

# GRI Disclosure 2014



Global Reporting Initiative



GRI

Reporting elements

Locations in reports or websites

## STANDARD DISCLOSURE PROFILE

### Strategy and analysis

1.1	Statement from the most senior decision maker of the organization, the CEO, about the relevance of sustainability to the organization and its strategy.	Letter from the CEO in <a href="#">Annual Report</a> (Pages 4-6), and Letter from the CEO in Sustainability and Corporate Responsibility Report (Page 2).
1.2	Description of key impacts, risks, and opportunities. Key impacts on sustainability and effects on stakeholders, The impact of sustainability trends, risks, and opportunities on the long-term prospects and financial performance of the organization.	Risk management ( <a href="#">Page 49</a> and <a href="#">Pages 149-151</a> ) and Sustainability and Corporate Responsibility in <a href="#">Annual Report</a> (Pages 50-51).  Ericsson <a href="#">Sustainability and Corporate Responsibility Report</a> .

### Organizational profile

2.1	Name of the organization.	Telefonaktiebolaget LM Ericsson.
2.2	Primary brands, products, and/or services.	This is Ericsson in the <a href="#">Annual Report</a> (Pages 8-10).
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	This is Ericsson in the <a href="#">Annual Report</a> (Pages 8-10).  <a href="#">Organization</a> and <a href="#">Ericsson worldwide</a> .
2.4	Location of organization's headquarters.	Shareholder information in <a href="#">Annual Report</a> (Page 176).



2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Customers in more than 180 countries use our solutions and services. Group policies and directives are applicable globally.  Major markets and regions see Business results – Regions (Page 47) in <a href="#">Annual Report</a> .
2.6	Nature of ownership and legal form.	Shareholders (Pages 134) in <a href="#">Annual Report</a> .
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Business results – Regions (Page 47) in <a href="#">Annual Report</a> .
2.8	Scale of the reporting organization, including: Number of employees; Net sales (for private sector organizations); Total capitalization broken down in terms of debt and equity and Quantity of products or services provided.	Consolidated financial statement with notes (Pages 55-101) in <a href="#">Annual Report</a> .
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: The location of, or changes in, operations. Changes in the share capital structure and other capital formation, maintenance, and alteration operations.	This is Ericsson (Pages 8-10) in <a href="#">Annual Report</a> .
2.10	Awards received in the reporting period.	<a href="#">Awards and Recognitions</a> on ericsson.com.

## Report profile

3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	From January 1, 2014 to December 31, 2014.
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3.2	Date of most recent previous report (if any).	Sustainability and Corporate Responsibility Report 2013 was published in April 2014.
3.3	Reporting cycle (annual, biennial, etc.).	Annual. From 2006 and onwards, the Sustainability and Corporate Responsibility Report is published in conjunction with the Annual General Meeting of Shareholders.
3.4	Contact point for questions regarding the report or its contents.	<a href="mailto:corporate.responsibility@ericsson.com">corporate.responsibility@ericsson.com</a> .

## Report scope and boundary

3.5	Process for defining report content, including: Determining materiality; Prioritizing topics within the report; and Identifying stakeholders the organization expects to use the report.	Our most important sustainability impacts, including materiality assessment description in <a href="#">Sustainability and Corporate Responsibility Report</a> (Pages 8-9).
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	See About this report in <a href="#">Sustainability and Corporate Responsibility Report</a> (Page i).
3.7	State any specific limitations on the scope or boundary of the report.	See About this report in <a href="#">Sustainability and Corporate Responsibility Report</a> (Page i). No specific limitations.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Please see joint ventures and associated companies (Pages 63-64) in <a href="#">Annual Report</a> .



3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	<p>For economic measurement techniques please see definitions of financial terms used; see Glossary, Financial Terminology and Exchange Rates (Pages 174-175) in the <a href="#">Annual Report</a>.</p> <p>Life Cycle Assessment (LCA) is the methodology behind assessing environmental aspects. Our Design for Environment (DfE) approach focuses on minimizing the environmental impact of our products throughout their entire life-cycle, with a particular emphasis on energy performance and Energy efficiency during the operational phase. We use carbon dioxide equivalent (CO<sub>2</sub>e) as measure for describing our carbon footprint.</p> <p>We use universal and global definitions for the social indicators.</p>
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	No significant re-statements in 2014.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	No significant changes during the 2014 reporting period.

## GRI content index

3.12	Table identifying the location of the Standard Disclosures in the report.	See GRI Index in <a href="#">Sustainability and Corporate Responsibility Report</a> (Pages 54-55)
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## Assurance

3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided.	Ericsson Sustainability and Corporate Responsibility Report has been assured by PwC according to Far RevR6 (based on the international standard ISAE3000) and AA1000, see Assurance Statement on page 56. PwC also performed a CO <sub>2</sub> e audit on Ericsson's own emissions. The GRI G3 guidelines have been used in producing the Sustainability and Corporate Responsibility Report and the complete GRI compilation appears online.
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## Governance, commitments and engagement

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Corporate Governance Report (Pages 132-158), in <a href="#">Annual Report</a> and Corporate Governance.
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	No, the Swedish Companies Act prohibits the President of a public company to be elected Chairman of the Board.
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Members of the Board of Directors (Pages 144-147) in <a href="#">Annual Report</a> .
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Nomination Committee (Page 136) in <a href="#">Annual Report</a> .  The Ericsson Employee Engagement survey includes the mechanism for employees to provide recommendations to management.  For inquiries and comments use this <a href="#">form</a> . For <a href="#">reporting violations</a> .
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	Information Regarding Members of Boards of Directors, the Group Management and Employees (Pages 96-100) in the <a href="#">Annual Report</a> .  Remuneration committee and Remuneration to Board members (Pages 142-143) in the <a href="#">Annual Report</a> .  Sustainability and Corporate Responsibility targets are at many levels, including Group scorecard.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Corporate Governance Report (Pages 132-158) in <a href="#">Annual Report</a> . <a href="#">Code of Business Ethics</a> and for <a href="#">reporting violations</a> .



4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Board work evaluation is described in Corporate Governance Report (Pages 132-158) in <a href="#">Annual Report</a> .
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Our <a href="#">Vision</a> and Core Values; <a href="#">Code of Business Ethics (CoBE)</a> ; <a href="#">Code of Conduct (CoC)</a> ; and <a href="#">Sustainability Policy</a> applies Group-wide to all employees.
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Board of Directors procedures, Corporate Governance Report Pages 132-158) in <a href="#">Annual Report</a> .  The Ericsson Board is apprised on Sustainability and Corporate Responsibility issues two times per year, or as needed on an ad hoc basis.  The Sustainability and Corporate Responsibility Steering Group is chaired by the Group CTO and is comprised on several senior managers, including members of the Executive Leadership Team (ELT). The Steering Group meets bimonthly, or as needed on an ad hoc basis.
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Sustainability and CR Leadership Objective is on Group level, and performance is reported to the Executive Leadership Team.  The Sustainability and Corporate Responsibility performance is also evaluated by the Sustainability and CR Steering Group.

## Commitments external initiatives

4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Ericsson's <a href="#">Sustainability policy</a> addresses the precautionary principle. Ericsson also uses Life Cycle Assessment to determine its most significant environmental impacts and to prioritize areas of improvement.
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4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	<p>We endorse the UN Global Compact 10 Principles. Ericsson was one of the first companies to become a signatory of the UN Global Compact on 2000/07/26.</p> <p>We commitment to uphold the UN Guiding Principles on Business and Human Rights and focusing on implementing these principles across our business operations.</p> <p>Ericsson is a founding member of the Broadband Commission for Digital Development and our CEO is a Broadband Commissioner.</p> <p>Since 2012, Ericsson has been a member of the World Economic Forum Partnership Against Corruption Initiative (PACI).</p>
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4.13	Memberships in associations/ advocacy organizations.	Memberships and affiliations on <a href="http://ericsson.com/sustainability">http://ericsson.com/sustainability</a> .
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## Stakeholders engagement

4.14	List of stakeholder groups engaged by the organization.	Engaging with stakeholders in <a href="#">Sustainability and Corporate Responsibility Report</a> (Page 7).
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4.15	Basis for identification/selection of stakeholders with whom to engage.	We engage with all relevant stakeholders. See Engaging with stakeholders in <a href="#">Sustainability and Corporate Responsibility Report</a> (Page 7).
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4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	We consult a wide range of stakeholders both within Ericsson and externally. Our stakeholder engagement is a continuous dialogue that provides vital input to our work. See Engaging with stakeholders in <a href="#">Sustainability and Corporate Responsibility Report</a> (Page 7).
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4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Engaging with stakeholders in <a href="#">Sustainability and Corporate Responsibility Report</a> (Page 7).
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## ECONOMIC - PERFORMANCE INDICATORS

### Economic performance

EC 01	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Economic and financial extensive information can be found in the Annual Report.  Information in the Annual Report is not fully aligned to the GRI Indicator Protocol. See <a href="#">Significant accounting principles</a> (Page 108).
EC 02	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Sustainability and Corporate Responsibility on the <a href="#">Board of Directors' Reports</a> (Pages 50-51).  Ericsson reports climate change risks and opportunities through the Carbon Disclosure Project (CDP).
EC 03	Coverage of the organization's defined benefit plan obligations.	Post-employment benefits <a href="#">Annual Report</a> (Pages 83-86).
EC 04	Significant financial assistance received from government.	The occurrence of government grants is very limited. They are normally reported as reductions of development costs or reductions of capital expenditure, depending on their nature.  Our first public private partnership engagement with a national development agency, UK Department for International Development (DFID), to expand secondary education to thousands of marginalized girls in Myanmar. DFID is providing approximately £3.7 million in funding which will be matched by the partners through cash and in-kind contributions.

### Market presence

EC 05	Range of ratios of standard entry level wage compared to local minimum wage at significant location of operation. *	Our employment conditions are covering 100 percent of workforce. Employees with the same qualifications, experiences and performance receive equal pay for equal work with respect to their relevant comparators. See <a href="#">Code of Conduct</a> .  Information regarding members of Board of Directors, the Group Management and employees in the <a href="#">Annual Report</a> (Pages 96-100)
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EC 06	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<p>No policy, but increasing trend of sourcing activities taking place locally around the world. Out of Ericsson's total spend, approximately 50 percent was local or regional spend.</p> <p>Other factors determining supplier selection see Sourcing Conditions and Guidelines within Responsible Sourcing and Ericsson's General Purchasing Conditions.</p>
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EC 07	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Ericsson has global hiring procedures as part of the Human Resources Management Process in order to secure that we get the best people for each position.
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## Indirect economic impacts

EC 08	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	<a href="#">Ericsson Response (TM)</a> provides humanitarian relief in the form of infrastructure and competence in disaster-hit areas for UN and other aid organizations. Ericsson Response was founded in April 2000 at the request of company employees who wanted to use their experience, competences and skills together with our technology in disaster relief situations on a voluntary basis.
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EC 09	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Description of significant socio-economic impact can be found in Communication for all in Ericsson <a href="#">Sustainability and Corporate Responsibility Report</a> (Pages 42-51).
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## ENVIRONMENTAL - PERFORMANCE INDICATORS

### Materials

EN 01	Materials used by weight or volume.	<p>Ericsson requires material declarations for all parts and components included in products. Based on this information Ericsson can compile and analyze the material content for individual products. For example, in a typical radio base station with the total weight of 110 kg the materials used are approximately:</p> <ul style="list-style-type: none"> <li>• Metals: 100 kg</li> <li>• Polymers, ceramics: 9 kg</li> <li>• Additives: &lt;1 kg</li> <li>• Precious metals: 0,1 kg</li> </ul> <p>Total weight of products put on the market (excluding packaging) 197,300 tonnes approximately. Packaging: about 29,600 tonnes:</p> <ul style="list-style-type: none"> <li>• Approx. 60% wood</li> <li>• Approx. 15% cardboard</li> </ul>
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- Approx. 23% plastics
- Approx. 2% metals

EN 02 Percentage of materials used that are recycled input materials.

The smelting and refining of minerals often combines materials from many different sources, making it difficult to trace their origin after refining. It can be estimated that we use metals with a global average recycling ratio (steel, aluminum and copper).

Our estimation on average recycling content as share of total new production globally:

- Lead: >60%
- Steel: 50%
- Aluminum: 35%
- Copper: 30%
- Silver: 30%
- Gold: 30%

## Energy

EN 03 Direct energy consumption by primary energy source.

See Energy, Environment and Climate in Ericsson [Sustainability and CR report 2014](#) (Page 35).

EN 04 Indirect energy consumption by primary source.

See Energy, Environment and Climate in Ericsson [Sustainability and CR report 2014](#) (Page 35).

EN 05 Energy saved due to conservation and efficiency improvements \*

See Energy, Environment and Climate in Ericsson [Sustainability and CR report 2014](#) (Page 35).

EN 06 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives \*

See Energy, Environment and Climate in Ericsson [Sustainability and CR report 2014](#) (Pages 26-35).

EN 07 Initiatives to reduce indirect energy consumption and reductions achieved \*

See Energy, Environment and Climate in Ericsson [Sustainability and CR report 2014](#) (Pages 26-35).



## Water

EN 08	Total water withdrawal by source.	Water supply is ordinary municipal water and water is mainly used for sanitary purposes, restaurants, dressing rooms, sport facilities and cooling purposes. We do not abstract freshwater directly from ground or surface water sources but use municipal water.
EN 09	Water sources significantly affected by withdrawal of water *	See EN 08
EN 10	Percentage and total volume of water recycled and reused *	See EN 08

## Biodiversity

EN 11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Our facilities are located in urban and semi-urban environments, not in areas of high biodiversity or protected. Therefore, we can't identify any direct impact on biodiversity.
EN 12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	<p>There are no significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.</p> <p>In some instances, we assist operators in building telecommunication sites in remote areas; however, these sites are owned by operators, not Ericsson. In these cases, our LCA studies show that the relative amount of land used for mobile networks is very low.</p>
EN 13	Habitats protected or restored *	See EN 11
EN 14	Strategies, current actions, and future plans for managing impacts on biodiversity *	See EN 11
EN 15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk *	See EN 11



## Emissions, effluents and waste

EN 16	Total direct and indirect greenhouse gas emissions by weight.	See Energy, Environment and Climate in Ericsson <a href="#">Sustainability and CR report 2014</a> (Page 35).
EN 17	Other relevant indirect greenhouse gas emissions by weight.	See Energy, Environment and Climate in Ericsson <a href="#">Sustainability and CR report 2014</a> (Page 35).
EN 18	Initiatives to reduce greenhouse gas emissions and reductions achieved *	See EN 06
EN 19	Emissions of ozone-depleting substances by weight.	CFCs were phased out in the early 1990s from Ericsson products and production. HCFCs that has an ozone depletion potential (ODP) are still in use as a refrigerant at some locations. In 2014, 246 kg partially ozone depleting substances with an ODP-value of 12 kg CFC-11e were estimated from leakage in cooling systems in own production facilities.
EN 20	NO, SO, and other significant air emissions by type and weight.	<p>NOx, SOx and Particulate Matters (PM) emissions are determined from business travel, product transportation, facility energy use and fleet vehicles.</p> <ul style="list-style-type: none"> <li>• NOx 1,970 tonnes,</li> <li>• SOx 1,900 tonnes</li> <li>• PM 232 tonnes.</li> </ul>
EN 21	Total water discharge by quality and destination.	Approximately 2.3 million tonnes. See EN 08.
EN 22	Total weight of waste by type and disposal method.	See <a href="#">Sustainability and Corporate Responsibility Report 2014</a> (Page 35).
EN 23	Total number and volume of significant spills.	In 2014 there were no spills reported.
EN 24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported wastes shipped internationally *	<p>Around 49 tonnes from our own production facilities and estimated from our own offices (handled locally).</p> <p>Ericsson does not transport, import, export or treat e-waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII. In developing countries where suitable infrastructure does not exist, Global Recyclers are assigned by the Ecology Management Program to ship e-waste internationally.</p>



EN 25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and run off *	Not applicable to our operations, no water discharges other than domestic sewage. See EN 08.
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## Product and services

EN 26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Our Design for Environment program combines phase-out of unwanted substances with knowledge of the actual material content in our products. The main tool for phase-out of hazardous substances is our <a href="#">List of banned, restricted and observation substances</a> that is applied on all markets worldwide. At production sites continuous pro-active substitution of hazardous material has been successful and the environmental impact is today very low. See also EN 06.
EN 27	Percentage of products sold and their packaging materials that are reclaimed by category.	See <a href="#">Sustainability and Corporate Responsibility Report 2014</a> (Page 35).

## Compliance

EN 28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	No significant fines or sanctions reported for 2014.
EN 29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce *	<p>Ericsson uses Life Cycle Assessment (LCA) to understand our environmental impacts and guide research and development into solutions that reduce our environmental footprint. Through LCA we can chart our overall environmental performance and impacts from the life cycle through raw material extraction, manufacture, transport, use, disassembly and end-of-life.</p> <p>See <a href="#">Sustainability and Corporate Responsibility Report 2014</a> (Page 35).</p>
EN 30	Total environmental protection expenditures and investments by type *	<p>Ericsson does not disclose financial data other than those available in the Annual Report and official financial reports.</p> <p>Many expenditures made, are for energy savings and environmental gains, as well as efficiency. For example:</p> <ul style="list-style-type: none"> <li>• Investment in three Global ICT Centers over the coming five years.</li> </ul>



- Cost and energy efficiencies.
- Investment in video conference. Travel reduction cost and CO<sub>2</sub> emissions reduction.

It is very difficult to extract the environmental figures as they are part of overall programs.

## HUMAN RIGHTS – PERFORMANCE INDICATORS

### Investment and procurement practices

HR 01	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Our most significant investment agreements are acquisitions. Upon acquisitions all new employees have to acknowledge our <a href="#">Code of Business Ethics</a> (CoBE). In addition, Group policies such as the <a href="#">Code of Conduct</a> (CoC) and (CoBE) are implemented when acquisitions are made.
HR 02	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	In 2014, 444 Code of Conduct audits and 151 Code of Conduct assessments of suppliers were performed. We estimate these audits and assessments are covering approximately 20% of our identified significant suppliers, those identified as having highest risk related to our Code of Conduct. All general agreements with suppliers include Ericsson CoC which includes human rights considerations. See Responsible Sourcing.
HR 03	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained *	Sustainability and Corporate Responsibility e-learning is available to all employees via Ericsson Academy and is part of the New Employee Learning Milestone.  <a href="#">Supplier Code of Conduct training</a> for employees, suppliers, and external parties is available on ericsson.com. The "Code of Conduct for Suppliers" training is mandatory for Sourcing professionals. Over 1,260 active employees have completed the Code of Conduct training for Suppliers.

### Non-discrimination

HR 04	Total number of incidents of discrimination and actions taken.	In 2014, 31 cases related to human resources issues were reported to the Audit Committee. Five incidents were classified as discrimination. All these cases were investigated accordingly and when appropriate remediation plan are defined and executed locally.  See <a href="#">Reporting violations</a> on ericsson.com.  In the countries covered by the Global External Assessment Program, no evidence of discrimination was found by Intertek.
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## Freedom of association and collective bargaining

HR 05	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Through our audits programs, including supplier's audits, we have not identified any Ericsson operations in which the right to exercise freedom of association and collective bargaining may be at significant risk. Please see HR 02 for suppliers and contractors related information.
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## Child labor

HR 06	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Through our audits programs, including supplier's audits, we have not identified any Ericsson operations having significant risk for incidents of child labor. Please see HR 02 for suppliers and contractors related information.
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## Forced and compulsory labor

HR 07	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Through our audits programs, including supplier's audits, we have not identified any Ericsson operations identified as having significant risk for incidents of forced or compulsory labor. Please see HR 02 for suppliers and contractors related information.
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## Security practices

HR 08	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations *	Security staff is informed and trained on human rights related to security within Ericsson scope of work. Trainings on the organization's policies and procedures concerning aspects of human rights for the security personnel are conducted annually.
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## Indigenous rights

HR 09	Total number of incidents of violations involving rights of indigenous people and actions taken *	During 2014 there were no recorded incidents of violations involving rights of indigenous people.
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## LABOR - PERFORMANCE INDICATORS

### Employment

LA 01	Total workforce by employment type, employment contract, and region.	Information Regarding Members of the Board of Directors, the Group Management and Employees in <a href="#">Annual Report</a> 2014 (Pages 96-100).
LA 02	Number and rate of employee turnover by age group, gender and region.	See LA 01
LA 03	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations *	<p>Ericsson is following national legislation and collective agreements where applicable. Compensation and benefits are recorded by local companies and/or Regions and not collected at Group level as it is confidential information in some countries.</p> <p>Compensation and Benefits (C&amp;B) practice are based on the principles of performance, competitiveness and fairness. Performance is encouraged by aligning all employee efforts towards the aims of the organization. Individuals and teams are rewarded according to their contribution to overall targets.</p>

### Labor/management relations

LA 04	Percentage of employees covered by collective bargaining agreements.	<p>Our Code of Conduct stipulates that All employees shall be free to form and to join, or not to join, trade unions or similar external representative organizations and to bargain collectively.</p> <p>The coverage varies from country to country. In Sweden, all employees with the exception of Group Management are covered by collective agreements.</p>
LA 05	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	<p>In Sweden significant operational changes meet or exceed the minimum notice period in accordance to the legal regulations and/or laws. Not collected at Group level.</p> <p>Outside Sweden the minimum notice period for significant operational changes is compliance with local legal regulations and/or laws.</p>

### Occupational health and safety

LA 06	Percentage of total workforce represented in formal joint management worker health and safety committees that help monitor and advice on	Participation and consultation in health and safety committees are elements within OHSAS 18001. Implementation of this standard is now embedded in the EGMS (Ericsson Group Management System) across all Regions for OHSAS 18001 certification by external assessor Intertek.
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## occupational health and safety programs \*

LA 07	Rates of injury, occupational diseases, lost days, absenteeism, and number of work related fatalities by region.	<p>See Conducting Business Responsible in Ericsson <a href="#">Sustainability and CR report 2014</a> (Page 25).</p> <p>For all other personal injuries, dangerous occurrences, damages in connection with all work injuries and occupational diseases are recorded by local companies and/or Regions.</p>
LA 08	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<p>Approximately 48% of employees have attended the Group Occupational Health and Safety (OHS) e-learning. Other OHS training e.g. by external training and classroom training is addressed by local companies and/or Regions as appropriate and/or via extensive training programs.</p>
LA 09	Health and safety topics covered in formal agreements with trade unions *	<p>No formal agreements with trade unions but all work within health and safety is being done in close cooperation with trade unions and safety delegates in many Regions. Local legislation provides sufficient guidelines for health and safety.</p>

## Training and education

LA 10	Average hours of training per year per employee by employee category.	<p>We work with a diversified approach to training, one that supports continuous learning through providing a mixture of formal classroom sessions and e-learning with informal learning situations such as mentoring/coaching, shadowing, job rotation, interactive feedback, collaboration and sharing.</p> <p>Over 2.7 million total hours spent on learning with on average training per active employees is approximately 26.7 hr.</p> <p>Over 78 %of employees have taken some form of structured e-learning or classroom training, as well as on-demand course materials and tutorials.</p> <p>All employees have learning as part of their Individual Performance Management (IPM) and discuss this with their manager at least annually.</p>
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LA 11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings *	Career development is a strategic priority to attract the best talent and retain employees who can deliver innovation and contribute to competitive advantage. Ericsson has a globally implemented Individual Performance Management (IPM) tool, New Career and Competence Model and Leadership Talent Planning systems, which cover all employees including managers.
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LA 12	Percentage of employees receiving regular performance and career development reviews *	Approximately 78% of employees had an Individual Performance Management discussion.
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## Diversity and equal opportunity

LA 13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	<p>The Board of Directors members, in <a href="#">Annual Report</a> (Pages 144-147). The Executive Leadership Team, in <a href="#">Annual Report</a> (Pages 152-155).</p> <p>Breakdown of employees (number of employees by region, per segment, per gender) please see <a href="#">Annual Report</a> (Pages 96-100).</p>
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LA 14	Ratio of basic salary of men to women by employee category.	<p>Our Compensation and Benefits (C&amp;B) stipulates that compensation and benefits shall be based on performance, competitiveness and fairness principles.</p> <p>Our Code of Conduct Policy stipulates that employees with the same qualifications, experience and performance receive equal pay for equal work with respect to their relevant comparators.</p>
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## PRODUCT RESPONSIBILITY – PERFORMANCE INDICATORS

### Customer health and safety

PR 01	<p>Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.</p>	<p>Ericsson's radio base station products are tested for compliance with relevant standards and regulations regarding health and safety of radio frequency electromagnetic field (EMF) exposure before they are placed on the market. Ericsson also supports customers and offers services to verify compliance with EMF standards and regulations when products are put into service. The procedures for EMF health and safety cover 100 percent of products.</p> <p>Ericsson has co-sponsored over 100 studies related to electromagnetic fields, radio waves and health since 1996.</p> <p>The company recognizes some public concerns associated with radio waves from mobile communications. These concerns are addressed by providing relevant information to stakeholders.</p> <p>For more information please see <a href="#">Radio Waves and Health</a>.</p> <p>A group occupational health and safety operating instruction for employees exposed to Radio Frequency (RF) electromagnetic fields is in place to ensure that RF exposure does not exceed the safety limits. This instruction would generally apply to field operations.</p>
PR 02	<p>Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes *</p>	<p>During 2014 there were no recorded incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life-cycle.</p> <p>The Ericsson Group Management System (EGMS) is certified according to OHSAS 18000 standard. <a href="#">OHSAS 18000 certificate</a>.</p>



## Product and service labeling

PR 03	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	<p>Information and marking requirements are compiled in a number of Ericsson internal specifications, instructions and guidelines that cover different areas including environment, health and safety. Use of the specifications, instructions and guidelines are managed via the EGMS and address the relevant phases of product development – from raw materials to End-of-Life treatment. All of Ericsson products adhere to the generic Ericsson rules and guidelines mentioned above.</p> <p>Examples of marking:</p> <ul style="list-style-type: none"> <li>• Marking according to EU directive 2002/96/EC (WEEE)</li> <li>• Marking and information according to Chinese legislation, Measures for Administration of the Pollution Control of Electronic Information Products</li> <li>• Casted metal parts are marked with material identification information according to international standard</li> <li>• Plastic parts are marked with material identification information according to international standard</li> <li>• Batteries are marked according to international standards</li> <li>• Units containing cooling agents are marked according to international legislation/standards</li> </ul> <p>Examples of product information:</p> <ul style="list-style-type: none"> <li>• Information on safe use and handling at end-of-life is included in the customer product information</li> </ul> <p>Templates and guidelines are provided for information on Product environmental performance, Information to recyclers and Compliance to standards and legislation.</p>
PR 04	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes *	<p>During 2014 there were no reported incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling.</p>
PR 05	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction *	<p>Every year, an independent Customer Satisfaction Survey is Performed as part of Ericsson's stakeholder engagement.</p>



## Product and services

PR 06	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.	Our Communication and Sales and Marketing Policies and Directives govern our marketing communications. The Sponsorship Group Directive governs all sponsorships and there is a committee which approves sponsorship requests. We also apply Marketing and Communication Guidelines for the Sustainability and Corporate Responsibility area.
PR 07	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, advertising, promotion and sponsorship *	During 2014 there were no reported incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.

## Customer privacy

PR 08	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data *	During 2014 there were no reported incidents of breach of customer privacy or loss of customer data.
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## Compliance

PR 09	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No incidents reported.
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## SOCIETY – PERFORMANCE INDICATORS

### Community

SO 01	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	<p>We have conducted Human Rights Impact Assessments in certain markets and regularly conduct research on the impact that access to communications through ICT has on social and economic development.</p> <p>Layoffs, closure of plants and redundancies are handled in accordance with national legislation.</p> <p>Ericsson Group Management System (EGMS) ensures that local environmental issues are considered. Life Cycle Assessment (LCA) is the methodology used by Ericsson to assess environmental impacts.</p>
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## Anti-corruption

SO 02	Percentage and total number of business units analyzed for risks related to corruption.	All Regions and Business Units analyze risks, including corruption. Risk Management is described in the Annual Report ( <a href="#">Page 49</a> and <a href="#">Pages 149-151</a> ).
SO 03	Percentage of employees trained in organization's anti-corruption policies/procedures.	By year-end 2014, over 76% of current employees had completed the anti-corruption e-learning course.
SO 04	Actions taken in response to incidents of corruption.	<p>For 2014, there were 76 Reporting Violations received and reported to Audit Committee (received via Ericsson Reporting Violations mailbox and certain other channels excluding unrelated spam).</p> <p>These incidents were classified in categories and distributed as follows:</p> <ul style="list-style-type: none"> <li>• 18% related to fraud, corruption &amp; regulatory breach</li> <li>• 16% related to security issues,</li> <li>• 14% related to operations issues</li> <li>• 41% related to human resources issues</li> <li>• 11% related to conflicts of interest</li> </ul> <p>There were five incidents in which employment was terminated related to suspected corrupt practices resulting in total of six employees terminated.</p> <p>See also <a href="#">reporting violations</a> on ericsson.com.</p>

## Public policy

SO 05	Public policy positions and participation in public policy development and lobbying.	<p>Ericsson has long standing relationships with Governments around the world, and interacts regularly with various government officials. Our engagement includes a wide range of activities, including bridging the digital divide, climate change, specific telecom regulations, frequency and spectrum allocation, and other regulatory issues. Ericsson does not make contributions to political parties.</p> <p>See <a href="#">Code of Business Ethics</a>.</p>
SO 06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country *	<p>Ericsson's Code of Business Ethics does not allow contributions to political parties.</p> <p>See <a href="#">Code of Business Ethics</a>.</p>



## Anti-competitive Behavior

SO 07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes *	<p>Description of Legal Proceedings, see <a href="#">Annual Report</a> 2014 (Pages 51-52).</p> <p>Fair competition is the basis for business development and innovation. All Ericsson employees shall compete in the open market as vigorously and constructively as possible, while consistently complying with the law in each of the countries in which Ericsson operates.</p> <p>See <a href="#">Code of Business Ethics</a>.</p>
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## Compliance

SO 08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	No significant monetary or non-monetary sanctions have been reported to Ericsson during 2014.
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### Page reference

S&CR	Sustainability and Corporate Responsibility Report
AR	Annual Report
*	Additional indicator

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