

ERICSSON CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT 2008

VISION, VOICE AND VALUE



Contents

2	Message from the CEO
4	Our most relevant issues
6	Integrating sustainability into our global activities
8	Responsible business practices
12	Sourcing
16	Energy, climate change and the environment
22	Communication for all
28	Community
32	People
35	UN Global Compact
36	Objectives and Achievements
38	Sony Ericsson
40	Assurance statement
41	Recognition and Memberships

Our performance

Additional information on Ericsson's sustainability performance is available online, including:

Global Reporting Indicators (GRI)

Key Performance Indicators (KPI)

Objectives and Achievements



About this report

This report, along with additional information available online, summarizes our 2008 corporate responsibility (CR) and sustainability performance.

For Ericsson, corporate responsibility is about minimizing non-financial risks to the business, our stakeholders, and the brand through effective controls and dialogue. Sustainability is about maximizing long-term social, environmental and economic value for us, our customers, shareholders and society.

Unless otherwise stated, all information and data comprise activities undertaken in the period January 1, 2008 to December 31, 2008. The report covers the Ericsson Group, i.e. Telefonaktiebolaget LM Ericsson and its subsidiaries, and also provides performance highlights of our joint venture Sony Ericsson.

We have taken our business impacts and the concerns of stakeholders into account in defining our strategies and ambitions. The Global Reporting Initiative (GRI) G3 guidelines have been used in compiling this report. A complete GRI compilation appears online.

With the exception of content on Sony Ericsson's performance (p. 38), this printed report has been assured by Det Norske Veritas. The assurance statement can be found on p. 40.

The Ericsson Annual Report 2008 provides information on Ericsson's structure, nature of ownership and legal form, subsidiaries, as well as changes regarding size, structure and ownership during 2008.

The Annual Report and other financial information can be found at www.ericsson.com/investors

To help us improve reporting and ensure transparency, we welcome your feedback and questions on our report and performance.

Please contact us at corporate.responsibility@ericsson.com



The Ericsson Vision

Our vision is to be the prime driver in an all-communicating world. This means a world in which any person can use voice, text, images and video to share ideas and information whenever and wherever wanted. As the leading supplier of communication networks and services, Ericsson plays a vital role in making such a world a reality.



About Ericsson

As the world's largest supplier of network equipment and related services to telecom operators, Ericsson has over 78,000 employees and customers in more than 175 countries. Innovation, technology leadership and sustainable business solutions advance a vision to be the prime driver in an all-communicating world. Long-term relationships with all major operators result in Ericsson serving well over 40 percent of all mobile subscribers. Ericsson also manages a number of operator-owned networks with, altogether, 250 million subscribers globally. The Sony Ericsson joint venture is a major supplier of feature-rich mobile phones.

We are a market leader in GSM and WCDMA/HSPA network equipment and related roll-out services, systems integration and managed services. We are growing in the area of wireline broadband networks, in metro Ethernet solutions and in optical transport, and we are a provider of multimedia solutions for both wireless and wireline operators.

Our strategy to realize our vision and business is to:

- **Excel in network infrastructure**
- **Expand in services**
- **Establish a position in multimedia solutions.**

Vision, Voice and Value

Sustainability requires vision. Ericsson's vision reflects our ambition to use technology to change lives for the better. We want to use our voice to show leadership, and we want to listen to others – to hear their side of the story. We believe our commitment to sustainability creates enduring value.

Assessment

This report, with the exception of p. 38 pertaining to Sony Ericsson, has been assured by Det Norske Veritas. The assurance statement is on p. 40, and a more detailed version is online at www.ericsson.com/corporate_responsibility



GRI application level

The GRI B+ logo demonstrates that Ericsson's CR & Sustainability report has achieved a B+ application level, that the report has been externally assured, and that the application level has been checked by a third party, namely DNV.



Online symbol

This symbol appears throughout the report, indicating that additional information is available online at www.ericsson.com/corporate_responsibility

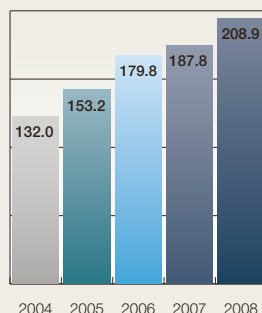


Key financial performance

Read more at www.ericsson.com

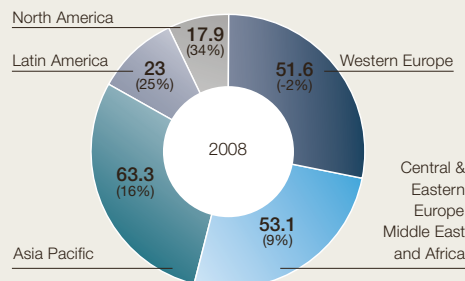
Net sales

(SEK billion)



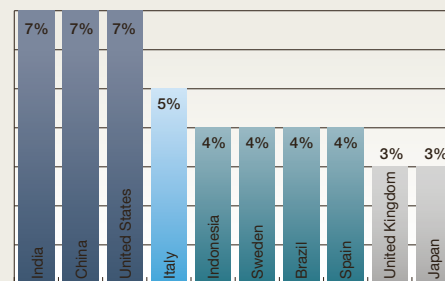
Sales by region 2008

Ericsson net sales (SEK billion) and change (percent) year-over-year



Our 10 largest markets

Percent of total sales



Message from the CEO

It starts with a vision. For Ericsson, this is about harnessing the power of technology to change lives. It means telling a story, using our voice to take a leadership role and listen to and engage in dialogue with others, to hear their stories. And it's about value, how our commitment to sustainability creates enduring value. That is why this report is called *Vision, Voice and Value*.

Part of our long-standing commitment to sustainability is to respond to challenges as they evolve over time.

Climate change

Climate change is among these key challenges. Ericsson has a vision to use telecommunications to foster a more carbon-lean society. As global climate negotiations resume in 2009, society faces a huge challenge to drastically reduce carbon dioxide (CO₂) emissions by 2050, while the world economy as much as triples.

In 2008, we set a target to reduce our carbon footprint by 40 percent over the next five years. To meet this target, we have introduced solutions and services to optimize network energy efficiency and help our customers achieve energy and CO₂ savings. Many of our customers are concerned about energy-related operating costs. We have also started to roll-out telepresence solutions within our company that will not only cut carbon, but save both time and money.


Ericsson is taking an active leadership role in shaping the market for fresh solutions, not only by substituting carbon-intensive travel, but also cross-sectoral initiatives like smart utility grids and other digital solutions. We promote the adoption of a common industry framework for measuring CO₂ savings through

the use of telecom and intend to share our vision with decision-makers in the run-up to upcoming climate negotiations.

Closing the digital divide

Ericsson's vision is to make communication affordable and accessible to all. Telecommunications can boost social and economic development and help close the digital divide. In May 2008, I gave my support to UK Prime Minister Gordon Brown's Business Call to Action. This pledge commits us to leverage our core business to enhance growth in a transformative and scalable manner to help meet the Millennium Development Goals (MDGs). As a follow-up, in September I addressed a UN General Assembly special session on how the private sector can contribute to achieving the MDGs and what Ericsson is doing to this end.

In partnership with Columbia University's Earth Institute, Ericsson is bringing mobile communications to the Millennium Villages as part of our engagement to help achieve the MDGs. It is inspiring to visit these isolated African villages and observe first-hand the impact mobile phones and Internet access have on education, healthcare, and business. I believe our experience in these villages is truly scalable, with the promise of transforming the lives of millions, even billions, of people.



“Ericsson has a vision to use telecommunications to foster a more carbon-lean society.”

The Millennium Villages are just one example of how public-private partnerships enhance our understanding of how to deliver our services in more sustainable ways, and help build trust in our commitment among stakeholders.

Power of technology

There are already some four billion mobile subscriptions in the world today. For Ericsson, markets of the future are high-growth economies such as China, India, Brazil and Africa. The next one or two billion will come from these economies, as more people enjoy the benefits communication can bring to their lives and societies.

If we continue to shape sustainable business models to roll-out solutions to the billions on the other side of the digital divide, this technology will be truly transformational.

Human rights

Telecommunications are also intrinsic to the fulfillment of basic human rights, like the right to health, to education, to a livelihood and to freedom of expression. As a member of the Business Leaders Initiative on Human Rights, Ericsson strongly supports the relationship between human rights and business and encourages all companies to report on the relevance of human rights in their sustainability reports. First and foremost, our role is to avoid complicity in human rights abuses. We also engage with those most socially and economically marginalized to improve their access to human rights. Equally important is supporting human rights such as health, education and livelihood, by enabling access to basic services through mobile connectivity.

Our commitment to the UN Global Compact and human rights includes reinforcing them along the supply chain. We became aware that some of our suppliers in Bangladesh were not meeting our high social and environmental standards. This experience served to sharpen top management focus on this issue, and strengthened our approach to monitoring and engaging our supply chain in improvements. We have increased our efforts to ensure our Code of Conduct program will be rolled out globally in 2009, and this is now one of the criteria for evaluation in Top Management Scorecards for all Market Units.

Holding the vision steady

Five years from now, I would like to see that we have achieved our carbon reduction target, helped play a part in transforming cities and countries through smarter broadband solutions, and made substantial progress in bridging the digital divide.

The current global financial crisis has not changed our way of doing business. At the end of the day, sustainability is about doing things better and more efficiently, which seldom means more costs. It is about having a global view, and a diverse workforce that fosters innovation. A commitment to sustainability helps build trust with our customers, investors and other stakeholders, even in tougher times. We also know that this topic is important to our employees and are actively seeking new ways to engage them further.

Through technology, Ericsson has both the opportunity and the responsibility to work toward a more sustainable society. And in the long run, I am firmly convinced this commitment will generate lasting value.



Carl-Henric Svanberg
President and CEO



Our most relevant issues

Our Group strategy, policies and primary stakeholder groups help define the priority areas most relevant to our sustainability performance.

To ensure that we focus on the issues most relevant to our core business and key stakeholders, ongoing dialogue and partnerships are a key part of our reporting strategy. Market research, risk management and Life-Cycle Assessment also contribute to our understanding of the trends, challenges and opportunities affecting our company. Six core issues are the focus of our 2008 report.

Responsible business practices

Strong governance helps ensure integrity. Our Code of Business Ethics and other corporate responsibility (CR)-related policies set high standards of conduct across our operations. The Ericsson Group Management System (EGMS) monitors compliance and integrates our CR goals throughout the organization.



CR priorities represent 14% of the EGMS Global Assessment Program, up from 1% in 2007.

Sourcing

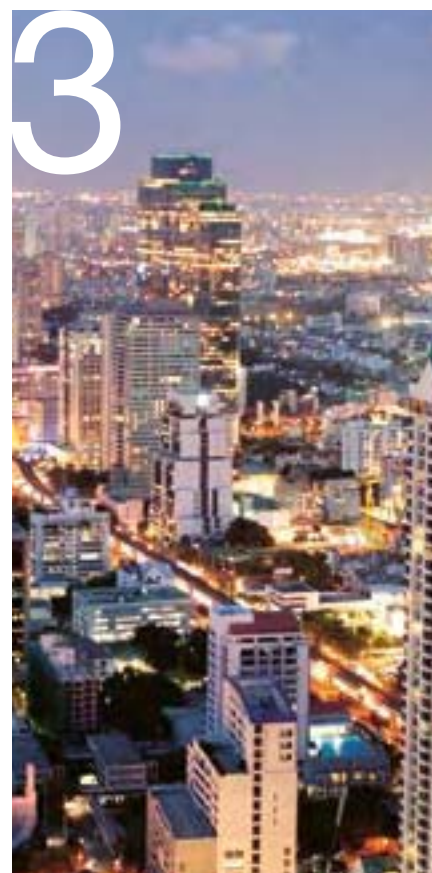
Ericsson and its stakeholders expect high environmental and social standards along the supply chain. In 2008 we initiated a more comprehensive global roll-out of our Supplier Code of Conduct (S-CoC) compliance monitoring program.



In 2008, Ericsson conducted 265 audits and over 300 assessments among 3,000 prioritized suppliers.

Energy, climate change and the environment

Delivering energy-efficient solutions to help customers reduce CO₂ emissions is a responsibility, and a source of competitive advantage and new revenue streams. To tackle our own footprint, Ericsson committed in 2008 to a 40 percent reduction in carbon emissions per subscriber in five years. We are also exploring how telecommunications can help create more sustainable societies.



Annual CO₂ emissions per subscriber on Ericsson networks has fallen from 90kg in 1992 to 20kg in 2008 for GSM.

Our network sales in emerging markets grew an estimated 15% in 2008 – more than half of all network sales.



4

Communication for all

Communication is a basic human need and telecommunications can bring social, environmental and economic benefits to societies around the world. By making telecommunications more affordable and accessible, Ericsson is shaping new markets and helping to bridge the digital divide.

In 2008, 44% of Ericsson employees ranked community activities among our top five sustainability issues.



5

Community

Ericsson seeks to integrate its sponsorship activities with CR goals. Through the Volvo Ocean Race, we aim to raise local awareness of the Millennium Development Goals (MDGs) and global sustainability challenges. We also leverage our expertise through Ericsson Response™, a worldwide employee volunteer initiative to roll-out communication solutions for disaster relief operations.

During 2008, 122 programs were launched to support our Leadership Development Initiative and 2,068 managers participated.

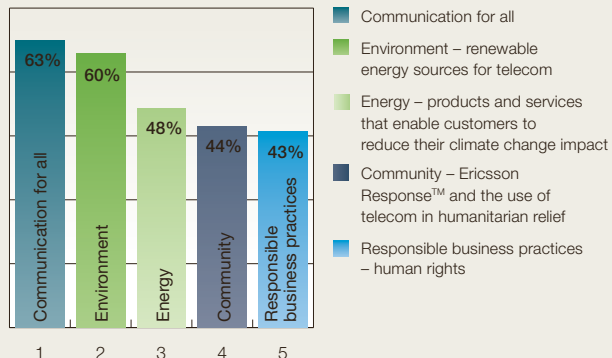


6

People

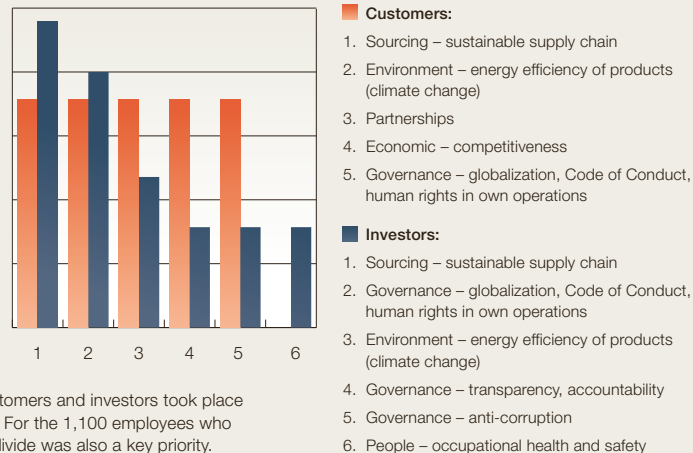
Ericsson is committed to its employees. Their diversity is a hallmark of our culture and a driver of innovation. Our vision to be a prime driver in an all-communicating world requires a learning culture that spurs innovation. Learning enhances competitiveness, and stimulates creativity and openness to change.

Employee poll: top five sustainability issues



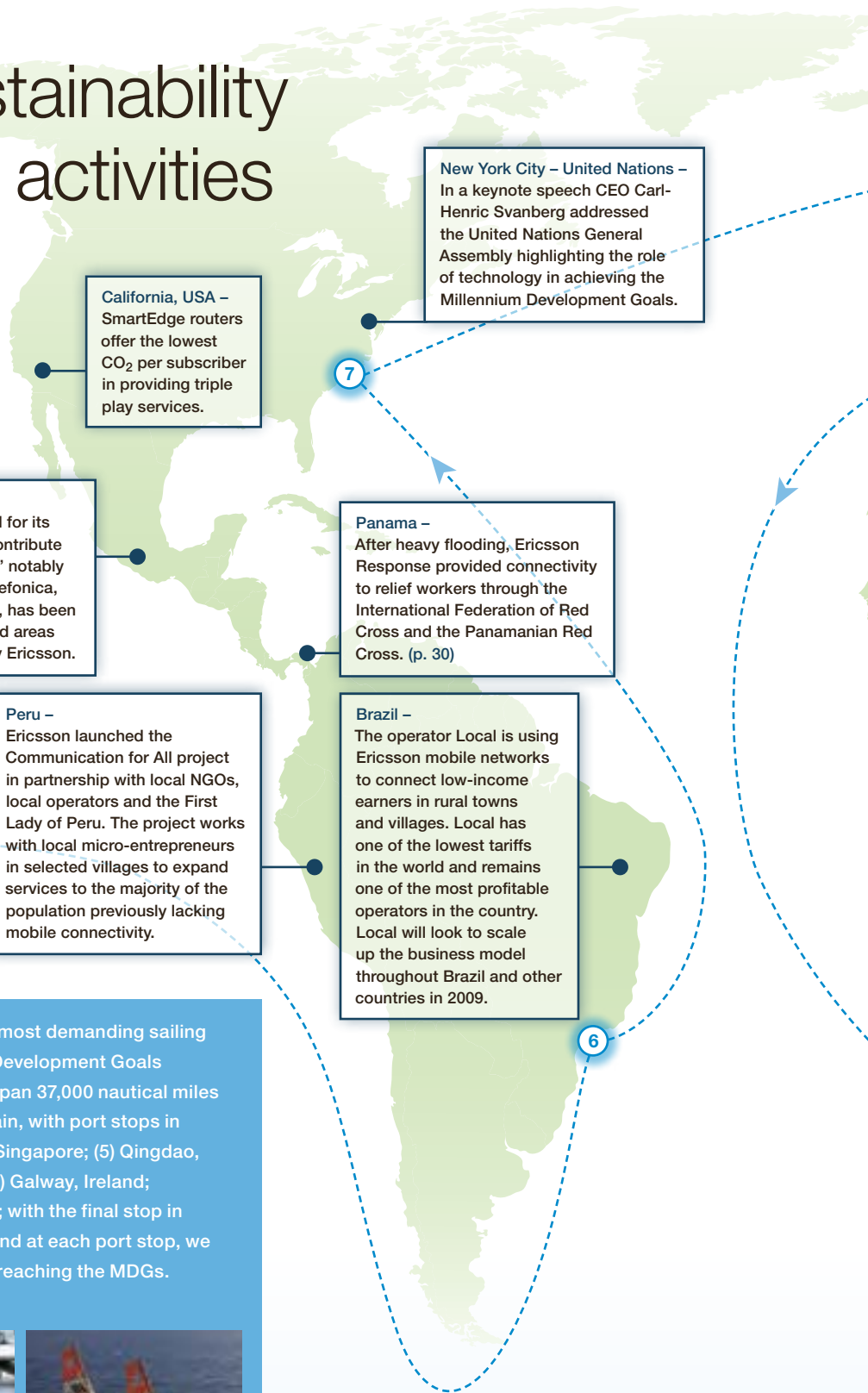
To gauge stakeholder views of Ericsson's CR activities, a telephone survey of selected customers and investors took place in 2008. Supply chain and the environmental sustainability of products were top concerns. For the 1,100 employees who completed our annual poll to rank the top five issues Ericsson should address, the digital divide was also a key priority.

Customer and investor survey: top sustainability issues



Integrating sustainability into our global activities

Across the globe, we are pursuing opportunities to further integrate our sustainability goals with our core business. This map shows a selection of our activities in 2008. For more information, see the pages referenced from this report and visit www.ericsson.com/corporate_responsibility



California, USA –
SmartEdge routers offer the lowest CO₂ per subscriber in providing triple play services.

New York City – United Nations –
In a keynote speech CEO Carl-Henric Svanberg addressed the United Nations General Assembly highlighting the role of technology in achieving the Millennium Development Goals.

Mexico –
Ericsson Mexico won the Green Comm Award for its “development of products and systems that contribute to preserving and protecting the environment” notably the deployment of its solar powered sites. Telefonica, the second largest mobile operator in Mexico, has been able to take mobile communications to off-grid areas thanks to this innovative solution deployed by Ericsson.

Panama –
After heavy flooding, Ericsson Response provided connectivity to relief workers through the International Federation of Red Cross and the Panamanian Red Cross. (p. 30)

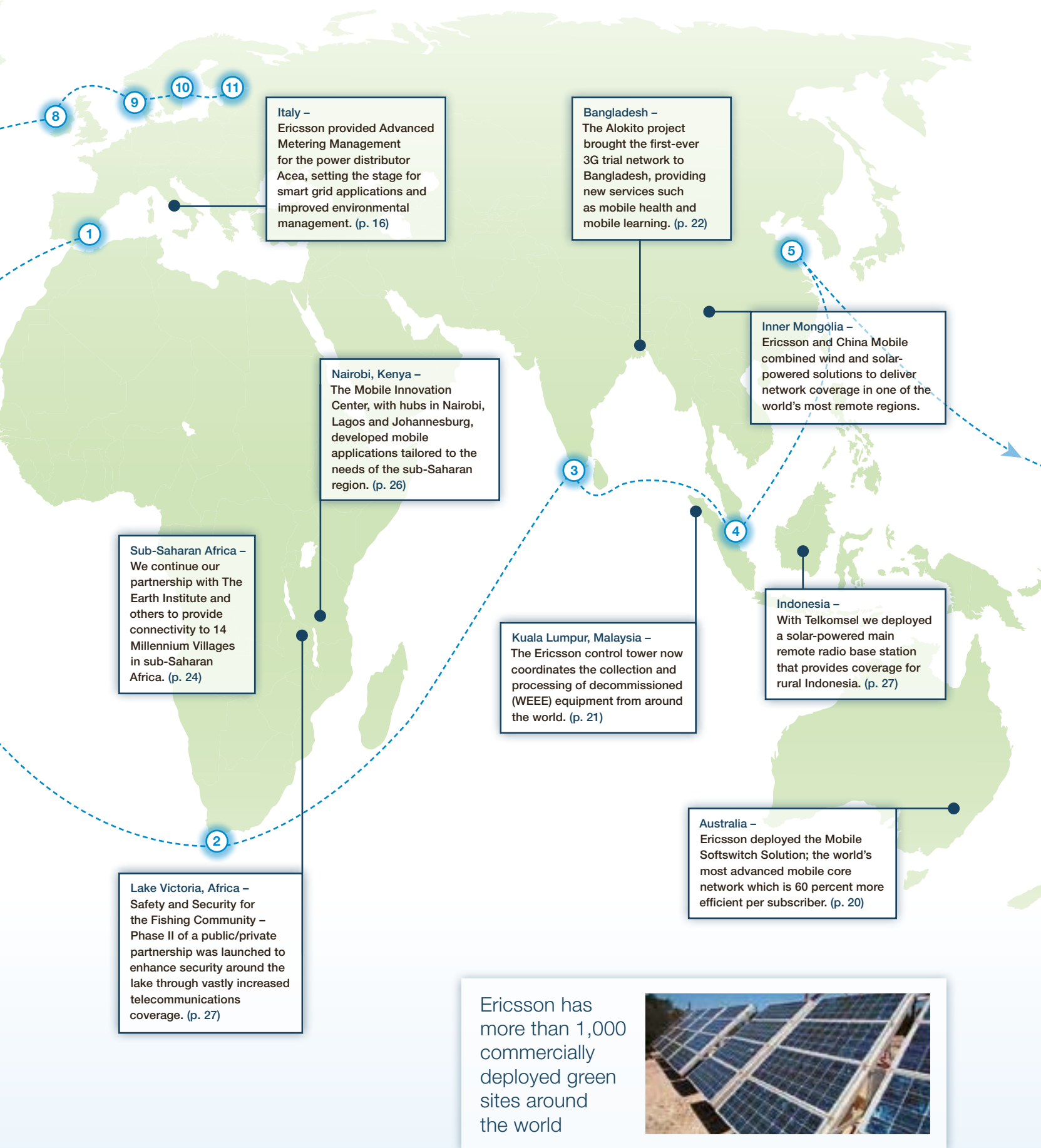
Peru –
Ericsson launched the Communication for All project in partnership with local NGOs, local operators and the First Lady of Peru. The project works with local micro-entrepreneurs in selected villages to expand services to the majority of the population previously lacking mobile connectivity.

Brazil –
The operator Local is using Ericsson mobile networks to connect low-income earners in rural towns and villages. Local has one of the lowest tariffs in the world and remains one of the most profitable operators in the country. Local will look to scale up the business model throughout Brazil and other countries in 2009.

We are leveraging our participation in the world’s most demanding sailing event to raise awareness of the eight Millennium Development Goals (MDGs). Over nine months, the 2008/09 race will span 37,000 nautical miles around the globe. We launched in (1) Alicante, Spain, with port stops in (2) Cape Town, South Africa; (3) Cochin, India; (4) Singapore; (5) Qingdao, China; (6) Rio de Janeiro, Brazil; (7) Boston, US; (8) Galway, Ireland; (9) Gothenburg, Sweden; (10) Stockholm, Sweden; with the final stop in (11) St. Petersburg, Russia. Throughout the race and at each port stop, we are advocating the role of telecommunications in reaching the MDGs. Visit www.ericssonracingteam.com

Volvo Ocean Race





Responsible business practices



Verifying our commitment: In September 2008, Ericsson's office in Harbin, Northern China was audited by assurance company Det Norske Veritas (DNV). Their brief: to gauge how Group policies and directives were applied, how operational risks were managed and corporate responsibility (CR) objectives reached.

About 15 employees were interviewed. Interviews covered working hours, freedom of association, and environmental impacts as well as awareness of CR activities. Since Harbin is a local Ericsson sales office, communication of environmental initiatives and responsible marketing practices were also reviewed.

Ericsson's Global Assessment Program includes 100 external assessment days each year, of which the Harbin audit

took two. All Group entities are visited at least once during a three year period. In 2008, five verification site visits took place in India, Brazil and Turkey.

Auditors followed the paper trail from Harbin's Market Unit in Beijing to Ericsson's head office, Stockholm, to verify findings.

Global Assessment audits help verify Market Unit performance against targets defined in the Ericsson Group Management System (EGMS). Designed to help mitigate risks and strengthen our performance Group-wide, the choice of sites and focus areas is based on risk and materiality assessments. Corporate responsibility controls now represent 14 percent of the Global Assessment Program, up from one percent in 2007. The target for 2009 is to increase CR controls to 20 percent.

Governance for good management

We take an integrated approach to governance, with one set of core values and policies – and a robust structure for managing them.

Our governance framework is based on universal standards of business conduct embodied in the Ericsson Group Management System (EGMS). This includes Group policies and directives, along with procedures for managing and monitoring compliance. Our Group policies reflect our commitment to the UN Global Compact and UN Declaration of Human Rights. Our governance framework is detailed in the Corporate Governance Report, appended to the Ericsson Annual Report.

By actively applying Ericsson's core values of respect, professionalism, and perseverance, we ensure integrity and high standards of conduct wherever we do business. The EGMS requires compliance to our Code of Business Ethics – including the Code of Conduct and Environmental Policy. Compliance is monitored through our Global Assessment Program (p. 8).

Built for change

Ericsson's 'one-system approach,' based on common standardized processes, meets customer expectations regarding quality and the environment. It also enables Group level ISO9001 and ISO14001 certification.

Integrating acquisitions is a litmus test for any governance system. In 2008, the company merged Redback and Tandberg Television into Ericsson. Full compliance with EGMS is expected in 2009.

EGMS helps us adapt to evolving demands, including new legislation and stakeholder expectations. As well as delivering cost efficiencies, it builds trust in the way we work.

Engagement starts at the top

The CEO holds overall responsibility for implementation of the Code of Business Ethics, Code of Conduct, and Environmental Policy.

The Board of Directors is continuously updated on key audit findings. The Head of Corporate Audit and external auditors report to the Board's Audit Committee on emerging and existing risks, and opportunities for improvement. The Board of Directors also participates in annual sustainability and corporate responsibility training.

Managing the sustainability agenda


An integrated approach to sustainability means maintaining the necessary controls to minimize risks, while identifying opportunities to create positive social, economic and environmental business impacts.

Ericsson's Sustainability and Corporate Responsibility function is led by a Vice President and consists of a core team at Group level, supported by a network in our three Business Units and 23 Market Units. The core team coordinates the strategy and targets, reports on performance, and holds regular dialogue with customers, investors, employees and other stakeholders.

A steering committee of senior managers oversees implementation of our sustainability strategy across the organization. Its chairman reports to the CEO.

Countering corruption

The Code of Business Ethics and Group policies and directives seek to actively counter corruption by linking individual actions to our core values.

Since 2000, workshops have been held to increase employee awareness of the issues. 2007 saw the launch of an e-learning program. To date, all Market Unit employees – our primary target group and 65 percent of our workforce – have taken the course. Anti-corruption training is also a mandatory part of induction for new employees. 

The anti-corruption course describes various forms of corruption, their consequences and offers guidelines on how to deal with the issues



Are you aware of the borderlines?



Human rights engagement

Business engagement in human rights is not only a responsibility but also an opportunity.

Ericsson's human rights approach addresses impacts within the Company's sphere of influence, as well as the telecom industry's wider role in society.

Our first obligation is to avoid complicity in human rights abuse, notably in sensitive countries where regulations and ethical standards may not be well developed or enforced. Anti-discrimination, equality and diversity are embedded in Ericsson's human resources practices across the Group (p. 35). Our Supplier Code of Conduct also promotes respect for human rights along the value chain.

Over and above this, Ericsson's core technologies can facilitate the fulfillment of universal human rights. Being engaged in this manner is not only part of good governance, it also builds trust and credibility in emerging markets.

A 2008 study by Ericsson on the socio-economic impact of mobile communications in Sudan found that mobile phone access generates significant socio-economic benefits for gross domestic product (GDP), notably for people at the base of the economic

pyramid. Among the benefits were better access to healthcare and education, improved livelihoods and enhanced security. This followed a 2007 independent human rights impact assessment of Ericsson's operations in Sudan that set a baseline, confirming Ericsson's non-complicity in human rights abuses.

As a member of the Business Leaders Initiative on Human Rights, we seek practical ways to apply the aspirations of the Universal Declaration of Human Rights. In 2008, we produced several case studies identifying positive human rights influences in Ericsson projects:

- In the Millennium Villages, toll-free numbers for emergency calls and rural teachers enhance the rights to education and health (p. 24).
- In the Lake Victoria region of Africa, mobile coverage for fishermen improves livelihoods and safety for some 3.5 million people (p. 27).
- In Tamil Nadu, India, telemedicine, e-education, and e-governance facilitate the rights to education, health, and information. 🖱️

The right to privacy

Ericsson respects all human rights, including the right to freedom of expression and privacy. Communications play a vital role in the free exchange of ideas and as a tool for democracy. At times the telecom industry can encounter conflicts in the realization of these rights. Ericsson is addressing the issues relevant to us and our market, but at present, considers that the main concerns in this area fall within the operators' domain. As society's understanding of these issues evolves and the border between operator and vendor changes, Ericsson will reassess its position. We continuously monitor new potential risk areas, and external initiatives like the Global Network Initiative (a multi-stakeholder collaboration to advance and protect freedom of expression) to be able to act proactively.



Engaging employees

Part of Ericsson's integrated approach to CR is to engage employees in objectives and leverage their insights.

6,200 employees signed a pledge of support for the UN Declaration of Human Rights through the Every Human Has Rights campaign, responding to an internal call for action.

1,640 employees provided input on the barriers to, and benefits of, video conferencing. The online poll helped us understand the use of digital meetings and gauge how to best promote broadband applications. The poll provides an indication of CO₂ emissions deriving from employees travelling to work (p. 19).

1,100 employees participated in a second materiality poll to help us rank the top five issues they believe Ericsson should engage in (p. 5).

70 employees are registered in the Ericsson Response™ volunteer initiative, willing to donate their time and skills to assist in disaster and humanitarian relief efforts (p. 30).

An internal collaboration site for sustainability and CR was launched globally in Ericsson, enabling employees to engage and share information.

Engaging with stakeholders

Ongoing dialogue with stakeholders gives voice to their concerns and priorities and helps steer our decision-making.

Engaging in dialogue with stakeholders enhances our understanding of the diverse markets in which we operate and keeps us abreast of society's expectations.

Stakeholders are those who have a direct relationship to, or are affected by, our business. They include investors, customers, employees, suppliers, industry partners, governments, end-users, non-governmental organizations and the media.

Ericsson seeks to respond promptly to stakeholder concerns. We conduct an annual stakeholder survey identifying the top-ranked social, environmental and economic issues for customers and investors. We measure employees' views in annual surveys and polls.

In addition, we adapt our engagement with stakeholders according to the nature of the issue and their particular information

needs. In 2008, both investors and customers were particularly interested in supply chain management. Over a dozen meetings were therefore held on this topic, prompted in part by concerns raised over the Ericsson supply chain in Bangladesh (p. 14).

Stakeholder input helps determine our strategic priorities. The Ericsson Strategy Process aligns the business with stakeholder requirements by identifying gaps and setting objectives. Our material impacts are thereby regularly reassessed. Our approach seeks to maximize both responsiveness and inclusiveness.

Issues raised by stakeholders are addressed in this report, with annual progress tracked in the Objectives and Achievements table (p. 36). Ericsson's corporate responsibility and sustainability website is also regularly updated.

Ericsson's sustainability strategies directly address issues of concern to our stakeholders

Stakeholder group	2008 consultation activities	Key issues identified	How are we addressing the issues
Investors and analysts	<ul style="list-style-type: none"> Annual roadshow Multiple one-on-one meetings Capital Markets Day for mainstream investors Telebriefings Investor questionnaires 	<ul style="list-style-type: none"> Integration of CR into business strategies and operations globally Governance, e.g. corruption and supply chain management Energy consumption and operating expenses (opex) 	<ul style="list-style-type: none"> Sourcing: Increased number of prioritized commodities (p. 13) Independent assessment of Code of Conduct implementation by DNV (p. 8) Employee anti-corruption training (p. 9) Energy efficiency targets on portfolio (p. 17)
Customers	<ul style="list-style-type: none"> Meetings and workshops on energy optimization Customized advisory services Volvo Ocean Race round tables, conferences Marketing, bid requirements Annual customer satisfaction survey 	<ul style="list-style-type: none"> Importance of energy-lean product portfolio, and carbon footprint How to measure energy efficiency Brand risks associated with supply chain management Communication for all Occupational health and safety (OHS) Reputation 	<ul style="list-style-type: none"> Carbon footprint reduction target (p. 18) Launched new solutions for energy optimization and mobile applications for emerging markets (p. 26) Increased focus on energy/CO₂ standardization (p. 17) Strengthened focus on supply chain (p. 12) Joined E-TASC (p. 15) Ongoing customer projects and research (pp. 15, 19, 24) Improved OHS reporting (p. 34)
Employees	<ul style="list-style-type: none"> Annual employee survey Poll on video conferencing and sustainability Materiality poll 	<ul style="list-style-type: none"> Assess workforce satisfaction Identify the barriers to and benefits of video conferencing and working from home Understand which corporate responsibility issues are most important to them 	<ul style="list-style-type: none"> Increased focus on virtual meeting and collaboration tools to reduce travel (p. 19) CR e-learning Launched internal collaboration site for sustainability/CR (p. 10)
Suppliers	<ul style="list-style-type: none"> Supplier audits, assessments Seminars to discuss our risk-based approach 	<ul style="list-style-type: none"> Supplier Code of Conduct (including 2nd tier compliance) Reduce carbon footprint 	<ul style="list-style-type: none"> Benchmark supplier performance (p.15) Increased focus on local sourcing and high risk commodities and markets (p. 13) Online training for all suppliers (p. 13)
Industry partners	<ul style="list-style-type: none"> Participate in industry initiatives and standardization bodies 	<ul style="list-style-type: none"> Climate change and energy measurement specifications Making communications more affordable and accessible Supply chain management 	<ul style="list-style-type: none"> Contribute to initiatives with content, expertise and support, e.g. E-TASC (p. 15), Caring for Climate Initiative, Poznan Communiqué and Business Call to Action for MDGs (p. 41)
Governments	<ul style="list-style-type: none"> Public policy work, meetings with regulators, research institutions Conduct workshops and seminars with regulators 	<ul style="list-style-type: none"> Importance of broadband and Communication for all for the development of sustainable societies Encourage governments to increase mobile licensing and radio spectrum (p. 23) 	<ul style="list-style-type: none"> Participate in organizations such as the Global Alliance on the use of ICT and Development (GAID), (p. 41) Publish white papers (online CR information)
End-users	<ul style="list-style-type: none"> Consumer research 	<ul style="list-style-type: none"> Impact of connectivity on improving lives and fostering economic development Role of telecom in a carbon-lean society Electromagnetic fields (EMF) 	<ul style="list-style-type: none"> Initiated monitoring and assessment program of impact of communications on Millennium Villages with Columbia University and Ericsson Consumer Lab (p. 24) Socio-economic study (p. 22) Contacts with policymakers and influencers of the sustainability debate (p. 2) Radio waves and health information and research (p. 21)
NGOs	<ul style="list-style-type: none"> Various meetings 	<ul style="list-style-type: none"> Increased requests for technological assistance, support and partnership Carbon footprint of telecom 	<ul style="list-style-type: none"> Public private partnerships with WWF, GSM Association Development Fund, UN agencies (p. 22) Initiated project with WWF Sweden to develop methodology for measuring positive societal carbon impacts (p. 17)

Sourcing

Insisting on high social and environmental standards has been part of our supply chain evaluations for a decade.

Code of Conduct and environmental requirements are among supplier evaluation criteria.

The first auditors trained and first benchmark audits conducted for high risk areas.

Risk-based projects exceeded targets, delivering marked improvements in compliance among selected suppliers.

Internal, web-based S-CoC observer training launched. Roll-out of risk assessment model. Global roll-out of S-CoC Program initiated. Most tower manufacturers worldwide audited and/or assessed.

1998

2002

2004

2005

2006

2007

2008

OBJECTIVE
2009

Ericsson Code of Conduct established.

Initiated risk-based supplier improvement projects and scorecard system to rank compliance

Risk assessment model for local sourcing units piloted in China, India and Brazil. Prioritized commodities added to the Supplier Code of Conduct (S-CoC) Program.

S-CoC Program to be rolled out in all Market and Business Units. Launch of web-based S-CoC course for all suppliers.

Linking the chain

Ensuring that suppliers comply with our high environmental and social standards is just one part of the story, Ericsson is also striving to inspire deeper engagement to change.

With some 40,000 suppliers delivering varied products and services, located in 175 countries, managing our supply chain is a complex process. Vastly different cultures, businesses, priorities, risks and regulatory enforcement levels present a wide range of challenges for upholding the high standards of environmental and social conduct Ericsson expects.

All suppliers are required to meet our social and environmental standards. Of these, about 3,000 form the particular focus of the Ericsson Supplier Code of Conduct (S-CoC) Program.

Our program not only helps ensure that suppliers understand and meet our requirements; it embodies our commitment to be an agent of change.

Integrated approach

Two of nine criteria used to evaluate suppliers' overall performance are our Code of Conduct and environmental requirements. Each Market and Business Unit must assist its local suppliers in achieving compliance. They receive support from the Group-wide S-CoC Program in the form of auditor and observer training, procedures and other advice.

Since 2005, Ericsson has been developing and piloting its risk-based approach in China, India and Brazil. For prioritized commodities, Code of Conduct compliance is actively monitored regardless of supplier location. By year-end 2009, the program will extend to all Market and Business Units. To stress the

importance of the roll-out, S-CoC criteria are included in the Top Management Scorecard at each Unit.

In parallel to the auditing process, S-CoC observers conduct supplier assessments to gain an overview of their compliance. In 2008 over 95 percent of our strategic sourcing personnel were trained as observers. In total, close to 1,100 employees took the web-based observer course.

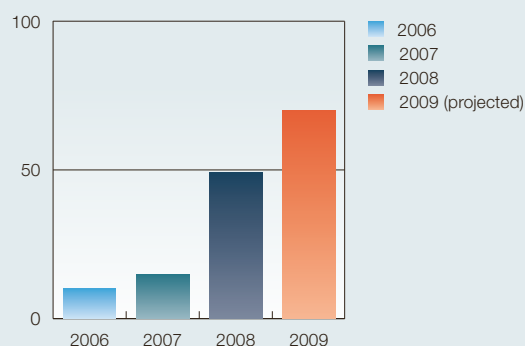
Promoting change

Compliance is primarily evaluated through audits, and our S-CoC auditors identify and monitor areas for improvement to help suppliers understand and comply with our Code. Central to this is appreciating – and overcoming – local challenges.

Auditing alone will not deliver lasting change, however. Through feedback, workshops and training, our aim is long-term collaboration with suppliers, in particular with those scoped under our risk-based approach. To support our suppliers in this process of cultural change, web-based training will be launched in early 2009.

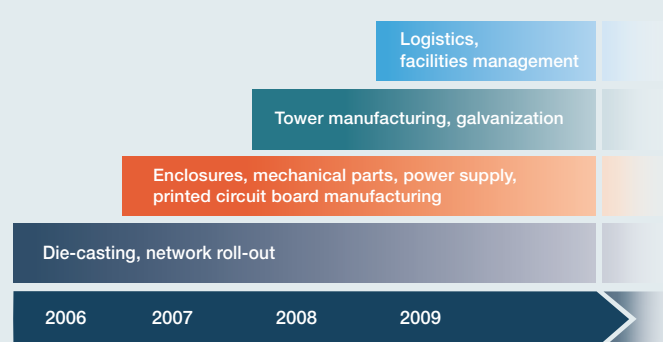
The nature of audit findings varies enormously between commodities and regions. In all cases, our program is designed not only to uphold our values and minimize our risks, but to directly benefit our suppliers, their employees, the environment and local communities. 📱

Supplier Code of Conduct auditors



By year-end 2008, 50 full- and part-time S-CoC auditors were in place. This is expected to grow to over 70 in 2009, a tenfold increase from 2006.

Prioritized commodities



Ericsson targets prioritized (or risk) commodities as the focus of the S-CoC Program. Since its inception, the program has continually added commodities.



Learning from Bangladesh

Sub-standard conditions in Bangladesh became an opportunity to turn supply chain challenges into positive momentum for change.

Ericsson is the largest telecommunications supplier in Bangladesh and has had a presence there since 1997. Between 2005 and 2008, sales in Bangladesh grew tremendously.

In May 2008, a Danish television documentary revealed that some Ericsson suppliers in Bangladesh were not meeting Ericsson's Supplier Code of Conduct (S-CoC) requirements.

When Ericsson auditors visited the suppliers to investigate these claims, they confirmed that worker safety, health and environment conditions were not in compliance. Among the suppliers was Confidence Steel (p. 15).

Both internal and external attention to Bangladesh contributed to speeding up the global roll-out of the S-CoC program. Supply chain issues and targets are now prioritized on the top management agenda.

Our preferred approach is to work closely with local suppliers to boost their performance. However, where progress is unsatisfactory, tough decisions will be made. Of our five tower suppliers in Bangladesh, we terminated contracts with two and retained three, including Confidence Steel.

“There is still work to be done, but we believe Ericsson's intentions are sincere.”

Sasja Beslik, Banco Fonder

Since May, Ericsson has trained new auditors and increased the frequency of audits for Bangladesh suppliers. We will continue to facilitate compliance through audits, assessments and on-site visits as an integrated part of the supplier maintenance process. Worldwide, the vast majority of global tower and mast suppliers – a key risk commodity – have been audited or assessed.

A lesson learned from Bangladesh is the importance of early and open dialogue with our stakeholders. As soon as Ericsson became aware of the situation, before the program aired, management attention was turned to the challenges of monitoring and working with local suppliers. Ericsson immediately informed SRI investors and selected customers about what had occurred and the resulting actions taken.

During 2008, over a dozen meetings were held with investors and customers to update them on supply chain management.



Banco Fonder's Sasja Beslik concludes that progress has been made in Bangladesh, though some issues regarding salaries, overtime and labor rights remain outstanding.



Supplier action plans include proper protective equipment for all staff.

Their input has been valuable in our continuous improvement work. One of our institutional investors, Banco Fonder, accepted an invitation from Ericsson to visit suppliers in Bangladesh in February 2009.

“Today the suppliers understand why these actions are essential, especially because improvements in health and safety positively impact their effectiveness and increase their productivity,” says Sasja Beslik, manager of Responsible Investments for Banco Fonder. “There is still work to be done, but we believe Ericsson's intentions are sincere. Ericsson in Bangladesh is making a difference and creating added value beyond purely economic profit, and this makes the operation sustainable in every way.”

New approach, changed mindset

At Confidence Steel, an Ericsson audit in May identified nearly 20 areas for health and safety improvements. The action plan included installing protective railings, improving processes and equipment for chemicals handling, and implementing health and safety procedures for corrective and preventive action.

A follow-up audit in July showed little

improvement. Confidence intensified the training and education with twice-weekly health and safety demonstrations.

"The biggest challenge was changing employees' perceptions about why they should change the way they work," says Confidence Director Imran Karim.

"Eventually, workers began coming up with ideas for improvements. They realized

that we as employers are concerned about them. They feel that the factory is theirs now."

A further audit in September showed substantial improvements. It took time, Karim emphasizes, but the benefits have been extremely positive, supported by knowledge and tools from the Ericsson audit team.

Mitigating risk through audits and training

Ericsson targets prioritized commodities, namely those elements in our supply chain which pose challenges for compliance with our Code of Conduct. These include die-casting radio base station components and the manufacture of mechanical parts, as well as tower manufacturing and installation of equipment at telecom sites (p. 13).

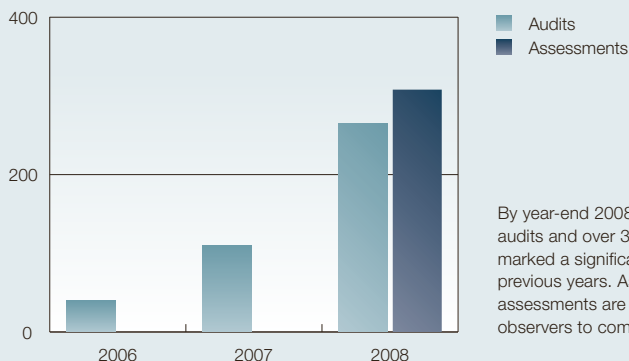
These present specific risks in areas like chemicals handling, working at heights, and overtime issues. Another recurring audit finding is compliance among suppliers' own suppliers.

In 2008, Ericsson conducted 265 audits and over 300 assessments. Audits include factory tours, interviews and document analysis. Where improvements are required, suppliers must present an action plan within a specific time frame, which is followed-up by our auditors.

Training, workshops and consultations all foster a sense of engagement and responsibility among suppliers. Seminars were held in India and Sri Lanka and 81 suppliers were trained in nine cluster sessions in China, including inducting supplier representatives as auditors – an important step in facilitating compliance further down the supply chain.

Results show a marked increase in supplier awareness. For example, in China, of 17 suppliers whose first audit in 2008 revealed mediocre performance, more than 50 percent showed significant improvement when re-audited at year-end.

Number of audits and assessments



Strength in numbers

Industry-wide harmonization of supplier standards makes the auditing and compliance process more efficient.

Ericsson is a founding member of GeSI, the Global e-Sustainability Initiative. A multi-stakeholder organization, its aim is to promote sustainability within our sector's sphere of influence and champion our role in developing sustainable societies. Sourcing is among the issues foremost on its agenda.

Together, GeSI and the Electronic Industry Citizenship Coalition (EICC) have developed E-TASC, an online database designed to gauge social and environmental standards along the supply chain through self-assessment. Its aim is to leverage knowledge across the sector and raise the industry bar.

Members of our industry have many suppliers in common. "E-TASC allows us to identify where we can work together. We can raise standards, and gain a clearer idea of risks," says GeSI chairman Luis Neves.

Ericsson joined E-TASC in 2008 and assessments of all our facilities are available for E-TASC-registered customers.



GeSI
GLOBAL e-SUSTAINABILITY
INITIATIVE

Energy, climate change and the environment

Leading the way to smart power: In 2006, Ericsson won a contract to provide an Advanced Metering Management solution for Acea, Italy. Acea's smart metering service uses Ericsson's cutting-edge technology and service center to monitor electricity usage behavior, saving costs and putting electricity consumers in the driver's seat.

By better communicating power consumption, smart meters can raise energy awareness among end-users, helping to instill climate-smart behavior. They deliver better financial control, too, as electricity consumers are charged only for what they actually use.

Ericsson's service center supplies Acea with a web-enabled interface to facilitate travel-free meter management and

reading, reducing costs and environmental emissions. All electricity service provisioning procedures are handled through the service center, where end-user consumption patterns can be modeled and even fraud detected. We extend our service to all customers – large and small – saving them expensive investment in infrastructure.

In future we hope to apply our modular remote management solution to other utilities such as gas and water, expand our service to new regions and facilitate individual monitoring and control of energy-hungry devices to reduce consumption. Smart meters pave the way for smart grids, where electricity loads can be distributed in real-time, helping to achieve a balanced supply of energy.

Shaping a carbon-lean future

Through innovative technology, Ericsson can play a leading role in enabling a low-carbon world. Our vision to be a prime-driver in an all-communicating world goes hand-in-hand with helping to craft a more climate-smart economy.

Championing efficiency

Leadership for Ericsson means growing the business while reducing carbon-related impacts. The Information and Communications Technology (ICT) sector is responsible for approximately two percent of global CO₂ emissions. This is expected to double by 2020. Our challenge is to de-couple growth from emissions and contribute to wider societal reductions in the process.

To minimize our own, direct, carbon footprint, we have set a Group-level target to reduce CO₂ emissions by 40 percent in the next five years, with 10 percent in the first year. This tough goal applies to our entire product portfolio, including the use phase, where most of our indirect carbon-related impact lies. For some customers, energy-related costs contribute up to 50 percent of network operating expenses (opex). Many of our customers have set goals to cut network opex and related CO₂, indicating great growth potential for our most efficient products and energy optimization services.

For Ericsson, de-coupling is already a fact: while bandwidth and service provision are rising, CO₂ emissions per subscriber are falling. Annual emissions per subscriber on our new GSM networks have dropped to 20kg, from 90kg in 1992. However, sheer growth in demand for our products has increased our overall carbon emissions – something our 40 percent target is designed to address.

Curbing societal impacts

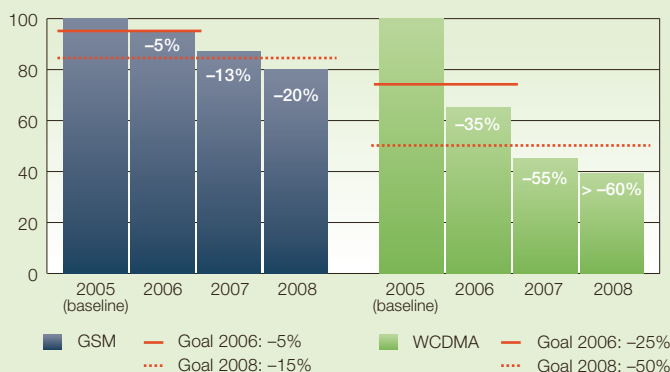
Recent studies show that smart use of telecom can save 10-20 times more CO₂ than it generates. By facilitating the shift from a material to a virtual world, our ambition is to contribute to cutting the 98 percent of manmade CO₂ currently produced by society and other industry sectors. Our sector could offset societal CO₂ emissions by as much as 15 percent by 2020. Ericsson's contribution is to provide the foundation for low-carbon services and solutions, through mass deployment of mobile and fixed broadband networks. In addition, we are developing services and solutions of our own.

Our intelligent transport systems enhance climate-smart decision-making. Connected homes will benefit from energy-efficient management, while mobile healthcare will enable travel-free observation and communication of medical data (p. 20).

Our efforts have not gone unnoticed. Ericsson is recognized by the World Wide Fund for Nature (WWF) as “an emerging low carbon leader in the IT sector,” indicating the transformative potential of carbon-lean telecom solutions.

Tough international agreements on CO₂ reduction are likely in 2009. The telecommunications sector is poised to deliver the shift from physical to virtual infrastructure, whereby flexi-working, distance working and virtual traveling become a way of life. We are also co-developing global standards for calculating carbon savings from the use of these services (see box), and using life-cycle assessment (LCA) to estimate the direct impact of telecommunications on climate change, as well as the CO₂ emissions reduction potential of ICT for other sectors.

Energy efficiency improvements for radio base stations



In 2008, our energy efficiency index for WCDMA RBS improved by 15 percent from 2007 – a gain of over 60 percent since 2005. GSM improved by 7.5 percent between 2007 and 2008.

Shifting to climate positive

More than half the world's population lives in cities. Urbanization is accelerating, especially in countries like India and China. WWF estimates that 100 Mtons of CO₂ could be saved in cities by employing existing low-carbon IT solutions.

Ericsson and WWF Sweden are partnering to investigate telecom solutions for a low carbon economy. Together, we will work on a methodology to calculate savings from the avoidance of emissions, introducing the concept of 'climate positive'. This will include calculating CO₂ efficiencies gained through telecommunications solutions.

Examples will include an in-depth CO₂ analysis of large-scale smart grid schemes, mobile health, mobile banking, intelligent transport systems and smart working.

Minimizing our carbon footprint

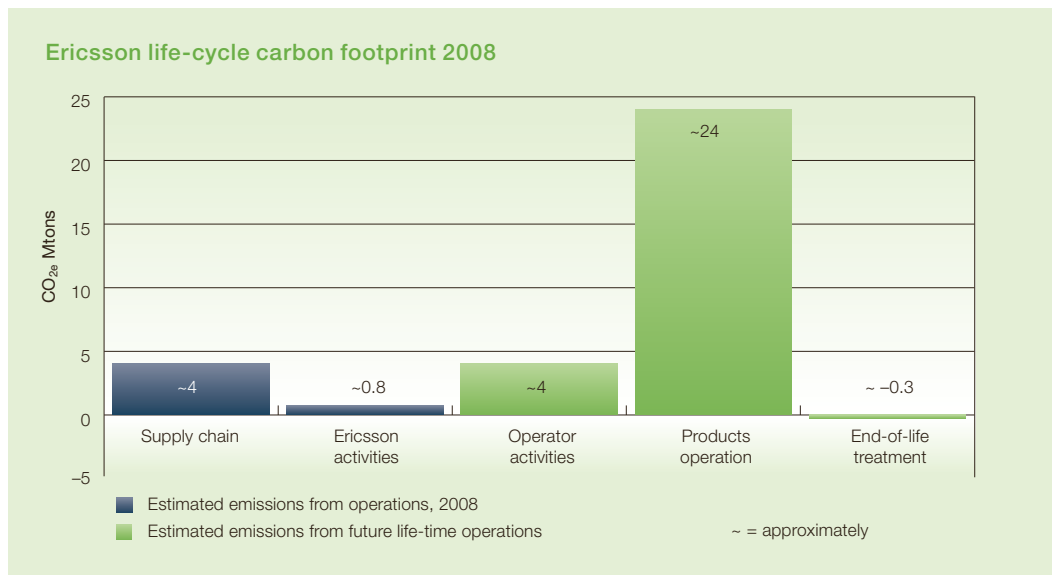
A cradle-to-grave approach to R&D targets energy-intensive activities to reduce our carbon footprint.

2008 was a milestone year in our efforts to address climate change. A Group-level target was set to reduce our carbon footprint by 40 percent over five years, starting with a 10 percent reduction in 2009. Our CO₂ calculations include emissions from in-house activities, such as product transport, sites and business travel, as well as the life-cycle impacts of products sold during the year.

Life-cycle assessment (LCA) defines the environmental impacts of our products from raw material extraction, manufacture, transport and use to disassembly and end-of-life treatment. Ericsson's unique LCA approach includes supplier and operator activities, offering a full picture of the value chain, including CO₂ emissions during product use, where most of our carbon-related impact lies.

Benefits of a holistic approach

LCA expertise helps us understand our own carbon emissions and how they affect our customers' carbon footprint. This knowledge helps us reduce energy and therefore cost – inefficiencies, to lower customer operating expenses (opex). Through LCA we also take into account other environmental impacts.



Applying life-cycle thinking to telecoms networks helps reduce the total cost of ownership (TCO) for customers by demonstrating how to optimize energy. By understanding the relationship between energy use, TCO and CO₂ emissions, we can provide essential customer advice on the linked benefits of first class economic performance and minimum environmental impact.

Our products have long life-cycles. Our LCA tool can model the impacts of changes introduced today over a 15-year time horizon. This holistic environmental understanding also sheds light on how our growing sector can help avert more CO₂ emissions than it creates (p. 17).

LCAs completed in 2008

2008 saw completed LCAs of both mobile and fixed broadband networks, as well as a new LCA on Sony Ericsson mobile phones. The broadband study concluded that total average annual carbon emissions per fixed broadband subscriber are nearly 500kg, due mainly to the operation and manufacturing of PCs and data centers. Those elements over which Ericsson has greater carbon reduction influence amount to approximately 100kg of CO₂, which we will address more actively in 2009.

Reducing CO₂ per subscriber

Our goal to reduce our carbon footprint per subscriber by 10 percent in 2009 and 40 percent by 2013 will rely heavily on product efficiency gains during operation.

Annual CO₂ per subscriber on Ericsson networks has fallen from 90 kg in 1992 to 20kg in 2008 for GSM, while CO₂ per 3G subscriber has decreased from 55 kg in 2001 to 25 kg in 2008. Meanwhile, data throughput is continuously increasing, giving users access to more e-services and reducing the need for travel.



Products transported by surface mode rose to 43% from 39% in 2007. Our target for 2009 is 60%.

Our direct carbon footprint

Our direct carbon impact is substantially smaller than our indirect emissions. Ericsson is working to reduce its most significant direct carbon impact – freight – which, in 2008, resulted in 370,000 tons of CO₂, down from 420,000 in 2007. This success is due to a strategic shift from air to surface freight, favoring coordinated journeys of shorter distances and has been achieved despite an increase in production. In 2008, the percentage of products transported by surface mode rose from 39 to 43 percent. Our target for 2009 is 60 percent.

Our other direct carbon impacts include travel and sites. Reducing business travel through the launch of state-of-the-art telepresence facilities is a key focus of attention for 2009 (see right).

Indirect carbon footprint

Our most significant indirect carbon impact occurs when our products are in use. In 2008, lifetime CO₂ emissions from radio base stations and other products rose to approximately 24 Mtons, from approximately 22 Mtons in 2007, primarily due to an increase in the number of units produced.

We pursue a carbon-lean approach to radio base station (RBS) design: in 2008, our energy efficiency index for WCDMA RBS improved by 15 percent from 2007 –

Making our presence felt

In 2009, Ericsson will launch a number of state-of-the-art telepresence suites designed to improve efficiency, enhance collaboration and reduce CO₂ emissions among employees. Located at key Ericsson business hubs, the suites offer a user-friendly, viable alternative to face-to-face meetings. Benefits such as CO₂ emissions reductions and travel-related cost and time savings will be tracked.

We are also implementing a green IT strategy that includes reducing energy consumption at our data centers. The number of data centers in Stockholm will be consolidated to three and average power consumption will reduce from 1,200 kW to between 300-600 kW – a saving of nearly 75 percent. The new data centers are designed to run separate zones, based on the thermal and energy profiles of the equipment they house. This will optimize the power draw and match the most appropriate cooling to each IT system. During 2008, Ericsson replaced 15 old telephone switches with one corporate switch. By reducing the number of locations and upgrading to the latest technology, power consumption has been reduced by 70 to 80 percent.



a total gain of over 60 percent since 2005. GSM improved by 7.5 percent between 2007 and 2008 (graph, p. 17).

The largest share of carbon impact in the manufacturing phase comes from our suppliers. Our supply chain accounts for an estimated 4 Mtons of CO₂ according to extensive LCA studies.

Closing the loop

Take-back of our products at the end of their use-phase has delivered a 90 percent recycling rate, avoiding 0.3 Mtons of CO₂ in 2008. We expect to improve our energy efficiency further by working with recyclers in 2009 to establish a baseline carbon footprint for end-of-life treatment.

Reducing our carbon footprint through LCA

Ericsson activities

Production and Design for Environment:

Our main DfE activity is to improve our overall portfolio energy efficiency by 10 percent in 2009 and by 40 percent over the next 5 years. Other priorities include avoiding hazardous substances and simplifying end-of-life treatment.

Transport of goods:

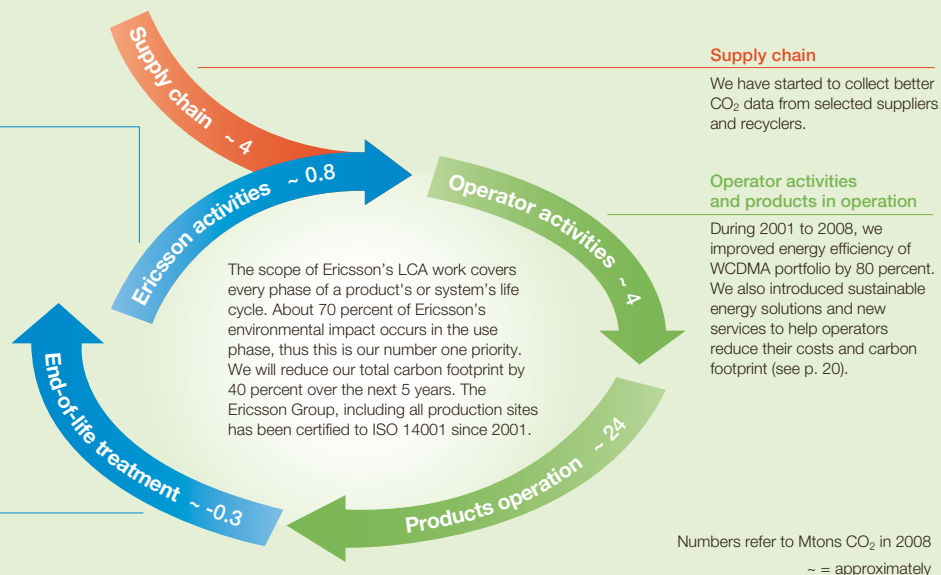
60 percent of all outbound shipping will be by surface mode in 2009. This means 50,000 tons less CO₂ compared to 2007 despite larger production volumes.

Facilities:

We have introduced telepresence and virtual collaboration tools to reduce our business travel impacts.

End of life treatment

In 2008, Ericsson sent less than 2 percent of waste residue to landfill, based on 1,766 tons having been waste treated.



Sustainable solutions

Our portfolio offers energy optimization services and solutions to help customers and society at large reduce costs and CO₂.

Across our portfolio we offer energy optimization services and solutions to help customers reduce costs and CO₂.

Products and features

Energy efficiency is integral to our entire product range. Innovations like the Ericsson Tower Tube complement our core products, such as our energy-efficient radio base station, RBS 2216, which made up over half our GSM sales in 2008. It can run at up to 50 degrees Celsius, avoiding energy-intensive air conditioning. Our RBS 6000 is lower in weight and size, reducing transport costs and CO₂ emissions. Our SmartEdge routers offer lowest CO₂ per subscriber to deliver triple play services.

Sites

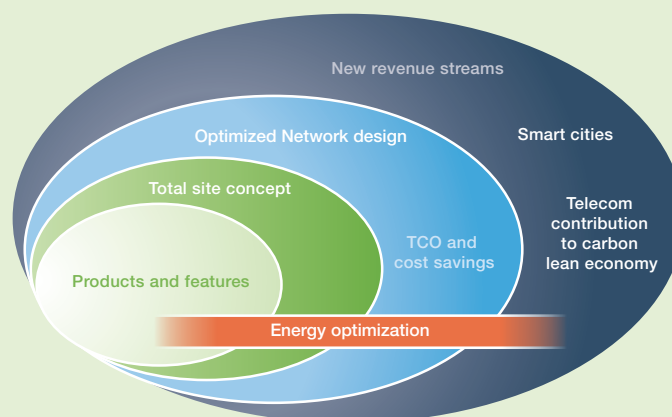
Efficiency does not stop at products. Through site power management, we also address energy use at sites. Our Base Transceiver Station (BTS) Power Savings software offers a sleep mode during low traffic. Passive cooling can reduce energy use by up to 25 percent. At off-grid sites, diesel can be replaced by solar, wind and biofuel alternatives. Our hybrid solution, perfect for larger sites, alternates between diesel generators and specialized batteries, yielding fuel savings of up to 50 percent.

Radio and Core Networks

Radio network design is complex, and sometimes the most efficient option can be fewer, larger sites. In Australia, Ericsson is working with Telstra to provide ultra-high capacity with fewer nodes. By 2010, 18 regional Mobile Switching Center servers will be replaced by a single MSC Server Blade Cluster pool at two sites. This Mobile Softswitch will be up to 60 percent more energy-efficient per subscriber.

Energy and climate change – impacting our sphere of influence

Our commitment to energy efficiency extends beyond our own products and services to encompass society's carbon impacts as a whole.



We focus on energy optimization across all spheres.

For fixed broadband, a new DSL product generation was developed, which achieved a 30 percent power reduction.

Services

Tools such as life-cycle management and energy optimization consultancy services help our customers lower opex, secure energy provisioning to site and minimize environmental impact. Sharing large telecom sites between multiple operators boosts economies of scale and can improve energy efficiency by up to 30 percent. This offers operators a smart way to decrease their energy consumption, opex and CO₂ emissions.

Shaping a low-carbon world

Broadband can play a leading role in improving basic services while reducing CO₂ emissions – both by replacing physical products with services, and by helping people use resources more efficiently.

Our smart grid solution helps utilities and households better regulate energy

use, and our Connected Home allows for monitoring and automating energy consumption, lighting and surveillance.

Both mobile and fixed broadband enable a collaborative approach to travel substitution. Intelligent transport systems, which send traffic and road information to mobile phones, can help reduce emissions. The Business Communication Suite enables users to select the optimal way to communicate, and includes services such as Video call to/from PC, Video Mail, Video Call Center, Video Conference, Video Surveillance, and Traffic Surveillance, reducing products and travel.

Ericsson Mobile Health delivers remote monitoring of physical parameters such as blood glucose and blood pressure, transmitted wirelessly to health professionals. Certain telemedicine applications could reduce travel for hospital consultations by as much as 50 percent, according to our research.

The opportunities for broadband to de-materialize and streamline our economy are almost unlimited.

Product stewardship

A proactive approach to legislation delivers environmental and economic benefits.

Design for Environment (DfE)

Improving energy efficiency, avoiding hazardous substances and simplifying end-of-life treatment are priorities for Ericsson worldwide.

During 2008 we widened our energy efficiency scope to include all products, in support of our global 10 percent CO₂ reduction target for 2009.

We are proactively managing hazardous materials through our lists of banned and restricted substances, which also apply to suppliers. In 2006, lead-free soldering was introduced. By late 2008, the majority of boards for our high-volume products were lead-free.

During 2008, compliance with the EU REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemical substances) was a key focus. It has been integrated into internal strategies and guidelines, ensuring cost effective compliance.

Common baselines facilitate sustainable customer choices. Ericsson actively supports harmonization of energy efficiency measurements and material data management through well established standardization bodies.

Waste from Electronic and Electrical Equipment (WEEE)

Ericsson recycles over 90 percent of decommissioned equipment, exceeding the Directive stipulation of 75 percent. Of this, five percent is re-used as components. Remaining plastics are largely utilized as fuel, while metals are sold. The non-recycled 10 percent is clean and can be used as building material. We expect further progress in 2009.

WEEE collection is coordinated globally through our Ecology Management Control Tower – a key factor in our success to date. During 2009, Ecology Management will incorporate battery and packaging collection and treatment, which are currently managed separately.

In 2008, Ericsson received 435 requests for WEEE collection, amounting to an estimated 12,357 tons. Of this amount, 1,766 tons were fully waste treated by the waste treatment facilities in 2008. The remaining 10,591 tons will be treated in early 2009 as only large batches are treated at a time for environmental reasons and economies of scale. To meet our environmental criteria and ensure exclusion from the gray market, all African waste for example, is firstly shipped to South Africa where the electrical and electronic waste is separated before being shipped to Singapore for final waste processing.

Working with a number of contracted recyclers, Ericsson is establishing baseline figures for carbon emissions and savings throughout the WEEE treatment process. Possibilities for energy and cost reductions will be identified, with the ultimate aim of cost-neutral WEEE management.

Radio waves and health

Consumer health is high on Ericsson's research agenda.

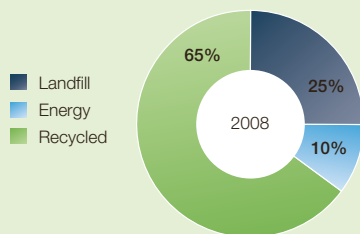
Ericsson's radio products are designed and tested to comply with standards, regulations, and laws related to exposure to radio waves.

Ericsson supports research through the Mobile Manufacturer's Forum according to World Health Organization recommendations. Research is independently managed, peer-reviewed and funded with governments or other third parties. Less than half of the funding is provided by industry.

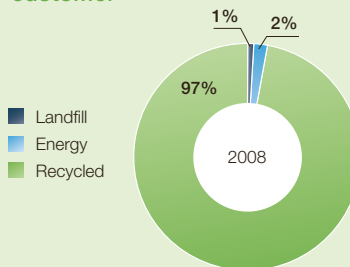
A recently finalized project, PERFORM-A, sponsored with the European Commission, found that exposure to radio waves at GSM mobile phone frequencies did not induce or promote cancer development in rats or mice. Another recently initiated project is COSMOS, examining possible long-term effects of mobile phone use.

Ericsson has supported more than 90 studies since 1996. Health authorities and expert groups conclude that the balance of evidence does not demonstrate any health effects associated with radio wave exposure from mobile phones or radio base stations.

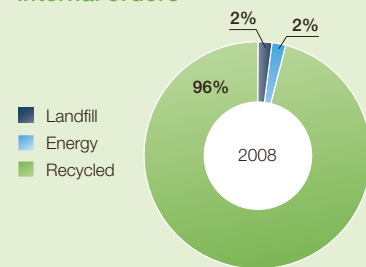
EU WEEE directive targets



Ericsson 2008 actuals, customer



Ericsson 2008 actuals, internal orders



Communication for all



Leveraging communications technology to improve lives:

Alokito Bangladesh, or 'Enlightened Bangladesh,' exemplifies our approach to Communication for All, linking affordable connectivity with improved lives.

The pilot project, launched in 2008, established the first-ever 3G/HSPA service in Bangladesh. The HSPA (high speed packet access) technology brings efficient and reliable highspeed broadband to the region and demonstrates how the mobile services can catalyze economic and social development.

Introducing applications in healthcare, education and information, the project brings new services to rural and urban communities in the Dhaka region. Through e-learning, for example, it illustrates the potential for interactive, long-

distance education led by remote teachers.

Similarly with mobile health, Alokito demonstrates how broadband can bring medical services to remote communities or areas lacking modern care. Through a partnership with Apollo Hospitals, e-medicine is providing distant care, diagnosis and treatment advice.

Stakeholder partnerships have been critical. In addition to collaborating with local education and medical service providers, Ericsson is cooperating with three telecom operators – AKTEL, Grameenphone and Warid Telecom – sharing their base stations and transmission networks.

Alokito serves as a blueprint for expansion of affordable and efficient 3G/HSPA into the world's developing markets.

Upwardly mobile

For Ericsson, doing good for society converges with building business value in emerging economies.

Our longstanding presence in Africa, Southeast Asia and China has demonstrated that connectivity is a lifeline to sustainable growth. It improves lives, promotes dynamic and democratic societies and can help deflect the physical effects of climate change. Moreover, connectivity is an instrument to generate economic opportunity. In fact, a 2007 Deloitte analysis of sub-Saharan Africa, Latin America, the Middle East and Asia Pacific confirms that a 10 percent increase in mobile penetration leads to a 1.2 percent increase in Gross Domestic Product (GDP) in developing countries – twice the equivalent impact in developed markets.

Long-term commitment to partnership

Ericsson partners with NGOs, customers, academia, industry organizations, governments and the UN to bring connectivity to those living at the base of the economic pyramid.

Such collaboration realizes our company vision and commitment to the UN Millennium Development Goals, while strengthening the core business.

In regions where three of every four people under the poverty line live in rural areas, a key focus is to address poverty by delivering connectivity to rural areas. In 2008, work was ongoing in key markets in Southeast Asia and Africa, including our flagship sustainability initiative, the Millennium Villages project in sub-Saharan Africa.

Sustainable business value

Success in these markets rides on making communications affordable and accessible to all. Ericsson's focus is on developing economies of scale, mass market solutions and radio base stations which scale to various coverage and capacity needs.

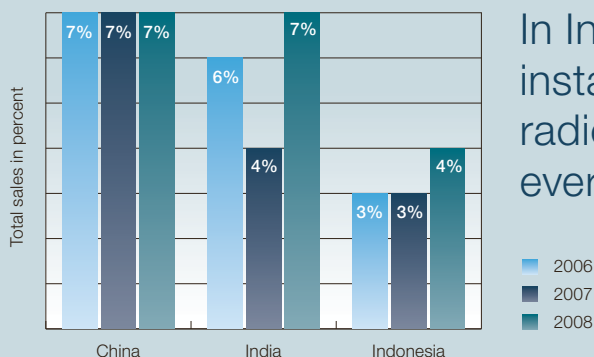
Two studies conducted by Ericsson in 2008 showed that, in the lowest income segments, money transfer, learning and mobile applications in health are in high demand. In one study, an advice line on healthcare was ranked as a service subscribers in Uganda would most like to see. These findings will help inspire new types of products and services for voice and data while raising quality of life.

Our investments in the Mobile Innovation Center and the Bangladesh pilot project described in this section bring us one step closer to meeting needs in these regions.

Sharing experience from other markets, funding and conducting research, and strategic initiatives help to chart the impact of telecom on social and economic growth. To help fulfill telecom's transformational potential, Ericsson is encouraging regulators to support greater connectivity by allowing more licenses, spurring competition and establishing a wider radio spectrum that favors mobile expansion.

High-growth markets

China, India, Indonesia and Brazil are among Ericsson's 10 largest markets in sales share. Emerging markets represent around one third of global GDP, and network sales in emerging markets grew an estimated 15 percent in 2008, representing over half of network sales.



In India, Ericsson installs a new radio base station every 11 minutes.

The next billion subscriptions

2008 marked the milestone of 4 billion subscriptions, a rise from 2.7 billion since 2006. The vast majority of future growth will occur in emerging markets.

In sub-Saharan Africa alone, Ericsson counts over 60 mobile and 20 fixed operators as customers, with more than 50 percent of GSM market share.

Empowering change

Mobile connectivity is a key enabler in helping to fulfill the Millennium Development Goals.

The UN Millennium Development Goals (MDGs) are eight objectives to eliminate extreme poverty by 2015. The UN has identified telecommunications as a sector with enormous capacity to support these aims. "The mobile phone is the single most transformational tool for development in Africa," says Jeffrey Sachs, advisor to the UN Secretary General and Director of Columbia University's Earth Institute.

The Earth Institute is the driving force behind the Millennium Villages (MV), an innovative model to help rural communities lift themselves out of extreme poverty. Their selected villages are hunger hotspots located in different ecological zones in sub-Saharan Africa. There are currently 14 MV clusters across 11 countries, impacting the lives of more than half a million people.

Ericsson joined this unique, public-private partnership between the UN, governments, businesses, universities and NGOs in 2007.

"The mobile phone is the single most transformational tool for development in Africa."

Jeffery Sachs, Earth Institute



Connectivity in Dertu saw the number of female students jump from two to 50.

Together with mobile operators Zain and MTN, we are rolling out mobile communications and Internet capabilities to all Millennium Villages. Tailored to local conditions in each village, our end-to-end communications solutions are contributing to improving livelihoods, health and education (p. 25).

Key to the project's success is scalability. Connectivity is an important ingredient, since it enables communication across borders, bridging the digital divide.

Sustainable model for growth

For Ericsson, involvement in the MV represents an opportunity to fulfill our commitment towards the MDGs. It also serves as a valuable incubator for sustainable business models in a market with huge potential for growth.

Meeting the communication needs of sub-Saharan Africa is complex. Merging the MV partnership with our business strategy reinforces Ericsson's long-term commitment to this region. Public-private partnerships enhance our understanding of how to better serve these markets in sustainable ways and build trust within these communities.

To help measure our contribution, in 2009, Ericsson and Columbia University will define a system to monitor the impacts of mobile phones in the villages and analyze the interlink between connectivity and tailored village programs. Quantitative and qualitative performance indicators will be designed to show the impact of telecom and ICT services on individuals, businesses, villages and society overall, including:

- Transport trends
- Access to health information and facilities
- Local business or agricultural practices
- Household and village incomes
- Completion of primary level schooling.



The Millennium Villages Project represents an opportunity to fulfill our commitment to the MDGs. It is also a valuable incubator for developing sustainable business models.

Action on the ground

Under the MV project, Ericsson has provided telecom infrastructure, mobile applications and expertise to connect approximately half a million people. Roll-out of networks to all village clusters is currently ongoing.

By Q1, 2009, 60 percent of the villages had been connected, covering 55 percent of the Millennium Villages population.

Our engagement includes:

- Mobile communication technology to provide voice and Internet access. Where regulations and spectrum allow, 3G technology is deployed.
- The Mobile Innovation Center to develop mobile phone applications.
- Fixed Wireless Terminals at local schools and health centers, to provide data and voice coverage through Internet or wireless LAN.
- Mobile phones for Community Health Workers and establishment of toll-free emergency numbers.

Key objectives:

- Identify and develop customized applications for the MVs.
- Stimulate business opportunities.
- Develop medical applications to enable improved understanding of community health.
- Bring Internet access to schools.
- Prioritize deployment of green site solutions where feasible.
- Innovative business models to make mobile communications more affordable.

It takes a village

Mobile communications are easing challenges within health, education, infrastructure, agriculture, equality and business development.

Kenya: In Dertu, a remote village in northeastern Kenya on the Somalia border, schools have been connected to the Internet via the mobile network. In the first month of connectivity, more than 250 children previously lacking access to education were enrolled and the number of female students jumped from two to 50. In part, this is because students' mostly nomadic families felt comfortable leaving their children at school knowing they could get in touch via a mobile phone.

Dertu is also demonstrating the potential of using renewable energy, and the network is now running on a wind and solar solution, which will result in an 80 percent reduction in energy-related opex costs compared with sites run on traditional diesel generators. In this hot, arid region, sun and wind are the most reliable power supply.

Since May, 1,200 calls and 3,000 minutes of airtime daily have been registered among its population of 5,000. With high demand and reduced operating costs, connectivity

is expected to become economically viable for the local operator within three years.

Ghana: The Bonsaaso cluster comprises six villages of 30,000 residents. The villages are separated by thick rainforest, hindering contact between them. There are few health facilities and villagers have to travel long distances – between two and 40 km – to access care. A limited number of medical personnel and insufficient vehicles make outreach healthcare delivery difficult. In response, Ericsson, Novartis Foundation, the Ghana Health Service and Ministry of Health launched a telemedicine project to help facilitate off-site diagnosis and information sharing for primary healthcare.

Uganda: With a population of 43,000, the highland Ruhira cluster is spread over several hundred kilometers. Lack of communication between villages, commercial centers and associated schools, clinics and markets has stunted development. Between 40-50 percent of its residents live in extreme poverty.

Ericsson's mobile phones for health applications improve data collection such as birth and death counts and general health service delivery. Sony Ericsson supplied phones for community health workers and ambulances, and operators provided a toll-free emergency number to facilitate communication in the event of emergencies.

Rwanda: Mayange is one of the poorest regions in the country. In 2007, Community Internet Centers were launched with the GSMA Development Fund. GSM-based data connectivity and its pay-as-you-go model is predicted to spread Internet connectivity rapidly across Africa. Over a three-month period network usage jumped, with base station usage increasing by 12 percent. The site is currently being expanded to enable greater capacity. To date the main Internet kiosk's three computers are generating approximately USD 100 per month income, while the solar charger used by the community healthcare worker co-op to charge phones is generating approximately USD 200 a month.

Connectivity timeline

Together with mobile operators, by Q1, 2009, 60 percent of the villages had been connected, covering 55 percent of the Millennium Villages population.



2007

Launched connectivity initiative in September.

Fully connected:

- Rwanda, Mayange: Population 25,000



2008

Fully connected:

- Kenya, Dertu: Population 5,000
- Nigeria, Ikaram: Population 30,000

Partially connected:

- Kenya, Sauri: Population 55,000
- Malawi, Mwandama: Population 35,000

Applications:

- Mobile Innovation Center launched
- Rwanda, Mayange: Launched Community Internet Centers
- Ghana, Bonsaaso: Initiated tele-medicine project
- Uganda, Ruhira: Launched mobile health project

Monitoring and Evaluation project with Columbia University



2009

Fully connected:

- Ghana, Bonsaaso: Population 30,000
- Malawi, Mwandama: Population 35,000
- Tanzania, Mbola: Population 30,000
- Uganda, Ruhira: Population 43,000
- Nigeria, Pampiada: Population 5,000
- Liberia: Two new villages added

Monitoring and Evaluation project continues

500,000 people
14 villages
11 countries

Mobile Innovation hubs

Innovation requires insight into customer needs. Our African Innovation Center will help chart the markets of the future.



Dynamic Discounting named “Most Innovative Service” at AfricaCom 2008.

The rationale for the 2008 launch of Ericsson's Mobile Innovation Center is simple. By working closely with local stakeholders, our teams of developers can design innovative solutions for the communication needs of sub-Saharan Africa.

The initiative is based around three hubs in Nairobi, Kenya, Lagos, Nigeria, and Johannesburg, South Africa. While the primary focus is to benefit this low-income region, we are already seeing enormous global potential and scalability of some innovations.

Among the first applications is the Mobile Survey Tool (MST). MST was inspired by our involvement in the Millennium Villages and by the need of partner agencies to collect reliable data about healthcare, education, agriculture, government and business development.

The application allows organizations to create and use surveys, process the data and publish the results. Since the sub-Saharan region has inconsistent mobile coverage, the tool is designed to adapt to areas of low or uneven coverage. Already it shows great potential. Health agencies can quickly track disease outbreaks, individuals

in remote areas can perform self-diagnosis, local authorities can support voting services, and businesses conduct market surveys.

Another innovation deployed in 2008 is Dynamic Discounting, which makes connectivity more affordable by providing information about call rate discounts. Because discounts are typically offered at times of low network usage, the local operator sees the benefit of increased network traffic and efficiencies. Dynamic Discounting provides value for the vendor, local operator and end-consumer, who can

receive call discounts of up to 95 percent by calling during low traffic periods.

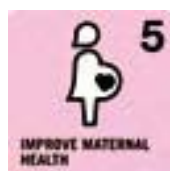
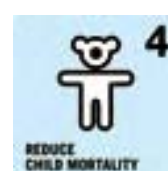
Other applications to be rolled out in 2009 include the Mobile Virtual Number and Mobile Banking applications.

In sub-Saharan Africa, mobile penetration is approximately 35 percent. The Mobile Virtual Number will allow users to establish an account and use any mobile communication device to make calls, send and receive messages or access the Internet.

The Mobile Banking application opens up the possibility of financial services to the majority of sub-Saharan Africans currently without a bank

account. Users can establish an account and complete transactions via a mobile phone or the Internet.

One of the obstacles identified prior to the Innovation Center's launch was a lack of technological skills in the sub-Saharan region. Ericsson's hubs are designed to address this challenge. Our small, flexible teams support local businesses with new technologies, while improving their skill base. We partner with stakeholders to develop insight into local needs and advance the regional economy.



The eight MDGs were adopted by all UN Member States in 2000, and have become a framework for meeting the needs of the world's poor by 2015. ICT is recognized as key to the achievement of all MDGs.

Making communities mobile

Ericsson is catalyzing social and economic change in some of the world's most vulnerable regions.

Sustainable power in Indonesia

In Indonesia, a dispersed nation of 240 million, demand for communications services is growing fast. While the country leads the Southeast Asian market in mobile subscriber growth, the current challenge is to provide low-cost service for the country's rural areas, where the majority of the population lives.

To meet this demand, Ericsson is partnering with Telkomsel to provide energy- and cost-efficient solutions suited to the country's geographical and economic needs.

In 2007 we delivered and installed a solar-driven main-remote radio base station, the RBS 2111, providing new connectivity to rural Indonesia. The energy efficiency of the radio base station is key to making solar energy economically viable for the site. The initial trial period indicated an efficiency gain of 60 percent compared with ordinary macro-base stations. The site requires a mere 50 square meters of solar panel coverage to operate.

Solar energy is ideal for remote areas where power supply is unreliable or connection to the electricity grid limited. Traditionally such areas have relied on diesel-powered stations, which are costly and need frequent refuelling and maintenance.

The solar-power site not only has clear environmental benefits by eliminating CO₂ and particulate emissions associated with diesel, it also has the advantage of being virtually maintenance-free with an unlimited supply of power. The initial trial showed that our customers' operating expenditures will be reduced by 40 percent.

Life and livelihood on Lake Victoria

Ericsson, Zain and the GSMA Development Fund are collaborating to expand mobile coverage and increase safety and security in Lake Victoria's fishing community. The lake, which supports more than 150,000 fishermen, is the scene of nearly 5,000 deaths each year due to accidents and drowning.

Upgraded infrastructure and 21 new radio base stations around the lake will cover the area where 80 percent of fishing – and the majority of fishing-related accidents – occur. Together with local stakeholders, a tri-nation Rescue Service will be established using Ericsson's Mobile Positioning System. It will be fully operational by the end of 2009.

The project is also boosting the wider fishing economy by providing mobile services that deliver market prices, weather alerts, and customer data.

Filling Weather Data Gaps

Reliable weather data is a lifeline for areas vulnerable to natural disaster and weather-related emergencies. Africa not only suffers from limited data infrastructure; it will also bear the brunt of long-term climate change impacts.

Recognizing this, the Global Humanitarian Forum, led by Kofi Annan, launched the Weather Info for All Initiative, together with Ericsson and other key partners. The aim is to ensure availability of accurate weather information to those most vulnerable to climate change.

A critical part of our role is to install and maintain some 5,000 automatic weather stations as well as to develop mobile phone applications to supply the information to local populations. We will also work with the World Meteorological Organization to strengthen the capacity of national meteorological services, distributing weather information online and via mobile phones.

Pilot deployments have begun in the Millennium Village and Lake Victoria sites in Uganda, Tanzania and Kenya in 2009.



Solar power solutions expand coverage and capacity to remote regions of Indonesia.

Community



Racing for the Millennium Development Goals: Speed, extraordinary teamwork and shared values. These are essential qualities in a competitive sporting event such as the Volvo Ocean Race – and they are equally important to meeting the Millennium Development Goals (MDGs).

Ericsson's participation in the Volvo Ocean Race offers the opportunity to merge our main customer activity with corporate responsibility goals. We are leveraging this global event to communicate the urgency of meeting the eight MDGs (p. 24).

Mary Robinson, former UN High Commissioner for Human Rights, and Jeffrey Sachs, Advisor to UN Secretary General, joined the team as MDG advisors. Ms. Robinson, godmother to one of the two Ericsson boats, spoke at the race launch in

Alicante, Spain, and inspired the public, employees and other stakeholders with her passion for human rights and poverty alleviation.

The Ericsson Racing Team advocates the MDGs via their work-gear, website and crew members. At each of the port stops, we are engaging with our customers and other stakeholders by hosting roundtables, media briefings, and MDG promotions to showcase sustainable technologies and advocate the key role that telecommunications can play in reducing poverty.

The race presents an important opportunity to use partnerships to mobilize telecommunications sector expertise in finding practical solutions that address extreme poverty. 📱

Local heroes

Our approach to community involvement unleashes the creativity of employees through initiatives that address local needs using communications technology.

Ericsson's 78,000 employees have the skills, talent and desire to contribute to the diverse communities where they work. Since 2007, our Group Sponsorship Directive has defined a common approach to community involvement. Together with our values and business priorities, the Directive sets out a framework for corporate responsibility initiatives at the local level.

Our aim is to target projects aligned with our business goals of affordable, accessible communication for all and environmentally sustainable technologies.

While the Group sets the underlying criteria for sponsorship activities, the innovation and decision-making take place at the local level. Greatest impact can be achieved where local needs are understood. This also empowers our employees to take ownership of Ericsson's corporate responsibility objectives.

In 2008, projects ranged from social and economic development to healthcare initiatives, environmental protection and humanitarian aid.

Earthquake Relief, China

When an earthquake of 8.0 magnitude struck the Sichuan Wenchuan region, senior support engineer Deng Bo was the first member of the Ericsson China team to arrive at the scene to establish emergency communications. In the following weeks he helped to restore communication to the most affected areas.



Ericsson China employees donated skills, time and equipment after an earthquake with a magnitude of 8.0 struck the Sichuan Wenchuan region.

The Ericsson China team supported this effort with technical skills and donated equipment. Thousands of local employees contributed to the quake relief effort. In recognition of Deng Bo's particular courage and leadership, the Market Unit nominated him for an outstanding performance award in 2008.

Education Initiative, South Africa

Ericsson South Africa employees have developed a multi-year initiative targeting the country's high number of disadvantaged and underperforming schools. A first stage, launched in 2008, involves identifying the specific requirements and priorities of some 14 schools. The skills of Ericsson employees and local business leaders have been pooled to meet these needs. While food, clothing and equipment will be addressed as first priorities, the team will also contribute to strengthening the math and science curricula, providing communications technology and mentoring teachers. The initiative is developing collaborative interaction between public and private schools to exchange skills, strengthen facilities and empower teachers and principals.

Cercle Passeport Telecom, France

Ericsson employees were actively involved in mentoring programs with this multi-stakeholder initiative that brings science and math education to at-risk youth in France, helping them to prepare for higher education in engineering and business schools.



We are targeting the technology and communications needs of South African schools to improve students' learning opportunities.

Heeding the call

At times of crisis, communication is vital. The Ericsson Response™ volunteer initiative deploys employees and telecom equipment to support the UN and other humanitarian organizations.



In 2000 Ericsson Response was launched as a global volunteer initiative to rapidly deploy communication solutions and telecom experts to assist natural disaster relief operations. Since then, we have extended our support to cover humanitarian operations. Our efforts are coordinated through partner agencies, including the UN Office for the Coordination of Humanitarian Affairs (OCHA), UN World Food Program (WFP) and the International Federation of Red Cross and Red Crescent Societies (IFRC).

Building on a partnership that began in 2003, our team spent two months working with the WFP Dubai location providing PABX support to their regional project manager.

Sudan

Response volunteers have been working in Sudan since October 2008. The mission is coordinated by OCHA and supports the efforts of Save the Children.

The conflict in Sudan has disproportionately affected children.

We have extended our support to cover humanitarian operations.

Millions of displaced families live under the threat of violence and abuse. They face food, water and fuel shortages, inadequate healthcare and limited opportunities for education or development.

Ericsson Response volunteers currently work and travel with Save the Children teams to provide communications

2008 Missions

Dubai

The World Food Program is on the frontline of nearly every global crisis. The logistical support and communications technologies needed to ensure food delivery require prompt deployment of complex systems. To help improve the WFP's ability to respond to emergencies, Ericsson Response provides communications technology expertise that complements the skills of WFP staff.

Ericsson Response Volunteers

Since the initiative's inception we have seen growing interest among our employees to take part in the program. Ongoing volunteer recruitment focuses on attracting the most relevant skills and technological competencies, then matching these to Ericsson Response missions.

Before participating in a field mission, volunteers take part in rigorous training sessions. These are facilitated by the International Federation of Red Cross and Red Crescent, UN and our other partners. Training includes simulation exercises to deploy quick response communications through Ericsson's GSM, WIDER and other systems.



2006

Sweden

Field exercise with World Food Program and training

Sudan

OCHA support

Pakistan

Earthquake relief



2007

Central African Republic

OCHA & SRSA support

Tanzania

SRSA support

Dubai

Field exercise with World Food Program

Peru

Earthquake relief

Italy

Training



2008

Central African Republic

OCHA and SRSA support

Sudan

Fieldwork with Save the Children

Germany

Training with UNICEF

Dubai

World Food Program support

Burma

Volunteers on standby after May hurricane

expertise, repair and develop communications infrastructure, and to develop skills. The goal is to help Save the Children teams communicate more effectively both amongst themselves and with other organizations, and to use communication technology to identify areas in greatest need.

Central African Republic

In neighboring Central African Republic, another country devastated by conflict, Ericsson Response spent several weeks working with the Swedish Rescue Services Agency (SRSA). The Response team provided technical support for OCHA and helped establish communications at a new UN camp in the northwest.

Panama

After heavy flooding in Panama near the Costa Rican border, the International Federation of Red Cross and Red Crescent Societies requested communications support. In this case, we were not able to mobilize an on-site presence in the earliest stages of disaster response. We were, however, still able to provide communications support in the wake of the flooding. We are using the experience to improve the structure of our volunteer

recruitment and equipment deployment to ensure faster mobilization times in future.

Disasters unfold in minutes and hours. In order to most effectively deploy our volunteers within tight timeframes, we actively recruit skilled volunteers in the most disaster-prone areas such as south-east Asia, China and South America.

Looking forward

As the initiative moves forward, we are developing new technologies that can be established under the difficult circumstances that usually accompany disaster. These include Ericsson's small, easily-transportable 3G QuickLink products.

Our easily transportable solutions can rapidly establish communications systems in the midst of disasters.



Rapid deployment of telecommunications is a vital element of a coordinated disaster response.

A photograph of two women in an office environment. The woman on the left has short blonde hair and is wearing a grey blazer over a dark top. The woman on the right has dark hair and is wearing a black blazer over a red and white patterned blouse. They are both smiling and looking at each other. The background shows office equipment and a bright, modern interior.

People

CASE STUDY: Diversity

‘Vive la différence’: With customers in over 175 countries, diversity is a hallmark of Ericsson’s culture. It fosters openness to change, equipping the business to address emerging risks and opportunities. We celebrate differences between people and strive to build a business which fully reflects the diversity of the markets we serve and of the employees who work with us.

Since October 2008, we have been rolling out diversity I-check, our online diversity training tool. Undertaken in groups of two to ten, I-check challenges perceptions and encourages team discussions. It raises awareness, shows that diversity transcends skin color, age or gender, and demonstrates business benefits. In the UK, all 3,300

employees across all competence areas and from every level were encouraged to complete I-check between November 2008 and February 2009. Feedback from participants showed how much they enjoyed the chance to explore the differences in skills, experience and views that help us learn from one another and develop as individuals.

Diversity brings business benefits too: it helps us to challenge each other, think innovatively, win new business and improve service excellence. At the same time it helps Ericsson to attract and retain the best candidates.

Leading by example

A learning culture attracts talented people, helping us to spearhead technology shifts and embrace globalization.

Ericsson seeks to be the employer of choice in all markets where we operate. Currently, we have 23 Market Units spanning all five continents. The number of employees rose from 74,000 in 2007 to 78,740 in 2008. Some 43,100 are located in the EU. Most of the new hires in 2008 were due to our growing managed services business. 25 percent of our employees work in research and development.

Confident leadership

Working in an evolving business environment on the cutting edge of communications technology, Ericsson requires its leaders to lead in thought and action, to inspire their employees.

Our Leadership Development Initiative for employees nurtures key capabilities and competencies and helps set clear goals. We seek to strengthen and deepen leadership qualities at all levels of the organization. During 2008, we launched 122 training sessions to support the initiative and 1,979 managers participated, compared to 78 sessions and 1,281 participants in 2007.

Some 90 percent of employees undergo an annual Individual Performance Management (IPM) appraisal, covering all areas of their jobs and providing them with management feedback on their related leadership behaviors. In 2008, we introduced a new aspect for those with people-management roles. Individuals identify and report on a self-selected diversity goal.

A learning environment

A learning culture underpins our vision to be a prime driver in an all-communicating world. Career development is a strategic priority for us in order to attract the best talent and retain employees who can deliver innovation and continuing competitive advantage.

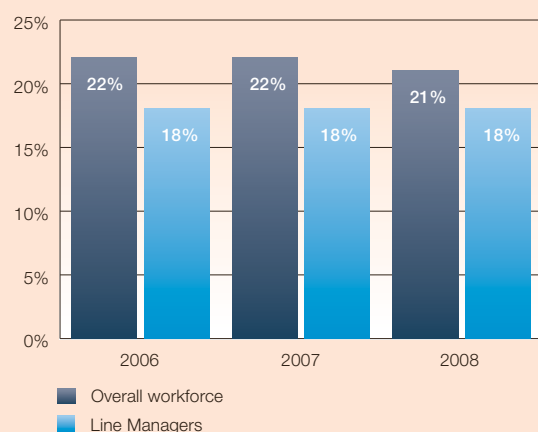
To maximize learning opportunities, we mix classroom sessions with informal learning such as mentoring, job rotation, coaching, and interactive feedback. This provides employees with practical support in developing the skills to spearhead and service technological convergence.

Ericsson offers programs globally and across all functions, supported by a common learning management system. Approximately 100,000 annual classroom days are complemented by on-line packages to deliver focused learning that enhances collaboration.

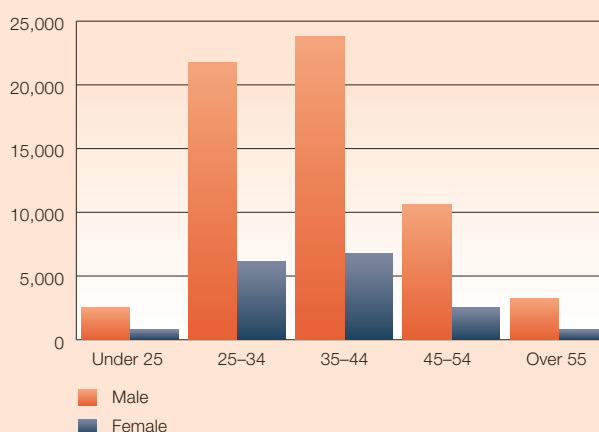
Our internal learning web portal provides 2,500 off-the-shelf and 150 tailor-made courses for employees across the globe. In 2008, Harvard Business School faculty seminars were made available on-line for all employees, and this has enjoyed enthusiastic participation across Ericsson.

We encourage our employees to share knowledge, and in 2008, we launched a common platform for online collaboration. We also update one another about work informally through user-generated content such as wikis, blogs and RSS feeds.

Female representation 2006–2008



Employees by age and gender 2008



A global scope

Healthy, diverse workplaces inspire us to work safely and creatively to reinforce our caring culture and grow our global markets.

Occupational health and safety (OHS) is a global priority for Ericsson. In 2009 we will align our existing locally tailored OHS approach with a globally coordinated system applicable to all markets. Unit Heads will ensure that they set appropriate OHS standards that are realistic, attainable and consistent with local operating conditions and legislation. During the year we will finalize a Group Policy on OHS that will be rolled out throughout the business.

In 2009, trained and experienced individuals responsible for OHS will be appointed at the local level. Incident reporting processes will be integrated with Ericsson's existing reporting systems to deliver information on parameters such as fatalities, serious injuries and dangerous incidents.

Each Market Unit will establish OHS objectives and targets and develop the training requirements needed to reach them. They will also assess any relevant risks and define and apply appropriate control measures.

We will audit our OHS system regularly, recognizing that any standards set should be consistent with local operating conditions.

Diversity adds value

Ericsson's diverse workforce is critical to anticipating and meeting the needs of our global markets. Since 1998 we have strengthened our recruitment process by increasing the diversity of the candidate pool for executive, professional and graduate posts. Diversity expresses itself in many ways, and we publish data for two parameters: gender and nationality.

While applicants for positions in Ericsson succeed on merit, candidate lists for the top 200 posts always include at least one female and one non-Swede. Today, 74 percent of Ericsson's workforce is outside Sweden and 33 percent of the top 200 roles are filled by non-Swedes, compared to 36 percent in 2007. We are addressing this decrease.

Ericsson is making headway in a male-dominated industry, and the number of women in the workforce increased worldwide from 12,000 in 2004 to more than 17,000 today. The number of women occupying the top 200 roles increased from 12 percent in 2007 to 13 percent in 2008, while those in line management positions remained steady at 18 percent. Our objective is to develop a management team in which the number of females is proportionate to the female workforce as a whole.

Employees speak up

Ericsson's annual employee engagement survey ("Dialog") receives an average response rate of 90 percent. Such substantial participation gives us an inclusive and reliable way to measure employee opinions worldwide. We gain insights into the success of internal initiatives and priorities for the market. It also lays the groundwork for action plans, guiding the improvements we make. The survey gauges employee opinions from many perspectives, among which are empowerment, leadership, creativity and motivation. Ericsson scores highly against external benchmarks.

Key figures

74%

of Ericsson's workforce is located outside Sweden

33%

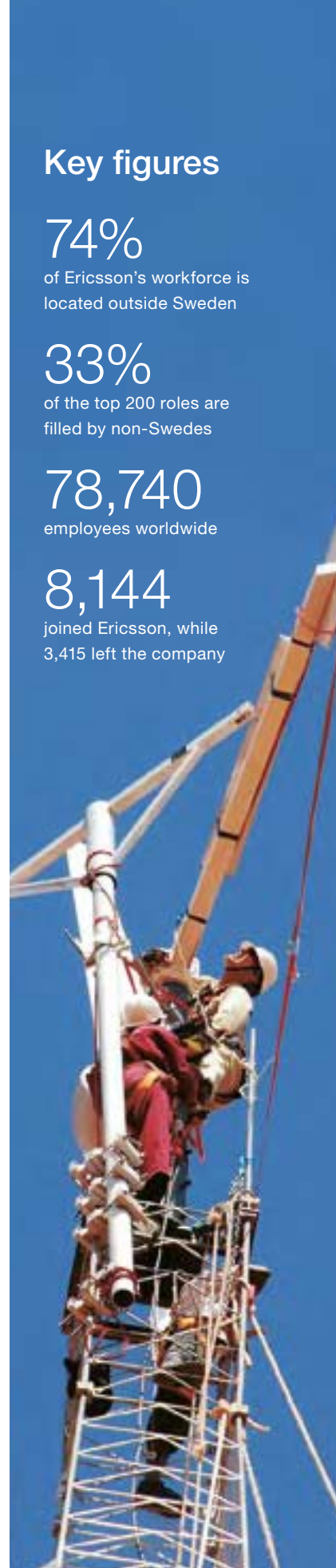
of the top 200 roles are filled by non-Swedes

78,740

employees worldwide

8,144

joined Ericsson, while 3,415 left the company



Communication on progress



The ten principles of the UN Global Compact provide a universal framework for business conduct which Ericsson strongly endorses.

Ericsson's commitment to the ten principles of the UN Global Compact guides us in the development of Group practices throughout our sphere of influence. Moreover, through initiatives like Ericsson Response™ and Millennium Villages, we mobilize our core business to support the UN in its efforts to alleviate poverty, improve the environment and bridge the digital divide.

Ericsson policies and directives

Respect for human rights and intolerance of corruption are embodied in the Ericsson values of respect, professionalism and perseverance and in our Code of Business Ethics. The Code of Conduct is also designed to protect human rights, promote fair employment and safe working conditions and high ethical standards. The Environmental Policy details our commitment to the precautionary approach; to promoting greater responsibility and to developing environmentally-sound technologies. The CR component of our Global Assessment Program is now 14 percent, up from 1 percent in 2007. We insist upon the same standards of labor and environmental performance among all suppliers.

Human rights

Ericsson sees access to communication as a basic human right and we actively support the fulfillment of human rights within our sphere of influence. Our first obligation is to avoid complicity in human rights abuse, notably in sensitive countries where regulations and ethical standards are not enforced. Ericsson's core technologies can also help improve lives, promote democratic societies and generate economic opportunity.

- CEO Carl-Henric Svanberg spoke at a UN General Assembly special session on how business can contribute towards the Millennium Development Goals (p. 2) and at the Seminar on Business and Human Rights at the 60th anniversary of the UN Declaration of Human Rights in Paris.
- Membership in the Business Leaders Initiative on Human Rights helps us to maintain a proactive stance on human rights issues. We supported the Every Human Has Rights Campaign among employees (p. 10).
- Our partnership in the Millennium Villages initiative (p. 24) is aimed to support the right to health, education and equality.
- General CR training was held for 90 percent of our global security management organization.

Fair labor practices

Human resources procedures ban discrimination and ensure equality and diversity in our operations. We encourage union membership and, in countries where workers cannot freely choose membership, work conditions are discussed with local management in a structured format.

- We defined long-term diversity targets and launched a global diversity training (p. 34).
- The Supplier Code of Conduct program is being rolled out to all Market and Business Units. 96 percent of strategic sourcing personnel participated in training, and more than 250 S-CoC audits and 300 assessments were performed (p. 13).

Environment

Our Environmental Management System is globally certified to ISO 14001. This ensures that our operations are consistently managed with the least possible impact on the environment. We actively promote technologies that help create carbon-lean societies.

- We set a Group-level carbon footprint reduction target (p. 17).
- Environmental impacts are measured with Life-Cycle Assessment, and we advise customers to help them reduce their footprint during use and disposal (p. 21).
- We take environmental aspects such as hazardous substances, producer responsibility and efficient use of resources into account in product design, procurement, production and operation (p. 21).
- We exceeded 2008 energy efficiency targets, and continuously improve efficiency throughout our entire product portfolio (p. 20).
- We fund independent research on health and safety issues relating to radio waves and electromagnetic fields (EMF) (p. 21).
- As a global company, we maintain stringent environmental standards to satisfy our customers' high expectations (p. 9).

Anti-corruption

The Ericsson Group Management System, implemented and monitored wherever we do business, ensures integrity and high standards of conduct. A whistle blower procedure is in place for employees to report violations relating to accounting, internal controls and procedures or fraudulent practices.

- In 2008, all Market Unit employees took the anti-corruption e-learning. We also offer training courses educate employees on the Code of Business Ethics and anti-corruption (p. 9).

Objectives and Achievements



TARGET ACHIEVED



WORK IN PROGRESS



NOT COMPLETED

	Objectives 2008		Achievements 2008	Objectives 2009
Responsible business practices	Long term objective: Ericsson is working towards increased transparency and accountability of its operations. We have a universal governance framework that applies wherever we operate, and whatever company we may acquire. Our CR-related policies and activities play a growing role in achieving this.			
	Governance			
	100 percent completion rate of all employee anti-corruption course.		All Market Unit employees – our primary target group – and 65 percent of our workforce have taken the course.	Continue roll-out in remaining units.
	Include assessment of internal Code of Conduct as part of Global Assessment Program with DNV.		Internal CoC assessments completed in India, China, Brazil and Turkey. CR component of Global Assessment Program increased to 14 percent from 1 percent in 2007.	Increase CR component of Global assessment program to 20 percent. Assessment program to cover 50 percent of Market Units (100 percent every second year, rolling program).
			Acquisitions Tandberg Television and Redback merged into Ericsson's governance framework.	Complete Tandberg Television and Redback compliance with EGMS.
	Conduct corporate responsibility training for the Ericsson Board of Directors.		Achieved.	Conduct corporate responsibility training for the Ericsson Board of Directors.
	Materiality investigation on human rights issues related to access to information, security and privacy.		Achieved.	Continue to monitor information, security and privacy issue.
	Stakeholder inclusiveness			
	Conduct stakeholder engagement survey for review of 2007 CR Report.		Indepth interviews conducted with customers and investors.	Conduct annual stakeholder engagement survey.
	Internal employee awareness and engagement program for Sustainability/CR launched.		Including global launch of Sustainability/CR employee collaboration site.	Launch internal global innovation and sustainability competition.
	Complete stakeholder review of human rights case studies and publication in conjunction with BLIHR.		Selected Ericsson case studies critiqued by NGOs, business organizations at BLIHR outreach day in India.	Publish three of these human rights and development case studies with business schools or human rights institutes.
	Human rights			
Sourcing	Complete socio-economic impact assessment in Sudan.		Achieved.	Publication during 2009.
	Implement recommendations and relate to continual improvement of Ericsson management of human rights.		General CR training held for 90 percent of global security management organization. Supported the Every Human has Rights Campaign. Approx. 10 percent of employees signed online pledge.	
	Contribute to raising standards worldwide by influencing our supply chain in the adoption of responsible conduct and environmental sustainability. Improve transparency and engagement among suppliers by fully integrating the Supplier Code of Conduct (S-CoC) Program across all our Market and Business Units.			
	Initiate roll-out of risk assessment model globally.		Achieved.	Complete roll-out of risk assessment model by year end.
	Define approach and select suppliers for increased engagement on S-CoC implementation in China.		81 suppliers were trained in nine cluster training sessions in China. Training of supplier representatives as CoC auditors, training of supplier managers on CoC and legislation.	Launch web-based Supplier training on CoC. Report wide use by our suppliers by the end of 2009.
	Perform two supplier seminars to cover additional companies supplying Ericsson's factory in Jaipur, India. Hold Ericsson Supplier Day in India including Code of Conduct.		Seminars held in India and Sri Lanka.	See above objective.
	Perform more than 120 S-CoC audits and follow up audits in China, India, Brazil and Eastern Europe.		More than 250 S-CoC audits and over 300 assessments. Nine of 23 Market Units have trained auditors and ongoing programs.	See last objective below.
	Conduct observer training for 90 percent of the Market Units' strategic sourcing personnel.		96 percent of strategic sourcing personnel trained as observers. In total, over 1,100 employees have taken the training.	
page 12	Perform two auditor training sessions in selected countries.		Conducted 8 training sessions. 50 full and part-time S-CoC auditors in place.	Have 75 trained auditors in place.
	Expand the geographical scope of S-CoC activities with at least three new markets.		Southeast Asia, Central and Eastern Europe, Mexico and South and Latin America.	Have audit programs and trained S-CoC auditors at all Market and Business Units. This objective is also included in each BU/MU top management scorecard.

		Objectives 2008	Achievements 2008	Objectives 2009
Energy, climate change and the environment	We will continue to address our own carbon footprint and reduce the environmental impact of our products. We will also focus innovation on developing telecoms solutions directed at reducing the 98 percent of carbon emissions produced by society at large.			
	Define new long-term energy efficiency targets for fixed broadband, GSM and WCDMA.		40 percent reduction in Group carbon footprint over five years. Measured as CO ₂ per subscriber, with 10 percent reduction in the first year, and including portfolio-wide energy efficiency targets.	10 percent Group-level carbon footprint reduction per subscriber (applies to all products in portfolio).
	An additional 10 percent energy efficiency is targeted for completion in 2008. Define new long-term objectives.		Exceeded target. 15 percent improvement in efficiency for WCDMA since 2007.	Establish methodology for calculating positive carbon impacts, including a portfolio analysis of solutions with high carbon reduction potential together with WWF Sweden.
	Complete the remaining two percent energy efficiency from 2006-2008 target. Define new long-term objectives.		Exceeded target. 7.5 percent improvement in energy efficiency for GSM. For fixed broadband, a new VDSL2 product generation was developed, achieving a power reduction result of 30 percent.	Achieve volume roll out EDA 1200 VDSL2, enabling substantial power savings for operators choosing fixed broadband from Ericsson.
	To have intermediate, publishable results from two of three ongoing projects for LCA, video communications and mobile applications.		Project expanded with the center for sustainable communications at KTH to include CO ₂ emissions of whole ICT sector.	Publish results of CO ₂ emissions of whole ICT sector with KTH.
	Complete full peer reviewed LCA study on mobile communications.		This includes full LCA study on Ericsson mobile communication networks and a new LCA on a Sony Ericsson mobile telephone. The report has been sent for peer-review by three independent experts.	Publish results of CO ₂ reduction potential of 3 selected telecom services with operators.
			1,500 employees participated in survey on video conferencing, to identify barriers for use and interest in working more from home. Video and telepresence strategies defined.	Install telepresence pilot projects at selected locations to reduce business travel and related carbon emissions.
	At least 50 percent of all outbound shipping is by surface mode.		43 percent of outbound shipping is by surface mode.	Increase outbound surface shipping target to 60 percent.
	Product stewardship			
	Reach compliance to internal targets for limited products from recent acquisitions and legacy products.		Plans defined for recent acquisitions and legacy products.	The deadline is extended to year end.
	Ensure that for each WEEE take-back globally processed via Ecology Management that more than 90 percent is recovered and less than 10 percent is disposed of in landfill.		At least 90 percent of take-back is recovered and less than 10 percent goes to landfill.	Ensure that less than 5 percent of WEEE is disposed of in landfill. Incorporate battery and packaging collection and treatment into Ecology Management.
	Identify basic requirements for material declarations tool based on legislative (REACH) and other developments.		Achieved.	Continuous improvement of material declarations for all products in portfolio, through improved data collection and development of tool.
	Review Ericsson Banned and Restricted Substance list and update if necessary.		Achieved.	Publish updated Banned and Restricted Substances lists.
page 16				Utilize common management system to consolidate ISO 14001 certification among all production units.
Communication for all	We will continue to develop innovative business models and actively contribute to bridging the digital divide. We will partner with organizations with similar goals in order to reach those at the bottom of the pyramid and to fulfil our vision of communication for all.			
	Deliver voice and data connectivity to Millennium Villages.		By Q1, 2009, 60 percent of the villages are connected, covering 55 percent of the Millennium Village population.	12 Millennium Villages connected and 3-5 additional villages added.
	Evaluate impact of mobile broadband and multimedia services in 3 high growth markets in Asia and Africa.		Published research on rural mobile broadband in Indonesia, South Africa and Rwanda.	Together with Columbia University, monitor and evaluate the impact of telecom on MDGs in the Millennium Villages.
				Lake Victoria safety and security phase II completed.
	Conduct research about mobile content in Africa and India.		Achieved.	Mobile survey tool and selected applications developed and commercially launched to support the rural poor.
page 22				Weather Info for All pilot project implemented in selected African countries.
People	We will equip our people to lead the transformation to a multi-media world. We will emphasize the value of diversity in the workforce in anticipating the needs of global markets. Our long term vision is to employ a proportional number of female managers relative to the total female workforce.			
	Complete IPMs for 90 percent of employees.		91 percent of employees completed Individual Performance Management Appraisals (IPM).	Maintain or improve performance level.
	Diversity integrated into IPM (Individual Performance Management) and every manager receives feedback on how they contribute to diverse work environment and diversity related goals.		Managers set diversity goals and receive feedback on performance.	Enhance diversity training in the Leadership Core Curriculum.
	Establish global goals in relation to prioritized diversity parameters.		Defined long term diversity objectives.	Continued implementation of targets.
	Diversity on-line training will be implemented globally in 2008 to increase awareness.		Training was launched.	Ongoing, with aim that 95 percent of all employees complete the course.
page 32			Occupational Health and Safety (OHS): Established an organization and mapped types of issues and how to address them. Defined Group policy.	Implement a global OHS system. Integrate a reporting system for incidents on fatalities, serious injuries and dangerous occurrences. Establish objectives and targets at Market Unit level Assess relevant risks and define control measures.

Sony Ericsson

A life-cycle approach to products drives new sustainability initiatives.

Sony Ericsson, a 50/50 joint venture of Sony Corporation and Ericsson, is a provider of mobile multimedia devices, including mobile phones, accessories and PC cards. It employs around 11,000 people and has operations in over 80 countries. In 2008, volume and sales were 97 million units and €11.2 billion respectively.

Since its inception in 2001, creating environmentally preferable products has been a priority. The company was the first in the industry to remove brominated flame retardants (BFR) from its entire portfolio, including all phones and accessories. Since 2007, all new products have also been free of polyvinyl chloride (PVC). Sony Ericsson has gone beyond compliance, as set out in the EU Restriction on the use of certain Hazardous Substances Directive (RoHS) and in other substance regulations relevant for its product models.

Building on this platform of environmental leadership, new initiatives were launched this year that further embed sustainability into products and business practices at Sony Ericsson.

Environmental Warranty – Guaranteeing end-of-life responsibility

With the launch in 2008 of the Environmental Warranty, Sony Ericsson guarantees that when its products are taken to a designated collection point, they will be recycled in an environmentally sound way.

The warranty is globally valid, regardless of where the product was originally purchased. The initiative has established over 500 collection points around the globe including in India, China, Singapore, US and Mexico. During 2009, roll-out of the warranty will be completed in all countries of operation.

Reducing its carbon footprint

This year, Sony Ericsson will begin using the Greenhouse Gas Protocol and report emissions to that standard.

A life-cycle assessment approach helps emissions reduction strategies by identifying areas of highest impact. Transportation, at an estimated 15 percent of the total carbon footprint, represents a life-cycle stage with great potential for emissions reductions, due both to the scale of the impacts and because the company can directly influence transportation strategies.

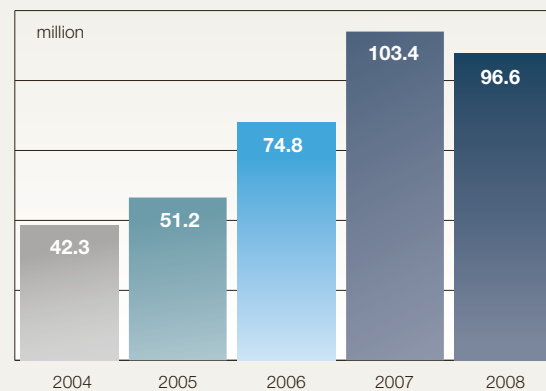
Alternative transportation routes in Europe and China are being piloted. These replace aviation routes with more carbon-lean rail or ship transportation. New shipping and packaging concepts are also being developed to reduce the size and weight



of loads, consolidate shipments, and increase fill rates. Findings from these pilots will be used to create improved efficiencies throughout the entire transport process.

To reduce carbon emissions, Sony Ericsson is also focusing on the product use phase. Using innovations from its GreenHeart phone concept, it aims to develop the most efficient charger in the industry.

Sony Ericsson units shipped



Coltan sourcing

Illegally mined coltan ore and use of the metal tantalum originating from the Democratic Republic of the Congo is a complex issue that the entire ICT industry is addressing. While very low levels of tantalum are used within the capacitors of some phone models, Sony Ericsson has contacted its suppliers of tantalum capacitors and requires them to not use illegally mined tantalum from the Congo and surrounding area. Suppliers confirm that they have met this requirement. 🖱

Responsibility along the value chain

Sony Ericsson's Code of Conduct and auditing system ensure high environmental and social standards along the supply chain. In addition, the company recognizes the importance of collaborating with suppliers to address root problems.

In 2008, Sony Ericsson Observers were introduced. They regularly visit and collaborate with suppliers to achieve lasting improvements by tackling core issues and demonstrating the business value of improved working conditions.

Millennium Villages

Sony Ericsson partners with Ericsson and the Earth Institute on the Millennium Villages project in Africa. It provides mobile phones and assists with the development of mobile applications for healthcare.

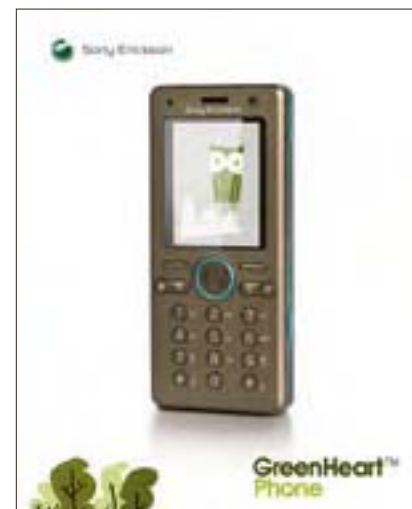
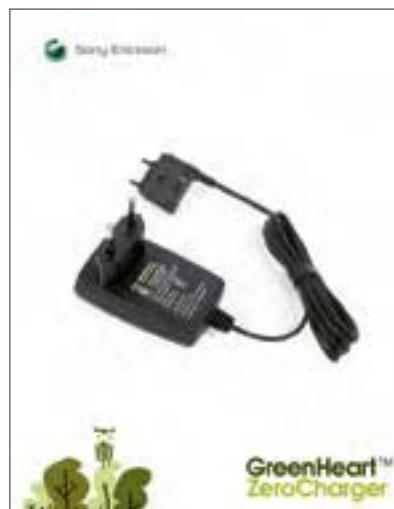
Phone is where the heart is

Sony Ericsson embarked on a concept design study to address impacts at every stage of the life-cycle.

The result, launched in 2008, is the GreenHeart phone. The phone features both bio-plastic housing and recycled plastic keypads. The phone's charger reaches new levels of efficiency for the industry, in part because of its extremely low standby power of 3.5 mW, a fraction of the industry average. At end-of-life, the phone can be recycled in a number of ways, including through the company's global recycling program.

GreenHeart also eliminates the printed user manual, and instead features an HTML guide embedded in the phone. This feature reduces paper and ink from the production phase, and eliminates CO₂ emissions during transportation. The paper manual accounts for nearly 54 percent of the weight of new phone kits. By eliminating the manual, almost as much CO₂ as in the transportation phase can be saved.

Although the GreenHeart will not be made available commercially in the concept form, the concept will influence the entire product line. During 2009, products will be launched which bring major parts of the concept to market.



DNV Assurance Statement Summary

Ericsson Corporate Responsibility and Sustainability Report 2008.

Det Norske Veritas (DNV) has carried out an independent verification of Ericsson Group ('Ericsson') Corporate Responsibility and Sustainability Report 2008 ('the Report'). The Management of Ericsson is responsible for all information provided in the Report as well as the processes for collecting, analysing and reporting that information. DNV's responsibility regarding this verification is to Ericsson only, in accordance with the scope of work commissioned. DNV disclaims any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this Assurance Statement summary or the full version, provided at www.ericsson.com/corporate_responsibility. The assurance is based on the assumption that the data and information provided to DNV is complete and true.

Scope and Methodology

DNV's scope of work included verification of the following:

- CR-related policy, strategy, objectives and achievements in 2008, as described in the Report;
- CR management practices at Group level and four Market Units (Brazil, China, India & Sri Lanka, and Turkey & Israel) and one Supply Unit (Brazil), focusing on key CR issues covered in the Report;
- CR-related actions, initiatives and projects described in the Report;
- Processes and tools for collecting and managing quantitative and qualitative data and information reported;
- Materiality, inclusivity and responsiveness processes described in the Report;
- Extent to which the Report adheres to the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.

This verification focused primarily on the Report, and not on the adequacy, effectiveness or efficiency of Ericsson's CR management practices. Those aspects are the subject of Ericsson's Global Assessment Program. The scope of this verification covered Ericsson Group, including Telefonaktiebolaget LM Ericsson and its subsidiaries. It excluded

CR management, performance or reporting practices by any of Ericsson's external suppliers or any other third parties mentioned in the Report. It also excluded statements or data relating to the Sony Ericsson joint venture, also provided in the Report.

This verification was carried out between September 2008 and March 2009, by qualified and experienced professionals, in accordance with the DNV Protocol for Verification of Sustainability Reports. The following methods were applied, to enable verification of the Report:

- Interviews with Ericsson personnel representing relevant functions at Group level and at four Market Units and one Supply Unit, including data owners;
- Review of documentation, data records and sources relating to CR management at the Market Units and the Supply Unit, including external Supplier Management practices and performance by Local Sourcing departments;
- Review of the processes and tools used to collect, aggregate and report on CR-related data at the Market Units and Supply Unit visited, and at Group level;
- Review of internal and external communication relating to Ericsson's CR management and performance.

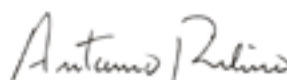
DNV states its independence and impartiality with regard to this commission. DNV did not provide any services to Ericsson during 2008 that could conflict with the independence of our work. The sections of the Report verified by DNV are marked with ✓. Specific details of the information verified and the methods employed are provided in the full version of this Assurance Statement.

The Ericsson Group Corporate Responsibility and Sustainability Report 2008 is based on the GRI G3 (2006) Guidelines and its principles. DNV also endorses the GRI Application Level of B+, as declared by Ericsson. Detailed information on the verification process, conclusions and recommendations by DNV is provided in the full Assurance Statement, available at www.ericsson.com/corporate_responsibility.

For Det Norske Veritas



Dr Helena Barton
Service Area Manager: CR Report Verification
Det Norske Veritas AS
Stockholm



Antonio Ribeiro
Lead Verifier

Recognition

Ericsson has been recognized globally for its environmental and social performance.

Sustainable Asset Management's Sustainability Yearbook

In an analysis of 57 sectors and 367 companies, Ericsson was recognized as a Gold Class member and Sector mover in Sustainable Asset Management's Sustainability Yearbook 2009.



Global 100 Most Sustainable Corporations

Ericsson was listed among the 2009 Global 100 Most Sustainable Corporations. The ranking is based on extra-financial drivers of risk and shareholder value, including performance on social, environmental and strategic governance issues. The annual Global 100 is unveiled at the World Economic Forum in Davos.

Ericsson's Tower Tube won the Technology Design category of the 2008 **Wall Street Journal** Technology Innovation Awards.

FTSE4Good

Ericsson ranked fifth among the 10 best global environmental performers according to EIRIS and the FTSE4Good index series, which measure performance against global corporate responsibility standards.



Carbon Disclosure Project

Ericsson ranked second in Sweden 2008, and was honored in the Carbon Disclosure Leadership Index as "Best in Class" for its approach to climate change disclosure in a report released by the Carbon Disclosure Project (CDP), a coalition of over 315,475 global investors with more than USD 4,155 trillion in assets.

CARBON DISCLOSURE PROJECT

Memberships

Partnerships, participation and engagement inspire Ericsson's sustainability strategies.

UN Global Compact

The UN Global Compact is an organization for businesses committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption (p. 35). www.unglobalcompact.org



GeSI

Ericsson is a founding member of GeSI, the Global e-Sustainability Initiative, which aims to create an open and global forum for the improvement and promotion of products, services and access to ICT to benefit society and the environment. Sustainable sourcing and climate change are key agenda issues (p. 14).

www.gesi.org



StEP

With members from industry, governments, NGOs and academia, StEP aims to develop sustainable solutions to e-waste through analysis, planning and pilot projects.

www.step-initiative.org



Business Leaders Initiatives on Human Rights

The Business Leaders Initiative on Human Rights (BLIHR) aims to find practical ways of applying the aspirations of the Universal Declaration of Human Rights within a business context and to inspire other businesses to do likewise. A member since 2006, Ericsson participates in all six BLIHR work streams, focusing primarily on good governance in sensitive countries and emerging markets (p. 10).

www.blihr.org



GAID

Under the umbrella of the UN, the Global Alliance on the use of ICT and Development (GAID) is a multi-stakeholder partnership aimed at bridging the digital divide. GAID focuses on issues of access, connectivity, content and education. Ericsson has been a member of its steering committee since 2007. www.un-gaid.org



