

TELENOR MATERIALITY ASSESSMENT 2013

During 2013, Telenor together with DNV conducted a materiality assessment to identify a list of issues material to Telenor’s sustainability reporting. Telenor’s Sustainability team conducted internal stakeholder perspective by reviewing the scoring used in Telenor’s previous materiality assessment, and reviewed Telenor’s new business strategy to assess whether the issue was a high priority to Telenor internally.

Internal contacts within Telenor were asked to re-score the list of 2011 material issues based on their current level of importance to external stakeholders. The outputs from the materiality assessment were presented back to Telenor in a materiality validation workshop, presenting a materiality matrix.

DNV worked with Telenor in autumn 2013 to update the company’s 2011 materiality assessment, in order to re-assess and re-prioritise the company’s key risks. We revised Telenor’s materiality methodology in order to simplify the approach, and used clear criteria to define internal and external stakeholder priorities, with a High, Medium and Low scoring system for each issue.

Preliminary work: A peer review was conducted to identify key sustainability issues disclosed in the reporting of several of Telenor’s peers. In addition, a media review was undertaken to flag significant issues relating specifically to Telenor in the past two years. The priority issues resulting from these two activities were added to the list of material issues from Telenor’s previous materiality assessment and a revised list of issues for consideration during the 2013 materiality assessment was drawn up.

External scoring: Key internal contacts within Telenor were asked to update and re-score where necessary the list of previous material issues, based on their current level of importance to external stakeholders. This exercise was conducted based on the results of Telenor’s stakeholder engagement undertaken in the past two years. The results were then converted into the new, simplified High/Medium/Low scoring system using the newly defined criteria.

Internal scoring: Telenor’s CR team reviewed the updated list of issues alongside Telenor’s new business strategy. Each issue was considered against the new criteria and an appropriate score (High/Medium/Low) was assigned.

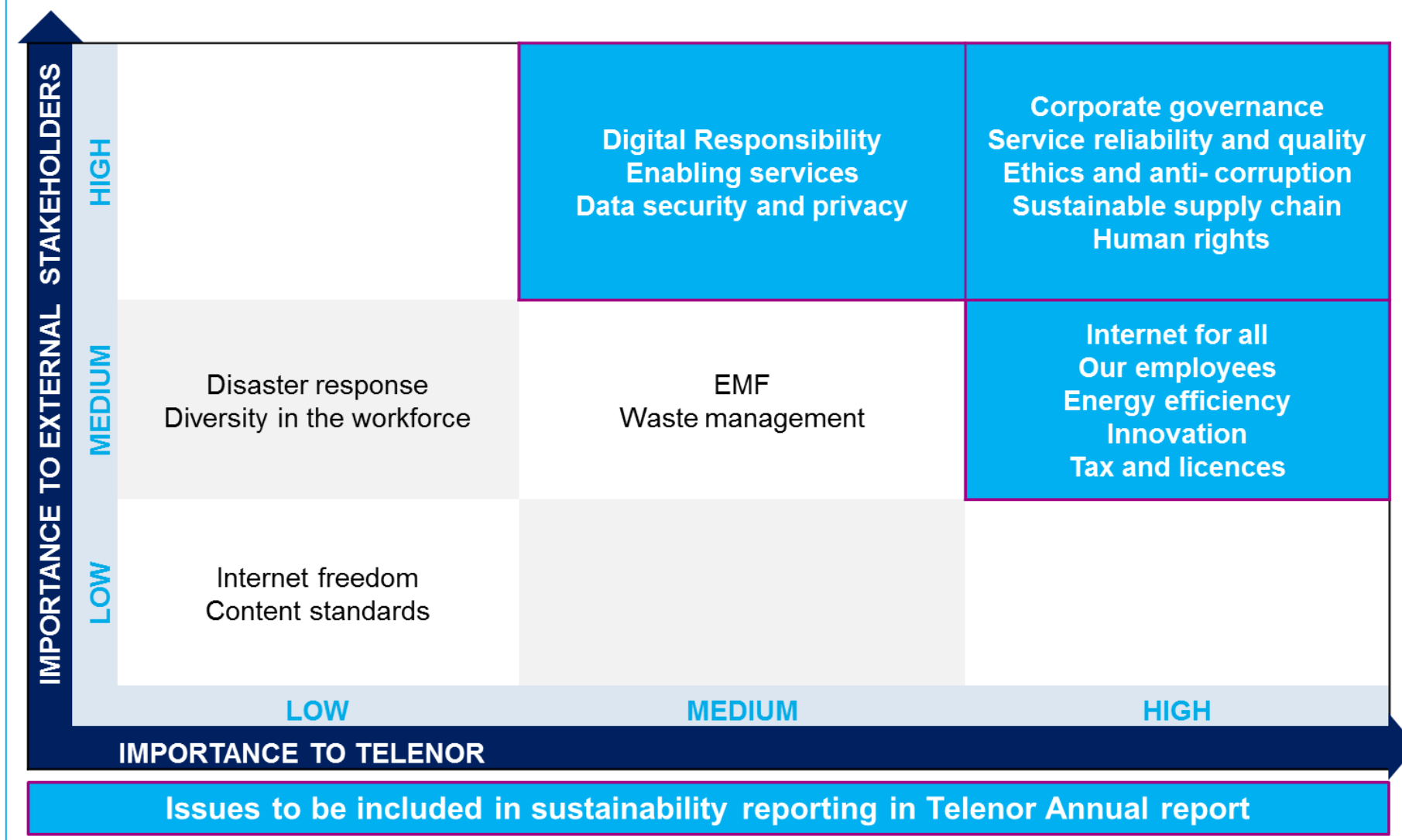
Location of material issues – ‘where does it matter?’: In order to comply with GRI’s G4 guidelines, DNV identified where in Telenor’s value chain each issue is material.

Materiality matrix: The results of the internal and external scoring of issues were used to create a draft materiality matrix.

Telenor’s material aspects 2013

- Digital responsibility
- Enabling services
- Data security and privacy
- Corporate governance
- Service reliability and quality
- Ethics and anti-corruption
- Sustainable supply chain
- Human rights
- Internet for all
- Our employees
- Energy efficiency
- Innovation
- Tax and licences

Telenor Group's materiality matrix



Workshop validation

Upon completion of the materiality assessment and draft materiality matrix, a workshop was conducted with core, CR relevant functions in Telenor. The purpose of the workshop was to present the materiality matrix in draft format and debate collectively whether the issues identified were correctly placed, paying particular attention to significant changes in issue prioritisation since the 2011 materiality assessment was carried out.

The workshop confirmed the scores (internal and external) for all issues, and the materiality threshold to determine issues to be reported was agreed. The outputs from the validation workshop also confirmed 'where does it matter' for all issues.

Aspect Boundaries:

All aspects have been assessed whether their impact is [Inside](#) or [Outside](#) of the company. The assessment is in the brackets after each aspect.

Material Issues, detailed

Sustainable supply chain - including human rights, conflict minerals, hazardous materials, etc. [[Outside](#)]

Human rights - ensuring that operations or business relationships do not infringe on human rights, and respecting the human rights of everyone working for Telenor (directly or indirectly). Including freedom of expression (user access controls, free expression and censorship). Balancing governmental law enforcement impacting on this freedom in the companies in which Telenor operates, with respect for civil liberties and freedoms. [[Inside](#) & [Outside](#)]

Ethics and anti-corruption - including anti-corruption and bribery, anti-competitive behaviour, correct billing to customers. [[Inside](#) & [Outside](#)]

Internet freedom - upholding the principles of non-discrimination of content on the internet [[Outside](#)]

Data security and privacy - avoiding personal information being overused for commercial purposes or being obtained by third parties. Includes issues such as government control of networks, encryption of data and access to data by mobile, internet and application operators [[Inside](#) & [Outside](#)]

Internet for all - access to the service in all markets, including rural and remote areas. In emerging markets focus on bridging the digital divide. Links to economic development as a result of access to the internet and online services [[Inside](#) & [Outside](#)]

Content standards - Controlling the delivery of content, particularly related to pornography, gambling, child exploitation and terrorism [[Inside](#) & [Outside](#)]

Digital Responsibility - including online and mobile safety, entailing avoidance of digital bullying an abuse, access to child pornography and providing child specific user access controls and content standards [[Outside](#)]

EMF - including electromagnetic fields from masts and mobile phones, user complaints concerning issues such as radiation, radio waves and wifi [[Inside](#) & [Outside](#)]

Enabling services - including new and transformational solutions with social benefits, such as mFinance, mHealth, mAgri, mEducation, mGovernment, mWomen, smart working [[Inside](#) & [Outside](#)]

Disaster response - including national preparedness through services and reliability of the network, network infrastructure and services handling disaster responses (helplines, donation lines, emergency communications etc) [[Inside](#) & [Outside](#)]

Tax and licences - including contribution to society through paying tax and following OECD guidelines regarding taxation [[Inside](#)]

Diversity in the workforce - regarding age, gender, culture and disabilities
[[Inside](#)]

Service reliability and quality - avoiding network failures, ensuring reliability of high standards of the service in all operating areas, and delivering on promises to customers [[Inside](#) & [Outside](#)]

Corporate governance - including policies ensuring board independence, board diversity, remuneration and responsibility and accountability of the board [[Inside](#)]

Our employees - including attraction and retention of the best people, training and development opportunities, career prospects – as well as occupational health and safety (HS at work, in particular relating to working with masts, handling of equipment and tools, safe driving and travel safety)
[[Inside](#)]

Innovation - including investment in, and development of new technologies
[[Inside](#) & [Outside](#)]

Energy efficiency - including consideration of greenhouse gas emission, and use of resources and materials, with particular emphasis on efficient use as part of Telenor's operations- specifically operating the network [[Inside](#) & [Outside](#)]

Waste management - including e-waste, packaging, recycled materials, and network equipment recycling [[Inside](#) & [Outside](#)]