

**Press Release**  
**March 7, 2016****Welcome to TeliaSonera's Annual General Meeting 2016**

The annual general meeting of TeliaSonera AB (publ) will be held on Tuesday, April 12, 2016, at 2 pm CET at Stockholm Waterfront Congress Centre, Nils Ericsons plan 4, Stockholm. Registration for the meeting starts at 1 pm CET. Light refreshments will be served before the meeting starts. The general meeting will be interpreted into English.

**Right to attend**

Those wishing to attend the meeting must

- be entered as a shareholder in the share register kept by the Swedish central securities depository Euroclear Sweden AB on Wednesday, April 6, 2016, and
- give notice of attendance to the Company no later than on Wednesday, April 6, 2016.

**Notice to the Company**

Notice of attendance can be given

- in writing to TeliaSonera AB, PO Box 7842, SE-103 98 Stockholm, Sweden,
- by telephone +46 (0)8 402 90 50 on weekdays between 9 am and 4 pm CET, or
- on the Company's website [www.teliasonera.com](http://www.teliasonera.com) (only private individuals).

When giving notice of attendance, please state name/company name, social security number/corporate registration number, address, telephone number (office hours) and, where relevant, number of accompanying persons.

**Shareholding in the name of a nominee**

To be entitled to participate in the meeting, shareholders whose shares are registered in the name of a nominee must register the shares in their own name with the help of the nominee, so that the shareholder is entered in the share register kept by Euroclear Sweden AB on Wednesday, April 6, 2016. This registration may be made temporarily. Shareholders are requested to inform the nominee to that effect well before that day.

Since the Finnish shareholders that are registered within the Finnish book-entry system at Euroclear Finland Oy are nominee registered at Euroclear Sweden AB, those Finnish shareholders wishing to participate in the meeting must contact Euroclear Finland Oy by e-mail at [thy@euroclear.eu](mailto:thy@euroclear.eu) or by phone at +358 (0)20 770 6609, for registration of their shares in their own name well in advance of Wednesday, April 6, 2016.

**Proxies**

Shareholders represented by a proxy must issue a proxy form for the representative. A template proxy form is available on the Company's website [www.teliasonera.com](http://www.teliasonera.com). A proxy form issued by a legal entity must be accompanied by a copy of the certificate of registration (or, if no certificate exists, a corresponding document of authority) for the legal entity. To facilitate registration at the meeting, proxy forms, certificates of registration and other documents of authority should be submitted to the Company at the address above no later than on Wednesday, April 6, 2016.

**Other information**

Marie Ehrling's and Johan Dannelind's speeches at the meeting will be posted on the Company's website [www.teliasonera.com](http://www.teliasonera.com) after the meeting.

The total number of shares and votes in the Company is 4,330,084,781 at the date this notice is issued. At the same date, the Company owns 4,588 treasury shares.

---

We're TeliaSonera, the New Generation Telco. Our 21 000 talented colleagues serve millions of customers every day in one of the world's most connected regions. With a strong connectivity base, we're the hub in the digital ecosystem, empowering people, companies and societies to stay in touch with everything that matters 24/7/365 - on their terms. Headquartered in Stockholm, the heart of innovation and technology, we're set to change the industry and bring the world even closer for our customers. Read more at [www.teliasonera.com](http://www.teliasonera.com).

At the request of any shareholder, the Board of Directors and the CEO shall provide information at the meeting on any circumstances that (i) may affect the assessment of a matter on the agenda, (ii) may affect the assessment of the Company's or a subsidiary's financial situation or (iii) concerns the Company's relation to another group company, provided that the Board of Directors believes it would not be of significant detriment to the Company.

## Agenda

### Opening of the meeting

1. Election of chair of the meeting
2. Preparation and approval of voting register
3. Adoption of agenda
4. Election of two persons to check the minutes of the meeting together with the chair
5. Determination of whether the meeting has been duly convened
6. Presentation of the Annual Report and the auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements for 2015  
A description by the chair of the Board of Directors Marie Ehrling of the work of the Board of Directors during 2015 and a speech by President and CEO Johan Dannelind in connection herewith
7. Resolution to adopt the income statement, the balance sheet, the consolidated income statement and the consolidated balance sheet for 2015
8. Resolution on appropriation of the Company's profit as shown on the adopted balance sheet and setting of record date for the dividend
9. Resolution on discharge of the directors and the CEO from personal liability towards the Company for the administration of the Company in 2015
10. Resolution on number of directors and alternate directors to be elected at the meeting
11. Resolution on remuneration payable to the directors
12. Election of directors and any alternate directors
  - 12.1 Marie Ehrling
  - 12.2 Olli-Pekka Kallasvuo
  - 12.3 Mikko Kosonen
  - 12.4 Nina Linander
  - 12.5 Martin Lorentzon
  - 12.6 Susanna Campbell
  - 12.7 Anna Settman
  - 12.8 Olaf Swantee
13. Election of chair and vice-chair of the Board of Directors
  - 13.1 Marie Ehrling (chair)
  - 13.2 Olli-Pekka Kallasvuo (vice chair)
14. Resolution on number of auditors and deputy auditors
15. Resolution on remuneration payable to the auditor
16. Election of auditor and any deputy auditors
17. Election of Nomination Committee and resolution on instruction for the Nomination Committee
18. Resolution on principles for remuneration to Group Executive Management
19. Resolution authorizing the Board of Directors to decide on acquisition of the Company's own shares
20. Resolution on
  - (a) implementation of a long-term incentive program 2016/2019 and
  - (b) hedging arrangements for the program
21. Resolution on amendment of the Company's articles of association (change of the Company name)
22. Resolution on shareholder proposals from Mr Thorwald Arvidsson that the Annual General Meeting shall resolve:
  - (a) to adopt a vision on absolute equality between men and women on all levels within the Company
  - (b) to instruct the Board of Directors of the Company to set up a working group with the task of implementing this vision in the long term as well as closely monitor the development on both the equality and the ethnicity area
  - (c) to annually submit a report in writing to the Annual General Meeting, as a suggestion by including the report in the printed version of the Annual Report
  - (d) to instruct the Board of Directors to take necessary action in order to bring about a shareholders' association worthy of the name of the Company
  - (e) that directors should not be allowed to invoice their fees from a legal entity, Swedish or foreign
  - (f) that the Nomination Committee in performing its duties should pay particular attention to issues associated with ethics, gender and ethnicity

- (g) to instruct the Board of Directors – if possible – to prepare a proposal to be referred to the Annual General Meeting 2017 (or at any Extraordinary General Meeting held prior to that) about representation on the Board and the Nomination Committee for the small and medium-sized shareholders
  - (h) to initiate a special investigation about how the main ownership has been exercised by the Governments of Finland and Sweden
  - (i) to initiate a special investigation about the relationship between the current shareholders' association and the Company, the investigation should pay particular attention to the financial aspects
  - (j) to initiate a special investigation of the Company's non-European business, particularly as to the actions of the Board of Directors, CEO and auditors
  - (k) to make public all review materials about the non-European business, both internally and externally
23. Shareholder proposal from Mr Thorwald Arvidsson on resolution on amendment of the Company's articles of association

Closing of the meeting

### **Resolutions proposed by the Nomination Committee**

The Nomination Committee consists of the following persons: Daniel Kristiansson, chair (Swedish State), Kari Järvinen (Solidium Oy), Johan Strandberg (SEB Funds), Anders Oscarsson (AMF and AMF Funds) and Marie Ehrling (chair of the Board of Directors). All members of the Nomination Committee were appointed at the annual general meeting 2015.

The Nomination Committee presents the following proposals:

- **Item 1** – Chair of the meeting: Eva Hägg, *Advokat*.
- **Item 10** – Number of directors and alternate directors: Until the end of the annual general meeting 2017, eight directors with no alternate directors.
- **Item 11** – Remuneration payable to the directors: Remuneration payable to the directors until the next annual general meeting will be SEK 1,600,000 to the chair (previously SEK 1,550,000), SEK 775,000 to the vice-chair (previously SEK 750,000) and SEK 545,000 to each other director elected at the annual general meeting (previously SEK 530,000). The chair of the Board of Directors' audit committee will receive remuneration of SEK 200,000 (previously SEK 150,000) and other members of the audit committee will receive SEK 150,000 each (previously SEK 100,000), the chair of the Board of Directors' remuneration committee will receive SEK 70,000 (previously SEK 65,000) and other members of the remuneration committee will receive SEK 50,000 each (previously SEK 45,000) and the chair of the Board of Directors' sustainability and ethics committee will receive SEK 70,000 (previously SEK 150,000) and other members of the sustainability and ethics committee will receive SEK 50,000 each (previously SEK 100,000).
- **Item 12** – Election of directors: Re-election of Marie Ehrling, Olli-Pekka Kallasvuo, Mikko Kosonen, Nina Linander and Martin Lorentzon. Election of Susanna Campbell, Anna Settman and Olaf Swantee as new members.

Susanna Campbell was born in 1973. She is CEO of Ratos. Before that, she held positions at McKinsey and Alfred Berg Corporate Finance. Susanna has an MSc, Business and Administration from the Stockholm School of Economics.

Anna Settman was born in 1970. She is founder, CEO and partner of the investment company The Springfield Project and has prior to that gained significant experience from the media sector, mainly from Aftonbladet where she served as CEO. Anna is a Member of the Board of Directors of Nordnet Bank, Anticimex and Hyper Island. Anna has studied marketing strategy and economics at the Berghs School of communications and completed the IFL Executive Management Program at the Stockholm School of Economics.

Olaf Swantee was born in 1966. Until recently he was the CEO of the UK's leading mobile telecoms business EE, which he left following the sale of EE to BT. Prior to joining EE, Olaf held a number of Executive Board roles for Orange Group, as well as senior leadership roles within Hewlett-Packard, Compaq and Digital Equipment Corporation, across Europe and the United States. Born in the Netherlands, Olaf holds a BA in Economics and received his European MBA from ESCP in Paris.

Information of the candidates nominated by the Nomination Committee for election to directors is available on the Company's website, [www.teliasonera.com](http://www.teliasonera.com).

- **Item 13** – Election of chair and vice-chair of the Board of Directors: Re-election of Marie Ehrling as chair and Olli-Pekka Kallasvuori as vice-chair.
- **Item 14** – Number of auditors and deputy auditors: Until the end of the annual general meeting 2017 there will be one auditor with no deputy auditors.
- **Item 15** – Remuneration payable to the auditor: Remuneration to the auditor will be paid as per invoice.
- **Item 16** – Election of auditor: Election of the audit company Deloitte AB.
- **Item 17** – Election of Nomination Committee and resolution on instruction for the Nomination Committee: Election of Daniel Kristiansson (Swedish State), Kari Järvinen (Solidium Oy), Johan Strandberg (SEB Funds), Anders Oscarsson (AMF and AMF Funds) and Marie Ehrling (chair of the Board of Directors).

As regards the instruction for the Nomination Committee, the Nomination Committee presents the following main proposals (unchanged from last year):

The Nomination Committee (the "Committee") shall consist of five (5) to seven (7) members. Four ordinary members shall represent the four shareholders that are largest in terms of votes at the turn of the month that occurs immediately prior to 30 days before the notice of the annual general meeting is issued and which also wish to participate in the nomination process ("Nominating Shareholders"). The Chair of the Board shall also be an ordinary member of the Committee. The Committee may in addition to its ordinary members appoint at its sole discretion one (1) or two (2) extraordinary members. The ordinary members of the Committee shall be elected at the annual general meeting for a term of office that expires at the next year's annual general meeting.

The Committee shall nominate the Chair of the annual general meeting and the Chair of the Board and other Board Members, and present a proposal for remuneration, which shall be specified between the Chair of the Board, other Board Members and, if applicable, remuneration for serving on subcommittees. Where applicable, the Committee shall also nominate auditors and present proposed remuneration for auditors.

The Committee shall nominate the members of the following year's Committee and shall specify the names of the Nominating Shareholders they represent. The Committee shall review the Instruction annually and as necessary propose changes thereto to the annual general meeting.

### **Resolutions proposed by the Board of Directors**

#### **Item 8 – Appropriation of the Company's profit as shown on the adopted balance sheet and setting of record date for the dividend**

##### Non-restricted equity

The amount of non-restricted equity of the Company at the disposal of the annual general meeting is approximately SEK 67,189 million.

##### Appropriation of the Company's profit and record date

The Board of Directors proposes that a dividend of SEK 3 per share, in total SEK 12,990,240,579, is distributed to the shareholders in two equal payments of SEK 1.50 per share. The record date for the first payment is proposed to be April 14, 2016 and for the second payment October 25, 2016. If the annual general meeting resolves in accordance with the proposal, it is estimated that Euroclear Sweden AB will execute the first payment on April 19, 2016 and the second payment on October 28, 2016.

## **Item 18 – Principles for remuneration to Group Executive Management**

The Board of Directors proposes that the annual general meeting 2016 resolves on the following principles for remuneration to Group Executive Management. Group Executive Management is defined as the President and the other members of the Management Team.

The objective of the principles is to ensure that the Company can attract and retain the best people in order to support the purpose and strategy of the Company. Remuneration to Group Executive Management should be built on a total reward approach and be market relevant, but not leading. The remuneration principles should enable international hiring and should support diversity within Group Executive Management. The market comparison should be made against a set of peer group companies with comparable sizes, industries and complexity. The total reward approach should consist of fixed salary, pension benefits, conditions for notice and severance pay and other benefits.

### Fixed salary

The fixed salary of a Group Executive Management member should be based on competence, responsibility and performance. The Company uses an international evaluation system in order to evaluate the scope and responsibility of the position. Market benchmark is conducted on a regular basis. The individual performance is monitored and used as a basis for annual reviews of fixed salaries.

### Pension

Pension and retirement benefits should be based on a defined contribution model, which means that a premium is paid amounting to a certain percentage of the individual's annual salary. When deciding the size of the premium the level of total remuneration should be considered. The level of contribution should be benchmarked and may vary due to the composition of fixed salary and pension. The retirement age is normally 65 years of age.

### Other benefits

The Company provides other benefits in accordance with market practice. A Group Executive Management member may be entitled to a company car, health and care provisions, etc. Internationally hired Group Executive Management members and those who are asked to move to another country can be offered mobility related benefits for a limited period of time.

### Notice of termination and severance pay

The termination period for a Group Executive Management member may be up to six (6) months (twelve (12) months for the President) when given by the employee and up to twelve (12) months when given by the Company. In case the termination is given by the Company the individual may be entitled to a severance payment up to twelve (12) months. Severance pay shall not constitute a basis for calculation of vacation pay or pension benefits. Termination and severance pay will also be reduced if the individual will be entitled to pay from a new employment or if the individual will be conducting own business during the termination period or the severance period.

The Board of Directors may make minor deviations from the principles above.

## **Item 19 – Authorization for the Board of Directors to decide on acquisition of the Company's own shares**

### Background information and reasons

In order to provide the Board of Directors with an instrument to adapt and improve the Company's capital structure and thereby create added value for the shareholders, and/or to give a possibility to the Company to transfer its own shares under any long-term incentive programs approved at a general meeting, the Board of Directors proposes that the annual general meeting authorize the Board of Directors to, on one or more occasions before the annual general meeting 2017, decide on acquisition of the Company's own shares on the terms and conditions set out below. In order to create an efficient instrument to achieve this, the Board of Directors also intends to propose that future annual general meetings of the Company authorize the Board of Directors to decide on acquisition of the Company's own shares on terms and conditions materially equivalent to those set out below. At present, the Company owns 4,588 treasury shares.

#### Authorization for the Board of Directors to decide on acquisition of the Company's own shares

The Board of Directors proposes that the annual general meeting authorize the Board of Directors to decide on acquisition of the Company's own shares on the main terms and conditions set out below.

1. Acquisitions of shares may be made on (i) Nasdaq Stockholm and/or Nasdaq Helsinki or (ii) in accordance with an offer to acquire shares made to all shareholders or by a combination of these two alternatives.
2. The authorization may be exercised on one or more occasions before the annual general meeting 2017.
3. A maximum number of shares may be acquired so that the Company's holding at any time does not exceed 10 percent of all the shares in the Company.
4. Acquisitions of shares on Nasdaq Stockholm and/or Nasdaq Helsinki may only be made at a price within the spread between the highest bid price and lowest ask price from time to time on Nasdaq Stockholm and/or Nasdaq Helsinki.
5. If the Company considers it appropriate and suitable, shares may be acquired by offers made to all the Company's shareholders to purchase shares at a price above the prevailing market price. It will then be possible, by means of detachable sales rights (Sw. *säljrätter*), for the shareholders to enjoy the value of any premium arising due to the Company acquiring shares at a price above the market price of the share. Should this occur, it is intended that the sales rights will be traded on Nasdaq Stockholm and Nasdaq Helsinki, respectively.

In order to avoid shareholders not enjoying any financial value represented by an acquisition offer made at a premium, because they neither sell sales rights nor participate in the acquisition offer, the Company may appoint a bank or another financial institution (the "Bank") which, provided it compensates shareholders holding unexercised sales rights on expiry of the application period, may transfer to the Company the number of shares corresponding to the number of sales rights that would have conferred entitlement to a transfer of such shares and for which compensation is paid. If so, the Bank may acquire the shares to be transferred to the Company, as set out above, in the market. The Bank appointed by the Company will be identified in the Board of Directors' resolution on a possible acquisition offer.

The compensation that the Bank, where applicable, is to pay to the shareholders concerned for each unexercised sales right must equal the lowest of (i) the difference in the price at which the Company has acquired shares under the acquisition offer and the average price per share that the Bank has paid to acquire the shares in question divided by the current acquisition ratio<sup>1</sup> in the acquisition offer, less the Bank's actual handling cost, and (ii) the compensation that may be paid per sales right in the event of an offer of commission-free sale of sales rights.

With respect to the sales rights for which the Bank may pay compensation as set out above, the Bank is entitled to transfer shares to the Company. An application to transfer shares must be made no later than the day that the Board of Directors determines following expiry of the application period for the acquisition offer. The terms and conditions of the acquisition offer also apply to the Bank's transfer of shares.

6. If foreign legal and/or administrative rules significantly hinder implementation of an acquisition offer in a particular country, the Board of Directors or its nominee may sell sales rights on behalf of the shareholders concerned and will, instead, pay the cash amount received on a sale carried out with due care, less costs incurred.
7. The Board of Directors may decide on the other terms and conditions for the acquisition. The Board of Directors may also authorize the chair of the Board of Directors to make any minor adjustments that may prove necessary to carry out the Board of Directors' resolution to acquire the Company's own shares.

---

<sup>1</sup> The number of shares (and thereby normally also the number of sales rights) required for the transfer of one share to the Company.



**Item 20 – (a) Implementation of a long-term incentive program 2016/2019 and (b) hedging arrangements for the program**Background

The remuneration framework within the TeliaSonera group (the “Group”) may consist of fixed base pay, annual variable pay, functional variable pay, long-term incentives, pensions and other benefits. A number of key employees participate in long-term incentive programs approved at previous annual general meetings. All in all, these parts constitute an integrated remuneration package. In accordance with the decisions of the annual general meetings 2010-2015 neither annual nor long-term variable cash remuneration is paid to members of the TeliaSonera Group Executive Management team.

The Board of Directors has carried out a review of the 2015/2018 Performance Share Program to ensure that it continues to meet its stated objectives – i.e. to strengthen the ability to recruit and retain talented key employees, drive long-term company performance, align key employees’ interests with those of the shareholders and encourage key employee shareholding. As a result of this review, the Board of Directors considers that a long-term incentive program should be implemented for key employees of the Group also this year.

The long-term incentive program proposed by the Board of Directors to be implemented during 2016, relating to the financial years 2016-2018 and that may result in so-called performance shares being received during the spring of 2019 (the “Performance Share Program 2016/2019”), is similar to the Performance Share Program 2015/2018 adopted at the 2015 AGM and is further described below.

Outline of the Performance Share Program 2016/2019

The Performance Share Program 2016/2019 shall be offered to approximately 200 key employees within the Group. Provided that certain performance conditions, consisting of financial targets linked to EBITDA and TSR (Total Shareholder Return), are met during the financial years 2016-2018 (the “Performance Period”), participants in the Performance Share Program 2016/2019 shall be given the opportunity to receive TeliaSonera shares without consideration (“Performance Shares”).

Participants in the Performance Share Program 2016/2019 will be granted a conditional award over Performance Shares, which is a right to receive a specific number of such shares at a future date provided the relevant conditions are met. The maximum number of Performance Shares which can be subject to an award at the time of grant remains unchanged from 2015. Under the Performance Share Program 2016/2019, the number of Performance Shares subject to an award at the time of grant may not have an aggregate market value which exceeds 30 percent of the participant’s annual gross base salary (i.e. before taxes) per year-end 2015 or, if a participant has become employed thereafter, the calculated annual gross base salary for 2016 (the “2015 Base Salary”).

Further, the maximum aggregate market value of Performance Shares which can be received by a participant following the end of the Performance Period (i.e. on the vesting of the award when the participant becomes entitled to receive their shares) shall not exceed 60 percent of the participant’s annual gross base salary (i.e. before taxes) per year-end 2018 (the “2018 Base Salary”).

The receipt of Performance Shares is normally subject to continued employment within the Group up to and including the day of publication of the interim report for the first quarter 2019.

Participants will receive their Performance Shares following the publication of the Company’s interim report for the first quarter 2019.

The Performance Share Program 2016/2019 shall in total comprise of no more than 2,370,400 TeliaSonera shares, which corresponds to approximately 0.04 percent of the total number of outstanding shares in the Company.

The Board of Directors’ full proposal is set out in item (a) below.

The value of and the estimated costs for the Performance Share Program 2016/2019

The participants’ rights to receive Performance Shares under the program are not securities and cannot be pledged or transferred to others. Neither are any shareholders’ rights transferred to participants in the program prior to the day when they receive their Performance Shares and become the owners of the shares. An estimated market value of the conditional rights to receive Performance Shares can however be calculated. The Board of Directors has calculated the total value for the rights to receive Performance Shares under the Performance Share Program 2016/2019 as

---

We’re TeliaSonera, the New Generation Telco. Our 21 000 talented colleagues serve millions of customers every day in one of the world’s most connected regions. With a strong connectivity base, we’re the hub in the digital ecosystem, empowering people, companies and societies to stay in touch with everything that matters 24/7/365 - on their terms. Headquartered in Stockholm, the heart of innovation and technology, we’re set to change the industry and bring the world even closer for our customers. Read more at [www.teliasonera.com](http://www.teliasonera.com).

approximately SEK 49.6 million, under the following essential assumptions: (i) a share price of SEK 41.87 calculated as the average of the daily noted volume-weighted purchase price of the Company's shares on Nasdaq Stockholm's official list during December 2015, (ii) an annual employee turnover of five percent, (iii) a share price appreciation of five percent per annum, (iv) a 50 percent achievement of the TSR performance condition and (v) a 50 percent achievement of the EBITDA performance condition. The total cost under these conditions would be SEK 79.4 million excluding the costs for the program's hedging measures and assuming a 60 percent mark-up for social security costs and pensions. The costs are accounted for as staff costs (share-based benefits) over the three year Performance Period.

If the EBITDA performance condition is achieved to 100 percent whilst assumptions (i) through (iv) remain unchanged, the total value of the Performance Share Program 2016/2019 is estimated to be approximately SEK 74.4 million. The total cost would in this case be SEK 119.1 million.

If EBITDA and TSR performance conditions are achieved to 100 percent, the total value of the Performance Share Program 2016/2019 would amount to SEK 99.2 million assuming conditions (i) through (iii) remain unchanged. The total costs would in this case amount to SEK 158.8 million.

#### Dilution and effects on key ratios

The Performance Share Program 2016/2019 will not entail any dilution effect, as the program is proposed to be hedged by either treasury shares or a hedging arrangement with a bank or another financial institution relating to already issued shares.

The costs for the Performance Share Program 2016/2019 are expected to have a marginal effect on the Group's key ratios.

#### Preparation of the proposal

The proposal regarding the Performance Share Program 2016/2019 to the annual general meeting 2016 has been prepared by the Company's remuneration committee and the Board of Directors has resolved to present this proposal to the annual general meeting 2016.

#### Hedging

The Board of Directors has considered two alternative hedging methods for the Performance Share Program 2016/2019; either (i) a hedging arrangement with a bank or other financial institution securing delivery of shares under the program or (ii) the transfer of shares held by the Company itself to participants in the Performance Share Program 2016/2019. The Board of Directors considers the latter alternative as its preferred option. However, should the annual general meeting not approve the proposed transfer of own shares to participants in the program, the Board of Directors may enter into a hedging arrangement with a third party to hedge the obligations of the Company to deliver Performance Shares under the program as set out above.

Since the social security costs are not expected to be significant in comparison with the Company's operating cash flow, such costs are intended to be financed by cash and bank holdings.

#### The Board of Directors' proposals for resolutions

The Board of Directors proposes that the annual general meeting 2016 resolves to (i) implement the Performance Share Program 2016/2019, based on no more than 2,370,400 Performance Shares, and on the further main terms and conditions set out in item (a) below, and (ii) transfer own shares to participants in the program, and to subsidiaries within the Group in order to secure their obligations to deliver Performance Shares under the program, in accordance with item (b) below.



(a) Main terms and conditions for the Performance Share Program 2016/2019

1. The Performance Share Program 2016/2019 shall be offered to approximately 200 key employees within the Group who will receive a conditional award over a number of Performance Shares (i.e. a right to receive such shares at a future date if the relevant conditions are met) in 2016.
2. Each participant will receive an award over a number of Performance Shares with an aggregate market value not exceeding 30 percent of the participant's 2015 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 December 2015.
3. Provided that the performance conditions described below, consisting of financial targets linked to EBITDA and TSR, are met during the Performance Period, participants in the Performance Share Program 2016/2019 will receive the Performance Shares subject to their award without consideration.
4. The performance conditions applying to the awards granted under the Performance Share Program 2016/2019 will be based 50 percent on the Company's EBITDA<sup>2</sup> target during the Performance Period ("EBITDA Part") and 50 percent on the Company's TSR during the Performance Period ("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 Directors ("TSR Comparator Group").<sup>3</sup>
5. The financial 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 financial results than the maximum levels be achieved, a proportionate lower number of Performance Shares may be received.
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 2019.
7. Participants will receive their Performance Shares following the publication of the Company's interim report for the first quarter 2019. 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 2016/2019 shall have an aggregate market value not exceeding 60 percent of the participant's 2018 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 2019. Rounding off shall be made to the closest whole number of Performance Shares.
9. The Performance Share Program 2016/2019 shall in total comprise of no more than 2,370,400 TeliaSonera shares, which corresponds to approximately 0.04 percent of the total number of outstanding shares in the Company.
10. Recalculation of the number of Performance Shares subject to an award granted under the Performance Share Program 2016/2019 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 subject to an award or, wholly or partially, terminate the Performance Share Program 2016/2019 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.

---

<sup>2</sup> EBITDA is defined as Earnings Before Interest, Taxes, Depreciation and Amortization, with a possibility for the Board of Directors to make adjustments for extraordinary events and/or exchange rate fluctuations.

<sup>3</sup> 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 2015 shall be compared with December 2018 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 S.A., Deutsche Telekom AG, Vodafone Group Plc, Telefonica SA, TDC A/S and Swisscom AG.

12. The Board of Directors shall be responsible for the further design and administration of the Performance Share Program 2016/2019 within the framework of the above stated main terms and conditions.

*Performance conditions*

EBITDA performance condition

The EBITDA performance targets set by the Board of Directors for the Performance Period will stipulate a minimum level which must be achieved in order for any Performance Shares to be received under the EBITDA Part at all, as well as a maximum level in excess of which no additional Performance Shares will be received under the EBITDA Part. The performance outcome will be determined by the Board of Directors after the expiry of the Performance Period, in 2019. In connection therewith the Board of Directors will also publish the EBITDA performance results.

Relative TSR performance condition

If the Company's TSR during the Performance Period places the Company at first or second place in the TSR Comparator Group, the participant is entitled to receive the maximum TSR Part. If the Company's TSR during the Performance Period places the Company below the median in the TSR Comparator Group, the participant is not entitled to receive any of the TSR Part. If the Company's TSR during the Performance Period places the Company at or above the median in the TSR Comparator Group, but not at first or second place in the TSR Comparator Group, the participant shall be entitled to receive a proportionate number of the Performance Shares under the TSR Part as determined by the Board.

(b) Transfer of own shares

The transfer of own shares to participants in the Performance Share Program 2016/2019, and to subsidiaries within the Group in order to secure their obligations to deliver Performance Shares under the program, may be made on the following terms and conditions.

1. No more than 2,370,400 TeliaSonera shares may be transferred to participants in the Performance Share Program 2016/2019 as Performance Shares.
2. The entitlement to receive Performance Shares without consideration shall only be offered to persons within the Group who are participants in the Performance Share Program 2016/2019. In addition, subsidiaries shall be entitled to acquire shares without consideration in order to immediately transfer such shares to participants in the Performance Share Program 2016/2019 in accordance with the terms and conditions of the Performance Share Program 2016/2019.
3. The transfer of shares without consideration shall be made when the participants are entitled to receive their Performance Shares in accordance with the terms and conditions of the Performance Share Program 2016/2019, which will be following the publication of the Company's interim report for the first quarter 2019.
4. The number of shares that may be transferred shall be subject to recalculation in the event of an intervening bonus issue, share repurchase offer, split, rights issue and/or other similar events.

The reason for this proposed deviation from the shareholders' preferential rights is because the transfer of own shares is an integral part of the implementation of the Performance Share Program 2016/2019 and the Board of Directors considers that the implementation of the Performance Share Program 2016/2019 will be to the advantage of the Company and the shareholders as it offers participants the opportunity to become shareholders in the Company.

The Board of Directors proposes that the resolutions under items (a) and (b) above will be voted on at the annual general meeting as two separate resolutions. The proposal under item (b) on the proposed hedging arrangements is conditional on the annual general meeting having approved item (a), i.e. the implementation of the proposed program.

**Item 21 – Resolution on amendment of the Company’s articles of association (change of the Company name)**

The Board of Directors proposes that the annual general meeting resolves that § 1 in the Company’s articles of association shall have the following wording, to the effect that the Company’s name is changed:

| <u>Current wording</u>  | <u>Proposed wording</u>   |
|---|---|
| § 1 The Company's name is <i>TeliaSonera Aktiebolag</i> .<br><br>The Company is a public limited company (plc). | The Company's name is <i>Telia Company AB</i> .<br><br>The Company is a public limited company (plc). |

The proposal is conditional upon approval of the new Company name by the Swedish Companies Registration Office (Sw. *Bolagsverket*). The Board of Directors further proposes that the Board of Directors, or whomever appointed by the Board of Directors, is authorized to make any minor changes to the articles of association necessary in order to register the articles of association with the Swedish Companies Registration Office.

**Item 23 – Shareholder proposal from Mr Thorwald Arvidsson on resolution on amendment of the Company’s articles of association**

The shareholder Mr Thorwald Arvidsson proposes that the annual general meeting resolves that § 6 in the Company’s articles of association shall have the following wording:

| <u>Current wording</u>  | <u>Proposed wording</u>   |
|---|---|
| § 6 The Board of Directors shall consist of, besides persons who may be appointed under other rules as a consequence of operations of law, no less than four and no more than nine members and no more than three deputy members. | The Board of Directors shall consist of, besides persons who may be appointed under other rules as a consequence of operations of law, no less than four and no more than nine members and no more than three deputy members.<br><i>Former members of the Swedish Government may not be appointed board members until two years have passed since the person concerned left their position as a member of the Swedish Government.</i><br><br><i>Other full-time politicians paid by the state may not be appointed board members until one year has passed since the person concerned left his or her assignment, unless exceptional circumstances dictate otherwise.</i> |

**Majority requirements**

A resolution on authorization for the Board of Directors to decide on acquisition of the Company’s own shares under Item 19 will be valid only if the proposal is supported by shareholders representing at least two-thirds of both the votes cast and shares represented at the meeting.

A resolution on implementation of the proposed long-term incentive program under Item 20 (a) will be valid if the proposal is supported by a simple majority of the votes cast. A resolution on hedging arrangements for the program under Item 20 (b) will be valid only if the proposal is supported by shareholders representing at least nine-tenths of both the votes cast and shares represented at the meeting.

A resolution on amendment of the Company’s articles of association under Items 21 and 23 will be valid only if the proposal is supported by shareholders representing at least two-thirds of both the votes cast and shares represented at the meeting.

**Documents, etc.**

Information regarding all board members proposed to the Board of Directors of TeliaSonera AB as well as the Nomination Committee's proposals and motivated opinion are available on the Company's website. The Annual and Sustainability Report, the audit report and other documents will be held available at the TeliaSonera AB, Investor Relations, Stureplan 8 in Stockholm, as from Tuesday, March 22, 2016. The documents can also be obtained from the following address: TeliaSonera AB, Box 7842, SE-103 98 Stockholm, or by phone +46(0)8 402 90 50. The documents will also be available on the Company's website [www.teliasonera.com](http://www.teliasonera.com) from the same date.

Stockholm, March, 2016  
TeliaSonera AB (publ)  
*The Board of Directors*

TeliaSonera AB discloses the information provided herein pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instrument Trading Act. The information was submitted for publication at 10.30 a.m. CET on March 7, 2016.

**For more information, please contact the TeliaSonera press office +46 771 77 58 30, [press@teliasonera.com](mailto:press@teliasonera.com), visit our [Newsroom](#) or follow us on Twitter [@TeliaSoneraAB](#).**

**Forward-Looking Statements**

Statements made in the press release relating to future status or circumstances, including future performance and other trend projections are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of TeliaSonera.