



Telenor ASA
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1360 Fornebu
Norway

Access Now
463 Lincoln Place #241
Brooklyn, New York 11238
USA

3 September 2021

RE: Response to letter dated 12 August 2021

Dear Sir/Madam,

We are referring to your letter dated 12 August 2021 in which Access Now and 44 civil society organisations, hereinafter Access Now and the CSOs, express concerns with Telenor Group's decision to divest the shares of Telenor Myanmar.

Telenor is deeply saddened by the deteriorating human rights and security situation caused by the military takeover, as recognised by the UN High Commissioner for Human Rights,¹ and we share the concerns for the people in Myanmar as you also raise in your letter.

Assessments done prior to the announced sale of Telenor Myanmar

Respecting and promoting human rights is integral for Telenor. In adherence with the OECD Guidelines for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights, Telenor has conducted regular human rights due diligence since entering Myanmar and taken steps to mitigate and reduce adverse impacts for rightsholders. Telenor has from the start engaged in dialogue with a broad set of stakeholders, including local and international civil society organisations. As part of its commitment to engagement and transparency, Telenor Myanmar has conducted public annual sustainability briefings discussing the risks and dilemmas faced in the country, as well as mitigating actions to address those risks and dilemmas.

Since 1 February 2021 Telenor intensified its dialogue with the local and international civil society organisations, including with Access Now and some of the other signatories, and has been as transparent as possible on the developments and challenges faced in Myanmar. We used all efforts to advocate for the protection and respect for human rights and used our leverage to prevent and mitigate the human rights impact, so that we could continue operations for Telenor Myanmar. We also carried out thorough assessments on available alternatives in the deteriorating situation, including substantial assessment on

¹ <https://news.un.org/en/story/2021/04/1089612>



the option to stay. The ability for us to continue adherence to responsible business conduct, privacy, human rights principles and international law were key factors in our assessments, as well as the security and safety of our personnel and their continued employment.

Telenor also took into account the broader human rights impact for all rightsholders, including employees, customers, distributors, vendors and partners in Myanmar. The people in Myanmar are facing not only gross human rights violations, but also a rapidly failing economy alongside a deteriorating health and security situation. That broader human rights perspective is important to Telenor and has been discussed in the top management and the Board of Telenor ASA since 1 February. The input received from civil society organisations were also part of those discussions at all levels of the company.

Process and announcement of sale of Telenor Myanmar

The decision to sell Telenor Myanmar was not taken lightly, and we took guidance from the OECD Guidelines recommending that disengagement should be taken only as a last resort. However, despite efforts to remain, Telenor was left with no other choice but to sell Telenor Myanmar because of the effects of the military takeover. This decision was not motivated by financial or strategic objectives - but guided by our commitment to responsible business conduct and adherence to human rights principles, including privacy. It was a last resort and the only way we could prevent having to decide between following local laws or complying with international law and human rights principles. As part of the sales process, Telenor conducted integrity due diligence on the potential buyers. The sale of Telenor Myanmar to M1 Group allowed for continued employment for our 750 employees, and access to service with a fourth operator, independent of the military regime, for 18 million subscribers as well as for essential industries such as hospitals and banks. It also ensured continued livelihood for the value chain in Myanmar dependent on Telenor Myanmar. Given the situation in Myanmar, it was the least detrimental option – keeping the impact to the broad set of rightsholders in mind.

Telenor recognises that the situation caused by the regime change is material. However, in a situation where Telenor will become obliged to act contrary to international law, human rights commitments and its Code of Conduct, Telenor is also a victim of the actions of the military regime. The change in regime caused unpredictability, volatility and severe human rights and security challenges for foreign investors in Myanmar, which presented Telenor with a limited timeframe in carrying out a sale. Thus, it was not possible for Telenor to conduct an extensive and prolonged sales process.

Furthermore, as a publicly listed company, Telenor is restricted from discussing certain matters of its business with external stakeholders. The decision to sell Telenor Myanmar was one matter Telenor was prevented from discussing, as such information would be considered inside information under stock exchange rules. Access Now and the CSOs should note that when the sale was announced, Telenor immediately communicated by individual e-mail and messages to stakeholders and CSOs. Following the announcement, Telenor invited for and held meetings with local and international CSOs to offer further dialogue and to understand their thoughts with respect to the transaction. Telenor has continued to carry out follow-up meetings to listen to the concerns and share, to the extent possible, Telenor's reasoning on its decision to sell.



Telenor remains committed to its Code of Conduct and the UN Guiding Principles on Business and Human Rights

Telenor further notes the concern raised by Access Now and the CSOs that Telenor continues to operate in countries such as Bangladesh and Pakistan. Access Now and the CSOs should note that Telenor has a global Code of Conduct which is the foundation of the corporate culture and sets high standards of integrity on how to do business, where key principles are transparency and accountability. In the 20 years of operating in Asia, we have actively engaged and contributed to promoting human rights and raising standards on topics such as freedom of expression and privacy, protection of children's rights, diversity and inclusion, digital skills and responsible business conduct in our own operations and in the supply chain. We continue to discuss and advocate these topics with stakeholders and authorities in all the countries where we operate. However, following the military takeover in Myanmar there is now limited room for dialogue and improvement in these areas.

Telenor will continue to operate in accordance with the Code of Conduct and promote the OECD Guidelines and the UN Guiding Principles on Business and Human Rights in all the markets where we operate. As a member of the Global Network Initiative (GNI)² Telenor engages in dialogue and advocacy efforts related to privacy and freedom of expression and topics related to authority directives. Telenor will also continue to support the Norwegian National Contact Point of the OECD with facts and information related to the complaints.

At the current moment, Telenor is unfortunately prevented from discussing the decision to sell in further detail due to the security risks for our employees in Myanmar. However, Telenor remains committed to continuing the long standing and constructive dialogue with civil society organisations and to share learnings in the future to further strengthen our human rights approach.

Sincerely yours,

Sigve Brekke
President & CEO
Telenor Group

cc: Chair of the Board of Telenor ASA Gunn Wærsted

² <https://globalnetworkinitiative.org/>