

OBJECTIVES AND ACHIEVEMENTS

Status	Objectives 2010	Achievements 2010	Objectives 2011
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Enabling communication for all	▶	100 percent of the Millennium Villages connected.	Over 90 percent of the villages have some form of connectivity. An additional village in Liberia was added and is pending. A village in Ethiopia is under investigation to connect during 2011.	Complete Liberia site installation powered by renewable energy and community power commercially launched.
	▲		Launched Connect to Learn, a global education initiative designed to use ICT to improve access to and quality of secondary education worldwide.	Deploy Connect to Learn in at least 4 Millennium Village schools. Continue to develop affordable ICT solutions such as PC as a Service and LearnQuick for use in secondary schools targeted by Connect to Learn.
	▲	Introduce at least three new applications to benefit the poor.	More than three new applications have been implemented: Refugees Reunification mobile application, Mobile Survey Tool, Ericsson Virtual Private Number, Ericsson Collect Call, Ericsson Mobile Auction and Ericsson LearnQuick.	Launch smart phone application for Refugees United and support in enabling 120,000 refugees to register in the Refugees United data base to search for missing family and loved ones.
	▲	Publish Monitoring and Evaluation Report, and define a model for socio-economic impacts of mobile communications.	A report on "The impact of mobile connectivity on the Millennium Development Goals" in Africa was published. A model for socio-economic impact from broadband was published.	Initiate study to analyze social and economic impacts of communication projects aimed at supporting the poorest of the poor.
	▲	Handover project to local stakeholders for the establishment of search and rescue capabilities in the Lake Victoria Region.	The search and rescue report was handed over to Lake Victoria Basin Committee, responsible for search and rescue for Tanzania, Uganda and Kenya. A report, "Life lines at Lake Victoria" was published with recommendations.	
	▲	Develop applications to support distribution of weather information, agriculture and community power.	A Mobile Weather Service was developed to support fishermen and farmers to mitigate and take actions based on specific weather forecasts.	Complete deployment of weather services and alerts in East Africa for selected user groups.
	▶	Install up to 100 new weather monitoring stations in East Africa and support the development of end-user services related to weather and climate.	Global Humanitarian Forum (GHF) ceased to exist and project was transferred to African Centre of Meteorological Applications for Development (ACMAD). This impacted the results of the initiative, but Ericsson and WMO continued with distribution of weather info in East Africa.	

Reducing Environmental Impact	▲	10 percent Group-level carbon footprint reduction per subscriber (applied on product portfolio level).	Ericsson achieved annual 10 percent reduction target (see Carbon footprint target result 2010 graph) p. 49.	10 percent Ericsson carbon footprint reduction measure as CO ₂ emissions per subscriber, including Ericsson own activities and products in operation.
	▶	Leverage use of virtual collaboration tools to reduce business travel by 10 percent and set global travel baseline.	In 2010, we established a Group travel management function and consolidated our travel agency supplier base from more than 60 suppliers to two. This will improve ability to gather travel data, including CO ₂ data.	To reduce business travel, deploy our own smart work solution, Business Communication Suite including web-conferencing and other virtual collaboration tools, which can also be shared with other external parties.
	▼	Increase outbound surface shipping target from 60 to 70 percent.	Component shortage has led to an increase in shipping by air. 46 percent of the outbound shipments were surface shipments.	Increase outbound surface shipping to 70 percent using the global share of surface transport indicator.
	▶	Establishment of global energy management program worldwide.	75 percent of the global environment and energy management program has been established.	Reduce energy use in offices by three percent per employee.
	▲	Our Global Facility Management Supplier to establish a Competence Center in the area of Energy Management including implementation of a new Environment and Energy Reporting System.	Competence Centers in the area of Energy Management and implementation of a new Environment and Energy Reporting System were established covering over 40 percent of the total building space.	Reduce energy consumption from data center and Hub over 30 percent from baseline.
	▶	Perform Energy Audits on major locations (>5,000 m ² and lease period left > 5 years).	30 percent of the major locations have been audited. We have included and audited within the scope of these energy audits the majority locations with test labs.	Define a baseline for our test environment areas.
	▲	Ensure that less than 5 percent of Waste of Electrical and Electronic Equipment (WEEE) is disposed of in landfill.	In 2010, less than 5 percent material collected and processed was sent to landfill and more than 95 percent was recovered.	
	▼	Increase the volume of collected take-back material by 20 percent during 2010.	We have collected/taken-back less material than previous year due to there being a fewer number of operator change-outs of equipment.	Establish new measurement for Equipment put on Market and achieve 20 percent volume of WEEE take-back vs. Equipment Put on Market.
	▲	Implementation of new tool for materials declaration.	During 2010 a new materials declaration tool was launched.	Initiate processes and procedures, including supplier requirements, to ensure elimination of conflict minerals from our supply chain that might contribute to financing armed conflicts.

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Enabling a Low-Carbon Economy

▲	At least three activities to illustrate telecom as a catalyst for a sustainable society.	<p>More than three engagements illustrate telecom as a catalyst for a sustainable society, covering sustainable cities, transport and smart grids:</p> <ul style="list-style-type: none"> • Stockholm Royal seaport project with City of Stockholm • Energy Australia Smart Grid Communications Network project • Carbon Smart Commuting Concept • Active engagement in the launch of Guadalajara ICT Declaration at COP16 	<p>Show how ICT contributes to a low-carbon economy by engaging with selected stakeholders on at least three projects or initiatives.</p> <p>Continue to engage and drive climate negotiations related activities together with external organizations such as the Broadband Commission and GeSI.</p>
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Conducting business responsibly

▲	Develop specific sustainability and CR criteria for joint ventures.	Specific criteria for reporting sustainability and CR for Joint Ventures have been created and used for this report.	
▲	Nortel integrated in key areas of Ericsson Group Management System (EGMS).	Formerly acquired Nortel operations have been integrated in Ericsson Business Units and in key areas of Ericsson Group Management System (EGMS).	
▲	Conduct corporate responsibility training for the Ericsson Board of Directors.	Corporate responsibility session with Board of Directors completed.	Conduct corporate responsibility training for the Ericsson Board of Directors.
▲	Establish baseline for new measurement of sustainability & CR performance.	A new target set including not just carbon footprint but also thought leadership, perception and performance.	Improve Ericsson sustainability leadership based on thought leadership, perception and performance.
▲	Launch sustainability and CR employee awareness and engagement program.	Launched new Sustainability policy and an Ericsson Academy e-learning course on Sustainability and Corporate Responsibility and developed employee engagement pilot program.	Complete Employee Engagement pilot project within selected units.
▶	Implement the Occupational Health and Safety Assessment Series (OHSAS) 18001.	<p>Formal 3rd party (DNV) assessments of our OHS performance in 23 countries has been completed.</p> <p>A major project to align Ericsson Group Management System to OHSAS18001 has been completed.</p>	Perform OHS according to the standards set in the Ericsson Group Management System and in compliance with OHSAS 18001.
▲	Establish Business Warehouse Database as a common tool for supplier CoC classification and reporting.	Data base was established and most units actively using it.	Increase environmental focus within the S-CoC audit program by developing, piloting and implementing supplier environmental audit scheme in selected regions.
▲	Launch the web-based CoC training in eight more languages. Actively inform all suppliers and encourage its use globally.	Supplier Code of Conduct on-line training is publicly available in 13 languages, and all regional sourcing organizations have been actively informed to encourage all suppliers to use the training.	Over 90 percent of all Strategic Sourcing personnel will complete the Code of Conduct training for Suppliers during 2011.
▲	Develop and implement a five-year S-CoC strategy	The strategy exists and is used as a high-level steering document	
▲	Continue to improve and develop the S-CoC Program using regular auditor seminars, internal collaboration sites, continued trainings, conferences and other means	Eight S-CoC Auditor trainings and two global auditor seminars were held and a collaboration site on the Intranet was launched. More than 1640 sourcing and other relevant personnel have attended the Observer Training since it was launched	
▲	Maintenance and development of the S-CoC Program is included in each BU/ MU top management scorecard.	Regional S-CoC Program target compliance exceeded 90 percent stretch level as part of Business Units and Regional Sourcing scorecard.	Maintenance and development of the S-CoC Program is included in each Region top management scorecard.

Empowering people

▲	Maintain or improve performance level for Individual Performance Management (IPM).	<p>We have maintained perceived quality of Individual Performance Management (IPM) discussions.</p> <p>An improvement to the IPM process has been developed in 2010.</p>	
▲	90 percent of employees to have strengthened their competence through Ericsson Academy.	More than 90 percent of our employees have engaged in one or more formal training activities.	Introduce a technical certification program to our employees, initially covering the skills within the IP and converged IP domain.
▲	External introduction of Ericsson Academy.	Many of our training centers, offering customer training have become Ericsson Academy Centers. Ericsson is now also offering free of charge e-learning opportunities on the ericsson.com website.	Continue to expand the free of charge e-learning offering to external audiences.
▶	10 percent improvements of our employee key indicators of learning excellence.	Our employee perception on learning excellence has improved two percent in our annual all employee survey (Dialog).	Launch a mobile application for certain workforce groups to access tailored tutorials and performance support.
▲	Establish a maturity framework for competence management excellence.	A Global Learning Excellence Framework was established in 2010 and successfully implemented.	Launch a mobile application for certain workforce groups to access tailored tutorials and performance support.
▲	Leverage on our educational assets in one to two key CR projects.	Ericsson developed a web-based internal learning site supporting Sustainability and CR.	
▲	Launch new Ways of Working to guide all employee behavior, including diversity parameters.	Our new culture initiative, "It begins with us", was launched for all employees in 2010.	

▲ Target achieved ▶ Work in progress ▼ Not completed

UN GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS



Ericsson endorses the 10 UN Global Compact (UNGC) principles which provide a universal framework for business conduct. The UNGC principles guide us in development of Group practices within our sphere of influence. Through initiatives like Refugees United and Connect to Learn; Ericsson Response, the Millennium Villages and Weather Info for All, we mobilize our core business to support UN 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 our values of respect, professionalism and perseverance and in our Code of Business Ethics. The Code of Conduct (CoC) aims to protect human rights, promote fair employment and safe working conditions, and maintain high ethical standards. The Sustainability Policy, replacing the previous Environmental Policy, describes our commitment to reduce the environmental impact of our own operations and to support socio-economic development through communication for all. The CR component of our Global Assessment Program rose from 20 percent to 25 percent in 2010. Suppliers must meet high social and environmental standards. In 2010, the Ericsson Board of Directors completed annual sustainability and CR training and we launched a CR and sustainability engagement e-learning program.

HUMAN RIGHTS

Ericsson sees access to communication as a basic human right. Our first obligation is to avoid complicity in human rights abuse, notably in countries where regulations and ethical standards are not enforced. Our core technologies can also help improve lives, promote democratic societies and generate economic opportunities. Among our actions:

- Addressed the issue of conflict minerals in our supply chain and in sector initiatives, (p. 70).
- Joined the Stanford University Mobile and Social Computing Research Group (MobiSocial) to address privacy issues around open social networks (p. 69).
- CEO served as a Commissioner on the Broadband Commission for Digital Development which presented a Declaration to the UN General Secretary at the 2010 Millennium Development Goals Summit. Our partnership in the Millennium Villages initiative supports sub-Saharan Africans' right to health, education and equality (p. 16).
- Published a "Monitoring and Evaluation Report" on the Millennium Villages, defining a model for socio-economic impacts of mobile communications (p. 16).
- Published report, "Life Lines at Lake Victoria", assessing outcome of the communications project for people living around Lake Victoria in East Africa (p. 14).

- Conducted 550 S-CoC audits and 218 on-site assessments of supply chain; increased online CoC training for suppliers to 13 languages (p. 66).

FAIR LABOR PRACTICES

Human resources procedures ban discrimination and ensure equality and diversity in our operations. We encourage union membership. In countries where workers cannot freely choose membership, work conditions are discussed with local management in a structured format. In 2010, we

- Strengthened global approach to health & safety, progressed towards implementation of the Occupation Health and Safety Assessment Series (OHSAS) 18001 (p. 68).
- Increased HIV/AIDS focus among our employees in Africa (p. 69).
- Supported independent research on health issues related to radio waves and electromagnetic fields (EMF) (p. 69).

ENVIRONMENT

- Participated in Global Compact Caring for Climate, COP16 Low Carbon Leaders Project.
- Environmental Management System globally ISO 14001 certified. This ensures our operations are consistently managed with minimal impact on the environment.
- Promoted low-carbon technologies. CEO addressed COP16, Ericsson among industry leaders presenting Guadalajara ICT Declaration for Transformative Low-Carbon Solutions (p. 48).
- Achieved Group carbon footprint reduction target (p. 29)
- Continued to improve energy-efficiency of products (p. 34).
- Incorporated hazardous substances, producer responsibility, efficient resource use in product design, procurement, production and operation. Updated Banned and Restricted Substances lists, developed new tool for materials declaration (p. 40).
- Published "Measuring Emissions Right," assessing climate-positive effects of ICT. Developed LCA studies on ICT-enabled carbon reduction in other industries: mobile money in Kenya, e-health in Croatia, and collaborative working solutions (p. 24/46).

ANTI-CORRUPTION

The Ericsson Group Management System ensures integrity and high standards of conduct worldwide. A whistle-blower procedure enables employees to report violations relating to accounting, internal controls and procedures or fraudulent practices.

- A Chief Compliance Officer appointed early 2011 to strengthen focus and training on business ethics and anti-corruption (p. 64).