

Response to BHRRC Tech Company Survey

Business & Human Rights Resource Centre Survey Questions

This letter is in response to the questionnaire sent to Ericsson on March 8th 2022, regarding human rights due diligence related to our operations in Russia and Ukraine.

We have consolidated our answers below. Please note that in order to preserve the safety and security of our people, and our customers, we cannot at this stage provide further details.

Ericsson installed the first switch in Kyiv in 1893. Ericsson Ukraine was established as a subsidiary in 1997 with 100% foreign investment. We have 180 employees and offices in Kyiv. There are three major national operators with 2G/3G and 4G/LTE coverage in Ukraine serving a population of more than 43 million. Ericsson's markets share is approximately 12% in RAN and 30% in Core. The mobile operators are Kyivstar, Vodafone (now Azerbaijan-owned by Bakcell), Lifecell (Turkish-owned by Turkcell). Ericsson's largest customer is operator Lifecell (third and smallest operator in Ukraine) and we also deliver and operate a BSS system for Kyivstar (VEON).

Ericsson has had a presence in Russia for 140 years. Current subsidiary established in 1993. 600 employees in Moscow and temporary project offices to support ongoing roll-out in several locations in Western Russia. Our equipment is installed widely across the country, estimate to cover a geographical area where 85% of Russian population lives. We are the major radio supplier and one of the leaders in core networks.

Ericsson is deeply concerned and troubled by the Russian invasion of Ukraine. We continue to support our customers throughout the conflict and are making our best efforts to address the safety and security of our colleagues in Ukraine, and to maintain connectivity for the people of Ukraine.

The Market Area Europe and Latin America (MELA) Crises Management Task Force monitors the situation closely in the region (Ukraine and neighboring countries) in close cooperation with Group functions. A number of activities have been conducted to support families of employees in the country choosing to stay, as well as families wanting to relocate outside of Ukraine. Group Security has provided support for the relocation, including engaging specialized suppliers for



transport and communication when leaving Kyiv, as well as detailed threat intelligence briefings on current physical and cyber related activities and future scenario planning.

Group Security and Group IT have increased monitoring of all communication links to and from Ukraine as well as all computers (servers and clients) in country. Daily monitoring meetings are conducted to summarize status, erect a situational picture and agree on operational activities for the coming period. Group Security also stays close to security functions in other organizations to share and receive information about the situation to increase the overall understanding of the very complex threat landscape. Our mission is to protect Ericsson, our employees and other assets, in accordance with our internal regulation following industry best practice (ISO as well as NIST frameworks).

In order to assess, prevent and mitigate potential misuse of Ericsson's technology, the Company has integrated human rights due diligence into its sales process through the Sensitive Business Framework. This framework aims to ensure that business opportunities and engagements are conducted in accordance with international human rights standards. The Sensitive Business Framework evaluates sales opportunities from a human rights risk perspective. Risks are identified based on the parameters of the Sensitive Business risk methodology (country, customer, product and purpose). As a result of these due diligence measures, Ericsson decides how to proceed with the opportunity and how to mitigate identified risks. The decision can be to approve, with or without conditions, or to reject the sales engagement. Conditional approvals include technical and contractual mitigations as applicable.

Ericsson is constantly evaluating the sanctions adopted by EU, US and other states. We can conclude that the EU in its sanction regime towards Russia (as well as the US) have introduced the possibility to exempt export referring to civil telecommunication networks. Our understanding is that the possibility for the competent authorities in respective member states to authorize export of dual use products (including products that have been put under control under the Russian sanction regime) for civil telecommunication networks shows the importance the EU (and US) gives for the Russian population to have access to telecommunication.

Ericsson conducts screening on all its customers and suppliers in Russia. We use different screening tools when evaluating entities we interact with, and with regard to financial transactions we have a close cooperation with our banks.

We continue to monitor the situation closely and address risk to our best ability and in accordance with our commitment to international human rights standards.