing care for the Hearing, Sight and Speech impaired, including but not limited to support for the National Council for the Deaf, training of Medical Officers under the National Programme for the Prevention of Hearing Impairment and Deafness (NPPHID), and sponsorship of the Disability Organisations' Joint Front.

Risks and Responses

No business is free of risks, and some of Dialog's most material risks are directly related to, if not driven by, the nature of some of its expansive network of platforms which reach out to Millions of consumers with a matrix of life enhancing transactional services. The data generated, collected and stored as part of the Company's operations are varied and voluminous. Information security hence gains elevated importance as a key risk. Dialog has during the course of 2015 put in place a variety of Information Security Governance Processes and Procedures, including but not limited to governance constructs at with accountability escalating to the highest levels of corporate management.

While excelling at using multiple platform strategies to drive inclusion on an increasing number of service dimensions, Dialog is increasing aware of the imperative of product safety. Dialog supported the first Safer Internet Day held in Sri Lanka in the capacity of the Platinum Sponsor of the event. The Suraksha Child Safety Device also launched in 2015, directly addressed the concerns of parents who wish their children to be able to stay connected, while protecting them from the dangers of unsupervised voice and data communications.

It is also recognised that Platforming and open consumer access at a Global Level has empowered the disruption of traditional industries, not least the domain of traditional communications. In this respect, the proliferation of Over The Top (OTT) communication services present a threat to the sustenance of Telecommunications sector revenues and the capacity of the sector to invest aggressively in plural connectivity. While seeking from regulators and policy makers a framework whereby such OTT services are subject to like for like regulation, on par with those applicable to traditional telecommunications services, Dialog has been proactive in establishing its own Digital Services capabilities. Dialog's Digital service forays have collectively expanded the scope of the Group's activity portfolio to encompass Digital Commerce, Digital Education, Digital Health and Digital Music and Entertainment Services.
The Evolution of Sustainability at Dialog
As we review the Company's sustainability performance for the period January to December 2015, we celebrate Dialog's role as a platform for innovation and dynamism which has the potential to deliver an indelible contribution towards Sri Lanka's socio-economic development.

Dialog's Sustainability activities and practise have evolved over the years and engaged at increasing depth with a wider cross section of stakeholders. This expansion of scope continues to drive the Company to continuously improve its stakeholder relationships and performance on social, environmental and economic development platforms. I note with pride that Dialog has retained the No 1 "Corporate Accountability" Ranking among Sri Lankan corporate since the inception of the ranking in 2009. The Company's vision of Sustainability, and the vision shared by its stakeholders, has evolved over this 8 year period. Dialog has however been successful in expanding its vision and delivery of sustainability and continues to be a thought leader in the sphere, setting standards for others to follow. Going forward, we will continue to raise even further the understanding and engagement of different stakeholders with the many concepts and aspects of Sustainability, to ensure that the relevance

and impact of Dialog's efforts are understood, critiqued, valued, and maximized. Activities underway are also focused at building Dialog's Sustainability platform further outwards as well as inwards, enabling among other facets the addition of diverse engagements and exposure to the experience set of Dialog's Sustainability professionals. Over the longer term horizon, I hope to see the expansion of Dialog's Sustainability platform to render more impactful its contribution to global knowledge and thought leadership on sustainability topics of contextual relevance.

Looking Forward

Looking to 2016, Dialog will continue its relentless battle, firstly and most fiercely with itself. Never ready to rest on its laurels, your Company will continue in 2016 to make Digital Inclusion a reality for as many Sri Lankans as possible. Your company will also continue to invest in and reinvent its Platforms large and small, humble and ambitious, so that they may deliver a foundational contribution towards the democratization of the digital future ahead.

Dr. Hans Wijayasuriya
Group Chief Executive

15th April 2016

Two decades in the past, Dialog provided one service, a single and simple platform - mobile telecommunications. Soon, entrepreneurs and professionals adopted mobile telephony as a platform upon which they built their businesses and developed new business models. Families adopted mobile telephony to bridge distances or to create immediacy and to increase productivity during their working day. Likewise, Text messages enabled entirely new services and today underpin entire business models. The flexibility of payment platforms such as pay-as-you-go (prepaid) and enhancements such as Pay-per –Day models allowed application providers and consumers to contract on a combinatorial multitude of payment options based on affordability and preference. Inclusion and digital empowerment was being maximised and the core service was scaling at an exponential rate. It was the base approach of "Platforming" combined with organic and open innovation which had enabled scalability and inclusive development.

Platforms are also inherently sustainable. In contrast with parallel verticalised product implementations, a horizontal platform (foundation) which provides fertile ground for multiple template and interconnected innovations, provides a far more stable and resilient eco-system for the sustainability of the end-benefit to individual and society. Platforms which lend themselves to templated and layered innovation on top are challenging to build, but in times of uncertainty and volatility, platforms can provide the robustness and firm footing that will eventually provide differentiation between transient flash in the pan innovation and a far-reaching impactful development changing the world around it.

Dialog's 4A's Platform for Digital Inclusion

Dialog's Digital Inclusion approach has for many years been underpinned by the 4A's approach.

These concepts build upon each other and define the progressively material concerns that define whether a product or service would succeed in addressing the needs of value-conscious consumers in an emerging-market context. Dialog's many strategic activities over the years, analysed against this framework, can be found to be consistent with, and driven by, these considerations.

AFFORDABILITY

Is it available without additional costs, when and where needed? Is it reliable?

AVAILABILITY

The initial and lifetime cost – vs. value generated

APPLICABILITY

Does it solve a genuine problem, save or create genuine value from the consumer's point of view?

AFFINITY

Does it bring the consumer closer to their affinities and affinity groups? Does it inspire loyalty and reduce cost of retention and reduce churn?

PLATFORMS FOR ALIGNMENT

As the Axiata Group Berhad, Dialog's parent company, continues the process of producing its own Sustainability Reports and enabling its other Operating Companies to embark on the reporting process, the Group's approach to Sustainability and reporting is based on a four-pillar approach. To align with the Group's reporting process, Dialog has followed the Axiata Group's four-pillar approach in organizing the contents of this report. Dialog's material issues identified for the year under review (please refer page 19) are mapped to each pillar as illustrated below.

PLANET AND SOCIETY
Ethics and Integrity
Anti-corruption
Energy Consumption and Conservation

PROCESS EXCELLENCE
Data Integrity
Workplace Safety
Quality and Affordability of Products and Services
Compliance
Procurement Practices

NURTURING PEOPLE
Employee Welfare, Remuneration and Development
Training in 2015
Diversity, Non-discrimination and Equal Opportunity

BEYOND SHORT TERM PROFITS
Service from the Heart
Business Performance and National Economic Contribution
Innovations
Platforms for Digital Inclusion

Dialog

The Future. Tod

DAP 0777

Axiata Group is a making a concerted effort to create a strong and cohesive Group-wide corporate responsibility identity for all its Axiata companies. By adopting this approach, the Group is aligning the efforts of its Operating Companies (OpCos) in the South Asian and South East Asian regions by incorporating a shared sustainability identity structured in 3 corporate responsibility areas:

•   Disaster Management and Response: Adopt proactive measures to improve Network resilience and responsiveness in order to facilitate connectivity before, during and after disaster situations.
•   Young Talent Development: Identify and support the growth of talented youth in the OpCo countries and ensure identified young talents achieve their potential as future corporate leaders.
•   Green Initiatives: Establish acceptable standards in terms of systems and processes to ensure the most effective environmentally-friendly operational practices are used in the Group's network, infrastructure and office locations.

While these areas will be discussed collectively as Axiata Group's Corporate Responsibility initiatives, each OpCo including Dialog will carry out its sustainability projects independently based on individual company's materiality and sustainability context.

Please refer to the Axiata Group Sustainability Report 2015 for more information.

Service from the Heart
Create the Future
Champions of Change
Exceptional Performance
Uncompromising Integrity
Responsible Leadership
One Team

CORPORATE VALUES

Scope & Boundary

This document is Dialog Axiata PLC's 8th annual Sustainability report published alongside the Company's Annual Report to shareholders. This report outlines Dialog's performance for the financial year 1st January to 31st December 2015. In this report we address the 12 material issues identified by the Company and its stakeholders. We describe the management approach to, and provide data related to, 14 material aspects corresponding to the 12 material issues, as defined by the G4 sustainability reporting framework published by the Global Reporting Initiative (GRI).

The reporting boundary for each material aspect is derived by a two-part process. First, a value-chain mapping exercise is conducted for each material aspect, the output of which is illustrated later in this report[1]. Second, the reporting Aspects material to each material issue are mapped out. In addition to reporting on the mainstream GRI aspects found to be material by this process, we also report on telecommunication industry-specific indicators that are found to be material by way of the same process.

This Sustainability Report also serves as Dialog Axiata PLC's 8th consecutive Communication of Progress (COP) and 5th consecutive Advanced COP for the United Nations Global Compact's (UNGC) 24 Advanced Criteria relative to the UNGC's Ten Principles of commitments in the areas of Human Rights, Labour, the Environment, and Anti-Corruption.

[1]*Please refer page no. 21, for our materiality value-chain mapping chart*

G4-17   G4-18   G4-19   G4-20   G4-21

Stakeholder Engagement

Dialog undertook a dipstick Sustainability stakeholder engagement survey in the year under review for two purposes to guide the Company's Sustainability agenda for the 2016 period and to identify the key topics to be reported upon here, as per GRI guidelines. Seven of Dialog's key stakeholder groups were thus engaged by an independent party to obtain feedback on the current economic, social and environmental aspects that matter most to them. These groups included customers, suppliers, retailers, distributors, employees, civil society and the general public. The context for this survey was derived in two ways: by the Global Reporting Initiative's (GRI) G4 framework that Dialog follows in reporting its Sustainability performance annually and a benchmarking review of issues affecting the Telecommunications industry globally.

A shortlist of 24 issues was thus identified and an independent research agency was commissioned to frame and conduct the survey. The agency carried out the study via a telephone-based questionnaire for majority of the respondents, while some of the engagements were face-to-face interviews.

Engagements undertaken with key stakeholder groups in the year under review:

GRI Aspects
Issues from previous years
Issues from industry peer

Aspects for Study > Identify relevant stakeholder groups > Engage stakeholders > Compile results

G4-18   G4-24   G4-25   G4-26   G4-27
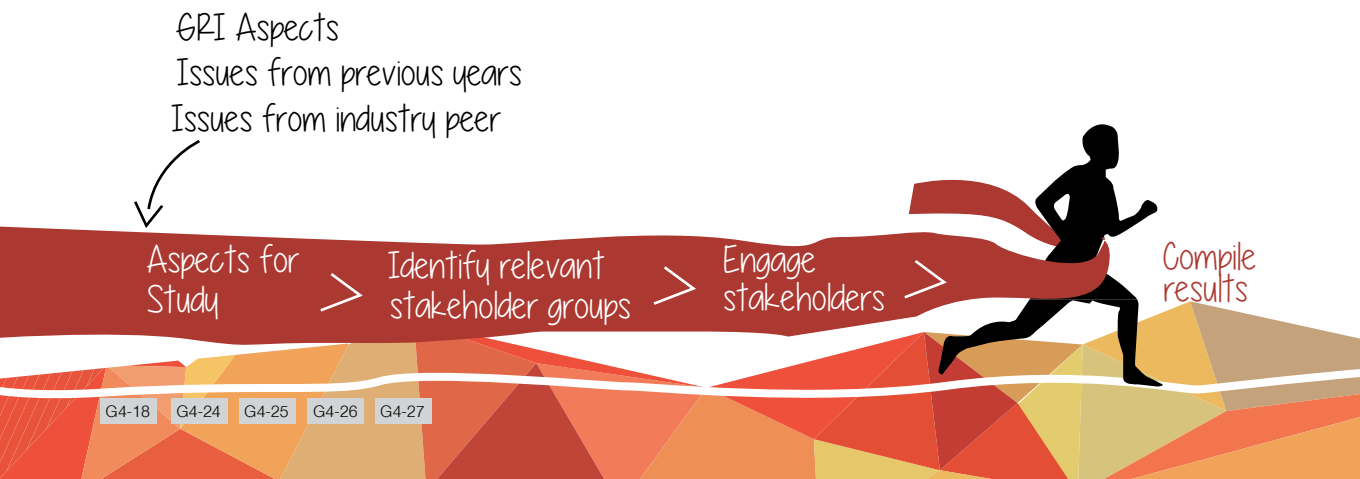
Stakeholder Group	Type of Engagement Carried Out	Methodology	Frequency
Customers	Net Promoter Score Survey across all groups of Customers	Sample Survey with Face-to-Face interviews	Annually
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issue to customers and Dialog's performance w.r.t each issue	Annually
General Public	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issues to the general public and Dialog's performance w.r.t each issue	Annually
Shareholders	AGM		Annual
	Investor Forum		Annual
	Earnings call with local and foreign analysts		Quarterly
	Regular one-on-one engagements	Twenty four one-on-one meetings/ calls.	
	Overseas roadshows	Three roadshows conducted (Two abroad)	
	Local Stock Broker Forums	Two local forums	
Civil Society Organisations	Continuous active engagement led by the Sustainability Division		Project-wise/ Regular business-as-usual interactions
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issues to Civil Society and Dialog's performance w.r.t each issue	Annually
Regulators	Continuous active engagement led by the Sustainability Division		Project-wise/ Regular business-as-usual interactions
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issues to Civil Society and Dialog's performance w.r.t each issue	Annually

G4-18 G4-24 G4-25 G4-26 G4-27

Employees	Continuous Active Engagement across Multiple Divisions		Annually
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issue to regulatory bodies and Dialog's performance w.r.t each issue	Annually
Retailers/ Distributors	Regular one-on-one engagements		
	Dialog 5-Star Partner Initiative		Regular business-as-usual interactions
	Dialog Viyapara Diriya (DVD) Programme	2100 Retailers engaged across multiple workshops	Training sessions
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issues to all retailers and distributors, and Dialog's performance w.r.t each issue.	Annually
Suppliers	Supplier Site Assessments and Regular On-going Engagement		Regular business-as-usual interactions/ Procurement-based interactions, both on a daily basis.
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issues to the supply chain and Dialog's performance w.r.t each issue.	Annually
Media	Regular one-on-one engagements		
	Independent Sustainability Stakeholder Engagement Survey	Dipstick Survey: Phone calls to sample of respondents to judge importance of issues to the media and Dialog's performance w.r.t each issue.	Annually

G4-18   G4-24   G4-25   G4-26   G4-27

Materiality Assessment

The GRI reporting framework defines Material Issues as issues that the company and its stakeholders identify as important. Reporting and disclosure on the most material issues would therefore serve a company best in addressing concerns related to its performance. The materiality of issues during the 2015 reporting period is determined by plotting them on relative scales based on inputs from each party.

1)   Materiality of issues among Stakeholders is determined by,
  i.   A quantitative survey on issues considered material to a series of stakeholders
  ii.   A benchmarking exercise of global industry peer organisations to identify topics considered to be material for the industry globally

2)   Materiality of issues to the Company is determined using,
  i.   The Company's Enterprise Risk matrix for 2015
  ii.   The Group Chief Executive's (GCEO's) Key Performance Indices (KPIs and Corporate dashboard outlining business focus for 2016

Under the GRI classification of economic, environmental and social aspects, companies face a large number of topics which remain material towards the business. However, Dialog Axiata PLC's material activities remain largely within the Information and Communications Technology industry, limiting the scope of specific topics considered material towards the business. As such, the 2015 report focuses on the top 12 most significant issues given below, to provide a concise measure of materiality.

- Data Integrity
- Business Performance and National Economic Contribution
- Employee Welfare, Remuneration and Development
- Diversity Non-discrimination and Equal Opportunity
- Ethics and Integrity
- Workplace Safety

- Innovations
- Digital Inclusion
- Quality and Affordability of Products and Services
- Compliance
- Anti-corruption
- Energy Consumption and Conservation

Material Issues

In each year's Sustainability Report we compare the Materiality Assessment output for the preceding period as well as the period under review.

Of the ten issues found to be most material in 2014, only four have persisted among the top ten material issues for the 2015 period. Such shifts in materiality are to be expected as issues and stakeholder perceptions evolve over time. The list of material issues has been extended to 12 for the 2015 period, to accommodate the four lowest-ranked issues with similar scores.
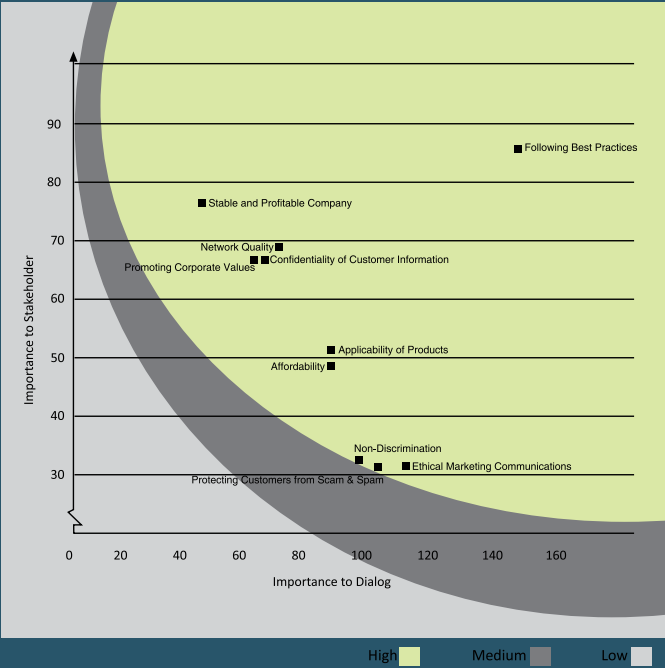
YEAR 2014'S MOST MATERIAL ISSUES

High   Medium   Low
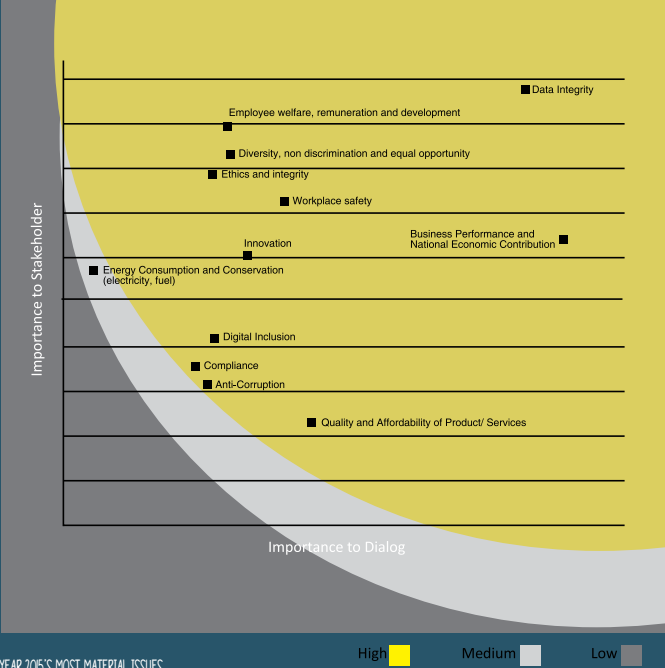
YEAR 2015'S MOST MATERIAL ISSUES

High   Medium   Low

G4-18

Value Chain Mapping

The material aspects corresponding to the issues identified as being material for the reporting year are illustrated below, alongside the relevant material GRI indicators corresponding to each issue.

Material Aspect	Material Issues	General Public	Customers	Employees	Distributors/Retailers	suppliers	Regulators/Government	Reference
Customer Privacy	Data Integrity		☑	☑	☑		☑	Page 42
Economic Performance	Business Performance and National Contribution		☑	☑			☑	Page 22-23
Energy	Energy Consumption and Conservation			☑		☑		Page 49
Environmental Compliance	Compliance, Ethics and Integrity	☑		☑		☑	☑	Page 42-44
Occupational Health and Safety	Workplace Safety			☑	☑	☑	☑	Page 33
Product and Service Labelling	Data Integrity: Quality and Affordability of Products and services		☑	☑	☑		☑	Page 42
Product Responsibility Compliance	Compliance Ethics and Integrity	☑	☑	☑	☑	☑	☑	Page 42-44
Social Compliance	Compliance Ethics and Integrity	☑	☑	☑	☑	☑	☑	Page 42 - 44
Training and Education	Employee Welfare, Remuneration and Development		☑	☑				Page 34-35
Indirect Economic Impacts	Business Performance and National Contribution	☑	☑	☑	☑	☑	☑	Page 22-23
Employment	Employee Welfare, Remuneration and Development	☑		☑	☑	☑	☑	Page 32-35
Equal remuneration for Men and Women	Employee Welfare,Remuneration and Development;Diversity, non discrimination and equal opportunity	☑		☑	☑	☑	☑	Page 32-39
Diversity and Equal Opportunity	Diversity, non discrimination and equal opportunity	☑	☑	☑	☑	☑	☑	Page 36-39
Anti-Corruption	Anti-Corruption	☑	☑	☑	☑	☑	☑	Page 48

Stakeholder Group

Reference

G4-19 G4-20 G4-21 G4-24 G4-27

BEYOND
SHORT TERM PROFITS

The Axiata Group Berhad, regionally, and Dialog Axiata PLC, locally, practise long-term business strategies that maximize value for long-term shareholders, customers and national economies. As major economic actors in all operating countries, competing in strategic industries, Axiata companies balance short-term profitability incentives with the understanding of the longer-horizon drivers of long-term financial sustainability. Customer perceptions of value delivered of the corporate values and of the brand, are essential for social "license to operate" – quite apart from regulatory license to operate.

Operating in emerging economies, Axiata Operating Companies are served well by the 4A's model for Digital Inclusion first espoused by Dialog, which focuses on otherwise-overlooked customer segments, as long-term sources of value as living standards and economic capacities improve. In Sri Lanka, Dialog has in its history deployed many counter-intuitive strategies with the long term in view, occasionally at short-term cost but with ample pay-off on longer horizons. Examples include the launch-time choice of still-nascent GSM as the basic network technology; aggressive network expansion well beyond competitors' proven revenue bases; early collaboration with device manufacturers to drive take-up of lower-cost handsets, repeated today with lower-cost smart phones driving the affordable smart device revolution; and the "Lesi Pay" device-financing scheme to lower the barriers for customers to first unlock the value of Dialog's transformative technologies.

Business Performance and National Economic Contribution PLATFORM FOR THE ECONOMY

Dialog's national leadership role is evident on financial and national economic platforms. As a shareholder-owned company, Dialog is accountable to its shareholders to ensure satisfactory business performance on short- and long-term horizons. With a performance-driven culture and remuneration strategy, Dialog's staff and business stakeholders are incentivised to achieve business performance objectives aligned with the company's shareholders' long-term interests. Though its stock holds blue-chip status on the stock market, which in itself speaks to the Company's contributory role in national economy, Dialog works to enable an intentionally wide ownership base extending to small individual investors, extending the Company's Inclusivity ethos from those it serves to those who can own a stake in the Company's success as well. Dialog is the largest single Foreign Direct Investment in Sri Lanka, standing cumulatively at USD 1.96 billion. A material portion of Dialog's shares are owned and traded by state-owned investment vehicles, further aligning the Company's direct business performance with national economic aspects. Dialog's diverse services reach and seek to enhance the lives of half the country's citizens, and the proven development-positive, liberating capability of such services multiply the Company's own economic contribution by unlocking the potential of countless individual economic contributions.

The internal and external materiality of the Company's performance and national economic contribution is therefore evidenced by the many stakeholders invested in the Company's performance, and given the depth to which the Company's technologies and platforms enable and empower the rest of the national economy. Business performance is governed by a strong level of accountability to owners via wider shareholder forums including Annual General Meetings and reports, as well as regular and rigorous review by the Board of Directors and its many committees of Directors focusing on specific areas of importance. Key Performance Indicators set to all employees from the Group Chief Executive down in a rigorous performance-driven culture shape and guide the Company's activities and approach to maximizing business performance and national contribution. A strong values-oriented focus in cultural assimilation of employees drives both business performance and the sense of service to a bigger purpose and a national contribution.

Regular Group Senior Management Committee (GSMC) meetings, where issues and actions items are raised and tracked rigorously, are a major operational process and governance mechanism.

Such regular meetings look into the effective execution of overall objectives, complementing regular board scrutiny and KPI evaluations at all levels of management on quarterly and annual cycle. Once again connected to the performance based compensation regime.

The table below details the Company's business performance measures as well as the other different forms of contribution to various sectors of the national economy.

Direct economic value generated (Group)	YTD 2014	YTD 2015
a) Revenues (Net sales plus revenues from financial investments and sales of assets)	67,634,399,000	74,447,935,000
Economic value distributed (Group)	49,172,142,453	52,152,878,546
b) Operating costs (Payments to suppliers, non-strategic investments and royalties)	16,451,236,692	16,558,882,833
c) Employee wages and benefits (Total monetary outflows for employees (current payments, not future commitments)	5,169,624,000	6,087,411,000
d) Payments to providers of capital (All financial payments made to the providers of the Organisation's capital.)	3,085,540,000	1,881,761,000
e) Payments to government (Gross taxes)	24,424,865,308	27,564,701,167
f) Community investments (Voluntary contributions and investment of funds in the broader community includes donations)	40,876,453	60,122,546
Economic value retained (calculated as Economic value generated less Economic value distributed) - Investments, equity release, etc.	18,462,256,547	22,295,056,454

Dialog Axiata & BOI Sign LKR 24.6Billion (USD 175Mn) Investment Agreement

Innovations
PLATFORMS FOR THEFUTURE.TODAY

Dialog's long-standing tag-line, 'TheFuture.Today' embodies the Company's brand promise since its earliest days. As the fourth entrant into what was an exclusive, elite-oriented mobile phone market in 1995, Dialog took the bold strategy of building the first all-digital mobile telephony network on the nascent GSM technology. Dialog operates today 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.
Dialog's core values, updated in 2014, also capture the company's innovative spirit. Two of the seven core values – 'Create the Future,' and 'Champions of Change,' remind the company's dynamic workforce to innovate beyond the status quo and to embrace change.

Several activities and major developments to existing products, and new launches in the year in review, speak to how the Company has stayed true to this spirit of innovation throughout.

Lesi Pay

Directly addressing the Affordability principle for maximising Digital Inclusion, the Lesi Pay service was launched in April 2015 to make device ownership affordable to Sri Lankans and not restricted to just Dialog subscribers.

With less than one million Sri Lankans having access to credit cards and payment mechanisms involving installment schemes, a significant portion of society is unable to access the digital world, among many other amenities and services. Lesi pay schemes enable the purchase of Feature phones, Smartphones, tabs and Dialog TV connections by instalment schemes, with highly affordable payment rates, as low as Rs. 209/- per month. Devices bought via Lesi pay are delivered, on credit, directly to the doorstep, making it a highly convenient and affordable alternative to other purchase means, and leading to the creation of a new era of micro-financing in Sri Lanka.

Lesi Pay was designed with an innovative proprietary credit insight system with credit policies that take a holistic view of a customer's spending profile to assess risk of default. Lesi Pay has been highly successful in meeting its objectives, generating over Rs. 81 million in revenue since its launch, with the sale of over 3,500 individual units maintaining a default rate of less than 5%.

Social Innovations Hackathon - "HackADev"

With the availability of the revolutionary Ideamart platform that exposes the capabilities of Dialog's other technology and process platforms. Dialog in partnership with the United Nations Development Program (UNDP) in Sri Lanka engaged the local technology community in a series of hackathons focused on producing innovative solutions, and addressing issues in 3 core areas of need identified by the UNDP. The core pillars were Civic Engagement, Electronic Waste Management, and Enterprise and Employment with gender, youth and accessibility for the disabled acting as crosscutting themes across the hackathons. Two HackADev events were also held in the period under review, with more planned for the coming months.

Three projects from the first hackathon are being developed across a variety of diverse topics such as civic engagement, e-waste management and womens safety/ anti-harassment. One of the apps developed was for citizens to direct questions at specific ministers, another, a smart e-waste collection system, and an app for women to report harassment which would send alerts and notify the relevant authorities.

Ideamart

The Ideamart platform was recognised as the Best Technology Enabler at the GSMA's Mobile World Congress 2015. The general public, small & medium enterprises can access and create mobile applications in a few steps on the Ideamart platform, which simplifies the development of complex API-based network applications. Users may utilize network services to create SMS, USSD, LBS, Charging as a service and eZ Cash based applications.

IdeaBiz, launched in February 2015, is a telco-based API management platform allowing enterprises to consume telco APIs or publish and monetize their own APIs for other entities to consume. The basic idea allows enterprises to create their own custom built mobile applications, through Dialog network services, to suit company requirements. More than 100 corporate accounts were created on IdeaBiz as of December 2015 with more than 10 APIs published by those corporates. In that period the platform recorded almost five million API calls by over 200,000 users.

As an account of this case, May 2015 saw Unilever join hands with IdeaBiz to carry out the 'Sunlight Vesak Campaign', which allowed people to send an SMS from their mobile phones and light a digital lamp in front of the Temple of the Tooth in Kandy. More than a million API calls were recorded during this promotion. This campaign won the bronze award at the advertising industry's Smarties APAC 2015.

At the moment SriLankan Airlines, John Keells Holdings and Asian Alliance are a few other Sri Lankan corporates utilizing the IdeaBiz platform.
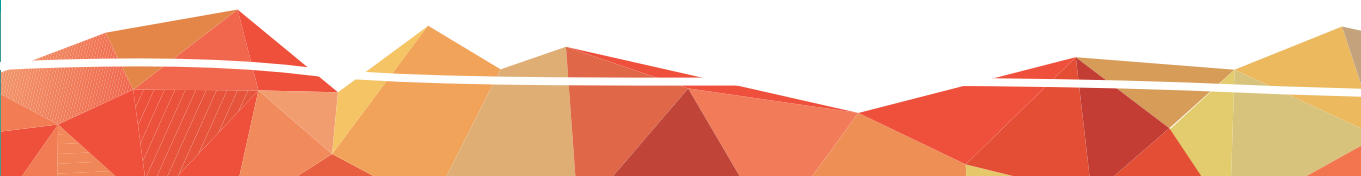
eZCash

eZ cash was recognised as the best NFC & Mobile Money service at the GSMA's Global Mobile Awards 2015 in Barcelona. The eZ Cash mobile money platform was recognised in 2015 as the first and only multi-operator mobile money platform. The platform counted over two million users by the end of 2015 (across three mobile network operators), of which more than a quarter were added in that period, and averaging over a billion Rupees in transactions per month. In 2015 the service grew its eco-system further to enable withdrawals from ATMs operated by the Commercial Bank of Ceylon; cross-border remittances; launched the Merchant portal and also automated private and public sector organisations' disbursements processors.

PLATFORMS FOR
Digital Inclusion

Dialog considers itself to be in the business of Digital Inclusion. The rapid rise from fourth entrant into a crowded market, to the number one mobile operator and today, premier multi-sensory communications platform provider, was powered by Dialog's deliberate strategy to pluralise access to life-enhancing digital services in a revolutionary rather than evolutionary expansion of Affordability, Availability, Applicability and Affinity, which came to define Dialog's 4A philosophy for Digital Inclusion.

Dialog has sought to, and succeeded, in enhancing and transforming the lives of millions of Sri Lankans who would otherwise have been ignored by a then-exclusive industry with choices starting with the launch of operations, from the choice of deploying then-nascent GSM technology ground up, which delivered on its promise to provide cheaper total cost of service and adaptability; to the aggressive network expansion well beyond existing mobile user agglomerations; to the pre-paid revolution that unlocked affordability and financial prudence for the lowest-income customer segments; and to the beyond-profit approach taken to developing an island-wide distribution network with deep reach into communities otherwise isolated not just on geographic but other dimensions of isolation too.

Dialog's innovation processes and multiple Business Units apply the Digital Inclusion directive, which originates and is maintained from the Group Chief Executive on down, through all layers of management. The Company's long experience with iterative and revolutionary service and product developments and launches has endowed the Business Units with a latent 4A's-driven assessment platform to maintain the Digital Inclusion focus across their developments.
The ultimate arbiter and measure of success in the Digital Inclusion imperative is the Marketplace, and Dialog's performance over the years, including its capacity to grow market share even as the incumbent operator, speaks to the Company's effectiveness in competing for and retaining customers in a saturated, highly competitive market with low switching costs.

Dialog Suraksha

The Dialog Suraksha device was launched on International Children's Day 2015 as a proactive step by the Company towards helping Sri Lankan parents to ensure safety of their children. This is an easy-to-use mobile safety device, designed and developed especially for kids and their parents, at an affordable cost designed to reach all Sri Lankan families, at a time when crimes against children are reported with increasing regularity. Parents have full control over the device settings and their child's communications, enabling connectivity while ensuring the device protects children from the features that would otherwise make the user vulnerable.

mAgri

The ground-breaking 'Govi Mithuru' (in Sinhala) or 'Uzhuvar Tholan' (in Tamil) service, piloted in 2015, provides customized and timely advice to farmers regarding crop protection and improved family nutrition.

The service is a result of a partnership between the GSMA and Dialog, working with the Ministries of Agriculture and Health of the Government of Sri Lanka, facilitated CABI South Asia, supported by human-centred design expertise and funded by DFID, the UK's international development agency. The project is part of the mAgri Challenge Fund, an initiative by the GSMA targeting improved livelihoods of small holder farmers in African and South Asian countries using mobile services. Dialog is among the six operators worldwide who successfully completed the application process to win the challenge fund from among all mobile network operators in the 13 countries were eligible for the programme.

As with other frontier Digital Inclusion activities undertaken by Dialog, As with many other frontier Digital Inclusion services launched by the business with the support of Dialog's Digital Inclusion-focused Group Sustainability division, the project has presented many new challenges and opportunities for the organisation to learn and better understand its most challenging markets. This and other services are intended to become gateway, first experiences for underserved segments, helping them unlock the value of Dialog's core services. The participation of partners willing to help reduce risk by contributing resources and expertise, focused on mutually desired outcomes, is key to making programmes of this nature feasible, with the readiness to engage more deeply to better understand hitherto-overlooked segments and design services better suited to them.

The service development process followed a user-centric approach involving in-depth user research and iterative testing, with the involvement of the primary user segment and small-holder farmers. The service utilizes the most familiar access channels when it comes to usage of a mobile phone.

The service launched on 1st of October and currently counts more than 5,000 registered farmers from the initial roll out in Anuradhapura, Polonnaruwa and Kurunegala districts. The service offers useful information contextualized to the start and end of each individual farmer's farming cycle, his/her crop, and other key deterministic dimensions. Farmers can register to the service by simply dialling 616 and following the instructions or through Govi Mithuru agents trained to provide awareness to farmers and help register for the service. Registered farmers receive 3-4 agricultural tips per week together with a nutritional tip every week, and have unlimited access to all the content at any time by dialling 616 Govi Mithuru's base service is crop nutrition and protection information, complemented by family nutrition information, packaged in an approachable and attractive format and customized to each user's context. The service is currently available for paddy, the predominant smallholder crop across the country, in both Sinhala and Tamil languages. Advice for five other crops is to be added in the first quarter of 2016.

The service is priced to deliver a genuine value proposition to a segment that is historically hard to reach with new technologies even when they could be genuinely value-creating, due to low technology use, conservative approach to adoption, and extreme price-sensitivity in a sector notorious for many structural and pricing distortions.

Mobile Micro Insurance

The runaway success of Mobile Micro Insurance since its introduction prior to the reporting period can be ascribed to its directly addressing the 4A's. With its Rupee-a-day deduction model the service offers radical Affordability for what are otherwise services with high initial and periodic costs. By allowing Sri Lankans to join and make payments over any feature phone or smart device, the service is Available to more Sri Lankans, free of geographic or schedule limitations. By packaging simple, easy to understand instruments that well serve the needs of large segments of the formal and informal workforce, the service provides Applicability and leverages Affinity as well.

Dialog's Mobile Micro Insurance service has redefined the insurance industry by addressing an untapped market of lower income earners, who have a higher dependency on 'daily-wage' employment and involved in high risk jobs. Mobile Micro Insurance provides an affordable method of obtaining insurance and is available to all Sri Lankans, with a pay out of over Rs. 90 million, supporting 2,400 families through hospital support plans and over 75 families via accident cover. Dialog's Accident Cover mechanism has secured over 900,000 policies. This cover is equivalent to (on average) 5 years' worth of salary, which greatly assists families post-accident ~ beneficiaries/families have re-invested the money in small businesses, saving money for educating youth and future generations.

Within the Sri Lankan context, hospitalization insurance is perceived as a luxury product not affordable to lower-income segments. The Dialog Hospitalisation Support Plan brings hospitalisation insurance to low income segments daily wage earners through sachet payments. By understanding the Sri Lankan market environment and coupling mobile technology with a unique offer, Dialog has been instrumental in shaping the country's insurance landscape by providing cover to almost 2 million people in the last 3 years.

NURTURING PEOPLE

Employee development is a core tenet of the Axiata group's competitiveness strategy and as such is a prime strategy of Dialog. As a company driven by its people, Dialog takes steps to ensure the development, engagement, empowerment and welfare of its employees and their loved ones.

This has given Dialog a strong employer brand, consolidating strong candidates to maintain its leadership over the long term.

Dialog has numerous employees from Sri Lanka seconded or permanently employed by other subsidiaries of the Axiata corporate group; a testament to the Company's talent identification and development.

Employee Welfare, Remuneration and Development

PLATFORM FOR INDIVIDUAL ADVANCEMENT

Employee Welfare, Remuneration and Development is a topic of material relevance for Dialog's stakeholders, with a workforce of over 3,000 employees. Dialog's human resources management policies and processes are guided by EFC principles and conform to Sri Lankan labour laws and regulations. The remuneration policy in particular is governed by the Employee Shop and Office Act No. 15 of 1954 and the international ILO conventions with regard to employee welfare and remuneration.

Dialog prides itself in being a performance-driven company and as such remunerations, increments, rewards and benefits granted by the company are determined by an Annual Performance review process, differentiated through the employee's overall ranking, thereby ensuring an objective and transparent decision-making process. At the point of recruitment, basic salaries are determined by evaluating the employee's qualification, experience and skills and competencies, based on the requirement of the job title. Dialog also strives hard to ensure its employee rewards and benefits are on par with or above industry

standards. Dialog makes every effort possible to be considerate of employees' special needs and act favourably in such instances, such as extending maternity leave for female employees, accommodating flexible working hours, providing special paternity leave for male employees, providing maternity/paternity benefits for adoptions. In the reporting year, Dialog took a further step in this direction, by introducing the 'Dialog Cares' unique benefit scheme that ensures assistance to loved ones for a stipulated period of time, in the event of an untimely death or disability of an employee. This benefit is extended to all employees of the Company.

All recruitments are conducted based on a salary matrix and annual remuneration adjustments are implemented based on any changes/fluctuations of the cost of living. Salary surveys are conducted bi-annually, through independent research agencies. Any amendments or adjustments arising within the findings of such surveys are implemented in the following year of operation.

Return to Work after Maternity/Paternity Leave

YEAR	2014	2015
RETURN TO WORK AFTER LEAVE		
MALE	100%	100%
FEMALE	94.67%	76.92%[2]
RETAINED AFTER RETURN		
MALE	93.25%	93.12%
FEMALE	91.28%	93.33%

REMUNERATION RATIO	2014	2015
NON-EXECUTIVE	1 : 1.068	1 : 1.1154
EXECUTIVE	1 : 1.006	1 : 0.9503
MANAGERIAL	1 : 0.966	1 : 0.9654
SENIOR MANAGEMENT LEVEL	1 : 0.750	1 : 0.7490

Remuneration Ratio of Female:Male

[2] Maternity leave for 23.08% remains active as at end 2015

Training in 2015

Dialog placed special focus on enhancing employees ability to partake in training sessions and worked on providing employees access to 'Massive Open Online Courses' (MOOCs) and other online courses towards enhancing talent development. The courses cater to a plethora of different personal and workplace related skills including leadership, analytical skills, project management etc.

The Dialog Master Trainer Programme is another initiative created towards nurturing employees' talent by providing them access to world class training sessions. The programme acts as an avenue through which employees develop their personal training and evaluation skills.

Dialog Managers' School

The Managers' School was developed to realize the concept of a 'Future Today Manager', an individual who would be able to drive and maintain the highest levels of performance in both the short and long term.

The second batch was launched in 2015, and there are currently 66 participants in both batches pursuing this programme with over 5000 training hours completed, in total. Batch one has reached the final stage of the program with the second batch following on the second stage of the program.

A fourth review on the 1st and 2nd batch (as part of Shift iT! transformation program) measures the effectiveness of the curriculum to find out results of the lessons learned by the participants. Results were presented by the participants in a forum where supervisors and a select group were able to see tangible improvements.

2010	2011	2012	2013	2014
95.05%	98.82%	99.24%	100%	100%

Percentage of Employees Receiving an Annual Performance Review

" LEADERSHIP
ANALYTICAL SKILLS & DECISION MAKING
PROJECT MANAGEMENT
PERSONALITY DEVELOPMENT
LEAN MANAGEMENT
SALES & MARKETING
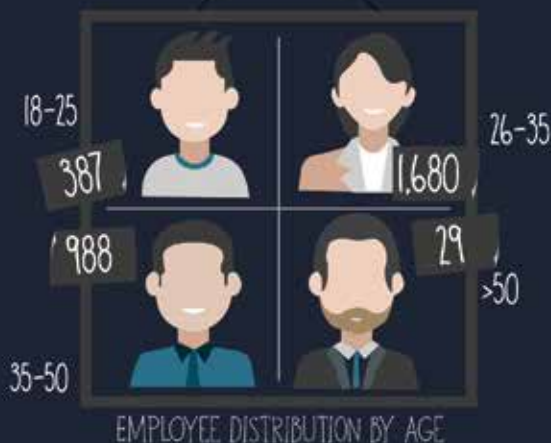IT & DIGITAL SERVICES
SOFT SKILLS "

23.30%

18.69%
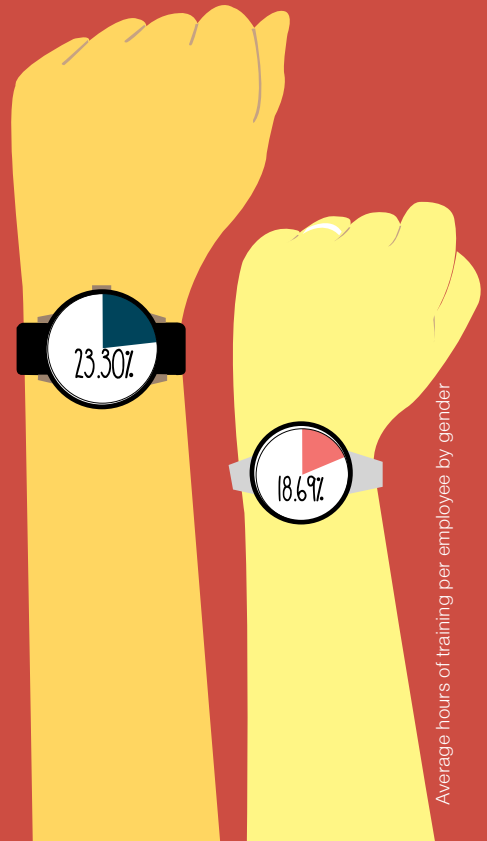
Average hours of training per employee by gender

Diversity, Non-discrimination and Equal Opportunity

PLATFORM FOR SOCIAL COHESION

OUTSOURCED SERVICES
722

18-25
387

26-35
1,680

988

29
>50

35-50

EMPLOYEE DISTRIBUTION BY AGE

STAFF DISTRIBUTION BY CATEGORY

SENIOR MANAGEMENT	15
MANAGERIAL	344
EXECUTIVE	1818
NON-EXECUTIVE	907

WORKER DISTRIBUTION BY GENDER

MALE	80%
FEMALE	20%

OUTSOURCED EMPLOYEES
568

682
(22%)
OUTSTATION

2,402
COLOMBO
(78%)

EMPLOYEE DISTRIBUTION BY LOCALITY

NON EXCLUTIVES
15.54

SENIOR MANAGEMENT
10.10

EXCLUTIVES
20.68

MIDDLE MANAGEMENT
48.89
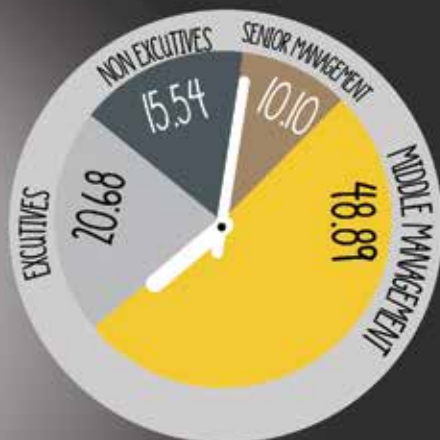
EMPLOYEE TRAINING HOURS BY CATEGORY

DIALOG STAFF
3,084

Workforce Composition

As of 31st December 2015, Dialog employed 3,084 individuals; accounting for both permanent and fixed-term contract staff, in addition to 568 outsourced employees and 722 outsourced services employees inclusive of janitors, catering and security personnel

Dialog practises the principle of inclusivity across its operations. Dialog does not tolerate discrimination on any basis. Personal attributes such as gender, age, religion, nationality, or race, are not considered in recruitment, employee training and wage determination, or in promotions.

Dialog endorses and adheres to the ILO Declaration on Fundamental Principles and Rights at Work. Any complaint regarding discrimination based on Company's Code of Conduct, warrants for disciplinary action to be taken against the respective party. During the year 2015, four separate cases were reported on the grounds of discrimination, whilst in 2014, three such cases were reported.

No grievances with regard to human rights violations were reported during the period under review. Disciplinary action would be commissioned if any violations were present, and Dialog communicates the Harassment and Bullying policy via the employee Code of Conduct, and the Company values and policies are clearly communicated to the employees, through multiple forms of engagement, including induction seminars, upon completion of the recruitment process.

බඳවා
RECRUITMENT
2014 : 7.68%   2015 : 11.48%

සම
TURNOVER
2014 : 8.88%   2015 : 8.59%

The employee turnover rate for 2015 was 8.59%, which is slightly lesser than 2014.
We had a 4% increase in terms of employee recruitment rate, which is currently at 11.48%
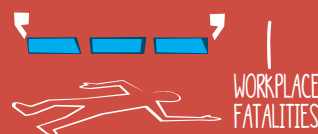
Workplace Safety

Workplace Safety was found to be a material issue among stakeholders, for the year under review. Dialog undertook several improvements of its Health and Safety process in 2015 as a part of its commitment to enhancing the workplace environment while educating and training its employees with regards to health and safety risks. The Dialog Health and Safety Policy and all subsequent management approaches implemented with regards to the policy underwent a comprehensive review, with revisions to ensure accordance with the OHSAS standard.

Dialog employees across the Organisation have the opportunity to volunteer as Health and Safety representatives. The role of a Health and Safety representative is to assist employees during times of emergency and identify and report risks to relevant personnel at the Human Resources division.

In the period under review over sixty Health and Safety representatives were provided with first-aid training, fire fighting and other workplace emergencies. Emergency contact numbers were updated and placed at all locations of operation with internal communication campaigns implemented to educate Dialog staff on all relevant Health and Safety topics. All Health and Safety concerns were collated and shared with relevant stakeholders, through the consultative risk management process. Dialog hopes to provide Personal Protective Equipment for all relevant staff in 2016 and is currently developing Health and Safety standards for each portfolio, based on the relevant requirements.

Six individual Health and Safety incidents were reported in 2015, including three injuries and one fatality among outsourced employees. There were no fire-related incidents on any of the premises across the Organisation during the reporting period.

Workplace safety data concerning Dialog staff and outsourced employees are currently tracked by the Health and Safety unit of the Human Resources Division. Attendance details for outsourced employees are not tracked internally by Dialog. Such attendance details are recorded manually by the respective third-party Organisations contracting outsourced employees. Therefore, Dialog's cross-referencing Health and Safety records against attendance of outsourced staff is not currently possible, meaning that the verification of records pertaining to the days lost due to injuries sustained by outsourced staff could not be completed.

OUCH! INJURY RATE[3] 0.55%

OH NO! 0.001%[4] LOST DAY RATE

Zzz 1.95%[5] ABSENTEE RATE

1 WORKPLACE FATALITIES

NO. OF INJURIES	
DIALOG EMPLOYEES	2
OUTSOURCED EMPLOYEES	3

WORKPLACE FATALITIES	
DIALOG EMPLOYEES	0
OUTSOURCED EMPLOYEES	1

[3]Dialog's current Health and Safety policy does not provide a specific definition for an injury, however it is widely considered to range from an instance where first aid has to be given, to a permanent or temporary disability.
[4]Lost day rate is calculated using the following formula: (Lost days* 8.5)/ number of total hours worked
[5] Absentee rate is calculated using the following formula: (Absentee days * 8.5)/ number of total hours worked

PROCESS EXCELLENCE

Dialog strives to achieve Process Excellence across the entirety of its operations as it is a key indicator of Dialog's performance with respect to product/service excellence, competitiveness and customer retention.

Dialog employs, and regularly reviews, a number of unique processes towards maintaining its position as a leader and ensuring consistency across all aspects of its business.

Data Integrity

As a Communications Organisation, customer privacy and maintaining the confidentiality of customer information is a key material concern for Dialog as it is for the industry as a whole. All of Dialog's primary lines of business deal with subscriber data and customer information. It is Dialog's responsibility to protect the privacy of its customers and to ensure zero customer information leaks in the course of its business operations. To this end, the Company has enforced strict policies and measures with respect to customer data protection through the implementation of management systems, and legal conditions in employment contracts binding all staff members to a non-disclosure agreement with lasting validity regardless of cessation of employment contract with Dialog.

In 2015, Dialog further strengthened its management approach to customer privacy and data security by extending coverage of its Information Security Management System to the information maintained across all of the Company's operations. The ISO/IEC 27001:2005 standard that was earlier implemented was limited to the Company's IT infrastructure for ensuring control of customer data held within the Company's IT systems.

Following the need identified through regular audits and internal reviews of operations to strengthen and extend scope of the controls in place, steps were taken to implement the BS10012 controls for Data security across the business, as part of the Information Security Governance Framework that is currently going through implementation stage. Whilst the ISO27000 standard covers Dialog's compliance specifically on IT security and best practices, the BS 10012 ensures controls through customer information security governance practices. The BS framework enables Dialog to define its customer information security policy and design its personal information management framework (PIMS) around the 8 core principles / best practices defined in BS10012. BS is a very stringent compliance standard that is widely used in Europe. It covers both customer and employee related practices related to information security. Adopting BS 10012 standard enables Dialog to have best in class practices for customer information security management on par with global industry standards. BS 10012 is currently the most recognized standard for ensuring customer data security. Percentage rate of customer information leaks found in 2015 remained at 0.003% reported in the past two years.

# Quality and Affordability of Products and Services

PLATFORM DEPENDABILITY

Dialog operates in extremely competitive markets with high customer acquisition costs and low switching costs, enabling Sri Lankan consumers to enjoy the most modern technologies at affordable rates. The quality of the customer experience and perceived value of the services provided are crucial to minimize costly customer "churn."

The quality of the technology provided to the customers, and the customers experience when interacting with the company's many touch points, are assured by numerous different quality standards/processes followed by various functions. A combination of such actions deliver the best possible customer experience, measured by the Net Promoter Score (NPS) accorded to the company by different stakeholders approached independently.

Dialog was the first telecom service provider in Sri Lanka to initiate a programme to certify its operating processes against international standards, winning the National Quality Award and Asia-Pacific Quality Award within a short period of time. The Company's continued success extends to the year under review with two National Awards at the National Convention on Quality and Productivity and at the National Business Excellence Awards.

Dialog updated its internal Quality Policy in the year under review, to better complement the revised Corporate Values, and also launched a Quality Secretariat managed by the Group Quality Systems Performance Management division, to unify quality-related correspondence. The Company underwent independent third-party re-certification audits for its three ISO certifications in the year under review with no significant adjustments recommended by the independent auditors. The Group Information Technology Function's ISO certification was raised to the ISO 27001:2013 standard. The Internet Data Center's first periodic audit under ISO 27001:2013, as well as the first periodic audit of Group-wide compliance with the ISO 9001:2008 standard.
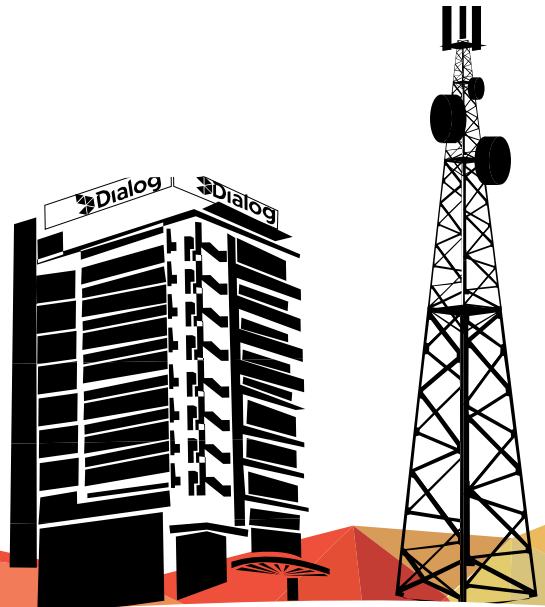
Compliance
ACCOUNTABILITY PLATFORMS

Dialog, a publicly listed company with international business dealings, operates in regulated industries and deals with sensitive personal information of millions of customers and other stakeholders, placing a higher compliance burden than average upon the Company's many activities. Regulatory compliance issues are handled by respective divisions with the guidance and support of the Group Regulatory and Legal division.

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 2015 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 Organisation (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.
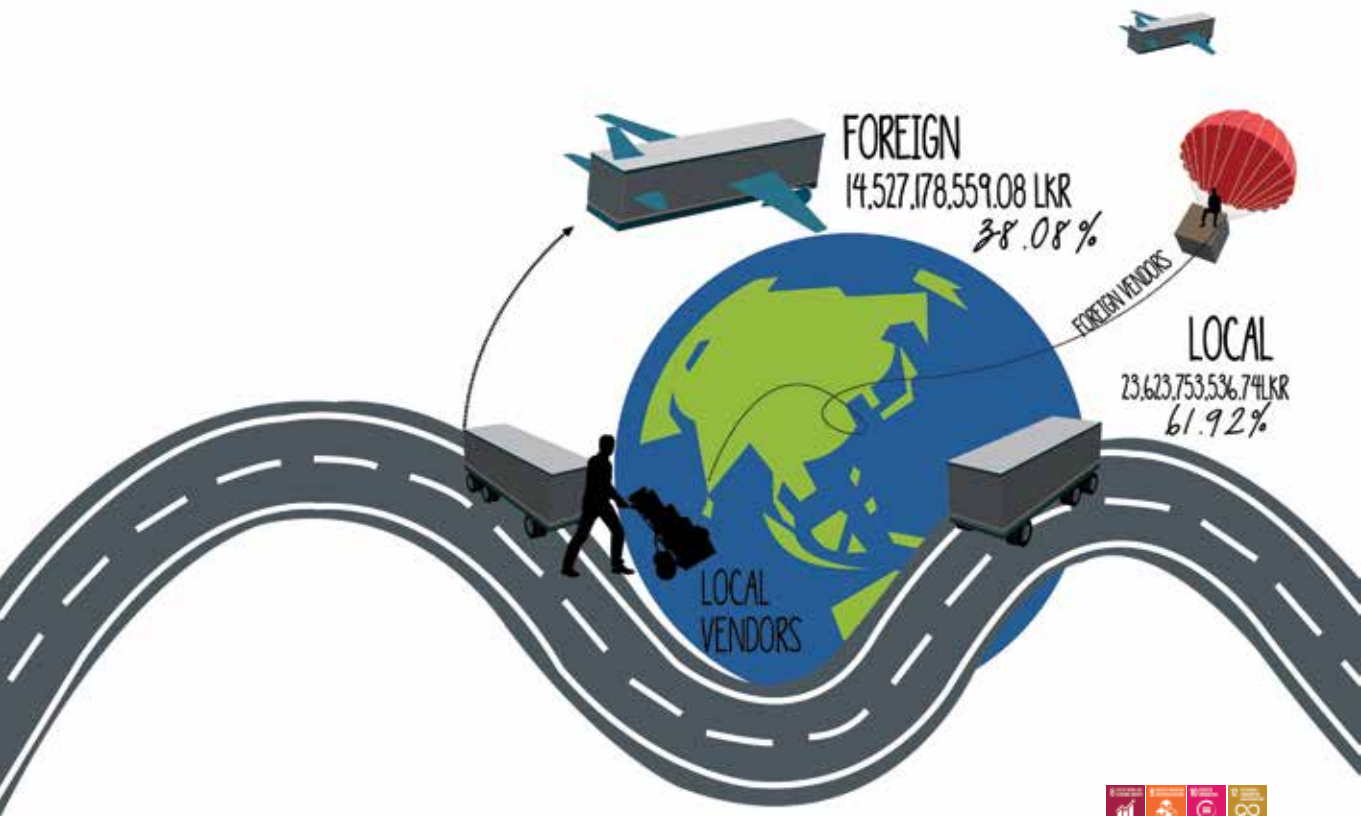
Dialog's Vendor Code of Conduct goes beyond external compliance by requiring suppliers and vendors to acknowledge their compliance with social and environmental best practices maintained by Dialog, thus extending the Company's best practices further up its value chain.The Dialog Group of Companies, comprising 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 ensuing 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 27001:2013 Information Security Management System Standard

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

Procurement Practices

Dialog's deep and diverse supply chain with significant capital flows is highly material to the Company's operations, requiring visibility and proactive engagement to require that industry best practices are followed across all aspects of the Company's supply-chain operations. The process of supplier/ service-provider selection is highly transparent at all steps, and Dialog conducts all operations in a transparent and fair manner, preventing anti-competitive behaviour.

Over the course of 2015, 146 new vendors were added to Dialog's supply chain, all of who acknowledged and expressed conformity by signing Dialog's Supplier Code of Conduct. As part of the annual supply chain audit process, 16 local suppliers considered to be among the most material, were audited in 2015. No existing negative impacts on society, including Human Rights violations, or on the environment were found during these audits.

FOREIGN
14,527,178,559.08 LKR
38.08%

FOREIGN VENDORS

LOCAL
23,623,753,536.74 LKR
61.92%

LOCAL VENDORS

Ethics and Integrity
PLATFORM OF TRUST

The topic of Ethics and Integrity was found to be of material importance to among stakeholders in 2015. Dialog's values of "Uncompromising Integrity" and "Exceptional Performance," shared among all Axiata Group Berhad operating companies and known commonly as "UI-EP," are considered to be of utmost importance.

Dialog's Employee Code of Conduct, understood and signed by all employees as part of their induction, is the main policy document that communicates expectations of conduct, ethics, and compliance with all corporate values and the UI-EP culture. Dialog creates awareness about its commitment to being an ethical Organisation at induction sessions and with engaging periodic refreshers such as Values workshops, training sessions and puppet shows exploring application of the Dialog values in common workplace situations. Dialog Employees are encouraged to approach the HR Partners assigned to their divisions and/ or Immediate Supervisors to in the case of concerns or any violations with respect to conduct.

"MEH...MAHADANAMUTHTHA COULD YOU ASK YOUR FRIEND AT DIALOG TO CHECK THIS NUMBER FOR ME?"

Dialog also implements a Whistle-Blower Policy which outlines the controls and procedures for dealing with incidents in which the ethical code has been breached. It provides a framework for the management of the whistle-blowing process and guidelines on managing the welfare of the whistle-blower.

Following the retirement of the independent Ombudsman previously contracted by Dialog, the Company is currently in a search process for a candidate of sufficient standing to fill the role.

Anti-corruption
PLATFORM OF OPENNESS

Anti-corruption actions and issues were found to be material to stakeholders surveyed for the materiality process for 2015. With Dialog services touching all parts of society, it is imperative that Dialog is transparent in its actions so as to be held accountable for its operations and services which have a significant day-to-day impact on a large portion of the country's population.

Dialog strongly enforces anti-corruption measures across its operations. The Employee and Supply Chain Codes of Conduct contain specific clauses pertaining to bribes and corruption. Dialog is also a signatory to the United

Nations Global Compact, which features a commitment against Corruption as one of ten core principles. Dialog possesses a whistle-blower policy that outlines the controls and procedures for dealing with allegations of suspected improper activity. It provides a framework for the management of the whistle-blowing process and guidelines on managing the welfare of the whistle-blower. There were sixteen identified incidents related to corruption that took place during the reporting period. Appropriate responses were undertaken with respect to each incident.

"Mahadanamuththa"

Dialog commissioned a series of values-based workshops, known as "Mahadanamuththa" conducted by Power of Play PVT LTD, which uses a variety of theatrical tools and cultural identities towards educating employees on the corporate values of Dialog.

PLANET
AND SOCIETY

Dialog is cognizant of its position as a multisensory service provider connected to the daily lives of nearly half of all Sri Lankans, a leading Sri Lankan company in economic terms, and as an employer of choice for job seekers. Dialog's technologies have, as elsewhere in the world, helped communities "leapfrog" to more efficient ways of life and ways of business, reduced economic frictions as well as reduced inefficiencies such as unnecessary travel and logistical overheads.

A Dialog Tree Tower, one of many camouflaged towers constructed towards reducing visual pollution and impact on biodiverstiy and preserving the natural landscape

Energy Consumption and Conservation

ENERGY CONSERVATION PLATFORMS

Energy Consumption and Conservation were topics found to be material to stakeholders in the 2015 period. With its network of towers, regional offices, and office-buildings, Dialog requires a significant amount of energy to run its daily operations.

Dialog places high emphasis on implementing new and innovative technologies, methodologies and process improvements towards ensuring the efficient usage of energy, and has invested greatly in producing its own renewable energy, as well as conserving energy at all possible avenues. The new Head Office building, commissioned in July 2015, conforms to LEED Gold green-building guidelines, which includes energy-efficiency requirements. Continuing a long-standing approach, more cell towers and technical sites were connected to the national grid as their primary power source where it became available, on the premise that the national grid would provide the most efficient and cost-effective power generation. Generator Delay Units, which reduce unnecessary generator starts due to electrical fluctuation, were implemented at the sites to ensure a further reduction in energy consumption.

A right-sizing methodology was implemented in determining the most optimum generator capacities required for each individual site thereby ensuring more efficient energy consumption across the network operations. Highly-efficient rectifiers were also introduced at off-grid sites. Through the usage of inverter air-conditioner units, site temperature adjustments towards reducing air-conditioner load, and air-conditioner optimisation the energy required for cooling through Dialog's operations, was greatly reduced.
Dialog introduced a Solar Power production system at the

Per Customer 0.05 GJ

Per Employee 7.06 GJ

Per Technical Site 112.33 GJ
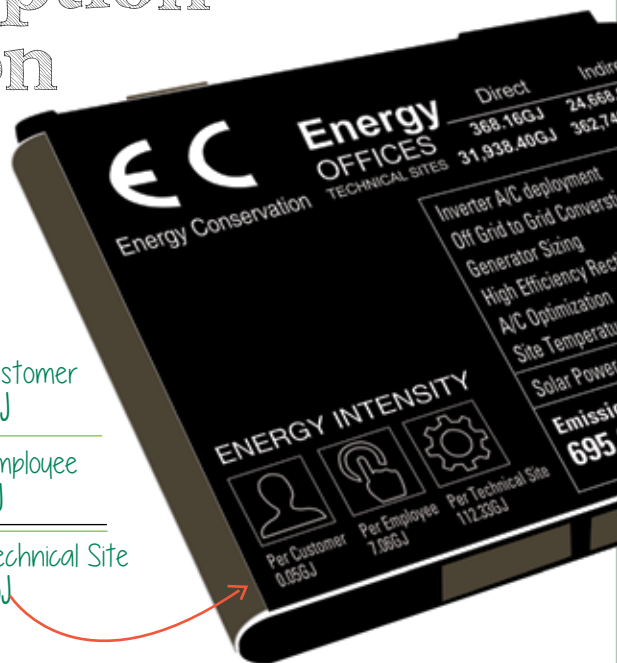
Dialog Corporate Head Office, which has been active since June 2015, and has accounted for saving up to 75.52 GJ of energy. Dialog invested over Rs. 56 million towards energy conservation and general environmental protection over the course of 2015, which highlights its commitment towards greening its operation and becoming a sustainable business.

Dialog conducted a year-end review of the energy consumed and conserved across all office and network operations, highlighting areas in which great improvements were made, as well as identifying key operational spaces in which further improvements could be made. Due to a highly significant amount of savings achieved over the course of 2015, the management approach applied throughout the year was found to be quite effective, and as such only minor modifications would be considered towards improving the approach even further.

Managing Environmental Performance

Waste

All non-food solid waste disposed of by Dialog, from paper waste to electronic waste, is either recycled or resold to third-parties for recycling or responsible disposal.

In the 2015 period Dialog recycled:

- 97.40 tonnes of office paper waste
- 0.70 tonnes of newspapers
- 1.38 tonnes of cardboard
- 107 tyres (re-sold to be recycled)
- 352.35 tonnes of e-waste, inclusive of batteries, cables, CDMA phones, metal components, etc.

Material Consumption

Throughout 2015, Dialog consumed 261.38 tonnes of non-renewable material. A saving of 181.17 tonnes of non-renewable materials was achieved through the usage of e-bills and summary bills across all business units. This represents a 6.30% further saving of material compared to savings in 2014.

Emissions

Dialog's total emissions for the year 2015 include activities under Scope 3 that were highlighted more comprehensively due to a significant improvement in the data collection process. The Scope 3 Index for 2015 consists of emissions arising from activities such as Electricity Transmission and Distribution Losses, Hired Vehicles, Air Travel, and Employee Commuting.

Total Emissions 46,512.92 tCO2e
Per Customer   0.01tCO2e /Cx
Per Employee   10.49 tCO2e /Employee
Per Technical Site   15.25 tCO2e /Technical Site

Dialog hopes to implement a comprehensive waste management system throughout its operations, allowing for easier segregation of waste, thereby ensuring that all waste is disposed of appropriately.

Water

The total water consumption for 2015 was 54,514 m3 (KL), which was a 7.92% increase on that of 2014. The average consumption per employee was found to be 18.00 m^3 per employee.

Carbon Footprint 2015

CO_2
3,547.33
tCO2e

CO_2
35,871.22
tCO2e

FIRE EXTINGUISHERS
0.07 tCO2e

SCOPE ONE

SCOPE TWO

PURCHASED ELECTRICITY

ON-SITE ENERGY
2,748.14 tCO2e

GENERATORS

COMPANY OWNED VEHICLES   798.13 tCO2e

CO$_2$
7,094.37
tCO2e

3,587.12 tco2e
ELECTRICITY TRANSMISSION
AND DISTRIBUTION LOSSES

SCOPE THREE

AIR TRAVEL
244.19 tCO2e

EMPLOYEE COMMUTING
2,469.97 tCO2e

HIRED VEHICLES 793.09 tCO2e

Community Engagements

The opening of our Iconic Experience Store at the new Head Office complex in Union Place brought with it an unique opportunity to shine a light on to the many community investments, digital inclusion related work and stakeholder engagement platforms that Dialog has developed over the years. Its key purpose is to ensure that all stakeholders to experience, learn and provide your feedback on Dialog's platforms for contribution to Society.

Nenasa Digital Education Bridge

The Nenasa Digital Education Bridge is a distance learning program presented to school children in Sri Lanka through Dialog Television as a Corporate Social Responsibility Initiative on behalf of the Ministry of Education.

Dialog Television telecasts two Nenasa channels, for both grade 10 and 11 students based on the pre-defined content of each respective grade.

In 2015, Dialog invested over 28 million rupees towards content creation and to update Nenasa timetables to accommodate the revision of the grade 10 syllabus, bringing Dialog's total investment to nearly 200 million rupees. The lessons broadcast across Nenasa are designed and produced by the National Institute of Education and the Dharmavahini Foundation, and utilise the services of subject experts, senior teachers and national university lecturers.

Be Technology Wise

Sometimes it is hard to draw the line between when it is and when it is not appropriate to use your mobile phone. Thus tackling the inappropriate use of mobile phones has been a key priority for Dialog over the past few years. As the leading telecommunications provider in Sri Lanka, Dialog has developed a guideline for mobile users on the "Do's and Don'ts" of using mobile phones. Dialog's long standing 'Be Technology Wise' program acts as a key reminder in an age where more and more Sri Lankans are connected in increasingly different ways to the digital ecosystem. Year after year, the 'Be Technology Wise' initiative garners the attention of the public and is an integral platform through which Dialog contributes to communal well-being.

For this reporting year, Dialog carried out an internal campaign to educate all staff, and their loved ones, along with a set of activities to increase awareness at the Dialog Cricket Carnival. Dialog then endeavoured to reach out further to customers at the Dialog Iconic Store through the conduct of the 'Be Technology Wise' quiz, where winners were awarded merchandise and material related to the overarching campaign. Due to the positive feedback received from the customer-base, Dialog has plans to expand this campaign further, so as to spread the message on responsible use of technology to a much large audience.

Partnership with the Vision 2020 Programme

A new development in the year under review was the support of the Vision2020 programme under the Ministry of Health, as part of a strategy to extend Dialog's support for persons with disability beyond the areas of Hearing and Speech, the major areas of focus for many years, to include Sight, and to begin supporting other parts of the spectrum of physical disability.

A sum of Rs. 6.25 million was donated to facilitate the donation of 10,000 custom prescription-made spectacles to low-income recipients visiting the National Eye Hospital. In the period under review itself, over 2700 tailor-made pairs of spectacles were distributed to low-income recipients.

'Vision 2020' is a global initiative of the World Health Organisation (WHO) and the International Agency for the Prevention of Blindness (IAPB) for the elimination of avoidable blindness by 2020. The global programme consists an international membership of government agencies, NGOs, professional associations, eye care institutions and corporates.
The programme is spearheaded in Sri Lanka by the Ministry of Health, with the aim to eliminate avoidable blindness in Sri Lanka through the implementation of a sustainable national programme as part of the National Health System.

Ratmalana Audiology Centre (RAC)

In 2015, the RAC served over 6,500 clients including free services for the students of the Ceylon School for the Deaf (CSD) and to those who cannot afford health care services.

In line with the support for the hearing- and speech-impaired and beyond the long-standing partnership around the RAC, Dialog also stepped in to support the Lady Ridgeway Hospital in clearing up its backlog of paediatric Auditory Brainstem Response (ABR) tests. Dialog undertook to sponsor Rs. 3 million worth of such tests to be carried out, free of charge to the patient, at the RAC as an alternative path to ensure that this age-critical test could be administered on infant children early enough in their development to identify and treat any deficiencies. Dialog Staff Volunteers conducted a training programme on Customer Service at RAC in October, 2015 enabling RAC staff to enhance their customer service skills.

Extending their services to a wider community, RAC conducted Hearing Awareness Workshops and free Hearing Screening Camps at selected community centres educating the older age adults who have a high chance of age-related hearing loss and are possibly not aware of the importance of hearing hygiene and the negative effects of hearing loss. The RAC continued to deliver workshops for teachers and matrons of CSD and parents of the students of the school on hearing loss, hearing aids and care.

DEWN - Disaster & Emergency Warning Network

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 together with Microimage Mobile Media 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, which is now commemorated as National Safety Day. DEWN Version 2.0 is built upon the world standard Common Alert Protocol platform to connect with all key stakeholders, including government, hospitals, fisheries authorities, media and more. It is accompanied by an Android application to connect with mobile phones and devices and a geographical mobile cell-level alert facility. The new system will also allow television stations and other authenticated services to pull alerts of potential disasters for dissemination to the general public. In 2015, a tsunami evacuation exercise was held in Payagala to demonstrate to an international disaster preparedness audience the integration of DEWN into the disaster preparedness framework.

Dialog Merit Scholarships Programme

The Dialog Merit Scholarships Programme was established in 2003 to support promising students across Sri Lanka by providing them with a platform to launch their careers in the fields of telecommunications, electronic engineering, electrical engineering and computer engineering. Top performers in each district at both the G.C.E Ordinary and Advanced Level examinations are granted scholarships upon entering university.

The programme remunerates scholars through a monthly payment scheme for the duration of their study. Since its inception over ten years ago, the programme has supported up to ten cohorts of students striving for excellence in their respective fields. Dialog has invested over Rs.3 million rupees in 2015 towards rewarding such scholars, and have provided 600 scholarships worth over 70 million rupees over the past ten years.

MWaste

Dialog celebrated its National MWaste Campaign in June 2015, on World Environment Day. The National Campaign was endorsed by His Excellency President Maithripala Sirisena. The aim of the campaign is towards ensuring internal and external awareness about conserving the environment by discarding mobile waste responsibly, through proper collection, storage and recycling. The campaign also highlights the risks caused by the improper disposal of resources.

Old phones that are thrown out often and not discarded properly end up in garbage dumps leaking heavy metal toxins such as Cadmium, Lithium, Lead, Nickel and Zinc to the earth have the possibility of contaminating ground water and the immediate natural surroundings. The MWaste campaign's primary objective is to prevent the release of such pollutants and provide a sustainable, environmentally-friendly disposal mechanism.

PHONE DIED?

WE 'RE SO CLOSE BY JUST DROP IT OFF!

DON'T LET IT HARM THE ENVIRONMENT

UNDER THE SUPERVISION OF THE CEA WE ENSURE YOUR PHONE IS SAFETY DISPOSED OF

H.E. President Maithripala Sirisena endorses Dialog's National MWaste Campaign on World Environment Day 2015

Blood Donation Camp at the Dialog Iconic

On 8th December 2015, the Dialog's head office Auditorium hosted a Blood Donation Camp organised in collaboration with the National Blood Transfusion Centre (NBTS) of the Ministry of Health, Dialog's partner in the BloodSMS service. Throughout the day, over 150 customers and employees donated blood. Parallel to the Blood Donation Camp, an awareness session on Blood Donation was also conducted. Dialog's partnership with National Blood Transfusion Centre dates back to 2002, when NBTS was provided a platform for Donor Management. The platform won the GSMA Global Award for the best use of wireless technology for emergency situations in 2002 and the Version 2 of the platform won the Best Technology Enabler award at the World Mobile Congress in 2014

Platforms for Community Mobilization

The ground-breaking Idea Mart platform that was leveraged to support many community activities as well since inception saw a significant increase in the number of community Organisations making use of the platform to efficiently and effectively drive their many membership and fund-collection efforts, particularly with the Charity App service. Dialog is glad to support such developments as they also show an increasing maturity in the citizen sector to work with the private sector to sustainably leverage the best capabilities of all parties, rather than looking to the private sector as a source of funds with little responsibility or accountability in return.

Dialog Volunteer Network

23 VOLUNTEERS

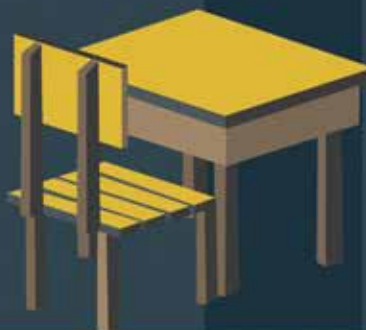"COMPLETE EDUCATION ENVIRONMENT FOR CHILDREN" – NIKAWARATIYA

21 VOLUNTEERS

COMPUTING, READING AND SANITATION PROJECT KIRULAPONE–COLOMBO

19 VOLUNTEERS

CLINIC MANAGEMENT SYSTEM FOR DICKOYA BASE HOSPITAL

"BRINGING SMILE TO PANAMA DIVISIONAL HOSPITAL"

9 VOLUNTEERS

"SHELTER FOR STUDY" MIRIGAMA – GAMPAHA

21 VOLUNTEERS

"CREATING GOOD ENVIORNMENT" AT WELIKADAMULLA PRIMARY

23 VOLUNTEERS

REFURBISH DISABLED
CHILDREN'S HOME
BUILDING
—
DUNKANNAWA
PUTTALAM

23 VOLUNTEERS

RENOVATING KOVILAKANDY
MAHALUXMY VIDYALAYAM

16 VOLUNTEERS

"FREE MIND STUDY"
NEELAPOLA – TRINCOMALEE

18 VOLUNTEERS

"CORDON AND RESCUE"
WALASWEWA KANISHTA VIDYALAYA

12 VOLUNTEERS

EDUCATION FOR EVERYONE
BENTOTA – ELPITIYA

19 VOLUNTEERS

WATER AND SANITATION PROJECT
GORAKADENIYA – KALUTARA

18 VOLUNTEERS

The 'Dialog Volunteer Network – Outreach' (DVN-O) is the Company's employee volunteerism initiative which is a team-based, competitive programme in which teams of employees seek funding and other support for Community Investment projects centered around identified community needs. The programme invites small teams of Dialog employees to propose and execute smaller projects within a fixed time frame and budget.

The competitive proposal process includes judging, by a panel selected from amongst management, against core Sustainability and Community Investment criteria upon which the Group focuses in its overall Sustainability efforts.

Clinic Management System for Dickoya Base Hospital

To appease the ever growing demand for health facilities in Sri Lanka, where long queues exist at all government hospitals around the country with a clear lack of adequate systematic processes for registration, patients often face a number of difficulties on a regular basis when visiting hospital and other places of medicinal work.

The Dickoya Base Hospital is located in the Nuwara Eliya district and serves more than 100,000 local patients, most of whom are low-income plantation workers. The hospital serves over 3,000 patients per month through clinics which are held twice a week. The majority of patients are in 50 – 80 years age group. This area has been observed to have an inadequate level of public transport.The standard medical clinic process takes around 6 hours for completion with much of the time consumed for paper-work and

waiting time in queue. The hospital staff is keen to support these people and have engaged in searching for a solution towards reducing the time taken to complete the entire medical clinic process.

Therefore this project aims in developing and implementing an automated clinical management system with the support of ICTA (Information & Communication Technology Agency) and the Medical superintendent of Dickoya Hospital. The system aims to reduce waiting time during registration, operation of the clinic and pharmacy, and to increase productivity and improve the quality of diagnosis by allowing Medical Officers to access to detailed patient-history records through the system.This employee engagement allowed employees to demonstrate team work and other important workplace-related skills.

Creating Study Environment at Welikadamulla Kanishta Vidyalaya

The Welikadamulla Kanishta Vidyalaya, located in the Gampaha District comprises of 246 students and 16 teachers. The school faced multiple issues related to sanitation, and damaged infrastructure as one of the buildings had collapsed due to bad weather conditions.

Students had been forced to study and carry out activities in a shed used to house cattle, who are otherwise an integral part of the School's agricultural activities. This impacted negatively on both the schools agricultural output and more importantly the students ability to study effectively. A team of Dialog volunteers set out to replace the collapsed building. The project team thus worked on building a new facility for students, thus enhancing their quality of education, whilst providing the cattle with shelter.

Performance Targets and Review

Progress on 2015 Targets

		Target	Achievement against Target
Data	1.	Data Collection Integrity – significant improvements in safety data collection systems	Achieved overall. Health & Safety data cross-referencing to outsourced and service employee data to be addressed.
	2.	Align, simplify and systematize environmental data management systems to improve visibility of performance across sites as well as improve data quality	Achieved. Further improvements identified.
	3.	Improve data control procedures for the consistent collection and reporting of data year-on-year	Fully Achieved.
Stakeholders and Materiality	4.	Engage separately and in depth with key internal and external stakeholders to increase clarity around key issues	Continuing process revision to be completed as target carried forward to 2016.

Targets for 2016

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. Remaining material actions from the previous period's targets, and early findings and recommendations in the 2015 Assurance engagement, thus comprise the targets for the year 2016.

Area		Target
Data	1	Ensure accessibility and cross-referencing capability for key data related Health & Safety records and tracking for outsourced and service employees at the same standard as is maintained for company employees. In practice this should in particular enable accessibility to and complete cross-referencing of Health & Safety data with all records required on outsourced and service employees, to satisfactorily address assurance provider findings
	2	Design and develop systems to collect, verify and compare quantitative Sustainability performance metrics across the Company.
Process	3	Develop overarching stakeholder engagement framework to ensure consistency in approach to identifying and prioritizing stakeholders and their issues. The framework should specify how the information collected through stakeholder engagement is to be addressed and communicated to management, to help inform Dialog's future sustainability strategy.
	4	Integrate outputs of materiality assessments into broader company risk management processes, and use outputs to inform Group and business unit strategies.
	5	Provide training and support to staff at sites around safety management and reporting.

Other Standard Disclosures

GRI Disclosure	Description	Reference/Disclosure
G4-10	a.Total number of employees by contract and gender	(see table below)

Employee Contract	Gender	2015
Contract	Male	404
	Female	130
Permanent	Male	2,060
	Female	490

	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 | (see table below) |

	2015	Male	Female
Employees	3,084	2,464	620
Outsourced Staff	568	529	39
Outsourced Services	722	553	169
Total Workforce	4,374	3,546	828

	d.Total workforce by region and gender	(see table below)

Location	Gender	2015
Colombo	Male	1,849
	Female	553
Outstation	Male	615
	Female	67
Grand Total		3,084

	e.Portion of the organisation's work performed by workers who are legally recognised 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
G4-12	Description of organisation's supply chain: Sequence of activities or parties that provides products and services to the organisation	• User requirement identification • Identifying the potential vendor list • Vendor Pre-qualification process • Preparation of RFQ/RFP • Sharing the RFQ/RFP • Collection of Bids • Technical & Commercial commercial evaluation • Negotiation and vendor selection • Contract finalization • Procurement approval • Order
	Types of suppliers (such as contractors, brokers, wholesalers, licensees)	1. Sub-contractors 2. Wholesalers 3. Retailers 4. Local partners 5. Service providers 6. License providers 7. Original Equipment Manufacturers

GRI Disclosure	Description	Reference/Disclosure
G4-12 (Contd.)	Sector-specific characteristics of the supply chain (such as labour intensive)	• Imported equipment (Machine intensive) • Local Supplies (Labour intensive) General: • Admin, Marketing, Trading categorisations are a balance of labour and machine intensive
	Location of suppliers by country or region	United Arab Emirates, Argentina, Austria, Australia,Bangladesh, Belgium, Bulgaria, Bermuda, Canada, Switzerland, China, Czech Republic, Germany, Denmark, Spain, Finland, France, United Kingdom, Ghana,Hong , Kong,Hungary, Indonesia, Ireland, Israel, India, Italy, Japan, North Korea, South Korea, Sri Lanka, Monaco, Mauritius, Maldives, Malaysia, Nigeria, Netherlands, Norway, New Zealand, Oman, Pakistan, Qatar, Russian Fed.,Saudi Arabia, Seychelles, Sweden,Singapore, Swaziland, Thailand, Tunisia, Turkey, Taiwan, USA, South Africa
G4-15, G4-16	Memberships in National or International Organisations	• Ceylon Chamber of Commerce • Signatory to the United Nations Global Compact since inception • Founder Board Member and Steering Committee member of the Global Compact Network of Ceylon • Sri Lanka Business and Biodiversity Platform • Employers' Federation of Ceylon • GSM Association • SLASSCOM • Member of the CSR Council of Sri Lanka • Member of GSMA M-Women Working Group • Founding Patron Member of the IUCN Business and Biodiversity Platform. • Founding Member of the Coalition against AIDS • Member of the GSMA Green power Working Group • Member of the GSMA Mobile Alliance against Child Sexual Abuse
G4-22	Effects of any restatements of information provided in previous reports, and the reason for such restatements	Refer Performance Trends on pages 72-73
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 that twelve most material issues identified in the 2015 Stakeholder Engagement Survey. Aspects related to these material issues were considered as the scope for the report.
G4-28	Reporting period	1st January 2015 to 31st December 2015
G4-29	Date of most recent previous report	May 2015
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions	Mr J. Charitha Ratwatte Jr., Head - Sustainability, Group Sustainability 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

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	Board Of Directors is the highest governing body Committees of the governing body are - 1. Board Audit Committee 2.Group Executive Committee 3. Nominating and Remuneration Committee ("NRC") BOD has delegated the responsibility of decision-making and oversight on sustainability issues (including economic, environmental and social impacts) to the NRC.
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 organisation has appointed executive level position(s) with responsibility for environmental and social topics and whether post holders report directly to the highest body	The Group Sustainability division is responsible for such matters and report to Group Chief Executive Officer ("GCEO"). The GCEO will in return report to the NRC and Board.
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	None

	BOD	BAC	EXCOM	NRC
Executive	1	0	1	0
non-executive	7	3	4	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 02 ex-officio	Major shareholder representation only - by 01 nominee director

GRI Disclosure	Description	Reference/Disclosure
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the Organisation's management and the reasons for this arrangement).	No, Chairman is Non-Executive
G4-40	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: • Whether and how diversity is considered • Whether and how independence is considered • Whether and how expertise and experience relating to economic, environmental and social topics are considered • Whether and how stakeholders (including shareholders) are involved	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 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
G4-41	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: • Cross-board membership • Cross-shareholding with suppliers and other stakeholders • Existence of controlling shareholder • Related party disclosures	Yes, 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
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	Subject to the authority delegated to management under the Limits of Authority, the above are approved by the Board, based on the recommendation of the GCEO as proposed by the relevant CXO.
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	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.
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	A performance self evaluation is carried out internally on a periodic basis but not pertaining to sustainability.
G4-44 (Contd.)	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 organisational 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 the risks will be carried out by the risk management team on behalf of the Board, in consultation with the relevant business process owners.
G4-45 (Contd.)	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 organisation'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 organisation's sustainability report and ensures that all material Aspects are covered	Director/Group Chief Executive

GRI Disclosure	Description	Reference/Disclosure
G4-49	Report the process for communicating critical concerns to the highest governance body.	The GECO will communicate the same to the Board of Directors
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

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 granted by the Company are based on the Annual performance review and differentiated based on the Rank Annual Increment plan is sent for Board approval with as part of the 'Employee Performance, Motivation and Retention' Presentation
	Equity-based pay	N/A
	Bonuses	Bonuses are paid based on Performance review. Rank and the pay mix will be considered when deciding on the bonus quantum Annual Bonus plan is also sent for Board approval as part of the 'Employee Performance , Motivation and Retention' presentation
	Deferred or vested shares	No such valid scheme
	• Sign-on bonuses or recruitment incentive payments	Dialog does not have policy on this
	• Termination payments	Termination payments are based on the termination clause in Letter of Appointment
	• Clawbacks	Dialog does not have policy on this. (Clawback - A repayment of previously received compensation required to be made by an executive to his or her employer in the event certain conditions of employment or goals are not met)
	• 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 in line with the 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 and is currently not segregated under economic, environmental and social objects
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 organisation	Recruitments are conducted based on the approved salary matrix and any amendments to the said policy, which need to receive necessary authorization.. Annual Remuneration adjustments are implemented based on changes to the cost of living , performance ratings and the results of the salary survey. Salary surveys are conducted by independent parties once every two years and the adjustments based on the results are implemented in the following year.
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	Dialog currently only considers requests made via skip level meetings, one-on-one meetings and the results of the Employee Engagement Survey with regards to remuneration

GRI Disclosure	Description	Reference/Disclosure
G4-54	Report the ratio of the annual total compensation for the Organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	1. Ratio between highest paid individual to Median pay of all other individual – 47.3 : 1 2. Considered Salary, Statutory payments, Bonus, Fuel Allowance, Vehicle allowance, Time- based allowances, Medical payments, Housing allowances for above calculation 3. Sales Commission and Incentives are not considered for this calculations as it's not within the HR cost
G4-55	Report the ratio of percentage increase in annual total compensation for the Organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	1. Percentage increase in the highest-paid individuals' com pensation from prior year to the reporting year - 0% 2. Percentage increase of the median total annual compen sation from prior year to the reporting year - 8.86% 3. Ratio of the of the annual total compensation percentage increase of the highest-paid individual to the median annual total 4. Considered Salary, Statutory payments, Bonus, Fuel, Vehicle allowance, Time based allowances, Medical payments, Housing 5. Sales Commission and Incentives are not considered for this calculation, as it is not considered under the Human Resources portfolio.

Ethics and Integrity

G4-56	Identify how the Organisation's values, principles, standards and norms of behaviour (such as codes of conduct, codes of ethics) have been developed, approved, and implemented, including: Whether training on them is provided regularly to all, and to new, governance body members, employees, and business partners Whether they need to be read and signed regularly by all, and by new, governance body members, employees, and business partners Whether the Organisation has appointed an executive-level position or positions with responsibility for them If applicable, whether they are available in different languages to reach all governance body members, employees, business partners and other stakeholders	All Company employees are governed by the contract of employment, our Corporate Values and the Employee Code of Conduct. When new employees are recruited, they are required to sign the Code of Conduct and thus abide by the aforementioned rules and regulations. The new recruits attend an induction session where they are presented with an overview of the Company which highlights the company values, whistle-blower policy, the Ombudsman Process and other disciplinary procedures. In addition to the induction programme, the Company carries out several training programmes / works shops throughout the year to ensure the employees are provided with refreshers of the values/ rules and regulations.
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines	Employees are encouraged to approach GCEO/ Head of GHR, Designated Industrial Relation person, HR Partner, Immediate Supervisor / Skip Supervisor. Currently, the Organisation is in the process of appointing a new ombudsman who will be acting as an independent party. During the induction sessions / if there are new mechanisms, procedures implements those will be covered through separate awareness sessions. The code of conduct is available in all three languages in Dnet. During the year 2015, there were 48 reported incidents on several issues and all have been addressed and taken corrective action.

GRI Disclosure	Description	Reference/Disclosure
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Employees are encouraged to approach GCEO/ Head of GHR, designated Industrial Relations person, HR Partner, Immediate Supervisor / Skip Supervisor. Currently, the Organisation is in the process of appointing a new ombudsman who will be acting as an independent party. During the induction sessions / if there are new mechanisms, procedures implements those will be covered through separate awareness sessions

Sector Supplement – Telecommunications

IO1	Capital investment in telecommunication network infrastructure broken down by country/region.	Please refer Annual Report 2015
IO4	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) standards on exposure to radio frequency (RF) emissions from handsets	Please refer 'Process Excellence'
IO5	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) guidelines on exposure to radio frequency (RF) emissions from base stations.	
IO7	Policies and practices on the siting of masts and transmission sites including stakeholder consultation, site sharing, and initiatives to reduce visual impacts. Describe approach to evaluate consultations and quantify where possible.	Please refer 'Planet and Society'
PA1	Access to low income group	Please refer Group Chief Executive's Review and 'Beyond Short Term Profits'
PA2	Number and types of telecommunication products and services provided to and used by low and no income sectors of the population. Provide definitions selected. Include explanation of approach to pricing, illustrated with examples such as price per minute of dialogue/bit of data transfer in various remote, poor or low population density areas.	Please refer 'Beyond Short Term Profits' and 'Digital Inclusion'

Performance Trends

Aspect	Data Point	2011	2012	2013	2014	2015	Performance 2014 - 2015
Economic performance	Revenue (Rs. Million)	46,136	56,790	63,498	67,634	74,448	🖤
Market Presence	Local spend %	53.57	37.72	47.90	52.10	38.08	🖤
	Foreign personnel in Senior Management	2	2	3	3	3	◻
Material	Paper (Tonnes)	132.40	150.34	193.368	245.97	261.38	🖤
	Recycled	0	0	0	0	0	⇔
Energy	Direct (GJ)	22,662.00	39,385	37,128.12	34,060.81	32,306.56	🖤
	Indirect (GJ)	452,995.00	480,483.66	383,626.299	410,177.13	387,409.17[7,11]	🖤
	Savings	411,877 kWh (0.4 GJ)		14,918GJ	2,769.95GJ	10,363.98GJ	🖤
Water	Consumption (Kl)	46,884.00	43,275.00	63,077.83	51,437.85	55,51429	🖤
Biodiversity	Area of high Biodiversity land covered (km²)	0.0025	0.0025	0.0157	0.012	0.012	◻
Emissions and Waste	GHG for direct energy[8]	1,965.00	3,809.20	3,249.40	3,000.2	3,547.33	🖤
	GHG for indirect energy[6,9]	57,196.34	50,668.29	50,525.49	62,235.09	35,871.22	◻
	GHG for other[10]	4,881.00	4,201.76	4,384.21	4,990.00	7,094.37	◻
	Discarded e-waste units	1,580	None	149,980kg	535,230kg	352,350kg	◻
	Recycled paper (Tonnes)	47.90	48.60	35.59	54.65	97.40	🖤
	Significant spills	None	None	None	None	None	⇔
Compliance	Fines and sanctions for environmental non-compliance	None	None	None	1	None	🖤
Employment	Total No. of employees	2,544	2,993	3,053	2,996	3,084	◻
	Total workforce	3,001	3,535	4,398	4,245	4,374	◻
	% of female employees	19.73	19.68	19.91	18.86	20.11	🖤
	Turnover %	13.78	10.69	9.40	9.34	8.59	🖤
	Retaining % after parental leave: Female/ Male	84.62%	86.87% 96.88%	78.43% 94.44%	93.25% 91.28%	93.12% 93.33%	🖤
Occupational Health & Safety	% H&S representation	100	100	2.91	2.21	2.20	🖤
	Injury rate %	0.27	1.09	0.82	DNA	0.55	🖤
	Lost day rate %	0.0	0	0.20	DNA	0.001	🖤
	Absentee rate %	1.76	1.80	1.84	DNA	1.95	⇔
	No. of Fatalities	0	0	0	0	0	⇔
Training	Average training hours for the year per employee	16.39	15.57	24.7	21.6	6.98	🖤

G4-22

C Better performance   D Poor performance   ⇔ No change   ◻ Not comparable

Aspect	Data Point	2011	2012	2013	2014	2015	Performance 2014 - 2015
Investment and procurement practices	% of significant vendors screened	78	68	100	100	3[11]	👎
	Other developments	CoC booklet, Ombudsman Volunteer programmes	Vendor COC	Dialog Axiata Procurement Code of Conduct			👍
Customer Data protection	% Complaints on breaches of customer privacy and losses of customer data.	0.0019787	0.0047	0.0035	0.0035	0.0003	👍

👍 Better performance   👎 Poor performance   ó No change   p Not comparable

[6] Re-statement of values due to previous usage of incorrect emission factors. Values were thus recalculated with the proper respective yearly factor from annual IEA reports. Scope 3 emissions include Electricity Transmission and Distribution Losses, which is being reported for the first time.

[7] Indirect energy reported from 2011 to 2014 included a duplication of data with regards to the Head Office Site. Remedial measures taken to account of this duplication and more accurately represent the indirect energy consumed in 2015.

[8] All emission factors used to determine the GHG emissions arising from direct energy were sourced from the Department for Environment, Food and Rural Affairs (DEFRA) 2015 emission factor database

[9] Emissions factors used to derive GHG emissions arising due to indirect energy usage were sourced from the IEA Annual Emissions Highlights for 2015.

[10] All emission factors used to determine Scope 3 GHG emissions were sourced from the Department for Environment, Food and Rural Affairs (DEFRA) 2015 emission factor database.

[11] The total electricity usage reported for tower sites is approximately 30% greater than the actual value attributable to Dialog, as this value accounts for the percentage usage of sites shared with other operators as well.

[12] The percentage of significant vendors screened in this instance accounts for the number of onsite audits carried out for vendors newly registered in the period in review. However, as in previous years all (100%) new vendors have signed the vendor code of conduct and expressed compliance to the code, which in the last two years was the screening mechanism in place.

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Independent Limited Assurance Report in relation to Dialog Axiata PLC's 2015 Sustainability Report

Limited Assurance Conclusion
Based on our limited assurance procedures, as described in this statement, nothing has come to our attention that causes us to believe that the subject matter as presented in Dialog Sustainability Report is not presented, in all material respects, in accordance with the criteria described in Table 1.

Scope
We have performed 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 2015 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 2015:

► Subject Matter 1: Dialog's adherence to the AA1000 AccountAbility principles of inclusivity, materiality and responsiveness in the preparation of the 2015 Sustainability Report ('the Report')

► Subject Matter 2: Dialog's reported alignment to the self-declared Global Reporting Initiative's ('GRI') G4 "in accordance" requirements (comprehensive), and

► Subject Matter 3: 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.

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[1]

► Subject Matter 2: The GRI's G4 "In accordance with Comprehensive" Guidelines

► Subject Matter 3: 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) Average training hours per employee	GRI G4-LA9	Training in 2015 (page 35)
Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	GRI G4-LA6 - note contractor data is excluded	Workplace Safety (page 39)
Total greenhouse gas emissions for direct and indirect energy	GRI G4-EN3, 4, 15 and 16	Carbon Footprint 2015 (page 52)
Total number of substained complaints regarding breaches of customer privacy and losses of customer data	GRI G4-PR8	Data integrity - percentage of customer information leaks (page 42)
Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation		Remuneration ratio (page 34)

Management's responsibilities

The management of Dialog ('Management') is responsible for the collection, preparation and presentation of the Subject Matter in the Report in accordance with the above Criteria, and for maintaining adequate records and internal controls that are designed to support the sustainability reporting process.

Our Responsibilities

Our responsibility is to express a limited assurance conclusion as to whether the subject matter is presented in accordance with the criteria. Our assurance engagement has been planned and performed in accordance with the International Standard for Assurance Engagements 300 (revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000').

Level of Assurance

A limited assurance engagement consists of making enquiries and applying analytical, controls testing, and other evidence-gathering procedures that are sufficient for us to obtain a meaningful level of assurance. The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the specific activity data, 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 review was not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

The procedures performed in a limited assurance engagement vary in nature, and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Our Approach

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
- 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
- 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 this Report

Our responsibility in performing our assurance activities is to the directors of Dialog alone and in accordance with the terms of reference for this engagement as agreed with them. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk. No statement is made as to whether the criteria are appropriate for any third party purpose.

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.

Limitations

There are inherent limitations in performing assurance. For example, assurance engagements are based on selective testing of the information being examined, and it is possible that fraud, error, or non-compliance may occur and not be detected. There are additional inherent risks associated with assurance over nonfinancial information including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Finally, adherence to GRI principles is subjective and will be interpreted differently by different stakeholder groups. Our assurance was limited to the 2015 Sustainability Report and did not include statutory financial statements or forward looking statements. We provide no assurance over changes to the online content after the date of this assurance report.

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 variety of mechanisms that assist the business to engage with its stakeholders. The Report identifies key stakeholder groups, mechanisms for and frequency of engagement. In the reporting year, Dialog engaged a third party to survey major stakeholder groups on key issues of interest. It is recommended that Dialog considers reporting on the key areas of concern raised by stakeholders, and the way in which they have responded to concerns.

As in previous years, we encourage Dialog to develop an overarching stakeholder engagement framework to ensure consistency in its approach to identifying and prioritising stakeholders and their issues. 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 is to be commended on its approach to collaborative partnerships for developing new technology that specifically targets community development needs.

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 management approaches to the twelve material issues that were identified by the sustainability team. 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. Further, Dialog should consider the balance of investment in key systems that measure and manage quantitative metrics related to the material issues.

Responsiveness

EY tested the responsiveness of Dialog to issues of digital services, customer data privacy, human resources, environment, supply chain, information technology, legal and innovation. It was found that Dialog had implemented responses to stakeholder concerns in some of these areas. For example, during the reporting period, in an effort to reduce the attrition of women at key stages of their career, Dialog introduced mobility and flexibility options into the workplace. We commend Dialog's focus on gender equality building on its continued response to stakeholder concerns raised since 2013. Dialog has also engaged with its customers on its organisational sustainability by introducing 'sustainability corners' in iconic stores.

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

In response to assurance recommendations from the previous year, Dialog made a concerted effort to improve its environmental and safety data collection systems. During the year, Dialog was able to report data on key safety performance indicators including 'lost days rate' and 'injury rate' for staff. A gap exists in the ability of the organisation to measure and manage the same data for contractors, and we recommend a focus is placed on improving the accessibility of contractor data as well as a providing training and support to sites around safety management and reporting.

Our detailed 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
18 April 2016

AA1000
Licensed Assurance Provider
000-23

GRI Content Index

GRI Materiality Disclosures
Dialog Axiata PLC

Apr 2016 Service

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
STRATEGY AND ANALYSIS					
G4-1	Group Chief Executive's Message (Page 6-9), Performance Targets and Review (Page 64)				
G4-2	Group Chief Executive's Message (Page 6-9), Performance Targets and Review (Page 64)				
ORGANISATIONAL PROFILE					
G4-3	Annual Report - Corporate Information				
G4-4	Group Chief Executives's Message (Page 6-9), Annual Report - Business and Financial Review				
G4-5	Annual Report - Corporate Information, Report back cover				
G4-6	Annual Report - Business and Financial Review				
G4-7	Annual Report - Corporate Information				
G4-8	Annual Report - Business and Financial Review				
G4-9	Annual Report, Employee Welfare, Remuneration and Development (Page 34-35)				
G4-10	Other Standard Disclosures (Page 65-71), Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				
G4-11	Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				
G4-12	Other Standard Disclosures (Page 65-71), Procurement Practices (Page 45) (Page 45)				
G4-13	Annual Report - Business and Financial Review, Other Standard Disclosures (Page 65-71)				
G4-14	Materiality (Page 20), Value Chain Mapping (Page 21)				
G4-15	Other Standard Disclosures (Page 65-71)				
G4-16	Other Standard Disclosures (Page 65-71)				
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES					
G4-17	Scope and Boundary (Page 14-15), Annual Report - Business and Financial Review (Page 24-37)				
G4-18	Scope and Boundary (Page 14-15), Stakeholder Engagement (Page 16-18), Material Issues (Page 20)				Yes, see external assurance statement
G4-19	Scope and Boundary (Page 14-15), Value Chain Mapping (Page 21)				Yes, see external assurance statement
G4-20	Scope and Boundary (Page 14-15), Value Chain Mapping (Page 21)				Yes, see external assurance statement
G4-21	Scope and Boundary (Page 14-15), Value Chain Mapping (Page 21)				
G4-22	Performance Trends (Page 72-73)				
G4-23	Other Standard Disclosures (Page 66)				
STAKEHOLDER ENGAGEMENT					
G4-24	Stakeholder Engagement (Page 16-18), Value Chain Mapping (Page 21)				Yes, see external assurance statement
G4-25	Stakeholder Engagement (Page 16-18)				Yes, see external assurance statement

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-26	Stakeholder Engagement (Page 16-18)				Yes, see external assurance statement
G4-27	Stakeholder Engagement (Page 16-18), Value Chain Mapping (Page 21)				Yes, see external assurance statement
REPORT PROFILE					
G4-28	Scope and Boundary (Page 14-15), Other Standard Disclosures (Page 65-71)				Yes, see external assurance statement
G4-29	Other Standard Disclosures (Page 65-71)				Yes, see external assurance statement
G4-30	Scope and Boundary (Page 14-15), Other Standard Disclosures (Page 65-71)				Yes, see external assurance statement
G4-31	Other Standard Disclosures (Page 65-71)				
G4-32	Scope and Boundary (Page 14-15), GRI Content Index (Page 84-91), Independent Limited Assurance Report (Page 76-80)				Yes, see external assurance statement
G4-33	Independent Limited Assurance Report (Page 76-80)				Yes, see external assurance statement
GOVERNANCE					
G4-34	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-35	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-36	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-37	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-38	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-39	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-40	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-41	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-42	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-43	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-44	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-45	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-46	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-47	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-48	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-49	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				
G4-50	Annual Report - Corporate Governance Report, Other Standard Disclosures (Page 65-71)				

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-51	Other Standard Disclosures (Page 65-71), Employee Welfare Remuneration and Development (Page 34-35)				
G4-52	Other Standard Disclosures (Page 65-71)				
G4-53	Other Standard Disclosures (Page 65-71)				
G4-54	Other Standard Disclosures (Page 65-71)				
G4-55	Other Standard Disclosures (Page 65-71)				
G4-56	Other Standard Disclosures (Page 65-71), Compliance (Page 44), Ethics and Integrity (Page 46-47)				

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
CATEGORY: ECONOMIC					
MATERIAL ASPECT: ECONOMIC PERFORMANCE					
G4-DMA	Business Performance and National Economic Contribution (Page 24-25)				
G4-EC1	Business Performance and National Economic Contribution (Page 24-25), Annual Report - Financial Notes				
G4-EC2		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EC3	Annual Report - Financial Notes, Other Standard Disclosures (Page 65-71)				
G4-EC4	Annual Report - Financial Notes, Business Performance and National Economic Contribution (Page 24-25)				
MATERIAL ASPECT: MARKET PRESENCE					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EC5		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EC6		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EC7		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EC8		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: PROCUREMENT PRACTICES					
G4-DMA	Procurement Practices (Page 45)				
G4-EC9	Procurement Practices (Page 45)				
CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: MATERIALS					
G4-DMA	Managing Environmental Performance (Page 51)				
G4-EN1	Managing Environmental Performance (Page 51)				
G4-EN2	Not Applicable				

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: ENERGY					
G4-DMA	Energy Consumption and Conservation				
G4-EN3	Energy Consumption and Conservation (Page 50), Performance Trends (Page 72-73)				Yes, see external assurance statement
G4-EN4	Not Applicable				
G4-EN5	Energy Consumption and Conservation (Page 50), Performance Trends (Page 72-73)				
G4-EN6	Energy Consumption and Conservation (Page 50), Performance Trends (Page 72-73)				
G4-EN7	Not Applicable				
MATERIAL ASPECT: WATER					
G4-DMA	Not Applicable				
G4-EN8	Managing Environmental Performance (Page 51), Performance Trends (Page 72-73)				
G4-EN9	Not Applicable				
G4-EN10	Not Applicable				
MATERIAL ASPECT: BIODIVERSITY					
G4-DMA	Not Applicable				
G4-EN11	Performance Trends (Page 72-73)				
G4-EN12	Not Applicable				
G4-EN13	Not Applicable				
G4-EN14	Not Applicable				
MATERIAL ASPECT: EMISSIONS					
G4-DMA					Yes, see external assurance statement
G4-EN15	Managing Environmental Performance (Page 51), Carbon Footprint 2015 (Page 52-53), Performance Trends (Page 72-73)				Yes, see external assurance statement
G4-EN16	Managing Environmental Performance (Page 51), Carbon Footprint 2015 (Page 52-53), Performance Trends (Page 72-73)				Yes, see external assurance statement
G4-EN17	Managing Environmental Performance (Page 51), Carbon Footprint 2015 (Page 52-53), Performance Trends (Page 72-73)				
G4-EN18	Managing Environmental Performance (Page 51), Performance Trends (Page 72-73)				
G4-EN19	Managing Environmental Performance (Page 51), Performance Trends (Page 72-73)				
G4-EN20	Managing Environmental Performance (Page 51), Performance Trends (Page 72-73)				
G4-EN21	Managing Environmental Performance (Page 51), Performance Trends (Page 72-73)				
MATERIAL ASPECT: EFFLUENTS AND WASTE					
G4-DMA	Not Applicable				
G4-EN22	Not Applicable				
G4-EN23	Managing Environmental Performance (Page 51), Performance Trends (Page 72-73)				
G4-EN24		Not Considered Material	Not Considered Material	Not Considered Material	

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-EN25		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EN26		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: PRODUCTS AND SERVICES					
G4-DMA	Not Applicable				
G4-EN27	Managing Environmental Performance (Page 51)				
G4-EN28	Not Applicable				
MATERIAL ASPECT: COMPLIANCE					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-EN29		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: TRANSPORT					
G4-DMA	Not Applicable				
G4-EN30	Managing Environmental Performance (Page 51)				
MATERIAL ASPECT: OVERALL					
G4-DMA	Energy Consumption and Conservation (Page 50)				
G4-EN31	Energy Consumption and Conservation (Page 50)				
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-DMA	Procurement Practices (Page 45)				
G4-EN32	Procurement Practices (Page 45)				
G4-EN33	Performance Trends (Page 72-73)				
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS					
G4-DMA	Not Applicable				
G4-EN34	Not Applicable				
CATEGORY: SOCIAL					
SUB-CATEGORY: LABOUR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				Yes, see external assurance statement
G4-LA1	Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				
G4-LA2	Not Applicable				
G4-LA3	Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				
MATERIAL ASPECT: LABOUR/MANAGEMENT RELATIONS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-LA4		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	Employee Welfare, Remuneration and Development (Page 34-35)				Yes, see external assurance statement

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-LA5	Employee Welfare, Remuneration and Development (Page 34-35), Performance Trends (Page 72-73)				
G4-LA6	Employee Welfare, Remuneration and Development (Page 34-35), Performance Trends (Page 72-73)				Yes, see external assurance statement
G4-LA7		Not Considered Material	Not Considered Material	Not Considered Material	
G4-LA8		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	Employee Welfare, Remuneration and Development (Page 34-35)				Yes, see external assurance statement
G4-LA9	Employee Welfare, Remuneration and Development (Page 34-35)				Yes, see external assurance statement
G4-LA10	Employee Welfare, Remuneration and Development (Page 34-35)				
G4-LA11	Employee Welfare, Remuneration and Development (Page 34-35)				
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				
G4-LA12	Diversity, Non-discrimination and Equal Opportunity (Page 36-38)				
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN					
G4-DMA	Employee Welfare, Remuneration and Development (Page 34-35)				Yes, see external assurance statement
G4-LA13	Employee Welfare, Remuneration and Development (Page 34-35)				Yes, see external assurance statement
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOUR PRACTICES					
G4-DMA	Procurement Practices (Page 45)				
G4-LA14	Procurement Practices (Page 45)				
G4-LA15	Procurement Practices (Page 45)				
MATERIAL ASPECT: LABOUR PRACTICES GRIEVANCE MECHANISMS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-LA16		Not Considered Material	Not Considered Material	Not Considered Material	
SUB-CATEGORY: HUMAN RIGHTS					
MATERIAL ASPECT: INVESTMENT					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR1		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR2		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: NON-DISCRIMINATION					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR3		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
G4-HR4		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: CHILD LABOUR					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR5		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: FORCED OR COMPULSORY LABOUR					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR6		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: SECURITY PRACTICES					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR7		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: INDIGENOUS RIGHTS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR8		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: ASSESSMENT					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR9		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-DMA	Procurement Practices (Page 45), Performance Trends (Page 72-73)				
G4-HR10	Procurement Practices (Page 45), Performance Trends (Page 72-73)				
G4-HR11	Procurement Practices (Page 45), Performance Trends (Page 72-73)				
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-HR12		Not Considered Material	Not Considered Material	Not Considered Material	
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: LOCAL COMMUNITIES					
G4-DMA	Not Applicable				
G4-SO1	Not Applicable				
G4-SO2	Not Applicable				
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA	Not Applicable				
G4-SO3	Not Applicable				
G4-SO4	Anti-Corruption (Page 46-47)				
G4-SO5	Anti-Corruption (Page 46-47)				

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page Number/ Reference	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: PUBLIC POLICY					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-SO6		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOUR					
G4-DMA		Not Considered Material	Not Considered Material	Not Considered Material	
G4-SO7		Not Considered Material	Not Considered Material	Not Considered Material	
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Not Applicable				
G4-SO8	Not Applicable				
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
G4-DMA	Procurement Practices (Page 45),				
G4-SO9	Procurement Practices (Page 45),				
G4-SO10	Procurement Practices (Page 45),				
MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY					
G4-DMA	Not Applicable				
G4-SO11	Not Applicable				
SUB-CATEGORY: PRODUCT RESPONSIBILITY					
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY					
G4-DMA	Compliance (Page 44)				
G4-PR1	Compliance (Page 44)				
G4-PR2	Compliance (Page 44)				
MATERIAL ASPECT: PRODUCT AND SERVICE LABELLING					
G4-DMA	Stakeholder Engagement (Page 16-18)				
G4-PR3	Not Applicable				
G4-PR4	Not Applicable				
G4-PR5	Stakeholder Engagement (Page 16-18), Quality and Affordability of Products and Services (Page 43)				
MATERIAL ASPECT: MARKETING COMMUNICATIONS					
G4-DMA	Not Applicable				
G4-PR6	Not Applicable				
G4-PR7	Not Applicable				
MATERIAL ASPECT: CUSTOMER PRIVACY					
G4-DMA	Data Integrity (Page 42)				Yes, see external assurance statement
G4-PR8	Data Integrity (Page 42), Performance Trends (Page 72-73)	Absolute numbers for customer complains recorded in the year.	Confidentiality Constraints	Due to specific confidentiality constraints guided by the ISGF of the Company	Yes, see external assurance statement
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Not Applicable				
G4-PR9	Not Applicable				

ISO26000 Self-Assessment Criteria

Core Subject	Sub category	
Human Rights	Due diligence	-
	Human rights risk situations	-
	Avoidance of Complicity	Page 44, Page 47.
	Resolving grievances	-
	Discrimination and vulnerable groups	Page 36-38
	Civil and political rights	-
	Economic, Social and Cultural Rights	Page 36-38
	Fundamental principles and rights at work	Page 36-38
Labour Practice	Employment and employment relationships	Page 34-35, Page 36-38
	Conditions of work and social protection	Page 34-35, Page 36-38
	Social dialogue	Page 16-18
	Health and safety at work	Page 34-35.
	Human development and training in the workplace	Page 36-38.
The Environment	Prevention of pollution	Page 50-51.
	Sustainable resource use	Page 49, Page 50-51
	Climate change mitigation and adaptation	Page 49, Page 50-51, Page 52-53.
	Protection of the environment, biodiversity and restoration of natural habitats	Page 49, Page 50-51, Page 52-53.
Fair Operating Practice	Anti-corruption	Page 46
	Responsible political involvement	-
	Fair competition	Page 45
	Promoting social responsibility in the value chain	Page 45
	Respect for property rights	Page 54-63
Consumer Issues	Fair marketing, factual and unbiased information and fair contractual practices	Page 34-35
	Protecting consumers' health and safety	Page 44
	Sustainable consumption	-
	Consumer service, support, complaint and dispute resolution	Page 43
	Consumer data protection and privacy	Page 42
	Access to essential services	-
	Education and awareness	Page 55, Page 57
Community Involvement and Development	Community involvement	Page 54-63
	Education and culture	Page 55, Page 57
	Employment creation and skills development	Page 36-38
	Technology development and access	Page 28, Page 55-57
	Wealth and income creation	-
	Health	Page 39
	Social Investment	-

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	Message from Group Chief Executive, Annual Report
3	Engagement with all important stakeholders	Stakeholder Engagement
UN Goals and Issues		
4	Actions taken in support of broader UN goals and issues	Platforms for Alignment
Human Rights Implementation		
5	Robust commitments, strategies or policies in the area of human rights	HR1,HR10,HR11
6	Effective management systems to integrate the human rights principles	HR1,HR4,HR5,HR6,SO3
7	Effective monitoring and evaluation mechanisms of human rights integration	HR10,SO3,SO5
8	Key outcomes of human rights integration	HR3,HR4,HR5,HR11,HR12
Labour Principles Implementation		
9	Robust commitments, strategies or policies in the area of labour	Nurturing People
10	Effective management systems to integrate the labour principles	Nurturing People, LA1, LA13, HR11, SO4
11	Effective monitoring and evaluation mechanisms of labour principles integration	HR2
12	Key outcomes of the labour principles	HR5,HR7, LA4

Criterion	Description	Relevant sections in the report
Environmental Stewardship Implementation		
13	Robust commitments, strategies or policies in the area of environmental stewardship	EN3, EN4, EN12
14	Effective management systems to integrate the environmental principles	PR1,EN26
15	Effective monitoring and evaluation mechanisms for environmental stewardship	EN1, EN3, EN4,EN5,EN11, EN12, EN16, EN19, EN23, Energy Consumption and Conservation
16	Key outcomes of integration of the environmental principles	EN1, EN3, EN4,EN5,EN11, EN12, EN16, EN20,EN26
Anti-Corruption Implementation		
17	Robust commitments, strategies or policies in the area of anti-corruption	Anti-Corruption
18	Effective management systems to integrate the anti-corruption principle	Anti-Corruption
19	Effective monitoring and evaluation mechanisms for the integration of anti-corruption	Anti-Corruption, GRI Content Index
20	Key outcomes of integration of the anti-corruption principle	Anti-Corruption
Value Chain Implementation		
21	Describes implementation of the Global Compact principles in the value chain	Annual Report , GRI Content Index
Transparency and Verification		
22	Information on the company's profile and context of operation	Other Standard Disclosure , Annual Report
23	High standards of transparency and disclosure	GRI Content Index, Assurance and Cover Page
24	The COP is independently verified by a credible third-party.	GRI Content Index, Assurance Statement by Ernst & Young Australia

Abbreviations

ABR	Auditory Brainstem Response	ICTs	Information Communications Technologies
AC	Air Conditioning	ISO	International Organisation for Standardisation
AGM	Annual General Meeting	IUCN	International Union for the Conservation Nature
BoD	Board of Directors	Kg	Kilogram
CDMA	Code division multiple access	Kl	Kilo Litres
CE	Customer Experience	KJ	Kilo Joules
CoC	Code of Conduct	Km^2	Square Kilometres
COPC	Customer Operations Performance Center	KPI	Key Performance Indicator
CO2	Carbon dioxide	KWh	Kilo Watt Hour
CXO	Chief Officer – Respective Portfolio	NGOs	Non-Governmental Organisations
DEFRA	Department for Environment, Food and Rural Affairs	NPS	Net Promoter Scores
DEWN	Disaster and Emergency Warning Network	OpCos	Operating Companies
DR	Disaster Recovery	PLC	Private Limited Company
DTV	Dialog Television	R-22	Chlorodifluoromethane
DVN	Dialog Volunteer Network	RAC	Ratmalana Audiology Centre
DVN-O	Dialog Volunteer Network Outreach	SAR	Specific Absorption Rate
GCEO	Group Chief Executive Officer	SM	Senior Management
G.C.E (A/L)	General Certification of Examination, Advance Level	SME	Small & Medium Enterprises
G.C.E (O/L)	General Certification of Examination, Ordinary Level	SMS	Short Message Service
GHG	Greenhouse Gas	TCO2E	Tonnes of Carbon Dioxide Equivalents
GJ	Giga Joules	TRCSL	Telecoms Regulatory Commission of Sri Lanka
GRI	Global Reporting Initiative	UNGC	United Nations Global Compact
GSMA	Groupe Spéciale Mobile Association	VAS	Value Added Services
GSMC	Group Senior Management Committee	YoY	Year on Year
HR	Human Resources	3G	Third Generation
H&S	Health and Safety	4G	Fourth Generation

Please take a moment to leave us your feedback by completing the online survey form available via the link below.

FEEDBACK

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