CODE OF BUSINESS ETHICS
AN OVERVIEW
of fundamental Group policies and directives guiding our relationships with each other and with our stakeholders.

Further details and additional rules for Ericsson employees in specified areas of operations are found in the Group Policies, Group Directives and Group Instructions as well as in the local directives and instructions. Links to Ericsson Group Policies, Group Directives and Group Instructions can be found here. (http://internal.ericsson.com/book/7982/egms-ericsson-ericsson-group-management-system?unit=GLOB)
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Dear Colleagues,

The Code of Business Ethics is our guiding framework and tool to keep our perception as a trusted partner, to conduct business responsibly and to remind us that every action counts. These instructions are the foundation for how we operate, and they help guide us in maintaining trust and credibility with our customers, partners, employees, shareholders and other stakeholders.

Be sure you read the Code of Business Ethics carefully. I expect each one of us to work in line with the principles written in this Code. We are each responsible for meeting these standards. I am committed to Ericsson’s corporate responsibility issues and to conducting business responsibly. Let us know that you are too. Every action counts.

Hans Vestberg
President & CEO
April 2014
BEING A TRUSTED PARTNER

Our guiding principles

Integrity, transparency and responsibility characterize the way we conduct business. Operating with a strong sense of integrity is critical to maintaining trust and credibility with our customers, partners, employees, shareholders and other stakeholders. Such trust and credibility requires transparency in how we conduct business and confidentiality when we conduct business to protect business assets and the privacy of individuals.

Creating an environment of transparency in the conduct of business is a high priority for all of us. Our Code of Business Ethics is our promise to operate with candor and truthfulness in our dealings and communications to the marketplace. We expect that the company will be operated in accordance with the principles set forth in this Code. Everyone, from the members of the Board of Directors and the Executive Leadership Team to each individual working for Ericsson, will be held accountable for meeting these standards.

The Code of Business Ethics reflects our company’s commitment to conducting business responsibly including:

- Being responsible corporate citizens
- Respecting human rights throughout our business operations
- Ensuring health and safety
- Encouraging sustainable development
- Supporting the UN Global Compact principles as set forth in the Code of Conduct

The Code also contains rules for all individuals performing work for Ericsson, under the staff management of Ericsson or in Ericsson premises, whether as an employee of Ericsson or a subcontractor, or as a private contractor, including:

- Ensuring compliance at all times with applicable laws, rules and regulations
- Promoting full, fair, accurate, timely and understandable disclosure in financial reports and other public communications
- Appropriately dealing with conflicts of interest
- Protecting and properly using company assets
- Protecting non-public information
Everyone working for Ericsson is required to review the Code, to support and work in line with the company’s commitments stated herein, and to follow the rules in the Code addressed to us as well as all applicable laws. In addition, we must follow Ericsson’s Group policies, directives and instructions as well as local directives and instructions; failure to do so may result in disciplinary action including termination of employment and/or civil and criminal liability.

We place additional responsibilities on our leaders. Through their actions, they shall demonstrate the importance of compliance. Leading by example is critical, as is being available for those who have questions or wish to report possible violations of this Code.

Leaders must ensure that this Code is respected and is enforced in their organizations. Leaders may not turn a blind eye toward unethical conduct.
Reporting violations

Individuals working for Ericsson – Individuals working under the staff management of Ericsson or in Ericsson premises are encouraged to report any conduct that they believe, in good faith, to be a violation of laws or the Code of Business Ethics to their manager or in accordance with locally established procedure. If the manager is involved in the situation or cannot or has not adequately addressed the concerns, employees are advised to report to a manager of higher rank or in accordance with locally established procedure.

Suppliers, customers and others - Suppliers, customers and other partners involved with Ericsson may report suspected violations of laws or the Code of Business Ethics to the local operations manager or in accordance with locally established procedure.

Ericsson Reporting Violations - If the above channels for reporting are not available or appropriate, and if the alleged violation

- is conducted by group or local management, and
- relates to corruption, questionable accounting or auditing matters or otherwise seriously affects vital interests of Ericsson or personal health and safety,

the violation may be reported through Ericsson’s whistle-blower process: Ericsson Reporting Violations. Reports can be handled via this process if in accordance with local legislation applicable to persons involved. Information about the Ericsson Reporting Violations process is available on the Ericsson intranet¹ and on the Ericsson website².

Leaders are expected to seriously address a reported issue and to work to ensure a satisfactory resolution in alignment with these ethics, values, and procedures, and with any local statutory or regulatory obligations. Ericsson will not accept any discrimination or retaliation against the individual reporting the violation for having, in good faith, reported alleged violations.

¹ http://internal.ericsson.com/employee-service/11487/reporting-violations?unit=GFLAF
CONDUCTING BUSINESS RESPONSIBLY
– the company’s commitment

It is the responsibility of everyone working for Ericsson to treat corporate responsibility issues, including human rights, health and safety, and environmental issues, in a professional way, and to consider the company’s commitment to conducting business responsibly in their daily work.

Our obligation as responsible corporate citizens

We believe that communication is a basic human need that contributes to economic prosperity and social equity and provides solutions to many sustainable development challenges. We strive to ensure that our technology is a force for good in the world and minimize any negative impacts. We firmly believe that information and communication technology (ICT) promotes greater transparency and enhances many fundamental human rights, such as the right to health, education, freedom of assembly, and freedom of expression.

It is important to behave in a socially and ethically responsible way, and we strive to be responsible citizens in the communities where we conduct business. We care about the people who take part in the production and support of our products and services worldwide, and users of ICT more broadly. Ericsson is committed to upholding the 10 UN Global Compact principles, which cover human rights, labor standards, environmental management, and anti-corruption. These principles form the basis of our approach to conducting business responsibly.

It is important that the Ericsson brand is always associated with respect for human rights, fair and safe working conditions, and ethically and environmentally sound business practice.
Respecting human rights throughout our business operations

Ericsson respects all internationally proclaimed human rights, including the International Bill of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, which address freedom of association and collective bargaining, forced labor, child labor, and non-discrimination.

We are committed to implementing the UN Guiding Principles for Business and Human Rights throughout our business operations. We strive to ensure that we are not complicit in any human rights abuses. We shall, in all contexts, seek ways to honor the principles of internationally recognized human rights, even when faced with conflicting requirements.

We are aware of the specific challenges to certain human rights issues in the Networked Society, such as the right to freedom of expression and the right to privacy, and the impacts on other rights arising from potential misuse of technology, and we work actively to minimize any such risks and challenges.

Privacy and security are important elements in products and services delivered by Ericsson, and we align our product and business processes to ensure that human rights aspects of privacy and freedom of expression are respected throughout the operations of our products and services.
Health and safety

Ericsson is committed to maintaining a strong occupational health and safety culture, by promoting awareness, prevention and care.

In our daily operations, we work together with our customers, suppliers and other stakeholders to ensure a safe and healthy working environment.

Our commitment is demonstrated through a system of documented management controls and by taking any necessary actions. By applying these controls, we act as a responsible employer by seeking to protect the life and health of everyone working for Ericsson and protecting the commercial interest and brand of Ericsson and our customers.

Commitment to sustainable development

Ericsson is committed to the sustainable development of society, which is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. We define sustainability as long-term social equity, economic prosperity, and improved environmental performance.

Ericsson shall strive to develop, produce and offer products, services, and solutions with excellent sustainability performance.

We shall continuously work to reduce the negative impacts of our operations and to maximize positive impacts of our technology in order to enable the sustainable development of society.

We shall increase the knowledge and awareness about sustainability among employees, and proactively engage with stakeholders in activities that have positive social, environmental and economic impacts on people, business and society. We shall also engage our suppliers to ensure adequate sustainability standards in our supply chain.
Code of Conduct

For the purpose of respecting human rights and promoting fair employment conditions, safe working conditions, responsible management of environmental issues, and high ethical standards, our Code of Conduct is based on the UN Global Compact principles and shall be applied throughout the company’s operations, including the production, supply and support of Ericsson products and services worldwide.

The Code of Conduct provides that:

- All persons should be free to peacefully and lawfully form and join, or not join, workers’ associations of their own choosing, and should have the right to bargain collectively.
- Ericsson does not accept the use of child labor.
- No individuals should be discriminated against because of race, color, gender, sexual orientation, marital status, pregnancy, parental status, religion, political opinion, nationality, ethnic background, social origin, social status, indigenous status, disability, age, or union membership, or any other characteristic protected by local law, as applicable.
- All individuals should know the basic terms and conditions of their employment, and individuals with the same experience, performance and qualifications shall receive equal pay for equal work with respect to those performing the same jobs under similar working conditions.

- The health of the workers and the safety of the workplace shall always be a priority concern. This applies to all aspects of working conditions.

It is the responsibility of each Ericsson employee to respect and promote the Code of Conduct, and it is the responsibility of each Ericsson unit and company, as well as of each manager, to ensure that Ericsson employees are treated in accordance with the Code of Conduct.

Suppliers and their subcontractors shall be required to comply with the Code of Conduct and to verify compliance.
EVERY ACTION COUNTS
– rules for everyone performing work for Ericsson, whether as an employee of Ericsson or a subcontractor, or as a private contractor

Compliance with laws, rules and regulations

Ericsson shall comply with all laws and regulations that apply to its business. As you conduct Ericsson’s business, you may encounter a variety of legal issues. Violations of any applicable law or regulation have serious consequences, both for Ericsson and for the individuals concerned. Therefore, it is your responsibility to be familiar with and comply with relevant laws and regulation including those listed below.

**Insider Trading** – Everyone working for Ericsson shall act in strict compliance with all applicable insider trading and stock tipping rules and regulations. You are not permitted to, directly or indirectly, buy or sell stock or securities in any publicly traded company, including Ericsson, while in possession of inside information regarding such company, or to disclose inside information to anyone within or outside Ericsson, including family, friends, co-workers, or others, for whom such information is not necessary for the performance of his/her duties for Ericsson. “Inside information” is non-public information, which is likely to have a significant effect on the trading price of the concerned stock or securities.

**Privacy** - Ericsson is committed to protecting the privacy of personal information, such as information relating to employees, partners, external workforce, customers, and end-users. Ericsson is required to follow laws relating to the protection of personal information. When you are involved in accessing or processing personal information, you must familiarize yourself and comply with applicable legal and contractual requirements.

**International business dealings** – Specific laws and regulations apply to us when participating in international business. Everyone involved in international business transactions must be familiar with, and adhere to, all applicable domestic and foreign laws and regulations, for example export and import regulations, anti-boycott provisions, trade embargos, and sanctions in force.

**Fair competition** – Ericsson is dedicated to promoting fair competition. Fair competition is the basis for business development and innovation. Everyone working for Ericsson shall compete in the open market as vigorously and constructively as possible, while consistently complying with antitrust laws in each of the countries in which Ericsson operates. Antitrust law matters must be handled in concert with Group Function Legal Affairs, which is responsible for the management and co-ordination of such matters internally, and in relation to court or authorities.

**Accounting and financial reporting** – Ericsson is required to follow strict accounting principles and standards, to report financial information accurately and completely, and to have appropriate internal controls and processes to ensure that accounting and financial reporting complies with applicable laws, regulations, and listing requirements. You must support the company’s efforts in this area.
Communication and financial information

It is important that Ericsson employees have a good understanding of their units’ operational and financial performance to increase involvement in improving operations. This must be balanced with Ericsson’s financial disclosure policy and legal requirements, specified in frameworks such as the insider rules, and the listing and reporting rules of stock exchanges and supervisory authorities for securities. Ericsson’s obligation to comply with these requirements defines the way that individuals working for Ericsson shall manage material news that might impact the company’s stock price. Comments about financial performance and prospects to external parties shall only be made by official company spokespersons, as authorized in the spokespersons directive and in conjunction with activities supported by Group Function Communications.

Everyone involved in financial reporting shall always provide full, fair, accurate, timely, and understandable disclosures in reports and documents that Ericsson files with or submits to government agencies or authorities or makes in other public communications.

The authorized spokespersons are assigned to represent the company externally and can cover a broad range of topics. All employees are encouraged to spread the word about Ericsson by sharing public information about the company, but only authorized spokespersons should comment on financial performance, strategically sensitive matters or non-public customer related information. Group Function Communications is available to support employees when in doubt.
Dealing with conflicts of interest

We make business decisions based on the best interests of the Group rather than personal considerations or relationships. A conflict of interest arises when anything interferes with or influences the exercise of our independent judgment in the best interest of Ericsson. We must avoid situations in which our personal interest may conflict with, or even appear to conflict with, the interests of the Group.

The following are examples of situations to be particularly aware of:

**Business opportunities** – You may not take business opportunities for yourself that are identified in your duties for Ericsson if this could be contrary to the interests of Ericsson. Nor may you otherwise use Ericsson property or information or your position at Ericsson for personal gain.

**Other Employment** – You may not take any employment outside Ericsson, with or without compensation, that harms or may harm job performance at Ericsson or creates or may create a conflict of interest. Ericsson employees may not engage in outside business interests that divert time and attention away from Ericsson responsibilities or require work during Ericsson time. Ericsson employees shall avoid any potential conflict of interest by not accepting employment from any ICT organization or any supplier, contractor, agent, customer, or competitor of Ericsson.

**Board memberships and other outside affiliations** – Ericsson employees may not serve on a board of directors or similar body of a for-profit enterprise or government agency if it creates a conflict of interest. All such service must be approved, in advance, by your manager. Serving on boards of not-for-profit or community organizations does not require prior approval unless there is a potential conflict of interest with Ericsson.

**Political activities** – Ericsson will not make contributions or payment or otherwise give any endorsement, directly or indirectly, to political parties or committees or to individual politicians. You may not make any political contribution on behalf of Ericsson or through the use of corporate funds or resources.

**Gifts, benefits, reimbursements and entertainment** – You may not offer or accept gifts, benefits, reimbursements or entertainment to or from a third party that would constitute a violation of laws or that could affect, or appear to affect, your professional judgment in the performance of work or duties for Ericsson or a third party.

**Bribes, kickbacks, etc.** – No one may, directly or indirectly, demand or accept, offer or give any kind of bribe, kickback or any other unlawful or unethical benefit to employees, or other representatives or associates, of Ericsson or any third party. Any such offer or proposed arrangement must be reported immediately to Group Function Legal Affairs.

**Disclosure of conflicts of interest** – Ericsson requires that you disclose situations or transactions that reasonably would be expected to give rise to a conflict of interest. If you suspect that you are involved in a transaction or any other arrangement that presents a conflict of interest, or something that others could reasonably perceive as a conflict of interest, you must report it to your manager or to Group Function Legal Affairs. Your manager and Group Function Legal Affairs will work with you to determine whether there is a conflict of interest and, if so, how best to address it. Although transactions or arrangements presenting conflicts of interest are not automatically prohibited, certain transactions or arrangements may be undesirable, and for certain persons, such as members of senior management, such transactions or arrangements may require the approval by the Audit Committee of the Board of Directors or by the shareholders.

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3 Nothing in this Section shall prohibit the establishment and operation of a separate segregated fund, as permitted by United States law (specifically 2 U.S.C. § 441b(b)(4)(B)) to collect voluntary donations from certain eligible employees of Ericsson and to make contributions to candidates for elected political office in the United States.
Protection and proper use of company assets

Ericsson has a wide variety of assets, including physical assets, proprietary information and intellectual property. You are responsible for protecting Ericsson property entrusted to you and for helping to protect Ericsson’s assets in general. To do this you must be aware of and understand Ericsson’s security directives. You must be alert and report any loss, or risk of loss, of Ericsson properties to your manager or Ericsson Security as soon as they come to your attention.

Below, you will find certain instructions for internal and external handling of information, communication systems and intellectual property.

Intellectual property – Intellectual property includes a variety of properties, such as computer programs, technical documentation and inventions. Certain intellectual property is, or can be made, subject to special protection through copyright, patent right, trademark right, etc.

Intellectual property is an asset of utmost value to Ericsson and must be treated with appropriate care. You must follow and, in case of doubt, seek instructions on how you shall act to protect this valuable asset.

Intellectual property created by Ericsson employees under the employment is transferred and assigned to Ericsson by law and/or the employment contract or other agreement, with the exceptions stated in international conventions, applicable laws and the agreement with Ericsson.

Use of Ericsson IT resources – Ericsson IT resources, including communication systems and connections to the Internet, shall be used for conducting Ericsson business or for other incidental purposes, authorized by your management or applicable Group steering documents. You may be authorized by management, or by applicable Group steering documents, to access Ericsson’s IT resources with devices and storage media not provided by Ericsson.

To the extent allowed under applicable law, access to Ericsson’s IT environment from any device or storage media (whether provided by Ericsson or not) may be checked for installed software, USB storage, firewalls, administrator information, additional network connections, encryption, anti-virus or malicious software and components, etc. For the purpose of protecting Ericsson business and detecting unacceptable use of Ericsson’s IT resources, you may be asked to provide access to any devices and storage media used to access Ericsson’s IT resources or store Ericsson information. Such a request can only be made by an authorized security function and in accordance with applicable processes.

Unacceptable use of Ericsson’s IT resources includes: processing, sending, retrieving, accessing, displaying, storing, printing or otherwise disseminating material and information that is fraudulent, harassing, threatening, illegal, racially or sexually oriented, obscene, intimidating, defamatory or otherwise inconsistent with a professional environment.

When you leave Ericsson – you must return all Ericsson assets, including documentation and any media containing Ericsson proprietary information. You remain bound by the restrictions for use and disclosure of Ericsson proprietary information after you leave Ericsson.
Protecting information

Protecting Ericsson’s confidential and proprietary information and that of our customers, partners and suppliers

Persons working for Ericsson have access to information owned by Ericsson and sometimes also to information owned by third parties. Such information may be financial information, business plans, technical information, information about employees and customers, and other types of information. Non-authorized access, use and disclosure may damage Ericsson or the third party and, therefore, you are not allowed to access, use or disclose the information unless you have been properly authorized to do so. Non-authorized access, use and disclosure may also be a violation of laws, including privacy regulations. Whenever you are in doubt of your authorization, you must seek instructions from your manager or Ericsson Security.

Here are some rules that will help protect non-public information of Ericsson and its customers, partners and suppliers:

1. Do not disclose to others information not made public by Ericsson except to
   (i) persons working for Ericsson who, in their work, need access to the information and who have justified reason to have the information,
   (ii) anyone else authorized by Ericsson as the receiver of such information or
   (iii) persons to whom you, according to your work duties, shall give such information.

2. Do not directly or indirectly access, duplicate, reproduce or make use of non-public information other than in the course of your duties and work for Ericsson. When leaving Ericsson, any authorization to access or to use non-public information expires, and any information in your possession must be returned or disposed of.

3. Upon learning of any wrongful use or treatment of non-public information, promptly notify your manager and cooperate in full with Ericsson to protect such information.

4. Do not store non-public information on private computers, storage media or other devices not authorized by Ericsson. Third party cloud services, or other online hosting services, should only be used to store non-public information if approved for that purpose by Ericsson Group Security.

5. Accesses and authorizations provided to persons working for Ericsson may only be used in the manner in which they were intended. Passwords and pin codes and similar information must never be shared or provided for use to unauthorized persons.