

# 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).