

Module: Introduction**Page: Introduction**

CC0.1**Introduction**

Please give a general description and introduction to your organization.

Ericsson has been at the forefront of communications technology over the past 140 years, despite ever-changing conditions and major technological disruptions. The Company mission is to lead this transformation through mobility. Ericsson has its headquarters in Stockholm, Sweden. The Ericsson share is listed on Nasdaq Stockholm, Sweden, and NASDAQ New York.

Ericsson is a global company with customers in more than 180 countries. During 140 years, Ericsson has delivered customer value by continuously evolving its business portfolio through its core assets – technology and services, global scale and skills. This, in combination with its business expertise, has resulted in a profound technology and services leadership. Ericsson believes that the Company's technological and financial capability to adapt and the will to change are major competitive strengths.

In 2016, approximately two thirds of Ericsson's business was related to services and software, compared with less than 50% ten years ago. This change reflects the ongoing transformation from a hardware-centric business to one where the share of the software and services business continues to increase. However, competitive hardware also remains an important performance differentiator. The number of product platforms has been significantly reduced over time, while the scope has extended from mainly mobile infrastructure and related services to include IP Networks and Cloud, OSS and BSS, TV and Media and Industry and Society. The workforce is also going through a transformation, reflecting the Company's business and competence shift. In 2016 almost 15,000 employees joined Ericsson and close to 20,000 employees left the Company.

The Company has ten geographical regions, and one region Other, which vary in size and where the maturity of the operators and the markets differ. Over the past five years, the North American region has become the largest as regards share of total Group sales, followed by North East Asia. It is important for Ericsson to find a beneficial mix between the different business segments and regions in order to secure a good balance between growth and profitability.

For further details see attachment: Ericsson-Annual-Report-2016-en.pdf
For more information please visit www.ericsson.com

CC0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Fri 01 Jan 2016 - Sat 31 Dec 2016

CC0.3**Country list configuration**

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country

Sweden

Germany

United Kingdom

United States of America

China

Mexico

Brazil

Italy

Spain

Select country
India
Canada
Rest of world

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

SEK

CC0.6

Modules

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.

If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

Further Information

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

Sustainability and Corporate Responsibility Vice President, member of Ericsson's Executive Leadership Team (ELT) from 1st of July and reporting to President and CEO.

See Ericsson organization attached document called Ericsson-organization-2016-march16

The Ericsson Sustainability and Corporate Responsibility (CR) Steering Group, comprised of several members of Ericsson Executive Leadership Team (See Ericsson Annual Report 2015 - Pages 154-158 - Ericsson-2016-annual-report.pdf) and senior executives, aligns sustainability and CR work with Ericsson and approves the Ericsson Sustainability and CR strategy, objectives and targets, including climate change issues.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Environment/Sustainability managers	Monetary reward	Emissions reduction target	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)

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
		Efficiency target Environmental criteria included in purchases Supply chain engagement	for 2016 for selected Environmental/Sustainability managers. Ericsson has a long-term objective to maintain absolute CO2e emissions from its own activities including business travel, product transportation and facilities energy use in 2017 at the same level as in 2011. To achieve this long-term objective, the Company aims to reduce CO2e emissions per employee by 30% over five years. Over the past five years, we have reduced CO2e emissions per employee by 45%. In 2016 this represents 4.32 ktonnes CO2e emissions per employee (see graph). This achievement implies a reduction of over 315 ktonnes CO2e in absolute emissions from our own activities compared to the baseline. We are on track with our long-term objective to maintain absolute CO2e emissions from our own activities in 2017 at the same level as in 2011. In 2016, a new target was approved to reduce Ericsson own activities, including business travel, product transportation, facilities energy use and fleet vehicles by 30% in absolute terms compared with 2015.
Executive officer	Monetary reward	Emissions reduction target Efficiency target	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 2016 for selected Environmental/Sustainability managers. Ericsson has a long-term objective to maintain absolute CO2e emissions from its own activities including business travel, product transportation and facilities energy use in 2017 at the same level as in 2011. To achieve this long-term objective, the Company aims to reduce CO2e emissions per employee by 30% over five years. Over the past five years, we have reduced CO2e emissions per employee by 45%. In 2016 this represents 4.32 ktonnes CO2e emissions per employee (see graph). This achievement implies a reduction of over 315 ktonnes CO2e in absolute emissions from our own activities compared to the baseline. We are on track with our long-term objective to maintain absolute CO2e emissions from our own activities in 2017 at the same level as in 2011. In 2016, a new target was approved to reduce Ericsson own activities, including business travel, product transportation, facilities energy use and fleet vehicles by 30% in absolute terms compared with 2015.

Further Information

For additional information, please see Ericsson Annual-report 2016 (Page 49) - Supporting climate action at the UN Climate Change Conference of the Parties (COP 22) in Marrakech, Morocco in 2016, industries joined world leaders to support the goals set out in the Paris Agreement, which entered into force on November 4, 2016. Ericsson is committed to develop and deliver solutions to support climate action. An ongoing priority is improving the life-cycle carbon footprint as part of a broader circular economy approach. The Company works to reduce negative environmental impacts while delivering solutions that enable a low-carbon economy. As energy use of products in operation remains the Company's most significant environmental impact, Ericsson works with mobile operators to encourage network

and site energy optimization, through innovative products, software and solutions. Processes and controls are in place to ensure compliance with relevant product-related environmental, customer and regulatory requirements. An important aspect of Ericsson's Design for Environment initiatives is materials management and efficiency. Ericsson has a long-term objective to maintain absolute CO2e emissions from its own activities for business travel, product transportation and facilities energy use in 2017 at the same level as in 2011. To achieve this long-term objective, the Company aims to reduce CO2e emissions per employee by 30% over five years. The Company achieved a 5% reduction of CO2e emissions per employee in 2016. Over the past five years, CO2e emissions per employee have been reduced by 45% compared to a 2011 baseline. The company met its target to reduce twice as much societal CO2 emissions via its product and service offerings in areas such as utilities (smart meters) and transportation as emitted from Ericsson's own operations.

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC1.Governance/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC1.Governance/Ericsson-annual-report-2016.pdf)

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC1.Governance/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC1.Governance/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Ericsson's risk management applies universally across all business activities, serving customer in over 180 countries.	3 to 6 years	Risks are reviewed by the Ericsson Board of Directors, at least twice a year, in connection with the approval of strategy and targets.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Opportunities and risks are defined in both a short-term and long-term perspective. Opportunities and risks are part of Ericsson Strategy Process and approved by the Board of Directors.

Risks related to long-term objectives (three to five years) are formally approved by the Board as part of the annual strategy process. Risks related to annual targets for the Company are also reviewed by the Board and then monitored continuously during the year. Ericsson own activities – carbon footprint reduction is a long-term objective for the Company.

Key components in the evaluation of risk related to Ericsson's long-term objectives include technology development, cyber security related matters, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations.

Risks related to the targets are identified as part of this process together with actions to mitigate the identified risks. Follow-up of targets, risks and mitigating actions are reported and discussed in internal governance meetings and are reviewed by the Board of Directors at least twice a year, in connection with the approval of strategy and targets.

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 process, annual planning and target setting.
- For more information please see Annual report (Page 151-153)

CC2.1c**How do you prioritize the risks and opportunities identified?**

Opportunities and risks are defined in both a short-term and long-term perspective. Opportunities and risks are part of Ericsson Strategy Process and approved by the Board of Directors.

Opportunities are categorized into Ericsson Business Units and Regions. The management of opportunities is part of the normal business process.

Risks are categorized into industry and market risks, commercial risks, operational risks and compliance risks.

Risks are prioritized based on the probability and impact of the risk. Risks are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized.

As part of Risk Management process a management response need to be defined for each risk in order to accept, reduce or eliminate the risks. These mitigation and adaptation actions are defined as the risk response by all organizations that are requested to do Risk assessments, including Regions, Business Units and Group Functions.

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
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CC2.2**Is climate change integrated into your business strategy?**

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

i) In our strategy process we collect information during the Situation Analysis phase. Information from external and internal sources is collected via our external and internal business intelligence network, from academia, business units, customers, suppliers, regulators network (external and internal) and other stakeholders such as partners. This information is analysed.

As part of the internal information used in the strategy process the target follow-up is also taken into account. Strategy process is linked to target (Short and Long term targets) and risk.

ii) The three aspects of climate change that have influenced the strategy are mitigation business opportunities, adaptation needs, and regulatory changes. We aim to minimize the negative environmental impacts of our activities and products in operation, while delivering solutions to enable the low-carbon economy.

Establish leadership in energy performance; Establish a circular economy for materials, waste and water; and Develop and deliver solutions to support climate action are part of the Ericsson Sustainability and CR strategies (See Page 6 Sustainability and CR Report 2016).

iii) The most important component of the short term strategy (1-2 years) that have been influenced by climate change is our customers need to reduce energy consumption and carbon emissions.

iv) The most important component of the long term strategy (5 years) is the business opportunities due to that our customers need to reduce energy consumption and carbon emissions for themselves and for their customers.

v) By providing our customers with leading energy and carbon expertise we can support them in a tailored way. For example, the strategy has been influenced to shift the focus primarily on improving the energy performance of the 'box', to evolve and encompass all areas of the network.

vi) The most substantial decision influenced by climate change was to increase the focus on customer needs to reduce networks energy consumption. Providing our customers with leading energy and carbon expertise to evolve the entire network energy efficient, reducing energy consumption, hence reducing carbon emissions.

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.2c

Does your company use an internal price on carbon?

No, but we anticipate doing so in the next 2 years

CC2.2d

Please provide details and examples of how your company uses an internal price on carbon

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	In the Information and Communications Technology industry (ICT), global standards are fundamental to ubiquitous connectivity. Globally standardized technologies ensure worldwide interoperability between networks, devices, and network operators. Ericsson is uniquely positioned as a leader in the development of standards for all major mobile and fixed communication systems, and the convergence of these systems. Our active participation and leadership in global standardization organizations, and our commitment to open and innovative technology standards, enable us to play a key role in shaping standards for future technologies.	Open and innovative technology standards

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
		<p>This position also underscores our role in important areas such as environmental assessment and energy efficiency. Standards positively support policies – e.g. related to climate change – by translating political goals into technical terms, and developing agreed measurement or assessment methodologies. Ericsson is participating in standardization organizations such as: The Institute of Electrical and Electronics Engineers (IEEE). The IEEE Standards Association is an organization that develops and advances specifications for global technologies, areas ranging from computing and sustainable energy systems, to aerospace, communications, robotics and healthcare. The European Telecommunications Standards Institute (ETSI). ETSI produces globally-applicable ICT standards, including fixed, mobile, radio, converged, broadcast and internet technologies, and The International Telecommunication Union (ITU). ITU is the United Nations’ specialized agency for ICT. ITU allocates global radio spectrum and satellite orbits, develops the technical standards that ensure networks and technologies seamlessly interconnect, and strives to improve access to ICTs to underserved communities worldwide.</p>	
Other: Low-Carbon Economy	Support	<p>UN Sustainable Development Solutions Network was formed in 2012 to mobilize scientific and technical expertise from academia, civil society, and the private sector to support sustainable development problem solving at local, national, and global scales. The SDSN contributed actively to the work of Open Working Group (OWG), via our flagship reports The Action Agenda and Indicators and a Monitoring Framework for the SDG, by submitting briefs and evidence papers, and by participating in OWG expert sessions and side events.</p>	<p>SDSN has put forward a number of proposed ICT indicators to support the proposed SDG goals and Ericsson has been involved in formulating these indicators.</p>
Other: Low-Carbon Economy	Support	<p>A three-year collaboration between Ericsson and UN-Habitat on sustainable urbanization is underway. We will conduct collaborative research and specific projects which aim to provide valuable insights for city leaders and policy makers on sustainable urbanization.</p>	<p>Our partnership with UN-Habitat demonstrates how sustainable urbanization can contribute to prosperity and climate resilience, addressing issues such as access to a safe and sustainable water supply. At a 2015 preparatory meeting for the third UN Conference on Housing and Sustainable Urban Development, Habitat III –set for Ecuador in 2016 – we launched a joint report with UN-Habitat, “The role of ICT in the proposed Urban Sustainable Development Goal and the New Urban Agenda.” The report highlighted ICT’s role in helping city mayors meet the SDGs. See UNHabitat-Ericsson-ICT-role-Urban-</p>

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
			sustainable-development.pdf In 2016, we were publishing the white paper "Laying the foundations for a smart, sustainable city, including Stockholm Royal Seaport a case study. Stockholm Royal Seaport aims to limit climate impact, be free from fossil fuels by 2030, and be adaptable to present and future climate change challenges. This vision is supported by overarching goals relating to "energy use, environmentally efficient transport, adaptation to a changed climate, cycles and cyclical models at system level and lifestyle issues"
Other: Low-Carbon Economy	Support	Member of Advisory Panel via GeSI. UNFCCC Momentum for Change on ICT solutions. http://momentumforchange.fluidreview.com/	ICT should be part of the national broadband plans and one of the acknowledged UNFCCC solutions since ICT could help to reduce Global GhG emissions by up to 15%. Please see Ericsson-mobility-report-nov-2015 (Pages 20 - 23)
Other: Low-Carbon Economy	Support	Ericsson also support the Swedish government initiative Fossil-Free Sweden to support Sweden's aim to be one of the world's first fossil fuel-free nations, with an energy system based on renewable energy sources.	Sweden will be one of the world's first fossil-free welfare countries, To this end, the Government has launched the Fossil Free Sweden initiative at COP21 (as a challenge to all countries in the world), where Swedish actors are given the opportunity to call attention to how they are contributing to climate change work. The initiative brings together actors from the business sector, municipalities, regions and organisations from across the country. 150 different enterprises, municipalities, regions and organisations that have joined the Fossil Free Sweden initiative. http://www.government.se/government-policy/fossil-free-sweden/

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
GeSI Global e-Sustainability Initiative	Consistent	<p>GeSI (Global e-Sustainability Initiative) aims to fulfil four major objectives: 1) Raise awareness of ICTs and related technologies' role in addressing the causes and effects of climate change; 2) Showcase innovative initiatives being undertaken by the ICT sector in the interests of environmental sustainability, and promote the exchange of best practices between the public and private sectors; 3) Mobilize political will to better reflect the role of ICTs in the outcomes produced by the major conferences on climate change and sustainable development; 4) Encourage governments to include ICTs and related technologies as key elements of their national climate change policies, across all industry sectors. By bolstering collaboration on these main objectives, GeSI seeks to synergize the messages being expressed by actors in the ICT field; the message that ICTs can enable low-carbon economies, and that 21st century governments, regulators and businesses cannot afford to exclude ICTs from policy or business initiatives to green our global economy. GeSI communicates with policymakers and key stakeholders to explain the significant contribution that ICT can play in addressing climate change globally and facilitating low-carbon development. GeSI wants the contribution of ICT to be recognised and integrated in government policies to achieve sustainability goals – at national, regional and global level. Our role is to inform policymakers about ICT and climate change, to drive the sustainability debate and participate in joint initiatives. In this regard it should be stressed the three-year cooperation with the United Nations Framework Convention on Climate Change - Momentum for Change ICT pillar.</p>	<p>We have been working proactively in GeSI workgroups and projects since we as a founder member join GeSI. For example, by providing cases that demonstrate the potential abatement effect of ICT Solutions in other industries in Smarter2020 Report.</p>
UN Sustainable Development Solutions Network	Consistent	<p>The SDSN (Sustainable Development Solutions Network) is leading, with the French Institute for Sustainable Development and International Relations (IDDRI), the Deep Decarbonization Pathways Project (DDPP). The DDPP is a collaborative initiative to understand and show how individual countries can transition to a low-carbon economy and how the world can meet the internationally agreed target of limiting the increase in global mean surface temperature to less than 2 degrees Celsius.</p>	<p>SDSN has put forward a number of proposed ICT indicators to support the proposed SDG goals and Ericsson has been involved in formulating these indicators.</p>

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		Currently, the DDPP comprises 15 Country Research Partners composed of leading researchers and research institutions from countries representing 70% of GHG emissions and at very different stages of development.	
ERT Energy & climate change	Consistent	ERT wants to contribute to the global debate on "explicit" carbon pricing, and more specifically, how carbon pricing can incentivize low carbon innovation and investment in industry, while supporting the achievement of the UNFCCC worldwide 2°C goal. The EU ETS, as Europe's central climate policy tool for industry, has to be designed in such a way that it effectively enables to reduce GHG emissions overall while strengthening the EU's global competitiveness. ERT take the view that the reform of the EU ETS (phase IV) requires a number of essential elements. • A stable and predictable long-term policy framework that ensures continuity, coherence and effectiveness is essential for the transition to a low-carbon society. • Towards global carbon pricing while safeguarding the global competitiveness of sectors at risk of carbon and investment leakage until a global level playing field is achieved. • A future-proof ETS takes account of the opportunities offered by the COP21 Paris Climate Agreement to allow reaching the targets in the most cost-effective way. • The EU ETS should be considered as part of an ambitious innovation agenda stimulating solutions and investment for the transition towards a low carbon society.	As a member in the working group, we give advocate for the role of ICT, since ICT could help to reduce Global GhG emissions by up to 15%. Please see Ericsson-mobility-report-nov-2015 (Pages 20 - 23). And we advocate for mechanisms to support climate change.

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

Yes

CC2.3e

Please provide details of the other engagement activities that you undertake

The UN Secretary-General announced the launch of the United Nations Sustainable Development Solutions Network (SDSN) on August 9, 2012. The Solutions Network mobilizes scientific and technical expertise from academia, civil society, and the private sector in support of sustainable-development problem solving at local, national, and global scales.

Global e-Sustainability, GeSI membership. Ericsson is in the board and active in projects around climate change such as co-partner with UNFCCC Momentum for change on ICT solutions

Ericsson has a multi-year partnership with UN-Habitat on sustainable urbanization

CC2.3f

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?

Coordination between strategies and external policy advocacy is ensured through steering groups as well as global networks involving those responsible for governmental contacts.

The Ericsson Sustainability and CR Steering Group, comprised of senior executives, aligns sustainability and CR work within Ericsson and approves the strategy, objectives and targets and secured consistency with our overall climate change strategy

Annual targets and long-term objectives support our policy and commitment. Quarterly reports of direct and indirect activities that influence in the target achievement are share with relevant owners and drivers to ensure that the activities are consistent. Organizations with delegated responsibilities that can impact Ericsson environmental performance are to report on a monthly basis.

Each year, we report on a range of objectives and achievements within our most material issues, where climate change is one of the most material issues. See Ericsson Annual report 2016 (Page 49) and Ericsson Sustainability and CR Report 2016 (Page 62-63)

CC2.3g

Please explain why you do not engage with policy makers

Further Information

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Ericsson-annual-report-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Ericsson white paper - Laying the foundations for a smart sustainable city -2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Ericsson%20white%20paper%20-%20Laying%20the%20foundations%20for%20a%20smart%20sustainable%20city%20-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/ericsson-mobility-report-nov-2015.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/ericsson-mobility-report-nov-2015.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/UNHabitat-Ericsson-ICT-role-Urban-sustainable-development.pdf.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/UNHabitat-Ericsson-ICT-role-Urban-sustainable-development.pdf.pdf)

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?

Absolute target
Intensity target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1+2 (location-based)	100%	30%	2015	266	2020	Yes, but this target has not been	Reduce Ericsson own activities, including business travel (S3), product

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
							approved as science-based by the Science Based Targets initiative	transportation (S3), facilities energy use (S1 and S2) and fleet vehicles (S1) by 30% in absolute terms compared with 2015.
Abs2	Other: Scope 3: Business travel, downstream and upstream transportation and logistics	100%	30%	2015	335	2020	Yes, but this target has not been approved as science-based by the Science Based Targets initiative	Reduce Ericsson own activities, including business travel (S3), product transportation (S3), facilities energy use (S1 and S2) and fleet vehicles (S1) by 30% in absolute terms compared with 2015.

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
Int1	Other: Scope 1 + Scope 2 + Scope 3: Business travel, downstream and upstream transportation and logistics	100%	30%	Metric tonnes CO2e per unit FTE employee	2011	7.93	2017	Yes, but this target has not been approved as science-based by the Science Based Targets initiative	Maintain absolute CO2e emissions from Ericsson own activities for business travel, product transportation and facilities energy use in 2017 at the same level as 2011. This is measured as emissions per employees. In 2016, we achieved a 45% reduction CO2e emissions per employee compared to the 2011 baseline, resulting in an

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
									absolute emission reduction of 315 ktonnes.

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	No change	0	No change	0	The target settled in 2012 to maintain absolute CO2e emissions from Ericsson own activities for business travel, product transportation and facilities energy use in 2017 at the same level as 2011, was measured as emissions per employees during the reporting years aiming to a reduction of 30% emissions per employee (from 7.93 in 2011) In 2016, we achieved a 45% reduction CO2e emissions per employee (4.32) compared to the 2011 baseline, resulting in an absolute emission reduction of 315 ktonnes. See Ericsson Annual Report 2016 (Page 49) and Ericsson Annual Report 2015 (Page 51)

CC3.1d

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
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CC3.1e

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	20%	2.25%	Reduce Ericsson own activities, including business travel (S3), product transportation (S3), facilities energy use (S1 and S2) and fleet vehicles (S1) by 30% in absolute terms compared with 2015. In 2016 we reduced from 266 to 260. We are aiming to reduce 80,000 tonnes for scope 1 and 2 combined.
Abs2	20%	10.5%	Reduce Ericsson own activities, including business travel (S3), product transportation (S3), facilities energy use (S1 and S2) and fleet vehicles (S1) by 30% in absolute terms compared with 2015. In 2016 we reduced from 335 to 300. We are aiming to reduce approximately 101,000 tonnes for Scope 3: Business travel, downstream and upstream transportation and logistics.
Int1	80%	100%	The target settled in 2012 to maintain absolute CO2e emissions from Ericsson own activities for business travel, product transportation and facilities energy use in 2017 at the same level as 2011, was measured as emissions per employees during the reporting years aiming to a reduction of 30% emissions per employee (from 7.93 in 2011) In 2016, we achieved a 45% reduction CO2e emissions per employee (4.32) compared to the 2011 baseline, resulting in an absolute emission reduction of 315 ktonnes. See Ericsson Annual Report 2016 and Ericsson Annual Report 2015

CC3.1f

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

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

CC3.2a

Please 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	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
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	Low carbon product and avoided emissions	Evaluating the carbon reducing impacts of ICT	49%	More than 80% but less than or equal to 100%	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

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
	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.					solutions could help to reduce GHG emissions by up to 15 percent by 2030, amounting to around 10 gigatonnes of CO2e – 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.

CC3.3

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

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	
To be implemented*	3	50000
Implementation commenced*	7	127000
Implemented*	12	43000
Not to be implemented		

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	To minimize Ericsson environmental impact and to stimulate the market for high environmental performance buildings, Ericsson seeks to have major facilities built according to green-rated building systems	8000	Scope 1 Scope 2 (location-based) Scope 2 (market-based)	Voluntary	12000000	5000000	4-10 years	>30 years	Building lifetime is estimated over 50 yr. High environmental performance buildings carries many benefits including indoor environmental quality, improved energy and water efficiencies, and optimized use of

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	like LEED Gold (Leadership in Energy and Environmental Design), an internationally recognized green building program. During 2016, the green building-rated area for Ericsson was over 10% compared to 5% at year-end 2012.								materials and resources, and innovation and improved design process.
Low carbon energy purchase	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. At year-end 2016, our facilities had a 2.5% increase of green certified electricity use compared to 2015.	50000	Scope 2 (location-based)	Voluntary	0	2550000	<1 year	Ongoing	Purchase of low carbon energy is reviewed annually, as the decision is reviewed and renovated periodically.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Transportation: fleet	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.	2000	Scope 1	Voluntary	26000000	3600000	<1 year	Ongoing	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 approx. 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.
Transportation: use	Ericsson is strategically shifting from air to surface freight in product transport.	50000	Scope 3	Voluntary	560000000	0	<1 year	Ongoing	Shifting from air transport for products to surface transport is a

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	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.								strategy reviewed and monitored periodically.
Energy efficiency: Building fabric	Smart Campus (Smart Buildings program). Pilot for smart buildings program installed in Ottawa for continuous commissioning, predictive maintenance and data analytics.	10000	Scope 2 (location-based)	Voluntary	900000	0	4-10 years	Ongoing	Up to 10% energy reduction, limits/removes fouling factors over time (\$74,000 USD per year of savings over first 6 months of implementation). The pilot concluded successfully. Additional seven sites in the Country and potential pilots in other Regions are being considered.
Energy efficiency: Processes	Raised Lab /Data Center temperature setpoint. Standardized all ITTE lab temperatures reduce energy needed for HVAC.	50000	Scope 1 Scope 2 (location-based)	Voluntary	600000	0	<1 year	Ongoing	Over 300,000 kWh of electricity usage avoided, and corresponding CO2e reduced. Annual inspections on lab temperature setpoints

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
									and measured temperatures to ensure conformity to policy.

CC3.3c

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.
Financial optimization calculations	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.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/ericsson-annual-report-2015-en.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/ericsson-annual-report-2015-en.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Ericsson-annual-report-2016.pdf)

Page: CC4. Communication

CC4.1

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	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	32 / Sustainability and Corporate Responsibility	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC4.1/Ericsson-annual-report-2016.pdf	Environment, energy and climate change (Page 33). Ericsson is committed to develop and deliver solutions to support climate action. At the UN Climate Change Conference of the Parties (COP 22) in Morocco in 2016, Ericsson and other leading companies joined world leaders in supporting the goals set out in the Paris Agreement.
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	48 / Sustainability and Corporate Responsibility	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC4.1/Ericsson-annual-report-2016.pdf	Supporting climate action (Page 49 Board of Director Report). At the UN Climate Change Conference of the Parties (COP 22) in Marrakech, Morocco in 2016, industries joined world leaders to support

Publication	Status	Page/Section reference	Attach the document	Comment
				the goals set out in the Paris Agreement, which entered into force on November 4, 2016.
In voluntary communications	Complete	35 / Energy, environment and climate action	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC4.1/Ericsson-corporate-responsibility-and-sustainability-report-2016.pdf	Ericsson Sustainability and Corporate Responsibility Report covers progress in three main areas of performance: conducting business responsibly; energy, environment and climate action, and internet for all.
In voluntary communications	Complete	8 / Stockholm Royal Seaport case study	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC4.1/Ericsson white paper - Laying the foundations for a smart sustainable city -2016.pdf	Stockholm Royal Seaport development is a leading example of long-term planning, with a far-reaching vision that has been secured and agreed to by the various public and private stakeholders. Stockholm Royal Seaport aims to limit climate impact, be free from fossil fuels by 2030, and be adaptable to present and future climate change challenges.
In voluntary communications	Complete	76 / ICT, energy and climate change	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC4.1/Ericsson ICT and SDG 2016.pdf	Sustainable Development Goal (SDG) 7, to “ensure access to affordable, reliable, sustainable and modern energy for all,” recognizes the crucial importance of universal access to sustainable energy and the de-carbonization of energy consumption.

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	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.	Reduction in capital availability	1 to 3 years	Indirect (Client)	Virtually certain	Low	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	Ericsson's risks are defined in both a short-term and long-term perspective. Risks related to long-term perspective (three to five years) are formally approved by the Board as part of the annual strategy process. Risks related to short-term perspective are also reviewed by the Board and then monitored continuously during the year. Key	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>components in the evaluation of risk include technology development, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's 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: > Risk management is an integrated part of the Ericsson Group Management System. > Each operational unit is accountable for owning and managing its risks</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								according to policies, directives and process tools. > Risks are dealt with during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the probability and impact of the risk and opportunity. Risks and opportunities are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized. For more information please see Annual Report (Page 151-153)	
Fuel/energy taxes and regulations	Asimetric transposition to EU Members of the European Union	Reduction in capital availability	Up to 1 year	Indirect (Client)	Virtually certain	Low	Ericsson is not disclosing financial information	Ericsson's risks are defined in both a short-term and long-term	Ericsson is not disclosing financial information other

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Directive on Energy Efficiency will reduce synergies possibilities to have common frameworks to Ericsson as well as to our customers, therefore increasing costs. For example specific energy audits requirements on facility energy use, not allowing business to use global frameworks would increase audit cost and reduce capital to implement improvements that lead to energy reductions hence to CO2e reductions in many cases.</p>						<p>other than the official information in Ericsson Annual Report or Quarterly Report.</p>	<p>perspective. Risks related to long-term perspective (three to five years) are formally approved by the Board as part of the annual strategy process. Risks related to short-term perspective are also reviewed by the Board and then monitored continuously during the year. Key components in the evaluation of risk include technology development, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's risks are categorized into industry and market risks, commercial risks, operational risks and</p>	<p>that the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>compliance risks. Ericsson's risk management is based on the following principles, which apply universally: > 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. > Risks are dealt with during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the probability and impact of the risk and opportunity.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Risks and opportunities are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized. For more information please see Annual report (Page 151-153)	
Fuel/energy taxes and regulations	Ericsson has been affected by the UK CRC Energy Efficiency Scheme.	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low	Ericsson payment to the Department of Energy and Climate Change (UK) was done in September 2015. The payment was approximately 170,000 GB Pounds Sterling.	Ericsson ´s risks are defined in both a short-term and long-term perspective. Risks related to long-term perspective (three to five years) are formally approved by the Board as part of the annual strategy process. Risks related to short-term perspective are also reviewed by the Board and then monitored continuously during the year. Key components in the evaluation of risk include technology development,	In addition to the direct payment to the Department of Energy and Climate Change (UK), there are internal costs that Ericsson is not disclosing. Financial information is available in Ericsson Annual Report or Quarterly Report.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's 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: > 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. > Risks are dealt with</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the probability and impact of the risk and opportunity. Risks and opportunities are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized. For more information please see Annual report (Page 151-153)	
Other regulatory drivers	Telecom Regulatory Authority of India is contemplating measures to address carbon footprint of the telecom sector which could lead to,	Reduction in capital availability		Indirect (Client)	Virtually certain	Low	Ericsson is not disclosing financial information other than the official information in Ericsson Annual	Ericsson's risks are defined in both a short-term and long-term perspective. Risks related to long-term perspective (three to five years) are	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>increased network operational cost. This could lead to reduce availability to invest in more energy efficient equipment or services provided by Ericsson. Various subsidies for renewables can be attractive in the short term but long term can distort the business case, if it is built on subsidies and they are removed.</p>						Report or Quarterly Report.	<p>formally approved by the Board as part of the annual strategy process. Risks related to short-term perspective are also reviewed by the Board and then monitored continuously during the year. Key components in the evaluation of risk include technology development, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's risks are categorized into industry and market risks, commercial risks, operational risks and compliance risks. Ericsson's risk management is based on the</p>	Quarterly Report. Please see Ericsson Annual Report

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>following principles, which apply universally: > 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. > Risks are dealt with during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the probability and impact of the risk and opportunity. Risks and opportunities are prioritize and plotted in this matrix</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								called Risk Heat Map and as result they are prioritized. For more information please see Annual report (Page 151-153)	

CC5.1b

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation pattern	Change in precipitation pattern could affect hydro-energy production capabilities, therefore impact on energy prices in some parts of the world. Ericsson is purchasing renewable or green energy, including hydro-power, wherever practical;	Increased operational cost	Up to 1 year	Indirect (Client)	Exceptionally unlikely	Low	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	Ericsson's risks are defined in both a short-term and long-term perspective. Risks related to long-term perspective (three to five years) are formally approved by the Board as part of the annual strategy process. Risks related to short-term	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	changes in the precipitation patterns could affect this.							<p>perspective are also reviewed by the Board and then monitored continuously during the year. Key components in the evaluation of risk include technology development, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's 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: > Risk management is an integrated part of the Ericsson Group Management</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>System. > Each operational unit is accountable for owning and managing its risks according to policies, directives and process tools. > Risks are dealt with during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the probability and impact of the risk and opportunity. Risks and opportunities are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized. For more information please see Annual report (Page 151-153)</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	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.	Increased operational cost	1 to 3 years	Indirect (Supply chain)	Very unlikely	Medium	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	Ericsson's risks are defined in both a short-term and long-term perspective. Risks related to long-term perspective (three to five years) are formally approved by the Board as part of the annual strategy process. Risks related to short-term perspective are also reviewed by the Board and then monitored continuously during the year. Key components in the evaluation of risk include technology development, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's risks are categorized into industry and market	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>risks, commercial risks, operational risks and compliance risks. Ericsson's risk management is based on the following principles, which apply universally: > 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. > Risks are dealt with during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								probability and impact of the risk and opportunity. Risks and opportunities are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized. For more information please see Annual report (Page 151-153)	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Fluctuating socio-economic conditions	Economic instability due to reduced possibility to live in certain areas, reduces economic development regionally.	Reduced demand for goods/services	1 to 3 years	Direct	Exceptionally unlikely	Low	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report	Ericsson's risks are defined in both a short-term and long-term perspective. Risks related to long-term perspective (three to five years) are formally approved	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Ericsson is serving customer in over 180 countries, fluctuating socio-economic conditions impacts Ericsson in such markets.						or Quarterly Report.	by the Board as part of the annual strategy process. Risks related to short-term perspective are also reviewed by the Board and then monitored continuously during the year. Key components in the evaluation of risk include technology development, industry and market fundamentals, the development of the economy, the political and international environment, health and environmental aspects and laws and regulations. Ericsson's 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	Quarterly Report. Please see Ericsson Annual Report.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>universally: > 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. > Risks are dealt with during the strategy process, annual planning and target setting, continuous monitoring through monthly and quarterly steering group meetings and during operational processes. Risk and opportunities are prioritized based on the probability and impact of the risk and opportunity. Risks and opportunities are prioritize and plotted in this matrix called Risk Heat Map and as result they are prioritized. For more information</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								please see Annual report (Page 151-153)	

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information**Attachments**

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/Ericsson-annual-report-2016.pdf)

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	Governmental climate policies that recognize the potential of transformative solutions such as ICT can increase investment in	Increased demand for existing products/services	1 to 3 years	Indirect (Client)	Likely	Medium	Ericsson is not disclosing financial information other than the official information	Governmental climate policies that recognize the potential of transformative solutions such as ICT can increase	Ericsson is not disclosing financial information other than the official information in Ericsson

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>ICT equipment. We are a world-leading provider of communications networks, telecom services and support solutions. Therefore, policies that recognize the potential effect of ICT and increase investment in ICT will impact Ericsson.</p>						<p>in Ericsson Annual Report or Quarterly Report.</p>	<p>investment in ICT equipment would be managed as regular business. In the annual strategy and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities</p>	<p>Annual Report or Quarterly Report. Please see Ericsson Annual Report</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								are identified early, and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of the strategy. For more information please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	
Renewable energy regulation	Governmental climate policies that demand more renewable energy sources will increase investment in ICT equipment to make the grids smart. Ericsson has long experience in providing such solutions to do grids smarter.	Increased demand for existing products/services	1 to 3 years	Indirect (Client)	Very likely	Medium-high	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	Increased demand of Ericsson solutions to do smart grids would be managed as regular business. In the annual strategy and target setting process, objectives are set for the next three to five	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities are identified early, and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of the strategy. For more information</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	
Carbon taxes	Carbon taxes increases demand for renewables and for efficient transportation systems which increases demand for smart grid solutions incl ICT equipment and ICT equipment that make transportation more efficient. Ericsson is providing such solutions. Carbon taxes would increase the demand of more energy efficient products and solutions for ICT networks. Ericsson is providing such energy efficient	Increased demand for existing products/services	1 to 3 years	Indirect (Client)	Very likely	Medium-high	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	Increased demand of Ericsson product, services and solutions to do smarter grids, improve transportation would be managed as regular business. In the annual strategy and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	products and solutions to operators.							process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities are identified early, and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of the strategy. For more information please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	

CC6.1b

Please describe your inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Unpredictable and extreme weather takes a huge toll each year on both lives and resources. Better information and real-time weather warnings help people prepare themselves and can directly save lives and reduce suffering. Ericsson weather information for all is an example of a tool that provides info to farmers and fishing men about weather changes.	Increased demand for existing products/services	3 to 6 years	Indirect (Client)	Virtually certain	Low-medium	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	In the annual strategy and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities are identified early, and actions can be incorporated in the strategy and in the annual target-setting	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								process following the finalization of the strategy. For more information please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	
Change in precipitation pattern	Unpredictable and extreme weather takes a huge toll each year on both lives and resources. Better information and real-time weather warnings help people prepare themselves and can directly save lives and reduce suffering. Ericsson weather information for all is an example of a tool that provides info to farmers and fishing men about weather changes.	Increased demand for existing products/services	3 to 6 years	Indirect (Client)	Virtually certain	Low-medium	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	In the annual strategy and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities are identified early	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of the strategy. For more information please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	

CC6.1c

Please describe your inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Consumer awareness increasing about Climate Change could lead to new behaviour towards low-carbon economy solutions. In the	Increased demand for existing products/services	1 to 3 years	Indirect (Client)	Very likely	Medium	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report	Increase investment in ICT equipment would be managed as regular business within Ericsson Business Process. In the annual strategy	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>developing world, there is increasing awareness about the way that mobile phones and connectivity can improve everyday life, and improve access to services such as health care, education and improve general livelihoods. An increase of low-carbon economy solutions, including ICT solutions and its potential abatement effect (See Ericsson Mobility Report), ultimate would increase the demand of Ericsson products, services and solutions.</p>						<p>or Quarterly Report.</p>	<p>and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities are identified early and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of the strategy. For more information please see Risks management in Ericsson Annual</p>	<p>or Quarterly Report. Please see Ericsson Annual Report</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Report 2016 (Pages 151-153).	
Increasing humanitarian demands	Worldwide, some 50 million people have been forcibly displaced, according to the UN refugee agency (UNHCR). Separated families have great difficulty in reuniting. Mobile phones can play a crucial role in bringing loved ones back together. Together with Refugees United, Ericsson have developed a mobile phone platform to help refugees trace loved ones.	Wider social benefits	1 to 3 years	Indirect (Client)	Very likely	Medium	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	In the annual strategy and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts of the business in the process, potential opportunities are identified early, and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								the strategy. For more information please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	
Other drivers	Changing government behaviour. Government recognition of how the delivery of services such as e- and m-health, e-education, intelligent transport and smart grids will contribute to more sustainable societies and ultimately drive increased investments in ICT and broadband infrastructure, (as oppose to physical infrastructure). An increase Government demand on how delivery of services such as e- and m-health, e-education and	Increased demand for existing products/services	1 to 3 years	Indirect (Client)	Very likely	Medium	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report.	Increase investment in ICT equipment would be managed as regular business within Ericsson Business Process. In the annual strategy and target setting process, objectives are set for the next three to five years. Risks and opportunities are assessed, and strategies are developed to achieve the objectives. The strategy process in the Company is well established and involves regions, business units and Group functions. By involving all parts	Ericsson is not disclosing financial information other than the official information in Ericsson Annual Report or Quarterly Report. Please see Ericsson Annual Report

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	other low-carbon economy solutions, including ICT solutions and its potential abatement effect (See Ericsson Mobility Report), ultimate would increase the demand of Ericsson products, services and solutions.							of the business in the process, potential opportunities are identified early, and actions can be incorporated in the strategy and in the annual target-setting process following the finalization of the strategy. For more information please see Risks management in Ericsson Annual Report 2016 (Pages 151-153).	

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Attachments

<https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Ericsson-annual-report-2016.pdf>

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jan 2008 - Wed 31 Dec 2008	28000
Scope 2 (location-based)	Tue 01 Jan 2008 - Wed 31 Dec 2008	196000
Scope 2 (market-based)	Tue 01 Jan 2008 - Wed 31 Dec 2008	0

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

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

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
Other: HCFC-22	IPCC Third Assessment Report (TAR - 100 year)
CO2	IPCC Third Assessment Report (TAR - 100 year)
HFCs	IPCC Third Assessment Report (TAR - 100 year)
Other: R134	IPCC Third Assessment Report (TAR - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Electricity	0.5	Other: kg CO2e/kWh	International Energy Agency. This is a worldwide average applied to Rest of the world when specific emissions factors are not available.
Electricity	1	Other: g CO2e/kWh	In Sweden. Telge Kraft AB. All sites in Sweden use "good environmental choice". We use Kg CO2e per kWh, only two decimals force us to change to g. CO2 per kWh
Other: District heating	0.1	Other: kg CO2e/kWh	GWP factors from IPCC are used. We are using emissions factors from suppliers when available.
Other: District heating	0.22	Other: kg CO2e/kWh	GWP factors from IPCC are used.
Aviation gasoline	0.12	Other: kg CO2/pkm ; pkm: personal kilometre = distance travelled	GHG protocol (average for long/medium air travel), DEFRA GHG indicators for long haul air travel with corrections for stacking and greater circle distance
Aviation gasoline	0.65	Other: kg CO2/pkm ; pkm: personal kilometre = distance travelled	An extensive investigation of transport resulted in higher emission factors for air transport than the commonly used GHG Protocol emission factors. Ericsson uses the emission factor

Fuel/Material/Energy	Emission Factor	Unit	Reference
			0.65 kg CO2/tonnekm for air transport (compared to GHG Protocol: 0.57 kg CO2 /tonneKm).
Other: Car travel	0.16	Other: kg CO2 /pkm pkm: personal kilometre = distance travelled	Vägverket” (average car in the EU) (Vägverket = Swedish Road Administration).
Other: Road transports	0.08	Other: kg CO2/tonnekm	GHG protocol, average Swedish road transports according to “Väg och transportforsknings institutet” (Swedish Road and Transport Research Institute).
Other: Ship transports	17	Other: g CO2/tonnekm	Average of Maersk Line and Ericsson typical TEU, TEU = Twenty foot container. We use kg CO2e per kWh, only two decimals force us to change to g CO2 per kWh

Further Information

In 2008, Scope 2 market-based was not significant, therefore we are estimating it as zero. For additional information please see Ericsson Annual Report 2016 (Page 49), Sustainability and Corporate Responsibility Report 2016 (Pages 34-42) including facts and figures (Page 42). For further details see attachments: Ericsson-2016-annual-report.pdf, and Ericsson-2016-corporate-responsibility-and-sustainability-report.pdf

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Ericsson-annual-report-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

Page: CC8. Emissions Data - (1 Jan 2016 - 31 Dec 2016)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO₂e

75379

CC8.3

Please describe your approach to reporting Scope 2 emissions

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We are reporting a Scope 2, market-based figure	

CC8.3a

Please provide your gross global Scope 2 emissions figures in metric tonnes CO₂e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
179319	96	Green electric power increased globally in 2016 to 46% compared to 44% in 2015 and 39% in 2014.

CC8.4

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

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Assumptions Extrapolation	Regional emissions factors average to extrapolate offices under certain number of square meter where direct measurements do not exist. Extrapolation is done by number of employees and square meters used. Site measurements cover 78% in terms of internal floor area, 79% in terms of heating energy, 82% in terms of electricity, 74% in terms of hosted heads (HH) and 64% in terms of total reported CO2 emissions for sites. The uncertainty is higher for fleet vehicles emissions due to sampling from the largest markets. Approximately 50% of reported emissions is from direct fuel

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
			consumption metering and earlier fleet vehicles investigations in the same market is assumed to be representative for other parts of the fleet vehicles that are not metered directly.
Scope 2 (location-based)	More than 5% but less than or equal to 10%	Assumptions Extrapolation Metering/ Measurement Constraints	Regional emissions factors average for electricity use, district heating and district cooling use to extrapolate offices under certain number of square meter where direct measurements do not exist. Extrapolation is done by number of employees and square meters used. Site measurements cover 78% in terms of internal floor area, 79% in terms of heating energy, 82% in terms of electricity, 74% in terms of hosted heads (HH) and 64% in terms of total reported CO2 emissions for sites.
Scope 2 (market-based)	More than 2% but less than or equal to 5%	Extrapolation	Regional emissions factors average for electricity use, district heating and district cooling use to extrapolate offices under certain number of square meter where direct measurements do not exist. Extrapolation is done by number of employees and square meters used. Site measurements cover 78% in terms of internal floor area, 79% in terms of heating energy, 82% in terms of electricity, 74% in terms of hosted heads (HH) and 64% in terms of total reported CO2 emissions for sites.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC8.6a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	AA1000AS	100
Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC8.6a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	RevR6 procedure for assurance of sustainability report	100

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emission Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC8.7a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	AA1000AS	100
Location-based	Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC8.7a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	RevR6 procedure for assurance of sustainability report	100
Market-based	Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC8.7a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	AA1000AS	100
Market-based	Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC8.7a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	RevR6 procedure for assurance of sustainability report	100

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year change in emissions (Scope 1 and 2)	As part of Ericsson Annual Report 2016 verification, YoY emissions from Facilities energy used (Scope1 and Scope 2) and Fleet vehicles (Scope 1) were verified. See Ericsson Annual Report - Sustainability and Corporate Responsibility within the Board of Directors (Page 49) and Auditor Report (Pages 128-132).
Year on year change in emissions (Scope 3)	As part of Ericsson Annual Report 2016, YoY emissions from Business travel, Product Transportation and Use of sold products were verified. See Ericsson Annual Report - Sustainability and Corporate Responsibility within the Board of Directors (Page 49) and Auditor Report (Pages 128-132).
Year on year emissions intensity figure	As part of Ericsson Annual Report 2016, YoY emissions intensity figure was verified. See Ericsson Annual Report - Sustainability and Corporate Responsibility within the Board of Directors (Page 49) and Auditor Report (Pages 128-132).
Progress against emissions reduction target	As part of Ericsson Annual Report 2016, progress against emission reduction target was verified. Ericsson long-term objective is to maintain absolute CO2e emissions from Ericsson's own activities for business travel, product transportation and facilities energy use in 2017 at the same level as in 2011. See Ericsson Annual Report - Sustainability and Corporate Responsibility within the Board of Directors (Page 49) and Auditor Report (Pages 128-132).

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

For additional information see Ericsson Annual Report 2016 (Pages 49), and Ericsson Sustainability and Corporate Responsibility Report 2016 (Pages 34-42).

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC8.EmissionsData\(1Jan2016-31Dec2016\)/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC8.EmissionsData(1Jan2016-31Dec2016)/Ericsson-annual-report-2016.pdf)

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC8.EmissionsData\(1Jan2016-31Dec2016\)/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC8.EmissionsData(1Jan2016-31Dec2016)/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Sweden	3861
Germany	992
United Kingdom	3635
United States of America	16827
China	1814

Country/Region	Scope 1 metric tonnes CO2e
Mexico	8
Brazil	2529
Italy	2868
Spain	269
India	8249
Canada	749
Ireland	2837
Estonia	1081
Finland	0
Hungary	564
Rest of world	29096

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

- By business division
- By GHG type
- By activity

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Business Unit Networks	7400
Business Unit Global Services	66979
Business Unit Support Solutions	1000

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	73665
Other: Refrigerants and fire suppression media leakage (mainly HFCs)	1714

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Offices (Facilities energy use - sites)	11600
Production (Facilities energy use - sites)	2400
Services (Fleet vehicles)	61400

Further Information

For additional information see Ericsson Annual Report 2016 (Pages 49), and Ericsson Sustainability and Corporate Responsibility Report 2016 (Pages 34-42).

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC9.Scope1EmissionsBreakdown\(1Jan2016-31Dec2016\)/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC9.Scope1EmissionsBreakdown(1Jan2016-31Dec2016)/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC9.Scope1EmissionsBreakdown\(1Jan2016-31Dec2016\)/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC9.Scope1EmissionsBreakdown(1Jan2016-31Dec2016)/Ericsson-annual-report-2016.pdf)

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes 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	3220	5	330059	222149
Germany	7035	0.5	17534	2785
United Kingdom	3799	6	14291	5676
United States of America	31880	5.2	148314	60509
China	45724	0	59877	0
Mexico	4737	0	10536	0
Brazil	1016	0	24069	9125
Italy	1190	18	21443	18484
Spain	7347	0	25250	0
India	27890	0	35829	865
Canada	1264	0	50510	0
Ireland	7455	0.1	18547	1088
Estonia	0	61	15894	15894
Finland	1387	0.3	16579	14368
Hungary	1543	0	10253	0
Rest of world	38686	0	85282	97

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

- By business division
- By activity

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
Business Unit Networks	72770	73
Business Unit Global Services	101750	21
Business Unit Support Solutions	9700	2

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
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CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
Production (Facilities energy use - Electricity)	22295	62
Production (Facilities energy use - District heating)	378	0
Offices (Facilities energy use - Electricity)	156928	34
Offices (Facilities energy use - District cooling)	1265	0
Offices (Facilities energy use - District heating)	3307	0

Further Information

For additional information see Ericsson Annual Report 2016 (Pages 49), and Ericsson Sustainability and Corporate Responsibility Report 2016 (Pages 34-42).

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown\(1Jan2016-31Dec2016\)/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown(1Jan2016-31Dec2016)/Ericsson-annual-report-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown\(1Jan2016-31Dec2016\)/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown(1Jan2016-31Dec2016)/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

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

CC11.2

Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Heat	33600
Steam	0
Cooling	86000

CC11.3

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

295500

CC11.3a

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	236000
Natural gas	3000
Other: Local heating fuel (based on oil equivalents)	56500

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Emissions factor (in units of metric tonnes CO2e per MWh)	Comment
Energy attribute certificates, Guarantees of Origin	351040	0.001	For additional information see Ericsson Sustainability and Corporate Responsibility Report 2016 (Page 42). 0.0007 kgCO2/kWh in sites in Sweden uses "Good environmental choice" from Telge Kraft.

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
767706	767706	0	0	0	Ericsson is not producing electricity.

Further Information

For additional information see Ericsson Annual Report 2016 (Pages 49), and Ericsson Sustainability and Corporate Responsibility Report 2016 (Pages 34-42).

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC11.Energy/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC11.Energy/Ericsson-annual-report-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC11.Energy/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC11.Energy/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please 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

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	2.26	Decrease	Reduce CO2e emissions (Scope 1 and Scope 2) from our Facilities (Including offices, data centers and production sites) from 201 Ktonne (2015) to 199 Ktonne (2016). This reduction represents approximately 1%. $(201-199)/201 * 100 = 0.99$. Low carbon energy purchase and Energy Efficiency building services within our Financial control as ERA (Emission Reduction Activities). Improvement in Fleet vehicles management including the implementation of Telematics address to CO2e reduction from 64 Ktonne (2015) to 614 Ktonne (2016). $((64-61)/64) * 100 = 4.69\%$. Total CO2e emissions reduction due to Emissions reductions activities is from 266 Ktonne to 260 Ktonne. $((266 - 260) / 266) * 100 = 2.26\%$.
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

CC12.1b

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.00000117	metric tonnes CO2e	222600000000	Location-based	8	Increase	Ericsson use Net Sales (222.6 SEK Billion in 2016 compared to 246,9 SEK billion in 2015) as metric denominator. 104 to 116. Ericsson absolute emissions (scope 1 and scope 2 combined) decreased from 265,000 (2015) to 260,000 (2016). Due to the decrease in net sales this is impacting in the intensity indicator representing approximately 8% increase. For additional information please see Ericsson Annual Report 2016 (Page 49) and Ericsson Sustainability and Corporate Responsibility 2016 (Pages 34-42)

CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
2.23	metric tonnes CO2e	full time equivalent (FTE) employee	116416	Location-based	0	No change	Ericsson use employee's average as metric denominator. The improvements in facility energy use was compensated by the effect produce by the decrease number of employees from 119,718 (2015) to 116,416 (2016). Ericsson absolute emissions (scope 1 and scope 2 combined) decreased from 266,000 (2015) to 260,000 (2016). There are two

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
							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 both employees and consultants working in Ericsson's premises in absolute emissions (scope 1 and scope 2 combined). Consultants are not reported as part of our FTE, following the GHG protocol. For additional information please see Ericsson Annual Report 2016 (Page 49) and Ericsson Sustainability and Corporate Responsibility 2016 (Pages 34-42).
0.11	metric tonnes CO2e	Other: Capacity (1000 Subscriptions)	2380000	Location-based	1	Decrease	Products delivered during 2016 are more energy efficient, we were successfully minimize the power consumption and maximize the capacity delivered. For additional information please see Ericsson Annual Report 2016 (Page 49) and Ericsson Sustainability and Corporate Responsibility 2016 (Pages 34-42).

Further Information

For additional information see Ericsson Annual Report 2016 (Pages 49), and Ericsson Sustainability and Corporate Responsibility Report 2016 (Pages 34-42).

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC12.EmissionsPerformance/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC12.EmissionsPerformance/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC12.EmissionsPerformance/Ericsson-annual-](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC12.EmissionsPerformance/Ericsson-annual-)

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits canceled	Purpose, e.g. compliance
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Further Information

For additional information see Ericsson Annual Report 2016 (Pages 49), and Ericsson Sustainability and Corporate Responsibility Report 2016 (Pages 34-42).

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC13.EmissionsTrading/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC13.EmissionsTrading/Ericsson-annual-report-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC13.EmissionsTrading/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC13.EmissionsTrading/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	2713000	Materials, components and packaging are included based on an extensive Life Cycle Assessment (LCA) research. For more information please see Sustainability and Corporate Responsibility Report 2016 (Pages 34-42). For further details see attachments: Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter)	20%	
Capital goods	Relevant, calculated	112000	Embodied emissions per year of use for buildings. For more information please see Annual Report 2016 (Page 49), Sustainability and Corporate Responsibility Report 2016 (Page 42). For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).	20%	
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	116000	For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).	20%	
Upstream transportation and distribution	Relevant, calculated	33000	We calculate the total transported weight by reports from our Logistics Service Providers (LSPs). 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) but are included in our Life-Cycle Assessment (LCA) as part of	80%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			the Supply Chain. For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).		
Waste generated in operations	Not relevant, explanation provided	0		20%	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 CO2 emissions related to waste generated in operations are not calculated. Measurements cover 37% of reported waste generation for sites (2016). Waste generation decrease from 14,490 Tonnes (2015) to 13,670 Tonnes (2016). 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 further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Business travel	Relevant, calculated	153000	Emissions business travel is including air, road and rail. The measurement is done based on purchased travels for air and rail and calculating km travelled. We are taking into consideration Intercontinental, Continental and Domestic flights for air travels and applying emissions	99%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			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 further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).		
Employee commuting	Not relevant, calculated	73000	Estimations are done based on the number of employees and commuting investigations done in previous years. For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).	20%	
Upstream leased assets	Not relevant, explanation provided				For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Downstream transportation and distribution	Relevant, calculated	153500	We calculate the total transported weight by reports from our Logistics Service Providers (LSPs). 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	80%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			Ericsson own Activities (LCA) but are included in our Life-Cycle Assessment (LCA) as part of the Supply Chain. For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).		
Processing of sold products	Not relevant, explanation provided				Ericsson products, services and solutions do not require additional processing. In previous years Ericsson was reporting maintenance as part of processing of sold product. Based on GhG protocol we are reporting it as part of Use of Sold products. For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Use of sold products	Relevant, calculated	39000000	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. For further details see	100%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).		
End of life treatment of sold products	Relevant, calculated	0	381,000 CO2e emissions avoided due to future recycling of products sold during the reporting year (2016). For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).		
Downstream leased assets	Not relevant, explanation provided				For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Franchises	Not relevant, explanation provided				For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Investments	Not relevant, explanation provided				Investment and Acquisitions are integrated as part of other categories, as soon as the acquisition is integrated in Ericsson business. For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Other (upstream)	Not relevant, explanation provided				Other upstream are not relevant according to our materiality process and studies. For further details see attachments: Ericsson-

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).
Other (downstream)	Not relevant, explanation provided				Other downstream are not relevant according to our materiality process and studies. For further details see attachments: Ericsson-Annual-Report-2016, Ericsson Sustainability and CR report 2016 and GRI performance-2016 (Environmental chapter).

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance process in place

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC14.2a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	AA1000AS	100
Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC14.2a/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf	Page 68 / Independent Auditor's Combined Assurance Report	RevR6 procedure for assurance of sustainability report	100
Annual process	Complete	High assurance	https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/CC14.2a/ericsson-annual-report-2016-en.pdf	Pages 128-132 / Auditor report	Other: International Financial Reporting Standards (IFRS)	100

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Change in output	11	Increase	Increase from 2,441,000 Tonnes (2015) to 2,713,000 Tonnes (2016) which represent 11 % increase YoY. Despite continuous improvements on the product design the increase is mainly due to a higher production and purchased of good for the production of new products.
Capital goods	Change in output	9.6	Decrease	Decrease from 116,000 Tonnes (2015) to 112,000 Tonnes (2016), representing an decrease of 9.6 % CO2e emissions.
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Change in output	9.7	Decrease	Decrease from 119,000 Tonnes (2015) to 116,000 Tonnes (2016) representing 9.7 % reduction of CO2e emissions.
Upstream transportation & distribution	Emissions reduction activities	25	Decrease	Decrease from 44,000 Tonnes (2015) to 33,000 Tonnes (2016). Shift from air to surface transport that represent a decrease of 25%.
Business travel	Emissions reduction activities	9.3	Decrease	Despite the increase in number of employees (Year average) from 117,156 (2014) to 119,718 (2015) CO2e emissions due to Business travel related CO2e emissions reduced from 163 Ktonne (2015) to 153 Ktonne (2016), representing 9.3 % reduction of CO2e emissions. We promote the use of our own solutions such as Video conference or collaborating to substitute travel.
Downstream transportation and distribution	Change in output	11.9	Increase	Increase from 128,000 Tonnes (2015) to 153,500 Tonnes (2016) representing 11.9 % increase of CO2e emissions. The improvement is mainly due to increase the delivery of products using surface transport rather than air transport.
Use of sold products	Change in output	11.1	Increase	Allocation of previous years emissions from Scope 3 - Processing of sold products to Scope 3 - Use of sold products to better reflect GHG emissions definitions. Increase from 35,010,000 Tonnes (2015) to 39,000,000 Tonnes (2016) representing 11.1% increase of CO2e emissions. Despite delivering products with a higher Energy Efficiency, these improvements have been impacted by the total final amount of products delivered.
End-of-life treatment of sold products	Change in output	0	No change	381,000 CO2e emissions avoided due to future recycling of products sold during the reporting year (2015).

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

Engaging with stakeholders is an inclusive and continuous process that allows us to build relationships and create mutual understanding. Our stakeholders include employees, investors, customers, suppliers, governments, civil society, non-governmental organizations (NGOs), industry partners, media, academia, and consumers.

We work towards continuous improvement to ensure our suppliers meet high social, ethical, human rights and environmental standards. Ericsson develops the relationship with suppliers across three phases:

First, we provide suppliers clarity around our sustainability and CR requirements, including environmental requirements.

Second, we evaluate suppliers' sustainability performance through monitoring and audits. This includes identifying and auditing high-risk suppliers.

Third, to ensure continuous improvement, we engage with suppliers through audit follow-up, Code of Conduct seminars and training sessions, and web-based learning.

Examples of specific methods of engagement are:

Requesting product and related LCA data from selected suppliers

Requesting transportation and travel data from all our Distribution and Logistics suppliers

Measuring operation and maintenance activities together with customers

Prioritizing based on LCA studies for networks and services delivered

Measuring rate of reported vs estimated data from suppliers

Involving academia (Center for Sustainable Communications at Royal Institute of Technology in Stockholm) in methodology development and review of assessments

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Type of engagement	Number of suppliers	% of total spend (direct and indirect)	Impact of engagement
Active engagement	50	70%	Estimate of number of suppliers we request data from, both in LCA studies and as part of yearly reporting.

CC14.4c

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/Ericsson-annual-report-2016.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/Ericsson-annual-report-2016.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)
[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/gri-performance-2016-g4.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/gri-performance-2016-g4.pdf)

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Mrs. Elaine Weidman-Grunewald	Ericsson Sustainability and Corporate Responsibility Vice President, member of Ericsson's Leadership Team and reporting to President and CEO	Other C-Suite Officer

Further Information

See for additional information Ericsson organizational chart attached and available on ericsson.com

Attachments

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC15.SignOff/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC15.SignOff/Ericsson-corporate-responsibility-and-sustainability-report-2016-LR.pdf)

[https://www.cdp.net/sites/2017/11/5811/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC15.SignOff/ericsson-annual-report-2016-en.pdf](https://www.cdp.net/sites/2017/11/5811/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC15.SignOff/ericsson-annual-report-2016-en.pdf)