

## C0. Introduction

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### C0.1

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#### **(C0.1) Give a general description and introduction to your organization.**

Ericsson has been at the forefront of innovation for more than 140 years and as the market continues to transform and user demands continue to change – so does Ericsson. It all started in a mechanical workshop in Stockholm where Lars Magnus Ericsson designed telephones and Hilda Ericsson produced them by winding copper wire coils. Over the years, inclusion and diversity have remained important building blocks of the company, and are fundamental to the culture and its core values of respect, professionalism and perseverance.

Ericsson has revolutionized communications with new switching techniques and digital technology, and has been leading the development of mobile communications. When broadband was in its infancy Ericsson was already working on the technology that would become 3G, and was developing 4G long before the smartphone became ubiquitous. Now 5G is around the corner and Ericsson is investing for technology leadership in 5G.

Ericsson has its headquarters in Stockholm, and the Ericsson shares trade on Nasdaq Stockholm and the Ericsson ADSs trade on NASDAQ, New York.

Ericsson is a global company with customers in more than 180 countries. We are a technology company with the mission to enable our customers to capture the full value of connectivity. Our strategy builds on technology leadership, product-led solutions and global scale and skill.

Our people are key to ensuring Ericsson's future success and our continued technology leadership. We focus on attracting the best talent, supporting competence development and enabling a work culture that supports our people to bring out the best version of Ericsson. We recruit and retain talent, regardless of age, race, gender, nationality or sexual orientation. Our core values – respect, professionalism, and perseverance – define our company culture, and guide us in our daily work and in the way we do business.

#### Business structure 2017

The business areas Networks, Digital Services and Managed Services are organized to reflect our ambition to serve customers with offerings that address their key priorities:

- relentless efficiency
- digital experience
- new revenue streams

Each business area has different strategic priorities.

In Networks, focus is to expand gross margin by investing in R&D for technology and cost leadership.

In Digital Services, focus is shifting to software-led solutions and on adjusting the cost base.

In Managed Services, contract reviews are first priority and investments in automation and artificial intelligence have started.

In addition, we have Emerging Business where a structured approach to technology and business innovations will over time drive new growth. Emerging Business as well as Media Solutions, Red Bee Media and iconectiv are all businesses that are externally reported within segment Other.

In line with the focused business strategy presented in March 2017, we are divesting or downsizing assets that are not part of our core businesses such as for example fiber rollout and low end field maintenance. During the year we divested Ericsson Power Modules. In January 2018 the strategic review of the Media business was concluded. 51% of Media Solutions will be divested to an external partner, while we will continue to develop Red Bee Media as an independent and focused in house media service business.

Our market areas Our geographical structure contains five market areas, to enable clear customer interfaces and faster time to market. In addition there is one market area Other. Our geographical market areas are responsible for selling and delivering the competitive solutions that our business areas develop.

For further details see attachment: Ericsson-Annual-Report-2017-en.pdf  
 For more information please visit [www.ericsson.com](http://www.ericsson.com)

For more information visit Ericsson Annual Report 2017: <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf>

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2017	December 31 2017	No	<Not Applicable>
Row 2	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 3	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 4	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

## C0.3

**(C0.3) Select the countries/regions for which you will be supplying data.**

- Australia
- Brazil
- Canada
- China
- Estonia
- Finland
- France
- Germany
- India
- Ireland
- Italy
- Mexico
- Poland
- Spain
- Sweden
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Other, please specify (Rest of the world)

**C0.4**

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

SEK

**C0.5**

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.**

Financial control

**C1. Governance**

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**C1.1**

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**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

**C1.1a**

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**(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board/Executive board	Ericsson BoD approved first Ericsson Performance and Risks Report, including Climate Change related issues (See AR Page 152)

**C1.1b**

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**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding major plans of action</li> <li>Monitoring implementation and performance of objectives</li> </ul>	We brief our Board of Directors (BoD) annually on sustainability and corporate responsibility matters; more often if needed. In 2017, briefings covered governance updates; strategy execution including risks, performance, and results. Ericsson BoD approved first Ericsson Performance and Risks Report, including Climate Change (See AR Page 152)

**C1.2**

**(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Annually

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.**

In 2017, Group Function Sustainability and Public Affairs has the Group accountability for environmental issues including climate change related ones. In 2017, Sustainability and Public Affairs Head reports to Ericsson President and CEO. Overall Group function responsibility is to provide an effective support platform, drive synergies, align ways of working and driving the corporate agenda. In 2017, GF Sustainability and Public Affairs was responsible for Climate change related risks and opportunities identification, Group target setting and follow-up.

As critical parts of Ericsson governance, the Code of Business Ethics (CoBE), the Code of Conduct (CoC), Sales Compliance Policy, OHS Policy and Sustainability Policy (Including environment and Climate change related issues) are all part of the Ericsson Group Management System. This ensures the integration of our sustainability and corporate responsibility (CR) commitment into every aspect of how we do business, wherever we do business. Through our Global Assessment Program, external assurance providers audit how we implement policies and directives, manage our risks and achieve our objectives.

In addition to Group Function (GF), Ericsson Group is organized in Market Areas (MA) which are responsible for selling and delivering customer solutions and Business Areas (BA) that are responsible for developing competitive product-led business solutions, including both products and services and for investing in research and development for technology and cost leadership.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

Yes

## C1.3a

### (C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

#### Who is entitled to benefit from these incentives?

Chief Sustainability Officer (CSO)

#### Types of incentives

Recognition (non-monetary)

#### Activity incentivized

Emissions reduction target

#### Comment

Ericsson own activities - Carbon footprint reduction target is part of Ericsson Group Balanced Scorecard (BSC). Climate change issues are part of Short-Term Variable remuneration (STV) for 2017 for selected Environmental/Sustainability managers. Ericsson has a long-term objective to reduce absolute CO2e emissions from its own activities including business travel, product transportation, fleet vehicles and facilities energy use in 2022 by 35%. Over the past six, we have reduced CO2e emissions in absolute terms with 48%. In 2017, Group Function Sustainability and Public Affairs head and Chief Sustainability Officer (CSO) was reporting to Ericsson President and CEO.

#### Who is entitled to benefit from these incentives?

Environment/Sustainability manager

#### Types of incentives

Monetary reward

#### Activity incentivized

Emissions reduction target

#### Comment

Certain environmental/sustainability managers are enrolled in Short-Term Variable compensation (STV). A variable plan that is measured and paid over a single year. This ensure that employees are aligned with clear and relevant targets, in this case environmental, climate change and energy related targets. Achievements against set targets impact ton the total final reward that can increase to up to twice the target level and decrease to zero, depending on performance

## C2. Risks and opportunities

### C2.1

#### (C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	1	Document risk heat map in relation with strategic objectives (up to 5 years) and with short-term targets (1 year). Monitoring of strategic targets is done in many cases based on annual strategy and target review.
Medium-term	1	5	Document risk heat map in relation with strategic objectives (up to 5 years) and with short-term targets (1 year). Monitoring of strategic targets is done in many cases based on annual strategy and target review.
Long-term	5	10	Document risk heat map in relation with strategic objectives (up to 5 years) and with short-term targets (1 year). Monitoring of strategic targets is done in many cases based on annual strategy and target review.

### C2.2

**(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.**

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

**(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.**

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	3 to 6 years	Ericsson's risk management is integrated into the operational processes of the business, and is a part of the Ericsson Group Management System (EGMS) to ensure accountability, effectiveness, efficiency, business continuity and compliance with corporate governance, legal and other requirements. The Board of Directors also oversees the Company's risk management.

C2.2b

**(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.**

Risks are defined in both a short-term and long-term perspective. They are related to long-term objectives as per the strategic direction as well as short-term objectives for next coming year. Risks are categorized into industry and market risks, commercial risks, operational risks and compliance risks. Ericsson's risk management is based on the following principles, which apply universally across all business activities and risk types:

- Risk management is an integrated part of the Ericsson Group Management System.
- Each operational unit is accountable for owning and managing its risks according to policies, directives and process tools. Decisions are made or escalated according to defined delegation of authority.
- Risks are dealt with during the strategy development and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes (customer projects, customer bid/contract, acquisition, investment and product development projects). They are subject to various controls such as decision tollgates and approvals.

At least twice a year, in connection with the approval of strategy and targets, risks are reviewed by the Board of Directors.

Climate-related risks are dealt with during the Sustainability strategy development and target setting. Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Climate-related is also identified as a significant issue to report and disclosure to our stakeholders. In 2017, climate change was listed as part of the risks reported in our first Sustainability Performance and Risk Report prepared in accordance with the Swedish Annual Accounts Act.

This Sustainability Performance and Risk report highlighted as main risks:

- Increasing regulatory requirements on product energy consumption
- Extreme weather events could affect our supply chain, our own operations and customers

C2.2c

**(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Current regulation is always included in the situation analysis of our own reality. Ericsson has a global environment, health and safety (EHS) legal tool in place that provides an overview of applicable legislation and keeps track of compliance measures in the markets where we operate.
Emerging regulation	Relevant, sometimes included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Emerging regulation is included in the situation analysis as part of key trends. Ericsson has a global environment, health and safety (EHS) legal tool in place that provides an overview of applicable legislation and keeps track of compliance measures in the markets where we operate.
Technology	Relevant, always included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Ericsson has revolutionized communications with new switching techniques and digital technology, and has been leading the development of mobile communications. When broadband was in its infancy Ericsson was already working on the technology that would become 3G, and was developing 4G long before the smartphone became ubiquitous. Now 5G is around the corner and Ericsson is investing for technology leadership in 5G. By 2023, less than 35 years after the introduction of mobile technology, it's predicted that there will be 9.1 billion mobile subscriptions and research shows a strong correlation between growth in mobile broadband adoption and GDP growth. This is where 5G-Enabled Manufacturing (5GEM) comes in: a concept that leverages wireless and 5G-based communication to achieve radically increased manufacturing productivity, flexibility and competitiveness, with the highest security standards. This approach can also address areas such as circular economy, improved energy performance and climate change.
Legal	Relevant, always included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Applicable legal requirements are always included in the situation analysis of our own reality. Ericsson has a global environment, health and safety (EHS) legal tool in place that provides an overview of applicable legislation and keeps track of compliance measures in the markets where we operate.
Market	Relevant, always included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. With customers in 180 countries, Market conditions and climate-related risks are considered during our strategy process.
Reputation	Relevant, sometimes included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective.
Acute physical	Relevant, sometimes included	Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Extreme weather events could affect our supply chain, our own operations and customers.
Chronic physical	Not relevant, explanation provided	Longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves have a not relevant or significant negative impact in our business due to the nature of the development of ICT technology.
Upstream	Relevant, always included	Our situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths has an holistic approach, including the entire value chain.
Downstream	Relevant, always included	Our situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths has an holistic approach, including the entire value chain.

C2.2d

## **(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.**

Risks are defined in both a short-term and long-term perspective. They are related to long-term objectives as per the strategic direction as well as short-term objectives for next coming year. Risks are categorized into industry and market risks, commercial risks, operational risks and compliance risks. Ericsson's risk management is based on the following principles, which apply universally across all business activities and risk types:

- Risk management is an integrated part of the Ericsson Group Management System.
- Each operational unit is accountable for owning and managing its risks according to policies, directives and process tools. Decisions are made or escalated according to defined delegation of authority.
- Risks are dealt with during the strategy development and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes (customer projects, customer bid/contract, acquisition, investment and product development projects). They are subject to various controls such as decision tollgates and approvals.

At least twice a year, in connection with the approval of strategy and targets, risks are reviewed by the Board of Directors.

Climate-related risks are dealt with during the Sustainability strategy development and target setting. Based on a situation analysis, including key external trends and challenges, customer trends, and own reality and internal strengths, Ericsson define the wanted position both a short-term and long-term perspective. Climate-related is also identified as a significant issue to report and disclosure to our stakeholders. In 2017, climate change was listed as part of the risks reported in our first Sustainability Performance and Risk Report prepared in accordance with the Swedish Annual Accounts Act.

This Sustainability Performance and Risk report highlighted as main risks:

- Increasing regulatory requirements on product energy consumption
- Extreme weather events could affect our supply chain, our own operations and customers

## **C2.3**

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### **(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## **C2.3a**

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### **(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

#### **Identifier**

Risk 1

#### **Where in the value chain does the risk driver occur?**

Direct operations

#### **Risk type**

Transition risk

#### **Primary climate-related risk driver**

Policy and legal: Increased pricing of GHG emissions

#### **Type of financial impact driver**

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Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

#### Company- specific description

This type of regulation that imposes specific economic incentives for polluters could affect our customers and Ericsson. The ICT sector represents approx. 2% of Global GhG emissions, however ICT-enabled solutions offer the potential to reduce GHG emissions by 15% by 2030.

#### Time horizon

Medium-term

#### Likelihood

Virtually certain

#### Magnitude of impact

Low

#### Potential financial impact

20

#### Explanation of financial impact

Based on UK carbon tax and current carbon price used in the UK carbon tax model that impose a fee on energy consumption rather than on CO2 emissions, we can extrapolate for medium-term horizon for selected countries financial impact. Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Certain matters discussed in this report include forward-looking statements subject to risks and uncertainties. Readers are cautioned that our forward-looking statements are not guarantees of our future actions or developments, which may differ materially from those described or implied. We disclaim a duty to provide updates to these forward-looking statements after the date of this report, to reflect events or changes in circumstances or changes in expectations, or the occurrence of anticipated events.

#### Management method

Ericsson shall comply with all laws, rules and regulations that apply to its business. Ericsson local entities are responsible to manage the potential legal requirements. Global programs to reduce Ericsson own activities CO2 emissions may be impacted and modified due to legal requirements.

#### Cost of management

0

#### Comment

Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. This risks can impact also our supply chain and our customers in the same way in certain markets. Many cost of management are not done purely for environmental gains rather for overall efficiency gains. It is very difficult to extract the related emissions reduction isolated figures as they are part of overall ongoing programs.

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#### Identifier

Risk 2

#### Where in the value chain does the risk driver occur?

Supply chain

#### Risk type

Physical risk

#### Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

#### Type of financial impact driver

Other, please specify (Availability to deliver solutions)

*Floods, storms and other extreme weather events could affect our supply chain, our own operations and customers. For example, drought and extreme flooding in north Africa create conflict and instability and end users are not able to afford communication services, which could negatively impact our customers and ultimately Ericsson.*

#### Company- specific description

Floods, storms and other extreme weather events could affect our supply chain, our own operations and customers. For example, drought and extreme flooding in north Africa create conflict and instability and end users are not able to afford communication services, which could negatively impact our customers and ultimately Ericsson.

#### Time horizon

Medium-term

**Likelihood**

Very unlikely

**Magnitude of impact**

Low

**Potential financial impact**

0

**Explanation of financial impact**

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**Management method**

In general, Ericsson has alternative supply sources and seeks to avoid single source supply situations.

**Cost of management**

0

**Comment**

Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. These risks can impact also our supply chain and our customers in the same way in certain markets. Many cost of management made, are not done purely for environmental gains rather for overall efficiency gains. It is very difficult to extract the related emissions reduction isolated figures as they are part of overall ongoing programs.

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## C2.4

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**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

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**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Type of financial impact driver**

Increased revenue through demand for lower emissions products and services

**Company- specific description**

Ericsson future-proof hardware with lower power consumption and smaller footprint and energy-efficient software features in the customer radio network contribute to our customer environmental goals and cost reduction.

**Time horizon**

Short-term

**Likelihood**

Very likely

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**Magnitude of impact**

High

**Potential financial impact**

0

**Explanation of financial impact**

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**Strategy to realize opportunity**

Promote Ericsson product portfolio offering. Upgrading to more energy-efficient equipment and shifting from single-standard products to multi-standard, mixed-mode-capable hardware and software can contribute to significant energy savings, particularly when the latest innovations in site-build are also taken into account. An example of an upgraded radio base station site in western Europe serves as a good illustration of this. Over the period 2004–14, despite the fact that the site traffic capacity increased 75 times, energy use decreased by 40%. These savings help our customers to reduce their operational costs.

**Cost to realize opportunity**

0

**Comment**

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**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Type of financial impact driver**

Increased revenue through demand for lower emissions products and services

**Company- specific description**

Innovative IoT-based solutions to sustainable development challenges. Platooning is an innovative transport system where trucks can drive closely together – one after another – using a common communication system based on smart technology. This could lead to benefits for the transport system with regard to safety, efficiency and the environment. Ericsson and Scania have started a collaborative research effort to accelerate the connectivity of commercial vehicles and infrastructure. Conventional technology, based on adaptive cruise control, radar and other electronic equipment, can be used to drive 25% of the full distance in platoons. The potential fuel reduction is calculated to be 2% based on Scania test track driving. In a theoretical scenario where platooning based on conventional technology would be used during the whole distance the fuel reduction potential would be 8%. In a theoretical scenario with vehicle to vehicle (V2V) communication in combination with semi-automatic vehicles corresponding to 100% of the distance driven in a platoon, the fuel saving potential is estimated to be 12% for the investigated setup, according to Scania.

**Time horizon**

Current

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Potential financial impact**

0

**Explanation of financial impact**

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**Strategy to realize opportunity**

Promote Ericsson IoT solutions as part of our portfolio.

**Cost to realize opportunity**

0

**Comment**

Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Many cost of management made, are not done purely for environmental gains rather for overall efficiency gains. It is very difficult to extract the related emissions reduction isolated figures as they are part of overall ongoing programs.

**C2.5**

**(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

	Impact	Description
Products and services	Impacted	Ericsson portfolio offering more energy efficient products.
Supply chain and/or value chain	Impacted for some suppliers, facilities, or product lines	Ericsson portfolio offering more energy efficient products.
Adaptation and mitigation activities	We have not identified any risks or opportunities	
Investment in R&D	Impacted	Energy efficiency requirements are integrated in Research and development of products and services.
Operations	Not impacted	
Other, please specify	Please select	

**C2.6**

**(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.**

	Relevance	Description
Revenues	Impacted	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.
Operating costs	Please select	
Capital expenditures / capital allocation	Please select	
Acquisitions and divestments	Please select	
Access to capital	Please select	
Assets	Please select	
Liabilities	Please select	
Other	Please select	

## C3. Business Strategy

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### C3.1

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#### **(C3.1) Are climate-related issues integrated into your business strategy?**

Yes

### C3.1a

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#### **(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?**

No, but we anticipate doing so in the next two years

### C3.1c

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#### **(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.**

Ericsson's strategy process includes the whole chain from business intelligence and strategic forecasting to deployment of developed strategies into targets and programs in coordinated cycles. The strategy development and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes (customer projects, customer bid/contract, acquisition, investment and product development projects). They are subject to various controls such as decision tollgates and approvals.

As part of Ericsson fundamental strategies, Ericsson Sustainability strategy is focusing on creating positive impact and mitigating risks. Ericsson Sustainability strategy is including Climate change as one of global challenges that is impacting or business and society. Ericsson sustainability strategy in conjunction and alignment with other fundamental strategies are inputs to our business and market plan.

Energy, Environment and Climate Action is one cornerstone of Ericsson Sustainability strategy. The circular economy encapsulates our approach to environmental sustainability. This includes the environmental impacts of our company, products and services, as well as the use of ICT to reduce the environmental impacts of other sectors. We have become leaders by using a circular approach in the management of materials, waste and water, and in setting ambitious energy goals for 5G. We are committed to developing and delivering solutions that support climate action by continuing to address energy and CO2e aspects in our own operations, our portfolio and our installed base, as well as further investigating our ability to offset carbon emissions in society.

### C3.1g

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#### **(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?**

In March 28 2017; The focused business strategy was presented with the target to significantly improve the operating margin with a long-term target of more than 12%. The strategy implies simplifying the organization and restoring profitability, while at the same time investing in the business for technology and cost leadership. We are investigating how to implement climate-related scenario analysis into our strategy and target setting process to ensure this is fully integrated and aligned to our ways of working.

## C4. Targets and performance

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## C4.1

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### (C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

## C4.1a

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### (C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

#### Target reference number

Abs 1

#### Scope

Scope 1+2 (location-based)

*Reduce Ericsson own activities CO2e emissions, including fleet vehicles (S1) and facilities energy (S1+S2) use by 35% in 2022 in absolute terms compared with baseline 2016. Facilities energy (S1+S2) is including both location based and market based.*

#### % emissions in Scope

100

#### % reduction from base year

35

#### Base year

2016

#### Start year

2010

#### Base year emissions covered by target (metric tons CO2e)

260000

#### Target year

2022

#### Is this a science-based target?

Yes, this target has been approved as science-based by the Science-Based Targets initiative

#### % achieved (emissions)

34

#### Target status

Underway

#### Please explain

This multi year target (objective) is monitored annually, an annual target (goal) is defined as milestone to ensure we are in the right track, that the actions and activities planned are executed according to our plan and these actions are delivering the expected result. In 2017, our commitment is to reduce Ericsson own activities, including facilities energy use and fleet vehicles by 5% in absolute terms. In 2017, we reduced Ericsson own activities related CO2e emissions, including facilities energy use and fleet vehicles by 11.9% approximately compared with baseline 2016. In 2017, we reduced from 260,000 (2016) to 229,000 (2017), this mean a total reduction of 31,000 tonnes CO2e. Our objective is to reduce 35% by 2022 (Represent a total reduction of 91,000 Tonnes); therefore we have achieved an annual reduction of 11.9%, while we have completed 34% of the global objective.

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#### Target reference number

Abs 2

#### Scope

Other, please specify (S3:B. travel + up-down stream transport)

#### % emissions in Scope

100

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**% reduction from base year**

35

**Base year**

2016

**Start year**

2017

**Base year emissions covered by target (metric tons CO2e)**

300000

**Target year**

2022

**Is this a science-based target?**

Yes, this target has been approved as science-based by the Science-Based Targets initiative

**% achieved (emissions)**

46.6

**Target status**

Underway

**Please explain**

This multi year target (objective) is monitored annually, an annual target (goal) is defined as milestone to ensure we are in the right track, that the actions and activities planned are executed according to our plan and these actions are delivering the expected result. In 2017, our commitment is to reduce Ericsson own activities, including business travel and product transportation by 5% in absolute terms. In 2017, we reduced Ericsson own activities related CO2e emissions, including business travel and product transportation by 16.3 % approximately compared with baseline 2016. In 2017, we reduced from 300,000 (2016) to 251,000 (2017), this mean a total reduction of 49,000 tonnes CO2e. Our objective is to reduce 35% by 2022 (Represent a total reduction of 105,000 Tonnes); therefore we have achieved an annual reduction of 16.3%, while we have completed 46.6 % of the global objective.

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**C4.1b**

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**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Target reference number**

Int 1

**Scope**

Scope 3: Use of sold products

*Ericsson commits to 35% of energy saving in Ericsson Radio System (ERS) versus legacy portfolio baseline 2016 (RBS 6000) by 2022*

**% emissions in Scope**

92

**% reduction from baseline year**

35

**Metric**

Other, please specify (Product energy efficiency)

**Base year**

2016

**Start year**

2017

**Normalized baseline year emissions covered by target (metric tons CO2e)**

39000000

**Target year**

2022

**Is this a science-based target?**

Yes, this target has been approved as science-based by the Science Based Targets initiative

**% achieved (emissions)**

18

**Target status**

Underway

**Please explain**

In 2017, according to Ericsson LCA (See Ericsson Annual Report - Climate change, page 152), our Scope 3- Use of sold products ie. products in operation during life time (approximately 10 yr average.) represent approximately 34,000,000 Tonnes CO2e. This target is focus on approximately 90% of our scope 3 emissions, based on Ericsson Life-Cycle Assessment. Ericsson has over the years put in large efforts in R&D and standardization for mobile technologies in order ensure the right traffic and energy performance capabilities are enabled, addressing the main source of GHG emissions. In 2017, achieved 34% of energy saving from delivered Ericsson Radio System (ERS) versus legacy portfolio RBS 6000. This mean that the new delivered ERS are 34% more energy efficient than the previous RBS 6000.

**% change anticipated in absolute Scope 1+2 emissions**

0

**% change anticipated in absolute Scope 3 emissions**

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**C4.2**

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**(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.**

**Target**

Renewable energy consumption

**KPI – Metric numerator**

Alternative energy sources to be economically feasible in 25% of the total installed base of an operator.

**KPI – Metric denominator (intensity targets only)**

**Base year**

2016

**Start year**

2017

**Target year**

2020

**KPI in baseline year**

0

**KPI in target year**

25

**% achieved in reporting year**

**Target Status**

Underway

**Please explain**

Ericsson will continue to innovate to allow alternative energy sources to be economically feasible in 25% of the total installed base of an operator, thereby reducing diesel consumption by 2020. WE are monitoring the evolution on this target periodically, while disclosing the achievement by 2020. Operators in countries with patchy electricity grids tend to rely on diesel generators at many sites. Since diesel emissions pollute the air, water and soil as well as contributing to climate change, we are committed to helping our customers find better alternative energy sources. We can achieve this by reducing and dimensioning the power consumption of the equipment for the level of energy consumption that the selected power source at the site can support. During 2017, Ericsson and Telenor Myanmar reduced the power consumption of a complete rural macro base station site to just 500W and converted the site to pure solar power. By reducing power consumption to this level, the cost of the solar power supply was reduced to a level competitive with traditional diesel based off-grid power solutions already during the first year of operation. This was achieved using our site dimensioning expertise and our unique Psi-Coverage solution, together with our PT2020 microwave transmission. Ericsson and Telenor Myanmar won GLOMO Award at Mobile World Congress in Barcelona and the AMO Award at Mobile World Congress Shanghai in the category "Social & Economic Development: Outstanding Mobile Contribution to the UN SDGs in Asia"s for this initiative.

**Part of emissions target**

Ericsson will continue to innovate to allow alternative energy sources to be economically feasible in 25% of the total installed base of an operator, thereby reducing diesel consumption by 2020. Operators in countries with patchy electricity grids tend to rely on diesel generators at many sites. Since diesel emissions pollute the air, water and soil as well as contributing to climate change, we are committed to helping our customers find better alternative energy sources. We can achieve this by reducing and dimensioning the power consumption of the equipment for the level of energy consumption that the selected power source at the site can support.

**Is this target part of an overarching initiative?**

Please select

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**C4.3**

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**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

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**(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	
To be implemented*	3	35000
Implementation commenced*	4	40000
Implemented*	10	99000
Not to be implemented		

## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Activity type**

Energy efficiency: Building fabric

**Description of activity**

Maintenance program

**Estimated annual CO2e savings (metric tonnes CO2e)**

29000

**Scope**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

1000000

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

4 - 10 years

**Estimated lifetime of the initiative**

Ongoing

**Comment**

In 2017, we continued our work to improve energy efficiency within our buildings worldwide, with a particular focus on Leadership in Energy and Environmental Design (LEED) level gold or equivalent. Another example of our work in this area is the implementation of energy conservation measures (ECMs) to reduce the amount of energy used; mainly water, electricity and gas. A good example of this is a LED project in India, where we reduced our carbon footprint and also saved more than USD 500,000 in utility costs over five years by changing the lighting. We have also prepared a Facility Energy Dashboard to provide an overview of energy consumption and carbon footprint in facilities . Investment in LED project are allocated as part of maintenance and not disclosure externally.

**Activity type**

Low-carbon energy purchase

**Description of activity**

Other, please specify (Purchase of renewable energy)

**Estimated annual CO2e savings (metric tonnes CO2e)**

50000

**Scope**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

2550000

**Payback period**

&lt;1 year

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Ericsson is purchasing renewable or green energy wherever practical. For example, over 80% of the electricity purchased in Europe comes from green sources. We look for opportunities to increase the amount of renewable energy in all markets where we operate. Purchase of low carbon energy is reviewed annually, as the decision is reviewed and renovated periodically. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350 GWh. In 2018 we will continue our work to identify opportunities at other geographical locations.

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**Activity type**

Other, please specify (Transportation usage)

**Description of activity**

&lt;Not Applicable&gt;

**Estimated annual CO2e savings (metric tonnes CO2e)**

18000

**Scope**

Scope 3

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

560000000

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

&lt;1 year

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Ericsson is strategically shifting from air to surface freight in product transport. Requirements for transport suppliers were raised and customer order points are being moved closer to our markets. We are also working with Logistics Service Providers (LSP) to optimize consolidation of material and routes.

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**Activity type**

Other, please specify (Transportation fleet)

**Description of activity**

&lt;Not Applicable&gt;

**Estimated annual CO2e savings (metric tonnes CO2e)**

2000

**Scope**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

26000000

**Investment required (unit currency – as specified in CC0.4)**

3600000

**Payback period**

&lt;1 year

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Telematics /GPS reporting devices have been installed in more than 1500 service vehicles. These devices allowed Ericsson to monitor attributes of vehicle operations, performance, location and velocity. Installing Telematics /GPS reporting devices increased fuel economy till 0.7 MPG during the pilot period. Carbon emissions per mile was reduced approximately by 5%. Annual monetary savings was over 7,000,000 SEK. There are other savings associated with reduce accidents and maintenance cost aprox. 2,000,000 SEK (~315 KUSD) that are not included for the purpose of CDP. Operational cost has been considered as investment is approx. 1,300,000 (200 KUSD). Pay-off for this project is immediate. Similar solutions in other countries have a 3-6 month ROI.

**C4.3c****(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	This method is used for Low-carbon energy purchase and for Energy efficiency: building services.
Employee engagement	Business travel improvement and reduction requires employee engagement, but also other Financial optimization calculations.
Internal incentives/recognition programs	Many investments made, are not done purely for environmental gains rather for overall efficiency gains. It is very difficult to extract the related emissions reduction isolated figures as they are part of overall programs.

**C4.5****(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**C4.5a**

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Group of products

**Description of product/Group of products**

Our systematic approach to energy efficiency includes using capable hardware, boosting performance with software, building networks with precision, and optimizing networks on site. The radio access network (RAN) consumes the most energy, and is therefore a key focus for energy-efficiency improvements. The Ericsson Radio System platform launched in 2015 established a generational shift in mobile networks for the 5G future, providing a 50% improvement in energy efficiency for the radio base station compared to previous generations.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Low-carbon product and avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Evaluating the carbon-reducing impacts of ICT

**% revenue from low carbon product(s) in the reporting year**

63

**Comment**

ICT has a unique potential to enable other industrial sectors move towards the low-carbon economy that will be central to meeting the SDGs. According to Ericsson research, ICT solutions could help to reduce GHG emissions by up to 15 percent by 2030, amounting to around 10 gigatonnes of CO<sub>2</sub>e – more than the current carbon footprint of the EU and US combined. However, ICT must be implemented with the intention to address climate change, to measure carbon reduction progress and to support decision makers to take correct measures. See also SMARTer2030 report by GeSI, that also conclude that ICT has the potential to maintain global CO<sub>2</sub>e emissions at 2015 levels, decoupling the past pattern where each 1% of growth in GDP equated to an 0.5% increase in CO<sub>2</sub>e emissions, and promote sustainable growth through 2030.

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## C5. Emissions methodology

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### C5.1

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## (C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

### Scope 1

**Base year start**

January 1 2016

**Base year end**

December 31 2016

**Base year emissions (metric tons CO2e)**

75379

**Comment**

In 2017 the Company bolstered its commitment to the Paris Climate Accord by joining the Science Based Targets (SBT) initiative. Ericsson's targets have been recognized as SBT Targets. In 2017, the Company updated its long-term target to reduce the CO2e emissions caused by Ericsson's own activities by 35%, including fleet vehicles (Scope 1), facility energy use (Scope 1 and Scope 2), business travel (Scope 3) and product transportation (Scope 3) by 2022 (baseline 2016). Over the past six years, Ericsson has reduced CO2e emissions in absolute terms by 48%. The Company has achieved its long-term objective to maintain absolute CO2e emissions from Ericsson's own activities for facility energy use, business travel, and product transportation in 2017 at the same level as 2011.

### Scope 2 (location-based)

**Base year start**

January 1 2016

**Base year end**

December 31 2016

**Base year emissions (metric tons CO2e)**

184173

**Comment**

In 2017 the Company bolstered its commitment to the Paris Climate Accord by joining the Science Based Targets (SBT) initiative. Ericsson's targets have been recognized as SBT Targets. In 2017, the Company updated its long-term target to reduce the CO2e emissions caused by Ericsson's own activities by 35%, including fleet vehicles (Scope 1), facility energy use (Scope 1 and Scope 2), business travel (Scope 3) and product transportation (Scope 3) by 2022 (baseline 2016). Over the past six years, Ericsson has reduced CO2e emissions in absolute terms by 48%. The Company has achieved its long-term objective to maintain absolute CO2e emissions from Ericsson's own activities for facility energy use, business travel, and product transportation in 2017 at the same level as 2011.

### Scope 2 (market-based)

**Base year start**

January 1 2016

**Base year end**

December 31 2016

**Base year emissions (metric tons CO2e)**

90

**Comment**

In 2017 the Company bolstered its commitment to the Paris Climate Accord by joining the Science Based Targets (SBT) initiative. Ericsson's targets have been recognized as SBT Targets. In 2017, the Company updated its long-term target to reduce the CO2e emissions caused by Ericsson's own activities by 35%, including fleet vehicles (Scope 1), facility energy use (Scope 1 and Scope 2), business travel (Scope 3) and product transportation (Scope 3) by 2022 (baseline 2016). Over the past six years, Ericsson has reduced CO2e emissions in absolute terms by 48%. The Company has achieved its long-term objective to maintain absolute CO2e emissions from Ericsson's own activities for facility energy use, business travel, and product transportation in 2017 at the same level as 2011.

## C5.2

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**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.**

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

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**C6. Emissions data**

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**C6.1**

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Row 1**

**Gross global Scope 1 emissions (metric tons CO2e)**

74000

**End-year of reporting period**

<Not Applicable>

**Comment**

Scope 1 emissions is including all fleet vehicles related emissions and facilities energy usage scope 1 part. Vehicles are used for services purposes as part of telecommunication networks maintenance, as well as part of projects to deploy new network infrastructure. Our aim is to reduce CO2e per kilometer in our vehicle fleet by using vehicles more efficiently, implementing telematics, and trialing alternative fuels. Some of our ongoing initiatives in Market Area Europe and Latin America are: – Changes in the car policy that included a more limited brand and model list based on lower CO2e emission models – Changes in vehicle mix that involved swapping off-road vehicles with vans and moving from large Light Commercial Vehicles (LCV) to smaller ones. The overall reduction in CO2e emissions at all of our facilities (Including offices, production sites, data centers and test labs) in 2017 was 14% compared to 2016. We made good progress throughout the year toward our intention of purchasing more energy from renewable sources. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350 GWh. In 2018 we will continue our work to identify opportunities at other geographical locations.

---

**C6.2**

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

Our Scope 2 is derived from facilities energy usage. The overall reduction in CO2e emissions at all of our facilities (Including offices, production sites, data centers and test labs) in 2017 was 14% compared to 2016. We made good progress throughout the year toward our intention of purchasing more energy from renewable sources. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350 GWh. In 2018 we will continue our work to identify opportunities at other geographical locations.

---

**C6.3**

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Row 1**

**Scope 2, location-based**

156000

**Scope 2, market-based (if applicable)**

100

**End-year of reporting period**

<Not Applicable>

**Comment**

Our Scope 2 is derived from facilities energy usage. The overall reduction in CO2e emissions at all of our facilities (Including offices, production sites, data centers and test labs) in 2017 was 14% compared to 2016. We made good progress throughout the year toward our intention of purchasing more energy from renewable sources. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350 GWh. In 2018 we will continue our work to identify opportunities at other geographical locations.

**C6.4**

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**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

**C6.5**

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**(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

2774000

**Emissions calculation methodology**

Materials, components and packaging are included based on an extensive Life Cycle Assessment (LCA) research. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

20

**Explanation**

## Capital goods

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

93000

### Emissions calculation methodology

Embodied emissions per year of use for buildings. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

20

### Explanation

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

100000

### Emissions calculation methodology

For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55):

<https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter):

<https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Upstream transportation and distribution

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

19000

### Emissions calculation methodology

We calculate the total transported weight from our Logistics Service Providers (LSPs) reports and validate the information internally with operational and financial data. Transports not paid for or controlled by Ericsson are not included. Most transports to customers are controlled by Ericsson and are included. Inbound transport from suppliers to our production sites are not included in Ericsson own Activities (LCA), however they are included in our Life-Cycle Assessment (LCA) as part of the Supply Chain. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

80

### Explanation

## Waste generated in operations

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

0

### Emissions calculation methodology

Ericsson waste generation in operations due to our production activities and offices is measured in weight. Waste generation impact on emissions is not significant - therefore CO2e emissions related to waste generated in operations is not calculated. Measurements cover 37% of reported waste generation for sites (2017). Waste generation decrease from 13,670 Tonnes (2016) to 11,755 Tonnes (2017) Waste impact from production is calculated and included within the Supply Chain (LCA). Waste impact from packaging is included as part of End of Life Treatment (EoLT). For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

#### Explanation

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

123500

### Emissions calculation methodology

Emissions business travel is including air, road and rail. The measurement is done based on purchased travels for air and rail and calculating km traveled. We are taking into consideration Intercontinental, Continental and Domestic flights for air travels and applying emissions factors accordingly. There are no CO2-equivalent emissions included in the air travel and transport figures. IPCC made a report in 1998 which stated the still ongoing debate on the CO2 equivalent emissions from aviation. Many scientists simply use a factor of 2 to describe the CO2-equivalent emissions from aviation. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

99

#### Explanation

## Employee commuting

### Evaluation status

Not relevant, calculated

### Metric tonnes CO2e

69000

### Emissions calculation methodology

Estimations are done based on the number of employees and commuting investigations done in previous years. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

20

### Explanation

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Due to our business model Upstream leased assets is not relevant. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Downstream transportation and distribution

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

110000

### Emissions calculation methodology

We calculate the total transported weight from our Logistics Service Providers (LSPs) reports and validate the information internally with operational and financial data. Transports not paid for or controlled by Ericsson are not included. Most transports to customers are controlled by Ericsson and are included. Inbound transport from suppliers to our production sites are included if paid for by Ericsson but are in general not included in Ericsson own Activities (LCA), however they are included in our Life-Cycle Assessment (LCA) as part of the Supply Chain. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

80

### Explanation

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Ericsson products, services and solutions do not require additional processing. Based on GhG protocol we are reporting maintenance as part of Use of Sold products. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Use of sold products

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

33750000

### Emissions calculation methodology

For each product type the total energy consumption is calculated as the average energy consumption per life time. Products also require cooling to operate and power losses exist; these components are included when applicable in the measurements. Energy consumption is based on collected data on product category. Product energy consumption categories is measured in labs, not in field. In addition various field measurements are collected through customer collaborations, and used as benchmark. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

## End of life treatment of sold products

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

0

### Emissions calculation methodology

393,000 CO2e emissions avoided due to future recycling of products sold during the reporting year (2017).

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Due to our business model Upstream leased assets is not relevant. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Franchises

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Due to our business model Upstream leased assets is not relevant. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Investments

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Investment and acquisitions are integrated as part of other categories, as soon as the investments and acquisitions are operational and financially integrated in Ericsson business. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152):

<https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Other upstream are not relevant according to our materiality process and studies. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## Other (downstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

Other upstream are not relevant according to our materiality process and studies. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

## C6.7

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### (C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

## C6.7a

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### (C6.7a) Provide the emissions from biologically sequestered carbon relevant to your organization in metric tons CO2.

1862

## C6.10

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### (C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

#### Intensity figure

0.00000114

#### Metric numerator (Gross global combined Scope 1 and 2 emissions)

229000

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

201303000000

**Scope 2 figure used**

Location-based

**% change from previous year**

2.56

**Direction of change**

Decreased

**Reason for change**

Ericsson absolute emissions (scope 1 and scope 2 combined) decreased from 260 Ktonne CO<sub>2</sub>e (2015) to 230 Ktonne CO<sub>2</sub>e (2017). This decrease has a higher impact than the decrease in net sales, producing an approximately 3 % final decrease of the intensity indicator. Ericsson use Net Sales (201.3 SEK Billion in 2017 compared to 222,6 SEK billion in 2017) as metric denominator. There is an additional impact to the intensity indicator due to the exchange rates. In 2017, the Swedish Krona (SEK) compared to Euro (EUR was 9.64 (9.44 in 2016). The exchange rate change impacts negatively into intensity indicators compared to constant currency (Using EURO). Period income and expenses for each income statement are translated at period average exchange rates. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

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**Intensity figure**

2.13

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

229000

**Metric denominator**

Other, please specify (Full Time Employee (FTE) average)

**Metric denominator: Unit total**

107369

**Scope 2 figure used**

Location-based

**% change from previous year**

5.79

**Direction of change**

Decreased

**Reason for change**

Ericsson use employee's average as metric denominator. The improvements in facility energy use was jeopardized partially by the effect produce by the decrease number of employees from 114,302 (2016) to 107,369 (2017). Ericsson absolute emissions (scope 1 and scope 2 combined) decreased from 260,000 (2016) to 230,100 (2017). There are two reasons for this change from last year: the first is an improvement in facility energy use via increase the LEED certificate area and use of green electricity and secondly the improvement in fleet vehicles performance. We are reporting the emissions related to workplaces occupied by workforce including employees and others no employees (consultants...) working at Ericsson's premises. Others than employees are not reported as part of our FTE, following the GHG protocol. For more information please see: Ericsson Annual Report 2017 - Sustainability Performance and Risks Report - Climate Change (Page 152): <https://www.ericsson.com/assets/local/investors/documents/2017/ericsson-annual-report-2017-en.pdf> Sustainability and Corporate Responsibility Report 2017 - Energy, Environment and Climate Action (Pages 42-55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf> and GRI performance-2017 (Environmental chapter): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/gri-performance-2017-standard.pdf>

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## C7. Emissions breakdowns

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### C7.1

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**(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?**

Yes

#### C7.1a

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**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
HFCs	166	IPCC Fifth Assessment Report (AR5 – 20 year)

### C7.2

---

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Sweden	3444
India	7836
Estonia	1150
United Kingdom of Great Britain and Northern Ireland	3439
Ireland	3001
Germany	917
Italy	2722
Spain	451
Canada	870
United States of America	16780
Brazil	2425
China	510
Other, please specify (Rest of the world)	29055

### C7.3

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**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

By activity

#### C7.3a

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**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Business Area Networks	14000
Business Area Digital Services	0
Business Area Managed Services	60000
Business Area Others	0

**C7.3c****(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Offices (Facilities energy use - sites)	0
Production (Facilities energy use - sites)	14000
Services (Fleet vehicles)	60000

**C7.5****(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Sweden	0	5	307078	212329
Poland	1427	0	5536	0
Finland	3281	0.4	29793	18747
India	27664	0.1	36136	853
United Kingdom of Great Britain and Northern Ireland	6012	4	7273	4175
Ireland	8421	0.1	20926	1206
Germany	8257.5	0.5	19974	2665
Italy	1163	17	19932	17030
Spain	8404	0	28882	0
Canada	1034	0	50278	0
United States of America	11124	5.8	101509	75208
Brazil	373	0.9	14405	8911
Mexico	4265	0		
China	46322	0	60763	0
Australia	3669	0	3655	0
Estonia	0	61	15912	15912
Other, please specify (Rest of the world)	21410	0	58640	0

**C7.6**

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

By activity

**C7.6a**

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**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Business Area Networks	99100	73
Business Area Digital Services	31780	21
Business Area Managed Services	18990	2
Business Area Others	6110	0

**C7.6c**

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**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Offices (Facilities energy use - sites)	135720	36
Production (Facilities energy use - sites)	20280	64
Services (Fleet vehicles)	0	0

**C7.9**

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**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

**C7.9a**

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**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1293	Decreased	0.7	Total CO2e emissions reduction from our Facilities energy usage (Including offices, data centers and production sites) within Scope 2 from 185,000 tonne (2016) to 156,000 tonne (2017). This reduction represent approximately 15.7%. $(185-156)/185*100$ . In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350 GWh.
Other emissions reduction activities	27707	Decreased	15	Total CO2e emissions reduction from our Facilities energy usage (Including offices, data centers and production sites) within Scope 2 from 185,000 tonne (2016) to 156,000 tonne (2017).
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	0	No change	0	
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	1000	Decreased	1.64	Reduction of CO2e emissions from our fleet vehicles from 61,000 tonne (2016) to 60,000 tonne (2017). Improvement in Fleet vehicles management including the implementation of Telematics address to CO2e reduction . $(61-60)/61*100= 1,64\%$ .
Unidentified	0	No change	0	
Other	0	Please select	0	

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	7000	268000	275000
Consumption of purchased or acquired electricity	<Not Applicable>	357100	329500	686600
Consumption of purchased or acquired heat	<Not Applicable>	20000	14300	34300
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	43000	26600	69600
Consumption of self-generated non-fuel renewable energy	<Not Applicable>		<Not Applicable>	
Total energy consumption	<Not Applicable>	421100	644400	1065500

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

180000

**MWh fuel consumed for the self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

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**Fuels (excluding feedstocks)**

Petrol

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

58000

**MWh fuel consumed for the self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Fuel Oil Number 2

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

16000

**MWh fuel consumed for the self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

14000

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**MWh fuel consumed for the self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Bioethanol

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

7000

**MWh fuel consumed for the self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

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**C8.2d**

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**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**

**Bioethanol**

**Emission factor**

0.007

**Unit**

kg CO2 per liter

**Emission factor source**

**Comment**

See Emission factors used in the consolidation of Facts and figures in Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf>

## Diesel

### Emission factor

2.65

### Unit

kg CO2 per liter

### Emission factor source

#### Comment

See Emission factors used in the consolidation of Facts and figures in Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf>

## Fuel Oil Number 2

### Emission factor

3.1

### Unit

kg CO2 per liter

### Emission factor source

#### Comment

See Emission factors used in the consolidation of Facts and figures in Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf>

## Natural Gas

### Emission factor

2

### Unit

kg CO2 per m3

### Emission factor source

#### Comment

See Emission factors used in the consolidation of Facts and figures in Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf>

## Petrol

### Emission factor

2.34

### Unit

kg CO2 per liter

### Emission factor source

#### Comment

See Emission factors used in the consolidation of Facts and figures in Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 55): <https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/scr-reports/ericsson-sustainability-and-corporate-responsibility-report-2017.pdf>

## C8.2e

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**(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2f

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**(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.**

**Basis for applying a low-carbon emission factor**

Contract with suppliers or utilities ( e.g. green tariff), supported by energy attribute certificates

**Low-carbon technology type**

Wind

Hydropower

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

357100

**Emission factor (in units of metric tons CO2e per MWh)**

0.00027

**Comment**

Emission factors provided by mainly the suppliers themselves

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## C9. Additional metrics

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### C9.1

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**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**Description**

Waste

**Metric value**

11755

**Metric numerator**

Tonnes of waste produced in offices and production

**Metric denominator (intensity metric only)**

**% change from previous year**

14

**Direction of change**

Decreased

**Please explain**

Improvements in the productions processes and products are leading to a constant reduction of waste in productions sites. Reduction in office waste is aligned to the reduction of full time employees.

---

**Description**

Energy use

**Metric value**

**Metric numerator**

Facilities energy usage (GWh)

**Metric denominator (intensity metric only)**

**% change from previous year**

11.34

**Direction of change**

Decreased

**Please explain**

Energy efficiency programs are impacting in a total energy usage reduction.

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**C10. Verification**

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**C10.1**

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**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

**C10.1a**

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**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.**

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**Scope**

Scope 1

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

High assurance

**Attach the statement**

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf

Ericsson-annual-report-2017-en.pdf

**Page/ section reference**

See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78). PwC conducted its engagement in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement). The engagement includes an audit of carbon dioxide emissions data regarding Ericsson's own activities. See Ericsson Annual Report (Page 159) statutory sustainability report too.

**Relevant standard**

A1000AS

*In addition to AA1000, ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, were used by PwC. See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78).*

**Proportion of reported emissions verified (%)**

100

Ericsson-annual-report-2017-en.pdf

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**Scope**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

High assurance

**Attach the statement**

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf

Ericsson-annual-report-2017-en.pdf

**Page/ section reference**

See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78). PwC conducted its engagement in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement). The engagement includes an audit of carbon dioxide emissions data regarding Ericsson's own activities. See Ericsson Annual Report (Page 159) statutory sustainability report too.

**Relevant standard**

A1000AS

*In addition to AA1000, ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, were used by PwC. See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78).*

**Proportion of reported emissions verified (%)**

100

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf

Ericsson-annual-report-2017-en.pdf

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**Scope**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

High assurance

**Attach the statement**

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf  
Ericsson-annual-report-2017-en.pdf

**Page/ section reference**

See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78). PwC conducted its engagement in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement). The engagement includes an audit of carbon dioxide emissions data regarding Ericsson's own activities. See Ericsson Annual Report (Page 159) statutory sustainability report too.

**Relevant standard**

A1000AS

*In addition to AA1000, ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, were used by PwC. See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78).*

**Proportion of reported emissions verified (%)**

100

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf  
Ericsson-annual-report-2017-en.pdf

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## C10.1b

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**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope**

Scope 3- all relevant categories

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Attach the statement**

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf  
Ericsson-annual-report-2017-en.pdf

**Page/section reference**

See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78). PwC conducted its engagement in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement). The engagement includes an audit of carbon dioxide emissions data regarding Ericsson's own activities. See Ericsson Annual Report (Page 159) statutory sustainability report too.

**Relevant standard**

AA1000AS

*In addition to AA1000, ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, were used by PwC. See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78).*

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## C10.2

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

**C10.2a**

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement).	See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78). PwC conducted its engagement which includes limited assurance on the complete Sustainability and CR Report and an audit of carbon dioxide emissions data regarding Ericsson's own activities. See Ericsson Annual Report (Page 159) statutory sustainability report too.
C4. Targets and performance	Emissions reduction activities	ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by IAASB, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement).	See Ericsson Sustainability and Corporate Responsibility Report 2017 (Page 78). PwC conducted its engagement which includes limited assurance on the complete Sustainability and CR Report and an audit of carbon dioxide emissions data regarding Ericsson's own activities. See Ericsson Annual Report (Page 159) statutory sustainability report too.

**C11. Carbon pricing**

**C11.1**

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

Yes

**C11.1a**

**(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.**

UK carbon price floor

**C11.1c**

**(C11.1c) Complete the following table for each of the tax systems in which you participate.**

**UK carbon price floor**

**Period start date**

January 1 2017

**Period end date**

December 31 2017

**% of emissions covered by tax**

100

**Total cost of tax paid**

1195944

**Comment**

According to our internal information an invoice have been generated to Payee: Department of Business, Energy and Industrial Strategy with the following amount 103,545 £. Using an average exchange rate Pounds Sterling / Swedish Krona (£/SEK) of 1-11.55 SEK, we are calculating the Total cost of tax paid as 1,195,944 SEK. The UK carbon price floor is based on electricity consumption, therefore initiatives to reduce carbon emissions are not impacting on a fee reduction. It is unclear the information requested about % of emissions covered by Tax, and the guidance for this question is not clarifying the context. The tax according to our reports is derived from the emissions of approximately 5,900 Tonnes CO2 from the reporting legal entity, which represents 100 % of the emissions of the legal entity. However this amount of emissions compared to the entire group 170,000 Tonnes CO2 represent approximately 3.5% of total facilities energy usage related emissions.

**C11.1d**

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**(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?**

Reducing energy usage in facilities (offices, production sites, data centers and test labs) by constantly implementing best practices such as LEED buildings, increasing energy building efficiency and purchasing renewable energy when feasible.

**C11.2**

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

No, but we anticipate doing so in the next two years

**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

## C12.1a

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### (C12.1a) Provide details of your climate-related supplier engagement strategy.

#### Type of engagement

Compliance & onboarding

*Ericsson requires the Supplier and its subcontractors to comply with the Code of Conduct, or equivalent standards, which may request higher standards than required by applicable laws. Ericsson Code of Conduct is based on the United Nations Global Compact's ten principles derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration of Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.*

#### Details of engagement

Included climate change in supplier selection / management mechanism

Code of conduct featuring climate change KPIs

#### % of suppliers by number

100

#### % total procurement spend (direct and indirect)

100

#### % Scope 3 emissions as reported in C6.5

7.5

#### Rationale for the coverage of your engagement

Ericsson requires its Supplier and its subcontractors to comply with the Code of Conduct, or equivalent standards, which may request higher standards than required by applicable laws. Ericsson Code of Conduct (<https://www.ericsson.com/assets/local/about-ericsson/sustainability-and-corporate-responsibility/documents/supplier-code-of-conduct/ericsson-code-of-conduct-english.pdf>) is contractual mandatory for all our suppliers. As part of Ericsson Code of Conduct, Ericsson's suppliers are to fulfill detailed requirements such as "The Ericsson Supplier Environmental Requirements" and "The Ericsson Lists of Banned and Restricted Substances" as well as the operating instructions referenced in these documents. "The Ericsson Supplier Environmental Requirements" describe additional requirements related to energy consumption. If energy consumption is identified as a significant environmental aspect, the Supplier is expected to calculate its carbon footprint in terms of CO<sub>2</sub>e, using the GhG protocol (Greenhouse Gas protocol <http://www.ghgprotocol.org/>). Ericsson Code of Conduct is based on the United Nations Global Compact's ten principles derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration of Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.

#### Impact of engagement, including measures of success

Ericsson requires its Supplier and its subcontractors to comply with the Code of Conduct (CoC), or equivalent standards, which may request higher standards than required by applicable laws. Ericsson Code of Conduct. Ericsson CoC is contractual binding for all our suppliers.

#### Comment

Ericsson expects its suppliers to fulfill the same standards that are applicable internally based on the UN Global Compact.

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#### Type of engagement

Information collection (understanding supplier behavior)

#### Details of engagement

Collect climate change and carbon information at least annually from suppliers

#### % of suppliers by number

5

#### % total procurement spend (direct and indirect)

#### % Scope 3 emissions as reported in C6.5

7.5

#### Rationale for the coverage of your engagement

Ericsson's hardware largely consists of electronics. For manufacturing, the Company purchases customized and standardized components and services from several global providers as well as from local and regional suppliers. The production of electronic modules and sub-assemblies is mostly outsourced to manufacturing services companies, of which the vast majority are in low-cost

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countries. Final configuration of products is largely done in-house. This consists of assembling and testing modules and integrating them into complete units. Final assembly and testing are concentrated to a few sites. Ericsson has 4 manufacturing sites in Brazil, China, Estonia and Sweden and 7 delivery centers across all continents. A number of suppliers design and manufacture highly specialized and customized components. The Company generally negotiates global supply agreements with its primary suppliers. Ericsson's suppliers are required to comply with the requirements of Ericsson's Code of Conduct. In general, Ericsson has alternative supply sources and seeks to avoid single source supply situations. We have a long list of suppliers, while we are collecting data from selected suppliers that represents approximately 50% of our scope 3 (Supply Chain) emissions. 2,774,000 tonnes CO2e emissions - Purchased good and services.

#### **Impact of engagement, including measures of success**

Collecting data from selected suppliers allows us to focus on the important and critical parts to jointly define improvements programs.

#### **Comment**

Ericsson's hardware largely consists of electronics. For manufacturing, the Company purchases customized and standardized components and services from several global providers as well as from local and regional suppliers. The production of electronic modules and sub-assemblies is mostly outsourced to manufacturing services companies, of which the vast majority are in low-cost countries. Final configuration of products is largely done in-house. This consists of assembling and testing modules and integrating them into complete units. Final assembly and testing are concentrated to a few sites. Ericsson has 4 manufacturing sites in Brazil, China, Estonia and Sweden and 7 delivery centers across all continents. A number of suppliers design and manufacture highly specialized and customized components. The Company generally negotiates global supply agreements with its primary suppliers. Ericsson's suppliers are required to comply with the requirements of Ericsson's Code of Conduct. In general, Ericsson has alternative supply sources and seeks to avoid single source supply situations. We have a long list of suppliers, while we are collecting data from selected suppliers that represents approximately 50% of our scope 3 (Supply Chain) emissions. 2,774,000 tonnes CO2e emissions - Purchased good and services.

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## C12.1b

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### **(C12.1b) Give details of your climate-related engagement strategy with your customers.**

#### **Type of engagement**

Education/information sharing

#### **Details of engagement**

Share information about your products and relevant certification schemes (i.e. Energy STAR)

#### **Size of engagement**

100

#### **% Scope 3 emissions as reported in C6.5**

91

#### **Please explain the rationale for selecting this group of customers and scope of engagement**

We provide information about our products energy efficiency and our own operation to all our customers as part of our engagements.

#### **Impact of engagement, including measures of success**

In addition to regular engagements (RFQ, RFI...) we have launched several projects jointly with part of our most important customers that have been recognized globally. For example Pure Solar Myanmar, a collaboration between Ericsson and Telenor Myanmar, won the GLOMO Award at Mobile World Congress in Barcelona

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## C12.1c

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**(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.**

Sharing, listening and learning .

Our approach to climate-related stakeholder engagement enables us to learn about our stakeholders' concerns early, providing us with insight into risks as well as opportunities. Our stakeholders fall into four categories: customers, shareholders, employees and society. In the society category we include suppliers, governments, civil society, non-governmental organizations, industry partners, media, academia, and the general public.

**C12.3**

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Direct engagement with policy makers
- Trade associations

**C12.3a**

**(C12.3a) On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	World Economic Forum's (WEF) CEO Climate Leaders, WEF's IoT for the SDGs initiative, the UN Sustainable Development Solutions Network, the Business and Sustainable Development Commission, and the UN Broadband	Advocate the potential enabling effect of ICT to reduce emissions in other sectors. Since ICT is a carbon-lean sector that accounts for less than 2% of global CO2 emissions, we advocate for ICT-based solutions as a viable means for cities and countries to reduce their carbon footprints. According to Ericsson research, ICT solutions could help to reduce greenhouse gas emissions by up to 15% by 2030.

**C12.3b**

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

**C12.3c**

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

In 2017, we were members of Global E-Sustainability Initiative (GeSI).

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

ICT has the potential to enable a 20% reduction of global CO2e emissions by 2030, thus holding emissions at 2015 levels, and to effectively decouple economic growth from emissions growth. The SMARTer2030 study contains recommendations to decision-makers, businesses and consumers on what actions are needed to make the most of the technology benefits.

**How have you, or are you attempting to, influence the position?**

We acknowledge the impact of ICT industry, while at the same time the ICT enabling effect. We have supported GeSi studies with our Researcher expertise.

## C12.3f

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**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

We take a proactive leadership role in a number of high-level fora and collaborate with a wide range of stakeholders to scale the impact of our sustainability efforts.

Examples of fora where we were active in 2017 include the World Economic Forum's (WEF) CEO Climate Leaders, WEF's IoT for the SDGs initiative, the UN Sustainable Development Solutions Network, the Business and Sustainable Development Commission, and the UN Broadband Commission for Sustainable Development.

## C12.4

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**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

Ericsson-annual-report-2017-en.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets

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**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

Ericsson-sustainability-and-corporate-responsibility-report-2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

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**Publication**

In voluntary communications

*Joint research study with Telia focusing on data traffic and the carbon footprint of ICT. In 2017, we expanded the project and focused on the ICT network operators in a global context, gathering data built on network operators' overall energy use from 2010 to 2015. This unique data set corresponds to 45% of overall global mobile subscriptions and 15% of fixed subscriptions. Using this as a basis, we estimated the overall global emissions. In spite of the very high data traffic growth and a subscription increase from 6.7B to 9.0B, the result shows only a limited increase in annual electricity consumption and operational carbon emission. The increase is associated with the mobile network expansion, since the fixed and broadband levels remain nearly unchanged.*

**Status**

Complete

**Attach the document**

ICT and EM energy and carbon footprint 2010-2015 - research.pdf

**Content elements**

Other, please specify ( ICT network operators Global)

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## C14. Signoff

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### C-FI

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**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

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## C14.1

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**(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Heather Johnson. Ericsson Group Sustainability and Corporate Responsibility Head.	Chief Sustainability Officer (CSO)

## SC. Supply chain module

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### SC0.0

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**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

There are many challenges in allocating CO<sub>2</sub>e emissions to different customers that include:

- 1.- Non-disclosure of proprietary information,
- 2.- Complexities relating to the volume of customers, we serve customers in more than 180 countries,
- 3.- Complexities relating to the range of products and solutions, including customized configurations,
- 4.- Complexities relating to the range of services and solutions provided,
- 5.- Uncertainties relating to use and energy source for customers installations, and
- 6.- Customers' own reporting can lead to "double-counting"

For these reasons, Ericsson does not allocate emissions to different customers, and has currently no plans to do so. However, Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO<sub>2</sub>e emissions are important indicators to track, it can also be useful to look at the carbon intensity of network operations (i.e., the amount of CO<sub>2</sub>e emitted per unit of traffic or per subscriber) as this allows a clear measurement of efficiency gains when evaluating investment alternatives.

### SC0.1

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**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	201303000000

### SC0.2

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**(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?**

No

## SC1.1

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**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO<sub>2</sub>e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions from business travel, product transportation and commuting (Scope 3).

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**Requesting member**

BT Group

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO<sub>2</sub>e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions from business travel, product transportation and commuting

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(Scope 3).

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**Requesting member**

Cellnex Telecom SA

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO<sub>2</sub>e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

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**Requesting member**

Chunghwa Telecom

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO<sub>2</sub>e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

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**Requesting member**

Deutsche Telekom AG

**Scope of emissions**

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Scope 1

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO2e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

**Requesting member**

Endesa

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO2e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

**Requesting member**

Swisscom

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

**Major sources of emissions**

0.368 Tonnes CO<sub>2</sub>e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

**Requesting member**

Vodafone Group

**Scope of emissions**

Scope 1

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.368 Tonnes CO<sub>2</sub>e/SEK Million. Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 1 emissions decreased from 75,000 Tonnes to 74,000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152)

and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

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**Requesting member**

BT Group

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

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**Requesting member**

Cellnex Telecom SA

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

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**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions form business travel, product transportation and commuting (Scope 3).

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**Requesting member**

Chunghwa Telecom

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

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**Allocation method**

Other, please specify (Group Net Sales)

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**Requesting member**

Deutsche Telekom AG

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

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**Requesting member**

Endesa

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

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**Requesting member**

Swisscom

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

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activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions from business travel, product transportation and commuting (Scope 3).

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**Requesting member**

Vodafone Group

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

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**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

1.59 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. Compared to 2016 emissions from business travel, product transportation and commuting (Scope 3) decreased from 373 000 Tonnes to 320 000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Ericsson uses Life-Cycle Assessment (LCA) methodology to identify the GHG sources. The scope of Ericsson's LCA work is from 'cradle to grave' and covers every phase of a product's or system's life-cycle, including Supply chain, Ericsson activities, Operators activities, Products in operation and End-of-Life treatment. Ericsson activities include emissions from energy consumption in our facilities (Scope 1 and Scope 2), fleet vehicles (Scope 1), emissions from business travel, product transportation and commuting (Scope 3).

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**Requesting member**

BT Group

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

1.59 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. Compared to 2016 emissions from business travel, product transportation and commuting (Scope 3) decreased from 373 000 Tonnes to 320 000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

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**Allocation method**

Other, please specify (Group Net Sales)

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**Requesting member**

Cellnex Telecom SA

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

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**Verified**

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**Requesting member**

Chunghwa Telecom

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

1.59 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. Compared to 2016 emissions from business travel, product transportation and commuting (Scope 3) decreased from 373 000 Tonnes to 320 000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

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**Requesting member**

Deutsche Telekom AG

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

1.59 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. Compared to 2016 emissions from business travel, product transportation and commuting (Scope 3) decreased from 373 000 Tonnes to 320 000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

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Other, please specify (Group Net Sales)

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**Requesting member**

Endesa

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

10

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1.59 Tonnes CO<sub>2</sub>e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. Compared to 2016 emissions from business travel, product transportation and commuting (Scope 3) decreased from 373 000 Tonnes to 320 000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

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Other, please specify (Group Net Sales)

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**Requesting member**

Swisscom

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

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**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

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**Requesting member**

Vodafone Group

**Scope of emissions**

Scope 3

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

10

**Major sources of emissions**

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1.59 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. Compared to 2016 emissions from business travel, product transportation and commuting (Scope 3) decreased from 373 000 Tonnes to 320 000 Tonnes. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

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**Requesting member**

Deutsche Telekom AG

**Scope of emissions**

Scope 2

**Emissions in metric tonnes of CO2e**

0

**Uncertainty (±%)**

5

**Major sources of emissions**

0.775 Tonnes CO2e/SEK Million Ericsson uses Net Sales (201 303 SEK Million) as metric denominator. In 2017, Scope 2 emissions slightly decreased from 185,000 Tonnes to 156,000 Tonnes. In 2017, more than 45% of the energy we purchased was renewable energy, which stands for more than 350GWh. For more information please see Ericsson Annual Report 2017 (Page 152) and Ericsson Sustainability and Corporate Responsibility 2017 (Page 55).

**Verified**

Yes

**Allocation method**

Other, please specify (Group Net Sales)

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

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SC1.2

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

Ericsson is a world-leading provider of telecommunications equipment and related services to mobile and fixed network operators globally. Over 1,000 networks in more than 180 countries utilize our network equipment.

Ericsson uses Life-Cycle Assessment (LCA) methodology to measure improvements in the energy efficiency of its products and solutions. It is not realistic to allocate emissions per customer, because the uncertainties do not reflect the reality of the GHG emissions related to the goods or services sold to them in the reporting period. To report that kind of figures with a correct quality level requires customized LCA.

Ericsson uses ISO standards 14040:2006 and 14044: 2006, as common framework for undertaking LCA studies. Ericsson is actively engaged with ITU and ETSI standardization activities to specifically relate LCA methodology to ICT goods, networks and services.

We report the carbon emissions yearly as part of our Annual Report as well as part of our Sustainability and Corporate Responsibility Report; therefore any Customer is able to calculate the Carbon Intensity related to their business with us using the following intensity indicators:

Metric Tonnes CO2 / Net Sales (MSEK) and/or

Metric Tonnes CO2 / Capacity (1000 subscribers)

**SC1.3**

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives.
Customer base is too large and diverse to accurately track emissions to the customer level	Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives.
Managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult	Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives.
Doing so would require we disclose business sensitive/proprietary information	Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives.

**SC1.4**

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Yes

## SC1.4a

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### (SC1.4a) Describe how you plan to develop your capabilities.

Ericsson has experience with, and the capacity to, assist customers to calculate emissions based on specific networks configurations. While energy consumption and CO<sub>2</sub>e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO<sub>2</sub>e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives.

For example, our joint study with Telia in Sweden in 2016 showed that despite a continuing exponential increase of data traffic, the carbon footprint of ICT in Sweden started to decrease around 2010, after 20 years of constant growth. The study concludes that the total ICT and E&M (entertainment and media) carbon footprint is about 1.9% (1.2% ICT and 0.7% E&M respectively) of Sweden's total carbon footprint, with a decrease from 2010 of around 10%.

In 2017, we expanded the project and focused on the ICT network operators in a global context, gathering data built on network operators' overall energy use from 2010 to 2015. This unique data set corresponds to 45% of overall global mobile subscriptions and 15% of fixed subscriptions. Using this as a basis, we estimated the overall global emissions. In spite of the very high data traffic growth and a subscription increase from 6.7B to 9.0B, the result shows only a limited increase in annual electricity consumption and operational carbon emission. The increase is associated with the mobile network expansion, since the fixed and broadband levels remain nearly unchanged. Still, the impact per subscription is actually decreasing in most cases. The report 'The electricity consumption and operational carbon emissions of ICT network operators 2010–2015' was published by KTH Royal Institute of Technology.

## SC2.1

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### (SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

**Requesting member**

AT&T Inc.

**Group type of project**

New product or service

**Type of project**

New product or service that reduces customers operational emissions

**Emissions targeted**

Actions to reduce customers' operational emissions (customer scope 1 & 2)

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO<sub>2</sub>e savings****Estimated payback**

Please select

**Details of proposal**

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO<sub>2</sub>e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO<sub>2</sub>e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO<sub>2</sub>e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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**Requesting member**

BT Group

**Group type of project**

New product or service

**Type of project**

New product or service that reduces customers operational emissions

**Emissions targeted**

Actions to reduce customers' operational emissions (customer scope 1 & 2)

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO2e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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**Requesting member**

Cellnex Telecom SA

**Group type of project**

New product or service

**Type of project**

New product or service that reduces customers operational emissions

**Emissions targeted**

Actions to reduce customers' operational emissions (customer scope 1 & 2)

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings****Estimated payback**

Please select

**Details of proposal**

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO2e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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**Requesting member**

Chunghwa Telecom

**Group type of project**

New product or service

**Type of project**

New product or service that reduces customers operational emissions

**Emissions targeted**

Actions to reduce customers' operational emissions (customer scope 1 & 2)

**Estimated timeframe for carbon reductions to be realized**

1-3 years

### Estimated lifetime CO2e savings

#### Estimated payback

Please select

#### Details of proposal

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO2e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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#### Requesting member

Deutsche Telekom AG

#### Group type of project

New product or service

#### Type of project

New product or service that reduces customers operational emissions

#### Emissions targeted

Actions to reduce customers' operational emissions (customer scope 1 & 2)

#### Estimated timeframe for carbon reductions to be realized

1-3 years

### Estimated lifetime CO2e savings

#### Estimated payback

Please select

#### Details of proposal

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO2e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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#### Requesting member

Endesa

#### Group type of project

New product or service

#### Type of project

New product or service that reduces customers operational emissions

#### Emissions targeted

Actions to reduce customers' operational emissions (customer scope 1 & 2)

#### Estimated timeframe for carbon reductions to be realized

1-3 years

### Estimated lifetime CO2e savings

#### Estimated payback

Please select

#### Details of proposal

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity

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**Requesting member**

Swisscom

**Group type of project**

New product or service

**Type of project**

New product or service that reduces customers operational emissions

**Emissions targeted**

Actions to reduce customers' operational emissions (customer scope 1 & 2)

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO2e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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**Requesting member**

Vodafone Group

**Group type of project**

New product or service

**Type of project**

New product or service that reduces customers operational emissions

**Emissions targeted**

Actions to reduce customers' operational emissions (customer scope 1 & 2)

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

**Estimated payback**

Please select

**Details of proposal**

Ericsson has experience with, and the capacity to, assist customers to calculate their emissions based on specific networks configurations. While energy consumption and CO2e emissions are important indicators to track, it is also important to look at the carbon intensity of network operations (i.e., the amount of CO2e emitted per unit of traffic or per subscriber). Carbon intensity allows a clear measurement of efficiency gains when evaluating investment alternatives. The Estimated lifetime CO2e savings depend on the implementation of new products and services and need to be done case by case. For more information about Energy efficient products and solutions please visit: <https://www.ericsson.com/thecompany/sustainability-corporateresponsibility/energy-environment-and-climate>

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SC2.2

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**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

### SC3.1

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**(SC3.1) Do you want to enroll in the 2018-2019 CDP Action Exchange initiative?**

No

### SC3.2

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**(SC3.2) Is your company a participating supplier in CDP's 2017-2018 Action Exchange initiative?**

No

### SC4.1

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**(SC4.1) Are you providing product level data for your organization's goods or services, if so, what functionality will you be using?**

Yes, I will provide data

### SC4.1a

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**(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.**

80

### SC4.2a

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**(SC4.2a) Complete the following table for the goods/services for which you want to provide data.**

**Name of good/ service**

Telecom networks infrastructure equipment

**Description of good/ service**

All types of telecom networks infrastructure equipment delivered by Ericsson in 2017 worldwide. See Ericsson LCA and Carbon footprint 20167

**Type of product**

Final

**SKU (Stock Keeping Unit)**

**Total emissions in kg CO2e per unit**

34

**±% change from previous figure supplied**

-13

**Date of previous figure supplied**

December 31 2017

**Explanation of change**

Total emissions are provided as Mtonnes CO2e. This figure represents total emissions from all products delivered during 2017 for all customers during their entire Life-Time. For each product type the total energy consumption is calculated as the average energy consumption per life time. Products also require cooling to operate and power losses exists; these components are included when applicable in the measurements. Energy consumption is based on collected data on product category. Product energy consumption categories is measured in labs, not in field. In addition various field measurements are collected through customer collaborations, and used as benchmark. Change from previous figure supplied is approximately 13% decrease in absolute terms. The emission intensity from life-cycle impacts of products in operation is on the same range as previous year due to a combination of improved product energy efficiency and the mix of products sold. Ericsson products and services and solutions do not require additional processing.

**Methods used to estimate lifecycle emissions**

GHG Protocol Product Accounting & Reporting Standard

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**SC4.2b**

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**(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.**

**Name of good/ service**

Telecom networks infrastructure equipment

**Please select the scope**

Scope 3

**Please select the lifecycle stage**

Consumer Use

**Emissions at the lifecycle stage in kg CO2e per unit**

34

**Is this stage under your ownership or control?**

No

**Type of data used**

Primary

**Data quality**

Energy efficiency for each product is measured by Ericsson. The product in operation emissions is calculated based on standard configurations, energy efficiency, number of equipment sold during the reporting year and emission factor for specific markets where the products were delivered or average worldwide when not exist.

**If you are verifying/assuring this product emission data, please tell us how**

External assurance is conducted in accordance with RevR 6 Assurance of Sustainability Reports issued by FAR, as well as AA1000AS (2008) issued by AccountAbility (type 2 engagement). The engagement includes a limited assurance engagement on the complete Sustainability and CR Report and audit of carbon dioxide emissions data regarding Ericsson’s own activities. For more information see Assurance Statement in Ericsson Sustainability and Corporate Responsibility Report 2017 - Page 79.

**SC4.2c**

**(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.**

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
Telecom networks infrastructure equipment	Initiative 1	As Ericsson's most significant environmental impact is the energy used by our products in operation, we put heavy emphasis on helping customers optimize their networks. Our new Ericsson Radio System provides a 50% improvement in energy efficiency. Our Design for Environment approach includes Product energy performance improvement; this is part of our requirements for any new product. The 5G standard now includes the key technical enablers for better energy performance; ultra-lean design and Massive MIMO. Ultra-lean design, when compared to previous standards, assures that the radio-frequency signals are transmitted by the radio hardware only when necessary, leveraging on our smart sleep-mode technology. Massive MIMO extends the network application coverage and provides higher capacity resulting in the need for fewer sites to be installed. The enhanced network capacity provides extended application coverage in a sustainable and more resource-efficient way and helps reduce total cost of ownership.	Completed	
Telecom networks infrastructure equipment	Initiative 2	Leveraging smart sleep-mode Our solutions also use smart sleep-mode functionality to optimize energy performance when the mobile network has periods of high traffic load and coverage demands, combined with large traffic variations and low average load. This functionality ensures that the 5G systems are active and transmitting only when and where needed, leveraging ultra-lean design principles and advanced beam-forming techniques, and using a flexible and scalable system design.	Completed	
Telecom networks infrastructure equipment	Initiative 3	Energy-saving software Our RAN energy-saving software features for 2G, 3G and 4G can be broadly used across both modernized and legacy hardware to take advantage of traffic variations during the day. Our software makes it possible to enable savings on a network level across all RAN generations; up to 15% of the overall energy consumption. Ericsson Green Scheduler with Lean Carrier, for example, efficiently supports our customers to reduce energy consumption in 4G networks. It improves the network throughput and service quality benefits for mobile users. It is also possible, by using our software alone, to increase network capacity and introduce new functionality on the existing network. For example, our Massive IoT solution for LTE makes it possible to bypass the need to build a separate network for IoT purposes alone, which saves energy.	Completed	

## SC4.2d

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**(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?**

No

## Submit your response

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**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

**Please confirm below**

I have read and accept the applicable Terms