

Sustainability and Corporate Responsibility Report

Part of
Ericsson
Annual Report
2024



Annual Report 2024

Financial
Report

Corporate
Governance
Report

Remuneration
Report

Sustainability
and Corporate
Responsibility
Report



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Sustainability and Corporate Responsibility Report 2024

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This Sustainability and Corporate Responsibility Report is rendered as a separate report added to the Financial Report in accordance with the previous version of the Annual Accounts Act (SFS 1995:1554, Chapter 6, Section 10 and 11) applied before 1 July 2024. An assurance report from the Company's auditor is appended hereto.

Forward-looking statements

This Sustainability and Corporate Responsibility Report includes forward-looking statements, including statements reflecting the Company's current views relating to the growth of the market, future market conditions, future events, financial condition, and expected operational and financial performance, including, in particular the following:

The words "believe," "expect," "foresee," "anticipate," "assume," "intend," "likely," "projects," "may," "could," "plan," "estimate," "forecast," "will," "should," "would," "predict," "aim," "ambition," "seek," "potential," "target," "might," "continue," or, in each case, their negative or variations, and similar words or expressions are used to identify forward-looking statements. Any statement that refers to the Company's strategy, future financial performance, expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Such statements are based on management's expectations as of the date of this report, unless an earlier date is specified, including expectations based on third-party information and projections that management believes to be reputable.

We caution investors that these statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond our control that could cause actual results to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. Important factors that could affect whether and to what extent any of our forward-looking statements materialize include but are not limited to the factors described throughout this Sustainability and Corporate Responsibility Report. These forward-looking statements also represent our estimates, assumptions and expectations only as of the date that they were made, and to the extent they represent third-party data, we have not undertaken to independently verify such third-party data and do not intend to do so.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Readers are urged to carefully review and consider the various disclosures made in this Sustainability and

Corporate Responsibility Report and in other documents we file from time to time with our regulators that disclose risks and uncertainties that may affect our business. Unless specifically indicated otherwise, the forward-looking statements in this Sustainability and Corporate Responsibility Report do not reflect the potential impact of any divestitures, mergers, acquisitions, or other business combinations that have not been completed as of the date of this report. We expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them, after the date of this Sustainability and Corporate Responsibility Report, to reflect events or changes in circumstances or changes in expectations or the occurrence of anticipated events, whether as a result of new information, future events or otherwise, except as required by applicable law or stock exchange regulation. This Sustainability and Corporate Responsibility Report includes websites or references to additional company reports. These are intended to provide inactive, textual references only.

The information on websites and contained in those reports is not part of this report and not incorporated by reference in this report. This Sustainability and Corporate Responsibility Report contains statements based on hypothetical scenarios and assumptions as well as estimates that are subject to a high level of uncertainty, and these statements should not necessarily be viewed as being representative of current or actual risk or performance, or forecasts of expected risk or performance. In addition, historical, current, and forward-looking environmental and social-related statements may be based on standards for measuring progress that are still developing and on internal controls and processes that continue to evolve. While certain matters discussed in this Sustainability and Corporate Responsibility Report may be significant, any significance should not be taken, or otherwise assumed, as necessarily rising to the level of materiality used for purposes of complying with Ericsson's public company reporting obligations pursuant to the US federal securities laws and regulations, even if the report uses the words "material" or "materiality."

Sustainability and integrity for long-term value creation

Ericsson was founded on the belief that communication is a basic human need, and for over 145 years, the Company has helped transform lives, industries and society for the better. Through our strategy, we aim to increase the value of mobile networks for our customers by building high-performing, programmable and energy-efficient networks, and through accelerating the digitalization of enterprises. By developing new use cases and monetization opportunities, we are also supporting people, business and society benefit from continued investments in mobile connectivity.

Sustainability through efficiency

At Ericsson, we believe that digitalization is a prerequisite for a low carbon future. While the Information and Communications Technology sector itself only represents a small share of the global carbon footprint¹⁾, 5G – paired with technologies such as AI and the Internet of Things – is vital to increasing productivity and efficiency in other industries, which in turn enables them to reduce their emissions.

We are continuing our efforts to reduce the environmental impact of mobile networks and to have Net Zero emissions in our value chain by 2040. A critical part of this transition is to develop networks with increased capacity and reduced energy consumption, which leads to lower energy costs for our customers and lower emissions. We have made steady progress on our target and have reduced the energy consumption of typical radio base station sites by 37% compared to just three years ago. This increased efficiency is important not only for sustainability, but

also because it means our mobile network products and solutions continue to deliver the best performance at the lowest total cost of ownership to our customers. This, in turn, enables our customers to continue to invest in their networks, which benefits our business.

Integrity and sound risk management

Integrity is one of our core company values and a cornerstone of how we manage risk and conduct business, supporting sound and ethical decision-making. As a global company, we are present in markets that can be challenging in terms of business culture, geopolitical stability and maturity of institutions. In response, we have set high standards for ethics, integrity and respect for human rights for ourselves and for our business partners.

We have put considerable efforts into strengthening our corporate governance, Ethics and Compliance Program, and have implemented an integrated approach to risk management in which we aim to capture business opportunities and effectively identify, assess and manage environmental, social and business conduct related risks. By continuing to embed ethical decision-making throughout our operations, we have further strengthened the foundation for responsible business practices and sound risk management, which we believe creates business resilience in a fast-changing geopolitical environment.

Growth through digital solutions

Despite the rapid expansion of mobile broadband, a third of the global population still does not have a fast and reliable connection

due to lack of affordability and accessibility²⁾. To address this, we are supporting digital inclusion through several solutions, including Fixed Wireless Access, which can be deployed rapidly and can deliver cost effective and high-speed broadband to underserved areas, and a mobile wallet platform that supports about 85 million active users with mobile financial services.

By enabling previously unconnected people to participate in the digital economy, Ericsson and our customers are contributing to economic growth which enables investments in new businesses, infrastructure and societal services. We also work with customers, governments and educational institutions to support essential societal needs, such as access to education and employment opportunities in the digital economy.

As an open innovation platform, 5G acts as an engine for economic growth and sustainable development, with a direct impact on a range of societal infrastructure and industry sectors including transport, manufacturing, energy utilities and public safety. It supports the ongoing digital transformation of industry and society, which is a precondition for the future competitiveness of businesses and countries. We remain steadfast in our strategy of leadership in mobile networks and focused expansion into enterprise, and we are excited to be a part of the next wave of digitalization, underpinned by a strategic commitment to sustainability and a company culture based on integrity and responsibility.



¹⁾ Malmodin et al. (2023). ICT sector electricity consumption and greenhouse gas emissions – 2020 outcome, *SSRN Electronic Journal*

²⁾ ITU. (2023). Measuring digital development - Facts and Figures 2023, *ITU Publications*

Targets and impacts

Performance on goals and targets

Below is a summary of the performance and current status of Ericsson's Sustainability and Corporate Responsibility goals and targets. Commentary on performance highlights is presented on pages 3–8, and target specifics and detailed performance data can be found on pages 19–53 of this report.

Goals and performance targets

E Environment				S Social		G Governance
Emissions reductions – Near-term Reduce total GHG emissions in the value chain by 50%, and scope 1 and 2 ²⁾ by 90%. (SBTi ³⁾ validated).		Emission reductions – Long-term Net Zero GHG emissions across the value chain, covering scope 1, 2 and 3 ²⁾ (SBTi ³⁾ validated).		Portfolio energy performance Reduce the energy consumption of typical new radio base station sites by 40%.		Supply chain engagement Have 350 high-emitting and strategic suppliers set their own 1.5 C aligned emissions reduction targets.
Health and safety Zero fatalities and lost workday incidents among employees and suppliers of field services.		Equal treatment and opportunities 30% share of women among all employees, line managers and top management.		Ethics and Compliance Strengthen and enhance the Ethics and Compliance Program to help ensure an effective and sustainable anti-bribery and corruption program.		
Base year ¹⁾		Base year ¹⁾		Base year ¹⁾		
2020		2020		2019		
Target year		Target year		Target year		
2030		2040		2024		
2024 performance		2025		2024 performance		
Total value chain emissions: –37% ⁴⁾ Scope 1 and 2 emissions: –55% ⁴⁾		37% reduction ⁴⁾		323 suppliers with accepted targets		
Base year ¹⁾		Base year ¹⁾		Base year ¹⁾		
2020		2021		2019		
Target year		Target year		Target year		
2025		2030		2024		
2024 performance		2024 performance		2024 performance		
Fatalities: 2 Lost workday incidents: 72		All employees: 26.5% Line managers: 24.0% Top management: 32.0%		Compliance monitoring concluded. Continued focus on the program's sustainability and accountability for leaders.		

¹⁾ For targets tracked using a relative performance metric compared to a set baseline the base year is shown. For targets not tracked through a relative metric, the year the target was set (start year) is shown.
²⁾ Explanations of the boundaries for Scope 1, 2 and 3 emissions are included in the glossary on page 62. Detailed GHG accounting principles can be found in section E1.
³⁾ Science Based Targets initiative.
⁴⁾ Compared to the target base year.

Positive impacts on people, the economy and the planet

Beyond its own operations, Ericsson, its solutions and the ICT industry as a whole can positively impact people, the economy and the environment which helps advance progress on the United Nation's Sustainable Development Goals.

<p>567,000 children and youth reached through Ericsson's Connect to Learn program.</p>	<p>85 million consumers accessing financial services through the Ericsson Mobile Wallet Platform every month.</p>	<p>At least 0.8% growth in GDP for every 10% increase in mobile broadband adoption¹⁾.</p>	<p>Potential for 15% reduction of global GHG emissions enabled by ICT solutions²⁾.</p>
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¹⁾ Edquist et al. (2018). How important are mobile broadband networks for the global economic development?, *Information Economics and Policy*
²⁾ Malmolin & Bergmark (2015) Exploring the effect of ICT solutions on GHG emissions in 2030, *Atlantis Press*

2024 highlights

Environment

Net Zero by 2040

Ericsson's long-term target is Net Zero greenhouse gas (GHG) emissions across its value chain by 2040, with a near-term target to halve total value chain emissions and reduce Scope 1 and 2 emissions by 90% by 2030 compared to a 2020 baseline. The targets have been validated as 1.5 C aligned by the SBTi¹⁾. During 2024, Ericsson developed a transition plan to reach these targets. The plan details the decarbonization levers critical for the Company to reach Net Zero, with a focus on activities with a larger impact such as product design and radio site energy consumption.

The largest potential for emission reductions in Ericsson's value chain comes from continued improvements in the energy performance of the portfolio and through increased use of renewable energy by customers. This is followed by reductions of upstream emissions through supplier engagement, product design and material choices. In 2024, total value chain GHG emissions were about 19 (32) million metric tons. 92% (93%) of the footprint occurred downstream²⁾ in the value chain, primarily derived from the energy use of sold network equipment. 8% (7%) occurred upstream²⁾ in the value chain, and primarily came from emissions embodied in purchased goods and services. Emissions from Ericsson's own operations (Scope 1 and 2) accounted for less than 1% (<1%) of total emissions.

Compared to 2023, total value chain emissions decreased by 41% and compared to the 2020 baseline the decrease was 37%. This was primarily caused by downstream emission reductions in the use phase of sold products, including improvements in energy performance of delivered network equipment and increased customer purchases of renewable electricity. Ericsson has continued to improve the energy performance of its portfolio, delivering increasing mobile broadband capacity in relation to the energy consumption of its solutions. Higher energy efficiency also creates financial value for customers by helping to reduce energy-related operational expenditures and therefore total cost of ownership.

2024 also saw a geographical shift in sales to markets that have comparatively larger shares of electricity from renewable sources in their national grids which contributed to lower emissions. These kinds of shifts can result in significant variances in

downstream emissions year-over-year.

The variances are so large because reported downstream emissions from the use of sold products in a given year includes the sum of the estimated total lifetime emissions from that network equipment: the emissions are not accrued over the products' estimated lifetime.

Portfolio energy performance

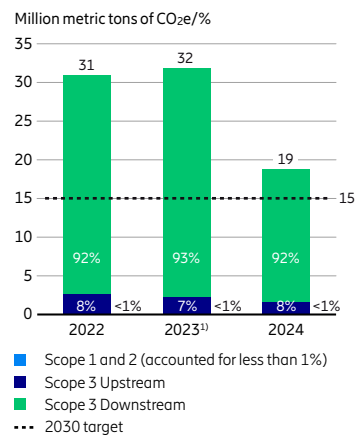
The lifetime emissions from the use-phase of products sold in 2024 represented 92% (93%) of total value chain emissions. Ericsson estimates that improved energy performance has the potential to reduce product use-phase emissions by about 30% by 2030 compared to the 2020 baseline.

Through the introduction of 5G Advanced, Ericsson has continued to implement capabilities that enable high-performing, programmable and energy-efficient networks that can be optimized for different use-cases. This allows communications service providers to operate their networks more intelligently to meet traffic demand and deliver the best user experience with lower energy use. The Company has continued to work towards its target to reduce the average energy consumption of typical new radio base station sites by 40% by 2025 compared to a 2021 baseline. By year-end, the Company had achieved a reduction of 37% (30%) and is on track to achieve this target. Investments in portfolio energy efficiency is one eligible use of proceeds in Ericsson's Green Financing Framework, under which the Company emits green bonds and other green financing instruments.

Supply chain climate action

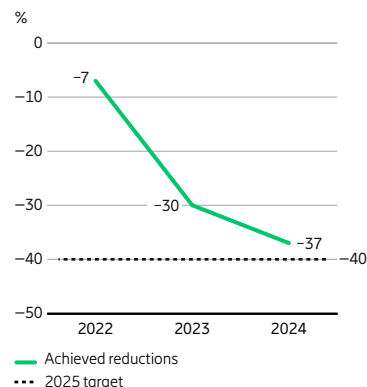
Supply chain emissions represented 8% (7%) of the total value chain carbon footprint, and Ericsson is working to reduce these emissions through supplier engagement, design improvements and transport efficiency. As supply chain emissions are a key priority for its customers, working to decarbonize the supply chain strengthens Ericsson's competitiveness. The Company has continued to explore and implement ways to reduce the weight and size of products and has conducted studies on how to reduce emissions from carbon intense materials and processes such as aluminum. Climate-related criteria are included in scorecards for those suppliers that have been assessed to have a higher environmental impact. Ericsson has a

Value chain carbon footprint



¹⁾ Data for 2023 has been restated. For further information, see page 10.

Radio base station energy consumption



¹⁾ Science Based Targets initiative.

²⁾ Explanations of what constitutes the upstream and downstream parts of a company's value chain are included in the glossary on page 62.

2025 target for 350 high-emitting and strategic direct suppliers to set their own emission reduction targets aligned with the 1.5 C ambition, including a halving of emissions by 2030. Direct emissions from these suppliers, together with the emissions across their supply chains, represent a majority of Ericsson's upstream carbon footprint. By year-end, 323 (237) suppliers had set accepted targets. However, to achieve targeted supply chain emissions reductions, high-emitting suppliers will need to use more renewable energy in their processes. During the year, Ericsson began collecting verified data on the share of renewables used by a selection of suppliers to assess how such measures can be scaled.

Climate action in own activities

Scope 1 emissions decreased to 17,340 (27,029) metric tons, primarily as a result of a reduction in the number of field service vehicles. Scope 2 emissions decreased to 34,007 (42,251) metric tons, primarily driven by lower electricity consumption and targeted purchases of renewable energy instruments in markets with comparatively more emissions-intensive national grids. The share of purchased renewable electricity was 84% (84%), which represented 65% (70%) of total facility energy consumption. Since the 2020 target baseline, yearly Scope 1 and 2 emissions have decreased by about 62,000 metric tons. While emissions from business travel increased to 54,215 (52,599) metric tons in 2024, they remain lower compared to pre-pandemic levels. Ericsson has set a cap on business travel to limit business travel emissions to no more than 50% of pre-pandemic 2019 levels. Emissions from employee commuting increased to 51,700 (49,000) metric tons, as a result of increased work on-site compared to the previous year. Focus areas for 2025 will remain to be automation of data management and the exploration of new ways to increase the share of renewable energy used in facilities.

Transition to circular economy

The Company made additional efforts to increase product take-back volumes and the sale of refurbished equipment continued

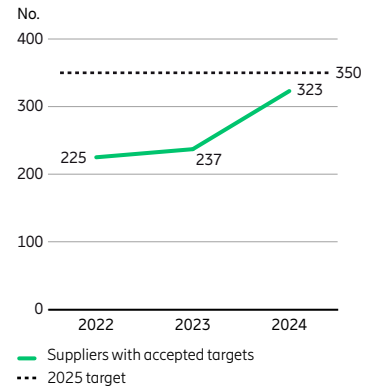
during 2024. A prerequisite for a more circular approach is accurate information on the material composition of products. Ericsson has begun collecting information from suppliers about the recycled material content in purchased products and components through a new section in the standard form for declaring the material composition of products. Ericsson will implement this new section in a stepwise approach, starting with prioritized products to build up knowledge on the use of secondary raw materials.

After assessing the criteria for alignment with the EU Taxonomy for Sustainable Activities, Ericsson has concluded that none of its eligible turnover, which primarily derives from manufacturing of electric equipment, meets all the criteria for alignment with the taxonomy. The taxonomy's criteria are challenging to apply to Ericsson's products, partly because they are based on consumer electronics and not industrial goods, such as network equipment. More details about this assessment can be found in section E6 of this report.

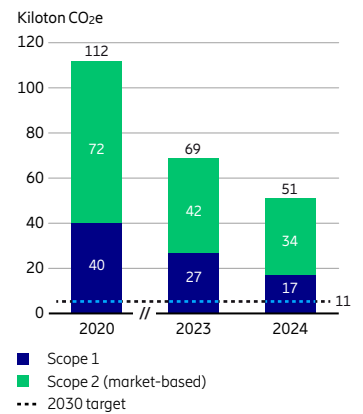
Enabling effect of ICT

According to research¹⁾, the ICT sector represents a small and decreasing contribution to global GHG emissions. However, Ericsson's research shows that the potential for ICT solutions to support other industries to decarbonize is substantial and much more significant than the sector's own carbon footprint²⁾. For example, key transformations in society and industry, such as electrification and increased use of renewables, depend on connectivity and communication network infrastructure to reach their full potential. Another study by Ericsson³⁾ found that there is additional potential for emissions reductions if enterprise applications enabled by 5G are adopted in other high-emitting sectors of the economy. Throughout 2024, Ericsson has continued to explore this topic through the publication of two policy recommendations on digitalization for sustainability and achieving a competitive and green Europe. These recommendations showcase the importance of connectivity and digitalization in decarbonizing industries and for reaching global Net Zero emissions⁴⁾.

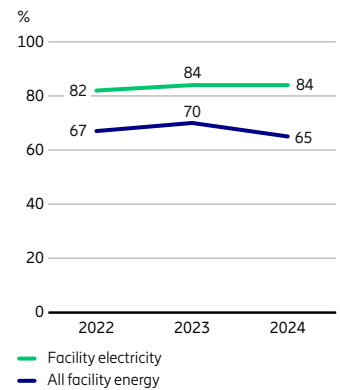
Supplier climate engagement



Scope 1 and 2 emissions



Share of renewable electricity and energy at facilities



¹⁾ Malmodin et al. (2023). ICT sector electricity consumption and greenhouse gas emissions – 2020 outcome, SSRN Electronic Journal
²⁾ Ericsson Mobility Report (2024).
³⁾ Ericsson. (2021). Connectivity and climate change, *Ericsson*
⁴⁾ Policy paper – Achieving a competitive and green Europe – CEO Alliance and Policy paper – Digitalisation for Sustainability - CEO Alliance.

Social

Health, safety and well-being

Target Zero is Ericsson's goal of zero fatalities and lost workday incidents. The Company has continued embedding safety in its company culture and strengthening processes and governance including supplier management. As part of these efforts, maturity assessments for site service suppliers continued during 2024 and covered 98% of current and new suppliers by the end of the year. The main areas identified for improvement were controlling high-risk activities, managing subcontractors and strengthening project hazard and risk assessments. When a nonconformity with Ericsson's safety criteria is identified, or when an incident or fatality occurs, warnings are issued to the supplier paired with other consequences such as monetary fines or contract termination.

Throughout the year, the number of reported fatalities decreased to 2 (10) and involved site service suppliers. The causes were a driving accident and a fall during work at a base station site. No fatalities involved Ericsson employees. Root cause analyses of the fatal incidents show that poor supervision, inadequate risk assessment and unsafe behaviors were major contributors. Lost workday accidents for both suppliers and employees also decreased to 72 (96) and primarily occurred during site assembly, installation and maintenance work.

In 2024, Ericsson launched a new mandatory safe driving training for both employees and suppliers in addition to its existing safety trainings. Ericsson also fully implemented the Stop Work Authority standard that requires and empowers people to immediately stop work when unsafe working conditions are identified. In addition, the Company believes that recognizing positive efforts helps to improve suppliers' safety performance and introduced a global supplier safety recognition program to award safe behaviors and promote best practices among field service suppliers. The ongoing work to reduce the weight and size of products as a way to reduce embodied greenhouse gas emissions also has health and safety benefits as it makes transportation and installation work easier.

Equal treatment and opportunities

As an ICT company with a strategic goal of sustaining technology leadership in its industry, Ericsson relies on a highly skilled workforce, especially in the fields of science, technology, engineering and mathematics. To ensure that Ericsson retains access to an innovative and impactful workforce it uses a merit-based hiring approach that values employees with a diversity of experiences,

perspectives and skillsets. Ericsson believes that this enables well-rounded and informed decisions and, therefore, better outcomes. Leaders at Ericsson undergo training on inclusive leadership to help them make better and fairer merit-based decisions, which do not discriminate against any group. Ericsson also continues to support a network of Employee Resource Groups that are open to all employees and cover a wide range of topics, including groups dedicated to neurodiversity and people with disabilities. In addition, Ericsson has focused on access and opportunities for women at all levels within the Company through merit-based selection processes in compliance with anti-discrimination laws.

Work towards improving pay equity has continued, and the Company has made additional efforts to ensure that pay is appropriately merit based. Targeted work has been done to address confirmed gaps, and as part of these efforts, internal education continues to help ensure that pay decisions are made fairly.

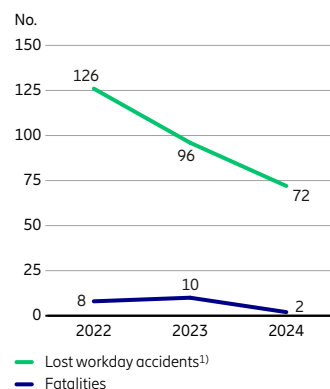
Talent attraction, retention and development

Ericsson's talent acquisition strategy is built on three key focus areas: identifying key talent markets, demand planning and capacity, and attracting and retaining talent with critical skills. During 2024, Ericsson has continued to enhance its sourcing capacity, improved recruiter capabilities and invested in new technology to provide a better hiring experience.

The Company also continues to prioritize the development of critical skills connected to its strategy. By year-end, more than 75,000 people had built critical skills across areas such as Cloud Native, Power Skills and Artificial Intelligence, including Generative AI. Employees are encouraged to align learning goals to their career ambitions and to put their skills to work through internal job mobility and short-term development projects. This is supported by an open talent market and targeted succession planning. In 2024, a new approach to performance management was launched in which annual performance reviews factor in both accomplished results in comparison to agreed goals as well as how the person demonstrated the Company's values and fulfilled expectations of ethical behavior in their work.

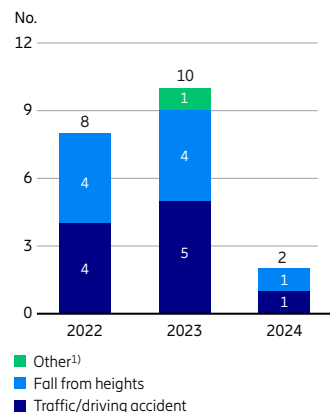
Since 2021, Ericsson has an employee share purchase plan to promote retention through subsidizing the purchase of Company stock by employees. At the end of 2024, the plan was available to about 76,000 (77,700) employees, with a participation rate of 17.3% (18.0%).

Lost workday accidents and fatalities



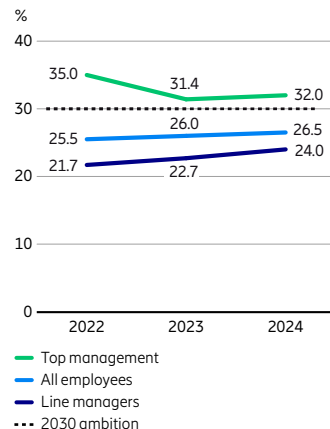
¹⁾ As of 2024 lost workday accidents occurring among third parties are excluded from the statistics as Ericsson has limited possibility to verify the number of actual days lost. Third parties are still included in the statistics for fatalities and recordable workplace accidents shown here and in section S1.

Breakdown of fatalities by cause



¹⁾ Detailed information in section S1.

Share of women per employee category



Due to a challenging market in 2024, Ericsson made headcount reductions in several countries. Still, employee satisfaction scores remained high at 79 (80) points on a scale of 0 to 100 and continue to be above the benchmark value for comparable companies in the industry, which was 74 (74).

Human rights

Ericsson continues to integrate human rights due diligence across its business, such as in its sourcing and sales processes and undertakes heightened due diligence activities when the Company determines they are needed. During the year, Ericsson conducted key activities related to human rights. Among others, the Company’s human rights specialists visited India, where Ericsson has a significant part of its workforce. Focus during the visit was on capacity-building of key employees and heightened due diligence related to risks and impacts across Ericsson’s value chain. To improve both local and group level due diligence priorities, the team engaged with employees and civil society organizations on salient human rights issues that Ericsson has identified across its value chain, such as working conditions, right to privacy and freedom of expression. Key findings included a need to further strengthen oversight of working conditions for non-employees in Ericsson’s workforce and improving internal awareness of these human rights issues.

The Company’s approach to assessing the risks of working with customers in the defense and public safety sector, including governmental institutions and agencies, was strengthened by establishing clear criteria for evaluating human rights risks in such engagements. These criteria include the intended use of Ericsson solutions as well as customer and country-specific risks, such as the strength of the rule of law and prevalence of armed or violent conflicts. Evaluation of these criteria can trigger heightened due diligence measures.

As part of its membership with the Global Network Initiative (GNI), Ericsson participated in an exercise in which the Company presented how it had handled a business engagement involving privacy-related concerns in a country with a high-risk regulatory environment. The participating stakeholders, which included academic experts, other companies and civil society organizations, assessed how well Ericsson’s

actions were aligned with GNI’s principles. The conclusion was that Ericsson’s actions were well-aligned to these principles, but that there is opportunity for the Company to work for collective action between industry and civil society to influence policies of high-risk countries, when possible.

Impact on communities

Ericsson continued to invest in connected reforestation projects in multiple countries and planted over 400,000 saplings through three projects in India. In support of the United Nations-recognized World Cleanup Day, more than 1,400 volunteers in over 40 locations collected two metric tons of waste in Ericsson’s largest employee volunteering engagement to date.

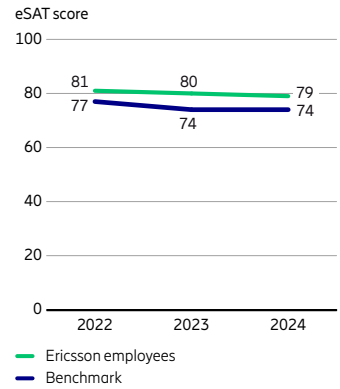
In Ethiopia, Ericsson Response and the Emergency Telecommunications Sector provided connectivity to RETS¹⁾ partner offices supporting 91,000 refugees in the Mirqaan, Bokh district. Ericsson Response also supported the WFP-led ETC²⁾ efforts in Jamaica and Union Island after the devastating hurricane Beryl. Furthermore, Ericsson Response continued to support WFP’s preparedness and resilience-building project in the Philippines.

Digital inclusion

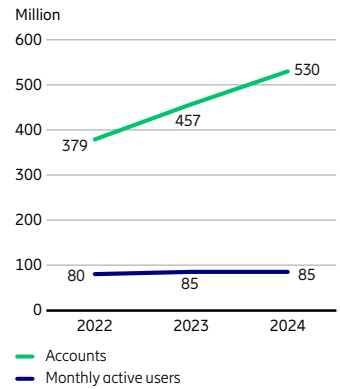
The Ericsson Mobile Wallet Platform supported 530 (457) million registered mobile wallet accounts in 2024. About 85 (85) million active consumers – many of whom were previously unbanked – use mobile financial services powered by the platform every month. The platform has enabled many businesses and organizations to accept digital payments, which helps to accelerate the growth of cash-light digital economies.

As UNICEF’s first private sector partner to make a multimillion-dollar commitment to the Giga initiative, Ericsson has contributed to efforts to improve access to connectivity at more than 14,500 schools, benefiting 7.8 million students during the past four years³⁾. Through its Connect to Learn initiative, Ericsson has to date positively impacted 567,000 (485,000) children and young adults in 45 (43) countries by providing access to digital learning and skills development programs.

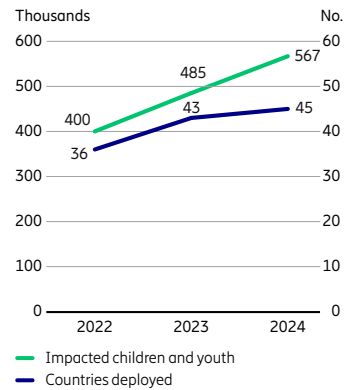
Employee satisfaction



Ericsson Mobile Wallet accounts and active users



Digital education – Connect to Learn



¹⁾ Refugee Emergency Telecommunications Sector, led by the United Nations High Commissioner for Refugees (UNHCR).
²⁾ World Food Programme – Emergency Telecommunications Cluster.
³⁾ UNICEF.

Governance

Strengthening corporate governance

Ericsson is committed to maintaining the highest standards of corporate governance and has established a governance framework that strengthens the business, enabling strategic execution and operational excellence, and promotes and facilitates effective oversight across the organization. The aim is to enable high-quality decision-making with clear accountability and to instill a robust approach to risk management to effectively identify, manage and mitigate risks and capture opportunities. Ericsson's governance framework guides its people while building on their strengths – fostering a culture of transparency, collaboration and open dialogue. It is one of the foundations for sound and ethical business decisions, strong risk management and cross-functional coordination. Ericsson has also implemented clear rules of governance across the organization. These range from matters requiring approval of the Company's shareholders and members of its Board, to conflicts of interest policies and director and management duties and obligations. All of these aspects are cornerstones for Ericsson to manage its business in line with its values: professionalism, respect, perseverance and integrity.

Ericsson's intensive work on strengthening and simplifying its corporate governance practices continued throughout 2024 and was pursued in parallel with further improvements to its Ethics and Compliance Program. In June 2024, Ericsson concluded its four-year compliance Monitorship. The role of the Monitor was to comprehensively review, assess, evaluate and test all aspects of Ericsson's global Anti-Bribery and Corruption (ABC) Compliance Program and internal controls. The Monitor's certification and the conclusion of the Monitor team's work and term was an important milestone, but the work is by no means complete. As part of Ericsson's continuous journey of integrating and improving its Ethics and Compliance Program, the Company remains conscious of the fact that the breadth of its global organization and the industry in which it operates requires ongoing vigilance.

Ethics and compliance

Over the past several years, Ericsson has invested significant resources to strengthen its Ethics and Compliance Program by implementing and maintaining strong systems, controls and policies, including in the areas of ethics, ABC, conflicts of interest, anti-money laundering and competition law. Ericsson believes that integrating integrity into day-to-day decision-making requires constant focus to ensure that its compliance processes and

related controls are fit for their intended purpose. Looking ahead, as the business evolves, Ericsson will continue the work to improve on its anti-corruption controls and further integrate them into its operations and managerial decisions. At the same time, Ericsson will also continue rigorous testing of its Ethics and Compliance Program's effectiveness, which includes clear expectations for management to understand and address testing results and process adherence within the areas of their responsibility. This will further strengthen the foundation for a well-integrated, self-sustaining Ethics and Compliance Program.

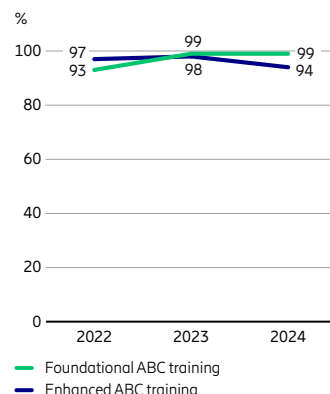
To reinforce accountability throughout the organization, all employees who are eligible for a short-term variable compensation payout may be denied all or part of the entitlement if they act in breach of Ericsson's Code of Business Ethics. In addition, senior executives are subject to evaluation according to a set of pre-defined integrity criteria, which includes compliance training, third party management, allegation management and other matters tied to the Company's Ethics and Compliance Program. Underperformance against these criteria can reduce short-term variable compensation payout by up to 100%.

Corporate contributions are an important part of corporate responsibility and help demonstrate Ericsson's support for various communities and causes. The Company has systems in place to review donations, sponsorships and other contributions to ensure that they are consistent with the Company's values, free from conflicts of interest and comply with laws.

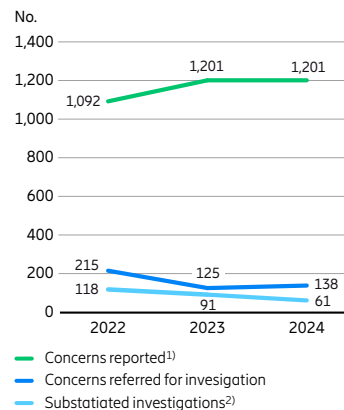
Ericsson continues to provide mandatory training on topics critical for creating behavioral change and promoting integrity within the Company such as ABC, health and safety and security awareness. At year-end, mandatory foundational ABC training had been completed by 99% (99%) of the full workforce and enhanced ABC training for people in high-risk roles had a 94% (98%) completion rate.

In 2024, the number of reported compliance concerns was 1,201 (1,201), of which a majority were related to human resource matters. The Company views the consistent number of reports as an indicator of continued trust and confidence by employees and third parties in Ericsson's allegation management, investigation capabilities and the seriousness with which the Company treats potential misconduct. Out of the reported concerns, 138 (125) cases were referred for further investigation. 1,063 (1,076) cases were not referred for investigation as they were either inquiries of a general nature, not deemed to be related to misconduct or

Completion rates for ethics and compliance trainings

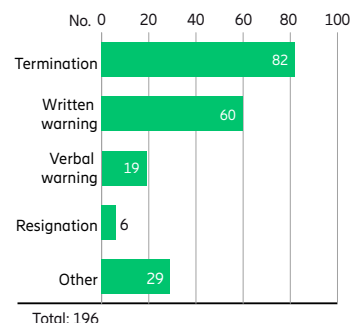


Compliance concerns reported, referred for investigation and substantiated investigations



¹⁾ All reported cases received in the reporting year, of which a majority were related to human resource matters.
²⁾ All cases concluded and deemed as substantiated during the reporting year, some of which were received in previous years.

Corrective and disciplinary actions taken¹⁾



¹⁾ Actions taken as a result of substantiated breaches of Ericsson's Code of Business Ethics. Each corrective action represents a unique individual meaning the total of actions shown here cannot be directly compared to the number of substantiated cases shown above, as each case may involve several individuals. An individual can be subject to several corrective actions but is only counted once in these statistics, with the most severe consequent determining classification in the above presentation.

breaches of the Code of Business Ethics, or suitable for handling without an investigation. 633 (582) of the reported concerns not referred for investigation were referred to other functions, such as the human resource and sourcing departments, to be addressed in accordance with their processes. During the year, 61 (91) cases were concluded and found to be substantiated. At year-end, 49 (78) cases were still under investigation. This figure includes cases reported both in 2024 and in 2023. More details are available in section G1 of this report, including reported cases broken down by category. During the year, 196 (201) corrective and disciplinary actions were taken in connection with investigations by Corporate and Government Investigations. 82 (112) of these actions resulted in terminations and 60 (58) in written warnings.

For further information on compliance-related matters, see page 20 of the Financial Report, pages 4–5 of the Corporate Governance Report and section G1 of this report.

Third-party management and supplier audits

Ericsson has continued to improve its third-party vetting and oversight with the aim to ensure that it only works with parties that meet its expectation of zero tolerance for bribery and corruption. Through the global Third-Party Management Program, Ericsson identifies and mitigates corruption and integrity-related risks in its third-party relationships. Business Partner Review Boards, comprised of senior business leaders guided by compliance professionals, evaluate third parties with higher risk, approve or reject interactions and monitor the risk landscape in the geographies where Ericsson conducts business. The Third-Party Management

Program works with the business to obtain transactional assurance and helps to ensure compliant payments.

Ericsson has a range of approaches to assess and manage risks of third parties, including audits of suppliers. 79 (123) audits based on the criteria in Ericsson's Code of Conduct for Business Partners were conducted in 2024. Ericsson uses a risk-based approach to make the yearly audit selection. The inherent risk is based on factors such as country, type of product and service supplied, time since the last audit and purchase volume. A third-party service firm conducts the audits. Critical nonconformities were identified at 3% (1%) of the audited suppliers, with all concerning health and safety standards and management. Ericsson also conducted 14 (19) Contract Compliance audits, performed by internal certified auditors. No critical nonconformities were identified at these audits. Each audit is seen as an opportunity for improvement and corrective action plans are established together with suppliers to address nonconformities. Out of the nonconformities identified at the Code of Conduct audits, 84% (79%) had been addressed by corrective actions within predetermined timeframes. The corresponding figure for Contract Compliance audits was 76% (65%). In addition to these audits, Ericsson may also, through a third-party with forensic expertise, perform targeted audits of a supplier's financial records to address ABC-related risks. During 2024, such audits were performed on 13 suppliers.

Interactions with governmental authorities

Ericsson is and has been involved in legal proceedings involving governmental authorities

in different jurisdictions. Further information about current proceedings is included in the Financial Report on page 22–23.

Data privacy and cybersecurity

Ericsson has continued to execute its security and data privacy strategies with the goal to strengthen its operational and portfolio resilience. For further information on these topics, see pages 6–7 of the Corporate Governance Report.

Political engagement and advocacy

Ericsson has continued to advocate for policies that encourage and incentivize the digital ecosystem to deploy and use advanced connectivity to support the digitalization of industry and society. Ericsson acts as a trusted partner for policy makers, sharing its expertise and knowledge to address policy dilemmas and opportunities. All material policy-influencing interactions with public officials are documented for internal audit purposes and declared according to local regulations and practices.

The Company is an active member of industry organizations and partnerships that develop policies and thought leadership. Examples include the European Round Table, where Ericsson promotes advanced connectivity to enable digitization, productivity and competitiveness, and Digital Europe, where it drives climate and environmental topics. Ericsson also contributed to an international training program, ICT Regulation – Policy and Practice, commissioned by the Swedish International Development Cooperation Agency.

Board of Directors

Stockholm, February 26, 2025

Telefonaktiebolaget LM Ericsson (publ)
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Sustainability statements

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General disclosures

General basis for the preparation of the sustainability statements

This Sustainability and Corporate Responsibility Report ("the report", "this report"), published on February 27, 2025, constitutes Ericsson's annual statutory sustainability statements and contains information about material environmental, social and governance (ESG) related impacts, risks and opportunities, as well as governance and policies, management approaches, metrics and targets relevant to these matters. Unless otherwise stated, the information and data provided pertain to Ericsson's fiscal year, which is January 1 to December 31.

Reporting scope and boundaries

The report has been prepared as a consolidated report for the Group, which is made up of the parent company Telefonaktiebolaget LM Ericsson and its subsidiaries as presented in note P8 to the parent company's financial statements. The report does not include environmental and social data related to associated companies or joint ventures over which Ericsson does not exercise operational control.

The report also contains disclosures related to Ericsson's upstream and downstream value chain including suppliers, vendors, customers and other business partners. There are inherent uncertainties to the completeness, accuracy and verifiability of this information, as it relates to performance and activities that are beyond the Company's direct influence and control.

Reporting principles and frameworks

The report has been prepared in accordance with the Global Reporting Initiative (GRI) standards. Ericsson has, in preparing the report, applied the reporting principles prescribed in the standard GRI 1: Foundation (2021). The report also includes climate-related disclosures included in the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD) as well as relevant disclosures in applicable Sustainability Accounting Standards Board (SASB) standards. Ericsson has begun aligning its sustainability-related disclosures to coming regulatory requirements in the European Union. A list of material data points derived from other EU legislations is included in Appendix II.

As a supplement to the report, an ESG reporting reference index is published on the ESG section of the Investor Relations pages on Ericsson's website. This index includes the GRI content index.

Disclosures in relation to specific circumstances

Time horizons

For the purpose of this report, Ericsson defined short-, medium-, and long-term time horizons as up to 2025 (1 year), 2025-2030 (5 years) and beyond 2030 (more than 5 years), respectively. This applies primarily to the analysis of climate scenarios as presented in section E1.

Sources of estimation and outcome uncertainties, including value chain information

The report contains quantitative information subject to high levels of measurement uncertainty and/or reliance on value chain information derived from indirect sources. Where a data point disclosed in this report contains

significant measurement uncertainty, or is derived from proxy data, this is explained in a footnote to that data point. Ericsson is continuously working to refine its measurement and data collection methodologies to improve the accuracy of its ESG disclosures.

The report also contains forward-looking information about potential sustainability-related impacts, risks and opportunities. This information is also subject to high levels of uncertainty.

Changes in the preparation of information and reporting errors in previous periods

During 2024, Ericsson revised several of its sustainability reporting steering documents to align them with emerging statutory reporting requirements. As part of this process, measurement methodologies related to energy consumption and waste generation in own operations have been revised.

Ericsson has agreements with local utility companies to provide excess heat from data centers in exchange for district cooling. In previous years, these arrangements were not reflected in the information about energy consumption in own operations as presented in section E1. As of 2024, Ericsson includes the gross district cooling received in such arrangements in reported energy figures, but has not restated past year's information due to limitations in data availability. These changes in methodology have increased total district cooling consumption reported by about 100%. Since no restatements of previous year's figures have been made, there are limitations in the comparability between values for 2024 and the previous year's.

End-of-life electrical and electronic equipment from Ericsson's own operations is sometimes handled through Ericsson's own Product Take-Back scheme. As of 2024, the end-of-life equipment that is collected from Ericsson's facilities is reported as waste from Ericsson's own operations in section E5. This change in methodology has increased the total weight of waste reported by about 70%. Since no restatements of previous year's figures have been made, there are limitations in the comparability between values for 2024 and the previous year's.

When reviewing its reporting principles for estimating downstream Scope 3 greenhouse gas (GHG) emissions from sold products, Ericsson identified that energy consumption from certain products sold in 2023, and used to estimate these emissions, had been overestimated. The value for emissions in this category for the year 2023 has therefore been restated.

Restated metrics (metric tons of CO ₂ e)	Section in this report	After restatements	Prior to restatements
		2023	2023
Scope 3 GHG emissions from sold products	E1	29,658,200	35,057,200

Incorporation by reference

Information about policies and actions relevant to information and cybersecurity, which is a matter associated with material impacts, risks and opportunities, is included in the Corporate Governance Report and is incorporated by reference in this report.

General disclosures, cont'd.

Business model, strategy and value chain

Business model

Ericsson is a multinational company headquartered in Stockholm, Sweden, and serves customers in more than 175 countries. Ericsson sells hardware, software and services for information and communications technology (ICT) communication infrastructure. The business consists of three primary segments, also referred to as business areas, as well as an additional fourth segment, which is primarily engaged in outsourced broadcasting services.

Ericsson has about 94 (100) thousand employees in about 110 countries, of which 38 (39) thousand are in Europe and Central Asia, 23 (23) thousand in South Asia, 14 (16) thousand in East Asia and the Pacific, 10 (11) thousand in North America, 6 (7) thousand in Latin America and Caribbean, 2 (3) thousand in Middle East and North Africa and 1 (1) thousand in Sub-Saharan Africa.

Business segments

Segment Networks develops and deploys mobile network infrastructure to communications service providers, who use the networks to provide telecommunication services to consumers and businesses. Segment Networks' offering includes network hardware, such as radios, basebands and antennas, software to operate the hardware equipment and related services such as network deployment and maintenance. In 2024, Segment Networks made up 64% (65%) of the Group's total net sales.

Segment Cloud Software and Services provides digital solutions to communications service providers to operate and optimize the performance of their networks, with a focus on helping customers transition to cloud operations and automated networks. The segment also manages networks on behalf of communications service provider customers. In 2024, Segment Cloud Software and Services made up 25% (24%) of the Group's total net sales.

Segment Enterprise consists of two business areas: Global Communications Platform and Enterprise Wireless Solutions. The former includes the Vonage business acquired in 2021 and primarily provides cloud-based communication solutions to enterprises, which enables businesses to optimize processes, drive innovation and accelerate digitalization. It also has a large developer community. Enterprise Wireless Solutions develops and delivers network infrastructure for private networks and wireless wide area networks (WAN) to enterprises. Segment Enterprise's customers are private and public enterprises across various industries. In 2024, Segment Enterprise made up 10% (10%) of the Group's total net sales.

There is further information about the segments in note B1, and about the net sales mix broken down by hardware, software and services, in note B2 to the consolidated financial statements.

Ericsson does not generate revenue from the exploration, mining, extraction, production, processing, storage, refining or distribution – including transportation and trade – of fossil fuels, or from chemicals production, controversial weapons or the cultivation and production of tobacco.

Strategy and sustainability-related goals

As regards Ericsson's sustainability-related goals, one key objective is the transition to Net Zero GHG emissions across the Company's value chain. As the energy consumed by the network equipment deployed by customers is

the cause of over 90% of Ericsson's total value chain carbon footprint, continuously improving the portfolio's energy performance is a key component in this transition. Addressing supply chain emissions embodied in the network hardware sold to customers – through, for example product design, substitution of carbon-intensive materials and supplier engagement on emission reduction measures – is also an important decarbonization lever. However, to be able to reach Net Zero emissions across the value chain, Ericsson's customers and suppliers must transition to using emissions-free electricity to power the networks, a challenge that is largely beyond Ericsson's direct control.

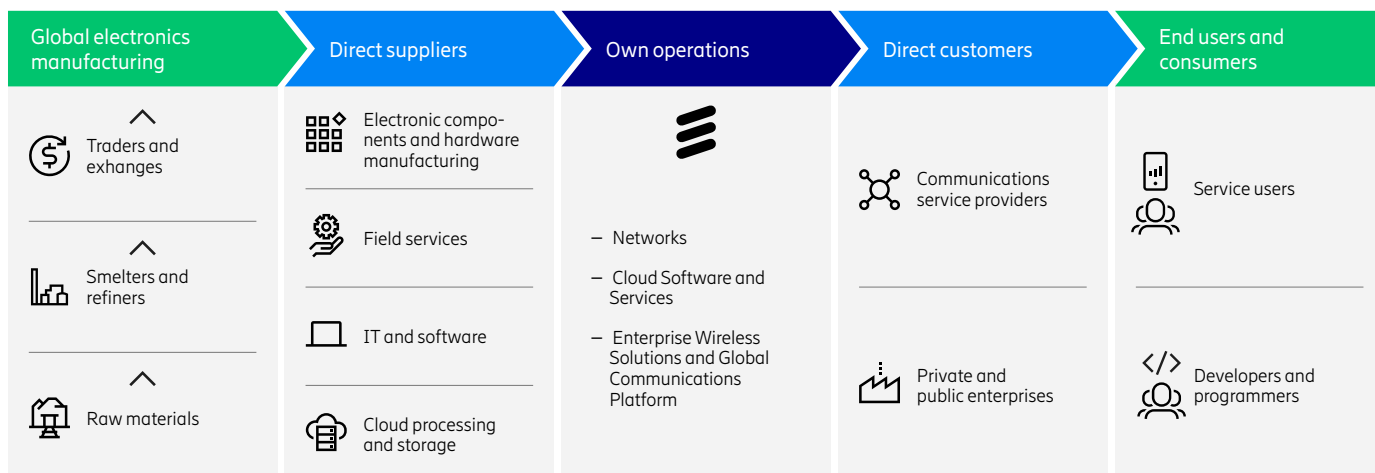
Another challenge relates to the health and safety of the people working on behalf of Ericsson. Most of the major accidents recorded in recent years have occurred within field service operations when Ericsson's employees and employees of field service suppliers perform network deployment and maintenance work. The fatalities occurring in recent years have almost exclusively involved employees of field services suppliers, with the most common causes being accidents during field work at base station sites and driving accidents. Ericsson has a target to have zero fatalities and lost workday incidents among its workforce and employees of field service suppliers.

As an ICT company with a strategic goal of sustaining technology leadership in its industry, Ericsson relies on a highly skilled workforce, especially in the fields of science, technology, engineering and mathematics. To ensure that Ericsson retains access to an innovative and impactful workforce it uses merit-based hiring approach that values employees with a diversity of experiences, perspectives and skillsets. Ericsson believes that this enables well-rounded and informed decisions and, therefore, better outcomes. A key goal relates to driving sustainable organizational health where Ericsson aims to remove barriers that appear to have prevented equal opportunities for all, as detailed in the following sections regarding Equal Treatment and Opportunities.

The work during the last several years to strengthen Ericsson's Ethics and Compliance Program has significantly improved Ericsson's ability to identify and address actual and alleged misconduct as incidents arise, and ensure they are effectively remediated in a clear and consistent manner. Looking ahead, as the business evolves, Ericsson will continue to work to improve on its anti-corruption and anti-bribery controls and embed them into its operations and managerial decisions. At the same time, Ericsson will also continue the comprehensive testing of the Ethics and Compliance Program's effectiveness, which includes clear expectations for management to understand and address testing results and process adherence within their areas of responsibility. These measures will further strengthen the foundation for a well-integrated and self-sustaining Ethics and Compliance Program.

Value chain

As with many other multinational companies, Ericsson's value chain is complex with several layers and interconnections, creating challenges for visibility and traceability beyond the first tier of suppliers and customers. In 2024, the Company had about 17,000 active direct suppliers, of which about 200 are providers of materials and components used in Ericsson's hardware. In contrast, Ericsson has a fairly concentrated customer base.



General disclosures, cont'd.

Out of a base of more than 500 customers, the 10 largest customers, mainly communications service providers, accounted for 44% (43%) of net sales.

The value chain illustration on the previous page is intended to give an overview of Ericsson's extended value chain but does not aim to capture all its features. Key value chain actors relevant for understanding Ericsson's material sustainability-related impacts, risks and opportunities, especially those related to Ericsson's products and services, are included, but the illustration should not be interpreted as exhaustive. Business support services not unique to Ericsson's business model or value chain, such as facility providers and real estate services, logistic providers, consultancies and suppliers of external workforce are not included for the sake of simplicity.

Electronics manufacturing value chain

In simple terms, the global electronics manufacturing value chain begins with the extraction of natural resources used in electronic hardware, which are then sold and transported to smelters and refiners for processing. The refined materials are traded and exchanged and subsequently used in the manufacturing of parts and components, which are assembled into finished products.

Ericsson's regional hubs consolidate material from component suppliers and serve as focal points of supply to production sites. Manufacturing and assembly of Ericsson's communication equipment takes place both at the Company's own manufacturing sites and at third-party electronics manufacturing suppliers. In 2024, 78% (86%) of the electronic equipment produced was manufactured by contracted electronics manufacturing suppliers. Ericsson operates supply hubs, which are regional logistics and distribution

centers serving customers with the collection of deliveries from production units and suppliers, warehousing, co-packing, order configuration and transport. The graphic below shows where Ericsson's own manufacturing sites, primary third-party electronic manufacturing suppliers, and component and supply hubs are located.

Other significant elements of the upstream value chain

Ericsson also purchases field services from suppliers, which deliver network deployment and maintenance services at customer sites. To a large extent, IT including software, as well as cloud processing and storage capacity, are sourced externally.

Downstream value chain

In terms of revenue, the communications service providers constitute Ericsson's most significant customer group. They, in turn, deliver connectivity services in the form of mobile broadband and voice calls to end users, such as consumers and businesses, using the network infrastructure Ericsson has sold to them. Segment Enterprise's customers consist of private and public enterprises in various industries, to whom the Company primarily provides private network solutions, and whose end users are either their employees or their consumer customers. Application developers and programmers are emerging as important actors in the mobile communication ecosystem, as the capabilities of programmable 5G networks are exposed to cater to the specific needs of end users and businesses, enabling new revenue streams for communications service providers.

Manufacturing sites and supply chain hubs



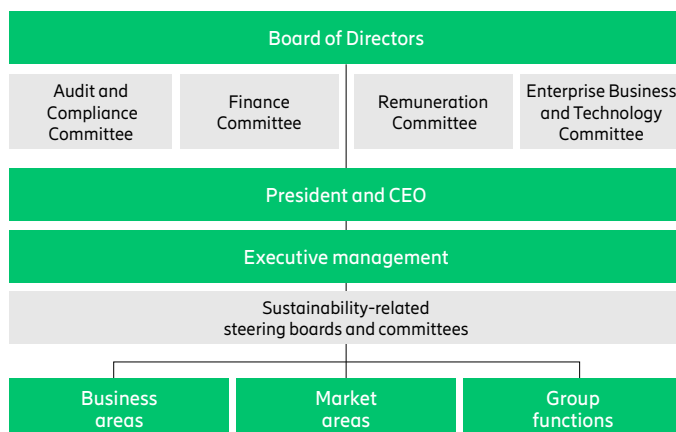
General disclosures, cont'd.

The role of the Board of Directors and executive management

Governance of material sustainability-related impacts, risks and opportunities follows Ericsson's overall governance structure. The Board of Directors, executive management team and management's respective roles and responsibilities regarding these matters are described below.

Board of Directors

The current Board of Directors (the "Board") consists of nine directors elected by the shareholders at the Annual General Meeting 2024 for the period until the close of the Annual General Meeting 2025, eight of whom are non-executive directors, and the President and CEO, who is an executive director. Carolina Dybeck Happe resigned from the Board on September 23, 2024, following her appointment to a new role. It also includes three employee representatives appointed by the unions in Sweden. The unions also appoint three deputy employee representatives. Information about each Board



Composition of the Board of Directors

%	Representation of Men and Women		Independence ³⁾	
	Women	Men	Independent	Non-independent
Directors elected by the shareholders ¹⁾	22	78	67	33
Employee representatives ²⁾	33	67	0	100
Total	25	75	50	50

¹⁾ Based on the number of directors as of December 31, 2024.

²⁾ Not counting deputy employee representatives.

³⁾ Based on the definition in the Swedish Corporate Governance Code.

member's principal work experience is included on pages 15–18 in the Corporate Governance Report. The Board oversees Ericsson's strategy, periodically receives reports on developments and performance of sustainability-related targets and approves the sustainability statements as part of the Company's statutory Annual Report.

Board committees

In addition to the principal oversight exercised by the Board, each of the committees of the Board is involved in overseeing specific aspects of Ericsson's strategy for sustainability and corporate responsibility.

The Audit and Compliance Committee oversees Ericsson's Ethics and Compliance Program and whistleblower procedures, and it regularly receives updates on compliance-related matters from the Chief Legal Officer and the Head of Compliance Office and Investigations. It also reviews the Group's handling of information and cybersecurity, and data privacy matters, as well as overseeing its sustainability and ESG reporting practices.

The Finance Committee oversees the consideration of environmental sustainability in external funding through the application of Ericsson's Green Financing Framework. As part of its role to prepare and propose rewards and compensation policies that attract and motivate senior management and align with the Company's strategy, the Remuneration Committee considers the appropriate inclusion of environmental, social and business conduct criteria in variable compensation plans, and monitors the performance of such criteria. Part of the Enterprise Business and Technology Committee's role of monitoring the Company's technology ecosystem, relationships and partnerships involves reviewing matters related to environmental sustainability, such as energy-related matters in Ericsson's product portfolio.

President and CEO and the executive management

Executive management ("the Executive Team") consists of the President and CEO, the Executive Vice President and 15 senior vice presidents, of whom four (24%) are women and 13 (76%) are men. It is responsible for Group-wide sustainability-related targets and regularly receives reports on the implementation of strategies and progress made on targets and milestones. Its members are also part of dedicated steering boards and committees that provide more frequent strategic guidance and oversight of sustainability and corporate responsibility-related matters.

Steering boards and committees	Chaired by
Business Risk Committee	Chief Financial Officer and Chief Legal Officer
Group Compliance Committee	Chief Legal Officer
Group Enterprise Security and Privacy Board	Chief Financial Officer
Product Security Board	Chief Technology Officer
Global People Leadership Team	Chief People Officer
Global Occupational Health and Safety Board	Chief Marketing and Communications Officer

Ericsson's President and CEO is a member of the European Round Table, where Ericsson promotes advanced connectivity to enable digitization, productivity and competitiveness. Ericsson's Chief Technology Officer is a commissioner on the ITU/UNESCO¹⁾ Broadband Commission for Sustainable Development, which develops and advocates policy recommendations to advance broadband connectivity and digital inclusion.

Risk management

Ericsson has established a Group Business Risk Committee, which is co-chaired by the Chief Financial Officer and the Chief Legal Officer and serves as a risk escalation and oversight forum that strengthens management's ability to take decisions on how to manage material risks on a Group level. The Business Risk Committee applies a heightened scrutiny approach when evaluating and mitigating these types of risks, and the Company implements various actions to address these risks, ranging from enhanced contractual protections, changes to the scope or nature of operations or decisions to responsibly exit relevant jurisdictions or significant customer relationships.

Operational management

Operational responsibility for managing, developing and implementing strategies, policies, steering documents, targets and processes related to environmental sustainability, human rights, community impacts and occupational health and safety sits with specialized units reporting to the Chief Marketing and Communications Officer. Strategy related to Ericsson's own workforce is developed by the Group People Leadership Team, reporting to the Chief People Officer. Ericsson's Compliance Office, reporting to the Chief

¹⁾ International Telecommunication Union/United Nations Educational, Scientific and Cultural Organization.

General disclosures, cont'd.

Legal Officer, oversees global compliance matters and supports fostering a culture of integrity and ethical business practices. This office manages key compliance areas, including adherence to the Code of Business Ethics, anti-corruption, fraud and conflict of interest. Additionally, it offers support to local operations within each of the business areas and regional sales organizations, ensuring alignment with corporate values and compliance standards, and integrating compliance into daily business operations.

Integration of sustainability considerations in supply chain management is the responsibility of Ericsson's Group Sourcing department, which reports to the Senior Vice President for a Group-wide function responsible for global operations.

Responsibility for executing strategies and implementing processes lies with the Group functions, business areas and regional sales areas, often in cross-functional collaborations.

Management systems

Ericsson has a global management system, further described on page 19 of the Corporate Governance Report. The Company's environmental, health and safety and information security management systems are certified to ISO 14001, ISO 45001 and ISO 27001, respectively.

Identification and treatment of environmental, social and business-conduct-related risks is an integrated part of the Enterprise Risk Management (ERM) framework, which is a part of the Group's management system. There are also dedicated risk management frameworks aligned with the ERM framework that cover specific areas of risks such as anti-corruption, environment, health and safety and information security.

Collective knowledge and skills on sustainability matters

The Board and the Executive Team have access to internal subject matter experts on matters such as climate change, energy and resource circularity, social matters such as human rights, health and safety, equal treatment and opportunities, as well as business conduct matters such as anti-bribery and corruption.

In 2024, a targeted Board training program was started, focusing on, among other things, the evolving regulatory landscape concerning sustainability matters, including regulation of both disclosures and due diligence requirements.

Information provided to and sustainability matters addressed by the Board and executive management

Sustainability matters addressed by the Board

The Board considers cybersecurity risks as part of its risk oversight function and has delegated the specific oversight of cybersecurity risks to the Audit and Compliance Committee (ACC), which received regular briefings from the Chief Security Officer on cybersecurity matters. The ACC also received regular reporting on compliance-related matters from the Chief Legal Officer and the Head of Compliance Office and Investigations, including matters related to anti-bribery and corruption. The Head of Compliance Office and Investigations also regularly reported to the ACC on the effective operation of the Ethics and Compliance Program, including actual or suspected serious Code of Business Ethics violations, insights from investigations outcomes and remediation activities, the identification of patterns of failures and emerging risks and challenges in the legal and regulatory environment. The ACC was also briefed twice during the year about the developments of Ericsson's sustainability disclosure practices.

Sustainability matters addressed by executive management

In connection with previously approved Net Zero targets, a group of senior managers reviewed the proposal for a more detailed Net Zero transition plan, which was subsequently approved by the Executive Team. The Global Occupational Health and Safety Board chaired by the Chief Marketing and Communications Officer convened several times during the year to review fatalities and major incidents. The Chief People Officer received regular updates on the progress on the Company's goal to promote a diverse composition of employees and presented these results to the Executive Team. The Business Risk Committee met on a regular basis to address topics of material risk including matters related to sales opportunities with potential heightened human rights-related risks.

Executive management received updates on several occasions on ethics and compliance-related matters from the Chief Legal Officer and the

Head of Compliance Office and Investigations, including matters related to anti-bribery and corruption and the Ethics and Compliance Program.

Group-wide policies relevant to sustainability matters

The policy documents below constitute the foundational steering documents for Ericsson's management of material sustainability-related impacts, risks and opportunities. The Code of Business Ethics is approved by the Board of Directors and the Code of Conduct for Business Partners and Group-wide policies are approved by the President and CEO.

Code of Business Ethics

Ericsson's Code of Business Ethics is a core governance pillar within the Company that sets out the Company's expectations, principles and requirements for employees as they conduct business. It provides the framework for ethical decision-making, and guides employees in making decisions and managing risk as they engage with colleagues, customers, partners and other stakeholders. It is available in over 40 languages on the Company's website and intranet. Specific provisions of the Code of Business Ethics relevant to material sustainability-related impacts, risks and opportunities are included in the subsections of the sustainability statements.

Code of Conduct for Business Partners

The Code of Conduct for Business Partners outlines expectations on Ericsson's business partners, including its suppliers, in areas such as business ethics and anti-corruption, labor and human rights, occupational health and safety, the environment and climate change. It is based on the Responsible Business Alliance Code of Conduct and the UN Global Compact's 10 principles but also includes Ericsson-specific requirements. The Code is part of standard supplier contracts and is a binding requirement for all business partners. It is available in several languages on the Company's website. Business partners are expected to ensure that their suppliers and subcontractors also comply with the Code, or other agreed equivalent standards. Since this Code is part of standard supplier contracts, suppliers failing to adhere to it may have their contracts terminated. Specific provisions of the Code of Conduct relevant to material sustainability-related impacts, risks and opportunities are included in the relevant subsections of the sustainability statements.

Sustainability Policy

The Sustainability Policy sets out the Company's foundational principles on environmental sustainability. The policy outlines Ericsson's aim to use life-cycle analysis methodology to determine the Company's significant environmental aspects as well as to assess the environmental impacts of information and communications technology, reduce the negative environmental impact of its own operations and take a precautionary approach to environmental challenges, applying design to ensure continuous environmental improvements with a life-cycle perspective on its portfolio. The policy also addresses considerations for adequate sustainability requirements in the supply chain and the Company's aim of increasing the knowledge and awareness of sustainability amongst its employees.

Business and human rights statement

The statement clarifies Ericsson's commitments to human rights, and how those commitments are expected to be implemented in practice. It states that Ericsson is committed to respecting internationally recognized human rights set out in the United Nations' International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. In furtherance of this, Ericsson aims to integrate the UN Guiding Principles on Business and Human Rights (UNGPs) throughout its operations. The statement articulates that Ericsson shall conduct human rights due diligence, which among other elements includes identifying and assessing salient human rights risks and impacts, taking action to avoid causing or contributing to adverse human rights impacts, establishing and maintaining effective grievance mechanisms, providing for access to remedy, as well as communicating and consulting with employees and other stakeholders, in order to identify and assess specific human rights risks and to further continuous improvement of Ericsson's efforts to respect human rights.

General disclosures, cont'd.

Integration of sustainability-related performance in incentive schemes

Sustainability-related performance criteria are included in the share-based long-term variable compensation to the Executive Team and their direct reports. The features of the long-term variable compensation program are described in detail in note G3 to the consolidated financial statements. Five percent of the performance criteria is based on the achieved annual GHG emissions reductions in Scope 1, Scope 2 and the Business travel emissions category within Scope 3, which is line with the Company's trajectory toward its 2030 emissions reduction target. An additional 5% of the weight of the performance criteria is based on the annual achievement level of increasing the share of women managers within Ericsson through merit-based selection processes in compliance with anti-discrimination laws, as discussed in the following sections regarding Equal Treatment and Opportunities.

Ericsson also has annual cash-based short-term variable compensation plans that incorporate business conduct-related criteria. Short-term variable compensation to the Executive Team and their direct reports contains criteria tied to compliance training, third-party management, allegation management and other components of the Company's Ethics and Compliance Program. Underperformance against these criteria can reduce short-term variable compensation by up to 100%. In addition, all employees who are eligible for a short-term variable compensation payout may be denied all or part of the entitlement if they act in breach of Ericsson's Code of Business Ethics.

The Remuneration Committee reviews and prepares, for resolution by the Board, proposals to the Annual General Meeting on the long-term variable compensation program and similar equity arrangements, and approves target levels of short-term variable compensation payouts for the Executive Team except the President and CEO.

There is further information about Ericsson's remuneration practices in the Remuneration Report.

Statement on due diligence

Appendix III contains references to where in the sustainability statements Ericsson describes how core elements of due diligence for people and the environment have been applied.

Risk management and internal control over sustainability reporting

During 2024, Ericsson initiated work to strengthen its risk management and internal control over sustainability reporting as part of the work to prepare for emerging statutory disclosure requirements in Europe. This work has been centered around three main workstreams:

1. Revision of the Company's sustainability-related reporting principles and steering documents.
2. Reviews of selected reporting processes by the internal control function to assess reporting risks and propose mitigating measures. The main risks identified stem from the complexity of several of the metrics included in the sustainability statements, combined with reliance on a multitude of data sets, some of which, in turn, rely on external sources over which Ericsson has limited ability to verify their accuracy and completeness.
3. Implementation of dedicated reporting software to reduce manual handling of complex datasets originating from several source systems.

Building on the progress made in 2024, focus going forward will be on utilizing IT for automatization of the reporting process and design of related controls, as well as introducing self-assessments and independent testing of controls for metrics with high complexity and risk, such as those dependent on value chain information.

General disclosures, cont'd.

Interests and views of stakeholders

Ericsson continuously engages with stakeholders that are or potentially could be affected by the Company's activities to understand their interests and views about sustainability matters, including impacts that are relevant to them. Ericsson also engages with other stakeholder groups in its ecosystem to understand their views and interest of Ericsson and its

sustainability-related impacts, risks and opportunities. The tables below contain examples of stakeholder engagements taking place over the past year, and the primary topics covered. The views of stakeholders inform Ericsson's due diligence process and the materiality assessment, which is described in more detail on the following pages.

Affected stakeholders

Stakeholder group	Engagement channels	Matters in focus
Own workforce	Engagement takes place both directly and indirectly through: <ul style="list-style-type: none"> – Company-wide annual employee surveys. – Employee resource groups, open to all employees. – Dialogues with unions in countries where such exist. – Targeted country visits, in 2024 to Ericsson's operations in India. 	<ul style="list-style-type: none"> – Employee satisfaction and perceptions about the working environment and company culture. – Health, safety and well-being of the workforce. – Equal treatment and opportunities. – Working conditions, remuneration and benefits.
Workers in the value chain	Engagement takes place both directly and indirectly through: <ul style="list-style-type: none"> – Supplier audits incorporating worker interviews. – Participation in organizations that can be regarded as proxies for value chain workers, especially regarding human and labor rights, such as the Responsible Business Alliance (RBA) and the Shift Business Learning Program. 	<ul style="list-style-type: none"> – Working conditions and labor rights. – Health and safety of workers.
Affected communities, consumers and end users	Engagement takes place primarily through participation in organizations that can be regarded as proxies for these groups of stakeholders, such as: <ul style="list-style-type: none"> – Global Network Initiative. – UN B-Tech Project. – Business Network on Civic Freedoms and Human Rights Defenders. 	<ul style="list-style-type: none"> – Freedom of expression and right to privacy in the ICT sector. – Application of the UNGPs in the ICT industry. – Protection of civic freedoms and human rights defenders. – Operating in conflict-affected and high-risk countries.

Other stakeholders

Stakeholder group	Examples of engagements	Matters in focus
Customers	<ul style="list-style-type: none"> – Individual customer meetings and dialogues. – Customer ESG assessments. – Joint research and development. 	<ul style="list-style-type: none"> – Portfolio energy performance and circularity. – Product security and quality features. – Role of industry and digitalization in society. – Supplier management with a focus on working conditions, labor rights and health and safety.
Investors and analysts	<ul style="list-style-type: none"> – Individual investor dialogues. – Analyst inquiries and meetings. – ESG ratings and rankings. 	<ul style="list-style-type: none"> – Business ethics and anti-corruption. – Corporate governance. – Portfolio energy performance and circularity. – Supplier management with a focus on labor rights and working conditions.
Suppliers	<ul style="list-style-type: none"> – Supplier assessments and audits. – Supplier training, seminars, and workshops. – Dialogues as part of Ericsson's supplier climate engagement target. 	<ul style="list-style-type: none"> – Business ethics and anti-corruption. – Labor rights and working conditions, including occupational health and safety. – Conflict minerals, and materials and product traceability. – Ericsson's environmental and climate-related requirements.
Civil society, international institutions, and NGOs	<ul style="list-style-type: none"> – Partnerships with <ul style="list-style-type: none"> - UNICEF/UNHCR/UN World Food Programme. - UN B-tech Project. - World Health Organization. - ITU Broadband Commission for Sustainable Development. - Exponential Roadmap Initiative. - Global Child Forum. 	<ul style="list-style-type: none"> – Use of information and communications technology (ICT) in mitigating climate change. – Environmental and human rights impacts in the ICT sector. – Digital inclusion, education, and connectivity. – Corporate donations, volunteering and humanitarian relief efforts. – Radio waves and health.
Academia and business	<ul style="list-style-type: none"> – Joint research and research funding. – Development of technology curriculum. – Participation in standardization bodies. – Membership of industry associations. 	<ul style="list-style-type: none"> – Use of ICT technology in mitigating climate change. – Radio waves and health. – Environmental impacts of the ICT sector.

General disclosures, cont'd.

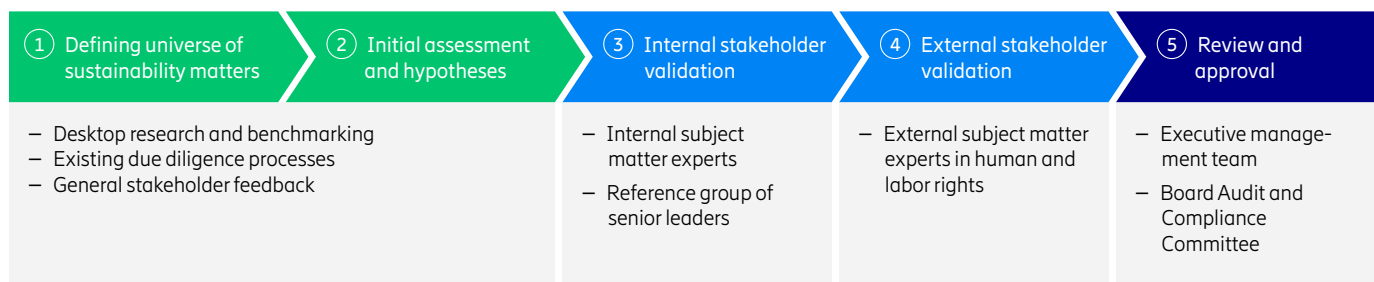
Processes to identify and assess material impacts, risks and opportunities

Ericsson undertook its most recent materiality assessment in 2023 to update its understanding of its material sustainability-related impacts, risks and opportunities.

The scope of the materiality assessment was the operations of the Group and its upstream and downstream value chain, with a focus on the electronics manufacturing supply chain when analyzing upstream impacts.

The geographical scope of the assessment was global, but with a focus on the countries and regions in which the Company has a considerable number of employees, suppliers and customers, also factoring in the Company's presence in geographies with known heightened risks of human rights violations and substandard working conditions.

The assessment was carried out in the following main phases:



1 The universe of environmental, social and governance (ESG) matters assessed was based on those included in widely used ESG reporting frameworks, supplemented by input from benchmarking of matters included in industry peers' and customers' external ESG disclosures, as well as matters covered in the assessment methodologies of a select number of ESG rating providers.

2 After scoping out matters with no apparent relation to Ericsson and its value chain, the remaining ones were analyzed in more detail to identify actual and potential negative and positive impacts, as well as actual and potential financially material risks and opportunities.

Ericsson's current understanding of impacts, risks and opportunities, based on the Company's peer-reviewed research into the environmental impacts of its products and solutions, existing human rights due diligence processes and risk management framework, as well as ongoing stakeholder engagements, were incorporated in this phase of the assessment. Additional sources of information used included, but were not limited to, external scientific research, industry and non-governmental organization reports, third-party ESG risk intelligence tools, results of employee surveys, results from supplier audits, internal risk assessments and information about cases reported via the Ericsson Compliance Line.

The analysis incorporated the results of previously conducted climate scenario analyses. The methodology and results of these are further detailed in Section E1.

Negative impacts were assessed based on their severity (scale, scope and irremediable character) and positive impacts were assessed based on their scale and scope. For potential impacts, the likelihood of the impact occurring was also considered. When assessing impacts downstream in the value chain, in relation to customers and end users, impacts

with a connection to Ericsson's portfolio were considered. Impacts occurring within customers' operations or value chains but with no or minimal connection to Ericsson's products, solutions or technology were not considered relevant for the assessment.

While numerical scales were used to quantify scale, scope and irremediability in the initial stages of the assessment of all impacts, the thresholds applied for determining if a matter should be considered material or not were largely qualitative and involved varying degrees of subjective and professional judgement. Risks and opportunities were assessed based on their magnitude and likelihood of occurrence. Where relevant, existing conclusions and thresholds in Ericsson's Enterprise Risk Management process were factored into the assessment. However, these factors also entail significant discretion and judgment by the Company

3 The preliminary results were reviewed with internal subject matter experts and business representatives to validate the assessment of materiality and embed understanding of impacts, risks and opportunities across the Company. A group of senior managers representing various parts of the Group reviewed and preapproved the results.

4 Subsequently, a not-for-profit organization with expertise in human rights was consulted for a review of identified impacts related to human and labor rights. This review was intended to function as external subject matter expert input. While it is not an affected stakeholder, the organization had the opportunity to highlight impacts that affected stakeholders would expect to see analyzed and managed. This review did not result in any significant changes to the initial conclusions.

5 The consolidated results were reviewed and approved by the Executive Team and the Audit and Compliance Committee of the Board of Directors.

General disclosures, cont'd.

Material impacts, risks and opportunities and their interaction with the strategy and business model

The table below gives an overview of Ericsson's material sustainability-related impacts, risks and opportunities and where they occur, or may occur, in the value chain. While the assessment scope included risks and opportunities, these will need to be further analyzed and incorporated into other business processes to enable a more refined analysis of their potential

financial implications, and to ensure consistent treatment with other risk factors, going forward. More detailed descriptions of identified impacts, risks and opportunities, and Ericsson's policies and actions to manage these can be found in the topic-specific sections of this report.

Material sustainability matters	Impact occurs			Potential risks and opportunities	Details in section
	Upstream, extended supply chain	Own operations	Downstream, customers and end users		
E Environment					
Climate change and energy consumption	●	●	●	●	E1
Air pollution			●		E2
Substances of concern and very high concern	●		●	●	E2
Water resources	●				E3
Natural resources and circularity	●		●	●	E5
S Social					
Talent development		●		●	S1
Work-life balance		●		●	S1
Health and safety	●	●	●	●	S1, S2
Equal treatment and opportunities	●	●		●	S1, S2
Workers' rights and working conditions	●	●			S1, S2
Forced and child labor	●			●	S2
Adequate housing	●				S2
Technology ethics			●		S3
Corporate citizenship and emergency response			●		S3
Socioeconomic impacts of ICT and digital education			●		S3
Freedom of expression and right to privacy			●		S4
Responsible marketing				●	S4
G Governance					
Corruption and bribery	●	●	●	●	G1
Anticompetitive behavior				●	G1
Supplier relationships and payment terms	●				G1
Data privacy and cybersecurity		●	●	●	G1
Political engagement and advocacy			●	●	G1

The presentation above has been slightly revised to provide a clearer and more summarized overview of material impacts, risks and opportunities, but there have been no changes in the assessment results compared with the previous reporting period.

The impacts that are most unique to Ericsson and its value chain are socio-economic impacts of ICT and digital education, further described in section

S3. Ericsson's impacts as relates to freedom of expression and right to privacy are also different from many other companies, as they primarily derive from how potential misuse of the Company's technology could adversely affect end users' rights, further described in section S4.

Section E – Environment

E1 Climate change

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Climate change and energy	●	●	●	●

Material impacts, risks and opportunities

Ericsson has identified material impacts, risks and opportunities related to climate change upstream and downstream in its value chain and in its own operations. The information and communications technology (ICT) sector represents a relatively small share of global greenhouse gas (GHG) emissions, with emissions primarily being derived from the sector’s energy consumption. Currently, the vast majority of GHG emissions in Ericsson’s value chain, approximately 90% in recent years, occur downstream, primarily from electricity consumption in the use phase of sold products, mainly mobile communication networks sold to customers. Upstream emissions, which include both resource extraction and processing, manufacturing activities and transportation represent around 10% of total value chain emissions, but this share is expected to increase in the medium to long term as more renewable energy is deployed and used in the downstream portion of the value chain, reducing emissions from the use phase of sold products. While emissions from Ericsson’s direct operations (Scope 1 and 2) represent less than 1% of the total carbon footprint, they are still considered a material impact, as all sectors of the economy need to reduce emissions to reach global agreements on climate mitigation.

With the rollout of each new generation of mobile network standards (2G, 3G, 4G and 5G), new equipment has been added, which over time has increased total energy consumption of mobile networks. The increases have been stable across each mobile generation. Ericsson’s own research¹⁾ shows that it is the installation of new equipment when deploying new generations of mobile networks that has driven the increased energy usage, reflected in increasing population coverage with multiple mobile generations. Data traffic impacts the capacity needed in mobile networks. However, the increase in energy use is less than the increase in data traffic.

While the ICT sector must address its own carbon footprint, it can also play an important role in enabling other sectors in their decarbonization efforts. Many of the solutions needed in other sectors to reduce emissions, such as management systems and smart meters in buildings, smart electrical grids, telematics, and storage and inventory management solutions in enterprises, are all dependent on ICT solutions and infrastructure to function. Ericsson’s own peer-reviewed 2015 research²⁾ suggests that ICT solutions have the potential to enable decarbonization of up to 15% in other sectors by 2030, and potentially even higher when including the enabling potential of 5G and the Internet of Things.

In 2021, Ericsson analyzed potential climate-related risks and opportunities using two different scenarios: Net Zero 2050 and Current Policies. The main conclusions from this analysis are presented below. A summary of the assessment methodology and assumptions under the two scenarios used is included at the end of this section. The results of the scenario analysis were incorporated into Ericsson’s materiality analysis when identifying material climate-related risks and opportunities. During 2025, Ericsson plans to conduct further assessments of physical climate-related hazards to further deepen its understanding of its exposure to such risks.

Increased demand for energy-efficient networks (opportunity – products and services)

In the Net Zero 2050 scenario, both emission reduction targets and higher energy prices drive further efforts by communications service providers to increase energy performance in mobile networks. The combination of these two factors creates opportunities for Ericsson to expand its offering of network energy performance solutions in the short, medium and long term.

Enabling emission reductions in enterprise sectors (opportunity – markets)

As other more emission-intensive sectors – such as power and utilities, transport and manufacturing – rapidly increase efforts to decarbonize in the Net Zero 2050 scenario, significant investments are made to achieve decarbonization goals. Many of these investments, such as the deployment of smart grids and private networks, depend on ICT solutions, which provides significant opportunity for Ericsson to expand its connectivity offering to these sectors in the medium to long term.

Increased demand for equipment with lower embodied emissions (opportunity – products and services)

In the Net Zero 2050 scenario, the price of carbon emissions increases substantially. At the same time, Ericsson’s customers rapidly increase the share of renewable energy used to power the networks, meaning the relative share of their upstream emissions increases. To address these embodied, and increasingly costly, upstream emissions, demand for products made from less emission-intensive materials and production processes, is expected to increase. This can mean new business opportunities for Ericsson in the medium to long term.

Increased costs due to carbon emissions pricing (transition risk – policy)

In the Net Zero 2050 scenario, the price of carbon emissions increases, leading to increased costs for high-emitting suppliers in Ericsson’s value chain in the medium to long term. This could mean increased costs of goods for Ericsson, which could affect profitability, assuming that upstream emissions stay the same and that costs cannot be passed on to Ericsson’s customers.

Disruptions caused by severe weather events (acute physical risk)

In the Current Policies scenario, the frequency and intensity of severe weather events, as well as coastal and riverine flooding, increases in the long term. This leads to heightened risks for business interruptions and damage to inventory and fixed assets in the supply chain at outsourced manufacturing sites and Ericsson’s own sites, such as production facilities and IT centers.

Resilience of business model to effects of climate change

Ericsson’s current strategy and business model is considered to be relatively resilient to the physical and transitional implications of climate change compared with other high-emitting industries, or those that are more directly exposed to risks caused by chronic changes in the climate. Emission reductions in Ericsson’s own operations are believed to be achievable without significant changes to the underlying business model. Demand for mobile networks and connectivity solutions is not primarily driven by climate-related factors.

Policies related to climate change mitigation and adaptation

Code of Conduct for Business Partners

The Code of Conduct for Business Partners requires Ericsson’s business partners, including suppliers, to develop and implement plans and targets to reduce their GHG emissions. Business partners must adopt, and publicly disclose, their targets for reducing emissions in alignment with

¹⁾ Ericsson Mobility Report 2021.

²⁾ Malmodin & Bergmark (2015), Exploring the effect of ICT solutions on GHG emissions in 2030, *Atlantis Press*

Section E1, cont'd.

the science-based 1.5 C ambition and actively work toward achieving them, which includes public reporting on progress made on an annual basis. Ericsson has additional environmental requirements for suppliers of hardware components or products, construction work, supply services, field maintenance and network rollout operations, as well as those with high environmental risks, where their operations significantly impact the environment. These state that if energy consumption or GHG emissions are identified as significant environmental aspects, the supplier must calculate its carbon footprint, using the GHG protocol for its Scope 1, Scope 2 and, if applicable, for its Scope 3 emissions. For further information regarding policies, including information about Ericsson's Sustainability Policy applicable to its own operations, see the section General Disclosures.

Transition plan for climate change mitigation

Ericsson has a Science Based Targets initiative (SBTi) validated 1.5 C aligned emission reduction target to achieve Net Zero value chain emissions by 2040, with a near-term target to reduce total value chain emissions by 50% from a 2020 baseline by 2030. There is more detailed information about these targets below. The most significant actions that the Company plans to take to reach these targets are described below.

Scope 1 direct emissions

- Ericsson plans to replace its internal combustion engine service vehicles with a low-emission fleet and reduce the overall size of the fleet. Some markets are expected to transition faster than others due to differences in availability of low- or zero-tailpipe emissions vehicles and other market conditions. In addition, there are plans to increase the coverage and use of fleet management systems and telematics to optimize fleet utilization.
- Emission reductions from stationary combustion are based on plans to reallocate some operations to facilities with access to district heating, which would reduce emissions from local heating. Further reductions can also be achieved by replacing gas boilers with electric systems where feasible.
- By using refrigerants with lower global warming potential, or by using less refrigerants where possible, fugitive emissions are also planned to be reduced.

These levers and associated actions are expected to reduce annual Scope 1 GHG emissions by about 37,000 metric tons, or 93%, by 2030.

Scope 2 indirect emissions

- Ericsson aims to continue to source renewable electricity for its facilities and to continue to work together with its facility management companies to improve the energy efficiency of its facilities.
- Emissions from district cooling are modeled to be reduced by 5% compared with 2023 levels in own data centers and labs. District heating has been reduced since 2020, but is modeled to not be reduced further.

These levers and associated actions are expected to reduce annual Scope 2 GHG emissions by about 70,000 metric tons, or 95%, by 2030.

Scope 3 upstream, transportation and product end-of-life emissions

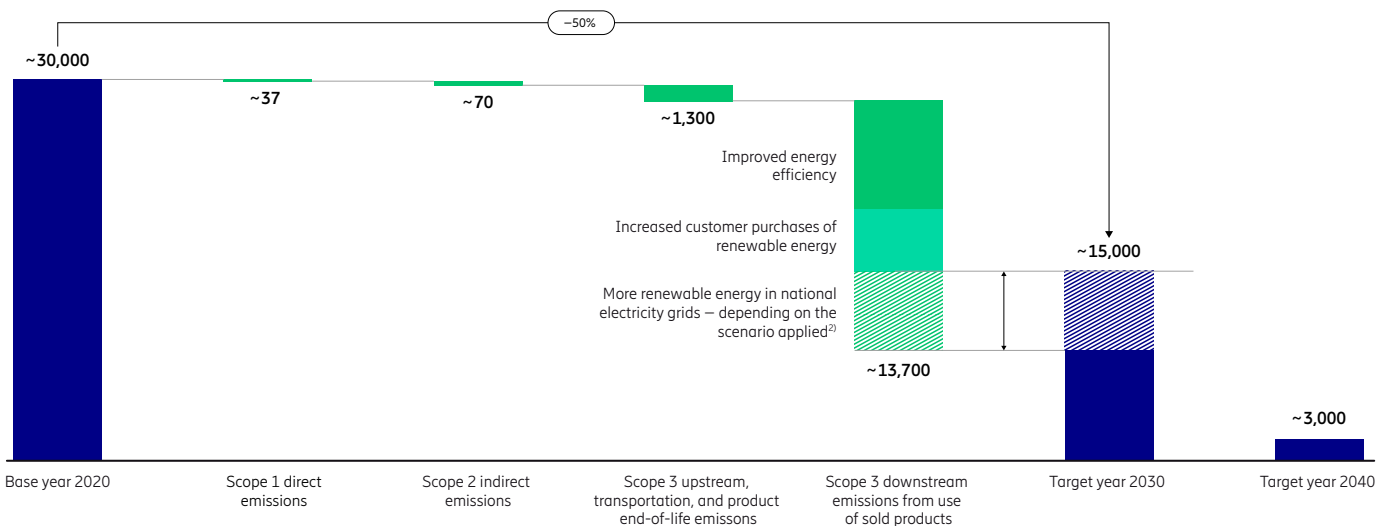
- Most emission reductions in the upstream value chain are planned to come from addressing the product portfolio's embodied carbon emissions. The main levers are designing more lightweight products and material choices, suppliers using more renewable energy and transport efficiency. Supplier engagements will focus on addressing those suppliers with high emissions, which are those diecasting aluminum, manufacturing printed circuit boards and integrated circuits.
- Business travel emissions are expected to increase compared with the baseline, as this coincided with the COVID-19 pandemic, although not by more than 50% of pre-pandemic levels.
- The acquisition of Cradlepoint and the increasing outsourcing of field service work both contribute to increases in upstream emissions compared with the 2020 baseline.

These levers and associated actions are expected to contribute to a net reduction of annual Scope 3 upstream, transportation and product end-of-life GHG emissions by about 1.3 million metric tons, or 50%, by 2030.

Scope 3 downstream emissions from the use of sold products

- Ericsson relies on three levers for reducing the indirect downstream emissions from the use of its products and services. These levers have been assessed based on projected sales and forecasted energy consumption of hardware and software sold.
- The first is to improve the energy performance of hardware, software and service solutions. A key performance indicator is monitored through the target to reduce the average energy consumption of typical new radio base station sites. The Company also provides guidance to customers on how to plan, build and operate energy-optimized networks. This lever is expected to contribute to annual GHG emission reductions by about 8.6 million metric tons.

Net Zero transition plan¹⁾ – Decarbonization levers (thousand metric tons CO₂e)



¹⁾ The values in this graph are rounded for simplicity reasons and are therefore nominally different from the values presented in the table on page 23 showing target values as validated by the SBTi.
²⁾ The size of the emission reductions from the grid improvement ranges from zero to 6.3 million metric tons depending on the scenario applied.

Section E1, cont'd.

- The second is the share of renewable electricity used when customers operate the networks, which Ericsson has limited ability to influence. However, Ericsson is supporting its customers with the integration of on-site renewable energy generation such as solar and wind energy at base station sites. When developing the transition plan, it was assumed that the average share of renewable electricity used by Ericsson's customers would be about 50% in 2030¹⁾. In 2024, the share was about 28%. This lever is expected to contribute to annual GHG emission reductions by about 5.1 million metric tons.
- The third is the greening of national electricity grids. There are uncertainties as to how fast the global share of renewable energy will grow, as this depends on external factors such as national policies. The size of the emission reductions from this lever ranges from zero to 6.3 million metric tons depending on the scenario applied.

These levers are expected to contribute to a net reduction of annual Scope 3 downstream GHG emissions from the use of sold products by between 13.7 and 20.0 million metric tons, or 50% to 73%, by 2030.

Locked-in emissions

Cumulative locked-in GHG emissions from own operations are not considered material, as Ericsson does not operate any emission-intensive assets. Locked-in GHG emissions from the use phase of sold products are dependent on the energy used to power the networks Ericsson has supplied, which in turn is dependent on the energy sourced by Ericsson's customers, as described above.

Transition plan alignment with Taxonomy and EU benchmarks

Economic activities undertaken by Ericsson are not covered to any significant extent by the delegated regulation on climate change mitigation and adaptation under the EU Taxonomy for sustainable activities. Hence, there are

currently no material investments planned for alignment to the taxonomy's criteria as relates to these two environmental objectives.

Based on the stated exclusion criteria, Ericsson has assessed that it is not excluded from the EU Paris-aligned benchmarks.

Governance of the transition plan

In 2024, the transition plan was reviewed by a group of senior managers representing the business segments Networks and Cloud Software and Services and Group-wide functions including sourcing, finance, real estate and sustainability. The plan was subsequently adopted by the executive management team.

The transition plan will continue to be embedded in Ericsson's overall strategy and financial planning over the coming years and the Company will report on progress in its implementation.

Targets related to climate change mitigation and adaptation

Ericsson has a near-term and a long-term emissions reduction target. Both are Group-wide and have been validated as 1.5 C aligned by the SBTi.

Emission reductions – near term

Reduce total value chain emissions by half by 2030, including a 90% reduction in Scope 1 and 2, and a 50% reduction of the sum of Scope 3 emissions.

Emission reductions – long term

Net zero value chain emissions by 2040. This implies at least a 90% reduction of emissions in Scope 1, 2 and relevant Scope 3 categories from a 2020 baseline, and the potential use of carbon removal and storage technology or other permanent removal methods for the residual (maximum 10%) of emissions.

Portfolio energy performance target

Reduce energy consumption at radio base station sites by 40%

Scope	Base year	Target year	Target energy reduction, %	Reporting year energy reduction, %	SBTi status
Network base station site	2021	2025	40	37	Not validated

This target supports the Net Zero target by addressing downstream GHG emissions through reducing the energy consumption of customers' mobile networks. The target entails reducing the energy consumption of radio base station type sites by 40% by 2025 compared with a 2021 baseline. The energy consumption is measured in kWh and target performance is expressed as the average of potential reductions for modeled type sites in rural, suburban and urban locations for a communications service provider operating in Europe. The target is intended to track the Company's capability to provide energy-efficient solutions to its customers. For this reason, it measures energy consumption reduction, compared with the base year, from the best performing solution of software and hardware available in the target and reporting year, respectively. These values should be understood as the maximum potential energy savings possible in each respective year based on the technology available at the time.

Supplier engagement

Have 350 suppliers set 1.5 C aligned emission reduction targets

Scope	Base year	Aligned in base year, no.	Target year	Targeted alignment, no.	Aligned in reporting year, no.	SBTi status
First-tier suppliers	2021	5	2030	350	323	Not validated

This target supports Ericsson's Net Zero target, addressing upstream greenhouse gas emissions by having 350 high-emitting and strategic direct suppliers set their own 1.5 C aligned emission reduction targets, which shall include a commitment to halve emissions in relevant scopes to 2030. Targets must be made public, and suppliers must commit to publicly report at least annually on the progress for the targets to be accepted as aligned.

The consistency between Ericsson's emission reduction targets and its baseline GHG inventory was assessed as part of the validation of the targets by the SBTi. Reallocations between certain Scope 3 categories were made in the process, but no material changes to total baseline and target year emissions were made.

The 2020 baseline year was influenced by the global COVID pandemic. Since then, the Company has also acquired businesses including Cradlepoint and Vonage. However, the effect on total Group-wide greenhouse gas emissions has not been considered significant enough to warrant a recalculation of the baseline.

To take a precautionary and prudent approach, Ericsson has estimated global average grid emission factors for 2030 to be slightly higher than what is currently forecast by the International Energy Agency (IEA) when developing its climate transition plan.

Taking action on material impacts, risks and opportunities

Scope 1 direct emissions

Scope 1 emissions decreased by about 36% in 2024 compared to 2023, primarily due to a smaller fleet of service vehicles and overall better fuel economy in the fleet.

Scope 2 indirect emissions

Scope 2 emissions (market-based) decreased by about 20% in 2024 compared to 2023. Ericsson has continued to reduce energy consumption by working with its facility management partners to improve the energy efficiency of leased spaces.

Scope 3 upstream, transportation and product end-of-life emissions

In 2024, emissions from purchased goods and services, which are the main contributor to Scope 3 upstream emissions, decreased by about 27%

¹⁾ IEA. Massive global growth of renewables to 2030 is set to match the entire power capacity of major economies today, moving the world closer to tripling its goal. (2024).

Section E1, cont'd.

compared with 2023. This was due to a combination of factors, including continuous product design improvements, such as reduced product weight and choice of materials, and through working with suppliers to increase their use of renewable energy. Ericsson also conducted studies on how to reduce emissions from emissions-intensive materials and processes such as aluminum. By year-end, 323 suppliers out of the targeted 350 suppliers with either strategic importance or high emissions in scope of Ericsson's engagement target had climate targets aligned to the 1.5 C ambition. Lower weights together with continuous efforts to reduce air transport led to a decrease in emissions from product transport.

Scope 3 downstream emissions from use of sold products

Emissions from the use of sold products decreased by 42% compared with 2023. In 2024, there was a geographical shift in sales back to markets that have comparatively larger shares of electricity generated from renewable sources in the national grids, which contributed to lower downstream emissions. Part of the reductions can also be attributed to improvements in energy performance in delivered network equipment and to increased customer purchases of renewable electricity.

Product energy certifications

Most of the product portfolio, made up of communication network hardware such as radios and antennas, is currently not covered by any third-party-managed certification scheme for energy efficiency. Products eligible for certification, such as servers, constitute a smaller part of the product portfolio. These are currently not certified according to any such scheme.

Training and raising awareness

A framework has been developed to upskill employees on the topic of climate change based on the level of needs in their respective roles. Introductory and fundamental levels are currently available to all employees. Ericsson is committed to supporting climate action through its supplier engagement initiatives, and it provides training on climate change mitigation for suppliers within the scope of its supplier engagement target, offering a series of modules designed to help sourcing employees understand environmental requirements and guide suppliers in taking climate action.

Collaborations and partnerships

As a general principle, any climate-related commitment or collaboration that Ericsson partakes in must be based on a scientific approach for the Company to consider endorsement. Here, the most significant external collaborations related to climate change mitigation are listed.

Organization	Description
1.5 C Supply Chain Leaders	Members of the 1.5 C Supply Chain Leaders work together to drive climate action through global supply chains and support small and medium-sized enterprises (SMEs) through the SME Climate Hub. The partnership aims to support suppliers in halving emissions before 2030 and achieving Net Zero emissions before 2050.
CEO Alliance for Europe	The CEO Alliance for Europe is a cross-sector collaboration between eight companies, with over 1.5 million employees and EUR 500 billion in annual revenue working for a more sustainable and resilient Europe, with a focus on digitalization and decarbonization. Ericsson was chair of the Alliance in 2024 but has since left the Alliance.
European Green Digital Coalition	The European Green Digital Coalition is an initiative by a group of ICT companies, supported by the European Commission and the European Parliament, which aims to promote and harness the enabling emission-reducing potential that digital solutions can have in other sectors.
Exponential Roadmap Initiative	The Exponential Roadmap Initiative brings together innovative and transformative businesses taking action in line with limiting global warming to 1.5 C. The purpose is to accelerate exponential climate action and solutions, integrate climate in business strategies and influence climate action in society, with the mission to halve emissions before 2030. The initiative is an accredited partner to the UN Climate Change High-Level Champions' Race to Zero campaign.
World Economic Forum – Alliance of CEO Climate Leaders	The Alliance of CEO Climate Leaders is a global community of chief executive officers who work toward climate action across all sectors and engage with policymakers to help deliver the transition to a Net Zero economy.

Energy consumption and mix

Energy consumption in own operations¹⁾

MWh	2024	2023	2022
Fossil sources			
Fuel consumption from coal and coal products	–	–	–
Fuel consumption from crude oil and petroleum products ²⁾	34,321	63,525	103,692
Fuel consumption from natural gas	39,287	45,127	44,772
Fuel consumption from other fossil sources	–	–	–
Purchased or acquired electricity	76,174	76,047	92,201
Purchased or acquired heat	19,339	19,090	24,188
Purchased or acquired steam	–	–	–
Purchased or acquired cooling	103,692	51,534	51,453
A. Total fossil energy consumption	272,811	255,323	316,306
<i>Share of fossil sources in total energy consumption, %</i>	<i>36</i>	<i>34</i>	<i>40</i>
<i>Share of fossil sources in total electricity consumption, %</i>	<i>14</i>	<i>13</i>	<i>16</i>
Nuclear sources			
Fuel consumption from nuclear sources	–	–	–
Purchased or acquired electricity	13,410	13,906	10,788
B. Total nuclear energy consumption	13,410	13,906	10,788
<i>Share of nuclear sources in total energy consumption, %</i>	<i>2</i>	<i>2</i>	<i>1</i>
<i>Share of nuclear sources in total electricity consumption, %</i>	<i>2</i>	<i>2</i>	<i>2</i>
Renewable sources			
Fuel consumption from renewable sources	–	–	–
Purchased or acquired electricity	463,920	478,866	466,208
Purchased or acquired heat	–	–	–
Purchased or acquired steam	–	–	–
Purchased or acquired cooling	–	–	–
Consumption of self-generated non-fuel renewable energy	1,730	1,621	1,001
C. Total renewable energy consumption	465,650	480,487	467,209
<i>Share of renewable sources in total energy consumption, %</i>	<i>62</i>	<i>64</i>	<i>59</i>
<i>Share of renew. sources in total electricity consumption, %</i>	<i>84</i>	<i>84</i>	<i>82</i>
D. Total energy consumption (A+B+C)	751,871	749,716	794,303

¹⁾ This information is subject to measurement uncertainty as energy consumption at facilities is based on partly estimated values. About 12% (19%) of the total reported energy consumption at facilities is estimated by extrapolating values at facilities with measured consumption. See page 10 for information about changes in consolidation methodology that limits year-over-year comparisons.

²⁾ This information is subject to measurement uncertainty as fuel consumption in the service vehicle fleet is estimated partially based on vehicle telematics data and partially on contracted yearly mileages for leased vehicles without telematics installed.

Types of renewable energy instruments purchased

MWh	2024	2023	2022
Unbundled energy attribute certificates, I-REC	73,000	80,122	80,000
Unbundled energy attribute certificates, US-REC	5,000	36,740	9,000
Unbundled energy attribute certificates, GoO	258,600	244,600	280,027
Project-specific with contract	127,320	117,404	97,182
Total	463,920	478,866	466,209

Energy intensity associated with activities in high impact climate sectors

MWh/net sales MSEK	2024	2023	2022
Activities in high impact climate sectors ¹⁾	1.02	0.98	n/a
Other activities	4.13	3.85	n/a
Total	3.03	2.84	n/a

¹⁾ Ericsson generates revenue from the manufacturing and subsequent sale of computer, electronic and optical products, in particular communications equipment, which is classified as activities in high climate impact sectors, according to Regulation (EU) No. 2022/1288. Therefore, Ericsson discloses its energy intensity associated with these activities. The denominator used to calculate this metric is the total turnover derived from the manufacturing of electrical and electronic equipment (CE 1.2), as presented in section E6. This amount is included in the line-item Hardware in note B2, Net Sales, to the consolidated financial statements. The nominator is the total energy consumption at Ericsson's manufacturing sites and warehouses. A large share of the electronic equipment sold is manufactured by third-party electronics manufacturing suppliers whose energy consumption is not captured by this metric.

Section E1, cont'd.

Gross Scopes 1, 2, 3 and total GHG emissions

Greenhouse gas emissions by scope and category

Metric tons of CO ₂ e	Retrospective					Milestones and target years	
	2024	% 2024 /2023	2023	2022	Base year 2020	2030	2040
Scope 1 GHG emissions¹⁾							
Fuel for service vehicle fleet	8,386	-48%	16,039	27,689	32,967	n/a	n/a
Stationary combustion and refrigerants	8,953	-19%	10,990	10,713	6,673	n/a	n/a
Total gross Scope 1 emissions	17,340	-36%	27,029	38,402	39,640	10,000	10,000
<i>of which under regulated trading schemes, %</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>n/a</i>	<i>n/a</i>
Scope 2 GHG emissions¹⁾							
Gross location-based	116,454	-15%	136,628	141,636	155,934	n/a	n/a
Gross market-based	34,007	-20%	42,251	45,258	73,700	1,500	1,500
Significant Scope 3 GHG emissions²⁾							
Upstream							
Purchased goods and services	1,220,000	-30%	1,751,600	2,199,900	2,261,000		
Capital goods	33,100	-12%	37,800	39,200	43,000		
Fuel-and energy-related activities	21,100	+7%	19,700	36,600	30,600		
Upstream transportation	144,200	-13%	164,800	206,200	199,800		
Waste generated in own operations	800	-20%	1,000	1,200	2,400		
Business travel	54,215	+3%	52,599	25,469	14,122	15,000,000	3,000,000
Employee commuting	51,700	+6%	49,000	34,500	36,900		
Downstream							
Downstream transportation	23,710	+12%	21,158	7,090	7,194		
Use of sold products	17,142,500	-42%	29,658,200 ³⁾	28,262,400	27,281,100		
End-of-life treatment of sold products	21,900	-20%	27,300	31,800	33,000		
Total gross Scope 3 emissions	18,713,225	-41%	31,783,157	30,844,359	29,909,116	15,000,000	3,000,000
Total gross GHG emissions, location-based	18,847,019	-41%	31,946,814	31,024,397	30,104,690	n/a	n/a
Total gross GHG emissions, market-based	18,764,572	-41%	31,852,437	30,928,019	30,022,456	15,011,500	3,011,500

¹⁾ As underlying energy consumption is partly estimated, Scope 1 and 2 GHG emissions are subject to measurement uncertainties.

²⁾ Scope 3 emissions are subject to high levels of measurement uncertainty and have been derived using information obtained from value chain actors. A more detailed description of GHG accounting methodologies is included below.

³⁾ Restated information. See page 10 for more information.

Share of GHG emissions by scope

%	2024	2023	2022
Scope 1	0.1	0.1	0.1
Scope 2 (market-based)	0.2	0.1	0.1
Scope 3 upstream	8.1	6.5	8.2
Scope 3 downstream	91.6	93.3	91.5

Emissions intensity by scope

Metric tons of CO ₂ e/net sales, MSEK	2024	2023	2022
Scope 1	0.07	0.10	0.14
Scope 2 (location-based)	0.47	0.52	0.52
Scope 2 (market-based)	0.14	0.16	0.17
Scope 3 upstream categories	6.15	7.88	9.37
Scope 3 downstream categories	69.34	112.80	104.22
All scopes (market-based)	75.70	120.95	113.90

GHG accounting methodology

Emissions are reported according to the GHG Protocol using the same consolidation approach as for the financial statements. Should Ericsson obtain operational control over a non-consolidated entity or asset, related Scope 1 and 2 emissions would be consolidated in accordance with the extent of Ericsson's operational control and not its equity share. No such arrangements existed in the reporting year and there have been no other significant changes in what constitutes Ericsson's operational boundaries compared to the previous reporting period. Measurement periods are aligned to the fiscal year and based on the latest available data at the cut-off date, supplemented with extrapolated estimates for periods where no measured data is available.

Emissions are reported in CO₂e and include the following gases and chemicals: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O),

hydrofluorocarbons (HFCs) and perfluorochemicals (PFCs). The most significant emission factors applied are listed in Appendix I.

From 2024, Ericsson includes emissions from purchased cloud storage and processing capacity in emissions Scope 3 category Purchased Goods and Services. In 2024, the emissions from purchased IT and cloud services were estimated to be about 6,400 metric tons. As this is not seen as materially affecting the comparability of previously reported values in this category, no restatements have been made.

Scope 1

Consumed volumes of fuels and refrigerants are multiplied by applicable emission factors to derive emissions. Fuel consumption in the service vehicle fleet is estimated partially based on vehicle telematics data and partially on a combination of contracted yearly mileages and internal estimates of driven distances for leased vehicles without telematics installed.

Scope 2

Purchased energy volumes are multiplied by country average emission factors for location-based emissions. For market-based emissions, the residual energy mix and purchased renewable energy instruments are the source of the emission factors used in the calculations. Part of the energy consumption at facilities is estimated. See the disclosure Energy Consumption and Mix for details.

Scope 3

Emission factors used to calculate emissions in the following categories: Capital Goods: Fuel- and Energy-Related Activities; Waste Generated in Operations; and End-of-Life Treatment of Sold Products are based on internal studies and Ericsson's Life-Cycle Assessment of the carbon footprint of its products and are multiplied with relevant activity metrics to estimate yearly emissions.

Section E1, cont'd.

Emissions in the category Purchased Goods and Services are the estimated embodied emissions from purchased electronic components and other hardware using an average-data approach, calculated on a product level by multiplying cradle-to-gate emission factors with activity metrics such as the amount or weight of sold hardware. This category also includes emissions from externally purchased cloud storage and processing capacity.

Emissions in the category Upstream Transportation are estimated using a combination of calculations based on spend-based data, and calculations based on measured weights and transported distances of outbound shipments paid for by Ericsson.

Most emissions in the category Business Travel are calculated based on information about routes, distances and ticket classes of flights taken by Ericsson employees as reported by travel agencies, with a smaller part including hotel nights being estimated based on travel spend. Emissions in the category Employee Commuting are estimated based on a survey of employees' commuting and teleworking habits.

Lifetime product emissions in the category Use of Sold Products and Services are estimated and reported in their entirety in the year products are

sold and not accrued over their expected lifetime. To calculate these emissions, the average expected lifetime of products sold is assumed to be 10 years. Life-cycle grid emission factors relevant to the products' use phase have been estimated using the current energy mix in the grids of markets served, or the latest available customer-specific energy mix data where that is stated in the public domain. Future changes in grid factors or customer-specific energy mixes that may occur over the expected lifetime of sold products are not factored into the calculations.

Most emissions in the category Downstream Transportation are calculated using the weight and distances of transported products where the transport has been paid for by the customer.

Emissions in the remaining Scope 3 categories have been assessed as not material and are therefore not reported. Estimating Scope 3 emissions is associated with inherent uncertainties due to limitations in availability and accuracy of primary data, which is why the reported figures should not be regarded as exact measurements. The table below summarizes Ericsson's Scope 3 accounting methodologies and the estimated levels of uncertainty of reported figures by category.

Scope 3 GHG emissions accounting

Category	Accounting method/ Rationale for exclusion	Share of emissions calculated using primary data from value chain partners	Level of measurement uncertainty ¹⁾
Purchased goods and services	Average data	48	Moderate
Capital goods	Average data	0	High
Fuel-and energy-related activities	Average data	0	High
Upstream transportation	Average data	50	Moderate
Waste generated in own operations	Average data	0	High
Business travel	Supplier-specific method	90	Low
Employee commuting	Average data	0	High
Upstream leased assets	Leased assets ²⁾ are included in Scope 1 and 2 emissions	n/a	n/a
Downstream transportation	Hybrid method	100	Low
Processing of sold products	Ericsson's products do not require further processing	n/a	n/a
Use of sold products	Direct use-phase emissions through a hybrid method	18	Moderate
End-of-life treatment of sold products	Average data	0	High
Downstream leased assets	Ericsson does not lease out assets to a significant extent	n/a	n/a
Franchises	Ericsson does not operate a franchise business model	n/a	n/a
Investments	Ericsson does not make financial investments to any significant extent	n/a	n/a

¹⁾ Definitions of measurement uncertainty levels: High: emissions are entirely or primarily modeled using proxy data. Moderate: emissions are partly modeled using proxy data and partly based on data directly supplied by value chain partners or internal primary data sets. Low: emissions are primarily based on data directly supplied by value chain partners or internal primary data sets.

²⁾ Primarily leased facilities and service vehicles.

GHG removals and mitigation projects financed through carbon credits

No carbon credits were purchased during 2024. Ericsson plans to use carbon removal technologies to neutralize the unavoidable part of value chain emissions to reach its 2040 Net Zero targets. When such technologies are employed, they will not represent more than 10% of the base year carbon emissions and will be assessed for the integrity of the technology in question to foster the effectiveness and trustworthiness of any Net Zero claims.

Internal carbon pricing

Ericsson has introduced the functionality to include a shadow price of USD 100 per metric ton of CO₂e from transports in its landed cost model of certain categories of network equipment. This price level was determined based on a 2021 price estimate of permanent carbon removal solutions, which was aligned with the carbon price the World Bank recommended at the time to keep global warming to below 2 C¹⁾.

The intent of the price is to visualize the cost of carbon related to downstream transportation when calculating and deciding on transport routes for outgoing shipments sourced by Ericsson. The application of the shadow price is optional, does not result in internal transfers of funds and is not used when preparing the financial statements.

Methodology for climate scenario analysis

Overview of scenarios analyzed

Net Zero 2050

- Ambitious mitigating actions introduced imminently.
- Net Zero global GHG emissions by around 2050.
- 50% chance of limiting global warming to below 1.5 C by the end of the century.
- Relatively low physical risks but high transitional impacts.

Current Policies

- Mitigating actions limited to currently adopted or announced policies.
- Emissions grow until 2080.
- Global warming of around 3 C by the end of the century.
- High physical risks but lower transitional impacts.

Assessment methodology

Initially, more than 30 potential climate-related risks and opportunities were considered in the analysis. The items on this longlist were identified through consultations with internal subject matter experts covering several Company functions, and through external benchmarking. The probability and impact of all items were analyzed qualitatively through the usage of heatmaps. This was followed by a more granular analysis of a shortlist of risks and opportunities considered of highest relevance to Ericsson. Risks and opportunities upstream and downstream in the value chain, as well as in own operations, were considered. Physical risks were assessed using the assumptions under

¹⁾ The World Bank. (2022). State and Trends of Carbon Pricing, *World Bank*

Section E1, cont'd.

the Current Policies scenario, whereas transitional risks and opportunities were primarily analyzed in the context of the Net Zero 2050 scenario. Both scenarios are published by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

Regarding time horizons, the quantitative analysis of opportunities focused on the period up to 2025, and the quantitative analysis of risks

on the period between 2025 and 2030. For this analysis, Ericsson defined short-, medium-, and long-term time horizons as up to 2025, 2025-30, and beyond 2030, respectively. The more long-term impacts of risks and opportunities, stretching beyond 2030, were assessed qualitatively. Under the Current Policies scenario, the impacts of physical risks are expected to become more severe after 2030.

E2 Pollution

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Air pollution			●	
Substances of concern and very high concern	●		●	●

Material impacts, risks and opportunities

Material impacts related to pollution of air have been identified in Ericsson's downstream value chain, but not in the Company's own operations. Material impacts and risks related to substances of concern and substances of very high concern have been identified both upstream and downstream in Ericsson's value chain, but not in its own operations.

Air pollution

Energy generation through combustion of fossil fuels is a significant source of air pollution worldwide. It is an indirect systematic environmental impact linked to the electricity consumption of network equipment sold by Ericsson, which is especially relevant in markets where fossil energy sources make up a significant share of the energy mix. Ericsson's work to increase the energy efficiency of its networks, further detailed in section E1, addresses this impact. No other policies, actions or action plans related to this impact are detailed in this report.

Substances of concern and very high concern

In Ericsson's upstream value chain, all manufacturing of electronic equipment today requires small volumes of substances of concern and sometimes substances of very high concern. Downstream in the value chain, potential negative impacts could occur if end-of-life products are not properly disposed of or recycled, leading to contamination of nature by hazardous substances. Ericsson's own manufacturing processes primarily involve assembling products and components manufactured by other actors upstream in the value chain. Hence, no significant amounts of such substances are used or added in Ericsson's own operations.

Increasing regulation on the use of certain substances may drive increased compliance costs as well as increased costs to research and develop alternative solutions and substances, exemplified with the recent proposal on restricting the use of PFAS¹⁾ in the European Union. In addition, the availability of alternatives may be limited, meaning they could come at a higher price compared to the one for the substances currently used.

Policies related to pollution

Code of Conduct for Business Partners

Ericsson's Code of Conduct for Business Partners requires all suppliers, including those with operations that have a significant impact on the environment, such as those providing manufacturing services, shipping and logistics and network rollout, to adhere to additional environmental requirements. Among other things, this includes a requirement for suppliers to comply with the requirements in the Ericsson List of Banned and Restricted Substances covering substances that are restricted to use in products or in the production processes. The requirements are applicable when designing, purchasing and manufacturing components and products, including batteries and packaging. The structure and grouping of substances are in accordance with the Material Declaration for Products of and for the Electrotechnical Industry

standard, IEC 62 474, but also contain additional substances. Banned and restricted substances shall not be intentionally added for use in the specified applications. Substitution of substances under observation is recommended as a precautionary approach. General information regarding the Code of Conduct for Business Partners is included in the section General Disclosures, which also includes information about Ericsson's Sustainability Policy.

Taking action on material impacts, risks and opportunities

Material declarations

To be able to assess the presence of substances included in purchased components and equipment, Ericsson collects material declarations from its suppliers. Upon request, suppliers are expected to declare the full material content of products delivered to Ericsson. This includes substances on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) candidate list, which is the regulation and system governing the manufacture and import of chemicals in the EU, and declarations of the use of certain critical raw materials (as defined in the EU Critical Raw Materials List). In addition, there is a SCIP (Substances of Concern In articles as such or in complex objects (Products)) reporting process in place to fulfill requirements in the EU Waste Framework Directive. Ericsson conducts dialogues with suppliers of hardware about proactive substitution of substances under observation, where that is deemed practically feasible.

Product Take-Back Program

To meet its extended producer responsibilities for sold electrical and electronic equipment, Ericsson offers collection of end-of-life products to its customers through a Product Take-Back Program. This is one measure to reduce the risk of end-of-life products containing hazardous substances being disposed of in a way that could cause pollution. There is further information about Ericsson's Product Take-Back Program in section E5.

Environmental Management System

The Company's Environmental Management System is certified to the ISO 14001:2015 standard, covering management, research, product management, development and supply, sales and installation and maintenance of hardware, software, services and solutions for ICT. The Environmental Management System, as an integrated part of the Ericsson Group Management System, builds on Group-wide processes such as audits and assessments and management reviews. Environmental regulation is periodically monitored and evaluated on a country level to help Ericsson meet environmental compliance obligations.

In addition, a specific Environmental Risk Management framework is in place, which is aligned to Ericsson's Enterprise Risk Management framework. The Company has an incident reporting system through which employees and suppliers are encouraged to report environmental incidents. Incident reporting is part of the environmental requirements for suppliers included in the Ericsson Code of Conduct for Business Partners.

¹⁾ Per- and Polyfluorinated Substances (PFAS) are a group of chemicals used to make fluoropolymer coatings and products that resist heat, oil, stains, grease and water, and can be found in a variety of products, including electric equipment and electronics.

Section E2, cont'd.

Targets related to pollution

Ericsson does not have any public targets related to pollution.

Emissions to air from own operations

While not related to any identified material impacts, risks or opportunities, Ericsson discloses emissions of air pollutants derived from its own operations in Appendix I to the sustainability statements, as this information is frequently asked for by external stakeholders. These emissions are primarily caused by the combustion of fossil fuels in Ericsson’s service vehicle fleet and local heating installations at Ericsson’s facilities. None of Ericsson’s own manufacturing sites are in scope of regulation related to air pollutants, such as the European Union’s Emissions Trading Scheme (EU ETS), Industrial Emissions Directive (IED) or the European Pollutant Release and Transfer Register (E-PRTR).

Substances of concern and substances of very high concern

Since information about the volumes of substances of concern and substances of very high concern contained in Ericsson’s products is dependent on information from other value chain actors, primarily suppliers of components and equipment, Ericsson is currently unable to disclose consolidated figures. The Company plans to assess how to best collect and consolidate this information in the coming years.

Environmental incidents

In 2024, Ericsson recorded no (0) major¹⁾ environmental incidents.

E3 Water and marine resources

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Water resources	●			

Material impacts, risks and opportunities

Systemic negative material impacts related to water have been identified upstream in the value chain, primarily linked to the manufacturing of semiconductors and extraction of natural resources such as minerals used in electronic hardware. Semiconductor manufacturing typically requires ultrahigh water quality, which in turn leads to high water consumption, and produces wastewater that may contain pollutants if not adequately treated. This can impact the water availability and quality in adjacent communities if not managed properly. Mining of minerals can impact water in several stages of the mining process, which may impact both the availability of freshwater as well as the quality of the water.

Ericsson has not identified any material water-related impacts in its own operations or downstream in the value chain. Ericsson does not use water directly in its assembly processes, meaning water used in its own operations is primarily used for sanitary purposes. Water is sourced from municipal water supplies and not directly drawn from groundwater or surface water sources. Ericsson’s products and services do not consume water in their use phase.

As water is a key input in certain parts of Ericsson’s upstream value chain, water shortages affecting these parts of the value chain could lead to supply chain disruptions. Under the Current Policies scenario considered as part of Ericsson’s climate scenario analysis described in section E1, several regions where Ericsson’s suppliers are located, including manufacturers of semiconductors in Southeast Asia, are at risk of high-water stress in the future, which could cause shortages of manufacturing inputs.

During 2025, Ericsson will conduct a further assessment of the impact on water and exposure to potential water stress at certain sites to further increase its understanding of potential impacts and risks related to water resources.

Policies related to water and marine resources

Ericsson’s Code of Conduct for Business Partners

Ericsson’s Code of Conduct for Business Partners requires suppliers to reduce the use of natural resources, including water, where feasible. For suppliers of hardware components or products, construction work, supply services, field

maintenance and network rollout operations, as well as those with high environmental risks where their operations significantly impact the environment, Ericsson has additional environmental requirements. Among others, these require the supplier to measure and control emissions to water and ensure proper treatment of all effluents of wastewater. These suppliers are also expected to control and measure their water usage. If water consumption is identified as a significant environmental aspect, the business partner is expected to develop a water management plan to minimize the overall water consumption, recycle used water or by any other means reduce its impact. General information regarding the Code of Conduct for Business Partners is included in the General Disclosures section, which also includes information about Ericsson’s Sustainability Policy.

Taking action on material impacts, risks and opportunities

Supplier audits

Ericsson conducts audits of first-tier suppliers to assess their adherence to the Code of Conduct for Business Partners. These audits are further described in section S2. Currently, the focus of the audits as relates to water is on assessing suppliers’ water and wastewater management practices. In 2024, no (0) major nonconformities related to water management were identified.

Targets related to water and marine resources

Ericsson does not have any public targets related to water resources.

Water withdrawals

While not related to any identified material impacts, risks or opportunities, Ericsson discloses water withdrawals and intensity ratio in its own operations in Appendix I to the sustainability statements, as this information is frequently asked for by external stakeholders.

¹⁾ Incidents meeting at least one of the following criteria: the incident results in an obligation to inform local authorities or a governmental agency about the incident and/or violation of environmental laws: inspection by an environmental agency results in a formal complaint: environmental Notice of Violation: a Consent Order or a Potential Responsible Party (PRP) notification: significant impact on an ecosystem: and costs or fines related to the incident exceed, or may exceed, SEK 100,000 or the equivalent amount in another currency.

E4 Biodiversity and ecosystems

As part of its materiality assessment, Ericsson assessed impacts on biodiversity and ecosystems. The main drivers of loss of biodiversity and degradation of ecosystems which Ericsson either directly or indirectly impacts are climate change, use of natural resources and pollution. These impacts, and Ericsson’s approach to addressing them, are further described in other sections of the sustainability statements.

Other main drivers of biodiversity loss and degradation of ecosystems are changes in land and sea use, including land degradation and desertification, as well as the introduction of invasive species. Ericsson did not identify any material impacts related to these drivers in the ICT industry in general or in Ericsson’s value chain through its materiality analysis. Ericsson’s own facilities, including offices, data centers, test labs and production sites, are located in urban or semi-urban areas with limited impact on land use and

surrounding ecosystems. Ericsson supports customers in the installation of telecommunication networks and network sites. When planning these installations, Ericsson’s standard procedures are used, which include selecting where to locate the sites as part of minimizing the environmental impact from land use.

Consequently, Ericsson addresses its biodiversity-related impacts through its efforts to mitigate climate change, work to reduce pollution and its plans to transition to a more circular business model. Biodiversity, including ecosystems, is therefore currently not managed or reported on as a standalone matter. During 2025, Ericsson will conduct further assessment on certain sites’ proximity to biodiversity-sensitive or protected areas to further increase its understanding of potential impacts and risks related to biodiversity and ecosystems.

E5 Resource use and circular economy

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Natural resources and circularity	●		●	●

Material impacts, risks and opportunities

Actual and current material impacts related to resource use and the transition to a circular economy have been identified upstream in the value chain, primarily linked to manufacturing of electronic equipment, as well as downstream in the value chain, related to the recovery and treatment of end-of-life electronic equipment. Electronic equipment deployed in networks is manufactured using finite natural resources such as steel, aluminum, copper and rare earth minerals, as well as plastics. Globally, metals are recycled to a high degree, in general, while rare earth metals and plastics have low recycling rates. Downstream in the value chain, Ericsson’s recovery and recycling rates of network equipment vary across regions. Product take-back volumes in relation to sold volumes are low partially because of the second-hand value of products, and the fact that the ownership resides with Ericsson’s customers. A large share of the network equipment sold to customers is assumed to be resold and reused through informal second-hand markets. A smaller share is assumed to be recycled through substandard processes.

In its own operations, Ericsson primarily assembles parts and components from suppliers, which generates comparatively little material waste. Ericsson can, however, through product design, steer what materials are used by suppliers to enable higher rates of recyclability, use of non-virgin materials and longer lifetimes of its products. One waste stream that could potentially be material, but where comprehensive data is not yet available, is unsold and scrapped inventory. Ericsson will assess the materiality of this type of waste in the coming year.

In the long term, redesigning products to meet customer or regulatory demands using alternative or non-virgin materials could lead to increased R&D costs. In addition, scarcity of certain raw materials, including both virgin and non-virgin minerals, paired with increased demand for the same materials in several other industries, could lead to higher costs of input materials and components used in electronic hardware. Increased requirements on product take-back collection rates may also lead to an increased cost of sales.

Policies related to resource use and circular economy

Sustainability Policy

The Sustainability Policy sets out the Company’s foundational principles on environmental sustainability, which are described in the section General Disclosures. The policy also states that Ericsson shall provide product take-back services to Ericsson’s customers as part of its extended producer responsibility, and to assist them in the end-of-life management of products and solutions.

Environmental requirements on business partners

The Code of Conduct for Business Partners outlines expectations on Ericsson’s business partners, including its suppliers, regarding environmental sustainability. For suppliers of hardware components or products, construction work, supply services, field maintenance and network rollout operations, as well as those with high environmental risks or where their operations significantly impact the environment, Ericsson has additional environmental requirements. Among other things, these require the supplier to implement a systematic approach to identify, manage, reduce and responsibly dispose of or recycle non-hazardous solid waste. The supplier is further required to conserve the use of natural resources, including water, fossil fuels, minerals and virgin forest products, by practices such as modifying production, maintenance and facility processes, materials substitution, reuse, conservation and recycling, to the extent feasible. Suppliers are expected to be able to demonstrate design and supply chain activities that enable the reduction of the adverse environmental impact of supplied products and services during their entire life cycle, by considering factors such as energy consumption, materials use and end-of-life treatment. General information about the Code of Conduct for Business Partners is included in the section General Disclosures.

Taking action on material impacts, risks and opportunities

Product design principles

Ericsson utilizes the Design for the Environment principles and has generic product requirements in this area that apply to all product design processes. These include specific requirements on the ease of dismantling and disassembly of products to facilitate recycling. In addition, products are designed to be durable and have high longevity, which is part of the quality process. The list of banned and restricted substances and the material declarations (see further details in section E2) are also important tools to design products that have a high grade of recyclability. The recyclability of products taken back has historically been high, averaging above 90% in recent years. Ericsson works to reduce the weight and size of its products and is looking at more sustainable material choices. This is part of the Net Zero initiative but will also contribute to more efficient resource use and circularity.

Refurbish, reuse and repair services

The Support Services portfolio includes a structured approach to refurbish, reuse and recycle used equipment. Shared warehouses and spare parts reduce the need to produce and store spare parts. Automatic hardware fault analysis is conducted to avoid unnecessary hardware replacements. Ericsson offers repair services and as a complement to new sales also offers reuse of old equipment.

Section E5, cont'd.

Packaging

Traditionally, packaging designed by Ericsson mainly consists of fiber-based materials and inserts made from plastics. Ericsson has started to use alternative packaging with inserts that are fully recyclable and reduce the total plastic content of the packaging from 20% to less than 2%.

During 2024, several proof-of-concept projects were conducted, where a new methodology aimed at replacing plastic fitments in standardized packaging used for several products sold in high volumes. This new methodology will be applied in new packaging projects from 2025.

Product Take-Back Program

Ericsson offers a global Product Take-Back Program, through collaboration with third-party vendors, where end-of-life products can be collected from customers and subsequently dismantled and recycled in a way that minimizes the environmental impact. A limited number of Group companies participate in collective take-back schemes due to the nature of their products. As the equipment is the customer's property, take-back volumes depend on their use of the programs.

Ericsson initiated a project during 2024 to improve its take-back capabilities and its circularity offering. One result is an updated standard product take-back contract including a new clause on the right of first refusal, which allows Ericsson to buy back hardware that the Company has produced from customers. The revised contract clauses will be incorporated in new customer contracts from 2025. The project has updated the documentation and, as a result, shortened the lead times in the existing buyback process through which hardware is taken back and subsequently offered to customers as refurbished network equipment and/or spare parts. The retake project will continue during the coming years with an additional focus on improving e-waste management capabilities.

Waste from own operations

The waste generated from Ericsson's own operations consists of both office waste and unsold and subsequently scrapped inventory. Waste generated at production sites is managed according to local legislation by contracted waste management companies.

Targets related to resource use and circular economy

Ericsson does not have any public targets related to resource use and circular economy.

Resource inflows

Network hardware is manufactured using natural resources, and products primarily consist of metals such as aluminum, iron, copper and silicon. Hardware also contains small amounts of materials found on the EU list of Critical Raw Materials and polymers (including plastics) such as polycarbonates and additives. A typical radio contains about 70% aluminum, 10% iron/steel, 5% copper and 5% silicon. The remaining 10% is made up of smaller amounts of other compounds, including less than 1% of rare earth elements. Externally sourced packaging contains cardboard and plastics.

Ericsson is currently mapping out its most significant material flows to be able to comprehensively report on resource inflows and outflows. For now, Ericsson cannot disclose information about the total weight of materials, and consequently about the share of recycled or reused materials, used in the reporting year.

Ericsson does not source any biological material, such as cardboard for packaging, that is certified to any sustainability-related scheme.

Resource outflows

Products and materials

Primary physical resource outflows from Ericsson's production processes, including outsourced production, are network hardware in the form of radios, antennas, basebands, power modules, routers and modems, and site materials (such as cables and batteries) as well as packaging in the form of

cardboard and some plastics. All products are designed according to generic product requirements and Design for the Environment principles as described above. Cradlepoint (now part of Segment Enterprise Wireless Solutions) has its own product requirements containing similar Design for the Environment principles.

There is no established industry average for the expected durability of network equipment wherefore a comparison between Ericsson's hardware and such a benchmark is not possible to make. Ericsson's network hardware is also not covered by any established reparability rating system, as such systems are, in general, aimed at consumer goods.

Waste

One material waste stream for Ericsson is electronic waste from manufacturing and scrapped inventory in own operations. Another material waste stream is end-of-life products, including batteries, collected from customers.

Waste generated from own operations¹⁾

Metric tons	2024	2023	2022
Total weight generated (A+B)	10,210	7,182	8,130
Waste diverted from disposal			
Hazardous waste			
Preparation for reuse	0	–	3
Recycling	4,031	38	49
Other recovery operations	1	5	–
Non-hazardous waste			
Preparation for reuse	398	157	332
Recycling	3,138	3,435	3,831
Other recovery operations	214	344	–
A. Total weight diverted from disposal	7,781	3,979	4,215
<i>Share diverted from disposal out of total weight generated, %</i>	<i>76</i>	<i>55</i>	<i>52</i>
Waste directed to disposal			
Hazardous waste			
Incineration	146	43	29
Landfill	34	19	32
Other disposal methods	1	0	–
Non-hazardous waste			
Incineration	1,323	1,613	2,089
Landfill	925	1,528	1,762
Other disposal methods	–	–	3
B. Total weight directed to disposal	2,429	3,203	3,915
<i>Share directed to disposal out of total weight generated, %</i>	<i>24</i>	<i>45</i>	<i>48</i>
Weight of non-recycled waste	3,041	3,709	4,251
<i>Share of non-recycled waste, %</i>	<i>30</i>	<i>52</i>	<i>52</i>

¹⁾ Data is subject to uncertainties as information used to calculate manufacturing waste volumes is supplied by value chain actors such as waste management companies and recyclers. Furthermore, office waste is estimated in its entirety. The weight of scrapped inventory is not yet included in the data as Ericsson is currently assessing the scale and scope of this waste stream. See page 10 for information about changes in consolidation methodology that limits year-over-year comparisons.

Collected end-of-life product volumes by disposal method¹⁾

Metric tons	2024	2023	2022
Reuse	49	36	25
Recycling	3,752	3,581	4,636
Energy recovery (incineration)	69	151	146
Landfill	3	101	18
Total	3,872	3,869	4,825

¹⁾ Data is subject to uncertainties as information used to calculate product take-back volumes is supplied by value chain actors such as recyclers.

E6 EU Taxonomy on sustainable activities

Accounting policies

According to Article 8 of the EU Taxonomy Regulation ("the taxonomy"), turnover, capital expenditures (Capex) and operational expenditures (Opex) are defined as described below. For Capex and Opex, these definitions are different compared with Ericsson's financial reporting. The Company's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB,) and as endorsed by the EU. The basis of preparation of the financial statements is explained in note A1 to the consolidated financial statements.

Turnover

Total turnover corresponds to net sales in the consolidated income statement.

Capex

Total Capex corresponds to additions, including capitalized research and development costs, to balance sheet items property, plant and equipment, intangible assets, before any remeasurement, depreciation, amortization or impairment and excluding any changes in fair value but including the effect of business combinations, as specified in notes C1 and C2 to the consolidated balance sheet. These costs are supplemented by additions/changes in IFRS 16 classified right-of-use assets, as specified in note C3 to the consolidated balance sheet.

Opex

Total Opex corresponds to non-capitalized research and development costs, building renovation costs, short-term leases, maintenance, and repair costs, as well as other indirect costs for the day-to-day servicing of assets of property, plant and equipment.

Eligible turnover, Capex and Opex

Turnover, Capex and Opex in accordance with the above definition and which is associated with eligible activities (see below) constitutes the basis for calculating the share of eligible turnover, Capex and Opex. Amounts recorded on product codes related to eligible activities have been used as the basis to calculate amounts of eligible turnover, Capex and Opex. A reconciliation of amounts has been performed to avoid any double counting.

Changes in accounting policies or disclosures compared with the previous reporting period

There have been no significant changes in accounting policies regarding the taxonomy compared with the previous reporting period.

Eligible and aligned economic activities

Identifying economic activities relevant for Ericsson has required interpretations of the taxonomy as well as the Commission Delegated Regulations. Ericsson's interpretation is that for an economic activity to be considered taxonomy-eligible, it must meet all three criteria below:

- Be, or be aimed at, generating external turnover.
- Meet the description of an activity included in one of the annexes to the Climate or Environmental Delegated Regulation.
- Have practically applicable technical screening criteria associated with it.

Based on this interpretation, turnover, Capex and Opex derived from activities meeting these criteria have been included as taxonomy-eligible in the key performance indicators presented below. Moreover, individually eligible Capex and Opex (see below) can also be added to the share of eligible and aligned Capex and Opex. However, there remains some uncertainty around how the taxonomy should be applied, and interpretations, as well as reporting practices, are expected to evolve over time.

Climate Delegated Regulation

Activities in the telecommunication sector are not yet included in the Climate Delegated Regulation of the taxonomy. The European Commission states in the Delegated Regulation that it may consider adding such activities and developing additional technical screening criteria in the future. However, at present, most of Ericsson's commercial offering to its customers, including

mobile networks, is not covered by activities included as eligible activities in the Climate Delegated Regulation.

Data-driven solutions for GHG emissions reductions (Climate change mitigation (CCM) 8.2)

Ericsson offers artificial-intelligence-powered and data-driven operations solutions, focusing on managing energy assets efficiently through intelligent site measurements and control, enabling customers to improve network energy efficiency, and consequently reducing energy-related greenhouse gas (GHG) emissions. This activity does not currently meet the associated technical screening criteria.

Computer programming and related activities (Climate change adaptation (CCA) 8.2)

Within all business areas, software development is part of Ericsson's commercial offering to its customers. Should expenditures associated with making this activity more resilient to the effects of climate change be incurred, these will be accounted for as either eligible Capex or Opex. Related turnover is not included in the share of eligible turnover since this activity is not classified as an enabling activity, as defined in the taxonomy. Ericsson has not incurred any expenditures of this nature during the reporting year.

Environmental Delegated Regulation Manufacture of electrical and electronic equipment (Circular economy (CE) 1.2)

Ericsson sells electronic equipment in the form of network hardware such as radios, antennas, basebands, power modules, routers and modems, and site materials such as cables and batteries. The equipment is manufactured both at own manufacturing sites and by third-party electronics manufacturers. Equipment sold as part of a solution, but which Ericsson has not been involved in designing, such as laptops sold as part of a network (so-called third-party equipment), is excluded from eligible turnover, as Ericsson does not have any influence over the choice of input materials or over features such as durability, reusability or recyclability.

The technical screening criteria for determining if this activity meets the requirements for making a substantial contribution have been assessed. Ericsson's interpretation is that these criteria have been developed primarily with consumer electronics in mind and are therefore in many instances difficult to apply to Ericsson's products and services. In common with other manufacturers of industrial goods, Ericsson is not publicly disclosing detailed information about how its network equipment can be repaired and dismantled, as doing so could mean significant competitive disadvantages. In addition, Ericsson's products cannot fully comply with the substance requirements defined in the criteria. The criteria for extended producer responsibility for electronic and electrical equipment, and batteries have been assessed as being met.

Repair, refurbishment and remanufacturing (Circular economy (CE) 5.1)

Ericsson offers hardware support services to its customers, which includes repairing and refurbishing network equipment. Ericsson has assessed the technical screening criteria for making a substantial contribution and concluded that the activity meets these criteria.

Sale of spare parts (Circular economy (CE) 5.2)

Ericsson sells spare parts, including refurbished spare parts, for network equipment it has sold to customers. Ericsson has assessed the technical screening criteria for making a substantial contribution and concluded that the activity does not meet all criteria. In particular, Ericsson's packaging currently does not meet the thresholds for the minimum share of recycled content.

Individually eligible Capex and Opex

It is permitted to include expenditures for purchases of products and services related to other economic activities than those stated above as eligible and aligned Capex and Opex, if these are included in either the Climate or Environmental Delegated Regulation, and if the economic activity of the supplier of the product or service in question is taxonomy-eligible and aligned,

Section E6, cont'd.

as applicable. Ericsson includes expenditures for motor vehicles (CCM 6.5), vehicle charging infrastructure (CCM 7.4) and energy-efficiency measures in buildings (CCM 7.3) as eligible Capex and Opex. As the assessment of alignment of these activities requires detailed information about the suppliers' own taxonomy alignment, Ericsson is currently not able to assess to what extent identified individually eligible Capex and Opex can be considered to also be taxonomy-aligned.

Do No Significant Harm

As for the criteria for assessing if the activities above do not cause significant harm to other environmental objectives, Ericsson has initiated work to assess the impact of its primary facilities on water resources, nature and biodiversity, as well as location-specific, climate-related hazards. As this work is yet to be completed, Ericsson cannot at this time conclude whether it meets all the associated criteria. While Ericsson meets most of the Do No Significant

Harm (DNSH) criteria as regards pollution prevention and control, it cannot currently fully meet the general DNSH criteria, as all of its products today contain lead. Ericsson's electronic hardware and repair services are assessed as meeting the DNSH criteria for climate change mitigation. Note, however, that the criteria related to the energy-efficiency rating only apply to consumer electronics and are therefore not applicable to Ericsson's products.

Minimum safeguards

With the conclusion of the independent compliance monitorship in 2024, minimum safeguards are considered to be in place. There is information about Ericsson's human rights commitments and due diligence practices in sections S1 to S4, and information about the Company's approach to anti-bribery and corruption, tax compliance and competition law in section G1.

Nuclear and fossil gas-related activities

Nuclear energy-related activities

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas-related activities

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Section E6, cont'd.

Key performance indicators

Turnover	Code ¹⁾	Turnover SEK million	Proportion of turnover 2024 %	Substantial contribution criteria					Do No Significant Harm (DNSH)					Minimum safeguards	Proportion of Taxonomy aligned (A1) or eligible (A2) turnover 2023 %	Category enabling activity	Category transitional activity	
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy
				Yes/No/Not eligible					Yes/No									
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A1 Environmentally sustainable activities (Taxonomy-aligned)																		
-																		
Turnover of environmentally sustainable activities (A1)																		
-																		
<i>of which enabling, % activities</i>																		
-																		
<i>of which transitional, % activities</i>																		
-																		
A2 Taxonomy-eligible but not env. sustainable activities (not Taxonomy-aligned activities)																		
Objective(s) for which activity is eligible ²⁾																		
Data-driven solutions for GHG emission reductions	CCM 8.2	37	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							0	
Manufacturing of electrical and electronic equipment	CE 1.2	87,542	35	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							35	
Repair, refurbishment and remanufacturing	CE 5.1	6,022	2	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							2	
Sale of spare parts	CE 5.2	1,525	1	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							0	
Turnover of Taxonomy-eligible but not env. sustainable activities (A2)		95,126	38															38
Turnover of Taxonomy-eligible activities (A1+A2)		95,126	38															38
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy non-eligible activities		152,755	62															
Total		247,880	100															
Proportion of total turnover aligned/eligible per objective																		
%		Aligned		Eligible														
Climate change mitigation		0		0														
Climate change adaptation		-		-														
Water and marine resources		-		-														
Pollution prevention and control		-		-														
Circular economy		0		38														
Biodiversity		-		-														

¹⁾ Abbreviated activity codes:
 CCM: Climate change mitigation
 CCA: Climate change adaptation
 CE: Circular economy

²⁾ Eligible (EL) / Non-eligible (N/EL)

Section E6, cont'd.

Capex	Code ¹⁾	Capex SEK million	Proportion of capex 2024 %	Substantial contribution criteria					Do No Significant Harm (DNSH)					Minimum safeguards	Proportion of Taxonomy aligned (A1) or eligible (A2) capex 2023 %	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution				
Economic activities				Yes/No/Not eligible					Yes/No								
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A1 Environmentally sustainable activities (Taxonomy-aligned)																	
-																	
Capex of environmentally sustainable activities (A1)																	
<i>of which enabling, % activities</i>																	
<i>of which transitional, % activities</i>																	
A2 Taxonomy-eligible but not env. sustainable activities (not Taxonomy-aligned activities)																	
Objective(s) for which activity is eligible³⁾																	
Purchases and leases of vehicles ²⁾	CCM 6.5	265	5	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	5
Data-driven solutions for GHG emission reductions	CCM 8.2	0	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0
Manufacturing of electrical and electronic equipment	CE 1.2	1,560	29	N/EL	N/EL	N/EL	N/EL	N/EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	37	
Repair, refurbishment and remanufacturing	CE 5.1	1	0	N/EL	N/EL	N/EL	N/EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	1	
Sale of spare parts	CE 5.2	0	0	N/EL	N/EL	N/EL	N/EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0	
Capex of Taxonomy-eligible but not env. sustainable activities (A2)		1,825	34														43
Capex of Taxonomy-eligible activities (A1+A2)		1,825	34														43
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																	
Capex of Taxonomy non-eligible activities		3,527	66														
Total		5,352	100														
Proportion of total Capex aligned/eligible per objective																	
%		Aligned	Eligible														
Climate change mitigation		0	5														
Climate change adaptation		-	-														
Water and marine resources		-	-														
Pollution prevention and control		-	-														
Circular economy		0	29														
Biodiversity		-	-														

1) Abbreviated activity codes:

CCM: Climate change mitigation

CCA: Climate change adaptation

CE: Circular economy

2) Full name: Transport by motorbikes, passenger cars and commercial vehicles

3) Eligible (EL) / Non-eligible (N/EL)

Section E6, cont'd.

Opex	Code ¹⁾	Opex SEK million	Proportion of opex 2024 %	Substantial contribution criteria					Do No Significant Harm (DNSH)					Minimum safeguards	Proportion of Taxonomy aligned (A1) or eligible (A2) opex 2023 %	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution				
				Yes/No/Not eligible					Yes/No								
Economic activities																	
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A1 Environmentally sustainable activities (Taxonomy-aligned)																	
Opex of environmentally sustainable activities (A1)																	
																	E
																	T
A2 Taxonomy-eligible but not env. sustainable activities (not Taxonomy-aligned activities)																	
				Objective(s) for which activity is eligible³⁾													
Purchases and leases of vehicles ²⁾	CCM 6.5	87	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		0
Data-driven solutions for GHG emission reductions	CCM 8.2	3	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		0
Manufacturing of electrical and electronic equipment	CE 1.2	16,266	30	N/EL	N/EL	N/EL	N/EL	N/EL	EL	N/EL							29
Repair, refurbishment and remanufacturing	CE 5.1	23	0	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0
Sale of spare parts	CE 5.2	0	0	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0
Opex of Taxonomy-eligible but not env. sustainable activities (A2)		16,379	30														29
Opex of Taxonomy-eligible activities (A1+A2)		16,379	30														29
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																	
Opex of Taxonomy non-eligible activities		38,270	70														
Total		54,650	100														
Proportion of total Opex aligned/eligible per objective																	
%		Aligned	Eligible														
Climate change mitigation		0	0														
Climate change adaptation		–	–														
Water and marine resources		–	–														
Pollution prevention and control		–	–														
Circular economy		0	30														
Biodiversity		–	–														

1) Abbreviated activity codes:

CCM: Climate change mitigation

CCA: Climate change adaptation

CE: Circular economy

2) Full name: Transport by motorbikes, passenger cars and commercial vehicles

3) Eligible (EL) / Non-eligible (N/EL)

Section S – Social

S1 Own workforce

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Talent development		●		●
Work-life balance		●		●
Health and safety	●	●	●	●
Equal treatment and opportunities	●	●		●
Workers' rights and working conditions	●	●		

Material impacts, risks and opportunities

Ericsson has a workforce of about 94,000 employees and 10,000 non-employees in more than 110 countries. Ericsson has identified several material impacts, risks and opportunities related to its own workforce, which can be divided into four categories: equal treatment and opportunities, talent development, occupational health, safety and well-being, and workers' rights and working conditions. Ericsson believes that actions planned to be taken as part of the Company's Net Zero transition will not lead to any direct material negative impacts on its own workforce.

Equal treatment and opportunities

While equal treatment and opportunities are focus areas for many responsible companies globally, several of the regions in which Ericsson is operating (including, but not limited to, Asia, the Middle East and Africa, and Latin America) have comparatively higher risks of discrimination at work and non-respect of women's and minority rights. The information and communications technology (ICT) sector globally has a below average share of women in the workforce as well as in leadership roles. Ericsson performs above the benchmark when employees are surveyed on whether they believe the Company provides a workplace where people are given the same opportunities regardless of their background and if they are treated with respect and dignity. To sustain this, the Company must continue to promote a culture based on respect, with equal treatment and opportunities for all. How well Ericsson manages these impacts may also impact the Company's ability to execute its strategy, including maintaining its technology leadership.

Talent development

How Ericsson manages its workforce, and how it is perceived as an employer by current and potential employees, can affect its abilities to attract and retain key talent. This can impact the Company's competitiveness as well as its ability to innovate and efficiently execute its strategy. Ericsson's ability to upskill and reskill its workforce in critical areas, such as AI and cloud computing, can also affect the Company's ability to secure technology leadership in the market. While building critical skills is highly relevant for people working in R&D and commercial areas, it is also important for other professionals in all types of roles. Continuously upskilling and reskilling the workforce supports people's continued development and employability, as well as the Company's ability to execute on its strategy.

Health, safety and well-being (including work-life balance)

Since Ericsson set Target Zero, zero fatalities and lost workday incidents, in 2021, there have been 34 fatalities recorded. 27 of these occurred among supplier employees, mainly within network rollout and field maintenance operations, and two among Ericsson's own employees. Primary causes of these fatalities were accidents occurring during field work and road traffic accidents. Traffic accidents involving people working for Ericsson have also caused five fatalities among members of the public. In the same period, the majority of lost workday incidents happened during assembly and disassembly work and maintenance and repair work in the field. These incidents involved both Ericsson's own employees and supplier employees.

For the workforce not involved in field activities, the main identified risks related to health and well-being are mental health problems caused by

stress, anxiety and poor work-life balance and musculoskeletal illnesses caused by repetitive or static work patterns or lifting objects. When Ericsson surveys the workforce's perceptions about perceived work-life balance, the global average rating is above the benchmark. However, in several countries the rating is below the benchmark. This indicates that part of the workforce is not able to successfully balance work and personal life to a satisfactory level.

Work environment conditions such as health and safety are commonly included in customers' supplier evaluation processes, meaning Ericsson's performance in this area could affect how the Company is assessed in tenders and proposals. Ericsson's ability to attract and retain talent might also be affected if it is perceived as a company where employees cannot balance work and private life.

Workers' rights and working conditions

In several of the countries where Ericsson has a workforce present, there are heightened risks of violations of international conventions on labor rights and decent working conditions. Largely in the same countries there is weak enforcement of local labor laws on matters such as discrimination and harassment of women and underrepresented groups, working time, adequate wages and secure employment and the right to freedom of assembly and freedom of association.

Some of the countries in which Ericsson operates are high-risk areas due to armed conflicts, criminality, authoritarian rule or naturally caused crises, such as flooding, earthquakes, tsunamis or similar. Such situations may risk the lives or welfare of employees and other workers.

Given Ericsson's size and widespread geographical presence, the Company takes a precautionary approach to these matters, identifying them as potentially material until confirmed otherwise.

Policies related to own workforce

Code of Business Ethics and Statement on Business and Human Rights

The Code of Business Ethics states that all forms of discrimination are prohibited, even if local law permits it. It further articulates everyone's right to just, safe and favorable working conditions and to form and join trade unions and bargain collectively, as well as the Company's commitment to ensure a safe and healthy work environment for all. The Code of Business Ethics further states that at Ericsson, any form of slavery exploitation – including human trafficking and forced, coerced, bonded or compulsory labor – is strictly prohibited. General information regarding the Code of Business Ethics is included in the section General Disclosures, which also provides information about Ericsson's Statement on Business and Human Rights.

Group People Policy

This policy articulates that Ericsson is committed to equal opportunity in employment, development, compensation, benefits and all other personnel actions without discrimination. The principles set out in the policy include, but are not limited to, the idea that every individual's employment opportunity shall be based on openness and fairness, and that pay and recognition will reward impact and be based on the principles of competitiveness, fairness and transparency.

Section S1, cont'd.

Health, Safety and Well-being Policy

The policy states that the Company shall apply a risk-based approach to prevent, control and mitigate work-related hazards and risks, and continually improve its processes. Ericsson strives to comply with customer and other applicable health and safety requirements, also when these requirements exceed local legislation. Further, Ericsson works to design workplaces and work processes, and provide tools that promote and support the health, safety and well-being of workers. The Company takes steps to provide relevant training and engage and consult with employees and other stakeholders to get input for continuous improvement of the Health, Safety and Well-being Management System.

Processes for engaging with own workers and workers' representatives about impacts

Ericsson engages with its own workforce about impacts that affect them, or are likely to affect them, in several ways. Some of the more relevant channels are described below.

Company-wide employee surveys are carried out annually to understand how employees experience their work and work environment, as well as their perceptions of the Company, its leadership and strategies. The results can be broken down by type of respondents to gain more granular insights on the perspectives of specific groups of employees. Results are summarized on both Group and unit level for continuous monitoring to enable managers and leaders to act when and where appropriate.

Ericsson has established occupational health and safety (OHS) committees that include managers and employees, or employee representatives where such exist. The committees meet regularly, follow up on performance and discuss and decide on actions to improve the OHS Management System and its processes. Communication around health, safety and well-being targets, performance, programs and training is available for all employees through internal channels such as the intranet and newsletters. All employees are also surveyed annually about health, safety and well-being through a dedicated employee survey on these topics, which includes questions about their perceived work-life balance.

Ericsson has collective bargaining agreements with workers unions in several of the countries in which it operates. Sweden, Spain, Romania, Hungary, Italy and Brazil are some of the countries where Ericsson has a large employee headcount covered by collective bargaining agreements, and where unions are consulted on matters related to employees' working conditions. Ericsson has no global framework agreements with any global union federations.

Processes to remediate negative impacts and channels for own workers to raise concerns

Employees can report suspected violations of the Code of Business Ethics, including suspected cases of discrimination and harassment, and violations of human and labor rights, to their manager or the superior of a manager, or to the People or Legal and Compliance departments. In addition, concerns can be raised via the Ericsson Compliance Line, either through a secure website or by telephone at any time, and in multiple languages. Reporting can be done anonymously. As a matter of policy, Ericsson does not require persons that report compliance concerns to waive their rights to bring claims through a judicial process as a condition to participating in the grievance process, nor does the Company require the reporter to sign a non-disclosure agreement. The reporter is, however, asked not to share any communication relating to an ongoing matter, to protect the process's integrity. This mechanism, including information about how Ericsson investigates and follows up on reported concerns, and consequences taken as a result of substantiated concerns, is further described in section G1.

In addition, Ericsson maintains a central reporting channel for its workforce, as well as suppliers' employees, to report health and safety incidents, as well as near misses, which are then handled within a dedicated process as part of the Company's OHS Management System, see further information below.

When negative impacts are identified, Ericsson strives to engage with the impacted party to provide remedy. However, this may not always be possible, such as in the case of anonymous reporting.

Taking action on material impacts, risks and opportunities

Below are descriptions of the key actions and action plans that Ericsson has taken or plans to take related to material impacts on its own workforce. The measures described below are the most significant ones Ericsson has put in place to mitigate risks of causing or contributing to material negative impacts on its own workforce.

Equal treatment and opportunities

Ericsson is committed to creating a culture of belonging, as this is core to the Company's values and helps ensure that it attracts the best global talent, fosters innovation and brings greater value to customers. Ericsson aims to build trust and a positive corporate culture that embraces respect, fairness and transparency and to remove barriers that prevent equal opportunities for all. To achieve this, Ericsson works to create people processes that treat all people equally, so that, for example, job advertisements use neutral language with regard to applicants' characteristics and the Company trains leaders on fostering equal treatment and opportunities.

Ericsson supports employee resource groups (ERGs) throughout the organization, which are open to all employees and cover a variety of topics. In 2024, Ericsson increased support for the ERGs by launching a global ERG playbook and continued offering leadership training to these networks' leaders. Ericsson also launched global resource groups dedicated to neurodiversity and to people with disabilities.

At Ericsson, the guiding principles are that people should be paid in a fair way and be recognized and rewarded for their performance and contribution. Consequently, pay and benefits are market competitive and relevant to the individual with the aim being to provide a broad reward offering that attracts, retains and engages talent. All pay decisions are expected to be non-discriminatory, based on the Company's pay philosophy and using the same criteria. There is a defined and globally consistent job architecture as well as job levels in place, so that there is supporting infrastructure to help ensure that pay is competitive and fair, and to enable Ericsson to make meaningful comparisons on pay.

During 2024, Ericsson has further refined a methodology to evaluate internal pay equity. This was utilized to conduct two adjusted pay equity reviews. Going forward, Ericsson will continue to run periodic pay equity reviews and further increase internal education to continue the efforts to confirm fair merit-based pay throughout the organization.

Talent development

Ericsson enables its people to develop skills and experience through upskilling, reskilling and experiential learning, including opportunities for internal mobility. Every year, as part of the strategy process, Ericsson defines the most critical skills that the Company's employees need to develop. The global critical skills are those connected to Ericsson's growth strategy of extending its leadership in mobile networks and focused expansion into enterprise. These skill areas encompass technology, commercial and power skills. In addition to the training programs, the Teach for Ericsson Program helps to recognize those who educate others in the Company on key skills.

Learning and development plans connected to each of these critical skill areas are mapped along four levels of skill proficiency and are offered to upskill and reskill employees both for their current job roles and to prepare them for future challenges. Upskilling and reskilling are further supported by a digital learning platform, which gives employees easy access to material and courses, and provides Ericsson with a tool for tracking, measuring and analyzing progress in skills development. Besides training and development programs in the scope of the critical skills areas, employees have access to a broad range of upskilling assets such as online internal and external courses and articles through the digital learning platform.

Together with their managers, employees set individual annual and long-term career goals and identify skills to build as part of the development goal-setting process each year. Employees also receive annual individual performance evaluations. In 2024, a revised approach to performance management was launched, with the aim to create clarity and support people in their development. Leadership development programs at Ericsson were reviewed in 2024 and provide development for new and experienced leaders as they progress through their careers. Looking ahead, Ericsson plans

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to further embed the work around performance management and talent planning, in collaboration with leaders across the Company.

To further drive employee development and mobility, employees can now find and apply for project and rotation opportunities, in addition to job role vacancies, on the Company's intranet.

Health, safety and well-being

Incident reporting and investigation

Ericsson has a global tool for reporting hazards, near misses and incidents involving employees, suppliers and anyone else working on behalf of Ericsson. Concerns related to remote working can also be reported through this tool. Reported incidents are investigated by performing a root-cause analysis to remedy any damage and prevent recurrence.

Well-being and work-life balance

Ericsson's approach to well-being is made up of a combination of organizational components and individual focus areas. The organizational components are made up of a supportive workplace environment, where jobs are designed to consider physical, social and emotional well-being, as well as leaders who should act as role models for safe and healthy behaviors. Individual focus areas are physical, emotional, financial and social well-being to support employees in managing work-life balance. Ericsson offers confidential counselling and well-being support online or via telephone through an external employee assistance program provider. In 2024, Ericsson launched the Ericsson Care Line globally, which is an employee assistance program that offers a range of well-being services, such as personalized mindfulness programs, interactive counselling support and informative meditation materials. The Ericsson Care Line is available to most employees and people in their households.

Ericsson allows for hybrid and flexible working arrangements, which facilitates greater autonomy for employees regarding where and when they perform their work. The current global guideline is an office-first mentality, but with flexibility to work from elsewhere when tasks and responsibilities allow for it.

Training and awareness

All Ericsson employees and employees of site services suppliers are required to take mandatory health, safety and well-being training. Additional training is required based on a person's role and risk exposure to ensure adequate competence needs are met. In 2024, Ericsson launched mandatory safe driving training to both its employees and suppliers. Further, targeted web-based training that covers lifesaving rules and behaviors, such as traffic safety and use of protective equipment, is available to all employees and suppliers. Ericsson has a Safety Leadership Training Program for leaders within three levels of the President and CEO including Executive Team members and selected key roles that have a direct impact on operational safety. Ericsson's Walk the Talk guide also encourages all leaders to conduct regular safety and well-being walks by personally visiting a site and having a conversation exclusively about health, safety and well-being. There is also a mental health awareness and well-being training program in place.

Workers' rights and working conditions

Human rights due diligence

To operationalize its commitment to respecting human rights, the Company has integrated human rights due diligence into its business operations. Human rights risks are also included in Ericsson's Enterprise Risk Management Framework and overseen by the Business Risk Committee as needed. Group-level priorities for human rights due diligence are set by a central team of human rights experts that coordinates due diligence efforts and collaborates with business areas and regional sales organizations on human-rights-related initiatives as needed.

Ericsson's salient human rights issues mainly pertain to workers in its supply chain and to how its technology can be misused in its downstream value chain. How these impacts are integrated in the Company's due diligence process is described in sections S2 and S4. Described below are the

due diligence measures relevant for Ericsson's own operations and its own workforce.

Besides the information below, additional details on Ericsson's human rights due diligence efforts and prioritized areas can be found in Ericsson's Business and Human Rights Statement, available on the Company's website.

Mergers, acquisitions and divestitures

Human rights issues are included in Ericsson's due diligence process for mergers, acquisitions and divestitures. The focus is on evaluating the main human rights risks of the target company or buyer and to what extent the target company has satisfactory due diligence frameworks in place to identify and address them. In case red flags or gaps are identified, a mitigation plan including appropriate remediations is required either as a precondition or as part of the integration post closure.

Enhanced measures

Ericsson takes enhanced human rights due diligence measures to identify and address human rights in relation to business activities where it has determined that risks may be elevated. As an example, in 2024 Ericsson conducted heightened due diligence in India through a country visit, during which the human rights team met with internal and external stakeholders to identify and assess human rights risks related to the operations in the country and to increase awareness of these risks. As part of this, Ericsson hosted roundtable discussions with human rights organizations and engaged in meetings with external stakeholders, including civil society organizations and a former trade union representative. The engagements were focused on potential human rights impacts related to both Ericsson's operations and its value chain, including the topics of working conditions and labor rights. Specific attention was given to the external workforce working for Ericsson, such as temporary workers. A report was issued after the visit, which prescribed key activities to address potential risks. Those include opportunities to further strengthen oversight of working conditions for the external workforce, to improve internal awareness of human rights issues relevant to the operations in India and recommendations on how targeted risk assessments could be performed.

Protection of workforce in high-risk areas

Ericsson has operations in areas where, for example, armed conflicts, criminality and authoritarian rule can lead to situations that expose the workforce to heightened risk to their personal security. Ericsson monitors geopolitical and security threats worldwide and maintains security risk ratings for areas hosting Ericsson operations. The Company's security strategy is operationalized through the deployment of a global framework for Security in High-Risk Areas. The objective is to enable business operations in high-risk areas, while safeguarding employees, suppliers and anyone else working on behalf of Ericsson through, for example:

- Procedures, training and precautionary actions to minimize the risk of becoming the target of criminal activity.
- Requirements on travel routes and transportation arrangement (e.g., timing, traveling in convoys, use of armed security escorts, security precautions at stops, tracking of movements).
- Use of satellite telephones in remote locations.
- Physical security requirements for accommodation and work locations.

In addition, in the event of an incident with severe or the potential of severe impact on Ericsson's business or workforce which cannot be handled with ordinary operational procedures, Ericsson can activate its crisis management organization.

Human rights training and awareness raising

Ericsson provides human rights training accessible to all employees. Targeted training and capacity building for key job roles and functions is also offered. As part of a long-term human rights training plan, key employees were targeted for human rights training in 2024. Employees were selected based on their job roles and their exposure to high-risk scenarios, such as sales employees and managers in identified high-risk countries.

Section S1, cont'd.

Collaboration and partnerships

Ericsson leverages its efforts through collaborations and partnerships with other organizations. Listed below are some of the most significant external collaborations, partnerships and commitments related to human rights.

Organization	Description
Business Network on Civic Freedoms and Human Rights Defenders	A group of companies committed to identifying ways that businesses and society can benefit from increased support from the private sector for the protection of civic freedoms and human rights defenders.
Global Network Initiative	An initiative addressing freedom of expression and right to privacy in the ICT sector. Participants are internet and telecommunications companies, human rights and press freedom groups, investors, and academics and academic institutions.
Shift Business Learning Program	The Business Learning Program supports companies working to integrate principles on business and human rights. Shift is a nonprofit, mission-driven organization working with businesses, financial institutions and standard-setters to drive business respect for human rights according to the UN Guiding Principles on Business and Human Rights (UNGPs).
UN B-Tech Project	A project led by the UN Human Rights Council to provide an authoritative and broadly accepted roadmap for applying the UNGPs in the ICT sector. The Tech Company Community of Practice, in which Ericsson participates, is an initiative of the UN Human Rights B-Tech Project to advance business respect for human rights in the technology industry.
UN Global Compact	The UN Global Compact is the world's largest corporate sustainability and corporate social responsibility initiative, with more than 25,000 corporate participants and other stakeholders in over 167 countries. Ericsson has been a member since 2000, when the UN Global Compact was founded.

Targets related to own workforce

Equal treatment and opportunities

To further the policy objectives of equal treatment and opportunities in compliance with applicable anti-discrimination laws and to promote sustainable organizational health, Ericsson continually works on removing obstacles to these objectives. For example, Ericsson focuses on the equal treatment and opportunities for women at all levels within the Company, with the aim to increase, through merit-based selection processes in compliance with anti-discrimination laws, the share of women among all employees, line managers and top management, to at least 30% globally by 2030. To support this goal, Ericsson seeks to expand the pool of candidates for consideration, ensuring equal opportunities for all. This goal does not allow or encourage making employment decisions (whether hiring or promotions or other) based on personal characteristics such as gender, as that would violate the Code of Business Ethics. All employment decisions are merit based and without discrimination. Progressing on this goal supports improving organizational health through merit based people management. Performance is measured based on headcount at the end of each reporting period.

Employee category	Base year (BY)	Target year (TY)	Share in BY, %	TY Goal, %	Share in 2024, %
All employees			25.2		26.5
Line managers	2021	2030	21.3	≥ 30	24.0
Top management			35.6		32.0

In 2024, as a result of actions described in this section, the share of women among the total of employees increased to 26.5% compared to 26.0% in 2023. The share of women among line managers increased to 24.0% (22.7%) and was 32.0% (31.4%) among top management.

Health and safety

Ericsson has a target of zero work-related fatalities and lost workday incidents caused by either work-related physical injuries or work-related illnesses by 2025. The target includes both Ericsson's own workforce and employees of field service suppliers. Target performance is measured by the number of fatalities and lost workday incidents recorded by Ericsson in each reporting period that were assessed and determined to be within the Company's control.

Category	Base year	Target year	No. in base year	Target No.	No. in 2024
Fatalities	2020	2025	7	0	2
Lost workday incidents			143		72

In 2024, there were two fatalities compared with 10 in 2023. These two fatalities involved supplier employees. There were 72 lost workday incidents compared with 84 in 2023. Ericsson believes that the reduction in fatalities and incidents is a result of the actions the Company has taken, as described above.

Characteristics of employees

Numerical information about characteristics of Ericsson's employees and non-employed workforce presented below is based on information from Ericsson's central human resources system and is based on the headcount of each worker category at the end of the reporting period. The total year-end headcount has been reconciled to the corresponding number in note G4 to the consolidated financial statements.

Employees by category

Headcount	2024	2023	2022
Executive management	17	16	17
Top management ¹⁾	175	175	177
Line managers	7,367	7,499	7,602
STEM ²⁾	70,128	74,454	78,789
Non-STEM	16,549	17,808	18,944
Total	94,236	99,952	105,529

¹⁾ Ericsson has defined top management as people reporting directly to a member of the executive management, meaning people two levels below the President and CEO, excluding executive assistants.

²⁾ Non-managerial employees in job roles within the fields of science, technology, engineering and mathematics (STEM).

Employees by country¹⁾

Headcount	2024	2023	2022
India	22,279	22,848	23,112
Sweden	13,420	13,977	14,481
China	8,136	9,950	10,971
Other countries	50,401	53,177	57,145
Total	94,236	99,952	105,529

¹⁾ Country-level data is disclosed for countries representing at minimum 10% of the global headcount in at least one of the three previous years.

Employees by contract type

2024 Headcount	Male	Female	Other/Not reported	Total
Permanent employees	68,965	24,825	107	93,897
Temporary employees	221	118	–	339
Non-guaranteed hours employees	–	–	–	–
Total	69,186	24,943	107	94,236
Full-time employees	68,769	24,496	104	93,369
Part-time employees	417	447	3	867
Total	69,186	24,943	107	94,236

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Turnover

No./%	2024	2023	2022
Employees who have left the Company, No.	11,919	13,362	14,381
Turnover rate, %	12	13	14
Leavers by share of men and women, %			
Men	73	74	74
Women	27	26	26
Other/not reported	0	0	0
Leavers by age, %			
<30	21	23	30
30–50	57	56	60
>50	22	21	10

Hiring and internal mobility

No./%	2024	2023	2022
Employees who have joined the Company, No.	6,203	7,785	17,235
Hiring rate, %	6	8	17
New joiners by share of men and women, %			
Men	63	68	72
Women	35	31	27
Other/not reported	1	0	0
New joiners by age, %			
<30	47	49	45
30–50	46	47	50
>50	7	4	5
Positions filled by internal candidates, % ¹⁾	44	49	37

¹⁾ Derived by dividing the number of positions filled in a year by people already employed by Ericsson by the total number of positions filled in the same year.

Characteristics of non-employee workers in own workforce

Besides employees, Ericsson also has an external workforce that does not have a direct employment relationship with the Company. This workforce is mainly made up of consultants working in service delivery, product development and supply.

Headcount	2024	2023	2022
Non-employee workers	9,610	13,125	18,088

Collective bargaining coverage and social dialogue

Ericsson recognizes and respects the right of employees to form or join independent trade unions as well as the right to collective bargaining. In places where local laws restrict these rights, Ericsson seeks other ways of having a meaningful dialogue with employees. This includes alternative, independent and freely elected forms of employee representation such as employee committees or councils. As for the rights of employees of suppliers, Ericsson's requirements in this area are set out in its Code of Conduct for Business Partners. These requirements are on par with the rights of Ericsson's own employees. In 2024, Group-wide coverage of collective bargaining agreements was 31% (29%).

Collective bargaining agreements coverage per country and region¹⁾

%	Employees – EEA	Employees – Non-EEA
0–19		– South Asia – East Asia and Pacific – North America
20–39		
40–59		
60–79		
80–100	– Sweden	

¹⁾ Only countries within the EEA and regions outside the EEA with more than 10% of the Group's total employee headcount are shown.

Diversity metrics**Breakdown of employees**

Headcount	2024	2023	2022
Male	69,186	73,919	78,518
Female	24,943	25,954	26,901
Other/Not reported	107	79	110
Total	94,236	99,952	105,529

Share of women per employee category

%	2024	2023	2022
Executive management	24	25	18
Top management ¹⁾	32	31	35
Line managers	24	23	22
STEM ²⁾	22	22	21
Non-STEM	46	46	46
All employees	27	26	25

¹⁾ Ericsson has defined top management as people reporting directly to a member of the executive management, meaning people two levels below the President and CEO, excluding executive assistants.

²⁾ Non-managerial employees in job roles within the fields of science, technology, engineering and mathematics (STEM).

Share of employees by age group

%	2024	2023	2022
<30	12	13	15
30–50	65	66	65
>50	22	21	20

Adequate wages

Ericsson plans to conduct an analysis regarding adequate wages for its own workforce during 2025.

Training and skills development metrics**Share of employees receiving performance and career development reviews¹⁾**

%	2024	2023	2022
Men	89	93	93
Women	88	92	91
Total	88	93	93

¹⁾ Performance evaluations recorded as of January 31 the following year.

Average recorded training hours per employee

Hours	2024	2023	2022
Men	25.2	38.6	18.9
Women	24.6	36.8	17.8
All employees	25.1	38.1	18.6

Health and safety metrics**Fatalities, by party involved**

No.	2024	2023	2022
Employees	–	1	–
Non-employees in own workforce	1	–	–
Other workers ¹⁾	1	8	6
Third parties ²⁾	–	1	2
Total	2	10	8

¹⁾ Primarily employees of site service suppliers and subcontractors.

²⁾ Third parties refer to any person not working for Ericsson either as an employee or working for a supplier or subcontractor, such as a member of the public, who is affected by an incident assessed to be within the Company's control.

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Fatalities by cause

No.	2024	2023	2022
Fall from heights	1	4	4
Driving/traffic accident	1	5	4
Electric accident	–	1	–
Total	2	10	8

Lost workday accidents (LWAs), by party involved¹⁾

No.	2024	2023	2022
Employees	28	53	96
Non-employees in own workforce	–	–	–
Other workers ²⁾	44	43	30
Total	72	96	126

¹⁾ As of 2024 lost workday accidents occurring among third parties are excluded from the statistics as Ericsson has limited possibility to verify the number of actual days lost. Third parties are still included in the statistics for fatalities and recordable workplace accidents.

²⁾ Primarily employees of site service suppliers and subcontractors.

Recordable work-related accidents (RWAs), by party involved

No.	2024	2023	2022
Employees	58	– ³⁾	– ³⁾
Non-employees in own workforce	1	– ³⁾	– ³⁾
Other workers ¹⁾	55	– ³⁾	– ³⁾
Third parties ²⁾	2	– ³⁾	– ³⁾
Total	116	–³⁾	–³⁾

¹⁾ Primarily employees of site service suppliers and subcontractors.

²⁾ Third parties refer to any person not working for Ericsson either as an employee or as a supplier or subcontractor, such as a member of the public, who is affected by an incident assessed to be within the Company's control.

³⁾ Ericsson is disclosing this metric for the first time wherefore comparative data for previous reporting periods is not available.

Employee fatality, LWA, and RWA rate¹⁾

Per 500 FTEs	2024	2023	2022
Fatality rate	–	0.00	–
LWA rate	0.14	0.26	0.44
RWA rate	0.29	– ²⁾	– ²⁾

¹⁾ Indicates the rate of fatalities, lost workday accidents and recordable work-related accidents occurring in a year per 500 full-time equivalents (FTEs), using 1,000,000 hours as the standardized average number of hours worked by 500 FTEs in one year. Total hours worked is an estimated value based on standard annual working hours for active employees multiplied with each country's annual average FTE headcount, which sums to about 199 million hours (206 million and 220 million hours in 2023 and 2022, respectively). As such, the data contains high measurement uncertainty.

²⁾ Ericsson is disclosing this metric for the first time wherefore comparative data for previous reporting periods is not available.

Non-employees in own workforce fatality, LWA, and RWA rate¹⁾

Per 500 FTEs	2024	2023	2022
Fatality rate	0.04	– ²⁾	– ²⁾
LWA rate	–	– ²⁾	– ²⁾
RWA rate	0.04	– ²⁾	– ²⁾

¹⁾ Indicates the rate of fatalities, lost workday accidents and recordable work-related accidents occurring in a year per 500 full-time equivalents (FTEs), using 1,000,000 hours as the standardized average number of hours worked by 500 FTEs in one year. Total hours worked is an estimated value based on standard annual working hours for active non-employees in own workforce multiplied with each country's annual average FTE non-employee headcount, which sums to about 23 million hours. As such, the data contains high measurement uncertainty.

²⁾ Ericsson is disclosing this metric for the first time wherefore comparative data for previous reporting periods is not available.

Lost workdays and near misses¹⁾

No.	2024	2023	2022
Lost workdays	683	1,679	3,040
Near misses reported	11,765	11,004	9,716

¹⁾ Ericsson is currently only able to collect information with satisfactory accuracy on the number of lost workdays for its own employees.

Occupational Health and Safety Management System

Ericsson's Group-wide OHS Management System is a part of the Ericsson Group Management System and is designed to mitigate health, safety and

well-being risks, as well as capture and implement opportunities for improvement in these areas across Ericsson's business and processes. It is certified to ISO 45001, the international standard for OHS management. This system covers 96% of Ericsson's employees and 99% of non-employees in Ericsson's own workforce. Not covered is primarily the workforce of the Cradlepoint, Vonage and RedBee businesses, which are not fully integrated into the Ericsson Group Management System.

Compensation metrics

Ratio of compensation of women to men¹⁾

%	2024	2023	2022
Base salary	85	85	84
Total compensation	85	85	82

CEO to employee pay ratio²⁾³⁾

Ratio	2024	2023	2022
Base salary – Sweden	25	27	26
Base salary – Global	37	39	40
Total compensation – Sweden	73	76	75
Total compensation – Global	100	103	109

¹⁾ This metric does not take into consideration other factors affecting compensation levels, such as location, job role and responsibilities, experience, age, education level etc. Total compensation includes full-time annual base salary, short-term variable pay (STV) and sales incentive plans (SIP) target entitlement, and long-term variable (LTV) pay grants given in the current year. The figures for total compensation ratios exclude Field Service Organization employees in certain companies that follow local STV plans, making it difficult to make relevant comparisons (about 134 individuals in 2024). The total compensation ratio includes employees of Vonage (now part of Segment Global Communications Platform) from 2023, but not 2022.

²⁾ Base salary in this context excludes holiday pay in Sweden (including for the President and CEO) and therefore differs from the data presented in the table Total Remuneration to the President and CEO and Executive Vice President on page 2–3 in the Remuneration Report, which includes holiday pay.

³⁾ Total Compensation in this context is based on STV/SIP target-level entitlement and LTV granted for each respective year and therefore differs from the information presented in the table Total Remuneration to the President and CEO and Executive Vice President, on page 3 in the Remuneration Report, which shows actual earned STV and vested LTV. The total compensation ratio includes employees of Vonage (now part of Segment Global Communications Platform) from the year 2023 but not 2022.

Ericsson has also assessed its adjusted pay gap among men and women, also known as the equity gap, for a majority of its employees. Unlike the metrics disclosed above, this metric takes into consideration other factors when assessing differences in compensation between women and men, such as experience, performance, tenure and responsibilities. The adjusted equity gap is a more accurate measurement of a company's equal pay for equal work practices.

Incidents, complaints and severe human rights impacts

Compliance concerns related to discrimination and harassment¹⁾

No.	2024	2023	2022
Total received	98	– ²⁾	– ²⁾
of which harassment concerns	79	– ²⁾	– ²⁾
of which discrimination concerns	19	– ²⁾	– ²⁾
Total confirmed	15	– ²⁾	– ²⁾
of which harassment concerns	15	– ²⁾	– ²⁾
of which discrimination concerns	–	– ²⁾	– ²⁾

¹⁾ Scope of disclosures are concerns received and handled through the Allegation Management Process.

²⁾ Ericsson is disclosing this metric for the first time wherefore comparative data for previous reporting periods is not available.

In 2024, 79 concerns classified as harassment were reported to the Ericsson Compliance Line. Out of the reported concerns, 32 were referred for further investigation. 15 of these investigations were concluded and found to be substantiated. 9 cases were still under investigation at the end of the year. 20 concerns were referred to other functions, such as the People Function, to be addressed in accordance with their processes.

In 2024, 19 concerns classified as discrimination were reported to the Ericsson Compliance Line. Out of the reported concerns, 4 were referred for further investigation. None of these investigations was concluded and found to be substantiated. One case was still under investigation at the end

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of the year. 8 concerns were referred to other functions, such as the People Function, to be addressed in accordance with their processes.

Corrective and disciplinary actions have been taken against subjects in substantiated investigations, including termination of employment.

The total number of complaints reported to Ericsson's channels for reporting compliance concerns is disclosed in section G1.

During 2024, Ericsson has not, through its own reporting channels or through any OECD National Contact Points set up by governments that adhere to the OECD Guidelines for Multinational Enterprises, been made aware of any severe human rights incidents related to its own force in which the Company has been involved. Consequently, no remediation actions have been taken.

S2 Workers in the value chain

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Health and safety	●	●	●	●
Equal treatment and opportunities	●	●		●
Workers' rights and working conditions	●	●		
Forced and child labor	●			●
Adequate housing	●			

Material impacts, risks and opportunities

As described in the section General Disclosures, as a multinational company with about 17,000 active direct suppliers in 2024 and several times more indirect suppliers, Ericsson's value chain is complex. Several material impacts, risks and opportunities related to workers in the value chain have been identified. These can be divided into three categories: working conditions, health and safety, and other work-related rights, which are further detailed below.

Working conditions

Many of Ericsson's suppliers and subcontractors are found in countries and regions where there are heightened systemic risks of workers not being paid an adequate wage or having secure employment conditions, working excessive hours or their right to freedom of association not being respected. This includes Asia, the Middle East, Africa and Latin America. Similarly, in largely the same geographies, there are systemic and heightened risks of discrimination and harassment of women and other underrepresented groups or minorities in the workplace. Ericsson also works with suppliers and subcontractors in several countries with heightened risk to personal security caused by conflicts, civil unrest, criminality or authoritarian rule.

Health and safety

Material health and safety-related impacts for workers in the value chain correspond to the same impacts as those described for its own workforce in section S1. Ericsson's overall approach to managing these impacts is also described in section S1, with supplier-specific measures described below.

Other work-related rights

Beyond its first-tier suppliers, Ericsson has identified heightened systemic risks of forced labor, in particular for activities involving the extraction of natural resources used in Ericsson's hardware, as well as electronics manufacturing in certain parts of the world including, but not limited to China, India, Brazil and Malaysia. Systemic risks have also been identified for child labor in relation to the extraction of some natural resources used in Ericsson's hardware. Ericsson sources components and products containing minerals and metals that may originate from conflict-affected and high-risk areas but does not source minerals or metals directly. Although the potential impacts exist several tiers upstream in Ericsson's supply chain, Ericsson acknowledges that this is an important systemic matter to address in relation to both the rights of workers in the value chain and affected communities.

Poor housing conditions for workers in the electronics manufacturing value chain is also a known systemic issue in parts of the world, in particular in locations where employees, often migrant workers, might live in worker dormitories with substandard living and sanitary conditions. This potential impact is most likely to occur beyond Ericsson's first-tier suppliers.

Existing and emerging legal requirements on companies to ensure respect for human rights across their value chains, in particular mandatory due diligence provisions or similar requirements such as those included in

the US anti-forced labor import laws and the European Union's Corporate Sustainability Due Diligence Directive and Forced Labor Regulation, require companies to strengthen their risk management practices, which can increase compliance-related costs. Failure to demonstrate compliance can have legal and financial consequences and affect Ericsson's access to certain markets through, for example, import bans. Human rights-related factors are also increasingly included in customers' supplier evaluation processes, meaning Ericsson's performance in this area could affect how the Company is assessed in tenders and proposals.

Policies related to value chain workers

Code of Business Ethics

The Code of Business Ethics states that at Ericsson, any form of slavery exploitation, including human trafficking and forced, coerced, bonded or compulsory labor, is strictly prohibited. The provisions in Ericsson's Code of Business Ethics that concern prohibition of discrimination are described in section S1 and apply also to workers in the value chain.

Code of Conduct for Business Partners

The Code of Conduct for Business Partners requires business partners such as suppliers to respect all internationally recognized human rights standards, including the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

Summarized, the Code of Conduct for Business Partners articulates Ericsson's requirements on business partners to provide their employees with written and understandable employment agreements, that employees shall not be required to pay recruitment fees and that they must never be denied access to their identification or, in the case of migrant workers, immigration documents. No form of forced or bonded labor is permitted under the Code, and suppliers must not use child labor in any of their operations. Employees under the age of 18 must not perform work that could jeopardize their health or safety. Working hours must not exceed what is the maximum allowed by law, and a workweek must not be more than 60 hours, including overtime, striving for the ILO standard of 48 regular hours per week. Business partners must respect the right of their employees to earn a living wage. Wages paid to employees shall be compliant with applicable wage laws, and wages for a normal workweek must be sufficient for meeting the basic needs of employees and provide some discretionary income. Business partners shall further provide a workplace free of unlawful discrimination of any kind, harassment and harsh or inhumane treatment, including violence. Threats of the same are also not accepted. Business partners must respect the right of all employees to form and join trade unions and bargain collectively.

The Code requires that business partners take a risk-based approach to health and safety and that employees and contractors are adequately trained in their assigned tasks. The business partner must also have an appropriate incident and reporting procedure in place, and a process for

Section S2, cont'd.

taking corrective actions. Besides the Code, Ericsson also has general occupational health and safety (OHS) standards applicable to all suppliers, requiring them to have an OHS management system in place, incorporating the elements described above. For suppliers of construction, field maintenance and network rollout services, additional specific OHS standards, which provide more detailed requirements, are also mandatory. These specific standards also detail requirements on how suppliers shall manage OHS matters in relation to their subcontractors.

General information regarding the Code of Conduct for Business Partners is included in the section General Disclosures, which also provides information about Ericsson's Statement on Business and Human Rights.

Processes for engaging with value chain workers about impacts

Ericsson engages directly and indirectly with workers in its value chain about impacts that affect them, or are likely to affect them, in several ways. Some of the more relevant channels are described below.

The Supplier Code of Conduct Audit Program described below incorporates worker interviews, which is one way in which Ericsson engages with workers in the value chain. These interviews focus on human and labor rights topics included in the Code of Conduct for Business Partners.

Ericsson also engages on a regular basis with various organizations, which can be seen as proxies for the views and interests of value chain workers. Ericsson is a member of the Shift Business Learning Program to drive business respect for human rights according to the United Nations Guiding Principles for Business and Human Rights (UNGPs). The Company is also a member of the Business Network on Civic Freedoms and Human Rights Defenders and the Responsible Business Alliance (RBA).

In addition, Ericsson engages with value chain worker proxies when it conducts heightened due diligence activities. These may take the form of direct engagements with labor rights organizations active in a particular country, as well as roundtable meetings with civil society organizations and other stakeholders working with labor-rights-related topics.

Processes to remediate negative impacts and channels for value chain workers to raise concerns

Findings from supplier audits are addressed through corrective action plans. Those are therefore one of the most important mechanisms for providing remedy for negative impacts on value chain workers.

There are several channels for workers in the value chain to raise concerns. The Ericsson Compliance Line, available to internal as well as external stakeholders, including suppliers and their workers, can be used to report concerns about violations of the Code of Conduct for Business Partners, policies, laws or regulations. For information about the Ericsson Compliance Line, see section G1.

Ericsson also requires business partners to have a process for their employees to report violations of the Code of Conduct for Business Partners, which shall include an effective grievance mechanism. The business partner is required to ensure a safe environment for providing grievance without fear of reprisal or retaliation.

Taking action on material impacts, risks and opportunities

Ericsson strives to conduct business in a responsible manner and has several means in place to manage impacts on workers in the value chain. Described below are key actions and action plans related to the segmentation, screening and auditing of suppliers, heightened due diligence regarding human rights and conflict minerals, and supplier health and safety management.

Supplier segmentation and business continuity

Ericsson segments its supplier base to efficiently manage supplier relationships and risks. Suppliers are divided into one of four segmentation levels based on a combination of the following four aspects: spend, risk, dependency and value. Suppliers in the top two segmentation levels are considered business critical. Ericsson strives to have multiple supply sources to strengthen supply chain resilience wherever possible and invests in strategic buffers to further reduce the risk of disruptions. In addition, disruptive events are monitored in real time and individual suppliers can be visualized in the

monitoring process. In case such an event occurs, Ericsson will be notified of which suppliers may be impacted. The risk exposure is subsequently assessed and appropriate mitigation activities for the specific event are enacted. The real-time monitoring can be extended to integrate a supplier's business continuity plans, enabling additional granularity in the analysis of the supplier's vulnerability.

Supplier screening and audits

Within Ericsson's sourcing organization, a dedicated unit is responsible for driving sustainability and corporate responsibility-related initiatives with a focus on supplier alignment with the Code of Conduct for Business Partners. The scope of the Responsible Sourcing Program mirrors the topics covered in this Code. Supplier adherence to standards and requirements is verified through two audit programs, one based on the Code of Conduct and the other on Contract Compliance.

Ericsson has been working on increasing the traceability of its products beyond first-tier suppliers. These efforts have followed a risk-based approach factoring in supplier category risk, country risk and risks related to the specific product, product component or raw material supplied. New and emerging regulations that contain supply chain traceability requirements have been considered in this process. Ericsson's general approach is to work collaboratively with suppliers toward continuous improvement. In cases where such collaboration has not been possible, Ericsson has, as a last resort, decided to make changes to its supply chain.

Ericsson offers free training through its website to its suppliers and business partners. Besides general training on the Code of Conduct for Business Partners, targeted content covering anti-corruption, human rights, conflict minerals and OHS is also available via the Company's website. Direct access to the United Nations Global Compact Academy is available to employees in the sourcing organization and to suppliers via Ericsson's website.

Supplier screening

Ericsson has a process for assessing its first-tier suppliers for risks of nonconformity with its Code of Conduct. During onboarding of a new supplier, an initial screening is performed using third-party databases to assess adverse media coverage in the areas of regulatory compliance, anticompetitive behavior, financial irregularities, environment, production, social and labor rights-related matters.

As a next step, a modular supplier sustainability risk assessment based on the supplier category's risk profile can be activated. The scope of each assessment is determined based on the type of products or services the supplier provides. When a supplier has been selected for assessment, one or several self-assessment questionnaires covering environmental, OHS and human rights management are sent to the supplier for completion.

After completion of the assessment, suppliers are rated as having high, medium or low risk, depending on how well they meet Ericsson's criteria in the areas covered. Based on this rating, a recommendation to either approve, not approve, or approve the supplier with certain conditions to address gaps (or the equivalent recommendations in the case of an active supplier) will be issued.

Once onboarded, suppliers continue to be screened for adverse media coverage at regular intervals as long as they provide products or services to Ericsson.

Supplier audits

Ericsson audits its first-tier suppliers, primarily those making up the top 90% of the total supplier spend, to verify that suppliers meet the requirements in Ericsson's Code of Conduct. The inherent risk related to these suppliers, based on factors such as country, type of service or product supplied, time since the last audit and purchase volume is assessed and forms the basis for audit selection.

The audits are performed by a third-party audit firm and are done primarily on-site, with remote audits being an option for high-risk countries, to not jeopardize the safety of the auditors, and for follow-up audits. The overall audit criteria are adherence to the Code of Conduct, with specific criteria including, but not being limited to, employment conditions such as working hours, wages and management dialogue, OHS matters such as accident and incident prevention, chemical handling as well as communication of requirements to sub-suppliers and contractors.

Section S2, cont'd.

Nonconformities are required to be addressed through time-specific corrective action plans. Ericsson does not conduct unannounced audits. However, semi-announced audits, where the supplier is informed that an audit will take place during a window of time without knowing exactly when, are conducted.

In 2024, 79 (123) such audits were performed identifying nonconformities at 89% (85%) of the audited suppliers and critical nonconformities at 3% (1%) of the audited suppliers. These were primarily related to OHS management. 84% (79%) of the total number of nonconformities and 50% (100%) of the critical ones had been addressed with corrective actions within the pre-determined timeframes.

Ericsson also conducts audits to verify compliance with contractual agreements between suppliers and Ericsson. These are performed by Ericsson's internal auditors and follow the principles of ISO 9001 Guidelines for Auditing Management Systems. Besides the Code of Conduct criteria, other criteria such as trade compliance, business continuity management and security are in the scope of these audits. Nonconformities are required to be addressed through time-specific corrective action plans.

In 2024, 14 (19) such contractual audits identified nonconformities at 100% (100%) of the audited suppliers. These were primarily related to the Code of Conduct for Business Partners. No critical nonconformities were identified. 76% (65%) of the identified nonconformities had been addressed with corrective actions within the pre-determined timeframes.

Conflict minerals due diligence

Ericsson's Conflict Minerals Program, following the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, requires suppliers to exercise due diligence in the sourcing and extraction of conflict minerals and to verify with reasonable certainty the origin of conflict minerals contained in products sold to Ericsson. Minerals in scope of the program are tin, tantalum, tungsten and gold as well as cobalt and mica. More detailed information on this topic can be found in Ericsson's annual Conflict Minerals Report, available on the Company's website.

Heightened human rights due diligence

Ericsson has processes in place to conduct heightened human rights due diligence when operating in conflict-affected and high-risk areas or when human rights risks are otherwise considered elevated. Measures taken in such situations include in-depth desktop studies of matters such as the security situation and regulatory environment, obtaining input and analysis from third-party experts and engaging with external stakeholders, including potentially affected stakeholders or their intermediaries and representatives.

In conflict-affected or high-risk contexts, it may be difficult to reach out directly to impacted stakeholders. In such circumstances, Ericsson tries to leverage its engagement in forums such as the Global Network Initiative and the Business Network on Civic Freedoms and Human Rights Defenders, and other preexisting stakeholder relationships, to identify ways of engaging with external stakeholders that ensure their personal security and safety. This can involve sharing information about current and future business activities and practices, potential human rights risks and mitigating measures and how to establish meaningful communication channels with concerned stakeholders.

Heightened human rights due diligence can also be triggered by factors such as re-entry into a market, reports about deteriorating human rights situations in a specific country, new product developments or identified actual adverse impacts. The methodology used for conducting heightened human rights due diligence is aligned with the UN Guiding Principles.

The human rights-focused country visit to India described in section S1 also covered matters related to workers in the value chain.

Supplier health and safety management

Ericsson has set up global mandatory programs for field service suppliers, which are part of its Code of Conduct for Business Partners. These are the Stop Work Authority, supplier maturity assessment, consequence management and mandatory training.

The Stop Work Authority standard both requires and empowers people to immediately stop work when unsafe working conditions are identified, and this is a key measure to mitigate risks of incidents.

The Company has put in place a supplier safety maturity assessment process to assess site service suppliers against a set of predefined OHS criteria. Based on assessment results, an improvement plan is developed and shared with the supplier. Completion of actions in the improvement plan is aimed at helping suppliers improve their safety performance and maturity, and each supplier is expected to complete assigned actions within set timelines. New suppliers are not onboarded unless they pass the assessment. Ericsson applies consequence management to suppliers who do not close their actions in time or refuse to complete or be part of the assessment. Site services suppliers failing to adhere to Ericsson's health and safety requirements are handled through a consequence management process. To mitigate risks of repeated failure to follow rules and procedures, Ericsson imposes consequences such as financial penalties, reduction of business volumes, more quality inspections and audits, and written warnings. In severe cases, supplier relationships can be terminated. OHS-related actions and action plans described in section S1 are also relevant for employees of site service suppliers.

Over 1,800 site services suppliers have been assessed since 2023 and about 12,000 critical and major observations were identified as part of the program. Several hundred site services suppliers have been phased out either due to low scoring or not completing assigned actions to address critical or major observations. Ericsson will continue its supplier maturity assessments in 2025, both through assessing new suppliers and by reassessing low scoring active suppliers.

In addition, suppliers are expected to complete certain mandatory courses required by Ericsson, as specified on Ericsson's website. These courses include mandatory OHS induction training, safe driving awareness and lifesaving rules. During 2025, Ericsson will continue these programs and its upskilling efforts by conducting supplier Target Zero workshops and training for supplier management and team leaders.

Targets related to workers in the value chain

Ericsson has a target for zero fatalities and lost-workday incidents, which covers employees of site service suppliers. There is further information about this target in section S1.

Section S2, cont'd.

Supplier audit findings and corrective actions

Code of Conduct for Business Partners audits

No.	2024	2023	2022
Conducted audits	79	123	114
Audit findings			
%	2024	2023	2022
Share of audited suppliers with nonconformities	89	85	97
<i>Nonconformities per category</i>			
Access and transparency ¹⁾	0	0	— ⁴⁾
Employment conditions	42	42	— ⁴⁾
Environmental management	3	4	— ⁴⁾
Anti-corruption measures	0	3	— ⁴⁾
OHS management	53	48	— ⁴⁾
Sub-supplier communications ²⁾	2	3	— ⁴⁾
Share of audited suppliers with critical nonconformities	3	1	— ⁴⁾
<i>Critical nonconformities per category</i>			
Access and transparency ¹⁾	—	—	— ⁴⁾
Employment conditions	—	—	— ⁴⁾
Environmental management	—	—	— ⁴⁾
Anti-corruption measures	—	—	— ⁴⁾
OHS management	100	100	— ⁴⁾
Sub-supplier communications ²⁾	—	—	— ⁴⁾
Corrective action rate³⁾			
All nonconformities	84	79	73
Critical nonconformities	50	100	63

Contract Compliance audits

No.	2024	2023	2022
Conducted audits	14	19	15
Audit findings			
%	2024	2023	2022
Share of audited suppliers with nonconformities	100	100	100
<i>Nonconformities per category</i>			
Code of Conduct for Business Partners	33	36	— ⁴⁾
Quality Management Systems	16	20	— ⁴⁾
Security	10	9	— ⁴⁾
Sourcing	7	9	— ⁴⁾
Business Continuity Management	10	7	— ⁴⁾
Other	25	19	— ⁴⁾
Share of audited suppliers with critical nonconformities	—	—	— ⁴⁾
<i>Critical nonconformities per category</i>			
Code of Conduct for Business Partners	—	—	— ⁴⁾
Quality Management Systems	—	—	— ⁴⁾
Security	—	—	— ⁴⁾
Sourcing	—	—	— ⁴⁾
Business Continuity Management	—	—	— ⁴⁾
Other	—	—	— ⁴⁾
Corrective action rate³⁾			
All nonconformities	76	65	69
Critical nonconformities	—	—	—

¹⁾ Access to facilities and documentation necessary to conduct the audit.

²⁾ Communication of Ericsson's requirements, such as those in the Code of Conduct, to sub-suppliers where this is required.

³⁾ The share of identified nonconformities and critical non-conformities addressed and closed within internally defined deadlines applicable to each respective category. The corrective action rates are calculated based on the rate at which findings identified in the reporting period have been addressed and closed during the same period. For this reason, findings identified late in the reporting period may not have been addressed and closed by the reporting year cut-off date, which is December 31.

⁴⁾ Detailed breakdown of type of nonconformities is not available, as this metric was not disclosed in 2022.

S3 Affected communities

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Technology ethics			●	
Corporate citizenship and emergency response			●	
Socioeconomic impacts of ICT and digital education			●	

Material impacts, risks and opportunities

Ericsson has identified impacts on the communities in which it operates. These include technology ethics, corporate citizenship and emergency response, and the broader socioeconomic impacts of information and communications technology (ICT) on communities and digital education. Sourcing of minerals from conflict-affected and high-risk areas is also associated with potential negative impacts on communities and is addressed in section S2.

Technology ethics

Ericsson is involved in the development of new technology such as 6G and AI. The application and unintended effects on people and communities of such technologies are under increasing scrutiny, governmental regulation, litigation and the subject of public debate. Ericsson has therefore identified technology ethics as a matter with potential material impacts on affected communities.

Corporate citizenship and emergency response

Ericsson and its technology positively impact people and communities in several ways, from facilitating access to education for children and young people, making donations to selected charitable causes, to providing necessary communications infrastructure to support humanitarian response in crisis situations. In addition to the benefits to the receiving parties, meaningful community engagement also contributes to enhancing the employee experience for the people working for Ericsson.

Socioeconomic impacts of ICT and digital education

Research shows that, on average, a 10% increase in mobile broadband adoption can increase economic growth by up to 0.8%, with the effect being significantly larger in low-income countries¹⁾. Similarly, increases in school connectivity can have significant effects on economic growth, with potential double-digit additions to GDP if low-income countries achieve the same levels of connectivity as the most connected economies²⁾. The number of internet users grew to 5.5 billion by the end of 2024. Still, some 2.6 billion people or roughly one-third of the world’s population do not have a fast and reliable broadband connection and around 5% of the population is not covered by mobile broadband at all³⁾.

The connectivity gap is twofold and consists of both a gap in overall coverage, meaning access to any type of mobile broadband connection, and a gap in terms of lacking a mobile broadband connection that is good enough to allow full participation in the digital economy, such as access to at least 4G coverage. The challenge in bridging both these gaps is primarily a financial, rather than a technological, one with a need for new business models to evolve to enable meaningful connectivity at lower cost. Through solutions such as Fixed Wireless Access, Ericsson contributes to increased affordability, which is one enabler for connecting the unconnected and closing the digital divide.

Nearly one-quarter of the world’s adult population lacks access to formal banking and financial services, according to the World Bank Findex. However, most of the unbanked population owns a mobile phone that can help them access formal financial services. Mobile financial services offer the possibility to bring millions of financially underserved people into the formal economy, improving individual livelihoods and transforming economies.

In addition, without sufficient digital literacy people cannot fully partake in the digital economy, which is why digital upskilling is another key enabler to achieve broad digital inclusion in society. Through its digital education program, Connect to Learn, Ericsson works to accelerate access to digital connectivity for schools and learning centers, and to provide the next generation with digital skills to enable them to participate in the digital economy.

Policies related to affected communities

Ericsson’s Code of Business Ethics states that the Company supports local communities to drive positive impact. Contributions, memberships, co-marketing/joint activities, sponsorships, donations and collaborations with academia are required to be carefully assessed to confirm that they are consistent with Ericsson’s strategy of supporting worthy initiatives that can have the most significant impact. The Company also endeavours to perform due diligence to ensure contributions are free from any actual or potential conflicts of interest or have any association with improper payments. General information regarding the Code of Business Ethics is included in the section General Disclosures, which also provides information about Ericsson’s Statement on Business and Human Rights.

To advance positive impacts on communities, Ericsson’s corporate citizenship activities are aligned to four cause categories: humanitarian response, education and digital skills, climate and environment, and equal treatment and opportunities underpinning all of these. Ericsson does not make donations to political or religious causes and complies with applicable anti-discrimination laws. Certain subsidiaries have their own guiding principles for their work with corporate citizenship that may deviate from the Group’s.

During the year, Ericsson has been developing a Group policy on the development, innovation and use of technology. Ericsson has a long history of technology leadership and innovation and as a founding principle, the Company considers access to communications to be a basic human need and, as such, is committed to continuing the advancement of technology and to supporting communications for all globally. This policy will be detailed in coming sustainability reports.

Ericsson already adheres to the EU’s Ethics Guidelines for Trustworthy AI and has incorporated the guidelines in development and governance processes, including AI development guidelines and design rules. The principles cover topics such as explainability, non-bias, non-discrimination and possibility of human oversight. Apart from the implementation of trustworthy AI by design, Ericsson is also committed to ensuring that the Company itself uses trustworthy AI.

¹⁾ Edquist et al. (2018). How important are mobile broadband networks for the global economic development? *Information Economics and Policy*

²⁾ Birdwell et al. (2021). Connecting learners: Narrowing the educational divide, *The Economist Intelligence Unit*

³⁾ The State of Broadband. (2024). Leveraging AI for Universal Connectivity, *Broadband Commission for Sustainable Development*

Section S3, cont'd.

Processes for engaging with affected communities about impacts

While local engagement directly with people in affected communities occurs from time to time, Ericsson primarily engages with them via organizations and partnerships. Key memberships and partnerships are briefly described

below. Besides these, Ericsson's membership of the Global Network Initiative is primarily aimed at engaging on matters related to technology ethics, as described in section S4.

Organization	Description
1t.org	Ericsson contributes to 1t.org, part of the World Economic Forum's work to accelerate nature-based solutions through its pledge on Connected Mangroves, which is a reforestation project that started in Malaysia and further developed in the Philippines and India. It builds on connected technologies such as solar-powered sensors and real-time camera footage to collect and analyze critical data on mangrove wetlands. It also offers the local communities a platform to check on water, soil and humidity conditions, and remotely monitor any intrusion on the sites.
International Red Cross and Red Crescent Movement	The organized International Red Cross and Red Crescent Movement is a humanitarian movement with staff and volunteers worldwide. It was founded to protect human life and health, to ensure respect for all human beings and to prevent and alleviate human suffering. Ericsson contributes with donations during emergencies to the humanitarian work of the Red Cross/Red Crescent.
ITU (International Telecommunication Union)/UNESCO Broadband Commission for Sustainable Development	Ericsson's CTO is a Commissioner on the Broadband Commission for Sustainable Development, a multi-stakeholder, high-level platform for developing policy recommendations and thought leadership on universal meaningful connectivity and the importance of broadband to the global sustainable development agenda. The commission envisions and works toward realizing a fully connected world that harnesses the power of broadband to achieve the UN's Sustainable Development Goals (SDGs) by 2030.
ITU-Telecommunication Development Sector (ITU-D)	Ericsson is partnering with the ITU-D to advance the digital inclusion agenda focusing on addressing the challenges of universal school connectivity and the digital transformation of societies and economies. The collaboration aims to enhance tools and training to help policymakers improve sustainable connectivity in underserved areas and communities.
Technovation	Ericsson is partnering with education nonprofit Technovation in a global mentorship program with the objective to inspire girls to be leaders and tech entrepreneurs. With the support of volunteer mentors and parents, girls work in teams to code AI-based and mobile apps that address real world problems. Ericsson employees support as mentors to enrolled participants.
The Digital Transformation Collaborative	The Digital Transformation Collaborative is a tech-focused public-private partnership led by UNESCO that aims to mobilize resources at national scale in collaboration with governments to advance their visions for leveraging sustainable digital transformation in education to achieve SDG 4. Ericsson is a member of the Digital Transformation Collaborative steering group.
The World Economic Forum/EDISON Alliance	The World Economic Forum's EDISON Alliance mobilizes global commitments from governments, companies and organizations to advance digital inclusion as part of its 1 Billion Lives Challenge. Members, including Ericsson, are championing digital inclusion as essential to achieving the UN's SDGs, empowering everyone to thrive in the digital economy and society.
United Nations High Commissioner for Refugees (UNHCR)	UNHCR, the UN Refugee Agency, is a global organization dedicated to saving lives, protecting rights and building a better future for refugees, forcibly displaced communities and stateless people. Ericsson Response provides critical equipment and surge capacity to enable the delivery of vital communication services in refugee emergencies through UNHCR's Refugee Emergency Telecommunications Sector.
United Nations International Children's Emergency Fund (UNICEF)	UNICEF works in over 190 countries and territories to protect the rights of children. Ericsson supports UNICEF-led efforts through donations and humanitarian response action in disaster-stricken areas.
Whitaker Peace & Development Initiative	Ericsson is a long-standing partner to the Whitaker Peace & Development Initiative aimed at supporting youth and women from underprivileged backgrounds to develop skills as leaders, peacemakers, entrepreneurs and community builders. The partners recognize the important role of ICT in education and pursue joint efforts to develop peacebuilding and livelihood programs using ICT as a tool to foster resilience, peace and sustainability in communities affected by conflict, violence and poverty.
World Food Programme (WFP)	The WFP is the leading humanitarian organization saving and changing lives, delivering food assistance in emergencies, and working with communities to improve nutrition and build resilience. Ericsson contributes mainly through its Ericsson Response standby partnership. In India, the partnership aims at strengthening food security as well as addressing climate issues.

Processes to remediate negative impacts and channels for affected communities to raise concerns

The Ericsson Compliance Line, available to internal and external stakeholders, can be used to report concerns about violations of the Code of Business Ethics, policies, laws or regulations. For information about the Ericsson Compliance Line, see section G1.

During 2024, Ericsson has not, through its reporting channels, been made aware of any severe adverse human rights impacts related to affected communities in which the Company has been involved. Consequently, no remediation actions have been taken.

Taking action on material impacts, risks and opportunities

Ericsson leverages its core competencies in connectivity technology to support, develop and create a positive impact for stakeholders in the communities in which it operates. Described in this section are Group-wide programs and initiatives through which Ericsson engages with local communities and stakeholders on a non-commercial basis. In addition to these Group-wide initiatives, there are local initiatives driven by the regional sales organizations not described here.

Donations, profit distribution and sponsorships

Ericsson makes donations, both in the form of Company-matched employee donations and direct donations, to selected causes and organizations. Donations can be monetary or in-kind payments and can be made directly to a beneficiary or via a third party. In certain markets, most notably in India and South Africa, Ericsson is subject to mandatory profit distribution rules, where a portion of the local entity's profits are to be spent on community investments. Ericsson engages in monetary and in-kind sponsorship of activities that are aligned with Ericsson's values and brand strategy.

Systematic evaluations of partners for sponsorship and donations are carried out to help verify that Ericsson partners with organizations that share similar values and ethical standards. The compliance function is responsible for assessing sponsorships and donations for potential misuses, ensuring appropriate due diligence of receiving parties and recommending necessary mitigation measures to be adhered to when necessary. Execution of all donations and sponsorships is subject to predefined procedures using a dedicated application with a built-in approval flow. All required documentation is subsequently stored in the same application for traceability and verifiability.

Section S3, cont'd.

Corporate citizenship

Ericsson Volunteers is one way through which the Company delivers a meaningful employee experience and contributes to positive impacts on communities and broader society. Every employee is given one paid day per year when they can apply their skills and time to volunteering.

Ericsson continued to invest in connected reforestation projects and planted over 400,000 saplings through three projects in India in 2024. In support of UN World Clean Up Day, more than 1,400 volunteers in over 40 locations collected two metric tons of waste, which was Ericsson's largest employee volunteering engagement to date.

Ericsson Response

Ericsson Response is a global volunteer program founded by employees in 2000. Together with partners, Ericsson Response utilizes the Company's technology and the skills of its employees to provide connectivity where local services are not sufficient, for example after natural disasters or in refugee situations. It is a member of the World Food Programme (WFP)-led UN Emergency Telecommunications Cluster (ETC), a global network of partners to fill connectivity gaps for humanitarians and populations affected by disasters. Ericsson is a partner to the United Nations High Commissioner for Refugees, the UN Refugee Agency and contributes to the reach and impact of the Refugee Emergency Telecommunications Sector (RETS) to provide vital communications to the humanitarian response community in support of its activities.

In 2024, Ericsson Response and RETS distributed connectivity to RETS partner offices that support 91,000 refugees in Mirqaan, Bokh district in Ethiopia. Ericsson Response also supported the WFP-led ETC efforts to respond after the devastating hurricane Beryl in Jamaica and Union Island. Preparedness remains key for reducing the impact of natural disasters and Ericsson Response continued to support the WFP's preparedness project in the Philippines.

Socioeconomic impacts of ICT and digital education

Ericsson's approach is based on the belief that technology developed and deployed responsibly can help bridge the digital divide and ensure that the benefits of the digital economy and society are enjoyed by all people. The Company works toward this goal through digital inclusion initiatives, which cover the portfolio, business cases, advocacy and on-the-ground efforts.

Ericsson continues to explore how its solutions can be used to develop cost-efficient and profitable business offerings, targeting regions with no or low internet penetration. These efforts include radio and power management solutions, business cases and use cases. Fixed Wireless Access is one example of an efficient and scalable alternative to wired connections and a solution that can benefit institutional coverage, such as in schools. In recent years, a substantial share of new 5G Fixed Wireless Access launches has been in emerging markets.

Financial inclusion

Ericsson's Mobile Wallet Platform enables communications service providers and financial institutions to provide easy-to-use, affordable and secure mobile financial services to people with previously limited access to such services. This in turn supports financial inclusion. It allows unbanked people to save and transfer money, receive financial aid and salary, pay bills and merchants, top up mobile services and get instant loans, as well as get access to insurance and other financial services.

Digital education

Ericsson's commitment to bridging the digital divide focuses on providing access to education and digital skills development. This is carried out through Ericsson's global flagship education program, Connect to Learn, a nonprofit program delivered in collaboration with governments, communications service providers, nongovernmental organizations and international/UN agencies, with the ambition to:

- Accelerate access to digital connectivity for schools and community learning centers.
- Provide the next generation with digital skills essential for their socio-economic development and enhance industry-ready education to make students employment ready.

Key nonprofit education offerings that Ericsson deploys globally in collaboration with partners are Ericsson Educate and Ericsson Digital Lab.

Ericsson Educate is a digital skills development program designed for university students covering key topics related to emerging technologies such as telecommunications and 5G, AI, data science, automation and the Internet of Things.

Ericsson Digital Lab is an educational program designed to inspire children aged 9–16 to explore new technology and develop their problem-solving skills. The Digital Lab is a place where instructors from Ericsson and partner organizations can share their interest in technology with students, and includes courses on robotics, game development, electronics and AI.

In 2020, Ericsson became the first private sector partner to make a multimillion-dollar commitment to support the joint UNICEF-International Telecommunication Union Giga Initiative for global school connectivity with the aim to connect every school to the internet and every young person to information, opportunity and choice. With support from Ericsson, Giga maps schools and their connectivity levels to help target investment to where it is most needed and to measure progress toward increasing internet access. Ericsson's financial and in-kind support has contributed to Giga having supported increased access to connectivity in more than 14,500 schools, benefiting approximately 7.8 million students.

Targets related to affected communities

Ericsson does not have any public targets related to affected communities.

Community impact metrics

Ericsson discloses metrics related to its impacts on communities in Appendix I to the sustainability statements.

S4 Consumers and end users

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Freedom of expression and right to privacy			●	
Responsible marketing				●

Material impacts, risks and opportunities

Ericsson has identified impacts and risks related to the consumers and end users in relation to end users of communication services. The identified impacts concern the right to freedom of expression and right to privacy, and risks were identified related to responsible marketing practices toward Ericsson’s consumer customers.

Freedom of expression and right to privacy

Downstream in Ericsson’s value chain, misuse of the Company’s technology and solutions could create risks of negative impacts on the right to privacy of end users, such as mobile network subscribers, through functionalities in mobile networks, where governments and authorities can intercept private communications, including so-called lawful intercept. Additionally, while Ericsson, as a network vendor company, does not hold a license and does not receive requests to shut down networks directly from authorities, it could indirectly be obliged by authorities to do so where it operates networks on behalf of communications service providers, which could impact people’s right to exercise their freedom of expression. Impacts on freedom of expression can also occur when specific technologies are used to block or filter certain content on a network. These potential negative impacts are systemic in their nature, and their severity and likelihood depend on the overall protection of human rights, the strength of rule of law, the regulatory environment and robustness of democratic institutions in the countries where Ericsson delivers and operates networks.

Responsible marketing

Ericsson’s commercial offerings are primarily directed toward other businesses and not directly to consumers. However, the Vonage business, in Ericsson’s enterprise division, provides internet-based telephone services to small businesses and a small number of consumers. In 2022, Vonage was fined by the US Federal Trade Commission for allegedly making it difficult for consumers to understand the full cost of what they were purchasing, and to cancel their service(s). The recurrence of such business practices could create risks of similar financial consequence for the Company.

Policies related to consumers and end users

The Code of Business Ethics states that Ericsson shall advocate for freedom of expression and privacy protection, both individually and collectively with other stakeholders. The Code further provides that Ericsson works to mitigate and minimize the risk of potential misuse of the Company’s technology, and people working for Ericsson are expected to assess external requests and demands that may impact the freedom of expression or right to privacy of individuals and ensure such requests are legitimate, proportionate and necessary before acting in response. The Code additionally notes that risks of misuse of Ericsson’s technology shall be considered in business engagements, correct procedures to mitigate such risks shall be followed and concerns raised if such risks are being ignored or not adequately addressed. General information regarding the Code of Business Ethics is included in the section General Disclosures, which also provides information about Ericsson’s Statement on Business and Human Rights. As a member of the Global Network Initiative (GNI), Ericsson is also committed to the GNI Principles on Freedom of Expression and Privacy.

Processes for engaging with consumers and end users about impacts

Ericsson does not have a process for engaging directly with consumers and end users about impacts. Instead, the Company engages with credible proxy organizations to inform itself about impacts with which it may be involved. This includes participation in the Global Network Initiative (GNI), which brings together academics, civil society, companies and investors to set a global standard for responsible decision-making to promote and advance freedom of expression and privacy rights across the ICT industry. Through its participation in the GNI, Ericsson engages with civil society organizations from across the world, to further its understanding of its potential human rights impacts. The GNI requires member companies to periodically subject themselves to independent assessments of their practices and those practices’ alignment with the GNI Principles. The GNI also focuses on shared learning on key trends and emerging developments, and collective advocacy on government and company policies relevant to the ICT sector’s role in protecting freedom of expression and right to privacy.

Processes to remediate negative impacts and channels for consumers and end users to raise concerns

The Ericsson Compliance Line, available to internal and external stakeholders, can be used to report concerns about violations of the Code of Business Ethics, policies, laws or regulations. For information about the Ericsson Compliance Line, see section G1.

The Sensitive Business Framework described in the next subsection is another important mechanism for contributing to providing remedy for potential negative impacts on consumers and end users.

During 2024, Ericsson has not, through its reporting channels, been made aware of any adverse severe human rights impacts related to consumers or end users in which the Company has been involved. Consequently, no remediation actions have been taken in relation to such reports.

Taking action on material impacts, risks and opportunities

Sensitive Business process

To help assess, prevent and mitigate potential misuse of Ericsson’s technology, human rights due diligence is integrated into the sales and other business engagement processes through the Sensitive Business process. This aims to ensure that Ericsson’s solutions are used in accordance with international human rights standards, through identifying potential negative impacts and taking measures to address these.

All sales opportunities are automatically screened based on a predefined set of parameters described below. If the initial risk screening identifies risks in a sales opportunity that the Company intends to pursue, the sales team shall submit an approval request, which is evaluated according to the Sensitive Business risk methodology by a team of dedicated specialists. The team subsequently determines the risk of the overall opportunity and issues a recommendation to approve, approve with conditions or reject the opportunity. Conditional approvals means that technical, contractual and/or other mitigations are to be put in place to address the identified risk. The Sensitive Business team verifies that these mitigations have been implemented by the sales organizations. Described at the end of this section are examples of cases reviewed in this process during the reporting year.

Section S4, cont'd.

Apart from sales opportunities, the Sensitive Business process is also used to identify and address risks in other business engagements, including mergers and acquisitions and assessments of third parties such as business and technology partners. This process can also trigger other measures and activities, such as a review of legal frameworks in a country or heightened human rights due diligence when acquiring a new business before a decision is taken to pursue such a transaction.

Four main parameters are considered when assessing the potential human rights risks in each business engagement.

Portfolio	Purpose
The amount of personally identifiable information that it processes and how this information will be accessed and stored.	The purpose and context in which the customer intends to use the product, service or solution.
Customer	Country
The type and ownership structure of the customer.	The country-specific risk regarding human rights. Third-party risk analytics data is used to assess countries based on risks related to the right to privacy and freedom of opinion and expression, as well as, but not limited to, human security, conflict intensity and the rule of law.

The Sensitive Business process is managed on an operational level by a dedicated team of product portfolio and misuse of technology specialists, and is governed by a cross-functional forum, with representatives from the product development and delivery and sales organizations, as well as the legal, trade compliance, compliance and communication departments.

Each regional sales organization has one appointed point of contact responsible for Sensitive Business. This person is responsible for informing business owners, such as the account managers working in their respective geographical areas, of recent developments, information requests by the Sensitive Business team and other relevant matters.

Recommendations from the Sensitive Business process, and the rationale behind those recommendations, can be brought to Ericsson's Business Risk Committee by the head of a business segment or sales organization for further discussion when a case involves potential material Group risks.

In 2024, additional risk indicators were integrated into the process to better evaluate all types of business engagements, including public networks and private networks for enterprises and government agencies. Ericsson also strengthened the processes for addressing human rights risks in engagements where it operates the networks on behalf of customers, with measures planned to be fully implemented in 2025.

Training and awareness raising

Senior members of the cross-functional forum governing Sensitive Business receive onboarding as well as continuous updates by the Sensitive Business unit, including on cases and in relation to updates to the process as a whole. This unit, together with business and human rights experts at Group level, also trains the sales teams, including accounts managers, on human rights and on the Sensitive Business process.

Responsible marketing

Following the US Federal Trade Commission order, Vonage has focused on increased transparency and clarity in its marketing, sales and cancellation information. Examples of actions taken are:

- Clearer sign-up disclosures about recurring payments, cancellation terms and early termination fees.
- Streamlined cancellation processes, including priority support queues and the ability to cancel online through self-service.
- Updated company sales and marketing materials to reflect these changes.
- Introduced annual training for its sales teams focused on a customer-centric approach to selling, which includes a review of its transparent sales and marketing practices and cancellation processes.

With the implementation of these changes, the Company has made it as straightforward and as easy as possible for customers to understand the specific details of the services they are purchasing, the total cost of service and what it would cost for them to cancel a service should they change their minds. These changes are intended to provide a better overall experience for customers and are aligned with the Company's commitment to acting with integrity and operating in an open, honest and transparent manner.

Targets related to consumers and end users

Ericsson does not have any public targets related to consumers and end users.

Sensitive Business metrics

Cases reviewed by outcome

No.	2024	2023	2022
Approved	266	252	235
Approved with conditions	813	636	435
Rejected	2	7	13
Total	1,081	895	683

The numbers in the table above contain the Sensitive Business decisions taken during the reporting period. These make up about 17% of all engagements initiated in 2024. In individual markets, the share of reviewed engagements can be significantly higher or lower depending on factors such as the country-level risk. The vast majority of the cases reviewed in 2024 were sales opportunities, with a smaller share being made up by other types of transactions, such as mergers and acquisitions and assessments of third parties such as business and technology partners. All sales opportunities are initially automatically screened. The increase in reviewed cases in recent years can in part be explained by an increase in country-level risk in several markets as well as a general strengthening of the screening process.

Section S4, cont'd.

Below Ericsson presents examples of cases reviewed in the Sensitive Business process to illustrate the types of transactions and outcomes that have been reviewed and reached during the year.

Decision	Customer	Description	Rationale
✓ Automatically approved	Communications service provider	The customer requested to have a solution that converts electrical resistance from low to high.	The engagement was flagged as it involved a country with heightened human rights risks. However, after consideration of all risk factors, the system assessed that the products involved did not pose any heightened risks and the request was automatically approved.
✓ Approved	Communications service provider	The customer requested a solution for Fixed Wireless Access that included products from a third party.	The solution requested would only process limited amounts of personally identifiable information. Based on this, it was determined that there was an overall low risk of potential adverse human rights impacts, and the engagement was approved.
✓ Approved	Government function	A government agency requested a solution to restrict network access in a secure area by limiting which devices would be permitted to connect to the network.	The country level risk was low, and since the solution would be used exclusively within an already access-restricted area, the human rights risks were considered low, and the engagement was approved.
✓ Automatically approved with conditions	Communications service provider	The customer requested to have a standard radio solution.	The engagement was flagged as having elevated risks, as the country risk level was medium. However, after consideration of all risk factors, the system assessed that the engagement involved only standard products with no elevated risks. Based on this, the system automatically included contractual safeguards to mitigate risks of misuse.
✓ Approved with conditions	Reseller	A reseller requested a transmission solution where the end user was a government defense agency.	The country risk in combination with the intended end customer indicated an elevated risk, which triggered heightened due diligence. It was concluded that it was necessary to limit the products, solutions and services in scope and define the permissible use of the solution, through contractual safeguards, to help ensure that the technology would be used in a manner that is consistent with human rights.
✓ Approved with conditions	Communications service provider	The customer requested to slice the radio network to create a separate private network for a government function.	The intended end customer triggered a further review of the engagement. After reviewing the country, end customer and the end user risks, the overall human rights risks were identified as low. To address concerns of unintended use, contractual safeguards were implemented as part of the approval.
✗ Rejected	Communications service provider	The customer requested Ericsson to integrate new services into an existing product portfolio.	The requested solution was found to pose high risks to the right of privacy in a high-risk country. The potential misuse was related to authorities in the country, which would have gained access to user location data through the requested solution. Given that no sufficient mitigating actions could be taken to address this risk, the opportunity was rejected.

Section G – Governance

G1 Business conduct

Material sustainability matters	Impact occurs			Potential risks and opportunities
	Upstream, extended supply chain	Own operations	Downstream, customers and end users	
Corruption and bribery	●	●	●	●
Anticompetitive behavior				●
Supplier relationships and payment terms	●			
Data privacy and cybersecurity		●	●	●
Political engagement and advocacy			●	●

Material impacts, risks and opportunities

Ericsson has identified several material impacts, risks and opportunities related to business conduct in its upstream and downstream value chain, as well as in its own operations. These include corruption and bribery, anti-competitive behavior, supplier relationships and payment terms, data privacy and cybersecurity, and political engagement and advocacy.

Corruption and bribery

Corruption, bribery and other unethical business practices are an obstacle to economic and social development, and often disproportionately affect fragile communities and undermine democratic institutions. They erode the trust that people and businesses have in institutions, and damage the business environment, causing long-term barriers to efficient economic activities in countries and regions where they occur, leading to lower levels of investments and reduced growth. Ericsson is a large multinational company with approximately 94,000 employees worldwide and serves customers in more than 175 countries. With its global reach, Ericsson is present in emerging markets in Asia, Latin America, Eastern Europe, the Middle East and Africa, including many countries with weaker institutions that have a higher risk of bribery and corruption. The telecommunications sector is also considered as a sector with heightened risks of corruption due to its complex technical structure and interrelations between public and private sector actors.

There have been historical instances in which Ericsson failed to properly mitigate bribery and corruption risks. As a result, the Company incurred significant costs related to investigations, legal actions, compliance monitoring and fines, and suffered damage to its brand and reputation. Future failures to uphold adequate ethical standards and comply with applicable anti-bribery and anti-corruption laws and regulations could have material financial and reputational consequences.

Anticompetitive behavior

With its global presence, Ericsson is subject to a broad range of legal requirements and regulations related to anticompetitive behavior. Ericsson is also involved in legal proceedings in the ordinary course of its business. These proceedings include matters such as commercial disputes, intellectual property rights disputes and government or authority inquiries or investigations into matters such as antitrust and tax. Legal proceedings can be expensive, lengthy and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. An unfavorable resolution of a particular matter could have a material adverse effect on Ericsson's business, operating results, financial condition and reputation.

Supplier relationships and payment terms

With about 17,000 active direct suppliers, Ericsson exerts influence over a broad range of supplier relationships, and is linked to several environmental, social and business-conduct-related impacts in its upstream value chain. Environmental and social impacts, risks and opportunities related to the supply chain are elaborated further in sections E1 to E5, and social impacts in section S2. Ericsson can influence its suppliers' business conduct through setting expectations on behavior and operational practices, conducting reviews, exercising audit rights and through payment terms of its supplier contracts, though the extent of this influence depends on factors that vary between suppliers.

Data privacy and cybersecurity

The networks Ericsson deploys for its customers are used for critical infrastructure and processing sensitive data, such as subscribers' personal information, which must be kept secure. Ericsson itself also processes employee, customer and end user data, and is subject from time-to-time to security attacks and vulnerabilities such as ransomware attacks and insider threats. Security incidents within both Ericsson's own enterprise IT environment, as well as incidents related to the Company's delivered products and solutions, such as an unintentional shutdown of a mobile network, could prevent end users from accessing the internet, and inadequate privacy measures, such as the unwanted exposure of confidential and personal data, could lead to significant fines, liabilities, legal actions, reputational damage and loss of business.

Political engagement and advocacy

The telecommunication sector in which Ericsson operates is highly regulated and increasingly politicalized. National and transnational sector-specific policies affect the behavior and investment decision of communications service providers, which, in turn has implications on the services offered to consumers. Consequently, Ericsson's policy and advocacy activities can have an indirect impact on people's access to connectivity and the affordability of those services. Policy, regulation and new geopolitical alliances can significantly impact Ericsson's addressable market and have an influence on its supply chain and research and development clusters. At the same time, engaging policymakers, either directly or via intermediary organizations, to influence policy exposes the Company to reputational and corruption risks if not managed in an adequate way.

Business conduct policies and corporate culture

Code of Business Ethics and Code of Conduct for Business Partners

The Code of Business Ethics provides the framework for ethical decision-making, and guides employees in making decisions and managing risk. For example, it articulates that employees must not engage in bribery, corruption or financial fraud, must disclose potential conflicts of interest, and not partake in anticompetitive practices. In addition to the Code of Business Ethics, Ericsson has adopted specific policies on anti-corruption, gifts, entertainment and hospitality, third-party management, conflicts of interest, anti-money laundering, antitrust law and insider rules, among others. The Code of Conduct for Business Partners articulates that Ericsson expects its business partners to foster a culture of integrity based on transparency, compliance and ethical business practices. General information regarding the Code of Business Ethics and Code of Conduct for Business Partners is included in the section General Disclosures.

Channels for reporting compliance concerns

Employees are expected to report compliance concerns to Ericsson, so that their concerns can be assessed and addressed to identify, prevent and remediate misconduct and gaps in internal controls. The Company provides the Ericsson Compliance Line, a dedicated communication channel for employees and external stakeholders to report any compliance concerns either by a secure website or by phone. The Ericsson Compliance Line is operated by a third party and is available 24 hours a day, 365 days per year, and enables reporting from multiple countries in several languages, and anonymously

Section G1, cont'd.

when permitted by law. Ericsson has, during the year, received reports also from third parties, showing that they are aware of the Compliance Line and know how to raise concerns.

Where applicable, Ericsson employees and external stakeholders have additional options to report certain matters via local channels, which have been implemented in accordance with the EU Whistleblower Directive. Employees are also encouraged to report concerns directly to their manager, the superior of a manager or to the People or Legal and Compliance departments. Ericsson does not tolerate retaliation against individuals who report compliance concerns in good faith. There are more details of the assessment of allegations and investigations in the following subsections.

Prevention and detection of corruption and bribery

Risk assessments

Ericsson conducts risk assessments to identify and evaluate bribery and corruption risks related to its global operations, and to develop strategies for mitigation of these risks. Ericsson's risk assessment protocol is tailored to the scope and nature of its activities, its corporate structure and the organization of its commercial operations, while also incorporating insights from past incidents and allegations of misconduct. Focus areas include, but are not limited to, leadership and culture, sales, third-party management, gifts, entertainment and hospitality, conflicts of interest, government relations, policies and procedures, corporate contributions, joint ventures and partnerships.

Third-party management

Ericsson maintains a global, risk-based and integrated third-party management program to prevent, detect and manage bribery and corruption risks in the Company's relationships with third parties. The management of third-party compliance risk is integrated into business processes, and business leaders, managers and individual contributors are all expected to act as owners of compliance risk. Components of the third-party management program are managed by a central team of due diligence experts and data specialists. Key elements include risk-based due diligence to assess bribery and corruption risk exposure and potential liability that may result from relationships with third parties. A risk mitigation toolbox includes a range of measures that can be used to mitigate identified risks such as training, certifications, financial transaction preapprovals, or, in extreme cases, payment blocks and rejections. Ericsson periodically exercises its audit rights, or otherwise performs checks externally in its supply chain, to verify appropriate third-party conduct.

Addressing compliance concerns

As described on the previous page, Ericsson provides several channels for employees and external stakeholders to report suspected violations of the Company's policies or laws and regulations. Ericsson's Allegation Management Office is responsible for the intake and initial assessment of reported compliance concerns. Cases that require further investigation are referred to Corporate and Government Investigations. Both the Allegation Management Office and Corporate and Government Investigations sit within the Compliance Office and Investigations unit, headed by the Head of Compliance Office and Investigations, who in turn reports to the Chief Legal Officer. The Head of Compliance Office and Investigations also has an independent reporting line to the Audit and Compliance Committee of the Board of Directors and regularly reports to the committee on the effective operation of Ericsson's Ethics and Compliance Program, including information about actual or suspected serious Code of Business Ethics violations, insights from investigations outcomes and remediation, the identification of patterns and trends, and emerging risks and changes in the legal and regulatory environment. In addition, the Chief Legal Officer has a direct reporting line to the Audit and Compliance Committee.

Communication of anti-bribery and corruption policies

Employees receive Ericsson's Code of Business Ethics during their onboarding and must confirm their understanding of, and agreement to, it. The Code is available on the Company's internal and external web pages in over 40 languages. The Company regularly publishes a Speak Up newsletter aimed at all employees, featuring anonymized examples of actual misconduct and consequences imposed and short stories highlighting situations in which employees facing difficult choices chose to do the right thing and lessons about ethics and integrity.

Training in Company anti-bribery and corruption policies

Ericsson provides relevant and targeted anti-bribery and corruption (ABC) training to its workforce. All employees and the external workforce must complete foundational online ABC training courses. Additional online ABC training is mandatory for line managers. The Company also provides enhanced ABC training to certain groups of employees perceived to be at high risk, including: (i) employees with direct contact with public officials, customers, suppliers or communications service providers; (ii) employees influencing sales or acquisitions; (iii) employees with authority to conclude contracts on Ericsson's behalf; and (iv) line managers with authority to approve purchase orders or expenses.

Anti-bribery and corruption training and other initiatives

Audience	Audience size ²⁾	Type	Completion rate, % ¹⁾		
			2024	2023	2022
Full workforce	101,000	Code of Business Ethics acknowledgement	99	98	99
		Foundational ABC training	99	99	93
Line managers	8,000	Line manager ABC training	95	— ³⁾	— ³⁾
At-risk functions ⁴⁾	7,000	Enhanced ABC training	94	98	97
Executive management (excl. the President and CEO)	16	Enhanced ABC training	100	— ³⁾	— ³⁾
Board of Directors (incl. the President and CEO)	12	Compliance presentations	100	— ³⁾	— ³⁾

¹⁾ Completion rates are calculated by dividing the number of individuals having completed relevant training with the total number of people in the target audience group having been assigned the same training.

²⁾ The rounded headcount of the respective target audience groups by year-end of the current reporting year. The size of a group may change over time as definitions and scopes are revised.

³⁾ Ericsson is disclosing this metric for the first time wherefore comparative data for previous reporting periods is not available.

⁴⁾ For definition, see description above, excluding Executive management and Board of Directors.

Section G1, cont'd.

Compliance concerns and corrective actions

The table below shows the number of compliance concerns received, the number investigated, the number concluded in the reporting year that were found to be substantiated and the number of open investigations at year-end. As the length of an investigation varies depending on case complexity, not all cases are concluded in the same year as they are reported. Hence, the number of substantiated cases and cases under investigation also includes cases received in prior reporting periods, but which were concluded during the reporting year. Many matters reported are not referred for investigation. These are often inquiries of a general nature or other matters that are not deemed to be related to misconduct or breaches of the Code of Business Ethics. When applicable, these cases were referred directly to the relevant function to address in accordance with their processes.

Reported, investigated and substantiated compliance concerns

No.	2024	2023	2022
<i>Concern intake and investigation</i>			
Reported	1,201	1,201	1,092
Not referred for investigation ¹⁾	1,063	1,076	877
Referred for investigation	138	125	215
<i>Status at year-end</i>			
Substantiated ²⁾	61	91	118
Under investigation	49	78	209

¹⁾ Cases received but not investigated as they pertained to inquiries of a general nature or other matters not deemed to be related to misconduct or breaches of the Code of Business Ethics.

²⁾ Cases closed and concluded to be substantiated during the reporting year, some of which were reported in previous reporting years.

Reported concerns by category

No.	2024	2023	2022
Fraud, corruption and regulatory breaches	123	153	177
Conflicts of interest	73	86	69
Human resources	496	475	429
Discrimination	19	6	20
Harassment	79	- ¹⁾	- ¹⁾
Human and labor rights	-	-	-
Operations	179	183	125
Other ²⁾	232	298	272
Total	1,201	1,201	1,092

¹⁾ Concerns related to "Harassment" were included the category "Human resources" in 2023 and 2022, and past figures have not been restated.

²⁾ Includes reported concerns related to environmental sustainability, health and safety, as well as concerns which were assessed as not constituting compliance concerns, such as product quality issues, employees testing the Compliance Line, or comments of a general nature. When applicable, these cases were referred directly to the relevant units to address in accordance with their processes.

Corrective and disciplinary actions, by type¹⁾

No.	2024	2023	2022
Termination	82	112	39
Demotion	-	-	4
Written warning	60	58	74
Verbal warning	19	28	46
Resignation	6	1	8
Other	29	2	7
Total	196	201	178

¹⁾ Actions taken in connection with an investigation by Ericsson's Corporate and Government Investigations team. Each action represents a unique individual, meaning the sum of actions shown in this table cannot be directly compared to the number of substantiated cases shown above, as each case may involve several individuals. An individual may receive several corrective actions. In the above table, only the most severe action is counted.

Confirmed incidents of corruption or bribery

In 2024, Ericsson has not pleaded guilty or been convicted in a court of law of any violations of anti-corruption and anti-bribery laws, and no related fines were issued.

Prevention of anticompetitive behavior

In accordance with Ericsson's Group Policy on Antitrust law and its competition compliance program, employees are required to familiarize themselves and comply with all relevant competition (antitrust) laws, wherever they do business. Ericsson has a standalone Competition Law and Antitrust Compliance unit responsible for Ericsson's Competition Compliance Program, which includes annual competition law training for a targeted group of employees and the whole legal department, as well as live virtual antitrust training provided to relevant employees as needed. In addition to competition law attorneys in the legal department, Ericsson appoints anti-trust ambassadors to support and assist the Competition Law and Antitrust Compliance unit with implementing its mandate, especially in preventing or detecting any antitrust compliance concerns as soon as possible.

Political influence and lobbying activities

Ericsson's Group Policy on Government and Policy Advocacy states that Ericsson needs to anticipate, analyze, manage and mitigate political, regulatory, reputational and sensitive technology risks, drawing from several parameters to support its business objectives. It further articulates the Company's commitment to conducting government and policy advocacy with transparency, integrity and ethics.

Ericsson is a member of national and transnational trade associations relevant to its business and participates in organizations with a more general industrial and business focus. Ericsson only participates in intermediary organizations aligned with the Company's values and uses its position to maintain consistency in policy positions as they are developed. Ericsson does not contribute directly or indirectly to political parties or individual politicians, as stipulated by the Company's Code of Business Ethics. Exempt from this policy is support of voluntary employee contributions permitted under local law and supported by public reporting regulations.

Where Ericsson's influence is exerted through membership and participation in organizations, such as trade and industry organizations, the Company is committed to working toward aligning the positions of those groups to further the same goals. This commitment is applicable to all entities within the Group.

There is a dedicated unit for Government and Policy Advocacy within the Company's Group Function Marketing and Corporate Relations. The head of this unit also briefs the Board of Directors from time to time on public policy-related topics deemed strategically relevant. Only authorized employees may engage in policy advocacy activities. All material policy-influencing interactions with public officials are required to be documented for internal audit purposes and declared according to local regulation and practices. Further, Ericsson has implemented a policy on gifts, entertainment and hospitality, which dictates rules of engagement toward public officials.

Ericsson is registered in the following transparency registries:

- EU Transparency Register: Ericsson, 02021363105-42
- US Federal Lobbying Register: Ericsson Inc., 13791-12 (Senate ID)/336820000 (House ID)

In 2024, Ericsson did not appoint any members of the Executive Team, Board of Directors or Audit and Compliance Committee who held comparable positions in public administration in the two years preceding such an appointment. Ericsson does background checks on all appointed senior managers within two levels of the President and CEO.

Significant memberships

Ericsson is a member of several associations, which to varying degrees advocate and/or exercise influence over public policy development. Appendix IV lists the most significant memberships maintained on a Group level. Memberships maintained by subsidiaries and local entities are not included, which is why the list should not be considered exhaustive. Ericsson is also a member of several chambers of commerce on a national level.

Ericsson does not knowingly engage in any advocacy efforts that would undermine Ericsson's commitment to ethical business practices. Any new or existing memberships due for renewal are subject to compliance review requirements and conditions. The same general principles apply when any employee participates in advocacy activities under the umbrella of any one of these associations.

Section G1, cont'd.

Financial and in-kind contributions

Ericsson as a company is a member of the organizations listed in Appendix IV, and for most of them the Company needs to pay a membership fee. The membership fee is considered a financial contribution since it adds to the finances of the membership associations' activities, but it is not a direct purchase of services. In 2024, the total financial contribution was SEK 22.6 million.

Ericsson Political Action Committee allows Ericsson employees in the US to combine personal and voluntary financial donations for campaign contributions to candidates. For this, the organization they have chosen, after being vetted according to set standards, can receive a corporate charitable donation match up to a certain limit. This is considered a charitable contribution. All contributions made are run through the Company-wide contributions process. In 2024, those donations amounted to a total of SEK 410,000.

Significant policy matters

Deployment of 5G and high-quality networks providing connectivity is critical for economic development. In some markets, current policies and regulations are designed to encourage private investments and business and public services to innovate on the 5G platform. However, in many markets such investments are not sufficiently incentivized. This creates challenges for policymakers around future competitiveness, economic security and their ability to control their own data. With 5G and 6G, national security and industrial competitiveness at the center of geopolitical tensions, connectivity is increasingly becoming a political priority. Ericsson has an opportunity to play a leading role in influencing policy in a way that supports the Company's strategy. The Company's policy engagement is focused around five broad themes:

- Promoting the deployment and uptake of transformational connectivity.
- Safeguarding a business environment that promotes open innovation and fair trade.
- Developing the data-driven economy where connectivity scales AI, cloud and public services.
- Supporting secure and resilient infrastructure.
- Encouraging the adoption of clean, energy-efficient and sustainable solutions.

An example of a key legislation that Ericsson's advocacy has targeted during 2024 is the European Commission's Gigabit Infrastructure Act, which encourages member states to remove deployment obstacles by facilitating access to public infrastructure, streamlining permitting procedures and increasing transparency. These measures aim to accelerate and lower the cost of network rollouts.

Position on climate change policy

Ericsson is committed to ensuring alignment of its direct and indirect advocacy activities, including those that could influence public policy, with the Paris Agreement's goal to limit global warming to 1.5 C above preindustrial levels.

Management of relationships with suppliers

How Ericsson considers risks related to its supply chain, including impacts on sustainability matters and how social and environmental criteria are considered in the selection of suppliers, is described in sections E1-E5 and section S2.

Payment practices

As a global company with over 17,000 active direct suppliers, Ericsson is committed to transparent and fair payment practices. The Company continuously refines its processes to promote timely, accurate payments, meeting contractual conditions and maintaining high ethical and legal standards.

On a consolidated basis, across all suppliers globally, Ericsson takes on average 81 days to pay invoices from the date when the contractual or statutory term of payment starts to be calculated.

The overall average contract payment terms, across all suppliers globally, are 78 days but vary based on factors such as local regulations, financing arrangements and commercial negotiations. Ericsson's terms are tailored through dialogue with suppliers, striving for a fair and responsible approach across its global operations, which includes large as well as small and medium enterprises.

Based on internal records and reviews, Ericsson has not identified any formal legal cases related to late payments at this time. Legal cases include disputes such as lawsuits, mediation, arbitration, or court proceedings, and to the Company's knowledge, none are outstanding.

When calculating the average payment times as stated above, a weighted average has been applied based on invoice amounts.

Taxes and transfer pricing

Serving customers in more than 175 countries, Ericsson is truly a multinational enterprise. As such, the Group plays an important role in the sustainable development of the communities where it operates. Against this background, Ericsson acknowledges the importance of taxes from a societal perspective.

Ericsson sees taxes as a responsibility that contributes to socioeconomic development, along with employment creation, use of local suppliers and other direct and indirect economic impacts. However, the Group's global presence means it is subject to multiple tax legislations, which are often complex and in certain cases subject to a broad range of interpretations.

This environment can be challenging, nevertheless Ericsson's policy is to comply with both the spirit and the letter of all relevant tax regulations in each jurisdiction where business is conducted. Ericsson seeks to manage taxes with integrity, accuracy and transparency, while maintaining an open and honest relationship with tax authorities.

Ericsson adheres to both local tax laws and international guidelines set forth by the OECD and other standard-setting and regulatory bodies, including the arm's-length principle. Ericsson does not engage in any tax activities that are not related to Ericsson's business operations and which do not have any economic substance. While Ericsson conducts business activities in certain low tax jurisdictions, it does not use these jurisdictions for tax planning purposes.

Data privacy and cybersecurity

For further information on Ericsson's approach to managing impacts and risks related to data privacy and cybersecurity, see pages 6–7 of the Corporate Governance Report.

Appendix

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Appendix I – Other metrics

Included in this appendix are environmental and social metrics, that are frequently asked for by external stakeholders, but which are not included in the main part of the sustainability statements due to materiality considerations.

Metric	Unit	2024	2023	2022
Environment				
<i>Climate change mitigation</i>				
Suppliers with 1.5 C aligned GHG emissions reduction targets	No.	323	237	225
<i>Environmental management indicators</i>				
Water withdrawals in own operations	m ³ in millions	1.12	0.90	1.05
Water withdrawal intensity	m ³ /net sales MSEK	4.52	3.44	3.88
Major environmental incidents in own operations	No.	0	0	0
Emissions of air pollutants in own operations				
Nitrous oxide (NO ₂)	metric tons	26	38	49
Sulphur oxide (SO ₂)	metric tons	50	62	61
Particle matters	metric tons	8	11	12
Social				
<i>Learning, development and employee satisfaction</i>				
Completed learning opportunities by employees				
Men	No. in thousands	2,543	3,598	2,283
Women	No. in thousands	953	1,230	757
Employee satisfaction				
Men	(avg. survey score 0 – 100)	79	80	81
Women	(avg. survey score 0 – 100)	79	80	81
All employees	(avg. survey score 0 – 100)	79	80	81
Employee survey results on:				
Perceived work-life balance	(avg. survey score 0 – 100)	77	79	77
Company commitment to well-being	(avg. survey score 0 – 100)	77	80	85
<i>Community impacts</i>				
Spend on donations and sponsorships	MSEK	58	89	115
Digital education impact metrics				
Impacted children and youth	No. cumulative	567,017	485,200	400,163
Countries covered	No. cumulative	45	43	36
Financial inclusion - Ericsson Mobile Wallet				
Registered accounts	No. in millions	530	457	379
Active users	No. in millions	85	85	80

Appendix I – Other metrics, cont'd.

Emission factors used to calculate GHG emissions	GWP, kg CO ₂ e	Measured by	Source
Scope 1 direct emissions			
Fuels and refrigerants			
Natural gas	0.18	kWh	DEFRA
Diesel	0.25	kWh	DEFRA
Gasoline	0.25	kWh	DEFRA
Refrigerants	466 – 14,800	kg	IPCC 4 th assessment report
Scope 2 indirect emissions			
Purchased energy			
Electricity from fossil sources	0.01 – 1.35	kWh	IEA/US EIA/AIB/Supplier specific
Electricity from nuclear sources	0.00	kWh	IEA
Electricity from renewable sources	0.00	kWh	Supplier specific
District cooling	0.01 – 0.40	kWh	IEA
District heating	0.04 – 0.26	kWh	Country averages
Scope 3 other indirect emissions			
Product cradle-to-gate emissions (global average)	10.8	kg	Ericsson specific
Travel			
Air	0.10 – 0.57	pkm	DEFRA
Road	0.19	pkm	Country averages
Transport			
Air	0.78 – 1.19	tonnekm	DEFRA (adjusted)
Road	0.10	tonnekm	DEFRA (adjusted)
Sea	0.03	tonnekm	DEFRA (adjusted)
Rail	0.04	tonnekm	DEFRA (adjusted)
Spend-based non-specified transport	0.05 – 0.21	USD	Ericsson-specific
Use-phase emissions (global average)	0.4	kWh	IEA

Appendix II – Data points from other EU legislations

Data point	SFDR reference	Pillar 3 reference	Benchmark Regulation and EU Climate Law reference	Page
Board's representation of men and women	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II	13
Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II	13
Statement on due diligence	Indicator number 10 Table #3 of Annex I			15, 59
Involvement in activities related to fossil fuel activities	Indicator number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Table 1 and Table 2	Delegated Regulation (EU) 2020/1816, Annex II	11
Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	11
Involvement in activities related to controversial weapons	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	11
Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	11
Transition plan to reach climate neutrality by 2050			Regulation (EU) 2021/1119, Article 2(1)	20–21
Undertaking is excluded from EU Paris-aligned Benchmarks		Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Template 1	Delegated Regulation (EU) 2020/1818, Article 12.1	21
GHG emission reduction targets (as of emissions of base year)	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Template 3	Delegated Regulation (EU) 2020/1818, Article 6	21
Energy consumption from fossil sources disaggregated by sources (only high impact climate sectors)	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1			22
Total energy consumption related to own operations and mix	Indicator number 5 Table #1 of Annex 1			22
Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1			22
Gross Scope 1, 2, 3 and total GHG emissions	Indicator numbers 1 and 2 Table #1 of Annex 1	Article 449a: Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Template 1	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	23
Gross GHG emissions intensity	Indicator numbers 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Template 3	Delegated Regulation (EU) 2020/1818, Article 8(1)	23
GHG removals and carbon credits			Regulation (EU) 2021/1119, Article 2(1)	24
Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	n/a
Disaggregation of monetary amounts by acute and chronic physical risk and location of significant assets at material physical risk		Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47: Template 5		Under development
Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 paragraph 34: Template 2		Not material
Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II	Under development
Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator number 8 Table #1 of Annex I, Indicator number 2 Table #2 of Annex I, Indicator number 1 Table #2 of Annex I, Indicator number 3 Table #2 of Annex I			Not material
Water and marine resources	Indicator number 7 Table #2 of Annex I			26
Dedicated policy for water and marine resources	Indicator number 8 Table 2 of Annex I			Not material
Sustainable oceans and seas	Indicator number 12 Table #2 of Annex I			Not material
Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1			Not material

Appendix II – Data points derived from other EU legislation, cont'd.

Data point	SFDR reference	Pillar 3 reference	Benchmark Regulation and EU Climate Law reference	Page
Water intensity ratio	Indicator number 6.1 Table #2 of Annex 1			Not material
Disclosure of activities negatively affecting biodiversity sensitive areas	Indicator number 7 Table #1 of Annex 1: Indicator number 10 Table #2 of Annex 1: Indicator number 14 Table #2 of Annex 1			Not material
Sustainable land or agriculture practices or policies have been adopted, sustainable oceans or seas practices or policies have been adopted, policies to address deforestation have been adopted	Indicator number 11 Table #2 of Annex 1: Indicator number 12 Table #2 of Annex 1: Indicator number 15 Table #2 of Annex 1			Not material
Non-recycled waste and percentage of non-recycled waste	Indicator number 13 Table #2 of Annex 1			28
Total amount of hazardous waste and total amount of radioactive waste	Indicator number 9 Table #1 of Annex 1			28
Information about type of operations, countries or geographic areas at significant risk of incidents of forced labour, compulsory labour or child labor	Indicator number 13 Table #3 of Annex I: Indicator number 12 Table #3 of Annex I			40
Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I			14, 34–35
Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II	14
Processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex I			34, 40
Workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I			14, 35–36, 41–42
Grievance/complaints handling mechanisms	Indicator number 5 Table #3 of Annex I			50–51
Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	38–39
Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I			38–39
Unadjusted pay gap between men and women	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	39
Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I			39
Number of incidents of discrimination	Indicator number 7 Table #3 of Annex I			39
Number of severe human rights issues and incidents connected to own workforce	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	40
Significant risk of child labour or forced labour in the value chain	Indicator number 12 and number 13 Table #3 of Annex I			40
Description of relevant policy commitments (incl. human rights and due diligence policies), non-respect to human rights principles, human rights issues and incidents connected to workers in the value chain	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1: Indicator number 11 and number 4 Table #3 of Annex 1: Indicator number 10 Table #1 Annex I: Indicator number 14 Table #3 of Annex 1		Indicator number 10 Table #1 Annex I: Delegated Regulation (EU) 2020/1816, Annex II	40–43
Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II	14
Description of relevant policy commitments (incl. human rights), non-respect to human rights principles, human rights issues and incidents connected to affected communities	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1: Indicator number 10 Table #1 Annex 1: Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	44–46
Description of relevant policy commitments (incl. human rights), non-respect to human rights principles, human rights issues and incidents connected to consumers and end users	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1: Indicator number 10 Table #1 Annex 1: Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	47–49
United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex I			14, 50
Protection of whistleblowers	Indicator number 6 Table #3 of Annex I			50–51
Fines for violation of anti-corruption and antibribery laws	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	52
Standards of anti-corruption and antibribery	Indicator number 16 Table #3 of Annex I			50–52

Appendix III – Statement on due diligence

Core elements of due diligence	Sections in the sustainability statements	Pages in the sustainability statements	Disclosure relates to	
			People	Environment
a) Embedding due diligence in governance, strategy and business model	Information provided to and sustainability matters addressed by the Board and executive management	14	●	●
	Integration of sustainability-related performance in incentive schemes	15	●	●
	Material impacts, risks and opportunities and their interaction with strategy and business model	18	●	●
b) Engaging with affected stakeholders in all key steps of the due diligence process	Information provided to and sustainability matters addressed by the Board and executive management	14	●	●
	Interests and views of stakeholders	16	●	●
	Processes to identify and assess material impacts, risks and opportunities	17	●	●
	Policies related to own workforce	34–35	●	
	Process for engaging with own workers and workers' representatives about impacts	35	●	
	Policies related to value chain workers	40–41	●	
	Process for engaging with value chain workers about impacts	41	●	
	Policies related to affected communities	44	●	
	Process for engaging with affected communities about impacts	45	●	
c) Identifying and assessing adverse impacts	Processes to identify and assess material impacts, risks and opportunities	17	●	●
	Material impacts, risks and opportunities and their interaction with strategy and business model	18	●	●
	Material impacts, risks and opportunities – Climate change	19		●
	Material impacts, risks and opportunities – Pollution	25		●
	Material impacts, risks and opportunities – Water and marine resources	26		●
	Material impacts, risks and opportunities – Resource use and circular economy	27		●
	Material impacts, risks and opportunities – Own workforce	34	●	
	Material impacts, risks and opportunities – Workers in the value chain	40	●	
d) Taking actions to address those adverse impacts	Material impacts, risks and opportunities – Consumers and end users	47	●	
	Transition plan for climate change mitigation	20–21		●
	Taking action on material impacts, risks and opportunities – Climate change	21–22		●
	Taking action on material impacts, risks and opportunities – Pollution	25		●
	Taking action on material impacts, risks and opportunities – Water and marine resources	26		●
	Taking action on material impacts, risks and opportunities – Resource use and circular economy	27–28		●
	Taking action on material impacts, risks and opportunities – Own workforce	35–37	●	
e) Tracking effectiveness of these efforts and communicating	Taking action on material impacts, risks and opportunities – Workers in the value chain	41–42	●	
	Taking action on material impacts, risks and opportunities – Consumers and end users	47–48	●	
	Targets related to climate change mitigation and adaptation	21		●
	Targets related to own workforce	37	●	
	Targets related to workers in the value chain	37	●	
	Energy consumption and mix	22		●
	Gross Scopes 1, 2, 3 and total GHG emissions	23		●
	Resource outflows	28		●
	Diversity metrics	38	●	
	Training and skills development metrics	38	●	
Health and safety metrics	38–39	●		
Compensation metrics	39	●		
Incidents, complaints and severe human rights impacts	39	●		
Supplier audit findings and corrective actions	43	●		
Sensitive Business metrics	48	●		

Appendix IV – Significant memberships

- African Telecommunications Union
- Alliance Française des Industries du Numérique
- Asia-Pacific Telecommunity
- Associação Brasileira da Indústria Elétrica e Eletrônica (ABINEE)
- Association of Providers of Telecommunications and Value-Added Services (VATM)
- Associazione Civita
- Assonime
- Australian Tech Council
- Bitkom
- BusinessEurope
- Center for Strategic & International Studies (CSIS)
- CTIA The Wireless Association
- Digital Connectivity Forum
- Digital Europe
- Digitales
- European Roundtable for Industry
- European Telecommunications Network Operators Association
- Fondazione Astrid
- Global Business Alliance
- Groupe Speciale Mobile Association (GSMA)
- Information Technology Institute
- International Institute of Communications
- Istituto per la Competitività
- National Telecommunications Association (ANATEL)
- Näringslivets Internationella Råd
- Open RAN Policy Coalition (RPG)
- Radiocommunication Sector (ITU-R)
- Smart Africa Alliance
- Stockholms Handelskammare
- Studieförbundet för Näringsliv och Samhälle
- Svenska International Chamber of Commerce
- Svenskt Näringsliv - Teknikföretagen
- Sweden-India Business Council
- Tech UK
- Telecommunication Development Sector (ITU-D)
- Telecommunications Industry Association
- Telecommunication Standardization Sector (ITU-T)
- The Mexican Chamber of Electronics, Telecommunications, and Information Technology (CANIETI)
- WIA - Wireless Infrastructure Association

Assurance Report

Auditor's Assurance Report on Ericsson's Sustainability and Corporate Responsibility Report and statement regarding the Statutory Sustainability Report

To Telefonaktiebolaget LM Ericsson, corporate identity number 556016-0680

Introduction

We have been engaged by the Board of Directors and Executive Management of Telefonaktiebolaget LM Ericsson ("Ericsson") to undertake an assurance engagement of the Ericsson Sustainability and Corporate Responsibility Report ("the Sustainability Report") for the year 2024. The Company has defined the scope of the Sustainability Report on page 10 in the Sustainability Report, which also constitutes the Statutory Sustainability Report.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with the applicable criteria and the Annual Accounts Act, according to the previous version applied before 1 July 2024, respectively. The criteria are defined on page 10 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the assurance procedures we have performed and to express a future-oriented information.

We conducted our assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The engagement includes limited assurance on the complete Sustainability Report, and an audit of selected information consisting of GHG emissions in Scope 1, 2, and Scope 3 categories Business travel and Downstream transportation disclosed on page 23, as well as information on the share of women per employee category, disclosed on page 38 in the Sustainability Report.

The objective of an audit is to obtain reasonable assurance that the information is free of material misstatements. A reasonable assurance engagement includes examining, on a test basis, evidence supporting the selected information in the Sustainability Report. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures.

Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR 12. The auditor's opinion regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Ericsson in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit. Since this engagement is combined, our conclusions regarding the limited assurance, the reasonable assurance, and the examination according to RevR 12 will be presented separately below.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

In our opinion, the selected information in the Sustainability Report which has been subject to our reasonable assurance procedures has, in all material respects, been prepared in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Stockholm February 26, 2025

Deloitte AB

Thomas Strömberg
Authorized Public Accountant

Lennart Nordqvist
Expert Member of FAR

Glossary

2G

Second generation of mobile systems (the first digital generation). Includes GSM, TDMA, PDC and cdmaOne.

3G

Third generation mobile systems. Includes WCDMA/HSPA, CDMA2000 and TD-SCDMA.

4G

Fourth generation mobile systems, also known as LTE.

5G

The fifth generation of mobile systems. An evolution of 4G/LTE.

ABC

Anti-bribery and corruption.

AI

Artificial intelligence. The ability of a machine to perform a task commonly associated with intelligent beings.

API

Application programming interface. A software intermediary for two or more computer programs to communicate with each other.

Cloud native

Software approach of building, deploying, and managing modern applications in cloud computing environments.

CO₂e

Carbon dioxide equivalents. The amount of a particular greenhouse gas, expressed as the amount of carbon dioxide that gives the same greenhouse effect.

Downstream in value chain/Downstream emissions

Activities (and related greenhouse gas emissions) occurring post manufacturing/production, primarily associated with a product's distribution, use and end-of-life phases.

ESG

Environment, Social, and Governance. Refers to the three overarching themes for assessing non-financial factors that can impact a company's value-creating abilities.

GHG

Greenhouse gases. Naturally occurring and man-made gases that trap heat in the atmosphere, contributing to the greenhouse effect warming the earth.

GHG (Greenhouse gas) protocol

A framework and de facto standard for measuring, accounting and managing greenhouse gas emissions.

Global Reporting Initiative (GRI) Standards

The first and most widely adopted global standards for sustainability reporting. GRI is an independent international organization that has pioneered sustainability reporting since 1997.

GSM

Global System for Mobile Communications. Second generation mobile system.

ICT

Information and Communications Technology.

IoT

Internet of Things. A common name for technologies enabling objects with built-in electronics and internet connection to be controlled or to exchange data over a network.

ITU

International Telecommunication Union.

LCA

Life-Cycle Assessment. An approach for calculating the environmental impact of a product or service across all its life-cycle phases, ranging from extraction of raw materials and manufacturing to usage and end-of-life management.

LTE

Long-Term Evolution. 4G: the evolutionary step of mobile technology beyond 3G HSPA, allowing data rates above 100 Mbps.

LWI

Lost workday incidents. An incident resulting in one or more lost workdays.

Mobile broadband

Wireless high-speed internet access using the HSPA, LTE, CDMA2000EV-DO and 5G technologies.

Net Zero

A state in which no net additions of greenhouse gases are released into the atmosphere. Organizations can achieve this primarily by reducing their emissions as well as using certain accepted carbon capture, removal and storage technologies to neutralize any unavoidable remaining emissions.

Own Activities

Cover GHG emissions in Scope 1, 2, and Scope 3 categories Business Travel and Employee Commuting.

SASB

Sustainability Accounting Standards Board. An organization publishing sustainability reporting standards. Now part of the IFRS (International Financial Reporting Standards) Foundation.

SBTi

The Science Based Target initiative, A partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) that defines and promotes best practice in emissions reductions and net-zero targets in line with climate science, including providing a second opinion on the ambition level of targets set by corporates and other entities.

Scope 1

Direct GHG emissions derived from assets/sources that are owned or controlled by an organization, typically through combustion of fossil fuels.

Scope 2

Indirect GHG emissions derived from the energy purchased and consumed, but not generated by, an organization, typically from acquired electricity, heating and cooling.

Scope 3

Other indirect GHG emissions that are a consequence of the activities of an organization but are derived from sources not owned or controlled by that same organization. These include emissions occurring in the supply chain as well as those occurring when customers use a company's products and services.

SDGs

Sustainable Development Goals. The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries – developed and developing – in a global partnership.

TCFD

Task force on Climate related Financial Disclosures. A framework for disclosing on an organization's strategies, targets and risk management approaches as regards climate change.

The Paris Agreement

A legally binding international treaty on climate change, adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris 2015. The Paris Agreement sets out a global framework to avoid dangerous climate change by limiting global warming to well below 2 C and pursuing efforts to limit it to 1.5 C.

UNGC

United Nations Global Compact. This is a voluntary initiative adopted in 2005 by the UN Secretary-General, based on CEO commitments to implement universal sustainability principles and to take steps to support the UN Sustainable Development Goals.

UNGP

United Nations Guiding Principles on Business and Human Rights. The companies' responsibility to protect and respect human rights is defined in the UN's guiding principles for business and human rights.

UNHCR RETS

United Nations High Commissioner for Refugees – Refugee Emergency Telecommunications Sector. RETS is the mechanism through which UNHCR coordinates the communications technology response in emergencies.

UNICEF

United Nations Children's Fund, established in 1946, and responsible for providing humanitarian and developmental aid to children worldwide.

Upstream in value chain /upstream emissions

Activities (and related greenhouse gas emissions) occurring in an organization's supply chain, including extraction of raw materials, manufacturing, assembly and distribution of purchased products and components, and other acquired services.

WEF

World Economic Forum.

WFP-led ETC

Emergency Telecommunications Cluster led by the World Food Programme (WFP).

About Ericsson

Ericsson is a leading provider of mobile connectivity solutions to communications service providers, enterprises and the public sector. We deliver high-performing, programmable and energy-efficient networks that enable greater service differentiation. Our enterprise solutions provide superior connectivity to businesses and advanced network capabilities to application developers. Together with our customers and partners in the ecosystem, we are leading the next wave of digitalization in society.

Through world-leading research, we drive new standards and are instrumental in the development of the next-generation mobile communications infrastructure, software, and services.

The Company has approximately 94,000 employees and serves customers in more than 175 countries. Ericsson is headquartered in Stockholm, Sweden. Our shares are listed on Nasdaq Stockholm and our American Depositary Shares (ADS) are listed on Nasdaq New York. Ericsson's vision is a world where limitless connectivity improves lives, redefines business and pioneers a sustainable future.