

## Telenor Group`s Communication on Progress - 2009

Telenor Group has been a committed member of United Nations` Global Compact since 2001. Since then, Telenor has submitted the Communication on Progress annually to describe the application of the 10 Principles in its global operations, as well as its targets and achievements.

The "Telenor Group's Communication on Progress - 2009" features the following 10 principles of the United Nations` Global Compact:

### Human Rights

*Principle 1:* Businesses should support and respect the protection of internationally proclaimed human rights; and

*Principle 2:* make sure that they are not complicit in human rights abuses.

### Labour

*Principle 3:* Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

*Principle 4:* the elimination of all forms of forced and compulsory labour;

*Principle 5:* the effective abolition of child labour; and

*Principle 6:* the elimination of discrimination in respect of employment and occupation.

### Environment

*Principle 7:* Businesses should support a precautionary approach to environmental challenges;

*Principle 8:* undertake initiatives to promote greater environmental responsibility; and

*Principle 9:* encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

*Principle 10:* Businesses should work against corruption in all its forms, including extortion and bribery.

Telenor Group's Communication on Progress – 2009 is based on information and key figures published on Telenor Group's corporate website ([www.telenor.com](http://www.telenor.com)). The purpose of this document is to link the 10 Principles to the relevant content as well as ensure easy searchability of the COP's content.

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## HUMAN RIGHTS

### PRINCIPLE 1

“Businesses should support and respect the protection of internationally proclaimed human rights”

**Telenor Group supports the internationally proclaimed human rights, including the UN Universal Declaration of Human Rights, and is committed to ensuring the implementation of related policies and procedures across its Business Units as well as in the Supply Chain.**

Telenor Group’s Codes of Conduct is the main governing document that describes our Group wide, internal policy regarding human rights. In addition to this document, Telenor Group developed the Supplier Conduct Principles to align our core principles, ethical standards and expectations towards our suppliers.

In 2009, Telenor Group’s People & Organisation unit developed the global concept of “Telenor Way”. The “Telenor Way” links the different elements of Telenor’s corporate culture and defines how we do business across our Business Units, guided by Telenor’s Vision and Values, Codes of Conduct, Group Policies and Procedures. The concept of “Telenor Way” was promoted through an internal campaign in 2010. A series of workshops have been conducted by HR and leaders on all levels of the Business Units to introduce and promote the content of the key governance documents to our employees.

**Please visit Telenor Group`s corporate website for more information about:**

Telenor Group`s Codes of Conduct

<http://www.telenor.com/en/about-us/corporate-governance/codes-of-conduct/>

Telenor Group`s Supplier Conduct Principles

<http://www.telenor.com/en/about-us/corporate-governance/supplier-conduct-principles/>

Telenor Way

[http://www.telenor.com/en/resources/images/Corporate\\_Governance\\_in\\_Telenor\\_2009\\_tcm28-35054.pdf](http://www.telenor.com/en/resources/images/Corporate_Governance_in_Telenor_2009_tcm28-35054.pdf)

### PRINCIPLE 2

“Businesses should ensure that they are not complicit in Human Rights abuses”

**The Group Compliance Officer and the Group Business Assurance unit is working towards ensuring that neither Telenor Group nor its suppliers are complicit in human rights abuse.**

The Group Compliance Officer works towards ensuring that all Telenor employees live up to the values, policies and most importantly the Codes of Conduct of Telenor Group. Any incidents or breaches of the Codes of Conduct should be reported to the employees’ immediate superior, the Group Compliance Officer or the Local Compliance Manager.

Furthermore, all employees have access to a Compliance Hotline which is a direct line that enables all employees to report any breach of local law and/or Telenor’s Codes of Conduct when it is difficult to

report to the line management or Local Compliance Managers. Telenor does not tolerate reprisals or retaliation against those who in good faith report an apparent breach.

Telenor has established Group Business Assurance as well as local Business Assurance units to drive continuous improvement in the supply chain in the area of responsible business conduct. Business Assurance works towards implementation of Telenor's Supplier Conduct Principles. The performance of Business Units (including implementation of policies, incidents, KPIs) is reported to Group Business Assurance on a monthly basis. Group Business Assurance reports to the "HSSE Committee" which is composed of three members of the Board of Telenor Group.

**Please visit Telenor Group`s corporate website for more information about:**

Implementation of Telenor Group`s governance model

[http://www.telenor.com/en/resources/images/Corporate\\_Governance\\_in\\_Telenor\\_2009\\_tcm28-35054.pdf](http://www.telenor.com/en/resources/images/Corporate_Governance_in_Telenor_2009_tcm28-35054.pdf)

Business Assurance in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/supply-chain-monitoring/>

Key Figures on Business Assurance

<http://www.telenor.com/en/corporate-responsibility/reporting/key-figures/>

## LABOUR

### PRINCIPLE 3

"Businesses should uphold freedom of association & effective recognition of the right to collective bargaining"

**Telenor recognises the right to freedom of association and collective bargaining, and allows its employees to freely elect representatives among the employees.**

Furthermore, Telenor Group recognises the International Labour Organisation fundamental conventions on labour standards. Telenor Group allows election of representatives by and among the employees. All Telenor employees share the responsibility to avoid discrimination against any employee representatives. Telenor Group's Codes of Conduct is the main governing document that describes our Group-wide policy regarding the freedom of association and the right to collective bargaining.

**Please visit Telenor Group`s corporate website for more information about:**

Telenor Group`s Codes of Conduct

<http://www.telenor.com/en/about-us/corporate-governance/codes-of-conduct/>

### PRINCIPLE 4

"Businesses should ensure the elimination of all forms of forced and compulsory labour"

**Telenor Group is working towards ensuring the abolition of forced labour in its Business Units as well as in its supply chain.**

Telenor Group's main governance policy, the Codes of Conduct, states that any employment relationship with Telenor shall be freely chosen and free from threats. According to the Codes of Conduct, Telenor opposes the use of forced or compulsory labour, including but not limited to exchange of labour for payment of debt. Furthermore, according to the Codes of Conduct any employee shall be free to leave his/her employment after giving reasonable notice and no one shall be required to deposit money, lodge identity papers or similar in order to get or keep their employment with Telenor.

**Please visit Telenor Group`s corporate website for more information about:**

Telenor Group`s Codes of Conduct

<http://www.telenor.com/en/about-us/corporate-governance/codes-of-conduct/>

Telenor Group`s Supplier Conduct Principles

<http://www.telenor.com/en/about-us/corporate-governance/supplier-conduct-principles/>

Business Assurance in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/supply-chain/>

## PRINCIPLE 5

"Businesses should ensure the effective abolition of child labour"

**Telenor Group is working towards ensuring the effective abolition of child labour in its supply chain; through effective implementation of its policies and procedures and continuous monitoring, control and improvement activities. Telenor Group is also engaged in combating child labour in the wider society through a partnership with UNICEF.**

Telenor Group's Codes of Conduct as well as its Supplier Conduct principles state that neither Telenor nor its Suppliers shall employ or use child labour. If any Telenor employee becomes aware of any employment situation in breach with the internal standards, the employee shall at once notify the immediate superior or any other appropriate executive. The employment situation shall be immediately remedied in the best interests of the child.

In 2009 and 2010, Telenor Group's Business Assurance implemented a series of long-term measures to improve compliance to the Supplier Conduct Principles across the entire Group (including continuous monitoring, monthly reporting, supplier audits, risk analyses, supplier self assessment schemes, awareness raising, etc.). These measures secure Telenor's continuous improvement and its efforts to eliminate child labour.

In 2009, Telenor Group entered into a 5-year agreement with UNICEF Norway to combat child labour in Bangladesh through a combination of activities targeting working children, social workers and society at large.

### **Please visit Telenor Group's corporate website for more information about:**

Telenor Group's Codes of Conduct

<http://www.telenor.com/en/about-us/corporate-governance/codes-of-conduct/>

Telenor Group's Supplier Conduct Principles

<http://www.telenor.com/en/about-us/corporate-governance/supplier-conduct-principles/>

Combating Child Labour in Telenor Group – UNICEF partnership

<http://www.telenor.com/en/corporate-responsibility/social/>

<http://www.telenor.com/en/news-and-media/articles/2010/changing-the-definition-of-a-child>

<http://www.telenor.com/en/news-and-media/articles/2010/a-journey-through-dhaka-with-telenor-and-unicef>

Business Assurance in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/supply-chain/>

<http://www.telenor.com/en/corporate-responsibility/initiatives-worldwide/improving-hsse-standards-bangladesh>

Key Figures on Business Assurance

<http://www.telenor.com/en/corporate-responsibility/reporting/key-figures/>

## PRINCIPLE 6

"Businesses should eliminate discrimination in respect of employment and occupation"

**Telenor is opposed to discriminatory practices and shall do its utmost to promote equality in all employment practices.**

Telenor Group has operations in 11 different countries in Europe and Asia; therefore it is extremely relevant for the Group to prevent and eliminate any kind of discrimination. Telenor Group's Codes of

Conduct describes the company's main policy regarding discrimination. According to the Codes of Conduct, no direct or indirect negative discrimination shall take place based on race, colour, gender, sexual orientation, age, disability, language, religion, legitimate- political or other opinions, national or social origin, property, birth or other status. Furthermore, according to the Codes of Conduct, Telenor Group does not tolerate degrading treatment of any employee, such as mental or sexual harassment or discriminatory gestures, language or physical contact that is sexual, coercive, threatening, abusive or exploitative.

Telenor Group has several ongoing global as well as local initiatives to create a safe and inclusive working environment.

**Please visit Telenor Group`s corporate website for more information about:**

Telenor Group`s Codes of Conduct

<http://www.telenor.com/en/about-us/corporate-governance/codes-of-conduct/>

Inclusive Work Environment in Telenor Group

<http://www.telenor.com/en/people-and-opportunities/work-environment/>

Including the Physically Challenged

<http://www.telenor.com/en/people-and-opportunities/programme-for-the-physically-challenged/>

Diversity

<http://www.telenor.com/en/people-and-opportunities/why-join-us/diversity/>

Key Figures on People & Diversity

<http://www.telenor.com/en/corporate-responsibility/reporting/key-figures/>

Telenor Serbia wins award for fighting against discrimination

<http://www.telenor.com/en/news-and-media/articles/2010/wins-award-for-high-business-practise-standards.jsp>

## ENVIRONMENT

### PRINCIPLE 7

“Businesses should support a precautionary approach to environmental challenges”

**Telenor Group makes protecting the environment an integral part of its daily activities. In 2009, Telenor Group initiated the implementation of ISO 14001 compliant Environmental Management Systems in all Business Units to improve the overall environmental performance of the company.**

Through Telenor Group`s Environmental Policy and related procedures, Telenor aims to ensure that protecting the environment becomes an integral part of day-to-day business. This in turn will affect everyone who has any connection to the company, including suppliers, shareholders, customers and society at large.

**Please visit Telenor Group`s corporate website for more information about:**

Environmental Management in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/>

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/environmental-management-system/>

Telenor Group`s Environment Policy

[http://www.telenor.com/en/resources/images/Telenor%20Group%20Policy%20Environment%20Extract\\_tcm28-51271.pdf](http://www.telenor.com/en/resources/images/Telenor%20Group%20Policy%20Environment%20Extract_tcm28-51271.pdf)

Key Figures on Environment

<http://www.telenor.com/en/corporate-responsibility/reporting/key-figures/>

### PRINCIPLE 8

“Businesses should undertake initiatives to promote greater environmental responsibility”

**Telecommunication has a key role in shaping the future low carbon society. Telenor Group strives to reduce the environment and climate impact of its operations and provide solutions to its customers to reduce their CO2 emissions and energy costs.**

Telenor Group established a Climate Change Strategy to ensure that the Group will achieve its long-term environment and climate ambitions. The key strategic focus areas are i) increasing Operational Efficiency, ii) enabling Sustainable Business Growth and iii) being a Responsible Company.

Telenor Group is also an active contributor to activities that are focused on promoting environmental and climate related best practices and solutions in the telecommunications industry. Telenor has been actively involved in GSMA's Energy Efficiency Project which is focusing on lowering network energy consumption by identifying potential areas for energy saving.

In addition, Telenor Group voluntarily signed the European Codes of Conduct for Energy Consumption in Broadband Equipment, committing itself to ensuring that the procurement of broadband equipment complies with specifications for maximum power consumption.

**Please visit Telenor Group`s corporate website for more information about:**

Environment & Climate in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/>

Operational Efficiency in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/operational-efficiency/>

Responsible company – waste management and employee engagement in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/responsible-company/>

Key Figures on CO2 emissions and Environment

<http://www.telenor.com/en/corporate-responsibility/reporting/key-figures/>

Telenor Group`s collaboration with GSMA

<http://www.telenor.com/en/corporate-responsibility/our-commitment/partners/>

## PRINCIPLE 9

“Businesses should encourage the development and diffusion of environmentally friendly technologies”

**Telenor is committed to help customers reduce the CO2 emissions and energy cost of their operations.**

The “Smart 2020” report indicated that Information and Communications Technology (ICT) can contribute to a 15 percent reduction in global CO2 emissions by 2020. For Telenor Group, this means that its services have a significant role in shaping the future, low carbon society.

Telenor's contribution is realised through smart use of communications solutions, specifically upgrades to the existing services as well as developing new services related to Machine-to-Machine (M2M) technology. In 2009-2010, Telenor established Telenor Connexion and Telenor Objects to develop the M2M business within the Group. In addition, some Telenor Business Units have already started to market a portfolio of sustainable services that enable energy and CO2 savings for their customers, such as telephone/video conferencing, Unified Communications, server virtualization, etc.

**Please visit Telenor Group`s corporate website for more information about:**

Environment & Climate in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/>

Sustainable Growth

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/sustainable-growth/>

Environmental Innovation

<http://www.telenor.com/en/corporate-responsibility/environment-and-climate/sustainable-growth/>

Mobile Recycling in Telenor Group

<http://www.telenor.com/en/corporate-responsibility/initiatives-worldwide/mobile-recycling-programmes-in-Telenor-Group>

Telenor Connexion

<http://www.telenorconnexion.com/>

Telenor Objects

<http://www.telenorobjects.com/>

Grameenphone`s Community Power Project

<http://www.telenor.com/en/corporate-responsibility/initiatives-worldwide/grameenphone-provides-the-power-in-new-pilot-project>



## ANTI-CORRUPTION

### PRINCIPLE 10

“Businesses should work against corruption in all its forms, including extortion and bribery.”

#### **Telenor Group fights corruption by implementing its Anti Corruption Policy through governance, internal campaigns and trainings (e.g.: Telenor Way).**

Telenor Group recognises the “UN Convention against Corruption”. The basic principles related to corruption and other prohibited business practices are incorporated in Telenor’s Codes of Conduct as well as the Supplier Conduct Principles. Furthermore, Telenor’s internal Anti-Corruption Policy provides more in-depth statements and clarifications for the employees to ensure common understanding and practice of the principles of the Codes of Conduct.

The Group Policy Anti Corruption states that it is prohibited to offer, give, ask for, accept or receive any form of bribe. The Group Policy Anti corruption defines main principles regarding: bribes, gifts and business courtesies; events and arrangements; facilitation payments; selection and use of middlemen; use of lobbyists; gifts and arrangements for public authorities; training; risk assessment; accounting; clarification and legal advice and reporting.

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Telenor Group`s Supplier Conduct Principles

<http://www.telenor.com/en/about-us/corporate-governance/supplier-conduct-principles/>

Telenor Way

[http://www.telenor.com/en/resources/images/Corporate\\_Governance\\_in\\_Telenor\\_2009\\_tcm28-35054.pdf](http://www.telenor.com/en/resources/images/Corporate_Governance_in_Telenor_2009_tcm28-35054.pdf)