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Board of Directors – TeliaSonera AB
C/o Jan Henrik Ahrnell
TeliaSonera AB
Group Legal Affairs
106 63 Stockholm
Sweden

Fellow Stakeholders,

Re: Proposal for 2005 Annual General Meeting – Doing the Right Thing

The purpose of this letter is to transmit to you a proposal for presentation to the shareholders of TeliaSonera AB at the company's 2005 General Annual Meeting. I regret that Sonera and TeliaSonera's actions and tactics have compelled me to present this proposal to my fellow shareholders.

In making this proposal, I would remind you that TeliaSonera's controlling shareholders are parties to international agreements that must be considered in addressing the issues before us. The Republic of Finland and the Kingdom of Sweden are both members of the Organization for Economic Co-Operation and Development ("OECD"). Governments of both countries and TeliaSonera have repeatedly expressed strong support for the *OECD Principles of Corporate Governance* (2004 Edition), and the *OECD Guidelines for Multinational Enterprises.* The OECD principles help to ensure that corporations take into account the interests of all stakeholders and that their boards are accountable to the company and its stakeholders. The OECD guidelines provide principles and standards for responsible business conduct consistent with applicable laws. Among other things, these principles and guidelines specify that:

> *"The corporate governance framework should recognize the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs and sustainability of financially sound enterprises."*
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> Source: OECD Principles of Corporate Governance

> *"Enterprises should, within the framework of applicable law, regulations and prevailing labor relations and employment practices...observe standards of employment and industrial relations not less favourable that those observed by comparable employers in the host country."*
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> Source: OECD Guidelines for Multinational Enterprises

Over the years, Sonera and TeliaSonera, as state-owned enterprises, have embraced and elaborated on their commitment to these principles and guidelines in many ways. Today, TeliaSonera's website trumpets the company's commitment to Corporate Social Responsibility, "Shared Values" and Business Ethics. According to the website, the purpose of TeliaSonera's Shared Values is to guide employees in their everyday work and decision making. The three key elements of these Shared Values are: 1) Add Value by "working together to create wealth"; 2) Show Respect by "recognizing accomplishments…and treating others the way we would like to be treated ourselves;" and 3) Make It Happen by "being positive, having a fighting spirit and creating opportunities."

We at Sonera U.S., respected, honored, and observed such values and business ethics. If that were not so, Sonera and TeliaSonera would not be the beneficiaries of the €1.1 billion euros of gains our Sonera US Management Team produced in the United States. In sharp contrast, management and Boards of Directors at Sonera and TeliaSonera have publicly expressed support for such values and business ethics, while seeking refuge behind legal technicalities to evade accountability for or cover up faulty judgment, poor decisions, and self-serving or self-protecting decisions, statements and actions. Frankly ladies and gentlemen, values and business ethics are not about what you can get away with; they are about doing the right thing.

I urge each of you, your colleagues, and other business and political leaders who had no role in the events giving rise to the issues before us to decide for yourselves if TeliaSonera and its controlling shareowners have shown our Sonera US Management Team the respect and support our accomplishments have earned in accordance with TeliaSonera's stated corporate governance principles, guidelines and Business Ethics? You and they should also answer the question:" Have TeliaSonera and its controlling shareowners treated the Sonera US Management Team the way you would like to be treated?" And as TeliaSonera stakeholders, each of you and they should decide whether you will support and vote in favor of the proposal accompanying this letter at TeliaSonera's upcoming Annual General Meeting.

Now, my perspective on the events and actions that brought us to where we are today.

The "Bait" I was recruited to the position of Managing Director and CEO of Sonera Corporation U.S. ("Sonera US") with the promise of a great opportunity and a competitive compensation program, including a competitive long–term incentive scheme. The relationship was simple and straight forward; I was to create opportunities and value for Sonera in the United States, and Sonera was create an incentive scheme that allowed my team to participate in a small way in the value we created. No value created nothing to share. Great value created great value to share. Sonera would respect and trust me to do my job, and, given Sonera's pending Initial Public Offering, I would respect and trust Sonera to get a competitive incentive scheme in place by March 31, 1999. Following is a brief summary of Sonera's actions in recruiting me to head up Sonera US, encouraging me to create value for Sonera in the United States, and misleading me to believe that the promised competitive long-term incentive program had been delayed and would be implemented.

- August-October, 1998-Mr. Kaj-Erik Relander recruited me to the position of Managing Director and CEO of Sonera Corporation U.S. ("Sonera US")
    - I suggested a "Competitive Opportunity to participate in wealth created by the growth of Sonera US…."
    - Mr. Relander responded "We do not have the amounts yet so discussing the upside would be promising something I do not have at the moment. The owner has indicated, from the highest level, that competitive schemes will be put in place in March 99…"
- October 1998-Pending completion of Sonera Initial Public Offering, my Employment Agreement provided for:

    "Participation in such tax advantaged and/or stock based long-term incentive plan (including any stock purchase or stock option plans) as may be established by the Company [Sonera Corporation United States] or for the benefit of the Company employees."
- June 1999-I complained that a grant to purchase 15,000 warrants in Sonera's 1999 Bond Loan with Warrants Program in am amount was very inadequate. Mr. Relander responded:

    "I understand your point of view and as agreed the incentive system is put in place. It is of good European level and the current upside in the stock certainly has nothing to do with our activities in the U.S. It is not at the level common in the US and that is what I am working on. If this was something I could decide it would be fixed already. "You are well taken care of within the current system which is not good enough. "Naturally we could build a system that tracks only US performance, but I am not sure if that would be in your best interest."

- October 1999-Mr. Relander stated that Sonera is making progress on the stock option incentive and that we have also in place a plan to reward all of those involved in the VS transaction.
- December 1999-Mr. Aimo Olkkonen repeatedly assured me that the Sonera Board of Directors will care for the long-term incentive matter at its December 1999 meeting.
- February 10, 2000-Mr. Relander and Mr. Olkkonen promised resolution of the long-term incentive matter at Sonera's March annual meeting.
- April 3, 2000-Mr. Olkkonen indicated that the new incentive program will be available by April 15, 2000.
- May 4, 2000 the merger of Aerial Communications is into VoiceStream Wireless was closed. To facilitate this merger and as part of the transaction I resigned from the Board of Directors of Telephone and Data Systems. At this point, Sonera had unrealized gains in excess of €2.75 billion on its Sonera US generated investments in the United States.
- 2000-2001-Sonera subsequently realized gains of more than €1.1 billion upon the sale of the investments resulting from our work and accomplishments in the United States.

The "Switch" On May 5, 2000, one day after Sonera captured great value from the merger of Aerial into VoiceStream, one day, Mr. Relander informed me that I would shortly be notified that I was being granted warrants to purchase 150,000 Sonera shares at a price of €72.90 under Sonera's new Bond Loan with Warrants Program. Subsequently I learned that my Sonera US team colleagues were granted warrants to purchase a total of an additional 50,000 Sonera shares. I also subsequently learned that these warrants were worthless on the day that they were granted.[1]

1. Worthless because the proposed incentive scheme was priced after our Sonera US team created great value and were being adversely impacted by the massive losses of Sonera's money losing subsidiaries;
2. Worthless, because the proposed incentive scheme provided no vesting during our term of employment; and
3. Worthless because the proposed incentive scheme provided no protection in the event of an early disposition or termination of Sonera US.

Thereafter I sought to resolve all of the questions and issues arising from Sonera's proposed treatment of our Sonera US Management Team.

- May-August 2000- I repeatedly sought an opportunity resolve the issues concerning both short-term and long-term incentive compensation. In so doing I met with Mr. Aulis Salin, President and CEO of Sonera and Mr. Markku Talonen, Chairman of Sonera's Board of Directors. Both of

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[1] The perceptive reader will note the repeated promises and evasive actions of Mr. Relander and Mr. Olkkonen as they worked to retain my cooperation and support of the merger of Aerial into VoiceStream. The Government of Finland should be able to verify the accuracy of their statements and evaluate the degree to which they, as Sonera's agents, were acting in "good faith" in their statements to me and treatment of our Sonera US Management Team.

The perceptive reader should also be mindful that that, on March 7, 2000, the State of Finland took advantage of the high market price of Sonera's common shares to realize more than €2.0 billion euros from the sale of 22.0 million Sonera shares at €92.00 per share. Thus while Sonera and the State of Finland were unreasonably delaying implementation of competitive long-term incentive schemes and while Mr. Relander and Mr. Olkkonen were making what proved to be empty promises, the State of Finland took advantage of the high price of Sonera common shares. Only after the State of Finland realized its great gain did Sonera approve and implement its worthless 2000 Bond Loan with Warrants incentive scheme priced at €72.90 per share.

these gentlemen referred my questions concerning incentive compensation to Mr. Relander. Mr. Relander remained unavailable during this period.

- September 2000-Mr. Paavo Kosonen reported that Sonera would pay me a bonus of $175,000 for 1999 and would grant a 4.6% increase in his my salary. Mr. Kosonen further reported that Sonera believed my objections to the long-term incentive scheme he and his team had been offered were unfounded.
- October 2000-Mr. Olkkonen personally delivered a letter advising me that the three-year term of my employment agreement would not be extended.
- November 2000-Sonera announced separate incentive schemes for the management teams at Sonera Zed, Plaza, and Smarttrust that cared for the nearly two-year debate and delay in creating incentive schemes by setting an incentive price retroactive to the inception or each subsidiary. [2]
- December 2000-The Government of Finland announced a policy covering publicly unlisted companies such as a Sonera Zed, Sonera Plaza, Sonera Smarttrust, and Sonera US that more clearly stated its policies regarding incentive schemes for such companies.

Corporate Governance Failures From my point of view, the treatment of our Sonera US Management Team is only one manifestation of major breakdowns and failures in corporate governance that occurred at Sonera during 1999, 2000 and 2001. While I do not have full visibility into all of the events and actions that occurred at Sonera during this period, the following summary of publicly reported events indicates that Sonera experienced a nearly total meltdown in corporate governance.

- 21 March 2001- Sonera Board of Directors Chairman Markku Talonen and the entire Board of Directors, with one exception, were replaced.
- June 2001 – Kaj-Erik Relander resigned as President and CEO of Sonera following a stormy six month tenure.
- July 2002 – A much discussed Internet book, "Where Did Sonera's Money Go" appeared. While some of the allegations presented in this book are disputed and the identity of the author is the subject of ongoing investigations, it provides a perspective on the environment at Sonera during 1999, 2000 and the first half of 2001.
- August 2002 – Prime Minister Lipponen admitted Sonera oversight and supervision failures.
- December 2002 - Sonera merged with Telia to form TeliaSonera. Sonera stakeholders, excluding our Sonera US Management team realized the full benefit of gains generated by Sonera US.
- 2003-2004 – The Government of Finland made major changes in governance and management of State Owned Enterprises.
- 2005 – The trial of Mr. Relander and certain of his Sonera colleagues regarding alleged illegal violations of communications privacy during 1998-2001 is raising legal and ethical questions.

Evasion, Justifications and Rationalizations The magnitude of the problems that arose at Sonera during 1999-2001 may have influenced some business and political leaders decisions and actions with respect to our Sonera US Management Team. Perhaps Sonera's Management was mindful of its Board of Directors and controlling shareowner's "sensitivity" to long-term incentive schemes. Perhaps Sonera's leaders and controlling shareowner were also mindful of the tremendous losses posted by Sonera Zed, Sonera Plaza, and Sonera Smarttrust and the need to provide incentives to retain and encourage these management teams to work hard to make these subsidiaries successful. Perhaps Sonera's leaders concluded that they could best serve their own and most stakeholders' interests by:

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[2] The long-term incentive schemes created for these subsidiaries were comparable to those of similar companies operating in the United States and, as such, were "...not less favourable that those observed by comparable employers in the host country."

- Switching our successful Sonera US Management Team to Sonera's 2000 Bond Loan with Warrants Program, a program that was rendered worthless when it was announced by delays in pricing and implementation; thereby stealing our Sonera US Management Team's success while avoiding the financial impact of a two-year delay in creating incentive schemes as well as public criticism and controversy over incentives set well after the work was performed; and
- Implementing retroactively priced, competitive long-term incentive schemes to encourage and incent performance improvements and value creation at Sonera Zed, Sonera and Sonera Smartturst

In so doing Sonera's Management, Board of Directors and controlling shareowner breached the trust we placed in them, they discriminated against a successful team of people, and they wrongfully confiscated more than €57.4 million euros earned by our Sonera US Management Team.

In supporting these decisions and actions, TeliaSonera evidently seeks to evade responsibility for them by taking refuge behind a legal smokescreen. TeliaSonera apparently believes that Sonera's promises to me are not enforceable because Sonera was not legally required to provide me or our Sonera US Team with an incentive scheme that would be competitive with executive compensation practices in the United States marketplace.

Ladies and Gentlemen, I respectfully suggest that you should reconsider decisions that subordinate TeliaSonera values and standards of business ethics to what the company can get away with legally. From my point of view, it looks like TeliaSonera is working hard to avoid doing the right thing, the thing that is consistent with its publicly stated values and standards of business ethics, the thing that honors and respects the accomplishments of some of its more productive stakeholders.

Conclusions Virtually all of TeliaSonera's major stakeholders agree that competitive compensation programs, including competitive long-term incentive schemes, are essential to attracting and encouraging management teams possessing the skills, experience and drive essential to creating great value for all stakeholders. TeliaSonera's stakeholders would not have the benefit of either our services or gains of €1.1 billion euros had Sonera not promised a competitive long-term incentive scheme. Our Sonera US Management Team worked hard and produced great results in the United States, a "host country" where incentive compensation typically plays a much larger role in an executive's total compensation package than in the Nordic Region.

During 1999, 2000 and 2001, Sonera claimed to be a "Trusted Partner" and a Telecommunications "frontrunner." Today, TeliaSonera claims to support OECD Principles and Guidelines, Shared Values and Business Ethics that are consistent with the highest levels of integrity and trustworthiness. Sonera and TeliaSonera's evasion and ongoing efforts to avoid accountability and responsibility for honest and ethical treatment of our Sonera US Management Team stand in sharp contrast to: 1) OECD Corporate Governance Principles and Guidelines agreed to by both Finland and Sweden; 2) Sonera's public statements on the need for and support of competitive incentive schemes; 3) TeliaSonera's purported commitment to "Shared Values" and the highest standards of Business Ethics; and 4) TeliaSonera, Finland and Sweden's stated commitments to honesty, integrity, high ethical standards and their efforts to promote "Business Confidence."

Call to Action Ladies and Gentlemen, I urge you to do the right thing. Find ways to give full effect to TeliaSonera's commitments and values; uphold the highest standards of business ethics; treat our Sonera US Management Team as you would like to be treated. Support the accompanying proposal, summarized below, at TeliaSonera's upcoming Annual General Meeting:

> "The Shareholder Murray Swanson's proposal that the Annual General Meeting instructs the Board of Directors to, within 90 days from the Annual General Meeting, pay to the Management

Team of Sonera Corporation U.S. mutually agreeable compensation that fairly and appropriately recognizes the accomplishments and value created by that management team; provided, however, that any compensation paid to the Sonera Corporation U.S. Management Team may not be less than 2% nor more than 5% of the approximately €1.1 billion Euro gains realized by Sonera on the sale of its investments in the United States plus a 10% return on all such payments from March 31, 2001, to the date of payment."

In presenting this proposal at TeliaSonera's Annual General Meeting, I will be offering my fellow shareholders a choice between:

- Support of honesty, integrity, respect, trust and a way of doing business characterized by high ethical standards; and
- The retention of monies wrongfully taken from a very successful management team as a result of the improper decisions, actions and far less than ethical behavior of their leaders and others responsible for Corporate Governance at Sonera and TeliaSonera.

I will also be asking my fellow shareholders to be our judge. I will be asking them to hold our Sonera US Management Team accountable to values of honesty, integrity, respect, and trust and high ethical standards. I will also be asking my fellow shareholders to hold TeliaSonera's Management and Board of Directors similarly accountable. And I will be asking them to support and vote in favor of the resolution accompanying this letter. In doing so, they will be affirming their support of values critically important to the reputation, relationships and long term sustainability of all business and government organizations.

Finally, given the European Union's efforts to strengthen corporate governance policies and practices, and in view of the control of TeliaSonera by the Government's of Sweden and Finland, by a copy of this letter and other correspondence, I am asking Mr. Charlie McCreevy, European Commissioner for Internal Markets and Services, for the assistance of his good offices in resolving these matters in a manner the upholds sound corporate governance and high moral and ethical values and standards.

I look forward to your support of honesty, integrity and high standards of business ethics prior to and at TeliaSonera's 2005 Annual General Meeting.

I would greatly appreciate an opportunity to discuss this matter with your representative prior to April 1, 2005, so that I may plan for my participation in that meeting and for any other work that I must do to secure support for the accompanying resolution.

Sincerely,

Murray Swanson

Murray Swanson

Cc: VIA Email

Mr. Matti Vanhanen and the Ministers of the Government of Finland
Mr. Goran Persson and the Ministers of the Government of Sweden
Commerce Committee of the Eduskunta
Committee on Industry and Trade of the Riksdag
Honorable Earle I. Mack, U.S. Ambassador to Finland
Honorable M. Teal Bivins, U.S. Ambassador to Sweden
Mr. Anders Igel, TeliaSonera
Mr. Jan-Henrik Ahrnell, TeliaSonera

Resolution for TeliaSonera's 2005 Annual General Meeting

Whereas the Management Team of Sonera Corporation U.S. was engaged and encouraged to create opportunities and value for Sonera in the United States with the offer and repeated promises of a competitive long-term incentive scheme.

Whereas during 1999 and 2000 the Sonera Corporation US Management Team increased Sonera's Telecommunications investments in the United States six-fold, from an initial $200 million investment to $1.25 Billion.

Whereas Sonera ultimately realized and reported gains totaling more than €1.1 Billion upon the divestiture of its $1.25 billion of Telecommunications investments in United States.

Whereas Sonera and TeliaSonera were greatly strengthened and new opportunities and new jobs were created in Finland and Sweden as result of the opportunities and value added by the Sonera Corporation US Management Team.

Whereas Corporate Governance principles and guidelines issued or agreed to by the Organization for Economic Co-operation and Development, the European Union, the Government of Sweden, the Government of Finland, TeliaSonera and other interested parties encourage active co-operation between corporations and all of their stakeholders and recognize the importance of incentive schemes that encourage management and all employees to engage in the creation of value for all stakeholders.

Whereas TeliaSonera's *Shared Values* and *Business Ethics* provide guidelines for showing respect for the accomplishments and contributions of individuals and management teams and require that all employees treat others as they would want to be treated themselves.

Whereas TeliaSonera desires to recognize, respect, and honor the accomplishments and contributions of the Sonera Corporation US Management Team in accordance with well established corporate governance principles and incentive compensation practices and with TeliaSonera's *Shared Values* and *Business Ethics*.

Now therefore the Management and Board of Directors of TeliaSonera are authorized and instructed to, within 90 days of the date of this Annual General Meeting, pay to the Management Team of Sonera Corporation U.S. mutually agreeable compensation that fairly and appropriately recognizes the accomplishments and value created by that management team; provided, however, that any compensation paid to the Sonera Corporation U.S. Management Team may not be less than 2% nor more than 5% of the approximately €1.1 billion Euro gains realized by Sonera on the sale of its investments in the United States plus a 10% return on all such payments from March 31, 2001, to the date of payment.