

Owner
Anne Larilahti, PB Sustainability Strategy

Approval Date
15/05/2018

No.
T 232-16 Uen

Version
3

Security
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Approved by
Head of People & Brand, Cecilia
Lundin

Related
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Group Instruction - Environment

1 PURPOSE

The purpose of this Group Instruction is to clarify how the requirements in the Group Environment Policy shall be interpreted and implemented.

The Group Instruction is a binding document for Telia Company AB, its Subsidiaries and its Joint Operations ("Telia Company") and their employees.

The protection of environment and improvement of the environmental negative impact is a guiding principle in all our operations. This definition includes our employees, contractors, suppliers and visitors.

2 OBJECTIVES AND REQUIREMENTS

2.1 Consistent and structured management approach

Objective

We apply a consistent and structured management approach, including risk assessment, to manage environmental impacts and improve resource efficiency.

Requirement 1

Each Telia Company country and Telia Carrier organizations shall have a documented environmental management system (EMS) in place, covering the entire organization.

Note:

The EMS shall fulfil all requirements in the ISO 14001 standard or equivalent. External certification of the EMS is required for relevant areas of operations. The scope of certification is agreed between the company and the Group Environmental Manager.

Requirement 2

The company shall have an appointed function and a person responsible, with sufficient resources, for implementation and management of the EMS.

The following exceptions apply:

- Discontinued operations are exempt from the requirement to implement an EMS, but are recommended to pursue implementation.
- Companies with less than 100 employees are not required to implement an EMS, but need to regularly assess its environmental impacts, take reasonable action to manage it, and upon request report its environmental impact (e.g. energy consumption and waste) to the Group Environmental Manager.



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2.3 Life cycle impact

Objective

We consider the full life cycle impact of delivering our products and services.

Requirement 1

The company shall evaluate the environmental life cycle impact of relevant products and services.

Note:

This means looking at impact in production, transport, use, and end of life treatment.

Requirement 2

The company shall prioritize suppliers who have an environmental life cycle impact approach for their products and services, and take action toward reducing their negative environmental impact.

Requirement 3

The company shall evaluate environmental “total cost of ownership”, including energy (etc.) consumption, possible product reuse and material recycling costs, in all major investment decisions.

Requirement 4

The company shall have a system in place for collection and end of life treatment of network and customer hardware.

Note:

This includes collection of used customer hardware in shops, as well as from business customers.

Requirement 5

The company shall have a buy-back program in place for mobile devices in all customer channels, including towards business customers.

Note:

The collected hardware should preferably be resold for further use.

Requirement 6

The company shall only contract ISO 14001 or equivalent certified suppliers for buy-back and recycling.

2.4 Precautionary approach

Objective

We support a precautionary approach in our operations and throughout our value chain.



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Requirement 1

The company shall ensure that products, equipment, facilities etc. being procured or contracted do not contain substances on the Telia Company “Black List”.

Requirement 2

The company shall strive to avoid substances on the Telia Company “Grey List”.

Note:

If suppliers use such substances, the supplier shall evaluate when and how these can be replaced with substances that are not on the “Grey List”.

2.5 Legal compliance**Objective**

We, as a minimum, follow all relevant national laws and regulations in the countries where we operate.

Requirement 1

The company shall on a regular basis carry out legal reviews and follow up on gaps between current management practices and legal requirements to ensure that all applicable laws and regulations are met.

Requirement 2

The company shall on a regular basis ensure that it has up to date information on applicable laws and regulations, and knowledge on how these apply to the company.

2.6 Environmentally friendly technology, products and services**Objective**

We commit to developing, using and promoting environmentally friendly technology, products and services in our operations and throughout our value chain.

Requirement 1

The company shall purchase electricity from renewable sources for the total electricity consumption of the company.

Note:

It must be possible to verify the source of the electricity, through a contract or certificates of “Guarantee of Origin”.

Requirement 2

The company shall roll out renewable energy production (solar, wind, fuel cell technology etc.) capacity where feasible.



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Note:

Feasibility shall be evaluated from a return on investment and environmental impact perspective for all parts of the operations, e.g. base stations, office premises and core sites/data centers.

Requirement 3

The company shall utilize Telia Company internal best practice technology, planning and solutions.

Note:

This includes interior design, cooling solutions, and reuse of waste heat from datacenters. The company shall ensure that it has an updated picture on what is considered best practice, and shall proactively communicate with other internal stakeholders in knowledge sharing.

Requirement 4

The company shall keep travel to a minimum and favor environmentally friendly modes and practices of meetings and travel.

Note:

The company shall actively work towards replacing travel by air, car or other modes of travel that cause greenhouse gas emissions with:

- Remote meeting services such as skype and video-conferencing
- Other modes of travel that cause less emissions.

2.7 Research and knowledge sharing

Objective

We engage in research, knowledge sharing and public policy with relevant stakeholders on topics that promote environmental responsibility.

Requirement 1

The company shall engage with stakeholders in relevant channels (e.g. shops, website, social media) to increase their knowledge of how the company's products and services contribute positively to the customers' environmental impact.

Requirement 2

The company shall engage with stakeholders regarding opportunities in knowledge sharing, product development etc. that support environmental responsibility.

Requirement 3

The company shall where relevant engage with local universities, research centers etc. on the topic of ICT and environmental performance and impact.

Note:

Prioritized areas are energy efficiency, greenhouse gas emissions and electronic waste.



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Requirement 4

The company shall support public policy development related to ICT and environmental responsibility.

Requirement 5

The company shall participate in relevant industry organizations on topics related to ICT and environmental responsibility.

2.8 Reporting and communication**Objective**

We regularly measure, follow up and communicate our environmental performance in a transparent, reliable and timely manner.

Requirement 1

The company shall establish SMART (Specific, Measurable, Achievable, Relevant, Timely) targets within the EMS.

Note:

These targets shall be related to at least the key environmental impacts, and be aligned with the Group environmental targets

Requirement 2

The company shall ensure that environmental data and other information reported to the Annual and Sustainability Report is timely, accurate and can be externally assured.

Requirement 3

The company shall regularly report environmental performance to its employees, management and externally.

The above requirements apply to the extent that they do not place Telia Company in violation of domestic laws and regulations.

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.

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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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.

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.

TARGET GROUP

This Group Instruction is mainly relevant for the following target groups:

- Assigned persons responsible for the Environmental Management System (EMS)
- Ethics and Compliance Officers
- Supplier Sustainability Auditors

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 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.

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



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- c) Guidelines, best practices, process descriptions, templates or working routines developed within area of responsibility of Head of Group Function.

TERMS AND ABBREVIATIONS

Terms and abbreviations	Description
Continuous improvement	Using environmental management system to enhance company's environmental performance consistent with the environmental policy.
EMS	Environmental Management System - A structured management approach to managing key environmental impacts of the company's operations, including in its value chain. It consists of five key elements: <ul style="list-style-type: none"> • Environmental policy • Planning • Implementation and orientation • Checking and corrective action • Management review
Environmentally friendly technology	Technology that either: <ul style="list-style-type: none"> • Is less negative compared to another technology with regard to environmental impact (for example more energy efficient), or <ul style="list-style-type: none"> • Has an overall positive environmental impact (for example tele- or videoconferencing solutions, that enable remote meetings which replace physical travel).
GHG	Greenhouse gas emissions - Emissions that have an impact on the climate, and contribute to global warming. The most common activity that produces greenhouse gas emissions is combustion of fossil fuels (coal, diesel, etc.). The most common greenhouse gas emitted by human activities is carbon dioxide (CO ₂).
Renewable energy	Energy generated from natural, non-limited power sources - solar, wind or hydro. Also known as "green energy".
Precautionary approach	To take action on limiting environmental impact, despite a lack of complete understanding of the actual and potential impacts of a certain product



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	or service. For example, this involves taking action on climate change, or not using certain chemicals whose health effects are unknown or uncertain.
Structured management approach	A structured, process-based way of working, based on the "Plan-Do-Check-Act" approach. The purpose of a structured management approach is to achieve continuous improvement. Each process step shall be documented.

NOTE! For further information, also read the Group Policy – Environment, Instruction - Prohibited Substances, Instruction - Substances that are to be avoided and the Supplier Code of Conduct.

