<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>11:00 – 11:20</td>
<td>Introduction &amp; Q4 update</td>
</tr>
<tr>
<td>11:20 – 13:00</td>
<td>Strategy update and financial ambitions</td>
</tr>
<tr>
<td>13:00 – 14:00</td>
<td>Q&amp;A</td>
</tr>
</tbody>
</table>
## GROUP HIGHLIGHTS – Q4 2020

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>% Change reported</th>
<th>% Change LFL*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service revenues</td>
<td>19.8</td>
<td>+4.0%</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Mobile subscription revenues</td>
<td>7.8</td>
<td>-4.5%</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>7.5</td>
<td>-5.5%</td>
<td>-6.6%</td>
</tr>
<tr>
<td>EBITDA-cash CAPEX**</td>
<td>3.3</td>
<td>-18.6%</td>
<td></td>
</tr>
<tr>
<td>Operational Free Cash Flow YTD Q4</td>
<td>12.1</td>
<td>-3.8%</td>
<td></td>
</tr>
</tbody>
</table>

* LFL = like for like  
** Adjusted EBITDA less cash CAPEX excluding licenses and spectrum

### Comments

- COVID-19 impacted service revenues negatively by ~SEK 400 million, and EBITDA by ~SEK 200 million.
- Excluding COVID-19 impacts, service revenues were in-line with last year and EBITDA declined by ~4% LFL.
- A non-recurring pension benefit in the prior year negatively impacted the EBITDA comparison by ~1% LFL.
- Cash CAPEX increased by SEK 0.3 billion due to network modernization.
RESILIENT BUSINESS WITH STABLE SERVICE REVENUES, EX. ROAMING

A STRONG QUARTER FOR B2B ACROSS OUR LARGEST MARKETS

TV/MEDIA RECOVERY FASTER THAN EXPECTED

DIGITAL VIEWING AND SVOD SUBSCRIPTION GROWTH PARTICULARLY STRONG

5G ROLL-OUT ACCELERATING ACROSS THE GROUP

SWEDEN AWARDED BEST MOBILE NETWORK FOR 4TH CONSECUTIVE YEAR

SWEDEN SPECTRUM AUCTION CONCLUDED WITH TELIA ACQUIRING THE LARGEST ALLOCATION

NEW COVID-19 LOCK-DOWNS IMPACTED CALL CENTER PERFORMANCE AND RETAIL FOOTFALL

OPEX INCREASED IN LINE WITH OUR EXPECTATIONS

BOD PROPOSES 2020 ANNUAL DIVIDEND OF SEK 2.00 PER SHARE (SUBJECT TO AGM APPROVAL)
SWEDEN – Q4 2020

SERVICE REVENUES & ADJUSTED EBITDA

Like for like growth

Service revenues

Q4 19 Q1 20 Q2 20 Q3 20 Q4 20
Q4 19 Q1 20 Q2 20 Q3 20 Q4 20

EBITDA

-1% -1.8% -6%

HIGHLIGHTS

• Service revenue development improved sequentially
• EBITDA declined by SEK 309 million from
  • Legacy revenue pressure
  • Prior year pension refund
  • Higher OPEX due to marketing and call center staffing

SUBSCRIPTIONS & ARPU DEVELOPMENT

Postpaid subscriptions ex. M2M, q-o-q in 000’s, ARPU based on postpaid mobile subscription revenues ex. M2M and roaming, in local currency

MOBILE

ARPU (y-o-y)

Q4 19 Q1 20 Q2 20 Q3 20 Q4 20

10 0%

TV

Subs. (q-o-q)

ARPU (y-o-y)

+10K -5%

BROADBAND

Subs. (q-o-q)

ARPU (y-o-y)

-13K +2%

• Strong end to year in B2B Public & Key segment
• Continued growth in postpaid subscriptions
• Number of converged customers increased to 309k
• Best network* for the 4th consecutive year
• Telia awarded 120 MHz in the 5G auction

* According to Umlaut (formerly P3)
FINLAND – Q4 2020

HIGHLIGHTS

- Service revenue development improved sequentially
- B2B service revenue turned to growth
- EBITDA declined by SEK 62 million from
  - Lower revenues
  - Weaker equipment margin
- Consumer mobile improving
- 5G coverage now at 40 percent of population
- 5G phones represent 40 percent of new handset sales
- ARPU improvement from 5G migrations
- Liiga remedies impacting TV subscriptions

SERVICE REVENUES & ADJUSTED EBITDA

Like for like growth (Excl. Covid-19 impact)

<table>
<thead>
<tr>
<th></th>
<th>Service revenues</th>
<th>Q1 20</th>
<th>Q2 20</th>
<th>Q3 20</th>
<th>Q4 20</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

-4.9%

-1.9%

SUBSCRIPTIONS & ARPU DEVELOPMENT

Postpaid subscriptions ex. M2M, q-o-q in 000', ARPU based on postpaid mobile subscription revenues ex. M2M and roaming, in local currency

<table>
<thead>
<tr>
<th></th>
<th>MOBILE</th>
<th>TV</th>
<th>BROADBAND</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARPU</td>
<td>Q4 19</td>
<td>Q1 20</td>
<td>Q2 20</td>
</tr>
<tr>
<td>(y-o-y)</td>
<td>-13</td>
<td>+3%</td>
<td></td>
</tr>
<tr>
<td>Subs. (q-o-q)</td>
<td>-16K</td>
<td>-7%</td>
<td></td>
</tr>
<tr>
<td>ARPU (y-o-y)</td>
<td>+6K</td>
<td></td>
<td>+2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**NORWAY – Q4 2020**

**SERVICE REVENUES & ADJUSTED EBITDA**

- Like for like growth
- Excl. Covid-19 impact
- 0% growth
- -2.1% growth
- +14% growth

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenues</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 20</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**HIGHLIGHTS**

- Service revenue development driven by Mobile and B2B
- Strong EBITDA relative to a weak quarter in 2019
- Good progress on integration synergies and cost efficiencies

**SUBSCRIPTIONS & ARPU DEVELOPMENT**

- Postpaid subscriptions ex. M2M, q-o-q in 000’s
- ARPU based on postpaid mobile subscription revenues ex. M2M and roaming, in local currency
- ARPU (y-o-y)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Mobile Subs. (q-o-q)</th>
<th>Mobile ARPU (y-o-y)</th>
<th>TV Subs. (q-o-q)</th>
<th>TV ARPU (y-o-y)</th>
<th>BROADBAND Subs. (q-o-q)</th>
<th>BROADBAND ARPU (y-o-y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 19</td>
<td>-2K</td>
<td>-5%</td>
<td></td>
<td></td>
<td>+8K</td>
<td>-1%</td>
</tr>
<tr>
<td>Q1 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ARPU**

- +4%

**SUBS.**

- +8K

**BROADBAND**

- -1%

**MOBILE**

- -21%

**The highlights include:**

- Mobile subscriptions down due to B2B
- Improved brand consideration post rebranding
- New mobile portfolio launched with promising early signs
- 100k subscriptions on premium service Telia X
- Added 5G coverage to Bergen – clear roadmap ahead

Excl. Covid-19 impact
LED – Q4 2020

**SERVICE REV. & ADJ. EBITDA**

Like for like growth  
Excl. Covid-19 impact

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service revenues</td>
<td>+1%</td>
<td>-0,6%</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>EBITDA</td>
<td>+5%</td>
<td>1,1%</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

- EBITDA growth from good revenue mix development with mobile growing 5% and a continued decline in low margin fixed transit revenues

**SERVICE REV. & ADJ. EBITDA**

Like for like growth  
Excl. Covid-19 impact

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service revenues</td>
<td>+3%</td>
<td>-0,4%</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>EBITDA</td>
<td>4,1%</td>
<td>+7%</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

- Mobile revenue pressure from roaming was offset by a solid development across most segments and continued good cost control

**SERVICE REV. & ADJ. EBITDA**

Like for like growth  
Excl. Covid-19 impact

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service revenues</td>
<td>-2%</td>
<td>-6,2%</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>EBITDA</td>
<td>+7%</td>
<td>-5,4%</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

- Revenue development impacted by COVID and a more focused portfolio. Good cost control limited the impact on EBITDA

HIGHLIGHTS
Service revenue pressure continued to ease supported by better development of both advertising and subscription revenues.

EBITDA declined by SEK 255 million from the lower advertising revenues and higher content costs, compared to an all-time high quarter in 2019.

Record high viewing and consumption on TV4 and TV4 Play - Time spent on TV4 Play up 32 percent in 2020, well ahead of the market.

Strong SVOD subscriber intake with a net gain of 142k.

Increased CSOV also for MTV in Finland.
SERVICE REVENUES AND EBITDA – Q4 2020

SERVICE REVENUE BRIDGE Q4 2020
Like for like

-2.1%

Excluding COVID-19 impact

Q4 19 Mobile Broadband TV Other COVID-19 Q4 20

- Stable revenue development excluding COVID-19
- Lower roaming and advertising revenues still the main effects from COVID-19

EBITDA BRIDGE Q4 2020
Like for like, excluding adjustment items

-6.6%

Q4 19 Underlying COVID-19 Pension Q4 20

- Excl. COVID-19 EBITDA declined 4% mainly due to:
  - Lack of pension refund, higher resource costs and legacy pressure in Sweden
  - Lower EBITDA in TV and Media
• Lower EBITDA and higher lease repayments
• Lower interest partly compensated for higher taxes paid
• Strong benefit from working capital
• Gross debt reduced by SEK 2 billion
• Cash flow from operations and Turkcell proceeds more than offset increased cash CAPEX and dividend distributions
• Leverage remained unchanged in the quarter at 2.55x
• Proforma leverage post the Telia Carrier transaction still estimated at 2.32x
• Telia Carrier transaction on track to close in Q2 2021
CLOSING OUT 2020

• Q4 slightly ahead of our expectations
• Telco business resilient throughout 2020
• TV/Media unit recovering
• Supporting our communities remains a priority
• Good progress made on key priorities
  • Connectivity
  • Convergence
  • Customer Experience
  • Cost control
  • Capital allocation
• Clear roadmap to create a better Telia and generate sustainable long term value

OUR VALUES OF
DARE
CARE
SIMPLIFY
COULD NOT BE MORE RELEVANT
OUR PLAN
TO CREATE A BETTER TELIA

STRATEGY UPDATE 29 JANUARY 2021
HIGHLY DIGITALIZED AND BUSINESS FRIENDLY REGION

Most digitalized region
Digital Economy and Society Index 2020 – EU and Norway

<table>
<thead>
<tr>
<th>Country</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>73</td>
</tr>
<tr>
<td>Sweden</td>
<td>66</td>
</tr>
<tr>
<td>Norway</td>
<td>85</td>
</tr>
<tr>
<td>Denmark</td>
<td>73</td>
</tr>
<tr>
<td>Estonia</td>
<td>66</td>
</tr>
<tr>
<td>Lithuania</td>
<td>85</td>
</tr>
<tr>
<td>EU</td>
<td>37</td>
</tr>
</tbody>
</table>

Source: European Commission

Relative resilience to COVID-19 caused recession
2020 Real GDP development

- Sweden: -3%
- Nordics & Baltics: -4%
- EU: -7%

Source: World Bank

Most business friendly region
Ease of Doing Business Index 2020 – EU and Norway

<table>
<thead>
<tr>
<th>Country</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>85</td>
</tr>
<tr>
<td>Norway</td>
<td>73</td>
</tr>
<tr>
<td>Sweden</td>
<td>85</td>
</tr>
<tr>
<td>Lithuania</td>
<td>66</td>
</tr>
<tr>
<td>Estonia</td>
<td>66</td>
</tr>
<tr>
<td>Finland</td>
<td>85</td>
</tr>
<tr>
<td>EU</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: World Bank
### Trends we see

<table>
<thead>
<tr>
<th>What we believe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology advancements</td>
</tr>
<tr>
<td>Reliable network and relevant services provide customer value</td>
</tr>
<tr>
<td>All-in on streaming</td>
</tr>
<tr>
<td>Ecosystem development</td>
</tr>
<tr>
<td>Security concerns</td>
</tr>
<tr>
<td>Customer experience as a differentiator</td>
</tr>
</tbody>
</table>

### What we believe

- **Telia has increased relevance as a digitalization partner**
- **Reliable network and relevant services provide customer value**
- **Compelling content key to differentiate**
- **Customers need a one-stop-shop/aggregator**
- **Synergies between connectivity and security**
- **Focus on NPS drives customer life time value**
REINVENT BETTER CONNECTED LIVING
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY

DIGITAL EXPERIENCES

DIGITAL INFRASTRUCTURE

BY EXCELLENG AT...

INSPIRING CUSTOMERS

CONNECTING EVERYONE

TRANSFORMING TO DIGITAL

DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS

MOST ENGAGED EMPLOYEES

MOST SATISFIED SHAREHOLDERS

MOST EMPOWERED SOCIETIES
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY
Accelerating the connected lives of everyone

DIGITAL EXPERIENCES
Accelerating customer loyalty and revenue growth beyond connectivity

DIGITAL INFRASTRUCTURE
Growing the digital infrastructure of the Nordic and Baltic region

BY EXCELLENG AT...

INSPIRING CUSTOMERS
CONNECTING EVERYONE
TRANSFORMING TO DIGITAL
DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS
MOST ENGAGED EMPLOYEES
MOST SATISFIED SHAREHOLDERS
MOST EMPOWERED SOCIETIES
From a position of strength...

• Best network in core markets, even in high-stress COVID-19 times

• Connectivity business resilient despite COVID-19

• At the forefront of new technologies

• Converged and integrated single network across Telia Company

...we will grow even further

• 5G roll-out enabling new monetization opportunities

• Scale private networks (EMN) and grow IoT

• FWA based on 5G, further fiber roll-out and Docsis 3.1 upgrade in Norway

• Virtualized core and network function (telco cloud)

• RAN modernization program and legacy phase-out

• Potential to recoup almost SEK 1 billion revenue from roaming with the return of travel
OUR EXPERIENCES ENABLE BETTER LIVING

Consumer
Hub for better connected living

Video services
- On-demand digital viewing up 30%
- SVOD service growth of 20%

Smart Family
- 300% YoY growth
- 40% non Telia customers

Digital subscription
- Smooth and simple mobile user experience in holistic app
- NPS 60 for Telia Dot

eSport
- Telia eSport series launched across all Nordic countries
- >65,000 registered users
- 6x increase in watched minutes 2019 to 2020

Smart Wifi
- 2.3m managed CPEs as base for Smart Wifi growth
- Smart Wifi launched in Norway, Sweden & Finland

SVOD=Subscription Video On Demand
OUR EXPERIENCES ENABLE BETTER BUSINESS

Enterprise
Digitalization partner of choice

Contact Center / ACE
• 20% Nordic market share
• NPS > 45
• Only Telco partner with Google AI CC

IoT and EMN
• 40% of revenues non-connectivity
• Multi-billion SEK upside in augmenting core
• Significant revenue growth in EMN by 2025
EMN=Enterprise Mobile Networks

Security
• Full security suite + DDOS protection
• Identity services
• Professional and managed services

Crowd Insights
• Anonymized and aggregated mobility data for decision making
• Named digital project of the year in Sweden CIO awards 2020

Telia One
• Orchestration platform and full ICT portfolio combined with connectivity

STRATEGY UPDATE 29 JANUARY 2021
Towers
Approximately 9,000 towers and 3x as many sites across six markets

Fiber
Approximately 4,500,000 homes passed across five markets
... WE INTEND TO CRYSTALLIZE ITS VALUE

What

• Creating a new business line that will own and manage selected assets in Telia Group
• Portfolio will comprise assets that can be owned partly by third parties
• Proactively identify relevant partners

Why

Active management of infrastructure assets to:
- Crystalize infrastructure value
- Accelerate funding for investment, and bring further operational excellence from partners
- Dedicate focus in strategy and resources, centralizing key capabilities

Ongoing assessment of infrastructure assets with initial focus on towers in markets where we act as a challenger

Telia Asset Management

TowerCo

Latvia

Finland-
Joint fiber NW

FiberCo
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY

BY EXCELLING AT...

INSPIRING CUSTOMERS
With brands and experiences that go beyond connectivity

CONNECTING EVERYONE
Through the most trusted, reliable and efficient modern networks

TRANSFORMING TO DIGITAL
To be simpler, faster, data driven and with lower cost

DELIVERING SUSTAINABLY
Through an accountable and empowered organization

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS

MOST ENGAGED EMPLOYEES

MOST SATISFIED SHAREHOLDERS

MOST EMPOWERED SOCIETIES
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY

DIGITAL EXPERIENCES

DIGITAL INFRASTRUCTURE

BY EXCELLENG AT...

INSPIRING CUSTOMERS

CONNECTING EVERYONE

TRANSFORMING TO DIGITAL

DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS

MOST ENGAGED EMPLOYEES

MOST SATISFIED SHAREHOLDERS

MOST EMPOWERED SOCIETIES
INSPIRING OUR CUSTOMERS

Starting point

• Largest telco customer base in the Nordics and Baltics
• Leadership in Sweden, Lithuania and Estonia, strong challenger positions in the rest
• Convergent position in 5 out of 6 markets enabling cross-sell and increased loyalty
• Leading Nordic media house with all time high share of viewing and growing SVOD
• Best NPS in Sweden and Baltics among Telco brands
• Starting to monetize 5G

Growth levers

• Reinventing customer experience and restoring differentiation … to increase CLV and support price premium
• Owning the home with more4more while pushing connectivity … to strengthen cross-selling and customer loyalty
• Digitalize businesses with superior network and relevant services … to increase revenue in all business segments
• Developing TV and Media to full potential post COVID-19 … to monetize engagement and drive access

Unlocking growth across all our markets (1-3%)

CLV = Customer Lifetime Value
### Market leader

<table>
<thead>
<tr>
<th>Service</th>
<th>Market share (%)</th>
<th>Market position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>35</td>
<td>#1</td>
</tr>
<tr>
<td>Broadband</td>
<td>32</td>
<td>#1</td>
</tr>
<tr>
<td>TV</td>
<td>18</td>
<td>#2</td>
</tr>
</tbody>
</table>

### Challenger

<table>
<thead>
<tr>
<th>Service</th>
<th>Market share (%)</th>
<th>Market position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>32</td>
<td>#2</td>
</tr>
<tr>
<td>Broadband</td>
<td>26</td>
<td>#3</td>
</tr>
<tr>
<td>TV</td>
<td>21</td>
<td>#3</td>
</tr>
</tbody>
</table>

### Structural opportunity

<table>
<thead>
<tr>
<th>Service</th>
<th>Market share (%)</th>
<th>Market position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>19</td>
<td>#3</td>
</tr>
<tr>
<td>Broadband</td>
<td>4</td>
<td>#5</td>
</tr>
<tr>
<td>TV</td>
<td>1</td>
<td>#4</td>
</tr>
</tbody>
</table>

Note: 2019 market shares, TV includes IPTV and cable TV
A BETTER CUSTOMER EXPERIENCE

Reinventing customer experience

- Great products with emotion through media
- Seamless journeys across platforms
- Personalized experience through analytics
- Differentiating through a premium brand

Customer experience as key differentiator
A BETTER CONSUMER STRATEGY

Starting point

• Network leadership
• Strong digital portfolio
• Best in class TV proposition
• Aggregator of content and partner services
• Increasingly launching new digital services

Growth strategy

1. Reinventing customer experience … through automation, digitalization and personalization
2. Growing the number of convergent households … by cross-selling and leveraging media assets
3. Extending mobile leadership and monetizing 5G … through customer upsell and VAS
4. Growing TV and Media … through stronger content portfolio and access with content
5. Accelerating broadband leadership … through fiber, OCN, FWA and XDSL migration
6. Increasing brand consideration and preference … through a refreshed brand portfolio and strategy

OCN = Open City network

~300K
Telia Life Users

>300K
Gross intake vs previous year in IPTV since launch of sport package

30%
Of BB on converged offer, strong potential for further penetration

~€2.7
ARPU uplift in Finland from 5G

4.9
Mitt Telia app rating, up from 2.2 in 2019.

160%
Telia Dot growth YoY 2018-2020

~25%

STRATEGY UPDATE 29 JANUARY 2021

Inspire | Connect | Transform | Deliver
EXAMPLE: LEADING CONVERGENCE

Starting point
- Convergence offerings launched across all key markets with good traction
- Customer satisfaction is improving
- Benchmarks indicate significant growth potential

Growth strategy
- Expanding convergence through all channels … with a modularized portfolio
- Driving personalized convergence … utilizing analytics for automated cross and upselling
- Driving engagement … by combining our media assets with access

Convergence rate fixed/mobile
% of fixed broadband customers

- 50%-60+% Value accretive convergence players

Untapped potential

Customers on convergence offering
- Telia Sweden

2019 2020 +70%

Mobile churn based on customers engagement
- Telia Sweden

- 60%
A BETTER ENTERPRISE STRATEGY

Starting point
- High quality product and services portfolio
- Trusted partner for digitalization and efficiency
- Addressing growing demand in multiple new areas

Growth strategy
1. Reinventing customer experience …through digital customer journeys and intuitive tools
2. Growing connectivity business in fixed and mobile … through convergence, quality differentiation and more4more pricing
3. Accelerating horizontal solutions and managed services … through modularized SME/SOHO portfolio and cross selling in large/public
4. Addressing potential in selected vertical solutions … through combining our capabilities with industry solution partners
5. Monetizing 5G and ICT capabilities and developing new revenue fields … through innovation and co-development (IoT, private networks, analytics,…)
6. Lifting group synergies for multinational customers and global partnerships …through leveraging our market access and ICT competence (e.g. Cygate)

~20% Telia Ace market share in the Nordics
Gartner named three times in Gartner’s Magic Quadrant during 2020
80+ Nordic Municipalities now using Telia Crowd Insight
>20 Telia ICT Service NPS in the Baltics
Strategic Partners
4.9/5 Customer rating for ITdeptaaS
+66% YoY growth for ITdeptaaS

Inspire
Connect
Transform
Deliver

TRY ME!
TELIA ACE

S T R A T E G Y  U P D A T E  2 9  J A N U A R Y  2 0 2 1
Starting point

- **Leading ICT position**
  #1 in Finland, Estonia, Lithuania

- **Growing ICT** market in Nordics, well above Europe average

- **Strong competence** through previous acquisitions (e.g. Cygate)

---

**Growth strategy**

- Becoming the most relevant **ICT hub in the Nordics**
  … through orchestrating partner services along our premium connectivity

- Further building our position as **digitization partner** of choice
  … through a modularized ICT portfolio, trust and know-how

---

**Securing ARPU**
With lowered price erosion

**Increasing relevance**
With increased share-of-wallet

**Increasing loyalty**
With longer customer contracts

---

**Finland example**
TELIA ONE

- ICT market leader in Finland through Telia One – ICT orchestration
- One of few market players with certified Google, Microsoft and Apple partnerships
- Secured several major customer contracts

---

**ICT market growth per country**
Europe (CAGR 2020-2022)

---

**Source:** IDC
**DRIVING MEDIA MONETIZATION**

### Starting point
- Record high viewership
- Strong and growing AVOD base\(^1\)
- Linear advertising recovering from COVID-19

- **>50%** Commercial share of viewing in Sweden

- **42%** YoY increase in TV4 online time spent 2019-2020

### SVOD
- Solid SVOD offerings, through CMORE & Telia TV
- Key sports rights secured, including SHL and UCL\(^2\)

- **+21%** CMORE user base growth YoY 2019-2020

- **>1 MILLION** Viewers of first-of-a-kind in Europe movie release

### Growth strategy
- Market leading reach
  … combining linear with rapidly growing digital inventory
- Accelerate transition from linear to digital
  … leveraging new analytics based concepts

- **2.5X** Digital advertising revenues growth 2020 to 2025

- Growing CMORE stand alone and in Telia customer base
- Leadership position enables cross-sell and customer lifetime value

- **+33%** IPTV gross intake H2 2020 vs H2 2019

---

1. AVOD = Advertising Video on Demand
2. SHL = Swedish Hockey League; UCL = UEFA Champions League
MUTLIPLE GROWTH LEVERS

Improved mobile experience including 5G modernization

Better user experience drives improved ARPU

- Telia Finland

+90%

5G pop cov 2023

Mobile ARPU

Non 5G ARPU

5G ARPU

Convergence

Mobile churn based on customers engagement

- Telia Sweden

Single mobile churn

Convergence offering churn

-60%

2019

2020

Customers on convergence offering

- Telia Sweden

Redeem churn

Cross sell and deep sell

+70%

New revenue streams

CAPTURING A HIGHER SHARE OF WALLET THROUGH EXPANDING BEYOND CONNECTIVITY SUCH AS ICT, IoT, EMN

BROAD ICT PORTFOLIO

IOT

CLOUD

EMN

IT SERVICES

UCC

DATA SECURITY

PARTNERS

Further expanding…

ALSO SUPPORTIVE FOR OTHER REVENUE

Inspire

Connect

Transform

Deliver

Improved mobile experience including 5G modernization

Better user experience drives improved ARPU

Mobile ARPU

Non 5G ARPU

5G ARPU

Convergence

Mobile churn based on customers engagement

- Telia Sweden

Single mobile churn

Convergence offering churn

-60%

2019

2020

Customers on convergence offering

- Telia Sweden

Redeem churn

Cross sell and deep sell

+70%

New revenue streams

CAPTURING A HIGHER SHARE OF WALLET THROUGH EXPANDING BEYOND CONNECTIVITY SUCH AS ICT, IoT, EMN

BROAD ICT PORTFOLIO

IOT

CLOUD

EMN

IT SERVICES

UCC

DATA SECURITY

PARTNERS

Further expanding…

ALSO SUPPORTIVE FOR OTHER REVENUE

Inspire

Connect

Transform

Deliver
Legacy and regulation been a clear drag on revenues since 2016

Core includes mobile, broadband and pay-TV
Legacy includes fixed telephony
Other increase related to advertising

<table>
<thead>
<tr>
<th>Year</th>
<th>Core</th>
<th>Legacy, OTC and regulation</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>19</td>
<td>14</td>
<td>67</td>
</tr>
<tr>
<td>2020</td>
<td>25</td>
<td>7</td>
<td>68</td>
</tr>
</tbody>
</table>

Less burden from fixed telephony, interconnect and Special numbers

Burden set to ease coming years

<table>
<thead>
<tr>
<th>Year</th>
<th>Service revenue change SEK in billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>-0.7</td>
</tr>
<tr>
<td>2020</td>
<td>-0.6</td>
</tr>
<tr>
<td>2021</td>
<td>-0.3</td>
</tr>
<tr>
<td>2022</td>
<td>-0.3</td>
</tr>
<tr>
<td>2023</td>
<td>-0.2</td>
</tr>
</tbody>
</table>

COVID-19 impact

Service revenues SEK in billions

<table>
<thead>
<tr>
<th>Category</th>
<th>CAGR 21-23</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roaming</td>
<td>+0.9%</td>
<td>0.8</td>
</tr>
<tr>
<td>Ad rev</td>
<td></td>
<td>-0.7</td>
</tr>
<tr>
<td>Pay-TV</td>
<td></td>
<td>-0.5</td>
</tr>
</tbody>
</table>

Pay-TV likely to recover sooner than advertising and roaming
Low single digit growth 2021-23

Illustrative, excl. Telia Carrier

- Less burden ahead
- TV to recover faster than roaming and ad revenues
- Improve mobile experience incl. 5G monetization
- Reduce churn and increase upsell potential
- Increase share of wallet
- New revenue streams
- Service revenue ambition
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY
DIGITAL EXPERIENCES
DIGITAL INFRASTRUCTURE

BY EXCELING AT...

CONNECTING EVERYONE
TRANSFORMING TO DIGITAL
DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS
MOST ENGAGED EMPLOYEES
MOST SATISFIED SHAREHOLDERS
MOST EMPOWERED SOCIETIES
CONNECTING EVERYONE

Starting point

• **Established leader in network quality**
  • 5G launched in all countries, first with FWA in many
  • Best 4G in SE, LI, EE – at par in others
  • 2.9 million homes connected with Fiber/ HFC

• **5G roll-out in full motion based on fully standardized site types** across footprint & strategic partnership with Ericsson and Nokia

• **Legacy shutdown well under way** (copper, 3G, legacy network nodes) but hard work ahead (e.g. B2B customer migration)

Value creation levers

• **Continued gigabit network buildout and modernization**
  … to keep and extend our leadership position in network quality

• Fully utilize our **software based networks**
  … for best time to market, network and service quality, advanced applications and to support minimal cost / GB

• **Continued drive to retire legacy and realize benefits** – copper in Sweden, 3G shut down in all countries, legacy platforms
  … to improve efficiency, customer experience and monetization

• **Partner approach** and implementing Value Based Investments, establish **separate Infra Cos**
  … to crystalize infrastructure value and accelerate investments
**ACROSS A BETTER MOBILE FOOTPRINT**

**Market leader**

*Maintain network leadership position*

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>5G population coverage*</td>
<td>20%</td>
<td>&gt;90%</td>
</tr>
<tr>
<td>4G population coverage 2020</td>
<td>99.5%</td>
<td>99.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>5G population coverage</td>
<td>55%</td>
<td>99%</td>
</tr>
</tbody>
</table>

**Challenger**

*Take leadership role when it matters*

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>5G population coverage</td>
<td>50%</td>
<td>99%</td>
</tr>
<tr>
<td>4G population coverage 2020</td>
<td>99.6%</td>
<td>99.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>5G population coverage</td>
<td>40%</td>
<td>95%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>5G population coverage</td>
<td>30%</td>
<td>95%</td>
</tr>
</tbody>
</table>

*Note that there are local regulatory variations in how 5G population coverage is being measured*

Fully standardized configurations across markets; efficient roll-out process in place
Benefits

- **Quality of Service** - built for redundancy and capacity
- **24/7 monitoring**
- **Security** - enterprise specific APN
- **Platform for further use cases within IoT, Edge Cloud, Industry 4.0**
IOT ENABLES NEW REVENUE STREAMS

Growth in active IoT SIMs

- 2019: # of connections
- 2020: +14%

Recurring IoT VAS revenues

- 2019
- 2020: +62%

Split of connectivity and other IoT revenues

- 60% CONNECTIVITY
- 40% OTHER IOT

Inspire
Connect
Transform
 Deliver
**BROADBAND FOOTPRINT EXPANDING**

### Fixed broadband

*Million homes connected*

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2020</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.5</td>
<td>2.9</td>
<td>~2.5</td>
</tr>
</tbody>
</table>

1. Own infrastructure only, excluding ADSL
2. FWA outdoor and indoor service; not including mobile broadband / mifi

### Fixed Wireless Access

*000’ connections*

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2020</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>~50</td>
<td>~250</td>
<td>~250</td>
</tr>
</tbody>
</table>
Benefits

- **Better quality**: 40% less downtime, 50% less defects
- **Speed of deployment**: network function from >1 year to ~weeks, customer time to market from >18 to <6 months
- **New features**: app-store approach with open APIs, “network on demand”
- **Cost savings**: automation and better use of infra (IP/Optical), reduced unit cost
LEGACY SHUTDOWN PROGRESSING WELL

Legacy fixed (copper)
# copper central offices, Sweden

Legacy mobile (3G)
% voice traffic, Sweden

Legacy network systems
% service nodes
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY

DIGITAL EXPERIENCES

DIGITAL INFRASTRUCTURE

BY EXCELING AT...

INSPIRING CUSTOMERS

CONNECTING EVERYONE

TRANSFORMING TO DIGITAL

DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS

MOST ENGAGED EMPLOYEES

MOST SATISFIED SHAREHOLDERS

MOST EMPOWERED SOCIETIES
TRANSFORMING TO DIGITAL

Starting point

• Past initiatives unsuccessful, too narrow in focus … customer experience led transformation kicked-off

• Legacy products and un-leveraged scale … market leading products, 15% legacy retired

• Complex and manual processes … encouraging results in front- and back-office

• Value from data not yet unlocked … strong analytics team and technology foundation

• Highly complex IT landscape and technical debt … favorable starting position for radical IT transformation with common team and common delivery

Value creation levers

A customer experience-led transformation … driving future products, processes, analytics, IT and operations

• Products-as-a-platform across Telia, radical legacy take-out … to enable fast time-to-market, scalability and efficiency

• Process simplification, digitization and automation … to enable a lean Telia, real-time and high quality

• Real-time analytics for pervasive data-driven decisioning … to unlock full value of data for improved top and bottom line

• Digital IT as future proof and lean business enabler … to deliver delightful digital customer experiences at lowest cost
Assessment & progress

• Multiple legacy products
  … cleansing started, ~15% already decommissioned

• Overlapping product portfolio
  … confusing to customer, unleveraged scale

• Many bespoke product implementations
  … 15% of portfolio already common & scalable

• Gaps in customer journey for key products
  … hard to discover, buy, pay, and get help

• Customer experience not fully visible
  … due to systems vs. journey focus

Transformation target

• Radical product portfolio cleansing
  … decommission further 50%, unlock IT efficiency

• Target product portfolio
  … covering connectivity & experience, best partners

• Product-as-a-platform
  … configure price, promotion, bundle rather than build

• Market leading products
  … highest NPS for all products in target portfolio

• Customer centric service management
  … insights driven e2e journey, continuous improvement
SIMPLIFIED PROCESSES

Assessment & progress

• Complex processes with process gaps
  ... +10% sales efficiency, -90% response time¹

• Low degree of digitization and automation
  ... now established automation centre of excellence

• Lack of process standardisation
  ... 90% service assurance processes standardised

• Data and analytics largely not used
  ... strategic partnership with ServiceNow

• Not set-up for improvement
  ... deployed standard process tool (ARIS)

Transformation target

• Radical process simplification
  ... -20% cycle time, -50% error rate

• Digitization and automation
  ... 100% digitized and zero touch

• Harmonized processes across the group
  ... fully implemented across all domains

• Intelligent automation
  ... personal and adaptive, leveraging AI/ML

• Continuous improvement culture
  ... LEAN six-sigma across Telia

¹ B2B Sweden
REAL TIME ANALYTICS

Assessment & progress

- **Gaps in utilizing insight for better experiences**
  … connected sources to data lake e.g. TV, network

- **Commercial opportunities not fully captured**
  … launched personalization in B2C Sweden and Finland

- **Heavy reliance on traditional tools**
  … >20% of staff using insight dashboards

- **Analytics expert capacity not matching demand**
  … onboarded 300 analytics experts to date

- **Incomplete technical analytics foundation**
  … common data lake established, retired legacy DWHs

NBA/O = Next Best Action/Offer

Transformation target

- **Brilliant customer experiences leveraging our data**
  … 100% personalization, market leading channel NPS

- **Full monetization of customer conversion potential**
  … scale NBA/NBO 100% across Telia

- **State of art analytics tools and processes**
  … made available to all staff

- **Telia as a data native organization**
  … 100% of staff working with relevant insight & data

- **Complete roll-out of target architecture**
  … cloud, common data lake, real-time
IT ENABLING A TRUE DIGITAL TELCO

Assessment & progress

• **Insufficient market and customer focus**
  … 65% projects agile resulting in 30% better efficiency

• **Organically grown IT, vertical integration**
  … 95% of customers migrated to target B2C Sweden

• **Many legacy systems**
  … 90% identified, first 5% decommissioned

• **High degree of customization**
  … radically limited, delivered 70 common APIs

• **Fragmented supplier landscape**
  … started focus on strategic partners

• **High dependency on external workforce**
  … integrated Telia IT, 15% of externals already insourced

Transformation target

• **End-to-end customer journey focus**
  … 100% SAFe/agile & CI/CD based

• **TMForum compliant target architecture**
  … implemented cloud native, leverage open source

• **Radical legacy drive out**
  … 90% decommissioned

• **Configuration, modularization, openness to partners**
  … microservices, 100% APIs, external exposure

• **Radical supplier consolidation**
  … few strategic suppliers scaled across footprint, long tail reduced by >50%

• **Strategic workforce planning**
  … rightsized external share, maximized near-shoring

SAFe = Scaled Agile Framework, CI/CD = Continuous integration/Continuous delivery
TRANSFORMING OUR COST BASE

Main cost reduction drivers

- **MANUAL WORK**
- **MANY PRODUCTS**
- **COMPLEX IT**
- **ANALOGUE CUST. INTERACT.**
- **MASS COMMUNICATION**
- **EXPANDING OVER HEAD**
- **NON-DATA DRIVEN**
- **AUTOMATED WORK**
- **FEW PRODUCTS**
- **MODERN AND SIMPLIFIED IT**
- **DIGITAL CUST. INTERACT.**
- **TARGETED COMM.**
- **REDUCED OVER HEAD**
- **DATA DRIVEN**

**RSO**

- R = Resource costs
- S = Sales & Marketing
- O = Other OPEX

Transformation driven OPEX* reduction to 2023

*OPEX is defined as indirect costs, i.e., excluding COGS (such as network, equipment and content)

**SEK in billions**

- Resources
- Sales & Marketing
- Other OPEX
- Total OPEX reduction by 2023

Target reduction in resources of which 1k in 2021
Restructuring costs to increase by around SEK 0.5 billion per year
CAPEX EFFICIENCIES

Main CAPEX efficiency drivers

- Standardization and simplification
- Leverage insight and analytics
- Improved planning
- Stringent prioritization

Transformation driven OPEX* and CAPEX reduction to 2023

SEK in billions

*OPEX is defined as indirect costs, i.e. excluding COGS (such as network, equipment and content)
Main components and benefits

**MOBILE NETWORK**
- Network modernization
- 5G roll-out
- Partly replacing coverage/capacity investments

**FIXED NETWORK**
- Copper legacy shut down
- Continued footprint growth
- Selective fiber deployment with partners

**PRODUCT DEV./ IT**
- Modernize and simplify IT
- Convergence capabilities
- Digitalize customer journeys
- New and common product platforms
- Strengthen analytics capabilities

Coverage
ARPU uplift
Reduced churn
Footprint
Customer base
OPEX reduction
Products
Cust. experience
OPEX reduction

Increased CAPEX 2021 - not above past levels
Excl. Telia Carrier

![Graph showing CAPEX/Net sales for 2019, 2020, 2021, and 2023 with percentages for Mobile NW, Fixed NW, Prod dev/IT, and Other.]

Investment program subject to rigorous benchmarking and focus on returns
We reinvent better connected living through our:

- Digital Connectivity
- Digital Experiences
- Digital Infrastructure

By excelling at:

- Inspiring Customers
- Connecting Everyone
- Transforming to Digital
- Delivering Sustainably

So that we have the:

- Most Loyal Customers
- Most Engaged Employees
- Most Satisfied Shareholders
- Most Empowered Societies
DELIVERING SUSTAINABLY

Starting point

• Limited coordination and control, reducing clarity in strategy execution and roles
• Not enough structural cost reductions, with significant gaps across units vs. our peers
• Footprint refocused
• Engaged and motivated employees and strengthened executive team
• Authentic track record in ESG agenda

Value creation levers

• Strengthened **Leadership Team** .... with track record of delivering at successful, agile, digital telcos
• Strengthened **strategy execution** ... by building best in class operational and executional excellence
• Bold CX-led **transformation program** ... enabling significant structural cost take out, and a platform for growth
• Ambitious **ESG agenda** ... now fully incorporated into our Purpose and our Strategy
STRENGTHENED LEADERSHIP TEAM
STRENGTHENED STRATEGY EXECUTION …

Strategy

- Purpose led
- Focused
- Commercially anchored

Operationalization

- Clear accountability
- Performance management
- Sense of urgency

Transformation

- Customer and business driven
- Leadership led
- Holistic and cross-functional
- Agile execution with all countries
Committed to deliver strong contributions to several Sustainable Development Goals:

<table>
<thead>
<tr>
<th>Inspiring our Customers</th>
<th>Connect Everyone</th>
<th>Transform to Digital</th>
<th>Deliver Sustainably</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Climate-neutral in own operations</td>
<td>✓ Digital inclusion: ~120,000 persons reached in 2020 ✓ Advancing towards top tier positions</td>
<td>✓ Development of processes and incentives</td>
<td>✓ Highest rating (AAA) by MSCI ESG Research ✓ 40% women in top management</td>
</tr>
<tr>
<td>✓ Strong supply chain and customer focus</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Select examples

Where we are

- Zero CO₂ and zero waste by 2030 – including our Science Based Targets
- Sustainable brand through sustainable growth (Sustainable Brand Index)

Where we are going

- Leave no-one behind: One million reached by 2025
- Leadership position in protecting and empowering children online
- Top-tier positions in Privacy & Security

- Proactive management of risks and opportunities in product development
- Environmental assessments ahead of investments
- Securing the right incentives and skills

- Human Rights Impact Assessments in business decisions
- 50/50 gender balance by 2025 in top management
- Up- and re-skilling initiatives
- Top-tier rated ESG rankings

Committed to deliver strong contributions to several Sustainable Development Goals:
Inspire our customers

Cash CAPEX to increase 2021
Return to 15% of net sales 2023

Connect everyone

Low single digit service revenue growth

Transform to digital

SEK 2bn lower OPEX by 2023
SEK 4bn lower OPEX by 2025
Plus SEK 1bn CAPEX efficiency

Deliver sustainably

SERVICE REVENUES
Low single digit growth in stable fx excl. Telia Carrier

ADJUSTED EBITDA
Low to mid single digit growth in stable fx excl. Telia Carrier and license and spectrum fees

CASH CAPEX
Return to around 15% of net sales by 2023 (excl. Telia Carrier and license and spectrum fees)

Low single digit serv. rev. growth
Low to mid single digit adj. EBITDA growth
OUR OUTLOOK

2021-2023

SERVICE REVENUES
Low single digit growth in stable fx excl. Telia Carrier

ADJUSTED EBITDA
Low to mid single digit growth in stable fx excl. Telia Carrier

CASH CAPEX
Return to around 15% of net sales by 2023 (excl. Telia Carrier and license and spectrum fees)

2021

SERVICE REVENUES
Flat to low single digit growth in stable fx excl. Telia Carrier (2020 base SEK 73.0bn)

ADJUSTED EBITDA
Flat to low single digit growth in stable fx excl. Telia Carrier (2020 base SEK 29.8bn)

CASH CAPEX
Around SEK 14.5-15.5bn (excl. Telia Carrier and license and spectrum fees)
## Cash Flow 2021-2023

### OpFCF 2016-2020

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADJ EBITDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>30.7</td>
<td></td>
</tr>
<tr>
<td>CASH CAPEX</td>
<td>-13.5</td>
<td>▼</td>
<td>▼</td>
<td>▼</td>
<td>▼</td>
<td>Increased YoY cash flow contribution</td>
</tr>
<tr>
<td>OTHER</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-8.2</td>
<td></td>
</tr>
<tr>
<td>STRUCTURAL PART OF CF</td>
<td>8.9</td>
<td>▼</td>
<td>▼</td>
<td>▼</td>
<td>▼</td>
<td>Decreased YoY cash flow contribution</td>
</tr>
<tr>
<td>WORKING CAPITAL</td>
<td>3.2</td>
<td>▼</td>
<td>▼</td>
<td>▼</td>
<td>▼</td>
<td></td>
</tr>
<tr>
<td>OP FCF</td>
<td>12.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Comment
- Service revenue growth and cost reductions
- CAPEX increase in 2021 from modernization/5G/transformation - efficiency gains impact in 2023
- Higher restructuring compensated by pension and lease repayments
- Minimum dividend coverage from 2022
- Minimum dividend covered all years

*Cash CAPEX excl. licences for spectrum*
Leverage target
Net debt to EBITDA

2.0 – 2.5x

CREDIT RATING TARGET OF A SOLID INVESTMENT GRADE RATING OF A- TO BBB+

Sustainable financial management

• On a journey to become a fully sustainable credit investment
• Green bond framework launched in Oct 2019
• First ever Nordic Telco Green Bond Hybrid transaction in Feb 2020
• First Green Bond Report to be released in Feb 2021
Dividend policy:

A DIVIDEND FLOOR OF SEK 2.00 PER SHARE WITH AN AMBITION FOR LOW TO MID SINGLE DIGIT GROWTH

Considerations

- Cash dividends for Telia shareholders to reflect anticipated growth in profits over the medium term
- Dividend policy compatible with robust budgeted free cash flow and with targeted leverage levels
- OpFCF expected to cover the minimum level through out the 2021-2023 period
- Structural part of OpFCF to cover the minimum dividend as of 2022
STRAIGHT FOR A BETTER TELIA

WE REINVENT BETTER CONNECTED LIVING

BY EXCELING AT...

INSPIRING CUSTOMERS
DISTRIBUTION
DIGITAL EXPERIENCES
DIGITAL INFRASTRUCTURE

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS
MOST ENGAGED EMPLOYEES
MOST SATISFIED SHAREHOLDERS
MOST EMPOWERED SOCIETIES

FINANCIAL AMBITIONS

SERVICE REVENUE
Low single digit growth

ADJUSTED EBITDA
Low to mid single digit growth

CASH CAPEX
Return to around 15% of net sales

DEBT AND EQUITY

MAINTAIN STRONG BALANCE SHEET

Net debt to EBITDA 2.0-2.5x

ATTRACTION SHAREHOLDER RENUMERATION

Credit rating A- to BBB+

DPS floor of 2.00 with an ambition for low to mid single digit growth
REINVENTING A BETTER TELIA

- Focused footprint in a dynamic region
- New, and strengthened leadership
- Clear roadmap to deliver
- Multiple levers enable a return to growth
- CX-led transformation will create significant value
- Further upside from infrastructure
- Potential for attractive shareholder returns
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY

DIGITAL EXPERIENCES

DIGITAL INFRASTRUCTURE

BY EXCELling AT...

INSPIRING CUSTOMERS

CONNECTING EVERYONE

TRANSFORMING TO DIGITAL

DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS
Most loyal customers across the Nordics & Baltics

MOST ENGAGED EMPLOYEES
The home of the most engaged employees

MOST SATISFIED SHAREHOLDERS
Consistently delivering to the most satisfied Shareholders

MOST EMPOWERED SOCIETIES
Empowering the societies of the Nordics & Baltics
WE REINVENT BETTER CONNECTED LIVING

THROUGH OUR...

DIGITAL CONNECTIVITY

DIGITAL EXPERIENCES

DIGITAL INFRASTRUCTURE

BY EXCELLING AT...

INSPIRING CUSTOMERS

CONNECTING EVERYONE

TRANSFORMING TO DIGITAL

DELIVERING SUSTAINABLY

SO THAT WE HAVE THE...

MOST LOYAL CUSTOMERS

MOST ENGAGED EMPLOYEES

MOST SATISFIED SHAREHOLDERS

MOST EMPOWERED SOCIETIES