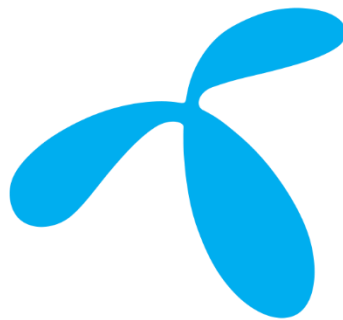


Procurement

GROUP POLICY



telenor group

Contents

1. Purpose & Scope	3
2. Procurement Principles	3
3. Requirements.....	4
3.1. Documented and Auditable	4
3.2. Functional and Contract Ownership	4
3.3. Utilise Market Dynamics and Create Competition	4
3.4. Supplier Risk Assessment and Mitigation	4
3.5. Leverage Scale	5

GROUP POLICY

Procurement

Policy owner: EVP & Chief Technology Officer

Approver: President & Group CEO

Date of Approval: 2023-07-13

1. Purpose & Scope

The purpose of this policy is to set the key procurement principles to maximise Value Creation for Telenor at an acceptable risk level. The Policy shall also ensure that procurement activities are conducted ethically and in alignment with responsible business practices across the Supplier portfolio.

This policy applies to all commercial relationships with Suppliers involving the procurement of any goods and service or preparation and planning thereof and the subsequent Contract Management and Supplier Management.

2. Procurement Principles

Competitive Process: Supplier competition in sourcing processes is important to maximise the benefits to Telenor, ensure adherence to Telenor requirements and to follow Telenor's standards for responsible business conduct.

Maximising scale: All procurement activities shall aim at using scale as the main lever for value creation. Hence Telenor shall build procurement scale wherever possible through global contracting, simplification, standardisation, consolidation and in ongoing engagements with existing suppliers.

Where possible, Telenor shall act as a single entity towards the supplier market.

Equal treatment: Telenor shall promote fair competition through equal treatment of Suppliers and professional Supplier Management without discrimination or bias.

Transparency: All procurement activities shall be verifiable and auditable by establishing and enforcing a transparent end-to-end Procurement Process with a defined governance is mandatory.

Holistic evaluation and selection: Suppliers shall be systematically evaluated and selected to fulfil Telenor's needs, relevant business conduct & ethical principles and to secure access to a robust supplier portfolio in each category.

Impartial decisions: The commercial analysis, award recommendations and decision-making in procurement processes shall be holistic and fact-based, overseen with independence from the functional and operational responsible.

3. Requirements

3.1. Documented and Auditable

The commercial activities towards Suppliers shall be planned and executed in alignment with a documented Procurement Process. Key decisions throughout the process as well as contracts, shall be properly documented and stored such that they are auditable.

Supplier selection criteria shall be well documented, follow a defined process and be in place before commercial negotiations based on the relevant documented requirements.

3.2. Functional and Contract Ownership

The Functional Owner shall define the requirement specification, ensure the contract can be executed to meet the business needs and fulfil relevant Telenor's strategies and guidelines.

All procurement shall be based on requirements with a documented specification and/or service description and have a defined Contract Owner.

Suppliers' compliance with the contracted obligations (legal, commercial, functional etc.), shall be monitored and managed by the Contract Owner.

3.3. Utilise Market Dynamics and Create Competition

All requirements and specifications shall be formed to maximise the competitive environment and shall be stated in such a way that they are supplier independent, ensuring fair and equal treatment of suppliers. Whenever possible, business needs shall be adjusted to what is commercially available as standard products/services in the market to maximise supplier competition.

To avoid long term lock-in and to promote competition, all contracts shall have a specified end date. No contract shall be prolonged more than two time periods and for not more than 24 months together, without a competitive process unless an approval is secured according to relevant requirements.

A competition waiver is required where a minimum of three qualified offers cannot be obtained or when a Telenor Company wants to deviate from Category Strategy and/or not use the relevant Global Contract. Competition waivers must be approved and documented in accordance with the relevant requirements.

3.4. Supplier Risk Assessment and Mitigation

All new and existing contractual relationships with Suppliers shall be evaluated from a risk perspective and shall as minimum include Supplier compliance risk screening and due diligence as required by relevant laws, regulations, and governing documents.

Supplier related operational risks shall be identified, assessed, and documented in a risk register. Telenor Company shall make regular updates of its operational risks and response action plan for major risks.

3.5. **Leverage Scale**

Purchases shall be made in accordance with a valid contract and existing valid agreements shall preferably be used where available.

Before commencing any Procurement Process, the Telenor Company shall assess if the scope can be handled by any existing or planned/future Global Contract. It shall also be assessed if coordination with other ongoing dialogues addressing the same supplier market can generate additional value from an overall Telenor perspective.

When dealing with suppliers having a broader relationship or multi-engagements, e.g., resellers, strategic suppliers and partners, Telenor shall take into account and evaluate the total supplier engagement, including partnership and co-creation, as part of the overall selection in order to secure synergies and drive innovation.

When required, the Telenor Company shall conduct Procurement Processes in cooperation with other Telenor Companies.