TeliaSonera

CR Report 2007

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Scope of this report

This report consists of:

A narrative description of TeliaSonera's key risks and opportunities in corporate responsibility and the strategies and management systems in place to manage these. The scope of this section includes the TeliaSonera wholly-owned operations and the majority-owned Eurasian operations.

A formal consolidated Corporate Responsibility Report for 2007 according to the GRI standard (GRI appendix). This section, including all key indicators in the report, only refers to the wholly-owned operations, as the partially-owned companies are not yet integrated into our CR reporting flow. Over the coming years we will strive to extend our CR reporting system to include major holdings in partially-owned businesses.

A word from our CEO

I believe that the increased focus on sustainability in our world today poses significant business opportunities for TeliaSonera.

We provide services and products that help people and companies communicate in a simple, effective and environmentally friendly way. We create high value-added services with a low impact on the environment. Our communication networks drive growth, competitiveness and the transition to a knowledge-based society.

For the individual, access to global communication networks is a great enabler of improved chances in life. Through our presence in the fast-growing telecommunications markets in Eurasia, we are making a positive contribution to people's lives and livelihood in some of the least developed countries in the world.

We recognize that there are risks and challenges in operating in this region. But I am confident that our solid governance systems, based on the Fintur Code of Ethics and Conduct and our management expertise, ensures that we identify and manage these risks in a prudent way.

To succeed in our fiercely competitive and fast-changing industry, strive for excellence and improved performance has to be a constant. At TeliaSonera we aim at creating uniform management processes that support our overall business priorities.

As a part of this drive, our Corporate Responsibility policies and practices will be subject to review. We have to ensure that our CR work is integrated and aligned with TeliaSonera's overall business objectives.

Stockholm in September 2008

Lars Nyberg
President and CEO

Key issues

TeliaSonera's corporate responsibility strategy focuses on managing key risks and opportunities based on an assessment of materiality. Below, we outline the corporate responsibility issues that we believe to be most significant in relation to our business priorities.

TeliaSonera's business priorities – our five focus areas – are described in our Annual Report 2007:

- migrate fixed telephony customers to new services
- continued growth in Eurasia
- improved business-to-business sales approach
- become a world class service Company
- operational efficiency

During 2008 we have added a sixth focus area:
- high quality of our networks

Link to Letter from the CEO, Annual Report 2007

Key opportunities

Bridging the digital divide. Improved access to Information and Communication Technology (ICT) is widely seen as an important road to reducing the gap in living standards between rich and poor countries. Many countries in emerging markets are pioneering new mobile applications and services that are improving the lives of millions of people.

- **Opportunity for TeliaSonera:** In Eurasia, including Turkey and Russia, we are participating on fast-growing and very profitable markets.

- **Strategy:** To grow organically through Eurasia's strong economic growth and increased subscriber penetration as well as through acquisitions in new markets in the vicinity of the present operations in the region.

Read more in chapter on Role in society

Demand for sustainable communication services. The growing concerns about global sustain-able development are driving demand for technological solutions that contribute to sustainability.

- **Opportunity for TeliaSonera:** The growing demand for meetings via telephone, internet or videoconference that reduce the need to travel. Other services that contribute to sustainability include Internet-based technology to optimize traffic flows, electricity consumption and logistics.

- **Strategy:** Continued innovation within sustainability solutions. One example of our innovations is Tele-Presence, a virtual meeting tool which gives the participants the sense of being in the same room.

Read more in chapter on Our environmental performance

Key risks

Network failure. Quality and dependability of our networks is fundamental in our competitive industry.

- **Risk for TeliaSonera:** Network failure due to capacity constraints or extreme weather conditions caused by climate change.

- **Mitigation strategy:** Continued investments to upgrade networks. Supervision of networks 24 hours a day, 7 days a week. Backup power supplies. Systematic approach to disaster recovery. Following the unacceptable events in 2007 when two of our e-mail servers in Sweden went down, we have intensified these efforts, including strengthened backup routines for storage of e-mails.

Breach of customer integrity. Access to communication technology can help to promote freedom of expression and be a course of openness in otherwise closed societies. But technological advances also mean that people's personal data is processed and stored more frequently than ever before. These changes create significant privacy and data protection challenges.

- **Risk for TeliaSonera:** Our customers expect us to make our services as secure as possible. Not living up to these expectations would be detrimental to the trust of our customers.

- **Mitigation strategy:** We comply with data protection laws and take all reasonable care to prevent unauthorised access to personal data.

Read more in chapter on Customer trust

Inappropriate content and e-bullying. Our services enable customers to communicate quickly and access a wealth of information. We know that there are incidents of misuse of these opportunities. Examples include distribution of child pornography, e-bullying and sexual harassment. Children are particularly vulnerable.

- **Risk for TeliaSonera:** Misuse of our networks puts customers and other stakeholders at risk of being subject to abuse.

- **Mitigation strategy:** We provide tools for customers to protect themselves. We have supported the development of "The European Framework for Safer Mobile use by Younger Teenagers and Children". We collaborate with government authorities to block child pornography sites and have supported The World Childhood Foundation in developing software to detect downloads of child pornography.

Ethical challenges in emerging markets. TeliaSonera's international expansion involves challenges, both from a business risk perspective and from an ethical perspective. To a varying degree, the countries in the region that our Eurasian business area operates in have problems related to poverty and a less-developed institutional and legal framework.

- **Risks for TeliaSonera:** Being perceived as good corporate citizens by customers, regulators and other stakeholders is a necessity for success in our expansion strategy in Eurasia.

- **Mitigation strategy:** We believe that local knowledge is the key to successfully managing telecommunication operations in emerging markets. We have chosen to capitalize on the skills and experience of Fintur Holdings to manage our Eurasian

holdings. Fintur has a Code of Ethics and Conduct that sets out the ethical standards which guides the Fintur Group of companies. It also determines the responsibilities of Fintur Holdings' shareholder oversight and the business units in ensuring compliance with the Code.

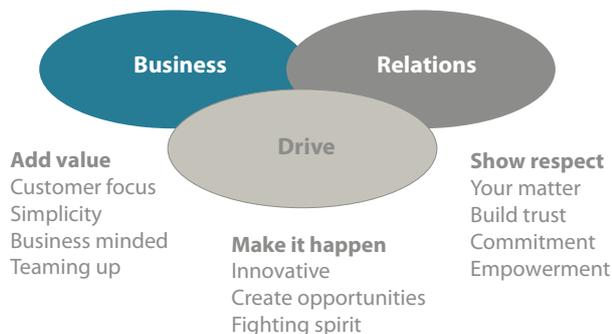Read more in chapter on Fair business

CR management framework

The basis for TeliaSonera's corporate responsibility work is our shared values, our Code of Ethics and our business vision – Simplicity makes everything possible. They complement each other to form the cornerstones of our corporate culture.

These standards apply to all wholly-owned operations. Our majority-owned businesses have locally defined policies. These policies are based on the same goals, values and standards as TeliaSonera's Group policies, but also take into account the particular issues and challenges in the local market.

Shared values

The purpose of our shared values – add value, show respect and make it happen – is to guide our employees in their everyday work and decision-making in our strategy to transform from a technology-oriented company to a company focused on customers and their needs.

Business **Relations**

Drive

Add value
Customer focus
Simplicity
Business minded
Teaming up

Make it happen
Innovative
Create opportunities
Fighting spirit

Show respect
Your matter
Build trust
Commitment
Empowerment

Vision 2010 – Simplicity makes everything possible

Our vision is that in 2010, TeliaSonera is a genuine service company. We serve individuals and families, companies and organizations. We make it possible for our customers to connect and communicate over distance - everywhere, any time. We enable them to use systems, networks and services to their advantage.

Code of Ethics

TeliaSonera's Code of Ethics provides guidance on how to live up to our shared values. It aims to achieve the following main objectives:

- to describe to our employees the responsibilities that come with employment in TeliaSonera
- to guide employees on how to resolve potentially difficult situations
- to set out procedures for blowing the whistle when coming across anything in our company that does not seem to comply with the code or other policies

Link to Code of Ethics

Corporate Responsibility Policy

The TeliaSonera Corporate Responsibility Policy is based on our shared values, Vision Statement and Code of Ethics. It outlines key CR priorities and linkages between CR and our business strategy. During 2008 this policy will be subject to review.

The CR Policy derives from the international standards that TeliaSonera supports; the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the core ILO conventions.
Link to CR Policy

Governance structure

Governance of corporate responsibility issues is integrated in the group-wide governance framework of TeliaSonera as described in the Governance Report included in the Annual Report 2007. This framework is built on the best-practice standards of the Swedish Code of Corporate Governance. This code applies to all companies listed at the Stockholm Stock Exchange.

In 2007 TeliaSonera was in compliance with all provisions of the Code.
Link to Governance report

The Board of Directors has adopted the Code of Ethics and the Corporate Responsibility Policy and is responsible of ensuring that these policies are implemented and adhered to.

TeliaSonera's transition to a business area organizational structure in 2007 has resulted in a stronger emphasis on the business units in management of CR-issues. We believe that this is the best way to ensure integration of CR-issues in all business activities.

Internal control
For all wholly-owned units TeliaSonera has a common system for standardized control and reporting. Each unit of operations has a controller function whose tasks include ensuring that sufficient internal controls exist and are performed.

Risk management
TeliaSonera has an established risk management framework in place to regularly identify, analyze, assess and report material business and financial risks – including corporate responsibility risks. The process includes monthly risk committee meetings.

There is also a crisis management strategy that describes the damage control process in place in the event of materialising of key risks. The strategy takes account of plans for a number of risk scenarios, including climate change related impact on network infrastructure.

CR team
TeliaSonera has a dedicated CR team responsible for providing support to the business areas in their work to implement the corporate responsibility policies and strategies. The team's responsibilities also include management of the web based reporting system used to compile the data included in the Corporate Responsibility Report.

Environmental training programme
In Sweden, we offer an environmental awareness e-learning tool on our intranet. During 2007, 334 employees participated in this training. Since its launch in 2005, a total of 3,103 employees have participated.

CR governance within Fintur Holdings

We believe that local knowledge is the key to successfully managing telecommunication operations in emerging markets. We have chosen to capitalize on the skills and experience of Fintur Holdings to manage our Eurasian holdings.

Our Eurasian subsidiaries have all taken a leading role in setting corporate responsibility standards in their local markets. This leadership has been acknowledged through a number of awards, including "The Best Employer", "The Most Socially Responsible Company" and "The Most Charitable Company".

Eurasia risk management and internal control framework
TeliaSonera has a systematic framework for managing the risks that are associated with operating in Eurasia. The framework consists of the following processes:

- **A pre-investment country risk assessment.** Before entering a new country we make an in-depth analysis of the local market and business conditions. We also conduct a study of the political and ethical risks associated with operating in that country. This research is conducted in co-operation with external expertise with first-hand knowledge about the local conditions. The process also includes discussions with supranational authorities such as the World Bank, European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC). This risk assessment includes a range of factors such as government structure, political regime, international relations, human rights, law enforcement standards and the existence of corruption.

- **Internal audits and controls.** All Fintur's business units are subject to regular audits and reviews by internal auditors. These audits include control of financial transactions and cash flows as well as compliance with corporate policies. If irregularities or control deficiencies are identified, immediate action is taken.

- **Manager rotation.** Fintur has a policy of systematic rotation of managers with the aim of ensuring transparency and independent oversight.

- **Whistle-blower function.** According to the TeliaSonera Code of Ethics, all employees are expected to report any observed violations of the Code and have the right to remain anonymous when doing so. The existence of this whistle-blower function is also subject to review in the internal audits.

Fintur has a Code of Ethics and Conduct that sets out the ethical standards which guides the Fintur Group.
Link to Fintur Code of Ethics and Conduct (external link)

The policy implementation and internal control procedures of Fintur Holdings are described in the document Guidelines for Fintur Holdings B.V. Management Practices and Policies.
Link to Guidelines for Fintur Holdings Management Practices and Policies (external link)

Governance of minority holdings
In TeliaSonera's Eurasian investments we have the ambition to gain control and thereby consolidate. However, when consolidation is not possible we can accept to hold a minority position, provided that we have real management influence over the operations and liquidity of the shareholding. TeliaSonera currently has minority owned operators in Russia and Turkey and has financial interests in an operator in Afghanistan.

Active ownership
In our minority holdings we will always work actively to influence the direction of the companies through board representation and active ownership, based on the values, policies and strategies of the TeliaSonera Group. This also includes corporate responsibility issues.

Fair business

At TeliaSonera, we have a long history of achieving success through honest and fair business practices.

In 2007, we launched a new Code of Ethics. The code commits all employees in wholly-owned companies as well as contractors, suppliers and service providers to:

- do the right thing
- be a good citizen
- win with ethics
- act with respect
- value integrity
- communicate clearly
- avoid conflict of interests and handle information with care
- handle assets with care
- blow the whistle
- improve continually

Link to Code of Ethics

Whistle-blowing procedure
According to our Code of Ethics all employees are expected to blow the whistle if they come across anything that does not seem to comply with the Code or other internal policies. The procedure is described in the Code.

Business integrity
The Code of Ethics prohibits all employees from accepting or giving illegitimate benefits or favours for decisions. Employees are also asked to refrain from doing anything that could compromise their ability to perform their role objectively and professionally.

Fair business within Eurasian operations
The Eurasian markets represent an excellent opportunity for growth, but there are also challenges and risks related to the region's characteristics: low-income levels and a less developed institutional and legal framework. Fintur has a Code of Ethics and Conduct which is in line with the TeliaSonera policies. In some parts the Fintur policies are more detailed in order to deal with the particular challenges of this region. For example, the Fintur Code has a detailed section on anti-corruption. The Code prohibits the giving or receiving of any form of bribe.

Fintur has created a solid internal control environment whereby the top managers are personally responsible for following key policies and procedures. To strengthen the control environment there is also a policy of manager rotation. Fintur and its subsidiaries issue monthly internal control reports in accordance with TeliaSonera instructions.

Customer trust

Earning the trust of our customers is vital to the long-term success of our business. This section covers a range of issues that we believe play an important part in maintaining customer trust.

Service quality

Our customers are becoming increasingly dependent on having constant access to electronic communication. Hence, network quality is of great importance. The number of services, devices and suppliers is increasing. This makes simplicity and convenience increasing priorities for our customers.

Simple and accessible solutions

The ambition to make TeliaSonera a world class service company is one of the top six focus areas identified by the leadership team. Efforts include improved customer support as well as bringing new solutions to the market that are simple and accessible. One example is Telia Smart, a home networking solution that makes it possible for broadband, TV, music and games to function efficiently together.

Upgrading networks

We undertake continued investments to upgrade network capacity. In order to prevent network failure, networks are supervised 24 hours a day, 7 days a week and there is staff on duty to act upon disturbances. By monitoring and reacting to the alarms from the networks, errors can be avoided or managed in a pro-active way in order to minimize the impact on the customer.

Our network nodes and transmission sites are equipped with backup power supplies according to regulatory and internal requirements. The transmission lines are duplicated between central network nodes.

Following the unacceptable events in 2007 when two of our e-mail servers in Sweden went down, we have intensified our efforts to secure network dependability, including strengthened backup routines for storage of e-mails.

Customer support

We are committed to provide the best service to our customers. A priority in 2008 is to shorten answering times for customer calls and strive to resolve the customer request during the first call. We are also taking measures to improve our web-based customer service.

While TeliaSonera has improved its customer satisfaction ratings, the industry has experienced a greater number of customer complaints over the past year. As an example, in Sweden, 30 percent of all corporate customers and 16 percent of consumers have logged complaints about their mobile operators. On average, the industry as a whole receives complaints from one in every four customers over a 12-month period.

Fair and honest marketing practices

TeliaSonera is committed to comply with all applicable marketing legislation.

Training and checklists

In order to ensure compliance, marketing staff is offered training on how to apply the rules and regulations that TeliaSonera has committed to. In Sweden, a major part of relevant employees has participated in this training. There are also plans to introduce training in Finland, Denmark and Lithuania.

We have manuals and checklists that guide our employees in the application of marketing rules including instructions on when to seek advice from the legal department on interpretation issues.

Clear pricing

We aim to make our prices clear so customers know what they will pay to use our services. We use several channels for communicating prices and price changes, such as our web sites, text messages, the invoice and e-mail.

Freedom of expression and privacy

Access to communication technology can help to promote freedom of expression and promote openness in otherwise closed societies. But technological advances also mean that people's personal data is processed and stored more frequently than ever before. These changes create significant privacy and data protection challenges.

TeliaSonera complies with data protection laws and takes all reasonable care to prevent unauthorised access to personal data.

TeliaSonera closely follows the multi-stakeholder engagement process to develop globally applicable principles on freedom and expression and privacy for the Information and Communication Technology (ICT) industry. The process includes leading human rights groups, academic institutions, Socially Responsible Investing (SRI) investors and ICT companies.

EU Data Retention Directive

The adoption of the EU Data Retention Directive (2006/2/EC) will be formally incorporated into national legislation by January 2009 and will require close attention to privacy issues. TeliaSonera's ambition is to minimize the consequences of the data retention regulation for its customers.

Protecting children

TeliaSonera has joined other leading European mobile operators and signed an agreement on how to protect young people using mobile phones. The guidelines cover access control mechanisms, customer awareness and education as well as measures to combat child pornography content. Signatories are committed to develop national self-regulatory codes within a year. This has resulted in a Swedish code based on the European framework.
Link to European agreement (external link)
Link to Swedish code (external link)

Access control

We provide technology and information to help our customers use the Internet safely. Parents can download

filters to protect children and young teenagers from sites with inappropriate content.

Sexual exploitation on the Internet

TeliaSonera in Norway, Denmark, Sweden and soon also in Finland have formed voluntary agreements with the respective national policy authorities. We block customers' access to sites which Police authorities have listed as child pornography.

Together with the World Childhood Foundation we have participated in founding a company called Netclean Technologies. This company develops software to detect if the PC user downloads child pornography pictures or if the computer hosts any pictures of this kind.

In our Swedish operations we have installed the Netclean software on all our PCs.
Link to www.netclean.com

Measures against e-bullying

We provide advice to parents and children on how to avoid bullying and harassment via mobiles and the internet.

Together with the World Childhood Foundation we have initiated a research project that aims at better understanding the psychological effects on children and youth when they are exposed to abuse via electronic media.

Tracking customer opinion

We are committed to understand what our customers think of us. One important tool is the European Performance Satisfaction Index, EPSI, which allows us to compare our performance across our own footprint as well as benchmark with competitors and other industries.

Customer satisfaction performance 2007

In 2007, TeliaSonera improved customer satisfaction scores across the board. Still, our customers have higher expectations to which we must respond.

TeliaSonera tends to get outstanding scores for product quality in comparison with local competitors. However,

the scores for service quality indicate that there is potential for improvement.

In Sweden:
- Telia ranked higher than its major competitors in all segments, which is unique. In general, market leaders in the Nordic countries tend to be scored lower

In Finland:
- Sonera showed the largest improvement and surpassed its closest competitor

In Denmark:
- Telia outpaced its largest rival

In Norway:
- Chess maintained its advantage
- Netcom ranked higher than the local incumbent

Overall:
- Omnitel in Lithuania achieved the highest customer satisfaction rating among mobile customers, closely followed by Chess in Norway
- the most significant improvement was seen among TeliaSonera's mobility customers in Finland and Denmark

Role in society

TeliaSonera, being a leading provider of telecom services, has a great impact on society. Our services add economic value by providing access to communication services that improve the standard of living and contribute to sustainable economic growth.

Engaging with authorities

All over the world, telecommunication is a regulated industry. The governments control operator licences, frequencies and other pre-requisites for operation. Therefore, engaging with governments and authorities is a regular part of our business.

Objectives of public policy engagement
The objective of TeliaSonera's engagement in public policy is to promote a regulatory environment that:

- is stable and foreseeable
- encourages investments and innovation
- promotes equal competition
- protects the privacy of our customers

Focus areas during 2007
During 2007, TeliaSonera focused its public policy engagements on the following areas:

- european Communications Review which will set the framework for all future communication in the EU
- roaming pricing
- interconnection between networks and Equal access to networks
- content related copyright issues

Skanova Access AB
In Sweden, TeliaSonera has a long history of operating fixed-line networks. To ensure the market's requirements for transparency and equal treatment to all users of the network, we have established a wholly-owned infrastructure subsidiary in Sweden, named Skanova Access AB, established on January 1, 2008.

The company provides network access on equal commercial terms to all operators in the market.

After the creation of Skanova Access AB, the Swedish Government presented a legislative proposal introducing functional separation of fixed networks as a regulatory tool. We believe that the measures TeliaSonera has taken will fulfil all the essential legal requirements regarding equal treatment and transparency.
Link to www.skanova.com

No political contributions
TeliaSonera has a policy of not making political donations and, in line with this policy, none were made in 2007.

Public policy engagement in Eurasia
In Eurasia, Fintur Holdings has participated actively in promoting modern and transparent telecommunication laws and regulation helping to level the playing field and create fair conditions for all market participants.

Fintur regularly engages with regulators in a fair and transparent manner, sharing experience and opinions. Meanwhile, we emphasize that political independence is key to maintaining our integrity.

Responsible network deployment

Our mobile services depend on a network of base stations. The practices of engaging with local communities in decisions on base station siting vary by country, in order to take account of the differences in local planning legislation.

- In Sweden, there is regulation requiring consultation processes with authorities and the public.
- In Finland, official hearings are conducted on a regular basis.

Co-location of base stations
By co-operating with other mobile operators to share sites, we can reduce the total number of required base-stations. This saves costs and reduces the environmental impact.

Within our wholly-owned operations, 43 percent of our sites are shared sites and 40 percent are sites placed

on existing structures, such as high buildings, electricity towers and highway lightning poles.

Expanding coverage

We continuously improve mobile coverage by building a large number of new cells each year. We are expanding coverage not only where people live, but also where they work, travel and spend their leisure time. At present our mobile coverage extends to approximately 97 to 99 percent of the population in our markets in Sweden, Finland, Norway, Denmark and Lithuania.

Coverage in less-populated areas

The service level and coverage of our networks are in compliance with the service provision obligations defined by local regulations and our frequency licences. This means that TeliaSonera sometimes takes on the responsibility to provide coverage in less-populated areas where it is not profitable to do so.

Expanding accessibility

Our networks provide opportunities for people to get access to communication and a whole new range of services. However, all regions and citizens do not have the same chance of gaining access to the new tools of communication. The so-called digital divide is growing in today's world.

The low penetration of telephony in emerging markets represents a growth opportunity as well as a chance for TeliaSonera to make a contribution to bridging the digital divide. Through our expansion in Eurasia we aim at capitalising on these opportunities.

Low-cost brands

TeliaSonera contributes to increasing accessibility by offering low-cost brands in all our markets both in Eurasia and in the mature markets in the Nordic/Baltic region. Our range of low-cost brands for mobility services includes the following brands:

Sweden –

Denmark –

Norway –

Finland –

Lithuania –

* debitel changed name to Call me January 1, 2008.

Services for disabled and elderly

At TeliaSonera we acknowledge the need for specifically-adapted services for disabled people. We have also responded to the trend of aging populations by developing services that facilitate for elderly and disabled to live at home and get access to public services.

Key performance indicators

Key performance indicators on capital investment in network infrastructure, total number of subscriptions etc. are included in the GRI Appendix and our Annual Report.

Link to GRI Appendix
Link to Annual Report 2007

Membership of industry organizations

TeliaSonera is an active participant of a number of trade associations and industry bodies. Our aim is to make a positive contribution to shaping the future of our industry.

ETNO – European Telecommunications Network Operators' organization

TeliaSonera is represented in the Board of Directors. The organization is the principal public policy group for European electronic communications network operators.

Link to www.etno.be

ETSI – European Telecommunications Standards Institute

We are involved in the development of standards in the

area of e-calls for vehicles and we follow ETSI's work in e-Health and emergency communications.
Link to www.etsi.com

ICC – International Chamber of Commerce
We participate in ICC's e-business, IT and Telecom groups, contributing to discussions on how our industry should respond to globalisation and changing societal expectations.
Link to www.iccsweden.se

ETIS – the Global IT
Association for Telecommunications
The association brings together the major telecommunications providers in Europe to discuss key information and communication technology issues. TeliaSonera chairs the Information Security Working Group which addresses issues such as terrorism, security standards, security across borders, spam and viruses. TeliaSonera also chairs the Anti-Spam Taskforce.
Link to www.etis.org

GSM Europe
GSM Europe is an industry association of approximately 150 European mobile operators. It seeks to ensure that the benefits of mobile services are understood, showing how it enhances the lives of citizens and brings social and economic value. TeliaSonera has chaired GSM Europe since 2004.
Link to www.gsmworld.com

CR initiatives

We partner with others to exchange ideas and advance our sustainability goals. We are also members of a number of organizations that look to influence public policy on corporate responsibility.

ITU – International Telecommunication Union
We are involved in the ITU's work in a number of CSR-related areas including emergency communication (detection, alerting and protection), protection from electromagnetic fields and environmental and safety issues.
Link to www.itu.int

CSR Sweden
CSR Sweden is a network for enterprises to promote and encourage corporate responsibility. The network

partners with the European Alliance for CSR, a joint initiative by the European Commission and the business community.
Link to www.csrsweden.se

Finnish Business and Society (FiBS)
Finnish Business and Society is the sister organization of CSR Sweden belonging to the same network of CSR associations in Europe. Its mission is to promote financially, socially and ecologically sustainable business in Finland.
Link to www.fibsry.fi

Social partnerships

TeliaSonera's strategy for social partnerships focuses on projects supporting vulnerable children and teenagers.

The World Childhood Foundation
TeliaSonera is a founding member of the World Childhood Foundation and work closely with the organization in many projects. One example is a research project which aims at improving our understanding of the psychological effects on children and youth of exposure to abuse via electronic media.
Link to www.childhood.org

ECPAT
In Sweden, we have partnered with this global network of organizations and individuals working together for the elimination of child prostitution, child pornography and grooming of children for sexual purposes.
Link to www.ecpat.net

Fryshuset
TeliaSonera supports the Fryshuset foundation that supports teenagers by offering a wide range of activities, such as leisure activities, schools and other efforts to support youth, specifically those living under difficult circumstances.
Link to www.fryshuset.se

Friends
We collaborate with Friends, Sweden's largest anti-bullying organization. We participate in projects to prevent bullying of children and teenagers via mobiles and the Internet.
Link to www.friends.se

Social projects in Eurasia

In the Eurasian region there is a strong tradition of companies engaging in social projects. TeliaSonera's subsidiaries have all demonstrated leadership in this area, especially in the area of supporting children and youth. Examples include:

Moldcell (Moldova): Pre-school education
Moldcell is an active participant of the National Program "Education for All" supported by the World Bank and Ministry of Education. The program aims at creating opportunities for children from socially vulnerable families in rural areas to enroll in pre-school education.

Azercell (Azerbaijan): Helping homeless children
Azercell supports the "Ümit Yeri" ("Place of Hope") project to help homeless and parentless children recover and find their path back to normal life. For the 10 years of the project's existence, over 1,000 children have received help. In addition to financial support, Azercell's employees volunteer in visiting children's homes.

K'cell (Kazakhstan):
Scholarships to students from low-income homes.
K'cell runs an internship and training programme for young graduates and supports a number of educational initiatives. The company also sponsors a project that provides scholarships to Eurasian National University for students from low-income families.
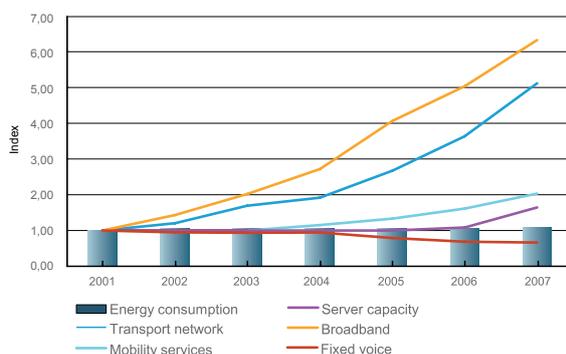
Our environmental performance

TeliaSonera impacts the environment primarily through the usage of materials and energy, transports and travel. Our focus is to continuously use the resources more efficiently.

The precautionary principle is the basis of our way to handle environmental matters. In brief, this approach means that if we have any reason to believe that our operations might harm peoples' health or the environment we seek alternatives that are less harmful.

Our achievements

Cutting CO_2 emissions is TeliaSonera's number one environmental priority. During 2007 we made the following achievements:

- Our total CO_2 emissions decreased by 12 percent compared to 2006. CO_2 emissions from our energy consumption decreased by 28 percent.
- In Sweden and Finland, our total CO_2 emissions decreased by 37 percent from 2006 to 2007.
- Within TeliaSonera Sweden, internal use of tele-meetings increased by 16 percent in 2007. Since 2001, we have replaced more than 40 percent of all our physical travel in Sweden with virtual meetings.
- In 2007, CO_2 emissions per subscription within wholly-owned companies decreased by 13 percent
- In Sweden, our energy consumption increased by 9 percent over the years 2001 to 2007. During this period the capacity of our broadband networks increased by a factor of 6. This implies an improvement in energy efficiency by 34 percent (see graph below).

Energy consumption in the Swedish operations compared to the traffic in networks

Legend: Energy consumption, Transport network, Mobility services, Server capacity, Broadband, Fixed voice

Telecom services as a driver to fight climate change

By providing new techniques for communication we help our customers reduce their climate impact. Services for telephone, Internet or video meetings can substantially cut the need for our customers to travel, while other services can be used to optimise traffic flows, electricity consumption and plan logistics.

Case study: Comparing CO_2 emissions from travelling with phone call:

- a car trip between Gothenburg and Stockholm emits the same amount of carbon-dioxide as talking on a fixed line telephone for 16 years
- the amount of carbon-dioxide emitted by a plane trip between Malmö and Stockholm equals that of talking on the fixed line for 30 years and on a mobile phone for 15 years

Tools for optimised energy usage
TeliaSonera provides products and services that can be used to save energy. One example is using our networks for remote control of heating facilities. Within the road freight industry, Telia Telematik can be used for remote monitoring of fuel consumption and managing logistics to optimize efficiency – contributing to a reduction in CO_2 emissions.

Substitution of physical products
We provide telecom solutions that substitute physical products, for example answering machines. Our net-based switchboard solution Telia Centrex cuts environmental impact by 50 percent.

Strategy to reduce CO_2 emissions

During 2007, we have taken significant steps in a transition to eco-labelled green electricity. In Sweden, all supplies of electricity were eco-labelled during 2007. In Finland, a contract was signed in 2007 for green certified electricity supplies during 2008. In Norway and Lithuania, the electricity consumed in 2007 was practically carbon-neutral.

Reduced travel
Within TeliaSonera we strive to be pioneers in using

tele-meetings to replace physical meetings, reducing the need to travel. This ambition is implemented through our Group-wide Travel policy. During 2007 we increased our use of tele-meetings by 16 percent. Our CO_2 emissions from travel fell by 13.5 percent.*

Fuel cell energy for base stations
TeliaSonera used fuel cell energy as backup power at

four base stations in 2007 and there will be another two systems installed at sites in 2008. The purpose is to investigate the opportunity to use fuel cell energy as backup power on a broader scale in the future.

Wireless communication and health

TeliaSonera recognises that there are concerns among parts of the general public about the health effects of electromagnetic fields (EMF) from mobile phones and the base stations that connect them. Though there is currently no conclusive scientific evidence on negative health effects, we take these concerns seriously.

In our Corporate Policy on electromagnetic fields we make the following commitments:

• to closely monitor EMF related scientific research
• to promote the distribution of scientific information
• to require that EMF exposure levels from mobile phones and base stations provided to TeliaSonera by its suppliers are in accordance with the limits set by national authorities and our internal guidelines

In Sweden and Finland, all handsets sold in TeliaSonera stores comply with the ICNIRP (International Commission on Non-ionizing Radiation Protection) guidelines for EMF as well as the national authorities' safety limits.

TeliaSonera has a dedicated team that is responsible for coordinating Group measures and activities within the topic of EMF.
Link to Corporate Policy on electromagnetic fields

Recycling of Waste

By applying a Life Cycle Approach (LCA) to our operations we aim at reducing the environmental impact along the entire life cycle of our products and services. In the wholly-owned companies, approximately 95 percent of all waste is recycled.

The major source of waste is derived from the dismantling of networks when replaced by new improved technologies. The waste handling of poles from our fixed networks is pursued in compliance with local regulations. In Sweden and Finland the poles are regarded hazardous waste. In Sweden, all dismantled poles are recovered by the supplier.

TeliaSonera is responsible for the collection and recycling of electronic goods in accordance with the EU - Waste Electrical and Electronic Equipment (EU WEEE) Directive of Producer Responsibility.

Environmental management system

In Sweden, TeliaSonera has had certified management systems since 1992. An integrated management system in accordance with ISO 14001 and ISO 9001 was implemented in 2001. The system ensures a systematic approach to handling environmental and quality issues relevant to our operations.

Ambitions for 2008

In 2008, we intend to take the following steps to enhance our environmental performance:

Fuel cells for backup energy
TeliaSonera is investigating the possibility of using fuel cell energy as backup for base stations, by running four test sites in Sweden. Our experience so far is that the technology still needs to be developed to match the particular needs of a base station. Our ambition is to have an adapted solution for fuel cells in place as backup energy in 2009.

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*This figure is calculated based on measured CO_2 emissions from ravel 2006 and 2007. However, due to changes in calculation routines these figures are not entirely comparable.

Increased energy efficiency

TeliaSonera will continue to focus on decreased CO2 emissions by using more renewable energy and fuels, buying eco-labelled green electricity and increasing the number of virtual meetings and remote controlled activities. We strive for optimised energy usage of our networks and our buildings' facilities for heating, cooling and power usage.

Key Performance Indicators

GRI environmental indicators are included in the GRI Appendix.
Link to GRI Appendix

Employee commitment and performance

The TeliaSonera Group employs approximately 20,000 people within our wholly-owned operations. Our employees are crucially important to our success.

We operate in one of the world's most rapidly changing and demanding industries. The telecom industry is facing a challenge related to the demands for a shift in the competence of our workforce resulting from the shift from fixed to IP and mobile communication.

Customer needs, technology, regulations and competition are changing. It is more important than ever to have the right people in place, capable of facing present and future challenges.

Meeting the competence shift challenge

New business logics are pushing TeliaSonera to become even more commercial and customer oriented. Employees must to an increasing extent possess a combination of competences. Our management practices must aim at a higher degree of excellence.

During 2007, we launched a range of Group-wide leadership training programs with the aim of meeting the demand for employees capable of taking responsibility for driving this change:

- The Business Acumen Certificate, launched in 2007, aims to improve the general understanding of what drives the telecom business. This is necessary as we have a legacy of being a company focused on technology and products. In 2007, 120 employees were certified and will, together with another 150 to be certified in 2008, assume a role as agents of change. The program is run by the Stockholm School of Economics.
- The IT/IP program targets a number of key employees and is aiming at creating 200 "IT/IP Ambassadors". Following their participation, 50 members who took the course in 2007 will train their own managers through a reversed mentorship. The program is run together with Sweden's Royal Institute of Technology.
- TeliaSonera Business School for middle managers and a few key specialists has been conducted with about 30 participants.
- The Top Talent program generates a pool of top talents coming from a cross-section of our operations and who are expected to become future top leaders. 25 individuals are taking part in 2007/2008.
- TeliaSonera International Trainee Program aims to attract external young talents that can form a future base for future top leaders and key specialists. The program started in February 2008 with 34 participants from our Nordic, Baltic and Eurasian operations.

**Supporting young professionals
in Eurasia and the Baltics**

TeliaSonera has taken on the important task of raising young professionals for the telecom industry in the Eurasian countries through supporting educational initiatives and running internships and training programs for young graduates. In Kazakhstan, K'cell is engaged in a project supporting students from low-income families who want to major in engineering and natural sciences.

TeliaSonera Institute

In January 2004 TeliaSonera endowed the TeliaSonera Professorship at the Stockholm School of Economics in Riga (SSE Riga). At the same time the TeliaSonera Institute at the Stockholm School of Economics in Riga (TSI) was founded. The Institute is a think tank aimed at promoting and conducting high quality policy-oriented research in the fields of entrepreneurship, telecom and information technology as well as promoting entrepreneurship

Governance of HR issues

Our Human Resources governance framework is designed to ensure that HR activities support the overall business goals of TeliaSonera. The most senior position within Human Resources – Group Vice President

Human Resources – is part of the TeliaSonera leadership team. This ensures that matters related to HR Policy, employees and working environment, as well as management practices, are an integrated part of the TeliaSonera management agenda.

Each business area and the largest business units have their own HR Business Partner who has a strategic role in the operations of the Business Area in question. This structure enables integration of employee issues into business planning and execution.

People Framework
TeliaSonera People Framework includes processes, policies, guidelines and standards within human resources management. It defines how we allocate responsibilities and how we use information technology to support our management processes.

This framework is continuously being revised to ensure constant improvement. The aim is to attain high performing people and a strong employer brand.

Diversity

All employees of TeliaSonera have equal opportunities regarding employment and advancement without discrimination based on age, colour, ethnic background, religion or belief, gender, sexual orientation or disability.

Equal opportunity
Our objective is to create an organization where men and women are treated equally and have equal opportunities. The TeliaSonera Gender Equality is updated yearly in co-operation with employee representatives. Focus areas in the plan are working conditions, salaries, prevention of discrimination on the basis of gender, prevention of sexual harassment and efforts to balance of family and work life. Development is followed-up by monitoring development and results of completed activities in different areas.

Highest share of women in Eurasia
Since 2002, the share of women in our workforce has increased to 45 from 42 percent. The share of women in the workforce is highest in Moldova (55 percent), Azerbaijan (54 percent) and Tajikistan and Georgia (both 51 percent).

Share of women in managerial positions
Within our wholly-owned operations the share of female managers in 2007 was 23 percent, an increase from 19 percent in 2002. In Sweden, the target share of female managers is 40 percent. This target was achieved during 2007.
Link to GRI Appendix

Redundancy

TeliaSonera has applied a model in Sweden and Finland for re-deployment of employees in order to avoid dismissals in case of redundancy. Employees whose duties are terminated are transferred to a special unit, TSO in Sweden and Competence Pool in Finland. The purpose is to assist the employees in finding a new position internally or externally. At the same time the employees are available to assist different TeliaSonera units temporarily. The employees are offered various support services like individual coaching, career planning and training.

For the 175 persons left in TSO at the end of 2007 the average stay time was almost a year (11,8 months). For those who found new positions externally or internally the average stay time was less than 7 months. The corresponding figure for the Competence Pool in Finland was 3 months.

Occupational Health and Safety

During 2007 the general approach has been to focus on health-promoting actions. The overriding aim has been to support, prevent and react on conditions and situations related to ill-health.

Tools connected to this work are agreements with occupational health service suppliers and review of work practices. In addition, we continue to educate, train and support managers in order to reduce sickness-related absenteeism. TeliaSonera offers a wide range of health promotion activities (including benefits) which are presented on the intranet.

Read more about TeliaSonera's performance in employee health and safety in the GRI Appendix.
Link to GRI Appendix

Employee survey

We regularly measure levels of employee engagement through our Group-wide employee survey. During 2007, we conducted two surveys, one during the second quarter and one during the fourth quarter.

Acceptable levels – but room for improvement
Our scores for employee commitment have remained rather stable during the past four years. In the last employee survey the overall score for the wholly owned companies within the TeliaSonera Group was 61. This means that 61 percent of TeliaSonera employees feel committed, which is an acceptable level when bench-marked with the European telecom sector. However, our ambition is to improve this score to at least 67 percent.

**Development of Employee
Commitment Score TS Group Total**

- Employee Commitment Score
- Empowered People
- Service Focused Performance
- Visionary Leadership
- Organisation and Operational Model

The survey also showed that 70 percent of the employees in TeliaSonera perceive that they have the possibility to influence their working conditions in an environment where creativity and individual initiative are encouraged.

Challenges within organizational efficiency
As regards organizational efficiency and workgroup co-operation and relations, there are some challenges. More than 75 percent of the employees say they are aware of the expectations of their workgroup deliver-ables and constantly strive for simplicity

Read more about the employee survey results in the GRI Appendix.
Link to GRI Appendix

Improvements in employer brand

During 2007, strengthening TeliaSonera's brand as an employer has been a key priority. We have created a common employer branding platform, used as the basis for developing tools and offerings for new and existing employees.

During 2007, we have seen a positive change in TeliaSonera's employer brand ranking among Young Professionals in the field Business and Engineering, in Sweden, Denmark and Finland.

Engaging with our stakeholders

Engaging with our stakeholders is a vital part of our corporate responsibility strategy. We engage with our stakeholders in many ways. These dialogues help us to improve our understanding of our stakeholders' views and expectations. The insights gained support the development of our corporate responsibility strategy.

During 2007, TeliaSonera developed a new extended framework for stakeholder dialogue.

TeliaSonera's most important stakeholders are:

- customers
- employees
- partners
- suppliers
- investors
- local communities

Engaging with our suppliers

It is important to TeliaSonera that our suppliers have high standards regarding corporate responsibility. In Sweden, we have been screening our suppliers based on environmental performance for more than ten years.

During 2007, we have developed Group-wide supply chain standards regarding environmental, social and ethical issues, including human rights. The basis of the requirements is our CR policy and our Code of Ethics. The standards are also a result of demands from our customers. The first version of the new requirements was implemented in the Group Sourcing unit in the spring of 2008.

The standards are used both as a tool for selecting suppliers and as a basis for active engagement with suppliers to promote good corporate responsibility management practices. We expect our suppliers to demonstrate continuous improvement.

Our supplier assessment process includes self-assessment through questionnaires as well as reviews and audits made by TeliaSonera or a third party.

Examples of stakeholder dialogue in 2007

Disclosure of Fintur's risk management practices
During 2007, we have had a dialogue with a number of SRI investors regarding TeliaSonera's disclosure of the corporate responsibility risk management practices within Fintur operations. In these discussions, measures in place to ensure compliance with TeliaSonera's anti-corruption policy were subject to particular attention.

In response to these concerns, we have provided information about the solid management systems, reporting routines and management rotation schemes in place to effectively prevent any involvement in corruption.

Carbon Disclosure Project
TeliaSonera participated in the Carbon Disclosure Project, which aims to facilitate dialogue between shareholders and corporations regarding the implications for shareholder value and commercial operations presented by climate change.
Link to www.cdproject.net

GRI Appendix

Strategy and analysis

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
1.1	Statement from the most senior decision maker of the organisation about the relevance of sustainability to the organisation and its strategy	Yes	Corporate Responsibility Report 2007: A word from our CEO	
1.2	Description of key impacts, risks and opportunities	Yes	Corporate Responsibility Report 2007: Key issues	

Profile

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
2.1	Name of reporting organisation	Yes	Annual Report 2007: Contents, page 2	
2.2	**Primary brands, products and/or services**	Yes	Annual Report 2007: • Market and Customers, page 9-14	
2.3	Operational structure of the organisation including main divisions, operating companies, subsidiaries and joint ventures	Yes	Annual Report 2007: • A Review of Our Operations, page 15-23	
2.4	Location of organisation's headquarters	Yes	Annual Report 2007: • Contents, page 2	
2.5	Number of countries where organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in this report	Yes	Annual Report 2007: • Market and Brands, page 14	
2.6	Nature of ownership and legal form	Yes	Annual Report 2007: • The TeliaSonera Share, page 6-7	
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	Yes	Annual Report 2007: • Market and Customers, page 9-14 • Report of the Directors, page 28-34	

2.8	Scale of reporting organisation including: • Number of employees • Net sales • Total capitalisation • Quantity of products and services provided	Yes	Annual Report 2007: • Consolidated Income Statement, page 6-7 • Note 32 Human Resources, page 83	
2.9	Significant changes during the reporting period regarding size, structure or ownership, including • Location of, or changes in operations, including facility operations, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations	Yes	Annual Report 2007: • Report of the Directors, page 28-34	
2.10	Awards received during the reporting period	No		

Report Parameters

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
3.1	Reporting period for information provided	Yes	Calendar year 2007	
3.2	**Date of most recent previous report**	Yes	CSR Report 2006, published in summer 2007	
3.3	Reporting cycle	Yes	Annual	
3.4	Contact point for questions regarding the report or its contents	Yes	Cecilia.edstrom@telia-sonera.com	

Report scope and boundary

3.5	Process for defining report content, including: • Determining materiality • Prioritising topics within the report • Identifying stakeholders the organisation expects to use the reports	Yes	Corporate Responsibility Report 2007: • Key issues • CR management framework • Engaging with our stakeholders	
3.6	**Boundary of the report**	Yes	Corporate Responsibility Report 2007: • Scope of this report	
3.7	Specific limitations on the scope or boundary of the report	Yes	Corporate Responsibility Report 2007: • Scope of this report	

3.8	Basis for reporting joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations	Yes	Annual Report 2007:	
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	Yes	Corporate Responsibility Report 2007: • Scope of this report • CR management framework	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	Yes	None	
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	Yes	Corporate Responsibility Report 2007: • Scope of this report • Our environmental performance	Data on CO2-emissions from travel 2006 and 2007 are not entirely comparable due to changes in calculation routines

GRI content index

| 3.12 | Table identifying the location of the Standard disclosures in the report | Yes | GRI appendix | |

Assurance

| 3.13 | Policy and current practice with regard to seeking external assurance for the report | Yes | | No external assurance of CR Report 2007 |

Governance, Commitments

and Engagements Governance

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks such as setting strategy or organisational oversight		Annual Report 2007: • Corporate Governance Report, page 121	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer		Annual Report 2007: • Corporate Governance Report, page 121	The Chair of the highest governance body is not an executive officer

4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non executive members	Yes	Annual Report 2007: • Corporate Governance Report, page 121	
4.4	Mechanisms for stakeholders and employees to provide recommendations or direction to the highest governing body	Yes	Corporate Responsibility Report 2007: • Engaging with our stakeholders	
4.5	Linkage between compensation for member of the highest governance body, senior managers and executives and the organisation's performance (including social & environmental performance)	Yes	Annual Report 2007: • Note 32 Human Resources, page 83-86	The Board of Director receives a fixed compensation. The remuneration package to the CEO, the Executive Vice President and the other members of the Leadership Team includes a variable component linked to financial performance of the group, financial performance in each officer's area of responsibility and individual performance objectives. These individual objectives include qualitative as well as quantitative criteria
4.6	Processes in place for the highest governing body to ensure conflicts of interest are avoided	Yes	Corporate Responsibility Report 2007: • CR management framework • Fair business	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental and social topics	Yes	Annual Report 2007: • Corporate Governance Report, page 121	
4.8	Internally developed statements of missions or values, codes of conduct, and principles relevant to economic, environmental and social performance, and the status of their implementation	Yes	Corporate Responsibility Report 2007: • CR management framework • Fair business	
4.9	Procedures of the highest governance body for overseeing the organisation'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	Yes	Annual Report 2007: • Corporate Governance Report, page 121 Corporate Responsibility Report 2007: • Key issues • CR management framework	

| 4,10 | Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance | Yes | Annual Report 2007:
• Corporate Governance Report, page 121 | The Board of Directors applied a systematic and structured evaluation of its internal work, also with the assistance of external consultants. The result of this evaluation was reported to the Nomination Committee, which according to Swedish practices includes shareholder representatives |

Commitments to external initiatives

4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Yes	Corporate Responsibility Report 2007: • Key issues • Our environmental performance	
4.12	Externally developed economic, environmental, and social charters, principles of other initiatives to which the organisation subscribes or endorses	Yes	Corporate Responsibility Report 2007: • CR management framework	
4.13	Memberships in associations and/or national/international advocacy organisations	Yes	Corporate Responsibility Report 2007: • Role in society	

Stakeholder engagement

4.14	List of stakeholder groups engaged by the organisation	Yes	Corporate Responsibility Report 2007: • Engaging with our stakeholders	
4.15	Basis for identification and selection of stakeholders with whom to engage	Yes	Corporate Responsibility Report 2007: • Engaging with our stakeholders	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and stakeholder group	Yes	Corporate Responsibility Report 2007: • Employee commitment and performance • Engaging with our stakeholders	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Yes	Corporate Responsibility Report 2007: • Employee commitment and performance • Engaging with our stakeholders	

Performance: Economic

Disclosure of Management approach

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
	Concise disclosure on the Management approach for items outlined below with reference to the following economic aspects; economic performance, market presence and indirect economic impacts	Yes	Annual Report 2007: • Letter from the CEO, page 5 • Corporate Strategy, page 8 Corporate Responsibility Report 2007: • Role in society	

Economic Performance indicators

Aspect: Economic Performance

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
EC1	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	Yes	Annual Report 2007: • Consolidated Financial Statements, including Notes, page 39-91	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Yes	Corporate Responsibility Report 2007: • Key issues • Our environmental performance	
EC3	Coverage of the organisation's defined benefit plan obligations	Yes	Annual Report 2007: • Notes to Consolidated Financial Statements, note 23, page 68-70	
EC4	Significant financial assistance received from government	Yes		TeliaSonera did not receive significant financial assistance from the government in 2007

Aspect: Market presence

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
EC6	Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation	No	Not measured	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant importance	No	Not measured	

Aspect: Indirect economic impacts

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagements	Yes	Corporate Responsibility Report 2007: • Role in society	

Performance: Environmental

Disclosure on Management approach

	Indicator	Inclusion	Location	Additional information
	Concise disclosure on the management approach items outlined below with reference to the following environmental aspects: materials, energy, water, biodiversity, emissions, effluents and waste, products and services, compliance, transport and overall	Yes	Corporate Responsibility Report 2007: • A word from our CEO • Our environmental performance	

Environmental Performance indicators

Aspect: Materials

		Inclusion	Location	Additional
EN1	Materials used by weight or volume	No	Not material	
EN2	Percentage of materials used that are recycled input materials	No	Not material	

Aspect: Energy

		Inclusion	Location	2007	2006
EN3	Direct energy consumption by primary energy source	Yes	Direct energy consumption by primary source, TJ Fuel Oil Diesel and Gasoline Natural Gas	42,3 29,3 2,3 10,8	33,1 33 0 0,1
EN4	Indirect energy consumption by primary source	Yes	Indirect energy consumption by primary source, TJ Coal Oil Nuclear Energy Renewable Energy District Heating	3108 360,9 43 259,5 2178,8 265,8	2979 1002 2 250 1465 260
EN5	Energy saved due to conservation and efficiency improvements	Partly	• Diesel and Gasoline		
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	Yes	• Natural Gas		
EN7	Initiatives to reduce indirect energy consumption and reductions achieved		Corporate Responsibility Report 2007: • Our environmental performance		

Aspect: Water

		Inclusion	Location	Additional
EN8	Total water withdrawal by source	No	Not material	
EN9	Total water withdrawal by source	No	Not material	
EN10	Percentage and total water volume of water recycled and reused	No	Not material	

Aspect: Biodiversity

EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity outside protected areas	No	Not material	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	No	Not material	
EN13	Habitats protected or restored	No	Not material	
EN14	Strategies, current actions and future plans for managing impacts on biodiversity	No	Not material	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	No	Not material	

Aspect: Emissions, effluents and waste

				2007	2006
EN16	Total direct and indirect greenhouse gas emissions by weight	Yes	Total direct and indirect greenhouse gas emissions by weight, tonnes of CO_2 Direct CO_2 emissions Indirect CO_2 emissions	137270,5 3448,8 73670,7	155905 3166 104506
EN17	Other relevant indirect greenhouse gas emissions by weight	Yes	Other relevant indirect GHG emission (CO_2 tonnes) Business travel Driving for maintenance and transportations Transports of products and materials	50631 21776 28855 9519	45540 25161 20379 2693
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Yes	GRI data summary Corporate Responsibility Report 2007: • Our environmental performance		
EN19	Emissions of ozone-depleting substances by weight	No	Not measured		
EN20	NOx, SOx, and other significant air emissions by type and weight	No	Not material		
EN21	Total water discharged by quality and destination	No	Not material		
EN22	Total weight of waste by type and disposal method	No	No access to reliable data		
EN23	Total number and volume of significant spills	No	Not material		

Aspect: Products and services

	Indicator	Inclusion	Position	Additional
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Yes	Corporate Responsibility Report 2007: • Role in society • Our environmental performance	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Partly	Corporate Responsibility Report 2007: • Our environmental performance	

Aspect: Compliance

	Indicator	Inclusion	Position	Additional
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Yes	See right	During 2007 TeliaSonera experienced no fines or non-monetary sanctions for non compliance with environmental laws and regulations

Aspect: Transport

	Indicator	Inclusion	Position	Additional
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	Yes	See EN17	

Performance: Labour Practices and Decent work

Disclosure on Management approach

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
	Concise disclosure on the management approach items outlined below with reference to the following labour aspects; employment, labour/management relations, occupational health and safety, training and education and diversity and equal opportunity	Yes	Corporate Responsibility Report 2007: • Employee commitment and performance	

Labour Practices and Decent Work Performance Indicators

Aspect: Employment

					2007	**2006**
LA1	Total workforce by employment type, employment contract and region (Note: The numbers refer to the wholly-owned companies only. Due to organisation structural changes employees by business unit is not available for 2006.)	Yes	Total number of employees, average full time		21875	21899
			Employees by country: Sweden		10002	10427
			Finland		5697	5936
			Denmark		1559	1310
			Norway		945	888
			Lithuania		3672	3328
			Employees by business unit, at the year end		20341	NA
			Mobility Services		5740	NA
			Broadband Services		9659	NA
			Integrated Enterprise Services		3449	NA
			Other operations		1493	NA
			Permanent contracts		19139	NA
LA2	Total number and rate of employee turnover by age group, gender and region	Yes	Employees by gender, at the year end: Male		11347	12105
			Female		8994	9784
			Employees by age, at the year end: below 30		4397	4962
			30-50		10607	11313
			over 50		5337	5624
			Number of lost-time accidents		74	
			Sick-leave rate		8,6	
			Gross turnover percentage in the company is 16 percent. The rather high turnover rate is due to the structural change that is going on in the Group. For men and women the turnover rate mirrors the total gender distribution. Corporate Responsibility Report 2007: • Employee commitment and performance			

Aspect: Labour/Management relations

LA4	Percentage of employees covered by collective bargaining agreements	Yes 34	See right	Approximately 80 per cent of the employees are covered by collective agreements. In the biggest operating markets Finland and Sweden all except top management are covered. In other operating countries the situation varies from 0 per cent (Omnitel, Lithuania) to 100 percent (Chess, Norway), depending on the local legislation and practice
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	Yes	See right	Laws and collective agreements regulate the notice periods and they are followed in all countries. Notice times before starting the negotiations vary depending on the subject, country and agreement from 5 days to 14 days at the shortest up to 3 months. In Lithuania no collective agreement is applied so far

Aspect: Occupational health and safety

LA7	Rates of injury, occupational diseases, lost days, absenteeism, and number of work related fatalities by region	Yes	Corporate Responsibility Report 2007: • Employee commitment and performance Number of lost –time accidents 74 ; No fatalities	
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	No		

Aspect: Training and education

				2007	2006
LA10	Average hours of training per year per employee by employee category	Partly	Number of employees participating in: Professional training Management training Management training % of managers	12556 1311 63,2	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing their careers	Yes	Corporate Responsibility Report 2007: • Employee commitment and performance		
LA12	Percentage of employees receiving regular performance and career development reviews	Yes	47 %		

Aspect: Diversity and equal opportunity

				Male	**Female**
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity	Yes	Governance body Board of directors Leadership team (top management) Management board of business areas	6 8 26	4 1 4
				30-50	**over 50**
			Governance body Board of directors Leadership team (top management) Management board of business areas	3 5 20	7 4 10
LA14	Ratio of basic salary of men to women by employee category	No			

Performance: Human rights

Disclosure on Management approach

	Indicator	**Inclusion**	**Position in the report/ reason for not reporting**	**Additional information**
	Concise disclosure on the management approach to the items outlined below with reference to the following human rights aspects: investment and procurement practices, non-discrimination, freedom of association and collective bargaining, abolition of child labor, complaints and grievance practices, security practices and indigenous rights	Yes	Corporate Responsibility Report 2007: • Key issues • CR management framework • Fair business • Customer trust	

Human rights indicators

Aspect: Investment and procurement activities

HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	Yes	Corporate Responsibility Report 2007: • Key issues • CR management framework • Fair business	All acquisitions – wholly or partially owned – are subject to pre-investment screening on a number of risk factors Joint ventures are not subject to explicit human rights screening
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Yes	Corporate Responsibility Report 2007: • Engaging with our stakeholders	

Aspect: Non-discrimination

HR4	Total number of incidents of discrimination and actions taken	No	No statistics available	

Aspect: Freedom of Association and Collective bargaining

HR5	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	No	See right	These risks only apply to Eurasian operations and this GRI appendix only covers wholly-owned operations. The Corporate Responsibility Report 2007 contains a description of management of CR-issues within Eurasian operations

Aspect: Child Labour

HR6	Operations identified as having a significant risk for incidents of child labour, and measures taken to contribute to the elimination of forced or compulsory labour	No	Not material See right	TeliaSonera operates in an industry where incidents of child labour is not a material risk

Aspect: Forced and compulsory labour

HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour	No	Not material See right	TeliaSonera operates in an industry where incidents of forced of compulsory labour is not a material risk

Performance: Society

Disclosure on Management approach

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
	Concise disclosure on the management approach items outlined below with reference to the following society aspects; community, corruption, public policy, anti-competitive behaviour and compliance	Yes	Corporate Responsibility Report 2007: • Key issues	

Aspect: Community

	Indicator	Inclusion	Position	Additional information
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	Yes	Corporate Responsibility Report 2007: • CR management framework • Role in society	

Aspect: Corruption

	Indicator	Inclusion	Position	Additional information
SO2	Percentage and total number of business units analysed for risks related to corruption	No	See right	These risks mainly apply to Eurasian operations and this GRI appendix only covers wholly-owned operations. The Corporate Responsibility Report 2007 contains a description of management of CR-issues, including corruption risk, within Eurasian operations
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	No	Statistics not available	
SO4	Actions taken in response to incidents of corruption	Yes	Corporate Responsibility Report 2007: • CR management framework • Fair business	

Aspect: Public policy

	Indicator	Inclusion	Position	Additional information
SO5	Public policy positions and participation in public policy development and lobbying		Corporate Responsibility Report 2007: • Role in society	

Aspect: Anti-competitive behaviour

SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	No	See right	In TeliaSonera Group there are eleven ongoing legal actions for anti-competitive behaviour, anti-trust, and monopoly practices, four in Sweden and eleven in Finland. During 2007 one additional case was closed. A complaint was lodged against TeliaSonera Finland to the Finnish Competition Authority (FCA) regarding abusive ADSL-offerings to new customers. The FCA did not find any reasons to continue the investigations and closed the case officially in September 2007

Aspect: Compliance

SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Yes	See right	During 2007 TeliaSonera has not been subject to any monetary or non-monetary sanctions for non-compliance with laws and regulations

Performance: Product responsibility

Disclosure on Management approach

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
	Concise disclosure on the management approach items outlined below with reference to the following society aspects; customer health and safety, product and service labelling, marketing communications, customer privacy and compliance	Yes	Corporate Responsibility Report 2007: • Role in society	

Product responsibility Performance indicators

Aspect: Customer Health and safety

PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and service categories subject to such procedure	Partly	Corporate Responsibility Report 2007: • Our environmental performance	

Aspect: Product and service labelling

PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	Yes	Corporate Responsibility Report 2007: • Customer trust • Our environmental performance See right	TeliaSonera provides information regarding the sourcing of components of the products and services on two of the five markets where we have wholly-owned operations. Information about content with potential environmental or social impact is also supplied on two markets. We also communicate, when relevant, about safe usage of the products and services. In Sweden, Finland, Denmark and Norway we inform on disposal methods to encourage responsible handling of waste
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Yes	Corporate Responsibility Report 2007: • Customer trust	

Aspect: Marketing communications

PR6	Programs for adherence to laws, standards and voluntary codes concerning marketing communications including advertising, promotion and sponsorship	Yes	Corporate Responsibility Report 2007: • Customer trust	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes	Yes	See right	In Sweden, a number of complaints have been filed against TeliaSonera at the Swedish Consumer Agency, however no verdicts have been finalized during 2007. TeliaSonera has also been convicted once for non-compliance with the rules of the NIX register, which regulates telemarketing activities

Aspect: Customer privacy

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data		Corporate Responsibility Report 2007: • Key issues • Customer trust	One of the two incidents in Sweden during 2007 when e-mail servers went down resulted in losses of customers' e-mails. The server in question had 286 000 accounts

Aspect: Compliance

PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Yes	See right	TeliaSonera did not have any costs for fines for non-compliance with laws and regulations during 2007

Telecommunication sector specific indicators

Investment

	Indicator	Inclusion	Position in the report/ reason for not reporting	Additional information
IO1	Capital investment in telecommunication network infrastructure broken down by country/region	Partly	Total, SEK million Mobility Services Broadband Services Integrated Enterprise Services Eurasia Other operations The data coverage: the whole TeliaSonera Group	13531 4168 5369 532 3114 347 The data coverage: the whole Group

Health and Safety

IO3	Practices to ensure health and safety of field personnel involved in the installation, operation and maintenance of masts, base stations, laying cables and other outside plant	Yes	Corporate Responsibility Report 2007: • Our environmental performance	In Sweden and Finland, EMF safety instructions are applied for people working in masts
IO4	Compliance with ICNIRP standards on exposure to RF emissions from handsets	Yes	See right	All mobile phones provided to TeliaSonera by suppliers must comply with ICNIRP guidelines
IO5	Compliance with ICNIRP guidelines on exposure to RF emissions from base stations	Yes	See right	All base stations provided to TeliaSonera by suppliers must comply with ICNIRP guidelines
IO6	Policies and practices with respect to Specific Absorption Rate of handsets	Yes	See right	The TeliaSonera EMF Policy states that all mobile phones provided to TeliaSonera by suppliers must comply with ICNIRP guidelines. These guidelines set a maximum SAR value of 2W/kg for a mobile phone

Infrastructure

IO7	Policies and practices on the siting of masts and transmission sites including stakeholder consultation, site sharing and initiatives to reduce visual impacts	Yes	Corporate Responsibility Report 2007: • Role in society	

IO8	Number and percentage of stand-alone sites, shared sites and sites on existing structures	Yes	Total number of base station sites of which Standalone sites Shared sites Sites on existing structures	24493 4095 10545 9853

Access to Telecommunication Products and Services: Bridging the Digital Divide

PA1	Policies and practices to enable the deployment of telecommunications infrastructure and access to telecommunications products and services in remote and low population density areas	Yes	Corporate Responsibility Report 2007: • Role in society	Deployment of infrastructure can either be directly initiated by a customer order of internally initiated to meet a supposed demand from the market. Usage growth within available capacity can also lead to a build-out of resources to secure future usage
PA2	Policies and practices to overcome barriers for access and use of telecommunication products and services including: language, culture, illiteracy, and lack of education, income, disabilities and age	Yes	Corporate Responsibility Report 2007: • Role in society	
PA3	Policies and practices to ensure availability and reliability of telecommunications products and services	Yes	Corporate Responsibility Report 2007: • Customer trust	
PA4	The level of availability of telecommunications products and services in areas where the organisation operates.	Yes	Annual Report 2007: • Markets and Brands, page 14	
PA5	Number and types of telecommunication products and services provided to and used by low and no income sectors of the population	Yes	Corporate Responsibility Report 2007: • Role in society	
PA6	Programs to provide and maintain telecommunication products and services in emergency situations and disaster relief	Yes		During 2007, a Crisis Management plan and organisation was put in place on consolidated as well as business area level. The wholly-owned companies handle business continuity and disaster recovery in a systematic way. Climate change impacts, such as extreme weather conditions, are an example of emergency situations that TeliaSonera consider relevant to be prepared for and consider a tangible risk.

Access to content

PA7	Policies and practices to manage human rights issues relating to access and use of telecommunications products and services		Corporate Responsibility Report 2007: • Customer trust	

Customer relations

PA8	Policies and practices to publicly communicate on EMF related issues	Yes	Corporate Responsibility Report 2007: • Our environmental performance	
PA9	Total amount invested in programs and activities in electromagnetic field research	Yes	See right	TeliaSonera sponsored EMF research allocating EUR 110,000 in 2007. The GSM association members' fee also includes support to EMF research
PA10	Initiatives to ensure clarity of charge and tariffs	Yes	Corporate Responsibility Report 2007: • Customer trust	
PA11	Initiatives to inform customers about product features and applications that will promote responsible, efficient, cost effective and environmentally preferable use	Yes	Corporate Responsibility Report 2007: • Key issues See right	TeliaSonera puts a lot of effort in informing customers on responsible use of our services in all our markets. We submit information regarding safe use of handsets, environmentally friendly ways to handle used handsets and security issues

Technology applications

TA1	Examples of the resource efficiency of telecommunication products and services delivered		Corporate Responsibility Report 2007: • Our environmental performance	
TA2	Examples of telecommunications products, services and applications that have the potential to replace physical objects	Yes	Corporate Responsibility Report 2007: • Our environmental performance	
TA4	Estimates of the rebound effect of customer use of the products and services listed above and lessons learned for future developments	Yes	Corporate Responsibility Report 2007: • Our environmental performance	