

Telia Company's Nomination Committee 2020-2021

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

At the annual general meeting held on April 2, 2020, 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), Jan Andersson (Swedbank Robur Funds), Patricia Hedelius (AMF and AMF Funds) and Javiera Ragnartz (SEB Funds). On September 29, 2020, it was announced that AMF had informed the chair of the Committee that it, because of a decrease in its holding in Telia Company, wanted to step down from the Committee. In accordance with the instruction for the Nomination Committee, the Committee decided to offer a seat in the Committee to Handelsbanken Fonder, thereby reflecting the ownership in Telia Company. Handelsbanken Fonder accepted the offer and nominated Lilian Fossum Biner. After this change, the Committee of Telia Company consists of Daniel Kristiansson, chair, Jan Andersson, Javiera Ragnartz and Lilian Fossum Biner.

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 2020.

The Committee has since the annual general meeting 2020 held six (6) meetings and several informal sessions and discussions between the meetings. The Committee has performed interviews and received information from the chairs of the Board of Directors, other directors and employee representatives and the CEO on the internal work of the Board of Directors, the Company's position, strategic direction and other relevant circumstances and has received an internally executed 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
- Media
- Executive leadership
- Transformation and change processes
- Finance

Anna Setzman and, as previously announced, Olaf Swantee, have informed the Committee that they are not available for re-election.

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 Luisa Delgado as new director and to nominate Ingrid Bonde, Rickard Gustafson, Lars-Johan Jarnheimer, Jeanette Jäger, Nina Linander, Jimmy Maymann and Martin Tivéus for re-election at the annual general meeting. Lars-Johan Jarnheimer is nominated for re-election as chair and Ingrid Bonde as vice-chair 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 four (4) women and four (4) men.

The Committee proposes that the remuneration for the chair of the Board is increased by 4.7%, the remuneration for the vice-chair of the Board by 4.7% and the remuneration for the ordinary directors by 4.9%. 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 2022.

2. The Committee presents the following proposals to Telia Company's annual general meeting 2021

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 2022 is eight (8) directors.

2.2 Directors

The Committee proposes re-election of:

Ingrid Bonde, Rickard Gustafson, Lars-Johan Jarnheimer, Jeanette Jäger, Nina Linander, Jimmy Maymann and Martin Tivéus.

The Committee proposes election of:

Luisa Delgado

Luisa Delgado, full name Luisa Deplazes de Andrade Delgado, (born 1966) is a Swiss entrepreneur with an extensive board experience and a diverse background from various leadership roles in large corporates focusing, in particular, on consumer businesses and retail, as well as human resources. She is currently chair of the Board of Schleich, one of Germany's largest toy companies, a Board member of online electronics retailer AO World plc and a supervisory Board member of Ingka Holding (IKEA), global baking company Aryzta and high-quality foods company Zertus, among other. She has previously held positions such as CEO of Safilo Group, the Italian eyewear company, Executive Board Member in charge of HR at German technology group SAP, and Vice President at Procter & Gamble, for the Nordic region and previously for Human Resources Western Europe. Luisa Delgado holds a Bachelor of Laws from the University of Geneva, a Master of Laws from King's College/University of London, a Postgraduate Diploma of European Studies from Universidade Lusiana in Lisbon, and more recently the FT Non-Executive Director Diploma.

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

2.3 Chair of the Board of Directors

The Committee proposes re-election of Lars-Johan Jarnheimer as chair of the Board of Directors.

2.4 Vice-chair of the Board of Directors

The Committee proposes re-election of Ingrid Bonde as vice-chair of the Board of Directors.

2.5 Chair of the annual general meeting

The Committee proposes that Wilhelm Lünig, 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 annual general meeting 2022:

- Chair of the Board of Directors: SEK 1,910,000 (2020: SEK 1,825,000)
- Vice-chair of the Board of Directors: SEK 900,000 (2020: SEK 860,000)
- Other directors elected at the annual general meeting: SEK 640,000 (2020: SEK 610,000)
- Chair of the Board of Directors' Audit and Responsible Business Committee: SEK 285,000 (2020: SEK 275,000)
- Other members of the Audit and Responsible Business Committee: SEK 160,000 (2020: SEK 150,000)
- Chair of the Board of Directors' Remuneration Committee: SEK 75,000 (2020: SEK 70,000)
- Other members of the Remuneration Committee: SEK 75,000 (2020: 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 2022 and that the audit company Deloitte be re-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 also reviewed the instruction for the Nomination Committee and has suggested changes, to inter alia, how the Committee shall be appointed, whereas, it, instead of being appointed at the annual general meeting, shall be nominated by the four (4) shareholders that are largest in terms of votes at the end of July of the year before the ordinary general meeting and who wish to participate in the Committee's work for the period up to the ordinary general meeting. In addition, it is, inter alia, suggested that the Committee shall be considered a quorum with three (3) ordinary members, that the chair of the Board shall be offered a seat as an extraordinary member and that the Committee's term of office extends until a new Committee has been appointed.

The Committee will, in accordance with the proposed instruction, consist of the members Daniel Kristiansson, chair (Swedish State), Jan Andersson (Swedbank Robur Funds), Lilian Fossum Biner (Handelsbanken Funds) and Javiera Ragnartz (SEB Funds), until a new Committee is appointed in accordance with the above procedure.

On behalf of Telia Company's Nomination Committee

Daniel Kristiansson
Chair