

Telenor Principle Position on the Open internet and Net Neutrality

Telenor exists to connect our customers to what matters most, always striving to empower societies. As part of our purpose, Telenor believes in maintaining the Open Internet where customers can access any lawful content and services of their choice and with no restrictions in the services that operators can make available to end-users. Everyone should be able to enjoy the full benefits of the Internet and operators should have the possibility to develop and offer differentiated services in order to enhance users' options and increase choice between different providers.

Openness plays a central role in keeping the Internet a platform for innovation, economic growth, social inclusion and the spreading of ideas. As an operator we want to maintain the openness and diversity of the Internet as that will increase the attractiveness of access.

As long as there is competition at the access level and transparency of offers in the market, Telenor does not believe net neutrality regulation is required to maintain the Open Internet.

Where net neutrality regulation is pursued, Telenor supports a balanced, principle-based approach that safeguards the Open Internet and allows intervention for regulators in case problems arise. Such an approach is the opposite of rules that seek to impose very detailed restraints on certain behaviour.

Key principles Telenor would support for such an approach include:

- 1. No anti-competitive blocking or throttling of lawful services, content or applications;*
- 2. No unjustified discrimination of lawful content or services;*
- 3. Use of appropriate traffic management measures to ensure high quality service provision and efficient network operation; and*
- 4. Transparency so users are aware of the characteristics of the services and the capacity they are buying.*

In terms of the commercial practice of zero-rating, it is Telenor's view that any ban with reference to net neutrality regulation would represent a severe intervention in the retail pricing strategies of internet access providers and deprive consumers of attractive services. Zero-rating is a type of price discrimination.¹ Price differentiation is common in most competitive markets and linked to the commercial freedom of operators to offer retail services.

The assessment of zero rating or other specific commercial practices in competitive retail markets should be left to general competition law. The ability of the operators to differentiate prices and to introduce innovative pricing schemes is a key factor in promoting the development of new and innovative data services.

¹ Zero-rating may be regarded as positive price discrimination since it entails setting a lower (or zero) price for the data used by certain applications, services or content (and allows for continued use when an allowance is exhausted) than the rate normally applied.