

Owner
Chief Ethics & Compliance Officer

Approval Date
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Version
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Approved by
Telia Company CEO

Related
50086201

GROUP INSTRUCTION - ANTI-BRIBERY AND CORRUPTION

1 BACKGROUND AND DESCRIPTION

This Group Instruction - Anti-Bribery and Corruption (“Group Instruction”) is related to, and aligned with, the Group Policy - Anti-Bribery and Corruption. The instruction presents mandatory principles and describes how the Group Policy is applied in detail.

The Group Instruction is a binding document for Telia Company AB and its Subsidiaries (“Telia Company”) and their employees.

2 PURPOSE

The purpose of this Group Instruction is to set clear requirements to ensure that all business is conducted in compliance with Telia Company’s zero tolerance towards any form of corruption, bribery, financing of corruption or facilitation payments. Furthermore, the purpose is to document Telia Company’s internal rules for how e.g. gifts, business hospitality and facilitation payments shall be handled, as well as Telia Company’s anti-corruption work.

3 OBJECTIVES AND REQUIREMENTS

The objective of this Group Instruction is to clarify the procedures followed by Telia Company to prevent, detect and discourage bribery and corruption as well as any other form of corrupt or non-compliant conduct. Furthermore, the objective is to see to that Telia Company maintains a high ethical standard, avoids any allegation of bribery and corruption, does not engage in any unfair business practices, maintains relationships which are based on trust with its customers, third parties and other stakeholders and that the employees don’t have any improper loyalties to customers or other third parties.

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3.1 Definitions

Bribery	The act of offering, promising, giving, providing, authorizing, requesting, soliciting, accepting or receiving of a financial or other undue advantage to encourage improper performance of duties or to misuse a person's position. A bribe can be anything of value and does not necessarily involve money, it can also be of sentimental value. Bribery is regarded as a criminal offence in most jurisdictions globally.
Business hospitality	Includes, but is not limited to, business events and entertainment, dinners, promotion events and partnership events. Paying for travel and accommodation is also included in the concept of business hospitality.
Conflict of Interest	A conflict of interest exists when financial or other personal incentives influence – or may appear to influence – an employee's loyalty, professional judgement or performance of duty.
Corruption	Any form of abuse of entrusted power for private gain. Corruption can be classified as grand, petty or political, depending on the amounts of money lost and the sector where it occurs.
Extortion	The act of asking for bribes or other undue advantages accompanied by a threat.
Facilitation payments	The payments made or offered to a public official to encourage or ensure that routine procedures are carried out or speeded up, e.g. roadblocks, customs clearances or passport controls.
Financing of corruption	The payment made to a third party, e.g. agents or partners, who then uses the payment or part of it in a corrupt activity.
Gift	The offering or receiving of goods or services. The value of a gift is determined by its market value. A gift is no longer a gift but a bribe if there is intent to cause improper conduct and expectations that the business relationship will be influenced.
Solicitation of a bribe	The act of asking for, seeking, demanding or trying to obtain something of value from someone.
Third parties	Suppliers, customers, contractors and subcontractors, vendors, agents, consultants and business partners.

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3.2 General requirements – Bribery and Corruption

Objective

The objective is that all employees know which acts that are unacceptable and what employees and managers need to do to prevent bribery and corruption.

Requirement 1 – Prohibition of bribery

Employees are not allowed to offer, provide, authorize, request, accept or receive a bribe neither directly nor indirectly, including through any third party.

Requirement 2 – Prohibition of solicitation and extortion

Solicitation of a bribe and extortion on behalf of Telia Company or its partners are prohibited. Employees must immediately inform their managers of any identified or suspected solicitation of bribes or extortion.

Requirement 3 – Prohibition of facilitation payments

Employees or third parties acting on behalf of Telia Company are prohibited from making or accepting facilitation payments. Refusing to pay facilitation payments may lead to added time and trouble to get the entitled service – make provisions for this and proactively involve management.

Requirement 4 – Duty of employees

Employees must act with the highest sense of integrity and in a manner that protects and enhances Telia Company's reputation. If an employee at any time is offered or asked for a bribe, either directly or indirectly, the situation should be reported to the manager. Employees have a personal responsibility and would, in case of prosecution, be prosecuted as a private individual.

Requirement 5 – Duty of managers

All managers must react immediately by taking corrective actions, escalating and reporting any concerns, according to the Group Instruction - Speak Up and Non-Retaliation, when becoming aware of suspected or actual corruption or bribery. If there are any uncertainties of how to handle a situation, the manager should reach out to the Ethics & Compliance Function locally or to Group Ethics & Compliance.

Requirement 6 – Risk Assessment

The Group Ethics & Compliance function ensures that regular corruption risk assessments are conducted at Telia Company. Risk-based approach is used to focus on most significant corruption risks.

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Requirement 7 – Risk mitigation activities

The Ethics & Compliance function is responsible for preparing action plans and implementing risk mitigation activities for corruption and bribery risks.

Requirement 8 – Safety of Employees

Despite of Telia Company's zero-tolerance for corruption, safety of employees or third parties acting on behalf of Telia Company shall never be compromised. Therefore, in case of any immediate danger of health or safety resulting from following the requirements of this Instruction, safety of our employees and third parties acting on behalf of Telia Company always comes first.

For example, in circumstances where facilitation payments are required from a Telia Company employee and the payment cannot be avoided without jeopardizing his/her health and safety, such a payment shall be accurately accounted for in the books and accounting records as well as immediately reported to the employee's manager and the Group Ethics & Compliance Function.

3.3 Gifts and Hospitality***Objective***

The objective is to ensure a common understanding of what constitutes appropriate exchange of gifts and business hospitality. The objective is also to clarify relevant circumstances that need to be considered when assessing if the gift or business hospitality is allowed or not.

Requirement 1 – Transparency

All gifts and business hospitality must be given and received in an open and transparent manner with no aspect of the exchange concealed or misrepresented. An open and transparent manner means that the gift or business hospitality can be discussed openly and without reservation internally as well as externally.

Requirement 2 – Business purpose

The gift or business hospitality must have a clear business purpose. The risk that the gift or business hospitality is deemed improper increases the weaker the link is to the work tasks of the recipient.

Requirement 3 – Forms for offering

All gifts and business hospitality must be customary and reasonable under the circumstances and in compliance with the law of the country and provided in a transparent manner. A transparent manner could be that the gift or business hospitality is directed to the recipient's manager or approved by the manager.

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Requirement 4 – The group of recipients

A gift or business hospitality should be aimed at an undefined group of people, rather than at specifically chosen individuals.

Requirement 5 – The recipient's position

Extra awareness must be raised when providing a gift or business hospitality to an individual in a decision-making position. An employee in a decision-making position must also raise extra awareness when receiving a gift or business hospitality.

Requirement 6 – Prohibition of frequently exchanged gifts and business hospitality

A pattern of frequently exchanging gifts and business hospitality is prohibited. When offering gifts or business hospitality employees must ensure that the recipient has not received any gift or business hospitality previously that can, combined, be considered as improper.

Requirement 7 – The value

In addition to the above, employees cannot receive or give gifts with a market value exceeding USD 50. The amount can be lower if stipulated by local law.

The USD 50 limit applies to all employees regardless of level of seniority. The limit is also applicable for lottery wins received by Telia Company employees.

Requirement 8 – Gifts exceeding USD 50

All gifts, with a market value exceeding USD 50 must be handed over to the company, recorded and placed in the company gift repository. If possible, and not considered impolite, the gift should be handed back to the giver.

Requirement 9 – Relevance of business hospitality

Arranged or attended business hospitality must be relevant and always have a clear business purpose. When inviting participants, the invitation shall be sent to the company and not directly to an individual. It is never allowed to invite a “plus one” that is not a colleague. Family members or friends are not allowed to be invited.

Requirement 10 – Reasonable expenses

Arranged or attended business hospitality must be reasonable i.e. the total expense and expense per participant shall be reasonable, food and beverages shall be reasonable, and

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activities shall be planned so that adverse tax effects are avoided. Reasonable means that the business hospitality must not appear to be influencing the recipient's behaviour.

Requirement 11 – Financial record keeping

The expense of arranged or attended business hospitality must be accurately reflected in the expense report and bookkeeping. The expense must be accurately approved according to delegation of authority (e.g. the person attending can't approve).

Requirement 12 – Arranging or attending business hospitality

When arranging or attending business hospitality, the manager should be informed. In case of any doubt about the assessment of the business hospitality, the manager shall consult the Ethics & Compliance Function.

Requirement 13 – Accommodation and travel

Accommodation and travel by employees for participation in business-relevant events must always be paid for by Telia Company. When providing business hospitality, Telia Company never pays for travel/lodging needed for participants that are not employees.

Requirement 14 – Prohibited gifts & business hospitality

Some gifts and business hospitality are always deemed improper and therefore there's no need for a specific review, see Appendix 1 for examples of such gifts and business hospitality.

3.4 Third parties

Objective

The objective is to make sure that neither any corrupt payment or activity, nor the financing of corruption through a third party, occurs on behalf of Telia Company. Further guidance on how to work with third parties is found in the Group Policy and Group Instruction - Source-to-Pay, as well as in guidelines regarding third party due diligence.

Requirement 1 – Prohibition of corruption through third parties

It is prohibited to facilitate corrupt payments and bribery, including offering gifts and business hospitality, through a third party.

Requirement 2 – Due diligence of third parties

A due diligence process must be implemented to ensure a risk-based approach when selecting and working with third parties. The due diligence must be documented in a way that ensures the sufficiency of the audit trail.

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Requirement 3 – The use of lobbyists

The use of lobbyists is only permitted if it is fully disclosed to the person or body that Telia Company seeks to influence. All contracts with lobbyists must impose the mandatory disclosure of such information.

Requirement 4 – Approval of lobbying contracts

All lobbying contracts need to be approved by the Group General Counsel or the Chief Ethics & Compliance Officer and should include an anti-corruption clause.

3.5 Sponsorship and donations

Objective

The objective is to make sure no donations or sponsorship transactions are made on behalf of Telia Company to conceal a bribe or negligently finance corruption. For more information regarding Sponsorship and Donations please refer to the Group Instruction – Sponsorship and Donations.

Requirement 1 – Prohibition

It is prohibited to use charitable donations or sponsorships as a way of concealing a bribe.

Requirement 2 – Political parties

It is never permitted to make donations to political parties.

3.6 Public officials

Objective

The objective is to protect Telia Company and its employees from conflicts of interest, requests for and payment of corrupt payments in relation to the public sector and public officials.

A public official is referred to as:

- An officer, member or employee of a governmental institution or department (whether executive, legislative or administrative)
- An officer, member or employee of an agency of a governmental institution (including regional governmental bodies, government-controlled business, and international governmental organisations)
- Anyone acting in an official capacity for or on behalf of a governmental institution, department, agency or international governmental organisation

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- A candidate to a political or governmental office, or appointee to such an office
- A government officer or employee, whether at the national, state/regional, local, or international level
- Any employee of a state or government-owned business, school, hospital, or other entity

Requirement 1 – Assessment of impropriety

A strict assessment of impropriety shall be done when it comes to public officials and private individuals/enterprises that exercises official authority.

Requirement 2 – Conflict of interest between an employee and a public official

Any actual or apparent conflict of interest between an employee and a public official must be adequately managed through proper disclosure, segregation of duties and work tasks.

Requirement 3 – Prohibition of gifts to public officials

Giving gifts to a public official is strictly prohibited, apart from branded items of minimal value. This also applies to any closely related persons to such public officials.

Requirement 4 – Prohibition of business hospitality to public officials

Telia Company does not allow business hospitality apart from customary tea/ coffee/ or a simple meal in conjunction with business related discussions/events with public officials.

Requirement 5 – Interactions with public officials

It is recommended to bring a colleague when meeting with public officials. It is also recommended to keep records of the meetings.

3.7 Conflict of Interest

Objective

The objective is to ensure that employees are aware of what constitutes a conflict of interest and to avoid situations when such conflicts may arise. Furthermore, for Telia Company the objective is to assess and mitigate potential situations of conflicts of interests.

For more information regarding the process of disclosing and assessing a potential conflict of interest, see Group Guideline on assessing potential Conflict of Interest.

Requirement 1 – Avoid situations or actions that may conflict with your professional duty

Employees at Telia Company shall avoid situations or actions which conflict, or appear to conflict, with their professional duty. Employees are expected to always act in Telia

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Company's best interest and to exercise sound judgement, unaffected by private interests or divided loyalties.

A potential conflict of interest may for example occur linked to the following areas, for some depending on the position of the employee and the situation at hand;

1. Dealings with close relatives or close friends;
2. Financial interests in, or other personal link to, a company, organization or public entity which has dealings with Telia Company;
3. Duty or assignment outside of Telia Company, for example in a business or organization which may conflict with that of Telia Company.

Requirement 2 – Disclosure of a potential conflict of interest

As transparency is very important to be able to assess and mitigate risks relating to conflict of interest, self-disclosure by employees is encouraged. For certain employees, key staff, who are more subject to situations when potential conflict of interest may arise, self-disclosure is a requirement. For further information, see Group Guideline on assessing potential Conflict of Interest.

The requirement to disclose occurs whenever a potential situation may appear or as defined by requirements in the employment contract, and at least yearly.

Requirement 3 – Process for disclosing and documenting information regarding potential conflict of interest

Group People & Brand shall ensure that there is a group wide process for disclosing and documenting potential, actual and perceived conflict of interest.

Requirement 4 – Dealings with close relatives and close friends

Employees should not give close relatives and close friends any advantages compared to others and should not participate in decision making that involves such individuals.

Requirement 5 – Relations with third parties

All relations with third parties, such as suppliers and business partners, must always be professional and decisions must be based on objective grounds.

3.8 Monitoring, follow up and reporting

Objective

The objective is to ensure a structured and holistic approach towards the management of corruption and bribery risk.

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Requirement 1

The Ethics & Compliance Function is responsible for monitoring, following-up and reporting to Group Executive Management and Board Committees on progress, concerns and violations. This responsibility includes supporting and guiding the line organisation when implementing these rules in practice according to Telia Company assurance framework (i.e. risk assessment, organisation, policy and procedures, training and communication, special investigations, disciplinary actions and monitoring and improvement).

4 ROLES AND RESPONSIBILITIES

This Group Instruction applies to Telia Company AB and its Subsidiaries¹ and Joint Operations² as their own binding instruction to all directors, members of the boards, officers and employees. In addition, Telia Company works towards promoting and adopting this instruction's principles and objectives in other associated companies where Telia Company does not have control but has significant influence.

Each Group Executive reporting to the CEO of Telia Company is responsible for ensuring that this Group Instruction is duly communicated and implemented, and that the employees within his/her area of responsibility are familiar with and follow this Group Instruction.

Each country CEO is responsible for ensuring that all relevant entities within the CEO's geographic location has adopted and implemented this Group Instruction.

5 BREACHES AGAINST THE INSTRUCTION

Any Telia Company employee who suspects violations of the Code of Responsible Business Conduct or this Group Instruction must speak up and raise the issue primarily to their line manager, and secondly to the Human Resources department, to the Ethics and Compliance Office, or through the Speak-Up Line. The Speak-Up Line is available on Telia Company's internal and external webpages.

Telia Company expressly forbids any form of retaliation. For specific requirements, please see our Group Instruction on Speak Up and Non-Retaliation.

Violations against the Group Instruction can lead to disciplinary action, up to and including termination.

6 EXEMPTIONS

A Subsidiary-specific corresponding instruction shall be compliant with this Group Instruction while adapting to the concerned business activities, local laws, local circumstances and

¹ All entities over which Telia Company AB has majority control.

² The joint operations over which Telia Company AB has joint control and management responsibility.

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language. If a deviation or exemption from this Group Instruction is deemed necessary, the Country CEO shall escalate the matter to the Group General Counsel.

7 GROUP GOVERNANCE FRAMEWORK

This Group Instruction is part of the Group Governance Framework, which includes without limitation:

- a) Code of Responsible Business Conduct, Purpose and Values, Strategy, Group Policies, and Instructions for the CEO as approved by the Board of Directors;
- b) Decisions made by the CEO, the Delegation of Obligations and Authority as approved by the CEO, Group Instructions as approved by the CEO or by the responsible Head of Group Function; and
- c) Guidelines, best practices, process descriptions, templates or working routines developed within area of responsibility of Head of Group Function.

For further information, refer to the Group Policy – Anti-Bribery and Corruption, Group Instruction – Speak Up and Non-Retaliation, and Group Instruction – Sponsorships and Donations.

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APPENDIX 1 – PROHIBITED GIFTS AND BUSINESS HOSPITALITY

The gifts and business hospitality in this Appendix are always deemed improper and therefore there's no need for a specific review. The list is not exhaustive though, and an assessment must be made on a case-by-case basis for gifts and business hospitality not listed in this Appendix.

The following are improper gifts and business hospitality and are therefore prohibited to provide, promise or offer:

- Monetary gifts, gift cards (B2B) and cash equivalents;
- Monetary loans, providing of security (guarantees), waivers of claims, repayments or interest and the like, on terms that are not market terms;
- Work for the recipient or delivery of goods or services for private use and on terms that are not market terms;
- Benefits conditional on the recipient performing something for the provider which is not approved by Telia Company;
- Indirect remuneration to Employees or contractors (i.e. other than Telia Company);
- Access to vehicle, boat, holiday home etc. for private use;
- Wholly or partially paid business hospitality or holiday trip; or
- Offers that are perceived as generally unethical.