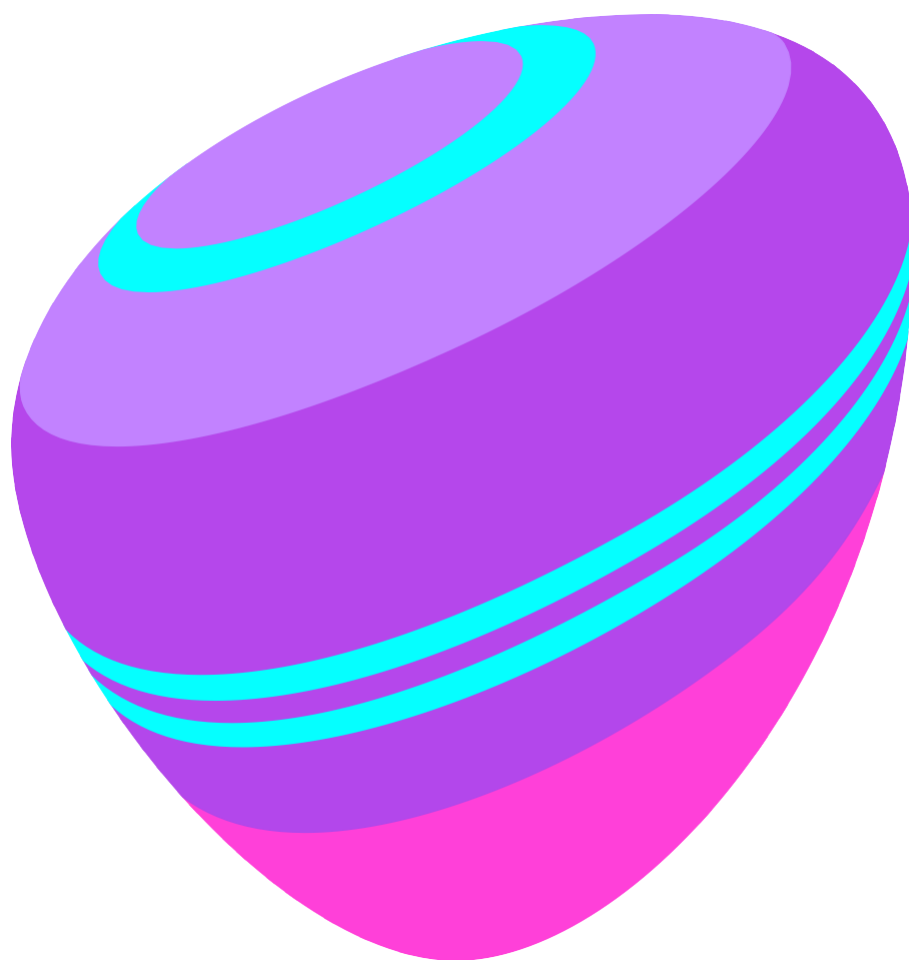


GUIDING PRINCIPLES ON TRUSTED AI ETHICS

January 2019

Telia Company provides the following Guiding Principles to its operations and employees for proactive design, implementation, testing, use and follow-up of AI.



Introduction

Artificial Intelligence (AI) and advanced analytics offer the opportunity for increased efficiency, shared value creation and growth to societies. AI has the potential to help solve global challenges. Customers can benefit from smarter services and improved experiences. Companies can optimize production, supply chains and sales.

AI will lead to widespread changes in many dimensions, such as productivity rate and transformation of job markets. These changes need to be addressed in proactive and respectful ways.

Trust is a prerequisite for fully harvesting the AI benefits for all stakeholders. It is of utmost importance that every player that deploys AI is transparent and accountable and acts responsibly in all aspects. We label this as Trusted AI ethics.

Telia Company is entering the area of AI, to date in a few narrow use cases. Machines learn, classify, sense and act to enhance human work. Narrow tasks are given to AI, but the overall process including datasets and algorithms is under human control.

Telia Company's strategy as well as our statement of materiality and significant audiences commit the company to work actively towards the United Nation's Sustainable Development Goals. We embrace the value and opportunity of AI as an accelerator for realizing the 2030 Agenda for Sustainable Development. We aspire to integrate sustainable, responsible business practices into all parts of business and strategy to harness AI for good.

Telia Company has a responsibility to respect human rights. Our [Code of Responsible Business Conduct](#) defines requirements which ensure the highest degree of ethical business practices and behavior.

These Guiding Principles lay out our aspirations to build Trusted AI ethics. We will review the Guiding Principles at least annually.

Telia Company Guiding Principles on trusted AI ethics

To contribute to that AI can extend and complement human abilities rather than lessen or restrict them, Telia Company provides the following Guiding Principles to its operations and employees for proactive design, implementation, testing, use and follow-up of AI.



1. Responsible and value centric

Our mission is to create value for customers and other stakeholders with a positive impact on society. We aspire to act with care and in a responsible way. We explore opportunities in tandem with potential risks.

2. Human centric

AI is used to simplify and enhance our customers' lives. Employees' issues are recognized and respected. We acknowledge the advantages of a cooperative and complementary model of human-machine interactions and seek to use this in a sustainable way. Our preference and intention is for AI to extend and complement human abilities rather than lessen or restrict them.

3. Rights respecting

We aim to know and show how we respect [human rights](#). We seek to identify, prevent, mitigate and account for how we address our impacts on human rights and how we manage human rights risks and opportunities, such as [privacy](#), children's rights and anti-discrimination. Aggregation and use of data shall always be clear and serve a useful purpose towards our customers and employees.

4. Control

We monitor AI solutions so that we are continuously ready to intervene into AI, datasets and algorithms, to identify needs for improvements and to prevent and/or reduce damage.

5. Accountable

We always remain responsible. Our solutions come with a clear definition of who is responsible for which AI solution. We are in charge of our products and services. And, we know who is in charge for partner or third-party solutions.

6. Safe and secure

Our solutions are built and tested to prevent possible misuse and reduce the risk of being compromised or causing harm.

7. Transparent and explainable

We strive towards transparency and to proactively explain the use of AI in our operations to customers, employees and other stakeholders in a user-friendly way, based on applicable industry best practice and relevant standards.

8. Fair and equal

We aspire to embed the principles of fairness and equality in datasets and algorithms - applied in all phases of AI design, implementation, testing and usage – fostering fairness and diversity and avoiding unfair bias both at the input and output levels of AI.

9. Continuous review and dialogue

We acknowledge that the area of AI is complex and developing fast. We want to apply relevant industry best practice and participate in dialogues with other stakeholders for further development of AI and AI ethics, and of these Guiding Principles.