

**Owner**  
Head of People & Brand, Cecilia Lundin

**Approval Date**  
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**Approved by**  
CEO Johan Dannelind

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## Group Instruction - Sponsorships and Donations

This Group Instruction is in line with our business and brand strategies and Code of Responsible Business Conduct. We want to deliver a new world of digital experiences to our customers and ensure that everything we do has a positive impact on society (Incl. positive digital impact) as an integral part of the way we run our business.

All sponsorship and donations are strategic and should strengthen our brand's position and value.

### 1 PURPOSE

The purpose of this Group Instruction is to define our common standards for sponsorships and societal contributions: stakeholder relations grants, philanthropic donations and community projects, and to ensure that we implement them in the same way across our markets.

### 2 OBJECTIVES AND TYPES OF SUPPORTED ACTIVITIES

The objective of this Group Instruction is to ensure that we focus our resources on activities in line with our brand strategy and where Telia Company can make a difference. Priority must be given to signature brand initiatives and projects within Digital Impact framework.

Depending on scope and purposes, sponsorships and donations are divided in four types: sponsorships, stakeholder relations grants, philanthropic donations and community projects.

#### ***Sponsorships:***

The main objective of sponsorship activities is to create proof points for building the trusted and loved brand of Telia Company. We also involve ourselves in activities that counteract the possible negative impact of our products or services, such as bullying online, exploitation of children or other types of illegal/immoral activities.

#### ***Stakeholder relations grants:***

Grants for selected events and activities with worthwhile aims organized by or for key stakeholders. Examples of recipients for such grants are government institutions, embassies, universities, national and international Non-Governmental Organizations.

#### ***Philanthropic donations:***

Charitable donations to non-profit organizations with no expectation of direct corporate gain. Such contributions are related to disaster relief or humanitarian aid in geographic locations where Telia Company has operational presence.

#### ***Community projects:***

Long term sustainability projects with organisations aiming to develop the local communities. All such community projects should be aligned with our sustainability strategy and Digital Impact framework, and meet one or more of its key objectives on shared value creation:

- Use digitalization to improve quality of life of people
- Use digitalization to take environmental action
- Support digital entrepreneurship and innovation



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### **3 REQUIREMENTS FOR SPONSORSHIPS AND DONATIONS**

All sponsorships and donations should be assessed and decided in the light how it is helping to strengthen our brand positioning value and be followed by stated requirements.

Each requirement must also be evaluated before commitment and/or payment is made to any sponsorship or donation.

#### ***Requirement 1 – Adherence with internal policy and local law***

All sponsorships and donations must comply with local laws and regulations and be in line with Telia Company's business strategy, Code of Responsible Business Conduct, and relevant Group Policies and Instructions.

#### ***Requirement 2 – Relevant geographical locations***

Sponsorships and donations activities shall be carried out in relevant geographical locations, where Telia Company has brand visibility.

#### ***Requirement 3 – Annual planning***

Business unit must prepare an annual sponsorships and donations strategy accompanied by annual plan and funding, including metrics to measure the outcome; and analysis of earlier activities if cooperation is continued. Due diligence process must be done prior to annual planning and results of due diligence must be available before approval process is initiated.

#### **Approvals for Group level and local country/business unit Sponsorship and donation activities:**

1. All activities with cost exceeding 200 KSEK inclusive cost for activation are required to be approved by **Sponsorships & Donation Board** (Head of People & Brand, Head of Communication)
2. For BU's and Telia Carrier, to be pre-approved by respective CEO/GEM sponsor.
3. For Group Functions, to be pre-approved by Group Function Head

In case of red-flagged engagements, Group Chief Ethics and Compliance Officer and Head of Group Brand shall always be consulted.

Request for specific Sponsorships & Donations must be documented and approved according to above, with following requirements before integrated into the annual planning process.

Specific approval form to be used for Group escalations, see form enclosed in Appendix 1.

#### ***Requirement 4 – Requests coming after annual planning***

All requests coming after the annual plan must be approved the same way as the annual plan.

#### ***Requirement 5 – Requests related to government officials***

Regardless of other factors, if the requests are directly or indirectly related to government official or institution, the approval must always be obtained from Group Chief Ethics and Compliance Officer.

#### ***Requirement 6 – Documented business reason***

All sponsorships and donations must have a business reason documented and explained, for example:

- Direct or indirect contribution to business: increase in revenue, subscribers etc.
- Brand building or brand awareness building in line with the brand strategy of Telia brand, increasing reputation or building stakeholder relations



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- Awareness raising and fostering human rights, ethical business practices or other important sustainability issue
- Contributing on company's work with the UN Sustainable Development Goals
- Delivering humanitarian aid or disaster relief
- Improving the socio-economic development of the local communities by digitalization

**Requirement 7 – List of don'ts**

Sponsorships and donations cannot be:

- related to political support (i.e. to political parties, politicians or related institutions)
- conducted in a way that it can be interpreted as a political payment or bribery
- related to the process of obtaining or retaining business from the recipient, i.e. it must be ensured that the person who has the power to make business decisions, such as awarding contracts, licenses or permits, is not involved in the sponsored object
- provided to individuals
- provided to organizations, activities or events believed to be discriminating or unethical, e.g. related to alcohol, tobacco, drugs, gambling, weapons, pornography
- provided to activities or events that will have significant negative environmental impact, e.g. motor sports and activities which include handing out a large amount of disposables
- provided to religious or military activities

**Requirement 8 – Selection of partners and suppliers**

Selection of partners and suppliers for sponsorships must follow this Group Instruction and the process established for sourcing of products and services in compliance with Group Policy and Group Instruction – Source-to-Pay.

Selection of partners and recipients for stakeholder relations grants, philanthropic donations and community projects must follow this Group Instruction.

**Requirement 9 – Due diligence**

Recipients of sponsorships and donations shall be subject to documented third party due diligence prior to approval process and commitment to pay. Selection of trustworthy partners must be based on results of due diligence. Requests for due diligence must be sent to: [suppliers@teliacompany.com](mailto:suppliers@teliacompany.com).

**Requirement 10 – Written agreement**

Sponsorships, stakeholder relations grants and community projects must be documented through written agreements with recipients based on templates of Telia Company, including Supplier Code of Conduct and Anti-Corruption Contract Clause. Donations must be documented in form of written Donation letters/agreements indicating our expectations on transparency and reporting on usage of funds. Bank details of recipients must be verified and included into agreement.

**Requirement 11 – Auditable documentation and reporting**

Strategy, annual plan, budget, request for the sponsorship or donation, business reason, due diligence report, approval, agreement, utilization and follow up report must be documented for possible review. The contributions and their impacts, both financial and non-financial, must be documented for possible public reporting. Total financial contributions for sponsorships and donations are publicly reported as part of Telia Company's annual financial and non-financial reporting, and data needed for public reporting are collected by end of every year.

**Requirement 12 – Registration of external requests**

The transparent process for structured and professional assessment of all incoming external requests must be organized via the designated web-page (e.g. [www.telia.se/sponsring](http://www.telia.se/sponsring)). All requests must be registered internally and get a response based on defined strategy criteria. Compliant requests will be lifted for inclusion into annual plan or for approval process after annual planning.



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#### **4 ROLES AND RESPONSIBILITIES**

This Group Instruction applies to Telia Company AB and its Subsidiaries<sup>1</sup> and Joint Operations<sup>2</sup> as their own binding instruction to all directors, members of the boards, officers and employees. In addition, Telia Company works towards promoting and adopting this instruction's principles and objectives in other associated companies where Telia Company does not have control but has significant influence.

Each Group Executive reporting to the CEO of Telia Company is responsible for ensuring that this Group Instruction is duly communicated and implemented, and that the employees within his/her area of responsibility are familiar with and follow this Group Instruction.

Each country CEO is responsible for ensuring that all relevant entities within the CEO's geographic location has adopted and implemented this Group Instruction.

#### **5 BREACHES AGAINST THE INSTRUCTION - SPEAK-UP LINE**

Any Telia Company employee who suspects violations of this Group Instruction must speak up and raise the issue primarily to their line manager, and secondly to the Human Resources department, to the Ethics and Compliance Office, or through the Speak-Up Line. The Speak-Up Line is available on Telia Company's internal and external webpages.

Telia Company expressly forbids any form of retaliation for questions brought forward this way. For specific requirements, please see our Group Instruction on Internal Reporting and Non-Retaliation.

Violations against the Group Instruction can lead to disciplinary action, up to and including termination.

#### **6 EXEMPTIONS**

A Subsidiary-specific corresponding instruction shall be compliant with this Group Instruction while adapting to the concerned business activities, local laws, local circumstances and language. If a deviation or exemption from this Group Instruction is deemed necessary, the Country CEO shall escalate the matter to the Group General Counsel.

#### **7 GROUP GOVERNANCE FRAMEWORK**

This Group Instruction is part of the Group Governance Framework, which includes without limitation:

- a) Code of Responsible Business Conduct, Purpose and Values, Strategy, Group Policies, and Instructions for the CEO as approved by the Board of Directors;
- b) Decisions made by the CEO, the Delegation of Obligations and Authority as approved by the CEO, Group Instructions as approved by the CEO or by the responsible Head of Group Function; and
- c) Guidelines, best practices, process descriptions, templates or working routines developed within area of responsibility of Head of Group Function.

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<sup>1</sup> All entities over which Telia Company AB has majority control.

<sup>2</sup> The joint operations over which Telia Company AB has joint control and management responsibility.



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**8 APPENDICES**

<u>Appendices</u>	<u>Description</u>
Appendix 1	Group Escalation form
Appendix 2	Template of Strategy/R2G
Appendix 3	Template of Annual Plan
Appendix 4	Telia Company template of Agreement, Supplier Code of Conduct and Anti-corruption contract clause

