

OBJECTIVES AND ACHIEVEMENTS

	Objectives 2006	Achievements 2006	Objectives 2007
1 Governance	Conduct all-employee acknowledgement process for Code of Business Ethics.	99.9 percent of all employees acknowledged the Code of Business Ethics.	Implement all-employee e-learning on anti-corruption. Implement global self-assessment program for internal Code of Conduct compliance.
		Completed corporate responsibility training for Ericsson Board of Directors.	Conduct annual corporate responsibility training for the Ericsson Board of Directors.
	Expand stakeholder engagement activities.	Highlights: conducted investor corporate responsibility-related roadshow, annual employee survey, customer engagement.	Continue regular, systematic stakeholder engagement, including a survey to assess the usefulness of our corporate responsibility reporting for 2006.
	Implement an all-employee corporate responsibility e-learning program.	Launched corporate responsibility e-learning December 2006.	
	Initiate integration of CR risk areas into overall Group risk management program.	Work ongoing on corporate responsibility risk integration.	
		Joined Business Leaders in Human Rights (BLIHR).	Initiate project on the role of telecommunications in furthering human rights. Conduct a human rights risk assessment of business operations in Sudan.
		Issue and implement Ethical Content Directive.	
Supply chain	In risk-based projects, reduce by 60 percent the lowest marks on our supplier corporate responsibility scorecard; reach agreement on improvement plans for all suppliers.	Piloted our risk-based approach in die-casting and network rollout commodity areas. Achieved a 74 percent reduction in lowest scorecard markings in die-casting and 52 percent in network rollout, reflecting supplier improvements.	Establish a risk assessment model for local sourcing. Begin rollout of risk-based approach on a global basis, including selection of new commodity areas for key markets.
	Expand supplier requirement seminars globally.	Completed four supplier seminars for 26 suppliers in China. Initiated engagement process including audits with six key suppliers in India.	Perform two supplier seminars to cover all companies supplying Ericsson's factory in Jaipur, India. Hold Ericsson Supplier Day in India including Code of Conduct.
	Expand supplier requirement activities, including assessments and audits.	Completed 47 audit and follow-up activities in China, India and Brazil.	Perform more than 50 audits and follow-up activities in China, India and Brazil.
	Continue Supplier Code of Conduct and environmental auditor/observer training seminars for Ericsson sourcing personnel.	Completed four observer seminars and one auditor training session in China.	Conduct observer training for 60 percent of Group sourcing personnel worldwide. Perform two auditor training sessions in China and India.
	Utilize Ericsson's general supplier evaluation programs to gain a clearer picture of the environmental management profiles of most suppliers.	Work ongoing as part of Code of Conduct audits.	
		Completed qualitative study on the socio-economic impacts of communications in Nigeria and Kenya.	Conduct new socio-economic studies on for selected emerging markets.
2 Markets		Launched pilot project using biofuels to power telecom networks in Nigeria with MTN and GSMA Development Fund.	Complete second biofuel pilot project with Idea Cellular in India.

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3 Technology		Partnered in establishing the Centre for Sustainable Communications at the Swedish Royal Institute of Technology.	Contribute to infrastructure build-up of the Centre and establish related pilot projects in at least two areas.
4 Energy and environment	Update the LCA study and database to measure reductions in impacts. Develop general LCA data for fixed broadband networks during 2006-2007.	Ongoing, see p.25 and 29. Ongoing work to establish LCA model for broadband.	Publish results of LCA for fixed broadband and 3G mobile network.
	Formulate and begin implementation of new energy related environmental goals for broadband networks.	Based on LCA model, an energy measurement baseline is being established.	Set measurable energy-related targets for fixed broadband.
	Improve energy efficiency of WCDMA radio base stations by 25 percent by end 2006. By 2008, achieve a total 50 percent improvement compared to 2005 levels.	Target was exceeded, resulting in a 35 percent efficiency improvement.	An additional 20 percent energy efficiency improvement is targeted from 2006 to end 2008 for WCDMA radio base stations.
	Improve energy efficiency of GSM radio base stations by 5 percent.	Target achieved end 2006.	15 percent improvement in energy efficiency of GSM radio base station products sold from beginning of 2006 to end 2008. Introduce power-saving standby feature for GSM radio base stations during low load.
	Effective implementation of the EU RoHS Directive on hazardous substances. Initiate a project for global phase-out of hazardous substances.	Met RoHS July 2006 compliance deadline.	Successively work to phase out only remaining RoHS hazardous substance (lead) currently used in Ericsson product portfolio. This objective includes elimination of selected EU-approved RoHS exemptions by 2008. Establish a global baseline for return flow of phased out products through Ericsson's Ecology Management Provision and demonstrate that the same recycling requirements in WEEE Directive can be obtained or exceeded globally.
5 People	Formalize a competence management network to help ensure an efficient locally-based process to identify knowledge gaps.	Achieved.	
	Strategic competence assessments to be completed for 80 percent of organizational units by year end.	93 percent of global organizational units completed competence assessments.	
		Individual performance management (IPM) discussions conducted for 83 percent of employees.	Complete IPMs for 90 percent of employees.
	Formulate a Group Diversity Policy and develop a system for reporting results of local diversity activities.	Group Diversity Policy completed and full-time position at Group level established.	Establish a system for reporting results of local diversity activities.
6 Community	Launch Group Directive on commercial and philanthropic sponsorship. Define types of philanthropic initiatives that reflect our core business.	Launched Group Sponsorship Directive.	Implementation of Group Sponsorship Directive with Market Units.