

Telia Company's Nomination Committee 2018–2019

1. Report on the work of the Nomination Committee and reasoned statement regarding the composition of the Board of Directors

At the annual general meeting held on April 10, 2018 in Telia Company (the "Company"), it was resolved that the Nomination Committee (the "Committee") shall consist of the following persons: Daniel Kristiansson, chair (Swedish State), Erik Durhan (Nordea Funds), Jan Andersson (Swedbank Robur Funds), Anders Oscarsson (AMF and AMF Funds) and Marie Ehrling (chair of the Board of Directors).

No other shareholder has, within the scope of the instructions for the Nomination Committee, made a request to take part in the work of the Committee. Within its activities, the Committee has complied with the Swedish Corporate Governance Code and with the instructions for the Nomination Committee approved by the annual general meeting.

The Committee has held eighth (8) recorded meetings since the annual general meeting on April 10, 2018. The Committee has performed interviews and received information from the chair of the Board of Directors, other directors and employee representatives and the CEO on internal work of the Board of Directors, the Company's position, strategic direction and other relevant circumstances and have received an internally executed written evaluation of the Board of Directors. Based on this information, the Committee has assessed the functioning of the Board of Directors and the competences needed in the Board of Directors as a whole. The Committee has concluded that the competences currently needed are experience from:

- The telecommunications industry and industries closely related to it
- Digitalization
- Relevant markets
- Consumer-oriented operations and markets
- Sustainability work
- Board work in listed companies
- Managerial operations
- Mergers and acquisitions and processes of change
- Finance

Board member Susanna Campbell has informed the Committee that she is not available for re-election at the annual general meeting 2019.

On the basis of the competence needs identified, the Committee has evaluated the competences of the remaining directors, the aggregate composition of the Board of Directors and thereafter evaluated new candidates for the Board of Directors. Taking into account the competences and experiences needed in the future, diversity, including gender as well as professional background on the Board of Directors and the

composition of the Board of Directors, the Committee has decided to nominate Rickard Gustafson as new director and to nominate Marie Ehrling, Olli-Pekka Kallasvuo, Nina Linander, Jimmy Maymann, Anna Settman, Olaf Swantee and Martin Tivéus for re-election at the annual general meeting. Marie Ehrling is nominated for re-election as chairman of the board.

In its work, the Committee applies rule 4.1 of the Swedish Corporate Code as its diversity policy. The Committee has considered the importance of a well-functioning composition of the Board of Directors with diversity and breadth of qualifications, experience and background. The Committee has specifically discussed gender diversity as part of its efforts to strive for gender balance in the Board of Directors and to compose the most competent Board of Directors. The proposed Board of Directors consists of three (3) women and five (5) men.

The Committee proposes that the remuneration for the chair of the Board is increased by 4.9 %, the remuneration for the vice chair of the Board by 4.9 % and the remuneration for the ordinary directors by 5.2 %. The proposal reflects the Committee's ambition that the level of the remuneration shall be in line with remunerations in comparable companies.

The Committee proposes, in accordance with the recommendation from the Company's Audit and Responsible Business Committee, that the audit company Deloitte is elected as auditor for the period until the end of the annual general meeting 2020.

2. The Committee presents the following proposals to Telia Company's annual general meeting 2019

2.1 Number of directors to be elected at the annual general meeting

The Committee's proposal for the number of directors until the end of the annual general meeting 2020 is eight (8) directors.

2.2 Directors

The Committee proposes re-election of:

Marie Ehrling, Olli-Pekka Kallasvuo, Nina Linander, Jimmy Maymann, Anna Settman, Olaf Swantee and Martin Tivéus.

The Committee proposes election of:

Rickard Gustafson.

Rickard Gustafson was born in 1964. He is President and CEO of SAS. He has previously held various executive positions in GE Capital, both in Europe and the US, and was President of Codan/Trygg-Hansa 2006–2011. Rickard Gustafson is chair of Aleris and board member of FAM AB. Gustafson holds a Master of Science degree.

It is the opinion of the Committee that all nominated directors are independent both in relation to the Company and to the major shareholders.

2.3 Chair of the Board of Directors

The Committee proposes re-election of Marie Ehrling as chair of the Board of Directors.

2.4 Vice chair of the Board of Directors

The Committee proposes re-election of Olli-Pekka Kallasvuo as vice chair of the Board of Directors.

2.5 Chair of the annual general meeting

The Committee proposes that Wilhelm Lüning, Attorney-at-Law, be elected as chair of the annual general meeting.

2.6 Remuneration payable to the directors

The Committee's proposal for remuneration payable to the directors until the end of the next annual general meeting:

- Chair of the Board of Directors: SEK 1,825,000 (2018: SEK 1,740,000)
- Vice chair of the Board of Directors: SEK 860,000 (2018: SEK 820,000)
- Other directors elected at the annual general meeting: SEK 610,000 (2018: SEK 580,000)
- Chair of the Board of Directors' Audit and Responsible Business Committee: SEK 275,000 (2018: SEK 250,000)
- Other members of the Audit and Responsible Business Committee: SEK 150,000 (2018: SEK 150,000)
- Chair of the Board of Directors' Remuneration Committee: SEK 70,000 (2018: SEK 70,000)
- Other members of the Remuneration Committee: SEK 50,000 (2018: SEK 50,000)

2.7 Auditors

In accordance with the Audit and Responsible Business Committee's recommendation, the Committee proposes that there will be one audit company as auditor for the period until the end of the annual general meeting 2020 and that the audit company Deloitte be elected as auditor.

The Committee proposes that remuneration to the auditor will be paid as per invoice.

2.8 The Committee and instruction for the Nomination Committee

The Committee has reviewed the latest available information on the owners of the Company and has received proposals for members from the owners with the largest shareholdings in terms of voting rights. The Committee's proposal for members of the Committee until the annual general meeting 2020 is as follows: Daniel Kristiansson,

chair (Swedish State), Jan Andersson (Swedbank Robur Funds), Anders Oscarsson (AMF Insurance and AMF Funds), Johan Strandberg (SEB Funds) and Marie Ehrling (chair of the Board of Directors).

The Committee has also reviewed the instruction for the Nomination Committee and does not see a need to propose any changes.

On behalf of Telia Company's Nomination Committee

Daniel Kristiansson
Chair