

# Supply Chain Sustainability

## Ambition

Grameenphone strives for high standards on sustainability and continuous improvement in its operations throughout the supply chain. Grameenphone's Supplier Conduct Principles (SCP) are based on internationally recognized standards, including requirements on human rights, health and safety, labour rights, environment and anti-corruption. It is mandatory for all Grameenphone contracting parties to agree to these principles.

## Supplier Code Endorsement

All suppliers and parties having a direct contractual relationship with Grameenphone must comply with Grameenphone's Supplier Conduct Principles (SCP). An Agreement on Responsible Business Conduct (ABC) legally obliges the supplier to comply with the SCP and certain requirements set out in the ABC Agreement. All suppliers are required to extend the principles further down in their own supply chain.

## Supply Chain Capacity Building

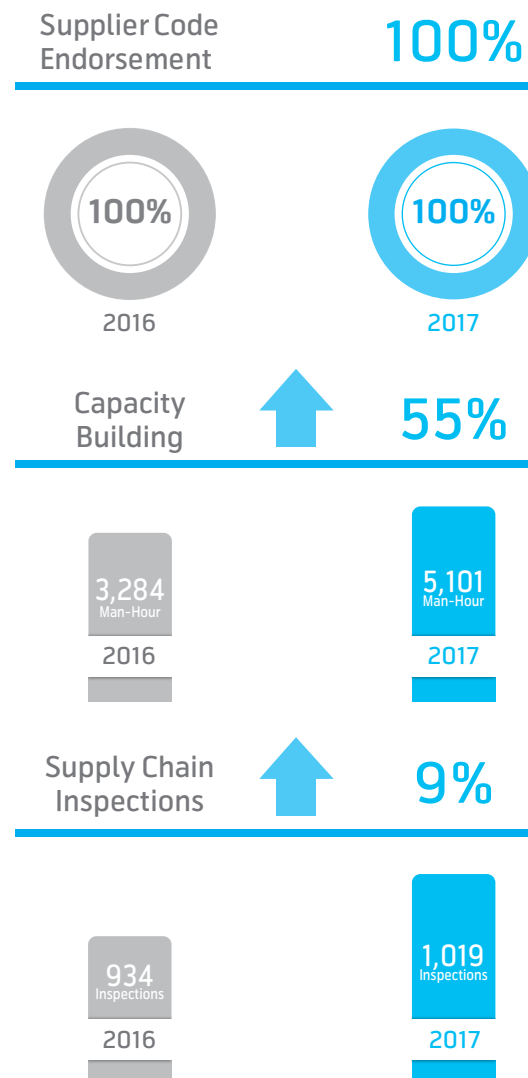
Grameenphone conducted 5,101 man-hours of supply chain capacity building programs in 2017. The initiative involved various efforts to proactively build capacity of the suppliers and sub-suppliers in order to drive continuous improvement in the supply chain. The activities vary from supplier to supplier depending on the overall risk picture of the operation. Typical activities include on-site briefings, awareness sessions, workshops, forums, process support, online portals and resource guides, etc. The capacity building is customized according to the practical situation and according to the real need of the suppliers, focusing on awareness of Grameenphone Supplier Conduct Principles issues as well as specific activities related to skill development (e.g. tower climbing). Typical topics include labour rights, health and safety, anti-corruption, green initiatives, women empowerment and diversity.

## Supply Chain Monitoring

Grameenphone carries out inspections in order to monitor compliance with the requirements on responsible business conduct. In 2017, Grameenphone carried out 1,019 inspections (ranging from simple site visits to more comprehensive inspections or audits) across the supply chain. More than 70 percent of the inspections were carried out unannounced.

## Going Forward

Inspections, audits, capacity building and long-term risk reduction will continue to stay high on Grameenphone's responsible supply chain agenda. In 2018, audit, inspection and capacity building activities will continue at least at the same level compared to 2017. Further, Grameenphone shall strive towards long-term risk reduction focusing on continual improvement in supply chain.



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