

Item 20(a) Implementation of a long-term share incentive program 2022/2025

Main terms and conditions

1. The Performance Share Program 2022/2025 shall be offered to approximately 250 key employees within the Group who in 2022 will be awarded conditional rights over a number of Performance Shares (i.e. a right to receive such shares at a future date if the relevant conditions are met).
2. Each participant will be awarded a conditional right to a number of Performance Shares with an aggregate market value not exceeding 30 percent of the participant's 2021 Base Salary. The market value shall be calculated based on the average of the daily noted volume-weighted purchase price of Telia Company's shares on Nasdaq Stockholm's official list during December 2021.
3. Provided that the conditions of the Performance Share Program 2022/2025, and to the extent the performance conditions described below, consisting of targets linked to Cashflow, TSR, ROCE and ESG are met during the Performance Period, participants in the Performance Share Program 2022/2025 will, free-of-charge, receive the Performance Shares subject to their award.
4. The performance conditions applying under the Performance Share Program 2022/2025 will to 25 percent be based on the Company's Cashflow¹ target during the Performance Period (the "Cashflow Part"), to 40 percent on the Company's TSR during the Performance Period (the "TSR Part") in relation to TSR in a peer group of approximately 10 comparable Nordic and western European telecom companies defined by the Board of Directors², to 20 percent on the Company's ROCE target during the Performance Period (the "ROCE Part") and to 15 percent on the Company's ESG target during the Performance Period (the "ESG Part")³.
5. The targets include a minimum level which must be achieved in order for any Performance Shares to be received at all, as well as a maximum level in excess of which no additional Performance Shares will be received. Should lower results than the maximum levels be achieved, a proportionate lower number of Performance Shares may be received.
 - a. The Cashflow Part represents 25 percent of the total award:
 - i. If 100 percent (or above) of the Cashflow target is met, 100 percent of Performance Shares under the Cashflow Part will vest.
 - ii. If less than 90 percent of the Cashflow target is met, no Performance Shares under the Cashflow Part will vest.
 - iii. If 90 percent of the Cashflow target is met, 25 percent of Performance shares under the Cashflow Part will vest.
 - iv. If between 90 to 100 percent of the Cashflow target is met, a proportionate amount of Performance Shares under the Cashflow Part will vest.

¹ Cashflow is defined as Operational free cash flow, which in turn is defined as Free cash flow (the total of cash flow from operating activities and cash CAPEX) from continuing operations excluding cash CAPEX for licenses and spectrum fees, dividends from associated companies net of taxes and including repayment of lease liabilities, with a possibility for the Board of Directors to make adjustments for extraordinary events and/or exchange rate fluctuations.

² TSR is equal to the overall return a shareholder would receive on his or her shareholding taking into account both share price appreciation and dividends (if any). When calculating TSR, an average TSR-index number for December 2021 shall be compared with December 2024 for the Company and for the companies included in the peer group defined by the Board of Directors. The peer group presently consists of Telenor ASA, Elisa Oyj, Tele2 AB, KPN NV, Orange SA, Deutsche Telekom AG, Vodafone Group Plc, Telefonica SA, Proximus PLC and Swisscom AG.

³ ESG is defined by three separate performance conditions based on Climate, Digital Inclusion and Privacy which have been set in line with targets in the Company's annual and sustainability reporting. The three performance conditions entail 5 percent weight respectively. For each performance condition, a minimum level of achievement is required for any Performance Shares to be received. The performance condition on Climate is based on the Company's 2025 climate target for the supply chain emission-target. Digital Inclusion is based on the Company's 2025 target on promotion of digital competences, with focus on groups who without sufficient digital skills risk falling behind or end up in vulnerable situations when society is increasingly digitized. Privacy is based on the Company's ranking position in respecting customer integrity compared to competitors.

- b. The TSR Part represents 40 percent of the total award:
 - i. If the Company's TSR is ranked first or second compared to the defined peer group of companies, 100 percent of the Performance Shares under the TSR Part will vest.
 - ii. If the Company's TSR is ranked third or fourth, 75 percent of the Performance Shares under the TSR Part will vest.
 - iii. If the Company's TSR is ranked fifth or sixth, 50 percent of the Performance Shares under the TSR Part will vest.
 - iv. If the Company's TSR is ranked seventh, 25 percent of the Performance Shares under the TSR Part will vest.
 - v. If the Company's TSR is ranked eight or lower, no Performance Shares under the TSR Part will vest.
 - c. The ROCE Part represents 20 percent of the total award:
 - i. If 100 percent (or above) of the ROCE target is met, 100 percent of Performance Shares under the ROCE Part will vest.
 - ii. If less than 90 percent of the ROCE target is met, no Performance Shares under the ROCE Part will vest.
 - iii. If 90 percent of the ROCE target is met, 25 percent of the Performance Shares under the ROCE Part will vest.
 - iv. If between 90 to 100 percent of the ROCE target is met, a proportionate amount of Performance Shares under the ROCE Part will vest.
 - d. The ESG Part represents 15 percent of the total award:
 - i. If 100 percent (or above) of the ESG target is met, 100 percent of Performance Shares under the ESG part will vest.
 - ii. If the minimum level is not reached, no Performance Shares under the ESG part will vest.
 - iii. If the minimum level is reached, 25 percent of Performance shares under the ESG part will vest.
 - iv. If between the minimum level and 100 percent of the ESG target is met, a proportionate amount of Performance Shares under the ESG part will vest.
6. The receipt of Performance Shares shall normally be subject to the participant's continued employment within the Group up to and including the day of publication of the interim report for the first quarter 2025.
7. Participants will receive their Performance Shares following the publication of the Company's interim report for the first quarter 2025. Rounding off shall be made to the closest whole number of Performance Shares.
8. The maximum number of Performance Shares a participant may receive under the Performance Share Program 2022/2025 shall have an aggregate market value not exceeding 60 percent of the participant's 2024 Base Salary. The market value shall be calculated based on the average of the daily noted volume-weighted purchase price of the Company's shares on Nasdaq Stockholm's official list during 20 trading days prior to the day of publication of the interim report for the first quarter 2025. Rounding off shall be made to the closest whole number of Performance Shares.
9. The Performance Share Program 2022/2025 shall in total comprise of no more than 3,428,025 Telia Company shares, which corresponds to approximately 0.08 percent of the total number of outstanding shares in the Company.
10. Recalculation of the number of Performance Shares that may be received under the Performance Share Program 2022/2025 shall take place in the event of an intervening bonus issue, split, rights issue and/or other similar events.
11. In addition to what is set out above, the Board of Directors shall under certain circumstances be entitled to reduce the number of Performance Shares to be received or,

wholly or partially, terminate the Performance Share Program 2022/2025 in advance and to make such local adjustments of the program that may be necessary or appropriate to implement the program with reasonable administrative costs and efforts in the concerned jurisdictions, including, among other things, to offer cash settlement.

12. The Board of Directors shall be responsible for the further design and administration of the Performance Share Program 2022/2025 within the framework of the above stated main terms and conditions.

Performance outcome

The performance outcome will be determined by the Board of Directors after the expiry of the Performance Period (December 31, 2024), in 2025. In connection therewith the Board of Directors will also publish the performance results.