

Issue	Policies, Programs, Management Systems, Activities and Indicators	Global Compact Principle No.
Socially Responsible Management		
Promotion of Company Values	<p>The corporate social responsibility is fully integrated in the long-term strategy of T-HT Group in terms of all its stakeholders, which we publicly proclaim at http://www.t.ht.hr/odgovornost/korp-odgovornost.asp</p> <p>The behavior according to the company values is a part of the assessment of each employee in the performance management system. The intention is to ensure not only that each employee is rewarded according to his/her results, but that the performance is realized by respecting the company values.</p>	1, 2, 3, 4, 5, 6, 10
Code of Conduct	<p>Code of Conduct of T-HT states clear standards of business behavior that is based on high ethic principles along with good economic results. The Code of Conduct is based on basic company values comprised in T-Spirit. The Code provides milestones for a socially responsible behavior, and provides a clear distinction between the wanted and doubtful behavior. The consistent implementation of the Code of Conduct, education of employees and resolving of all reported breaches of the Code of Conduct is formalized by means of the ethic management structure and compliance.</p> <p>http://www.t.ht.hr/odgovornost/pdf/CodeofConduct.pdf</p> <p>All employees are introduced to the Code of Conduct, and it is a part of the orientation program for new employees.</p> <p>http://www.drustvena-odgovornost.undp.hr/upload/file/168/84370/FILENAME/brosurarodilje.pdf</p>	1, 2, 3, 4, 5, 6, 10
Promotion of Equal Opportunities and Respecting Differences of Employees	<p>T-HT strictly respects the Constitution, Labor Act and other official documents regulating the area of equality. T-HT also adopted principles of the Social Charter.</p> <p>The Collective Agreement of T-Hrvatske telekomunikacije provides protection against discrimination and protection of workers' dignity. Besides to the persons responsible for protection of workers' dignity appointed by the employer, complaints related to violation of dignity or any form of workers' discrimination can be reported by means of the Ethic Line.</p> <p>The Employee Satisfaction Survey verifies on a regular basis if the employees are respected regardless of their gender, religion, nationality, marital status etc.</p> <p>The male to female ratio of employees at the end of 2008 was 65:35, and there was a male to female ratio of 61:39 on management positions. The Management Board of T-Hrvatske telekomunikacije comprises two women and four men.</p> <p>As a company that takes care of its employees, T-HT pays a special attention to the future parents. Besides the financial assistance received on the occasion of a child's birth, T-HT prepared a brochure called Maternity Leave that includes all information related to rights, possibilities and company benefits for future parents. The brochure is presented as a good practice example on UDNP web pages.</p> <p>http://www.drustvena-odgovornost.undp.hr/upload/file/168/84370/FILENAME/brosurarodilje.pdf</p>	6
Labor Relations	<p>T-HT has a long tradition of trade unions. As a result of the social dialogue between the employer and workers, there is an applicable Collective Agreement that ensures a high level of workers' rights.</p> <p>Due to crucial organizational changes and introduction of state-of-the-art technologies, the Company is implementing a headcount optimization program in a socially responsible manner by providing excessive severance payments and support to workers that find themselves on the open market through the "Podrška plus" (<i>Support Plus</i>) program. Services of the "Podrška plus" program are free of charge and they include individual mentor counseling, workshops for acquiring additional skills and knowledge, learning skills for writing job applications, CVs and employer presentations, information on self-employment possibilities, free use of computers and Internet, recommendations for new employers, initiating employment by subcontractors.</p> <p>T-HT implements safety at work measures and takes care about the security of its employees, according to the legal regulations and internal acts (Work Safety Regulations, Collective Agreement). The employee health and safety management system is established through the safety at work section, Committee and Commissioner for Safety at Work.</p> <p>T-HT provides free medical examinations for workers once a year and a discount on the medical examinations for workers' family members.</p> <p>T-HT established a closed pension fund, and ensured additional finances, by supporting employee savings for future pensions.</p> <p>T-HT encourages employees to pursue sports and recreational activities by financing various types of recreational activities for employees. Once a year, T-HT organizes sports competition for its employees.</p> <p>T-HT continually develops key competencies and skills of workers and invests in their personal and professional development. Over 3000 employees participated in education courses during 2008, mostly in the newly open T-HT education center.</p>	3,6

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Socially Responsible Management (continued)		
<p>Customer Relationships</p>	<p>T-Com created a special tariff package intended for low-income customers that includes monthly fee amounting to HRK 300.00 (HRK 36.60 inclusive of VAT). This package does not include the monthly traffic volume, and all other prices and terms, i.e. billing units are identical to the existing HALO Super 60 package. The package is intended for users, telephone line owners, who receive a regular support according to the Social Welfare Act. Each household has the right to activate one such package. The "Super 30" package has 1 second billing unit (with minimum call duration of 1 minute) and it is applied to all national and international calls as well as calls to mobile networks.</p> <p>http://www.t-com.hr/privatni/kzona/cjenici/tel_tarife_super30.asp</p> <p>T-Com offers discounts to disabled war veterans who are receiving discounts depending of the percentage of their disability. To realize the discount, the users can come to a T-Center in person and present their certificate of disability or the authorized association sends the certificate of disability to T-Com on their behalf.</p> <p>The discount is also offered to natural persons with physical impairment who obtain discount on both the monthly fee and telephone calls. To realize the discount, such users have to contact the Union of Associations of Persons with Disabilities in Croatia or the relevant association, and the organization then sends T-Com an official confirmation related to the percentage of their disability.</p> <p>http://www.t-com.hr/privatni/kzona/racuni/bonusi/popust_invalidnim.asp</p> <p>The T-Com web page www.t-com.hr comprises price lists of T-Com products and services that are intended for all user segments. The link http://www.t-com.hr/poslovni/kzona/cjenici/ includes a price list for business customers, and at http://www.t-com.hr/privatni/kzona/cjenici/ a price list for residential customers can be found. The reference offers including price lists of wholesale services can be found at http://www.t-com.hr/veleprodaja/.</p> <p>MAXtv users have the possibility to activate a Parental Lock that disables access to content inappropriate for children, such as pornographic or violent content. By setting the Parental Lock, watching of inappropriate TV channels or movies from MAXtv library is blocked. Watching of such content is enabled by entering the master PIN.</p> <p>http://www.t-com.hr/privatni/televizija/maxtv/index.asp</p> <p>T-Com offers to its Internet users several types of protection: Surfajte sigurno (<i>Surf Safely</i>) package (http://www.t-com.hr/privatni/internet/sigurnost/surfsigurno/index.asp), T-Com safety protection (http://www.t-com.hr/privatni/internet/sigurnost/zastita/index.asp), Anti-dialer protection (http://www.t-com.hr/privatni/internet/sigurnost/antidialer/index.asp) and antivirus protection (http://www.t-com.hr/privatni/internet/sigurnost/zastita/antivirus.asp).</p> <p>The Code of Advertising Standards represents a minimum ethical standard that should be respected in the advertising practice and other forms of communication with unified criteria for work of all individuals and legal persons included in the process of communication in the Republic of Croatia.</p> <p>http://hgk.biznet.hr/hgk/fileovi/6196.doc</p>	<p>1,2,10</p>
<p>Procurement Chain Management</p>	<p>HT-Hrvatske telekomunikacije d.d. established guidelines for selection of potential suppliers.</p> <p>The Company is doing business only with environmentally aware and responsible suppliers, according to the current international agreements as well as national and local acts and environmental regulations.</p> <p>Depending of the subject of procurement the suppliers are selected according to the level of meeting technological, quality, environmental and social standards.</p> <p>The suppliers have to satisfy TL 9000 standard.</p>	<p>1, 2, 3, 4, 5, 6, 7, 8, 9, 10</p>
<p>Business Ethics, Codes of Conduct on the Company and Department Level</p>	<p>The Code of Ethics should be adhered to in all business relationships with suppliers, such as confidential data access and protection, business integrity, intellectual property, protection of identity, avoiding conflict of interest.</p>	<p>1, 2, 3, 4, 5, 6, 7, 8, 9, 10</p>

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Environmental Protection		
<p>Policies, Programs and Management Systems</p>	<p>The environmental protection is one of the constants in T-HT business for a number of years, which is evident from the continuous improvement of performance in that area, and ecological criteria have been included in the most important business processes aiming at meeting needs of T-HT customers. This is all implemented within the concept of sustainable development and with a high level of social responsibility for the environment in which T-HT operates. As a starting point of all activities related to environment management, T-HT Group is observing and executing all legal obligations in the area of environmental protection, as well as the obligations that the Company voluntarily accepted. This especially relates to the support and actions in accordance with ecological principles of UN Global Compact.</p> <p>In order to confirm its commitment to the principles of environmental protection, the Management Board of T-HT adopted a number of documents defining the Company's perception of the environment and specifying the method of environmental protection. These documents are:</p> <ul style="list-style-type: none"> • Environmental Protection Policy of T-HT Group • General Guidelines for Environmental Protection Management in T-HT Group • Energy Policy of T-HT Group • Objectives and Targets in the Environmental Protection Until 2010 • Representative of the Management Board for the Environment and Environmental Manager appointed. <p>A special Environmental Protection Section was established for execution of environmental protection tasks and coordination of all activities related to the environmental protection management in T-HT.</p> <p>The daughter company T-Mobile Hrvatska d.o.o. introduced and certified the environmental management system according to ISO 14001:2004 standard.</p> <p>T-HT is a member of the European Telecommunications Network Operators' Association (ETNO) and a signatory of the Environmental Charter and Sustainability Charter that oblige T-HT to the environmental protection management according to international standards and best European practice.</p> <p>T-Mobile, as a responsible telecommunications company, supports, encourages and finances scientific research related to the impact of the electromagnetic radiation to people and environment. In terms of the protection against the electromagnetic fields, T-Mobile operates according to international regulations and Croatian Act on Non-Ionizing Radiation Protection.</p> <p>The Ministry of Health and Social Welfare issues to TMHR decisions on use of electromagnetic fields, based on the results of measurements conducted near T-Mobile base stations. The results of the measurements so far have showed that the electromagnetic field levels in the network of TMHR are far below the limit specified by law.</p> <p>In 2004, TMHR accepted the policy incorporated in "10 Guidelines on Electromagnetic Fields", as a part of the common strategy of TMO.</p> <p>T-HT proves its social responsibility and commitment to the environment protection by initiating and implementing environmental projects. The purpose of such projects is protection of nature and raising awareness of its employees and the public regarding the importance of environmental protection. T-HT is investing significantly in such projects and workers are participating in them on a voluntary basis.</p> <p>T-HT pays special attention to communication with interested parties regarding the Company's environmental activities. Environmental Protection Reports are published annually on the Company's Internet pages together with the information on the implemented environmental projects. Besides the recent information about the environmental activities in the Company, we also publish "Eko kuTak" (<i>Eco Corner</i>), which is an electronic newsletter that helps in raising awareness of employees related to the importance of environmental protection.</p> <p>T-HT continuously modernizes its networks and network platforms for the purpose of introducing advanced services that produce no negative effect on the environment.</p>	<p>7,8,9</p>
<p>Activities and Indicators</p>	<p>A detailed presentation of T-HT activities related to environment protection in 2007, including concrete indicators of impact to the environment, is published in the T-HT Group Environmental Protection Report for 2007. The report is available on the Internet pages of T-HT at http://www.t.ht.hr/odgovornost/ekologija.asp.</p> <p>In comparison to the previous year, the following results were accomplished in 2007:</p> <ul style="list-style-type: none"> • Total consumption of energy reduced by 2.44% • Electricity consumption increased by 1.35% • Total consumption of heating energy reduced by 12.54% • Heating oil consumption reduced by 25.6% • Reported CO2 emission from stationary sources reduced by 11.4% (boiler rooms used for heating, installed power exceeds 100 kW) • Fleet's fuel consumption reduced by 9.55% • Fleet's fuel consumption/100 km reduced by 1.79% • Waste production reduced by 32.92% • Water consumption increased by 5.55% • Paper consumption reduced by 23%. 	<p>7,8,9</p>

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<p>Activities and Indicators (continued)</p>	<ul style="list-style-type: none"> • A4 paper consumption/employee reduced by 11% • Revenue from the realized telecommunications traffic volume amounted to HRK 11.2 per consumed MJ of energy (1.2% increase), with the simultaneous 363.8 bit transfer per consumed J of energy (203% increase). <p>The Company introduced the separate collection of useful waste: paper, PET bottles and cans, toner cartridges and cardboard waste; containers for disposal of used batteries, waste oils, oily packages, fluorescent tubes and small electric appliances were installed throughout the Company. T-Centers have been collecting used mobile phones from users.</p> <p>The Company bought bio-diesel powered electric generators, and the majority of boiler-room was adjusted for natural gas use, which all reduces greenhouse gas emission. The plan is to replace air-conditioning systems and units that use HCFC (R22) refrigerant up to 2010.</p> <p>In 2008, T-Mobile Hrvatska d.o.o. successfully implemented external certification of the environmental management system according to ISO 14001:2004 standard. The effective period of the certificate was prolonged for the next 3 years, up to 2011.</p> <p>By means of its Environmental Policy, T-Mobile Hrvatska d.o.o. undertakes to educate its management and employees on a permanent basis with an aim of developing environmental competence and awareness. On a special Intranet page dedicated to environmental protection, employees can find advice related to environmental protection and responsible consumption of energy.</p> <p>On several base station locations, T-Mobile uses wind and wind-solar energy.</p> <p>T-Mobile separately collects and disposes all obsolete telecommunications and ICT equipment in cooperation with companies authorized for collection and disposal of different types of waste.</p> <p>The Company fleet has been renewed on a regular basis and replaced by cars that use environmentally friendly fuel with reduced specific CO2 emission. The fleet age was reduced to approximately 3 years. At the end of 2008, the Company bought 220 LPG-powered cars (15% of the total number of vehicles). The fleet management information system was put into operation.</p> <p>The total quantity of produced and disposed waste in 2008 was additionally reduced by 17% compared to the previous year. 90% of waste was recycled.</p> <p>The environmental project "Čista komunikacija" (<i>Clean Communication</i>) promoted collection of used batteries. Therefore, the appropriate containers for collection of used batteries were installed in T-Centers and business facilities of T-HT throughout Croatia.</p> <p>T-HT spent HRK 500,000 for afforestation of 4 locations in Croatia through the environmental project called "Zelena komunikacija" (<i>Green Communication</i>), and workers of T-HT volunteered in the project.</p> <p>By means of the project called "Zajedno smo jači" (<i>Together We are Stronger</i>), T-HT donated HRK 320,000 to 4 environmental projects.</p> <p>During 2007 and 2008, there were 16 issues of "Eko kuTak", the internal electronic newsletter.</p> <p>The offer of T-HT services also includes services that can influence the reduction of environmental effects of the Company and its users. Some of the foregoing services are:</p> <ul style="list-style-type: none"> • Web Bill – itemized bill received via Internet which reduces paper consumption • Audio and video conference – reduces the need of traveling to the meeting location – energy savings • Network secretary – recording and listening messages in fixed network – energy and resource savings • MaxAdsl – broadband access – enables work from home and various applications that reduce the need to travel and enable virtual actions related to various products and services (e-shop, e-newspapers, e-books etc.) – energy and resource savings • Introduction of electronic vouchers for T-Mobile prepaid users reduces the use of paper vouchers <p>In 2008, Oekom Research (Germany) agency assessed the business operation of T-HT in terms of social responsibility, and the overall performance related to environmental protection was rated C+, which put T-HT into the Prime category. Companies of this category are recommended to investors from ethically and environmentally oriented funds as the best in their branch.</p>	<p>7,8,9</p>

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Education –Strategic Guideline of the Donation Program	<p>Darujemo znanje (<i>Let's Make a Present of Knowledge</i>) – HRK 1.2 million distributed to 20 projects: renovation of children's playgrounds, equipping IT classrooms, financing database of children with a neurological risk, computing and IT courses for visually and aurally impaired and for elderly people.</p> <ul style="list-style-type: none"> • 2007: 60 projects, HRK 1 million, educational and cultural projects (mostly intended for children and persons with disabilities). Projects are identified and proposed by employees of each of the four Company regions. • 2008: 25 projects, HRK 1.25 million, projects in the area of science and education. <p>Activity of T-Mobile – Prekini lanac (<i>Break the Chain</i>) – joining the UNICEF campaign against cyber bullying.</p>	6,7,9
Digital Everyday Life	<p>Net u školi (<i>Net in School</i>) – lasting project (since 2001); free Internet for all primary and secondary schools in Croatia and e-mail addresses for all pupils.</p> <p>The broadband Internet, MAXadsl, and Internet television, MAXtv, donated to children's home (23) for children deprived of parental care.</p> <p>A long and comprehensive project of digitalization of classic Croatian films and preservation of the motion picture heritage, MAXDigiteka, started by digitalization of two titles.</p> <p>Imagine Cup, a partnership project with Microsoft, gathered teams of pupils and students in creating an interface to the subject: Imagine the World in Which Technology Enables Sustainable Environment.</p> <p>Sponsorship of a scientific festival in Osijek.</p>	1,2,6,8
Communication for a Better-Quality Life	<p>The first partner of UNICEF (three years in a row); Participation in projects Svako dijete treba obitelj (<i>Every Child Needs a Family</i>) (promotion of foster parenthood). Prve tri su najvažnije (<i>First 3 Matter Most</i>) (educational campaign for conscientious parenting) and Stručnjak za komunikaciju (<i>Communication Expert</i>) (sale of T-shirts to raise funds for projects).</p> <p>2007. – T-Mobile project Halo hitna – Osijek and Baranja County: education project for reduction of false emergency calls. This is a continuation of the project in which 5 state-of-the-art emergency vehicles were donated in 2006. The total value of the project amounted to EUR 1 million.</p> <p>A monitor for monitoring vital functions was donated to the Emergency Medical Service of Split – T-Mobile.</p> <p>Medical equipment was donated for emergency vehicles of the Emergency Medical Service of Split, Pula and Varaždin Health Center – T-Mobile</p> <p>In cooperation with Bicikl Association, T-Mobile participated in the project called Biciklom u školu (<i>To School on Bike</i>). The project included 5,500 children from 16 schools and it aimed at raising awareness of bicycle as a safe and environmentally acceptable means of transport.</p>	1,2,6,8,9
Employees' Participation	<p>Zelena komunikacija (<i>Green Communication</i>) – 80 hectares of afforested land (20 hectares in each of four Company regions; common oak and black pine). T-HT employees volunteered in the project on weekends.</p> <p>Bliže osmjesima (<i>Closer to Smiles</i>) – at the year-end employees bring presents for children in hospitals and children's homes, and the presents are given out by persons well known in public life. About 4 thousand present is collected each year – action on the Group level on the initiative of T-Mobile.</p> <p>Foto toranj (<i>Photo Tower</i>) – a competition of photos by T-HT employees; the photos are sold internally, and the collected money together with the Company's contribution amounting to total HRK 100,000 are donated to the Hospital for Children with Special Needs.</p> <p>Cooperation with Volunteers' Center Zagreb: employees participate in painting of the Dom za odgoj djece i mladeži (Insitution for Children with Behavioral Problems) (2007) and selling of the Ulična sjetiljka (Street Lamp) for help to homeless people (2008).</p>	1,2,4,6,7,8
Fundraising by Means of Telephone Calls	<p>T-HT opens a line and gives it for use to organizers of charity campaigns. The procedure for number allocation is fully transparent. The competition is launched four times a year. Such projects helped in raising funds for refurbishment of the Gestational Pathology Section of the Petrova Hospital in Zagreb, Ana Rukavina Association (fight against leukemia), PET+ Association (construction of a Drug Treatment and Rehabilitation Center), Nada (<i>Hope</i>) (therapeutic horse riding), Srcem za znanje (<i>Heart for Knowledge</i>) campaign (trust fund for support to pupil and student standard), Kvadrat mira (<i>Square of Peace</i>) (demining of land), Association of Visually Impaired Persons of Osijek and Baranja County (procurement of modern computer equipment for visually impaired students), Marija De Mattias trust fund (construction and furnishing of the Home for Elderly, Disable and Unprovided for, on the territory of the Okučani municipality), Association of Blind People of Istria County, Pula (construction of the education and rehabilitation center for visually impaired persons), Center for Entrepreneurship Osijek (renovation of the Children's Home "Klasje" Osijek), Rotary Club Zagreb Kaptol (help in socialization of children deprived of parental care, by means of college stipends), RTL pomaže djeci (<i>RTL Helps Children</i>) (assistance to different kinds of associations taking care of children), Lions klub Split (Lions Club Split) (procurement of medical equipment for pediatric intensive care unit of Split Hospital) and funds raised for firemen injured on Kornati islands. T-HT donates the total raised funds to the organizer of the campaign.</p>	1,2

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Social Responsibility (continued)		
Culture	<p>There is a lasting partnership between the Museum of Contemporary Art in Zagreb and T-HT, a part of which is the annual competition for purchase of works and compiling a permanent T-HT collection of contemporary artworks.</p> <p>There is a lasting project of sponsorship of all national theaters.</p> <p>KulTunist – a project of sponsorship of a larger number of cultural events with an aim of popularizing festivals and theaters (2007 – 8 projects, 2008 – 9 projects)</p>	1,2
Sport	<p>The continuous sponsorship of the Croatian Olympic Committee (from 2000)</p> <p>T-Com sponsors football: (2007) First National Football League (HNL) and four football clubs, (208) First National Football League (HNL), Croatian Football Federation, Croatian National Team</p> <p>T-Mobile – Sponsorship of FIS World Cup race Snow Queen Trophy</p> <p>T- Mobile – Sponsorship of yacht races (Uskršnjja, Mrduša) and Yacht League 13</p>	1,2
Additional Information	<p>www.t.ht.hr/eng/responsibility/pdf/GCreport.pdf</p> <p>e-mail contact: alemka.lisinski@t.ht.hr</p>	6