

Corporate Responsibility Report 2014



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CEO's Words

Corporate responsibility (CR) is now closer to our local markets, our audiences, our consumers and customers than ever before.

Yes, we're still pushing how we give back to the communities we're in. Our work with Reach for Change reached new heights with our launch of the Game Changer campaign this year. But to achieve long term sustainable profitability, CR needs to thread through every day, every part of our business.

Just as our business is market and customer driven, our CR is stakeholder led. So we watch and listen to all those impacted by our business and prioritise our work accordingly. 2013's materiality analysis has been a guiding light for our work during 2014. And substantial shifts in consumer behavior and our operating environment are reflected in significant changes in our business model. We now have new digital priorities, such as data and customer protection and privacy. The focus on protecting minors and the right to freedom of expression have also never been more relevant or critical.

But while the market sets the pace, so does what is going on in the world around us. We can't ignore the current geo-political shifts and must comply with the international sanctions that have followed the escalation of the crisis in Ukraine. Both of which have meant that, as a business, we have had to work extra hard to review our procedures and counterparties to ensure that we continue to comply with international sanctions. Furthermore, our own channels' news and current affairs coverage provides a valuable, independent and unbiased perspective on both global and local issues. By continuing to promote freedom of expression and of the media, our clear objective is to enable all of our audiences and customers, wherever they are, to have informed opinions about what is going on around them. That's why, in addition to highlighting our new digital priorities, in 2014 we chose to publish our

position paper on freedom of expression and freedom of the media.

We face up to challenges. And we embrace changes in consumer behavior because they bring opportunity. In fact, we thrive on change. So bring on 2015. We're aiming to be the #1 digital entertainer out there. To see how CR is with us every step of the way, please read on to get the full picture. The shifts are here to stay and we embrace them and drive our business accordingly. This is our way. **G4-1**



Jørgen Madsen Lindemann
President & Chief Executive Officer

A PAT ON THE BACK IS ALWAYS NICE...

We do our best to try and gauge where we are at internally. But sometimes it's nice to get some external feedback. We feel very fortunate to have been ranked in these established global systems and indices:



Organisational Profile

**This is us.
A snapshot of our world,
where we are and what we do.**



Business Overview

Our Business Areas

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Key Figures & Financial Position

KEY FIGURES & FINANCIAL POSITION	2012	2013	2014
Net sales (MSEK)	13,336	14,073	15,746
Operating income (MSEK)	2,124	1,738	1,630
Basic earnings per share (SEK)	22.93	15.39	12.10
Average number of employees	3,012	3,561	4,111
FINANCIAL POSITION			
Shareholder's equity	5,134	5,295	5,831
Long-term liabilities	1,751	2,774	2,111
Short-term liabilities	4,808	6,038	6,190
Total shareholders' equity and liabilities	1,692	14,107	14,531

*Please note that MTG's 50% ownership interest in Raduga has been accounted for as an equity participation with effect from 1 January 2014 due to changes in IFRS rules. Results for prior periods have been adjusted in the Group's reporting for the purposes of comparison.

Brand Footprint



MTG Countries 2014

- Countries with operations but no offices
- Countries with offices
- MTG Headquarters

- | | | | |
|-----------------------------------|---------------------|-----------------------|--------------------------------|
| ■ Afghanistan | ■ Egypt | ■ Lichtenstein | ■ Senegal |
| ■ Albania | ■ El Salvador | ■ Lithuania | ■ Serbia |
| ■ Algeria | ■ Equatorial Guinea | ■ Luxembourg | ■ Seychelles |
| ■ Angola | ■ Eritrea | ■ Libya | ■ Sierra Leone |
| ■ Antigua | ■ Estonia | ■ Macedonia | ■ Singapore |
| ■ Armenia | ■ Ethiopia | ■ Madagascar | ■ Slovakia |
| ■ Australia | ■ Finland | ■ Malawi | ■ Slovenia |
| ■ Austria | ■ France | ■ Malaysia | ■ Somalia |
| ■ Azerbaijan | ■ Gabon | ■ Maldives | ■ South Africa |
| ■ Bahrain | ■ Gambia | ■ Mali | ■ South Korea |
| ■ Barbados | ■ Georgia | ■ Malta | ■ South Sudan |
| ■ Belarus | ■ Germany | ■ Mauritania | ■ Spain |
| ■ Belgium | ■ Ghana | ■ Mauritius | ■ Sri Lanka |
| ■ Belize | ■ Grenada | ■ Mexico | ■ St Kitts & Nevis |
| ■ Benin | ■ Guatemala | ■ Moldova | ■ St Lucia |
| ■ Bosnia and Herzegovina | ■ Guinea Bissau | ■ Monaco | ■ St Vincent |
| ■ Botswana | ■ Guinea | ■ Mongolia | ■ Sudan |
| ■ Bulgaria | ■ Haiti | ■ Montenegro | ■ Surinam |
| ■ Burkina Faso | ■ Honduras | ■ Morocco | ■ Swaziland |
| ■ Burundi | ■ Hong Kong | ■ Mozambique | ■ Sweden – MTG
Headquarters |
| ■ Cameroon | ■ Hungary | ■ Namibia | ■ Switzerland |
| ■ Cape Verde | ■ Iceland | ■ Netherlands | ■ Syria |
| ■ Central African Republic | ■ India | ■ Nicaragua | ■ Tanzania |
| ■ Chad | ■ Indonesia | ■ Niger | ■ Togo |
| ■ Colombia | ■ Iran | ■ Nigeria | ■ Tunisia |
| ■ Comores | ■ Iraq | ■ Norway | ■ Turkey |
| ■ Congo | ■ Israel | ■ Oman | ■ Uganda |
| ■ Costa Rica | ■ Italy | ■ Panama | ■ Ukraine |
| ■ Croatia | ■ Ivory Coast | ■ Poland | ■ United Arab Emirates |
| ■ Cyprus | ■ Jamaica | ■ Portugal | ■ United Kingdom |
| ■ Czech Republic | ■ Kazakhstan | ■ Qatar | ■ United States |
| ■ Democratic Republic
of Congo | ■ Kenya | ■ Romania | ■ Venezuela |
| ■ Denmark | ■ Kuwait | ■ Russia | ■ Yemen |
| ■ Djibouti | ■ Kyrgyzstan | ■ Rwanda | ■ Zambia |
| ■ Dominican Republic | ■ Latvia | ■ Sao Tome & Principe | ■ Zimbabwe |
| | ■ Lesotho | ■ Saudi Arabia | |

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Value Chain

As a global media group, we offer a broad range of products and services for multiple markets across a wide range of distribution channels. But even though we are many brands, we are one organisation. That means we are all part of the same value system and share common challenges. So regardless of forum, our content is put through the same process. From its conception to its consumption, we add value at every stage of its creation, to make sure the end result is just right. And once that cycle is complete, we listen to all our customers to see how we can improve and start all over again.

M3

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Buying

We work with many types of suppliers to get the components we need to run our business and do what we do best – create and deliver entertainment. Our core suppliers include Hollywood film studios and big sports rights providers, as well as smaller local studios and channels. Set-top-box hardware producers are also included in this category. And non-core suppliers include office equipment and IT vendors, among others.

Creating

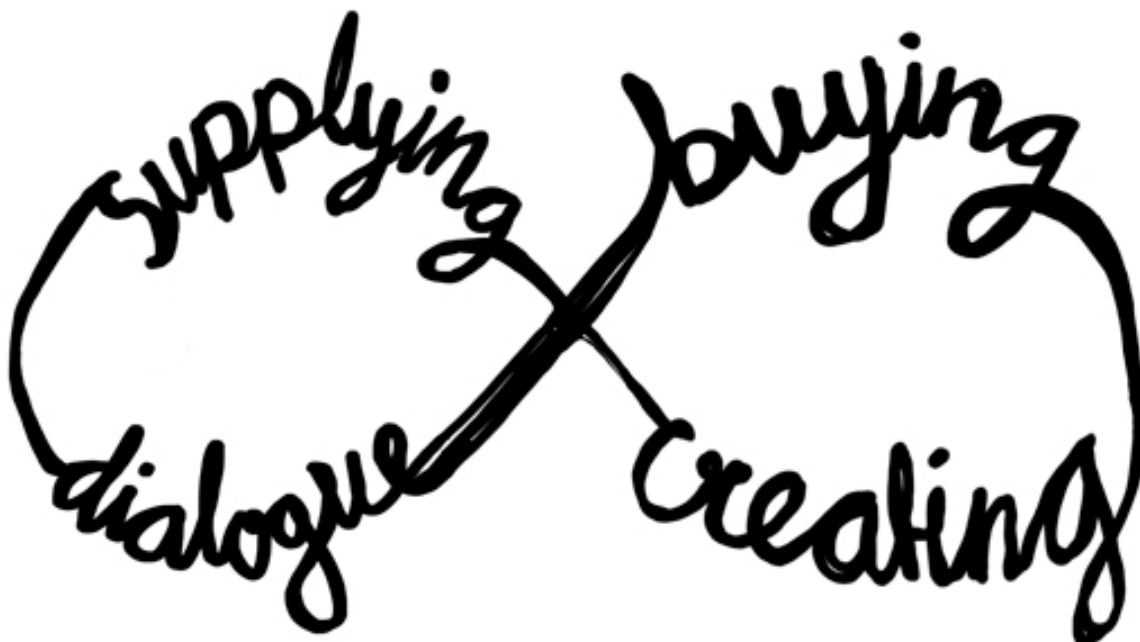
Before content can be enjoyed, there are a multitude of departments and teams involved. Some play a direct role and some facilitate. From production, acquisition and scheduling to compliance, marketing and broadcasting.

Supplying

We make our media content available to our customers on our free-TV and pay-TV platforms, as well as radio stations and online. We supply advertising space to media buyers, other businesses and charities. And we also produce programmes for other broadcasters.

Dialogue

How are we going to know what our customers like or don't like if we don't listen? We have an ongoing dialogue with all our stakeholders to improve our products and services. Making sure we stay on top of our game by giving our audiences exactly the kind of entertainment they want, and our business customers the opportunities they need to strengthen their brands.



Governance & Everyday Ethics

We break barriers, not rules. The fast pace at which this business is evolving makes playing by the rules even more important. Starting with our backbone, the MTG code of conduct, here's how we make sure we're doing the right kind of business at all times.

Governance

Modern Times Group MTG AB is a Swedish public limited liability company. The company's governance is based on the Articles of Association, the Swedish Companies Act, the listing rules of Nasdaq OMX Stockholm, the Swedish Code of Corporate Governance, and other relevant Swedish and international laws and regulations.

Nomination Committee

Evaluates the Board's work and composition, submits proposals to the AGM regarding the election of the Board, Chairman of the Board and Auditors, prepares fee proposals to the Board and Auditors and proposals for the Chairman of the AGM.

External Auditors Examine the Annual Report and financial accounting, the Boards and CEO's administration and other tasks, and report their findings to the shareholders in the auditors' report.

Remuneration Committee Responsible for issues related to salaries, pension plans, Long Term Incentive Plans, and the employment terms of the CEO and Executive Management of MTG.

Audit Committee Focuses on financial reporting accuracy, accounting policy changes, internal controls, risk assessment, auditor qualification and independence, adherence to regulations, and transactions with related parties.

Internal Auditors Responsible for the evaluation of risk management and internal control activities, and reports the result of its reviews to the Audit Committee.

CR Advisory Group Established in 2013 to support the Board on corporate responsibility topics. Meets three times a year and consists of six members including Board Directors Mia Brunell Livfors and Michelle Guthrie, and MTG's CEO and President Jørgen Madsen Lindemann.

Shareholders

Our valuable investors who can make propositions on issues affecting the company and its operations at the AGM.

Annual General Meeting (AGM)

The AGM is the highest decision-making body where the shareholders vote on various resolutions, sign off the accounts, elect MTG's Board of Directors and appoint the External Auditors, and may make other proposals. Proposals must be submitted in writing at least seven weeks before the AGM.

Board of Directors

The Board consists of seven non-Executive Directors, two female and five male, of which all seven are independent of the Company and management, and five are independent of the major shareholders. The Chairman of the Board is independent of both the Company and the major shareholders. The Board also governs MTG's corporate responsibility.

Chief Executive Officer

Makes strategic decisions regarding the business and corporate responsibility as guided and instructed by the Board.

Executive Management In charge of the day-to-day implementation of the business and corporate responsibility.

Segment Operational Boards Control and follow-up on operational matters, such as share of viewing and listeners, and the development of advertising markets.

Mia Brunell Livfors Non-Executive Director and Chairman of CR Advisory Group.

Jørgen Madsen Lindemann President and CEO of MTG.

Executive Vice President of Modern People

Member of MTG's Executive Management Team and manages the corporate responsibility team, function and activities.

Global Corporate Responsibility Team Runs the day-to-day corporate responsibility agenda, and responsible for monitoring and reporting progress within corporate responsibility and communicating these efforts.

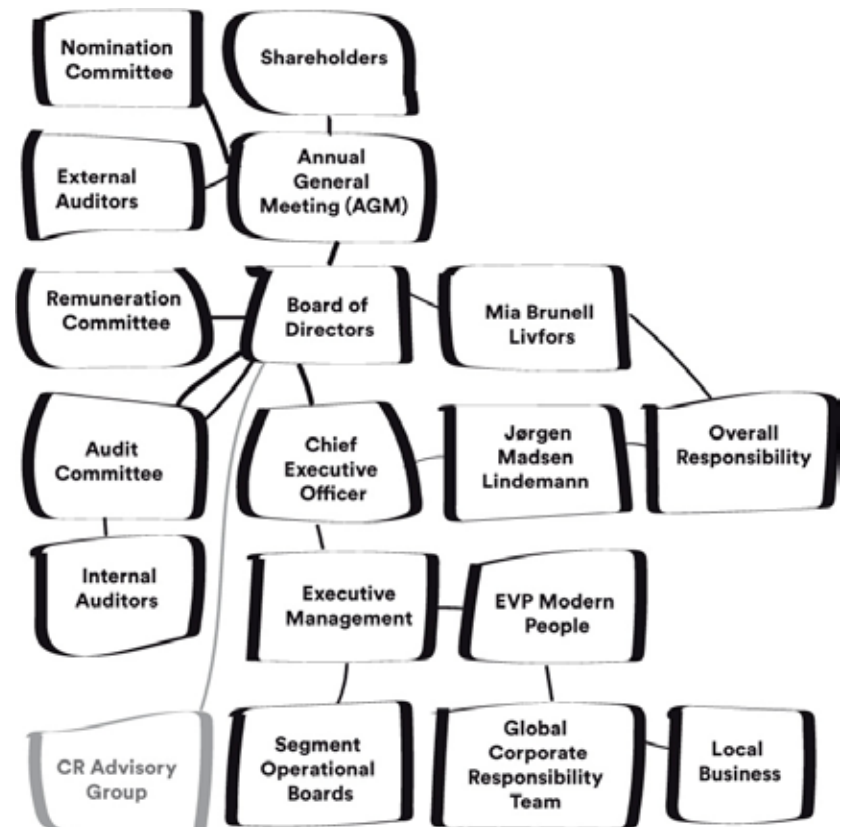
Overall Responsibility

Non-Executive Director Mia Brunell Livfors and MTG's President and CEO Jørgen Madsen Lindemann have overall responsibility for the Group's corporate responsibility strategy, agenda and practices, including issues relating to human and labour rights, anti-corruption and environmental performance.

Local Businesses

Local CEOs ensure CR agenda is implemented in areas such as procurement and human resources. Each country has an appointed corporate responsibility representative and a green ambassador, who work as a link between the central corporate responsibility team and the local operations.

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Everyday Ethics

Think entertainment is just fun and games? Then think again. It's so much more than that. At least to us. As far as we're concerned, entertainment is also about the planet and the people around us. It's about setting a good example, wherever we operate.

By creating worthwhile careers for our employees. Proactively fighting corruption. Being transparent. Protecting human rights. Making climate smart choices. And by making our content mirror all these commitments. In short, it's about making entertainment sustainable and sustainability entertaining. Sound like a challenge and a half? Well, it is. But there aren't many things we'd rather be doing. So in our daily work, we make sure we implement the ten principles of the UN Global Compact. And we follow the OECD Guidelines for Multinational Enterprises relevant to our operations. Because using our influence to create best practice not only makes sense for us – it makes sense for everyone.

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Code of Conduct

The heart of our self-regulating system. That's our code of conduct. It outlines our values and commitments and exists to make sure we're all adhering to the same ethical standards.

It applies to every employee worldwide and, as such, all MTG people are expected to sign it. So last year, 787 MTG employees put pen to paper and did just that. And did we mention that it's also publicly available? <http://www.mtg.com/our-way/our-policies-and-guidelines/>

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International Sanctions

We believe in being prepared and doing our homework. So that's the approach we've taken to the international sanctions that have followed the escalation of the Ukraine crisis – making sure we have the safeguards in place to enable us to do business the right way.

This is why in 2014 when sanctions were introduced affecting some of the countries in which we operate, we sat up and

took notice. Not only did we set up a sanctions committee to monitor developments in this area and provide guidance, but we put in place a due diligence process to review who we do business with. We have advisers in place in the US and Europe to guide us on any new developments and the actions to be taken so that we comply with international sanctions law.

Anti-Corruption

Zero. That's the number of confirmed cases of corruption we had in 2014. Which is just as well, because we have no tolerance for it. And come what may, that's our stance on bribery and corruption.

To make this loud and clear for everyone, we have developed a system of in-house checks to increase transparency and accountability. Our policies, guidelines, codes of conduct, in-depth coaching and a gift register are all in line with international best practice and informed by frameworks and local legislations, such as Transparency International's Business Principles for Countering Bribery and the UK Bribery Act. Similarly, our interactive e-learning course, which shows the right way to act in a series of sticky situations, was initially created by UNODC and the UN Global Compact. And now this course forms an important part of our mandatory MTG 2015 introduction package for new employees. This orientation programme also includes compulsory signing of our anti-bribery and corruption policy and in 2014, 787 new employees signed on the dotted line.

¹ <http://www.unodc.org/unodc/en/about-unodc/index.html?ref=menutop>

² <https://www.unglobalcompact.org/AboutTheGC/index.html>

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G4-SO4

G4-SO5

The Security of Our Business

Safe and sound. That's how we like it. For our employees, our customers and our business. So we apply the precautionary approach when it comes to our environment, monitor in real time the risk profiles for all our operating countries and provide local management with instant advice.

We also have a dedicated manager to gather and document all possible risk sce-



narios in a special register, as well as internal and external risk auditors who keep us all in check and report to the board's audit committee. Other priorities, triggered by the current shift in our business towards digital media, are data protection and the integrity and privacy of our customers. Which are now major focus areas. But we don't stop with in-house initiatives. We also work to keep our industry safe. We have, for example, initiated a project together with Interpol¹ and the Audio Visual Anti-Piracy Alliance². The main objective is to deliver cutting edge training to investigators, enabling them to effectively combat current and emerging threats from transnational organised IP crime.

¹ <http://www.interpol.int/>

² <http://www.aapa.eu/>

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Data Protection

We understand the importance of personal information to our customers, staff and other important stakeholders. As such we are committed to protecting the personal data we hold. So we take great care to ensure this information is kept safe and secure by maintaining physical, electronic and procedural safeguards.

Here's an overview of the steps we have taken to protect non-public data:

Policies: Our data protection and security policies are updated regularly to ensure they meet corporate best practice and reflect the changing needs of a modern media company, and our data protection policies were once again updated in 2014.

Benchmarking: In 2014, we completed a benchmark of all our data protection policies and procedures against relevant peers.

Mapping: Data mapping exercise completed in 2014 to identify what personal data we hold and where we keep it.

Electronic: Privacy and cookie policies are regularly updated to ensure that our customers know exactly where they stand when it comes to how we use their data.

Data protection working group: A working group was set up in 2014 with representatives from relevant areas across the business. The overriding aims of the committee, which has been split into two main groups focusing either on the personal data of employees or customers, is to ensure compliance with data protection legislation within the jurisdictions in

which we operate, look forward to the implementation of the forthcoming EU data protection regulation to ensure that MTG is fully prepared for potential changes to the legal landscape and act as a forum to exchange ideas and promote best practice across MTG on data protection issues.

Targeted training

We take the security of data very seriously. And all employees who deal with information – from customer databases to HR records – need training on the issues involved, their implications and the principles of handling data securely and competently. That's why our group compliance advisor (also a qualified data protection officer) regularly gives bespoke courses, covering all aspects of data protection to high risk and senior employees. Because knowledge really is our best defence against data security breaches.

Suppliers

We have set values and standards. And we like our suppliers to march to the same tune. To make sure nobody is missing a beat, we reviewed our supplier principles in 2014.

Based on this revision, as well as the UN Global Compact, a supplier code of conduct has been drafted to replace our previous supplier principles. And a process has been put in place to incorporate it into our contracting and RFP processes. Much less complicated. A lot more efficient.

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Whistleblowers

MTG should be a happy place to work. So if something's not right, we want to know about it. And we want to make sure our employees can air their concerns without fear of reprimand.

That's why we've had an internal anonymous whistleblower system in place for several years. It's also why, after feedback from our stakeholders, we've decided to introduce an external third party whistleblower service. This independent system, which will be accessible anonymously online or via free phone, will feature local language instructions and launch in 2015. In 2014, we had two whistleblowing complaints. Both were investigated and confirmed as operational issues rather than cases of malpractice.





Materiality & Reporting

Every successful journey needs direction. Just as our business is market driven, our CR is stakeholder led. Our work shifts according to the changing priorities of all those impacted by our business. So what direction have we been pointed in this year?

Materiality

So how have we decided the report content and what issues to focus on? We have identified a list of aspects that are relevant to our business. The list is based on the Global Reporting Initiative's (GRI) Media Sector Supplement, the work we have done together with our peers in the Media CSR Forum¹, and a materiality analysis that we conducted with our stakeholders.

The table below presents the relevant topics that we have gathered from all three sources, and places them in the relevant category – depending on their impact on our business.

¹ <http://mediacsrforum.org/home>

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	CORE SIGNIFICANT ISSUE	STRATEGIC POTENTIAL TO AFFECT THE BUSINESS DELIVERY	OPERATIONAL INTERNAL, REPUTATIONAL OR EFFICIENCY ISSUE
ISSUES UNIQUE TO OUR SECTOR	<ul style="list-style-type: none"> Legal compliance – editorial 	<ul style="list-style-type: none"> Editorial independence Valuing creativity Freedom of expression Content quality 	<ul style="list-style-type: none"> Media literacy Responsible advertising Accessibility Transparent and responsible editorial policies Protection of vulnerable audiences
ISSUES WITH SPECIFIC IMPLICATIONS FOR THE MEDIA SECTOR	<ul style="list-style-type: none"> Intellectual property Data protection and privacy 	<ul style="list-style-type: none"> Digital divide 	<ul style="list-style-type: none"> Awareness of the impact of communication Education Health, safety and security Human rights Cultural rights Plurality and diversity Promotion of causes Promotion of sustainable development Transparent ownership and revenue model
ISSUES COMMON TO ALL SECTORS	<ul style="list-style-type: none"> Anti-corruption 	<ul style="list-style-type: none"> Corporate governance Customer interaction Staff investment Public policy positions and participation 	<ul style="list-style-type: none"> Environmental management Supply chain integrity Legal compliance – corporate Staff diversity and equality Conflicts of interest Marketing communications

Stakeholders

Our stakeholders consist of all the people and organisations that may be affected by our business – and ones that affect us as a company. So it really goes without saying that our stakeholders are key to our success and that their input is essential.

We engage with different stakeholders as part of our everyday business, but we also continuously involve them in our sustainability strategy and goal-setting processes to ensure we're headed in the right direction.

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STAKEHOLDER GROUP	DAY-TO-DAY ENGAGEMENT METHODS	KEY ISSUES
CUSTOMERS: TV viewers, radio listeners, online media users and media agencies.	FREE-TV: Focus groups, attitude research, social media, viewing figures and audience appreciation index. PAY-TV: Customer support centres and social media. RADIO: Listener hotlines, competitions, websites, blogs and social media. B2B: Direct dialogue.	Viewing preferences, content development, technical support and social discourse.
SHAREHOLDERS: Our investors.	Annual general meeting, annual report, quarterly reports, press releases, road shows and conferences.	Long-term profitability and CR focus.
EMPLOYEES: Our primary resource.	Annual employee survey, intranet; newsletters, policies, guidelines, meetings and daily dialogue.	Equal opportunities, diversity, training needs and career progression.
SUPPLIERS: The companies whose products and services we buy.	Continuous dialogue, supplier principles and self-check document.	Compliance with our requirements.
NGOs: The non-governmental organisations we work with.	Continuous dialogue, both centrally and locally.	Social and economic development contribution, environmental impacts and protection of minors.
REGULATORS: Ofcom and other authorities that set the rules for what we do.	Continuous dialogue with the compliance and legal teams.	Product safety and compliance, both regulatory and legal.



Economics

The undisputed importance of the bottom line has not escaped us. But we look at it like this. Sustainable profitability is the only way to go. And the better we do as a business, the more we can give back to the communities that made us what we are today.

Corporate Giving

Being responsible opens doors to all sorts of possibilities. And as a global media company, we have the tools to do more, give more, help more.

While we donate funds, volunteer employee hours and donate goods and services, our most powerful and readily available form of corporate donation is media/airtime donation. Providing a vehicle for worthy social and environmental causes to spread their messages on a global and local scale is what we do best. In fact, in 2014 we doubled the amount of media time donation, as compared to 2013.

G4-EC7

Economic Value Generated & Distributed

The economic value generated and distributed to our stakeholders can be found in the following notes 8, 9, 10 and 28 of this year's Annual Report.

The economic value generated can be found in note 8, whilst the information on the economic value distributed, which includes figures on suppliers, employees, shareholders and government can be found in notes 8, 9, 10 and 28. See community investment in link below. Behold our 2014 Annual Report. Just a click away!
<http://annualreports.mtg.com/2014/>
<http://corporateresponsibility.mtg.com/2014/our-economic-responsibility/corporate-giving/>

G4-EC1



CORPORATE GIVING	2012	2013	2014
Donated media time, TSEK	78 828	42 095	84 396
Volunteer hours	4 730	4 956	2 119
During working hours	3 066	2 062	2 119
Products and services, TSEK	5 723	2 835	3 468
Cash donations, TSEK	1 833	3 631	8 134
Funds raised for charity, TSEK	45 696	42 981	6 055

*The donated media time value is based on the estimated market value of the commercial media time that MTG has donated to charity organisations. Raised funds include MTG's own fundraising campaigns and funds raised together with NGOs. As we focus our community support on the environment and children, most of our corporate giving in 2014 went to organisations that work on those fields. The local MTG companies can also choose to support additional causes based on local needs. In 2014, our cash and in-kind donations went to, among others, our Game Changers campaign with Reach for Change, Barncancerfonden in Sweden, London Wildlife Trust in UK, Blood Donation Campaign in Ghana as well as UNICEF and WWF Earth Hour in several countries. Raised funds went to various local organisations in Denmark, Estonia, Lithuania, Russia, Sweden and Ukraine.

Human Rights / Freedom of Expression

So basic we almost take them for granted.
But when it comes to human rights and freedom of
expression, if only it were that simple. As our
geographical and digital expansion has taught us,
we've still got work to do.

ARTICLE 19:

Everyone has the right to
of opinion and expression; t
includes freedom to hold opin
interference and to seek,
impart information and ideas
and regardless of frontiers.

Freedom of Expression & Freedom of the Media

Our media platforms span the globe. As do our customers, employees and all our stakeholders. With multiple backgrounds, cultures, opinions and standpoints. That's why freedom of choice, freedom of expression and freedom of the media are the pillars on which this company is built. Our platforms and services promote these freedoms in each and every country we're in.

Because freedom of expression is a universal human right. And includes the freedom to hold opinions without interference, and to seek and receive information and ideas through any media form without interruption. We also believe in widespread freedom of expression across frontiers, a freedom which is upheld and protected by the standards in the UN charters, together with a legal framework, which effectively prevents discrimination and illegal censorship.

Our Stance on Human Rights

Human rights are universal. They belong to each and every one of us. Without exception or excuse. That's why our approach to business is informed by the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGP), as well as local laws, regulations and business standards.

A Right with Responsibilities

According to Article 19 of the Declaration of Human Rights and international law, freedom of expression is the rule. But there are exceptions, known as limitations, that societies would deem unacceptable under the freedom of expression umbrella as they conflict with other basic rights. Those limitations serve to protect the rights and reputations of others, national security, public order, public health and morals. For the limitation to be legitimate it must qualify within a very narrow and specific framework. And the limitation must be applied for through the correct channels.

A History of Freedom

MTG has a history of successfully challenging monopolies. Opening new markets and offering a growing number of consumers new platforms and services. However humble this contribution may be, we are proud to have played a part in the extension of freedom of expression and of the media, and the promotion of a diverse and plural media environment. And we will continue to do so, by expanding to new markets and

using both traditional and new, online, distribution channels. By the same token, we have, and will continue to, strongly resist any unjust or discriminatory restrictions on freedom of expression and freedom of choice for people, wherever we may be.

The Future of Freedom

To reinforce our stance on this inalienable human right, we published our position paper on freedom of expression in the media in 2014. This reflects our geographical and digital expansion, and has been tried and tested over the past year as the geo-political shifts have brought this freedom and its exceptions into even greater focus in Eastern Europe.

Informed Opinions

As a provider of content, and distributor of third party channels, owned, operated and controlled by independent owners, we value and encourage plurality and diversity of opinion. Through the variety of our services and content, we promote freedom of the media by ensuring that our viewers and customers can make their own decisions about what programs and content they want to receive.

Impartiality

We acknowledge that media, particularly in regions or countries with conflicts, can and often will be used for political purposes, and there are plenty of examples of this in history and around the world. MTG maintains independence and neutrality, and does not take a political stand in any of these situations, and by broadcasting a variety of channels and content we aim to add to the diversity of information available. By this token we will, as we have done already, continue to promote impartial award winning news coverage on all our platforms.

Different Opinions

Tolerating freedom of expression and of the media is easy when you agree with what's being said. Not quite so easy when the view presented flies in the face of what you believe. But it's in these situations that freedom of expression becomes even more important. And when freedom of expression and of the media is challenged? Well, that's when it really matters. As a media company, we have a responsibility to act impartially and in accordance with relevant laws and regulations, and to ensure the survival of freedom of expression and of the media. So that not only those who agree, but also those who disagree have the basic human right to voice their opinions.

G4-15

Product Responsibility

The #1 digital entertainer. That's our goal. And we can only become that if we give our audience the entertainment they want. But being #1 goes deeper. And that's where our media responsibility kicks in.

PLAY

Customer & Product Responsibility

A better life. That's the effect a sustainable company should have on their customers. That means taking care of them. More than ever, the shift in our business from broadcaster to digital entertainer, has accentuated the need to earn the trust of our customers. The trust of all our stakeholders. This means giving them the content they want. Wherever, whenever and however they want it.

In 2014, we made significant investments in content and in our MTGx digital acceleration platform to meet our customers' expectations. Because we are capturing more online subscribers and viewers. And our reach is increasing all the time as we further develop our product offerings. So during the year, we added exclusive content from Viacom's Nickelodeon and Disney's Maker Studios, signed a new multi-year, multi-platform and pan-Scandinavian exclusive content acquisition deal with Sony. Extended our Formula One motor racing partnership. And acquired the exclusive rights for the Bulgarian football championship. Just to name a few. Allowing us to maximize monetization and leverage multiple platforms on a global scale.

Responsible Entertainment

That the kids are ok. Always at the top of our list. For starters, we make sure that there is always lots of great family entertainment to keep our little customers happy. Then we keep their parents happy by helping them safeguard their children from unsuitable adult content.

This involves a rigorous rating system to advise suitability of content for under 18's. A 9 pm watershed for content unsuitable for children and a midnight watershed for strictly adult material. A pay-TV pin code to restrict access and five different Viaplay security settings allow parents to tailor the level of protection needed for their family.

And if it gets a bit complicated, we have Viasat and Viaplay support teams waiting to help.

The digital shift is really keeping us on our toes on this one. We realise we need to keep re-assessing child protection on all our platforms. This year we reviewed our guidelines for online safety for children. And we re-established our collaboration with UNICEF¹ on children's rights.

Compliance

But before anything hits anyone's TV, tablet or mobile screen, we have our diligent compliance department, as well as local compliance advisors, to make sure we are following both local and MTG guidelines and regulations. This is where all complaints are sent and followed up. To ensure everyone is being entertained responsibly. And that includes trailers, advertising and sponsorship.

Making sure everyone's up to speed on compliance is a big job. The compliance team deliver compliance training, both internally and externally, to make sure all content is properly vetted and given the all clear. Whether it's acquired or own produced, all content must follow current local compliance regulations and be in line with Ofcom², ASA³ and ATVOD⁴ standards.

¹ <http://www.unicef.org/>

² <http://www.ofcom.org.uk/>

³ <http://asa.org.uk/>

⁴ <http://www.atvod.co.uk/>

M2 M3 M5 G4-PR7

Complaints

We love complaints. Although we are trying our utmost to give our customers nothing to complain about, sometimes the odd thing falls through the loop. Then we really rely on our customers to let us know if this happens. Because then we can fix it. Not all complaints warrant investigation, such as straightforward complaints pointing out our scheduling doesn't match the TV guide. In 2014, we received 127 complaints, 76 of which were straightforward enough and did not warrant investigation. But some do and we take those very seriously. We investigated 51 such complaints this year.



Carnevale! Party preparations at our Stockholm office.

BROADCAST COMPLIANCE TRAINING	2012	2013	2014
TOTAL	332	307	362
Internal people trained	277	302	346
External people trained	55	5	16

*Our central compliance team provides continuous training for employees whose daily work involves MTG's compliance procedures, such as those working in acquisition, programming, scheduling, sales, on-air planning and creative services. The compliance team also trains external production teams producing content for our channels.

Complaints Relating to Minors

We take any complaint relating to minors especially seriously. We received nine complaints regarding children in 2014 of which four resulted in a penalty, three resulted in a warning and two were cleared. Two of the complaints regarded the same program, GRIMM, in Czech Republic, for which we received two penalties for broadcasting inappropriate content

between the hours 6 pm and 10 pm. We received the other two complaints in Bulgaria, one regarded the appearance (albeit indirectly) of minors in a national lottery program and the other one in relation to inappropriate content. Any complaint received in Bulgaria automatically receives a penalty. We are still waiting for a final decision in these cases, which could see the penalties lifted.

BROADCAST COMPLAINTS BREAKDOWN	2012	2013	2014
ADVERTISING	23	32	18
Non-compliant	4	16	2
SPONSORSHIP	6	2	2
Non-compliant	2	2	18
PROGRAMMES, PROMOS & OTHER	124	83	79
Non-compliant	71	38	5
TOTAL	153	117	127
Still pending	6	6	6
Fines/penalties	9	16	21

*All of our Ofcom licensed channels plus free-TV and radio channels regulated by other regulators are included in these figures. Please note that it is the practice of the Bulgarian media regulator to issue an automatic fine before an investigation of alleged regulation breach. Hence why the Bulgarian figure is included in penalties and not still pending although appealed.

Content Feedback

How do we give our customers entertainment they'll love? It's pretty simple really. We just need to listen. The ongoing conversation we have with our audiences comes in many forms.

In Sweden, for example, we collect vital and detailed feedback about our audience's Viasat/Viplay viewing preferences. We also have consumer surveys. And for free-TV, we get to know our customers through focus groups and panels. Proof, if ever it was needed, that it's always good to talk.

M5

M6

Content & Product Development

So we listen. Then what? Feedback from our customers is used to develop, produce and acquire a variety of entertainment. We aim to offer a wide range

of entertainment across our channels and platforms. We buy the rights to large sports championships and competitions, movies and series from major studios and production companies. And we produce our own content.

We've got something for all ages, from toddlers to pensioners. And for all interests, whether it be sport, current affairs or documentaries. You name it, we've got it! Sounds like mass marketing? We prefer to think of it as mass personalisation. Though there's a lot to choose from, our content is actually getting more specific, so our customers get the entertainment they really want.

Whatever the content, whatever the platform, there are rules to follow. Each channel has its own local guidelines, which together with MTG's outline a number of core standards and principles for all programming. Guidelines that cover, among other things, editorial independence and content quality.

M2



Let's Play together

Supporting the Local Economy

Don't you just love a big lavish Hollywood movie? But sometimes you just want to watch something in your own language. Something a bit closer to home. Local content creation and production is a great way to offer our audiences something they can relate to. Content that mirrors the society they live in. With the diversity and plurality of that country or region.

This is not only good for those watching. Local production and content also stimulate local economies. As do the growing number of ways our audiences can enjoy our entertainment.

Approximately 10% of the content on our free TV channels is locally produced to reflect the cultural rights of each country. And it covers most genres, such as local sports events, movies, news

and documentaries, as well as series and soaps.

But that's not all. We bring with us job opportunities for the local talent. Build knowledge capacity. And add to the tax base. We also contribute to the communities we're in by donating media time to local charities.

Subtitling our Content

Content knows no borders. Did you know that on any given day 90% of our content is translated? Subtitling, voice-over and dubbing make sure that our channels are accessible to anyone and everyone. And to give viewers the best possible service, we use methods of translation that are established practice in each of our countries.

M4



Doing More

Our core business has a lot of love to give. And a platform from which to distribute it. We have a unique opportunity to give back to the communities in which we operate. Here's how we put our media to good use in 2014.



Fundraising & Media Donation

Jolly jumpers, hullabaloo for peace, a dough raising bake-off, great tidings of jingly joy, moustaches with a mission and the best excuse EVER to chow down cake. The list of worthy causes we supported during 2014 goes on and on. And as a result we donated 84,395,854 SEK worth of media time. A pretty busy year. So busy in fact that our campaigns are too numerous to mention. Which is a good problem to have. Nevertheless, we've rounded up some of our best and brightest for you.

Media Campaigns

Donating media time. It's the best way we can support those who support us. Here are some of our 2014 campaigns.

A Lifeline for Ghana Keeping the country's blood banks stocked is a constant struggle in Ghana. So to try and boost the supply we gave away airtime to a local blood donation programme. Because it's the gift that really keeps on giving.

November Ready, set, grow! Movenber made a hairy return to MTG Norway with whiskered gentlemen gracing the screens from Stavanger to Tromsø and every fjord in between. All to raise awareness of men's health of course. Great fun! An even greater cause.

Peace One Day Each year the International Day of Peace is observed around the world on 21 September. In 2014, we marked this beautiful day of global ceasefire and non-violence by live-streaming the Peace One Day Concert, which took place in the Democratic Republic of Congo. We also organised an on-air information campaign, a star-studded celebrity gala and a fun novelty photo booth for our Stockholm office staff. Peace out!

Aids Prevention Campaign It's been 30 years since the first confirmed cases of HIV. Over 34 million people now carry the virus, 69% of whom live in sub-Saharan Africa. So we teamed up our Trace Africa channel with one of the world's leading AIDS organisations in the hope of changing this statistic with a media wide information campaign. All to combat complacency about the disease. Because right now, prevention is the only cure.

Employee Initiatives

Our employees. They have serious brain power. But when it comes to worthy causes, they're all heart. Such troopers! Here

are some of their 2014 office initiatives. **Christmas Jumper Day** Can you really make the world better with a sweater?

The surprising answer is YES YOU CAN! As proven by the staff at our London office who, by simply donning their silliest festive jumpers, raised some much needed cash for Save the Children. Jingles!

The 12th Annual Fulfilment Campaign Show the good people of our Lithuania office a nationwide cake sale with all proceeds going to children's charity and they know EXACTLY what to do. Which is to put on their best elasticated pants and help raise an absolute packet. Om nom nom nom!

Age Concern Christmas Dinner Christmas is best celebrated with friends and loved ones. Yet half a million elderly people in the UK spend the festive season alone. That's why staff at our London office took it upon themselves to volunteer at their local Age Concern charity to deck the halls, serve up a Christmas dinner with all the trimmings, play merry games and rustle up a carol sing-along. Santa's little helpers – be afraid, be very afraid.

World Toilet Day We realise this might rouse a giggle or two. Which is kind of the idea. But really, toilets are no laughing matter for the third of humanity who don't have access to one. And since one of our 2014 game changers is a noble sanitation crusader, we celebrated the day accordingly with a group wide information campaign. We also couldn't resist running a poll to settle the age old toilet seat up or down debate once and for all. The answer? Down obviously. Dah!

Game Changers

In 2014, we teamed up with Reach for Change to launch our new group-wide campaign to seek out the most driven and dedicated social entrepreneurs out there.

The campaign has been amazingly well-received and along the way we have come across some truly inspiring individuals to support. Each one more passionate and dedicated to long lasting social change than the next. True game changers. Want to meet them? Of course you do!

<http://corporateresponsibility.mtg.com/2014/wp-content/uploads/2015/03/Gamechanger-A4k4.pdf>

[CHECK OUT REACH FOR CHANGE'S GAME CHANGERS REPORT!](#)



Labour Practices

Many things are expendable. But the one thing we literally can't do without? Our people. Here's how we nurture our ultimate resource.

Local Focus

As we move ever faster into the future, it's essential that we stay flexible as we grow. That's why our focus during the last year has been on enabling and empowering horizontal management.

So we initiated a re-structuring process of the way we work together, the way we manage our operations and the way we support each other and our teams. The goal? To localise a number of functions in each of our markets. And place our decision making and accountability as close to the consumer as possible. This resulted in local operations

taking on the training and development responsibilities of MTG Academy. It also translated to a more streamlined central human resources (HR) organisation, with our local and regional HR departments around the world taking on more responsibility. It makes sense as the most important contributor to our success is our ability to find, develop, support and reward our people in each market. And our continued growth must not be limited by insufficient skills and resources.

G4-LA1 G4-LA3 G4-10 G4-LA11

In 2014, MTG Academy delivered
1,544 training hours.

This figure represents the six months that MTG Academy was part of our operations. In 2014, 371 employees completed our e-learning programme compared to 1,015 in 2013. And 84% of MTG's employees completed their performance appraisal during the year.

AVERAGE NUMBER OF EMPLOYEES ¹	2012	2013	2014
TOTAL	3 012	3 361	4 111

WORKFORCE BY REGION ²	2012	2013	2014
TOTAL	3 441	3 587	4 186
Male	-	1 960	2 351
Female	-	1 627	1 835
NORDIC	1 619	1 556	2 147
Male	-	946	1 270
Female	-	610	877
BALTICS	1 047	1 208	1 188
Male	-	600	604
Female	-	608	584
OTHERS	775	823	851
Male	-	414	477
Female	-	409	374

WORKFORCE BY EMPLOYMENT CONTRACT ³	2012	2013	2014
TEMPORARY	788	543	890
Male	-	326	571
Female	-	217	319
PERMANENT	2 653	3 044	3 296
Male	-	1 634	1 780
Female	-	1 410	1 516

WORKFORCE BY EMPLOYMENT TYPE ⁴	2012	2013	2014
FULL TIME	3 187	3 428	3 864
Male	-	1 862	2 243
Female	-	1 566	1 621
PART TIME	254	159	319
Male	-	98	178
Female	-	61	141

EMPLOYEE TURNOVER ⁵	2012	2013	2014
Turnover (Incl. Redundancies)			
TOTAL	23% (612)	16% (492)	20% (721)
BY GENDER:			
Male	22% (300)	17% (269)	21% (386)
Female	26% (312)	16% (223)	19% (335)
BY AGE:			
<30s	35% (263)	26% (218)	31% (265)
30-50	19% (326)	13% (260)	17% (419)
>50s	15% (23)	7% (14)	14% (36)
BY REGION:			
Nordic	21% (229)	17% (214)	18% (282)
Baltics	16% (136)	16% (159)	16% (185)
Others	37% (247)	15% (120)	30% (253)
Internal Recruitment			
TOTAL	38%	36%	31%

WORKFORCE	2012	2013	2014
Average age	35	35	36

NEW EMPLOYEE HIRES ⁶	2012	2013	2014
TOTAL	26% (695)	25% (776)	20% (656)
BY GENDER:			
Male	23% (326)	26% (432)	22% (387)
Female	29% (369)	24% (344)	18% (269)
BY AGE:			
<30s	47% (368)	48% (404)	39% (308)
30-50	18% (310)	18% (356)	15% (328)
>50s	10% (17)	8% (16)	6% (13)
BY REGION:			
Nordic	24% (265)	25% (306)	23% (335)
Baltics	25% (223)	25% (268)	17% (177)
Others	31% (207)	26% (202)	20% (151)

¹Based on actual headcount (permanent and temporary) as per the last day of the year. Contractors are only included in 'workforce by employees and contractors by gender'.

²Average number of full time equivalent (FTE) employees. For breakdown per gender per country, please see Note 27 in the Annual Report.

In the regional breakdown across all employee figures, 'Nordics' include Denmark, Finland, Norway and Sweden, 'Baltics' include Estonia, Latvia, Lithuania, Czech and Bulgaria, and 'Others' include Ghana, Hungary, the Netherlands, Russia, Tanzania, UK and Ukraine, and our Paprika Latino production company which is present in multiple countries.

³New permanent employees joining the company for the first time. The rate of new employee hires, is the amount of new hires out of the total permanent workforce.

⁴Based on permanent FTE figures. The turnover rate is compared to the total of permanent FTE. Internal recruitment figure excludes our operations in Czech Republic and Raduga in Russia because they don't use the same request system for new positions. Viasat AS Estonia, Viasat AB, Viasat Sales AB, MTG Radio Sales AB and Vision TV are very sales intensive companies with young employees in entry-level positions, where high employee turnover is very common.

Health & Safety

Keeping our employees safe is not something we take lightly. And it's just as important in an office setting as it is in more physical workplaces.

So we make sure we stick to relevant local rules and regulations, keep on top of repairs and maintenance, and practice good housekeeping to prevent accidents in the workplace.

And as our operations grow both geographically and in terms of activity, we face new health and safety challenges.

With this in mind, we have implemented a travel security management service and now automatically push up to date country based security risk information to all business travelers. Naturally we hope that smart avoidance tactics will always be enough to keep everyone safe and sound. But if a security incident does occur, we have the necessary guidelines and processes in place to manage the situation.

G4-LA6

ABSENCE RATE ¹	2012	2013	2014
TOTAL	1,9%	2,7%	1,9%
Male	1,5%	2,1%	1,2%
Female	2,2%	3,4%	2,8%
NORDIC	2,5%	3,4%	2,2%
Male	2,2%	2,6%	1,5%
Female	3,0%	4,6%	3,1%
BALTICS	1,3%	1,2%	2,3%
Male	0,9%	1,0%	1,3%
Female	1,8%	1,4%	3,3%
OTHER	1,2%	1,5%	1,0%
Male	1,0%	0,9%	0,6%
Female	1,5%	2,0%	1,4%

WORKRELATED INJURIES ²	2012	2013	2014
WORK RELATED ACCIDENTS			
Total	9	10	6
Male	6	6	3
Female	3	4	3
Lost days due to work related accidents	3	207	323
Work related fatalities	0	0	0

¹ Absence is reported as percentage of total annual working days. We have used 253 as an average number of working days per year for all countries. Calculation for absentee rate differs from GRI guidelines to be comprehensible for our stakeholders. For both absence rate and work related injuries, MTG Studios are excluded from the figures in 2012, as their aligned structure and process for reporting absence was implemented in 2013. Also excluded from the 2012 and 2013 figures are Darik Net EAD, Hosting OOD, VBOX EAD, MTG Financing Ltd, MAP Nigeria Productions and Viasat1 Tanzania Ltd as they joined MTG in 2013, as well as Raduga in Russia due to reporting process not being in place. For this KPI, MTG Studios are included in the 'Nordic' region in the geographical breakdown 2013.

² Work related accidents in 2014 include fractures, torn ligaments, sprains and whiplash. There was one bigger injury that caused the employees in question to take longer sick-leave, hence increasing the number of lost days. Due to the small number of work related accidents we don't provide a regional breakdown of the figures to protect the privacy of our employees.

Diversity

Local is the new global. Yes, we may live in a highly interconnected world, but our organisation really consists of a lot of globally connected “local” businesses.

So embracing diversity is therefore not only right for us, it’s actually crucial. Because if we want to succeed on a local level, we need to speak like the locals. And

we’re not just talking about language. It’s also about creating and communicating culturally relevant messages and content. Lucky then that we have a diverse workforce to help us succeed. 44 nationalities are currently represented within MTG to be exact. And counting!

G4-LA12

FOREIGN NATIONALITIES IN LOCAL WORKFORCE	2012	2013	2014
TOTAL	6%	7%	6%
Nordics	1%	2%	2%
Baltics	1%	1%	1%
Others	23%	26%	23%
NUMBER OF NATIONALITIES			
Total	35	36	44



*Based on actual headcount (permanent and temporary) as per the last day of the year.

Equal Opportunities

Our people are almost a 50/50 split of male and female. But the world of media and technology is generally a male dominated field. We want to change that.

Cue our initiative Women in Tech. Launched in 2014, the idea is to inspire talented women to consider a future in

media and technology. How? By tapping into our extensive network of industry experts and professionals of course! It really is up to us out here in the field to make change happen. After all, if not us, who? And if not now, when?



Workforce by gender

44%

2013: 45%
2012: 46%

Junior Management by gender

42%

2013: 45%
2012: 38%

Management by gender

38%

2013: 37%
2012: 34%

Executive Management by gender

30%

2013: 30%
2012: 25%

Board of Directors by gender

29%

2013: 29%
2012: 25%



Workforce by gender

56%

2013: 55%
2012: 54%

Junior Management by gender

58%

2013: 55%
2012: 62%

Management by gender

62%

2013: 63%
2012: 66%

Executive Management by gender

70%

2013: 70%
2012: 75%

Board of Directors by gender

71%

2013: 71%
2012: 75%

Based on actual headcount (permanent and temporary) as per the last day of the year. Junior management is first line management, with no other managers reporting to them.

WORKFORCE BY AGE ¹	2012	2013	2014
<30s	34%	33%	29%
30-50	60%	61%	64%
>50s	6%	6%	7%
Board of Directors by age			
<30s	0%	0%	0%
30-50	63%	71%	57%
>50s	37%	29%	43%

WORKFORCE BY EMPLOYEES AND CONTRACTORS BY GENDER ^{1,2}	2013	2014
EMPLOYEES		
Male	1 960	2 351
Female	1 627	1 835
CONTRACTORS		
Male	946	1 270
Female	610	877

SALARY AND REMUNERATION	2012	2013	2014
Ratio of basic salary (F vs M)			
Total, all staff	75%	74%	77%
Total, managers	72%	72%	78%
Nordic, all staff	80%	76%	78%
Nordic, managers	70%	70%	76%
Baltics, all staff	85%	84%	90%
Baltics, managers	89%	87%	99%
Others, all staff	94%	93%	85%
Others, managers	104%	91%	85%
Ratio of remuneration (F vs M)			
Total, all staff	72%	70%	74%
Total, managers	70%	69%	75%
Nordic, all staff	75%	71%	73%
Nordic, managers	66%	67%	72%
Baltics, all staff	87%	83%	91%
Baltics, managers	94%	84%	97%
Others, all staff	90%	86%	81%
Others, managers	106%	89%	81%

¹ Based on actual headcount (permanent and temporary) as per the last day of the year.

² The number of contractors in our production companies at any given time can vary greatly depending on the number and type of productions.

³ The figures show the difference between male and female earnings as a percentage of male earnings amongst all permanent employees with a fixed monthly salary. Ratio of total remuneration includes basic salary and variable remuneration. The figures have been calculated with maximum possible variable remuneration. Due to limitations in our headcount system a more detailed breakdown per employee categorization is not possible.

G4-LA13

Work Life Balance

Did you know that 72% of our Stockholm office employees agreed or strongly agreed that they were able to achieve a satisfactory balance between their work and home life in our 2014 HR survey?

That's right, having a family and a sustainable career should not be mutually exclusive. You just need to balance it right. And we want to help our people find that

equilibrium. Because it's not about making our employees fit our organisation, it's about making our organisation fit our employees. By being flexible, adaptable and willing to adjust to their needs and circumstances. And guess what? We usually find the favour is returned. Now, if that's not a win-win, then what is?

G4-LA11

PARENTAL LEAVE & RETENTION RATES	2012	2013	2014
Number of employees who took parental leave			
Total	143	147	122
Male	54	31	29
Female	89	116	93
Number of employees who returned to work from parental leave			
Total	128	94	121
Male	49	18	29
Female	79	76	92
Parental leave - stay after one year			
Total	110	61	-
Male	44	12	-
Female	66	49	-
Return to work rate			
Total	90%	77%	99%
Male	91%	82%	100%
Female	89%	76%	99%
Parental leave retention rate			
Total	86%	66%	-
Male	90%	63%	-
Female	84%	67%	-

*Based on actual headcount (permanent and temporary) as per the last day of the year. The parental leave retention figures that show the number and percentage of employees who were still employed twelve months after their return to work from parental leave, compared to everyone who took parental leave, are not yet available for 2014. The pending 2013 figures have been added. It is not possible to report the total number of employees that were entitled to parental leave, as we don't always have this information available for male employees.

G4-LA3



Environment

**Keeping our negative impact to a minimum.
Maximising our positive impact. Let's take a look
at our green balancing act.**

Our Green Agenda

Keeping track of our footprint, minimizing any negative impact and applying the precautionary principle. That's at the core of our green agenda.

But we're also into maximizing the positive impact, like broadcasting environmental content and working with green organisations. This we do to reach as many people as possible. After all, we're all in it together.

Keeping Track

CDP (formerly known as the Carbon Disclosure Project) helps us track our progress and meet our green goals. CDP is an international, not-for-profit organisation providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information. This year, for the sixth year running, we improved our score in the CDP Report to 90B, up from 88B in 2013. Out of a possible 100 and on an A to E scale (A being the highest). The score is based on our responses to the CDP questionnaire. This in itself gives us great insight into how we're doing. And also puts our performance in a wider context. Being part of this kind of initiative provides a springboard to measuring and improving our green work.

Nature Programming

Our goal is to entertain, and we're even happier if our entertainment educates our viewers too. One of our pay-TV channels, Viasat Nature, is solely dedicated to nature documentaries. The programming shows the beauty and immense diversity of our planet, enabling viewers to access, experience and understand the world we live in. In 2014 alone, Viasat Nature aired 309,520 hours of nature documentaries in 42 countries.

Set-top Box Efficiency

We never stop trying to minimise the potentially negative impact our business has on the environment. And reducing the energy usage by our set-top boxes is a win-win situation for everyone.

We have now signed a voluntary industry agreement to cut down energy consumption further. As of 2014, all three Viasat set-top-boxes have the automatic Auto Power Down (APD) function and the power consumption in passive standby is less than 0.5W. That means an energy saving of 20% for the Pace 865, 31% for the Samsung 7140 and 36% for the Samsung 5140.

G4-EN7 G4-14 G4-EN19 G4-EN27



Environmental Progress

Responsibility for the environment is on everyone's remit. As a media company with minimal industrial processes, we're not high on the list of big environmental offenders. But we still drive the hard line on reducing adverse impact on this planet.

Energy Consumption

Since 2010, we've been aiming to reduce energy consumption per employee by 23% by 2015. Well, the hard work paid off, and we've now exceeded that target. In fact, energy consumption per employee decreased by a whopping 33% and overall energy consumption dropped by 15%.

The decrease was in great part thanks to our employees being more environmentally aware. All the local initiatives, both big and small, have contributed to the achievement. Well done, MTG people!

G4-EN3 G4-EN5 G4-EN6 G4-EN15
G4-EN16 G4-EN17 G4-EN18 G4-EN19

ENERGY CONSUMPTION, GJ	2012	2013	2014
Direct energy consumption			
Diesel	2 631	2 665	2 597
Indirect energy consumption			
Cooling	1 544	1 730	1 289
Electricity	51 017	55 247	52 829
Heating	16 233	16 089	13 103
Total energy consumption	71 425	75 731	69 817
Energy consumption per employee	20	20	19

Total energy consumption decreased by 8% year on year, and by 14% from base year 2010. Energy consumption per employee has decreased by 33% compared to the base year. 2013 energy consumption figures have been updated in this report following corrections in input data.

Carbon Footprint

Our carbon footprint measures our carbon emissions. In other words how big an impact our business has on the planet. We've partnered up with a green expert, Tricorona, to do the maths. And we use the Greenhouse Gas (GHG) Protocol's methods for tracking and reporting the numbers.

Our footprint isn't very big because we're essentially an office-based business. Energy consumption in the offices covers around 36% of our emissions. Our biggest impact however comes from business travel at approximately 61%, as we've got offices and TV productions in many countries.

CARBON FOOTPRINT, TON CO ₂ e	2012	2013	2014
Scope 1 - direct emissions	361	691	1 644
Scope 2 - indirect emission	6 133	6 283	5 817
TOTAL SCOPE 1 & 2	6 494	6 973	7 461
Scope 3 - other indirect emissions	8 558	9 194	9 282
TOTAL CARBON EMISSIONS	15 052	16 167	16 744
Emissions per employee (excl. Thisisnice)	3,99	4,01	4,09

*These figures cover the main emission sources from MTG's operations: Facilities – Energy use in offices and other facilities, including broadcasting and TV production when performed directly by us. Material – Consumption of office supplies, fruit and coffee. Travel – Business travel, including air, rail and road travel plus hotel stays. We use calculation methodologies that are based on the GHG Protocol and supplemented where necessary by additional data and assumptions by external environmental expert Tricorona Climate Partner. The GHG Protocol requires reporting based on the concept of "Scope", as in the table above. At MTG, the following emissions fall within these scopes. Scope 1 - Diesel, car leasing and rentals. Scope 2 - Cooling, electricity and heating. Scope 3 - Heating, material and travel. Total emissions for the Group were up 4% from 2013, as a result of increased business travel and improved input data from local operations due to a simplified reporting model. Emissions per employee, excluding Thisisnice, increased by 2% year on year. This excludes the contribution from Thisisnice, as their travel emissions can vary greatly depending on the type and location of their productions each year, and the figure might otherwise not realistically illustrate the emissions and progress of the other MTG companies. The base year for emissions is 2010, 15,032 tCO₂e. We have accounted for all greenhouse gases. Transport of set-top boxes has been excluded from the reporting in scope 3 in 2014. Baluba in Sweden and Paprika Latino in the Czech Republic were included in climate reporting for the first time in 2014.

Workplace Initiatives

We constantly aim for green. But sometimes it's nice to be extra green. We started an internal "every little helps" green week campaign in 2014 to highlight the importance of an environmentally friendly lifestyle. Employees across most countries and businesses joined in for a week of green tips and fun activities.

Norway dropped the office temperatures a couple of degrees for a day and asked everyone to bring in a crazy sweater. The Stockholm office was visited by a company using recycled nylon to make stockings. And also showed the local staff how you can combine being green with a social cause by collecting used toys and recycling them. The toys were donated to the local charity Stadsmissionen. All in an effort to show employees across our markets that small adjustments can make a big impact. It really was a matter of go green or go home! And the response? "Really positive to hear how so many appreciated this initiative, that cost nothing beyond our own time!" said Katja Kopra, MTG Sweden.

G4-EN19

Green Campaigns

We wouldn't dream of not putting our global media platform to good use. From large worldwide campaigns such as Earth Hour, to local campaigns like "The Big Clean up" in Latvia. MTG people across our markets have been rolling up their sleeves to help environmental causes. And our channels give these causes a voice through media donation and positive programming. Engaging communities in green issues that affect them on a local and global scale.

Lights Off!

It all started with turning off the lights in Sydney, Australia in 2007. Now over 160 countries unite for Earth Hour every year,

and the charity's reach and impact goes beyond 60 minutes of darkness. In 2014, our channels in Russia did their bit to help make 2014 the biggest Earth Hour ever by donating media time to one of our favourite campaigns.

Brooms at the Ready

TV3 Latvia and The Big Clean-up campaign took spring-cleaning to whole new level in April 2014. Together they challenged the people of Latvia to clean up litter on a national scale.

London Wildlife Fund

London. It's a jungle out there. And London Wildlife Fund is trying to keep it that way. In 2014, we helped them produce a series of films about their 40 nature reserves, employees and volunteers. To help them engage local communities in the preservation of the capital's wildlife and wild spaces.

New Vision for Old Glasses

25,500. That's the total number of eye-glasses collected during our recent Radio RIX campaign for people in need in Guatemala. Amazing! And we think we speak on behalf of all when we say muchas gracias MTG!

Broken? Then Don't Fix It

Just recycle it. Calling out to all of you with broken mobile phones laying around at home, forgotten in drawers and cupboards. Those phones can save lives! The Stockholm office did some rummaging for UNICEF, who converted 228 broken MTG phones into 1,368 vaccinations.

A Royal Clean-Up

Forget Mr. Muscle, you need a king if you want things really clean. NGO Cleaner Communities Network in Ghana and its patron, Ghanaian King Akyem Abuakwa Okyenhene, are on the case to improve sanitation in the country. Ghana's Viasat 1 has continued to support the project, which started last year, by donating the vital airtime needed to spread the word on cleanliness.



Progress

**Evolution is not just a theory. You need to
put it into practice in order to adapt and improve.
But how have we developed?**



Progress

M3

M4

2014 Goals	Status	Future goals
Anti-Corruption		
<ul style="list-style-type: none"> ✓ Produce and implement new e-learning courses for new managers and new employees, and update course for current staff. 	<p>We joined forces with the UN's Office on Drugs and Crime (UNODC), and have included their comprehensive anti-bribery and corruption course in our e-learning platform in 13 different languages. The course will be sent to all managers and employees, as well as new starters. We also updated our anti-bribery and corruption policy to ensure that it continues to be corporate best practice.</p>	<ul style="list-style-type: none"> ● To roll out the revised antibribery and corruption policy across MTG and support with relevant face-to-face training.
Suppliers		
<ul style="list-style-type: none"> ● Review existing due diligence processes and supplier principles, with a view to incorporating into the procurement process. 	<p>A supplier code of conduct has been drafted to replace our previous supplier principles and a process put in place to incorporate this into our contracting and RFP processes. Our supplier due diligence review is well under way and we are now looking at how we might implement a process tailored to MTG's needs.</p>	<ul style="list-style-type: none"> ● Establish a due diligence process for relevant suppliers, which incorporates the use of the supplier code of conduct.
Equality		
	<p>Over the past year, more responsibility has been placed on the local companies to safeguard employee wellbeing. This includes a re-structure of MTG's HR function, which now focuses on local knowledge and know-how, and therefore global job role grading and structuring has been postponed. The goal will be reassessed during 2015.</p>	<ul style="list-style-type: none"> ✗ We will grade all roles in the Global Grading System (GGS) during 2014-2015. ✗ We will structure and align job roles and titles by 2015. ✗ We will use the Global Grading System for salary reviews and recruitment of new employees by 2016. ● A 50/50 split in male vs female managerial ratio by 2020.
Work Life Balance		
<ul style="list-style-type: none"> ● Roll out a revised benefits and rewards structure in line with local business practice and regulations in Scandinavia by end 2014. 	<p>Due to the above mentioned HR restructure, the implementation of our benefits and reward structure has been assumed by local HR in each country. Local HR will reassess and set new targets based on local best practice and regulations going forward.</p>	<ul style="list-style-type: none"> ● Revised benefits and rewards structure in line with local business practice and regulations to be fully integrated in the Baltics, Eastern Europe and Africa by 2015.
Accessibility		
<ul style="list-style-type: none"> ● Provide audio description service on TV3, TV6 and TV8 in Sweden, and TV3 and TV3+ in Denmark commencing from January 2014. 	<p>The implementation has been postponed until Q1/Q2 2015 due to our UK broadcast centre move being delayed to spring 2015 due to technical issues. Our current technology platform does not support audio description play-out, but all necessary preparations have been made and they will commence once our migration is complete.</p>	

✓ Target reached

✗ Target discarded/not reached

● Target

● Target in progress

● New target

● Target in progress but not within set timeframe

2014 Goals	Status	Future goals
Environment		
<ul style="list-style-type: none"> ✘ Implement “green week” environmental campaign internally and externally by end 2014. ✘ Ensure each Group company supports at least one green campaign per year, by end 2014. ✓ All Viasat set-top-boxes will support Auto Power Down (APD) and the power consumption in passive standby will be <0.5W by end 2014. 	<p>Not all countries managed to support green initiatives during 2014 with some postponing campaigns to early 2015.</p> <p>All of our four Viasat set-top-boxes now have the automatic standby function Auto Power Down, which helps bring our customers’ energy consumption down.</p>	<ul style="list-style-type: none"> ✘ Joint CO₂ reduction strategies to be developed in cooperation with suppliers. No target date set. ✓ Reduce energy consumption per employee by 23% by 2015 (baseline 2010).
Training & Development		
<ul style="list-style-type: none"> ✘ Decrease gap between perceived satisfaction with and importance of employee training and development by 50% by 2014 (compared to baseline 2011). 	<p>We revised our training strategies during 2014 and have since opted for localised training together with local partners instead of having a centralised training team. All to offer employees more tailor-made training to fit local needs. The local operations will set their own goals for employee training based on their respective requirements.</p>	<ul style="list-style-type: none"> ● All training to be documented.
Internal communication		
<ul style="list-style-type: none"> ✓ Develop new intranet to facilitate enhanced social interaction and information sharing – to be launched in 2013/2014. ✓ Implement internal communications plans in local offices, including building of internal communications competence in local MTG offices. 	<p>A new interactive and social intranet was launched in September 2014 across all operations. The platform has numerous new features that enhance communication and collaboration amongst colleagues and our various teams and organisations. The implementation of internal communications initiatives will be ongoing throughout 2015.</p>	
Data protection, customer data integrity and privacy		
<ul style="list-style-type: none"> ✓ Benchmark current internal procedures and documents against best practice in the industry, by end Q3 2014. ✓ Complete internal review and update and issue new policies and procedures as appropriate, by end 2014. 	<p>The work in data protection not only met its goals, but exceeded them with a number of additional initiatives, including a data protection working group and a mapping exercise to identify the kind of personal data we hold and what safeguards we have in place.</p>	<ul style="list-style-type: none"> ● Develop and make appropriate data protection training available to employees. ● Monitor and prepare for the forthcoming EU Data Protection Regulation.
Child protection		
<ul style="list-style-type: none"> ✓ Review and update guidelines on online safety and protection of children from harmful content by end 2014. ✓ Establish co-operation with an online child protection organisation to promote online safety and media awareness by end 2014. 	<p>Relevant policies and guidelines have been reviewed and our participation in UNICEF’s Children’s Rights and Business Principles Network has been re-established. This network’s aim is to provide businesses with the tools and information needed to actively support children’s rights.</p>	<ul style="list-style-type: none"> ● Create internal training on online safety and how to protect children from harmful content. Include the training in new employee introduction by Q3 2015. ● 90% of employees to have completed the training by Q3 2016.

- ✓ Target reached
- ✘ Target discarded/not reached
- Target
- Target in progress
- New target
- Target in progress but not within set timeframe

GRI Index & Report Boundaries

GRI	ESG	Page	Reporting level	Assurance	Comments
Strategy and analysis					
G4-1	CEO's Words	1	●	✓	
Organisational profile					
G4-3	Name of the organisation	4, 7	●	✓	
G4-4	Primary brands, products, and services	4	●	✓	
G4-5	Location of headquarters	4	●	✓	
G4-6	Number of countries and location of operations	4	●	✓	
G4-7	Nature of ownership and legal form	7	●	✓	
G4-8	Markets served	4	●	✓	
G4-9	Scale of reporting organisation	3	●	✓	
G4-10	Total workforce by employment type, employment contract, and region.	24	●	✓	
G4-11	Percentage of employees covered by collective bargaining agreements.		●	✓	13% of the total permanent workforce are covered by collective bargaining agreements.
G4-12	Description of the organisation's supply chain	5	●	✓	
G4-13	Significant changes regarding size, structure, ownership or its supply chain		●	✓	There were no significant changes to the ownership or supply chain of MTG. The changes that occurred in 2014 haven't had a significant impact on how we work with CR.
G4-14	Explanation of whether and how the precautionary approach or principle is addressed	30	●	✓	
G4-15	Externally developed charters, principles, or other initiatives to which the organisation subscribes or endorses	8, 9, 16	●	✓	
G4-16	Memberships of associations and national or international advocacy organisations	9, 11	●	✓	
Identified material aspects and boundaries					
G4-17	Operational structure	3	●	✓	
G4-18	Process for defining report content	11	●	✓	
G4-19	Material Aspects identified in the process for defining report content	11	●	✓	
G4-20	Aspect Boundary of each material Aspect within the organisation	39	●	✓	
G4-21	Aspect Boundary of each material Aspect outside the organisation	39	●	✓	
G4-22	Restatements	39	●	✓	
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	39	●	✓	
Stakeholder engagement					
G4-24	List of stakeholder groups engaged by the organisation	12	●	✓	
G4-25	Basis for identification and selection of stakeholders	12	●	✓	
G4-26	Approaches to stakeholder engagement	12	●	✓	
G4-27	Key topics raised through stakeholder engagement	12	●	✓	

GRI	ESG		Page	Reporting level	Assurance	Comments
Report profile						
G4-28		Reporting period	39	●	✓	
G4-29		Date of most recent previous report	39	●	✓	We have identified our six stakeholder groups based on a stakeholder mapping and analysis of all people and organisations, which may be affected by our business.
G4-30		Reporting cycle	39	●	✓	
G4-31		Contact point for questions regarding the report	39	●	✓	
G4-32		GRI Index	36-39	●	✓	
G4-33		Policy and current practice with regard to external assurance for the report	40	●	✓	MTG's Board of Directors supports external verification of this report.
Governance						
G4-34		Governance structure	7	●	✓	
G4-37		Mechanisms for shareholders and employees to provide recommendations or direction to the Board		●	✓	There is no formal mechanism in place for employees to provide recommendations or direction to the Board directly. However, there are informal processes for employees to provide ideas and complaints to the Board today, through the management and approval processes.
G4-38		Composition of the highest governance body and its committees	7	●	✓	
G4-39		Independence of the Chairman of the Board	7	●	✓	
Ethics and integrity						
G4-56		Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance	8, 9	●	✓	
Economic performance indicators						
Aspect: Economic performance						
G4-EC1		Direct economic value generated and distributed	14	○	✓	
Aspect: Indirect economic impacts						
G4-EC7		Corporate giving	14	●	✓	
Environmental performance indicators						
Aspect: Energy						
G4-EN3	E01-01	Energy consumption within the organisation	30	●	✓	
G4-EN5		Energy intensity	30	●	✓	
G4-EN6		Initiatives to provide energy efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	30	●	✓	
G4-EN7		Reductions in the energy requirements of sold products and services	30	●	✓	
Aspect: Emissions						
G4-EN15	E02-01	Direct greenhouse gas (GHG) emissions (Scope 1)	30	●	✓	
G4-EN16		Energy indirect greenhouse gas (GHG) emissions (Scope 2)	30	●	✓	

GRI	ESG		Page	Reporting level	Assurance	Comments
G4-EN17		Other indirect greenhouse gas (GHG) emissions (Scope 3)	30	●	✓	
G4-EN18		Greenhouse gas (GHG) emissions intensity	30	●	✓	
G4-EN19		Reduction of greenhouse gas (GHG) emissions	30, 32	●	✓	
Aspect: Products and Services						
G4-EN27		Extent of impact mitigation of environmental impacts of products and services	30	●	✓	
Social performance indicators						
Aspect: Employment						
G4-LA1	S01-01	Total number and rate of new employee hires and employee turnover by age group, gender, and region	24	●	✓	
G4-LA3		Return to work and retention rates after parental leave, by gender	24, 28	●	✓	
Aspect: Occupational Health and Safety						
G4-LA6		Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region and by gender	25	●	✓	Break-down per employees and contractors hasn't been possible due to limitations in our reporting systems.
Aspect: Training and Education						
G4-LA11		Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	24, 28	●	✓	Break-down per gender and employee category has not been possible as we don't currently record this in our performance reviews.
Aspect: Diversity and Equal Opportunity						
G4-LA12	S03-01 S10-01 S10-02	Composition of governance bodies and breakdown of employees per category according to gender, age and minority group	26	●	✓	Break-down per age per employee category has not been possible due to limitations in our reporting systems.
Aspect: Equal Remuneration for Women and Men						
G4-LA13		Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	27	●	✓	
Aspect: Anti-corruption						
G4-SO4		Communication and training on anti-corruption policies and procedures	8	○	✓	
G4-SO5		Confirmed incidents of corruption and actions taken	8	○	✓	
Aspect: Marketing and communications						
G4-PR7		Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship	18	●	✓	We haven't signed any voluntary codes concerning marketing communications.
Media specific indicators						
Aspect: Content Creation						
M2		Methodology for assessing and monitoring adherence to content creation values	18, 19	●	✓	
M3		Actions taken to improve adherence to content creation values, and results obtained	5, 18, 34	●	✓	

GRI	ESG	Page	Reporting level	Assurance	Comments
Aspect: Content Dissemination					
M4	Actions taken to improve performance in relation to content dissemination issues and results obtained	20, 34	●	✓	
M5	Number and nature of responses (feedback/complaints) related to content dissemination and processes for addressing these responses.	18, 19	●	✓	
Aspect: Audience interaction					
M6	Methods to interact with audiences and results.	19	○	✓	

○ = Partially reported
● = Fully reported

Report Boundaries

This annual report summarises our corporate responsibility work across our operations, where we have identified a list of aspects that are relevant to our business. The list is based on the Global Reporting Initiative's GRI G4 guidelines and Media Sector supplement, the work we have done with our peers in the Media CSR Forum as well as the materiality analysis that we conducted with our stakeholders. External third party Ethos International, who have verified our reports since 2012, have also declared that this report is in accordance with the core level of the Global Reporting Initiative (GRI) G4 guidelines. We have also applied GRI's Media Sector Supplement for indicators where possible. The report compliments the financial Annual Report.

Report scope

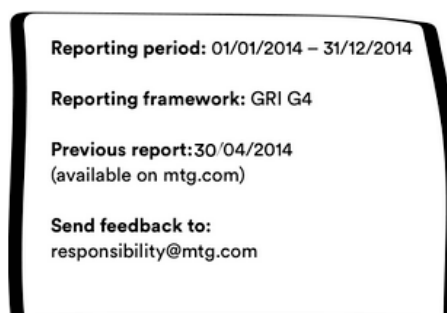
The reporting scope includes operations over which we have full control, as well as all subsidiaries and leased facilities unless stated otherwise. Also included are GES Media Holding in the Czech Republic and Raduga in Russia, where MTG owns 50% of the company respectively, and Viastrong Holding AB in Ukraine with an 85% ownership. Countries where we only operate pay-TV channels on other providers' platforms have been excluded from the reporting, because we don't have employees or facilities in these countries, and therefore they don't have significant impact on MTG's sustainable development. TV broadcasting network CTC Media in Russia, Finnish radio station Radio Nova and Swedish multi-channel network Splay are excluded as MTG doesn't have exclusive control over these entities. Our fully owned company, Thisisnice, was acquired end 2013, and is included in labor

figures since 2014. From Thisisnice so far, Thisisnice head-office and Paprika Latino started environmental reporting in 2014. Strix Sweden, Norway, Netherlands and Denmark, Strix Drama as well as Baluba Branded Content have been included in our environmental and labor reporting previous years. Trace which MTG acquired 75% of in June 2014 is included in the labor figures. Included in the labor reporting since beginning 2014 are also Darik Net EAD, Hosting OOD and VBOX EAD, MTG Africa Management Ltd, MTG Financing and Viasat1 Tanzania.

Report boundary

The report boundary has been defined by using the Global Reporting Initiative (GRI) boundary protocol and completeness principle, to reflect MTG's significant economic, environmental and social impacts. There were no material changes in the supply chain in 2014 that affect our operations.

G4-20 G4-21 G4-22 G4-23



G4-28 G4-29 G4-30 G4-31

Independent Assurance Statement G4-33

Scope and objectives

Ethos International has undertaken independent assurance of the MTG Corporate Responsibility Report 2014 (the Report). The assurance process was conducted in accordance with AA1000AS (2008). We were engaged to provide moderate level Type 2 assurance, which covers:

- Evaluation of adherence to the AA1000APS (2008) principles of inclusivity, materiality and responsiveness (the Principles) and
- The reliability of specified corporate responsibility performance information and data.

The performance information included in the scope was all data and information in the Report with the exception of data that is subject to mandatory financial auditing included in the Annual Report 2014 and amounts calculated through airborne donations. We applied the Global Reporting Initiative's Principles for defining quality as criteria to evaluate performance information. Additionally, we provide a third party check on the application of the GRI G4 Guidelines and abidance of the OECD guidelines for multinational enterprises.

Responsibilities of the Directors of MTG and of the Assurance providers

The Directors of MTG have sole responsibility for the preparation of the report content. The Board of Directors emits the report for MTG jointly with the CEO of MTG. This is the third year that Ethos International has provided corporate responsibility assurance, with recommendable rotation of team member.

Our statement represents our independent opinion and is intended to inform all of MTG's stakeholders including management. We adopt a balanced approach towards all MTG stakeholders. Our assurance team comprised of Malin Lindfors Speace and Sandra Rumélius. Further information relating to the team is available at: www.ethosinternational.se.

Basis of our opinion

Our work was designed to gather evidence with the objective of providing moderate assurance as defined in AA1000AS (2008). We undertook the following activities:

- Review of the current corporate responsibility issues that are material to MTG and are of interest to stakeholders.
- Interviews with Board Director, selected directors and managers responsible for the management of CR issues and review of selected evidence to support issues disclosed. These were freely selected by the assurors. Main focus of the interviews was the understanding of material aspects, stakeholder perspectives, risks and opportunities related to CR, communication and strategic development.
- Site visit, freely selected by the assurors, to MTG office in London UK.
- Review of the report texts, graphs and tables.
- Review of the processes for gathering and consolidating data and supporting evidence for all claims. For both data and claims checking, this included accessing key internal reporting and performance management systems as well as reviewing electronic documents, e-mails, external audits and reports alongside other sources of evidence.
- Verification of Scope 1, 2 and 3 CO₂ statements, underlying carbon emission calculations and factors, with specific attention to CDP requirements.

Findings and opinion

We reviewed and provided feedback on drafts of the Report and where necessary changes were needed these were made. On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe MTG's adherence to the Principles or its performance on sustainability.

In terms of data accuracy, nothing came to our attention to suggest that the data have not been properly collected from information reported on an operational level, or that the assumptions used were inappropriate. We are not aware of any errors that would materially affect the data or information.

We can confirm that we have made an independent assessment of MTG's self-declared application of the GRI G4 guidelines and can confirm it to be a Core level "in Accordance" report.

Observations

Without affecting our assurance opinion we also provide the following observations:

Performance information

Overall we have confidence in the level of accuracy of the performance information presented in the Report. Data collection processes are described and supported through evidence seen during the assurance process. A minor number of data errors in calculations were highlighted during the assurance process and have subsequently been corrected in later versions of the report. To ease the data collection process, reduce time consumption and raise the credibility of the data MTG should review the need to use a digital management systems for human resource data.

Materiality

We believe the report describes MTG's material impacts in an adequate and good manner that enables stakeholders to hold an informed dialogue with MTG. The alignment made between current media issues and the previous materiality analysis has given extra strength and raised the relevance of the reports content.

Forthcoming MTG could benefit from increase internal awareness on material CR areas and a clear management approach process for these.

Inclusivity and responsiveness

The review of MTG's stakeholder engagement confirms that dialogues with key internal and external stakeholders are inclusive and transparent. The dialogues and communication informs and promotes sustainability issues on all levels in the organisation and are comprised well in the report.

CR integration in MTG could be sustained and beneficial in business development by increased promotion in the new internal channels.

Ethos International
1st of April 2015



Malin Lindfors Speace,
Partner and Senior Advisor



Sandra Rumélius, Advisor

Ethos International AB is a Nordic Sustainability Advisory firm licensed by AccountAbility to provide AA1000 AS (2008) assurance.





www.mtg.se