

Owner
Cecilia Lundin, Head of People and Brand

Approval Date
2018-03-17

No.
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3

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Approved by
Board of Directors

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Group Policy - People



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PEOPLE POLICY

This Group Policy provides our employees with an overview of our company values and expectations in relation to people. In addition, this Policy gives employees at all levels the prerequisites how to act in line with these values and expectations. In our day-to-day operations, we expect all employees to follow this Policy and apply its high standards consistently as part of our way of doing business. We strive to fully adopt these principles in all operations in which Telia Company has management control.

PRINCIPLES

Commitment and Expectations

It is Telia Company's desire and responsibility to provide a sustainable working environment with fair terms of employment for all our workforce. Individual commitment to role modelling our values and behaviors will make the difference for our company. This Policy is guided by international human rights standards as defined in UN Global Compact. It includes the following components:

- Human Rights
- Non-Discrimination and Equal Opportunities
- Child Labor
- Forced Labor
- Freedom of Association and Collective Bargaining
- Recruitment approach
- Occupational Health and Safety (OHS)
- Drugs, alcohol and smoking of tobacco substances
- Terms of Employment
- Total remuneration and working hours
- Travelling
- Integrity
- Disclosure of interests



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HOW TO ACT

Human Rights

Telia Company and its employees and workforce shall respect and protect internationally recognized laws and standards for human rights and strive to ensure that the Company does not abuse any part of the human rights principles. In addition, our employees are expected to contribute by respecting, protecting and promoting human rights, not only within the workplace but also when representing Telia Company outside of the workplace.

Non-Discrimination and Equal Opportunities

Telia Company wants all employees to have equal opportunities based on competence, experience and performance, regardless of gender, race, ethnicity, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background and/or other characteristics protected by applicable law. As part of our commitment to having a diverse and inclusive workplace, we have zero tolerance towards discrimination, harassment and bullying. Victimization at work, such as recurring negative actions directed against individual employees, is not permitted. All employees shall treat one another with respect, dignity and common courtesy.

Child Labor

Child labor is not accepted in any of Telia Company's businesses, nor do we accept child labor at our suppliers, dealers or subcontractors. In no event will we employ any person below the age of 15 or the country's legal minimum age, if over 15. Government-authorized job trainings or apprenticeship programs that are clearly beneficial to the participating individuals may be exceptions. Young employees between the ages 15-18 should be shown extra consideration when working for us.

Forced Labor

Forced labor is not accepted in any of Telia Company's businesses. We do not engage in or support the use of forced labor, nor shall any employee be required to deposit identity papers at the start of employment. Employees are free to leave their employment after a notice period, as required by law and contract.

Freedom of Association and Collective Bargaining

All employees have the right to form or join associations of their own choice concerning the relationship between the employer and the employees, and to bargain collectively. We do not accept disciplinary or discriminatory actions against employees who choose to peacefully and lawfully organize or join an association. Employees are forbidden to use intimidations of any kind to obstruct other employees' right to freedom of association or



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right to be unorganized.

RECRUITMENT

Recruitment approach

All Telia Company recruitments are based on respect for the individual no matter of age, gender, marital or parental status, colour, religion, race, ethnic origin, nationality, handicap, sexual orientation or political opinion. The demands stated in the job profile shall be based on our common values. The selection processes shall be fair, based on objective and transparent criteria, and include proper feedback to all applicants.

Recruitments should be carried out locally and be based on this policy and its related Group Instructions as well as the legislation and conditions in each country. The Human Resources (HR) function is responsible for making all relevant documents available to managers involved in recruitment. Telia Company will set targets to drive and support our main principles as stated above.

All Telia Company recruitments are based on our business needs and are an important investment in our employer brand. Our values Dare, Care and Simplify are our compass, guiding us how to act and behave in our daily work and a strong influence in our performance management model. This means we focus on attracting present and future employees who are experienced, competent and recognize themselves in our values. In addition, we want to attract and retain talents with a drive, in order to constantly improve and deliver the best value for Telia Company and our stakeholders. We state that the right competence, diversity and equal opportunities are all equally important factors when we recruit and when we communicate, both internally and externally. We offer our employees, as well as potential future employees equal access to the Telia Company Job market where we present job opportunities. These principles apply as long as they do not violate domestic laws and regulations.

WORKING ENVIRONMENT

Occupational Health and Safety (OHS)

Telia Company shall offer and maintain a safe and sound working environment that meets or exceeds global standards and national legislation. A safe and healthy workplace is not only about preventing accidents, it involves both physical and psychosocial wellbeing aspects. We always prioritize work processes, design of service, and working methods that reduce the negative impact on the individual. Safety must always be the most important factor of decisions.



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Employees have a responsibility for their own health and are expected to contribute to a safe working environment. An important part is following current safety rules and routines.

Managers have particular responsibility for employee health and safety in the workplace. This starts by acting as role model and by making sure all employees follow the safety routines. Extra attention and care is needed on young workers.

More detailed OHS principles can be found in Telia Company's Group OHS Policy and Group OHS Instruction.

Drugs, alcohol and smoking of tobacco substances

Telia Company does not accept any form of abuse, use or possession of illegal or unauthorized drugs in the workplace.

It is forbidden to be at the workplace or perform work while under the influence of alcohol or illicit drugs. If an employee is taking a prescribed medicine, over the counter remedies or any other measure which in any way impairs the employee or can affect her/his judgment at work then the employee's manager must be informed, as a safety measure. The manager may determine if the impairment makes the employee unfit for service or not. Alcohol in connection with office parties, business trips and representation should be used with restraint and only consumed appropriately. After consuming alcohol, employees should use good judgment and refrain from operating vehicles in an unsafe manner or in violation of the law. It is not allowed to drive a vehicle when affected by drugs. Telia Company advises all who have addiction problems to seek suitable help.

Telia Company maintains a smoke-free work environment. Therefore, smoking is only allowed in designated areas.

Terms of Employment

Telia Company seeks to provide working conditions, which comply with local statutory requirements and collective bargaining agreements. All employees have the right to have written contracts, in a language that they can easily understand, specifying their terms of employment.

Total remuneration

Salaries and benefits are designed to be fully comparable with legal or industry standards. Information on the employee's salary and benefits shall be available to the individual employee, in accordance with applicable law. All employees shall be provided with written and understandable information about their employment conditions regarding salaries before they enter employment. All employees should also be provided with details of their salaries for the given pay period each time they are paid.



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Remuneration at Telia Company shall be defined based on a set of principles regularly reviewed for compliance and fairness. Discrimination in setting the remuneration of individuals, linked to factors other than the principles outlined in our policies and instructions, is not the policy of Telia Company.

More detailed remuneration principles can be found in Telia Company's Group Remuneration Policy.

Working hours

Telia Company shall follow national legislation and collective bargaining on working hours. The company shall respect the employees' right to leisure time, including their limited availability outside working hours, to enhance work-life balance.

Travelling

Business trips are critical for Telia Company's continued success. While travel is a necessary part of our business, it also represents a major company cost and time commitment.

All business travel is conducted in the most reasonable, safe, cost-effective manner, in compliance with the Group Travel and Expenses Instruction. The cost objective needs to be balanced with other principles such as environment (Code of Responsible Business Conduct), employee security, comfort and work-life balance. Each employee of Telia Company is responsible for managing travel expenses. More detailed travel principles can be found from Group Travel and Expenses Instruction.

Integrity

Telia Company's employees shall act in a manner, which is appropriate to one's position in the organization. He/she shall not act in a manner, which could disrepute Telia Company. An employee shall personally not be engaged in any illegal or criminal activities (inside or outside working hours). All employees are expected to read and follow the expectations of the Code of Responsible Business Conduct. Children's rights to privacy and integrity shall be considered when developing products and services.

Disclosure of Conflicting Interests

Telia Company's employees are not allowed to be involved in outside employment/business interests in conflict or in potential conflict with the businesses of Telia Company. Therefore, it is important that all employees of Telia Company disclose in writing to the Company, through their superiors or provided processes and tools, details of any conflict of interest, which might affect their impartiality in carrying out their duties as



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soon as it, becomes apparent, including:

- Any interest, shareholding or possible conflict of interest an employee has with any firm or organization from which Telia Company purchases supplies, works or services, or through which Telia Company proposes to sell property or services.
- Any outside employment or business interests in conflict or potentially in conflict with Telia Company's business.
- Any interest of an employee's immediate family, which could result in such a conflict of interest.
- Where a conflict of interest situation could arise for an employee, he/she must discontinue the contract or situation giving rise to the conflict or potential conflict of interest, and not attempt in any way to influence decisions on the matter.

Guidance and Assistance

There are numerous equally binding directives, instructions and guidelines, both global and local. If you have questions on this policy or you are uncertain which rules are binding please contact your HR representative.

These principles apply to the extent that they do not place Telia Company in violation of domestic laws and regulations.

BREACHES AGAINST THE POLICY - SPEAK-UP LINE

Any Telia Company employee who suspects violations of this Group Policy must speak up and raise the issue to their line manager, to the Ethics and Compliance Office, or through the Speak-Up Line. The Speak-Up Line is also available for concerns raised from external parties. The Speak-Up Line is available on Telia Company's internal and external webpages.

PURPOSE

While Telia Company is recognized in the global business world as a strong company with many resources, our most valuable resource is our people. Without our ability to identify, hire and retain the best people, we would lose some of our unique culture and competitive edge.

With this in mind, we strive to make Telia Company THE place to work. To do this in a fair and reasonable manner, we have developed this Policy to define the Company's expectations of the employees as well as what expectations our employees should have of each other and on us as their employer.



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SCOPE

This Group Policy relates to Human Resources and applies to Telia Company AB, its Subsidiaries and Joint Operations¹ (jointly “**Telia Company**”) as their own binding policy. Telia Company will strive to fully adopt these principles in all operations in which Telia Company has management control. We will also use our influence to promote the principles in other companies where Telia Company has ownership interests.

This Group Policy is part of Telia Company’s Group Governance Framework, which includes:

- a) Code of Responsible Business Conduct, Purpose & Values, Strategic framework, Group Policies, and Instructions for the CEO, as approved by the Board;
- b) Decisions made by the CEO, and Group Instructions and the Delegations of Obligations and Authority as approved by the CEO; and
- c) Group Instructions as approved by the responsible Head of Group Function.

ROLES AND RESPONSIBILITIES

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

All Telia Company employees are individually responsible for reading, understanding and following this Group Policy.

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

EXEMPTIONS

If any Telia Company Subsidiary would like to adopt a corresponding Group Policy with exemptions from this Group Policy, the relevant country CEO shall inform their superior, who shall escalate the matter to the Group General Counsel.

TERMS AND ABBREVIATIONS

Terms and abbreviations	Definition
Workforce	Managers, employees and consultants

¹ Once formally adopted by the local board of directors, if required.

