

Press Release
March 03, 2023

Notice of Telia Company's Annual General Meeting 2023

The shareholders of Telia Company AB (publ), reg. no. 556103-4249, are hereby given notice of the Annual General Meeting to be held on Wednesday, April 5, 2023, at 2.00 p.m. CEST at Telia Company's Head Office, Stjärntorget 1 in Solna, Sweden. Registration for the Annual General Meeting will commence at 1.00 p.m. CEST. The shareholders may also exercise their voting rights at the Annual General Meeting by postal voting in accordance with the provisions of Telia Company's Articles of Association.

Participation

Shareholders who wish to participate in the Annual General Meeting must:

- be recorded as a shareholder in the presentation of the share register prepared by the Swedish Central Securities Depository Euroclear Sweden AB concerning the circumstances on Tuesday, March 28, 2023, and
- give notice of participation no later than Thursday, March 30, 2023.

Participation at the meeting venue

Shareholders who wish to attend the meeting venue in person or by proxy must give notice of participation no later than Thursday, March 30, 2023, on Euroclear Sweden AB's website <https://anmalan.vpc.se/euroclearproxy>, by telephone +46 (0)8 402 90 50, or by post to Telia Company AB, "AGM 2023", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. Shareholders shall in their notice to participate state their name, personal identification number or company registration number, address, telephone number and advisors, if applicable. Shareholders represented by a proxy or a representative should send documents of authorization to the address above well in advance of the Annual General Meeting. A template proxy form is available on Telia Company's website www.teliacompany.com.

Participation by postal voting

Shareholders who wish to participate in the Annual General Meeting by postal voting in advance must give notice of participation by casting their postal vote so that the postal vote is received by Euroclear Sweden AB (administering the forms on behalf of Telia Company) no later than Thursday, March 30, 2023. A special form shall be used for postal voting. The postal voting form is available on Telia Company's website www.teliacompany.com. The postal voting form can be submitted either by e-mail to GeneralMeetingService@euroclear.com, or by post to Telia Company AB, "AGM 2023", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. Shareholders may also cast their postal votes electronically through BankID verification via Euroclear Sweden AB's website <https://anmalan.vpc.se/euroclearproxy>. If the shareholder postal votes by proxy, a power of attorney shall be enclosed to the postal form. A template proxy form is available on Telia Company's website www.teliacompany.com. If the shareholder is a legal entity, a certificate of incorporation or a corresponding

document shall be enclosed to the postal voting form. Further instructions are included in the postal voting form and on Euroclear Sweden AB's website <https://anmalan.vpc.se/euroclearproxy>.

Please note that shareholders who wish to attend the meeting venue in person or by proxy must give notice of participation in accordance with the instructions under the heading "Participation at the meeting venue" above. This means that a notice of participation only through postal voting is not sufficient for shareholders who wish to participate in the Annual General Meeting by attending the meeting venue.

Shareholding in the name of a nominee

To be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a nominee (including Finnish shareholders that are registered within the Finnish book-entry system at Euroclear Finland Oy) must re-register such shares in their own name so that the shareholder is recorded in the presentation of the share register as of Tuesday, March 28, 2023. Such re-registration may be temporary (voting rights registration) and can be requested from the nominee in accordance with the nominee's procedures in such time in advance as the nominee determines. Voting rights registrations effected by the nominee no later than Thursday, March 30, 2023, will be considered in the presentation of the share register.

Proposed agenda

1. Opening of the Annual General Meeting
2. Election of Chair of the Annual General Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of two persons to check the minutes
6. Determination of whether the Annual General Meeting has been duly convened
7. Presentation of the annual and sustainability report and the auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements for 2022. In connection therewith, a report by the Chair of the Board of Directors Lars-Johan Jarnheimer on the work of the Board of Directors during 2022 and a presentation by President and Chief Executive Officer Allison Kirkby
8. Resolution to adopt the income statement, the balance sheet, the consolidated income statement and the consolidated balance sheet for 2022
9. Resolution on appropriation of the Company's result as stated in the adopted balance sheet and determination of record dates for dividend
10. Resolution on discharge from liability of the Board members and the Chief Executive Officer
11. Presentation and resolution on approval of the remuneration report
12. Determination of the number of Board members
13. Determination of the remuneration to the Board members
14. Election of Board members
 - 14.1 Johannes Ametsreiter
 - 14.2 Ingrid Bonde
 - 14.3 Luisa Delgado
 - 14.4 Tomas Eliasson
 - 14.5 Rickard Gustafson

- 14.6 Lars-Johan Jarnheimer
- 14.7 Jeanette Jäger
- 14.8 Jimmy Maymann
- 14.9 Sarah Eccleston
15. Election of Chair and Vice-Chair of the Board of Directors
 - 15.1 Lars-Johan Jarnheimer, Chair
 - 15.2 Ingrid Bonde, Vice-Chair
16. Determination of the number of auditors
17. Determination of the remuneration to the auditor
18. Election of auditor
19. Resolution on guidelines for remuneration to the Group Executive Management
20. Resolution on authorization for the Board of Directors to resolve on repurchase and transfer of own shares
21. Resolutions on
 - (a) implementation of a long-term share incentive program 2023/2026; and
 - (b) transfer of own shares
22. Resolutions on
 - (a) reduction of the share capital by way of cancellation of own shares; and
 - (b) increase of the share capital by way of a bonus issue without issuance of new shares
23. Closing of the Annual General Meeting

Resolutions proposed by the Nomination Committee

The Nomination Committee for the Annual General Meeting has been appointed based on the ownership structure in Telia Company as of July 31, 2022, in accordance with the instruction for the Nomination Committee. The Nomination Committee comprises Magnus Johansson, Chair (the Swedish state), Filippa Gerstädt (Nordea Fonder), Sussi Kvart (Handelsbanken Fonder) and Emilie Westholm (Folksam). In addition, the Chair of the Board of Directors Lars-Johan Jarnheimer has been appointed as co-opted member of the Nomination Committee.

The Nomination Committee presents the following proposals:

- **Item 2** – The Nomination Committee proposes that Wilhelm Lüning, member of the Swedish Bar Association, is elected to be the Chair of the Annual General Meeting.
- **Item 12** – The Nomination Committee proposes that the Board of Directors, for the period until the end of the next Annual General Meeting, shall consist of nine members elected by the General Meeting.
- **Item 13** – The Nomination Committee proposes, for the period until the end of the next Annual General Meeting, a remuneration of SEK 2,000,000 to the Chair of the Board of Directors (unchanged), SEK 940,000 to the Vice-Chair of the Board of Directors (unchanged), SEK 670,000 to each other member of the Board elected by the General Meeting (unchanged), SEK 300,000 to the Chair of the Audit Committee (unchanged), SEK 170,000 to each other member of the Audit Committee (unchanged), SEK 75,000 to the Chair of the Remuneration Committee (unchanged) and SEK 75,000 to each other member of the Remuneration Committee (unchanged).

- **Item 14** – The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, Johannes Ametsreiter, Ingrid Bonde, Luisa Delgado, Tomas Eliasson, Rickard Gustafson, Lars-Johan Jarnheimer, Jeanette Jäger and Jimmy Maymann shall be re-elected as members of the Board and that Sarah Eccleston shall be elected as new member of the Board. Nina Linander is not available for re-election.

Sarah Eccleston was born in 1970. She is currently serving as a member of the Board of Smart DCC, where she is also Chair of the Technical Advisory Committee. Sarah has wide-ranging experience gained in a variety of engineering, sales, and leadership positions with global technology vendors and service providers including Nortel Networks and Verizon. Most recently, she was a Global CTO and then Global Vice President of Sales for Cisco. Sarah has studied Electronics and Telecommunications at the University of Coventry.

Information about the proposed Board members as well as the Nomination Committee's motivated statement are available on Telia Company's website www.teliacompany.com.

- **Item 15** – The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, Lars-Johan Jarnheimer shall be re-elected as Chair and Ingrid Bonde as Vice-Chair of the Board of Directors.
- **Item 16** – The Nomination Committee proposes that the Company shall have a registered accounting firm as auditor.
- **Item 17** – The Nomination Committee proposes that the auditor shall be paid in accordance with approved invoices.
- **Item 18** – The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, that the registered accounting firm Deloitte AB shall be re-elected as auditor for the period until the end of the next Annual General Meeting.

Resolutions proposed by the Board of Directors

Item 9 – Appropriation of the Company's result as stated in the adopted balance sheet and determination of record dates for dividend

The Board of Directors proposes that a dividend of SEK 2.00 per share in total is distributed to the shareholders in four instalments of SEK 0.50 each per share.

The proposed record dates are Tuesday, April 11, 2023, Monday, July 31, 2023, Thursday, October 26, 2023, and Monday, February 5, 2024. If the Annual General Meeting resolves in accordance with the proposal, it is estimated that Euroclear Sweden AB will execute the payments on Friday, April 14, 2023, Thursday, August 3, 2023, Tuesday, October 31, 2023, and Thursday, February 8, 2024, respectively.

Item 19 – Guidelines for remuneration to the Group Executive Management

The Board of Directors proposes that the Annual General Meeting resolves on the following guidelines for remuneration to the Chief Executive Officer and other members of the Group Executive Management reporting directly to the Chief Executive Officer (the "Group Executive Management"). These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2023. These guidelines do not apply to remuneration resolved by the General Meeting.

The purpose of the guidelines is to ensure that Telia Company can recruit and retain qualified employees, which is a prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability objectives.

Information regarding Telia Company's business strategy can be found on the Company's website.

Total remuneration

The remuneration to the Group Executive Management shall be based on the principle that it is the total remuneration that shall be considered. The total remuneration shall be competitive, but not market leading and shall be evaluated against a set of peer group companies within the similar industry and of comparable size and complexity. It shall also create prerequisites for international recruitment and diversity within the Group Executive Management. The total remuneration may consist of fixed base salary, pension as well as other remuneration and benefits. Telia Company shall not offer any variable remuneration to the Group Executive Management.

For employments governed by rules other than Swedish, pension and other benefits may be adjusted for compliance with local rules or established local practice. Such adjustments shall to the extent possible serve the overall objectives of these guidelines.

Fixed base salary

The fixed base salary shall be based on competence, responsibility and performance. Market benchmarks should be made regularly. The individual performance shall be evaluated and be used as a basis for the annual review of fixed base salaries. The performance shall be evaluated in relation to the fulfilment of annual pre-determined targets which shall include financial, employee and sustainability targets.

Pension as well as other remuneration and benefits

Pensions and pension benefits shall be based on a defined contribution model, which means that a pension premium is paid amounting to a fixed percentage of all or part of the individual's annual fixed base salary, unless legal requirements or collective agreements state otherwise. The pension premium may not exceed 30 percent of the annual fixed base salary. In addition, a cash allowance may be paid which together with the pension premium may not exceed 35 percent of the total remuneration.

The Company may provide other benefits in accordance with prevailing market practice from time to time. A member of the Group Executive Management may be entitled to, *inter alia*, car benefits as well as medical and healthcare benefits. The cost of such other benefits shall not exceed 10 percent of the annual fixed base salary.

Members of the Group Executive Management may for a limited period of time be offered certain benefits related to an international assignment or as a result of recruitment from another country. Such benefits may not in total exceed 25 percent of the annual fixed base salary.

Conditions for termination and severance pay

The termination period for a member of the Group Executive Management may not be less than six months (twelve months for the Chief Executive Officer) upon termination by the employee and not more than twelve months upon termination by the Company. Upon termination by the Company, the individual may be entitled to a severance payment. Fixed base salary during the notice period and severance pay may together not exceed an amount equivalent to the fixed base salary for two years.

Severance pays shall not constitute basis for vacation pay or pension. Remuneration during the termination period and severance pay shall be reduced if the individual is entitled to remuneration from a new employment or if the individual will be conducting own business during the termination period or the period under which severance pay is paid. In addition, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for potential loss of income and shall only be paid to the extent the previously employed executive is not entitled to severance pay. The remuneration shall be based on the fixed base salary at the time of termination of employment, amount to not more than 60 percent of the fixed base salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than twelve months following termination of employment.

Salary and employment conditions for employees outside of the Group Executive Management

In preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for the Company's employees have been taken into account by including information on other employees' total remuneration, the components of the remuneration and increase and growth rate over time, as basis for the Remuneration Committee's and the Board of Directors' decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Shareholding targets for the Group Executive Management

The Board of Directors is of the opinion that a considerable long-term shareholding in Telia Company is an important part in aligning the interests of the Group Executive Management with the interests of the shareholders, and therefore recommends the Chief Executive Officer and other members of the Group Executive Management to build up a personal holding of Telia Company shares equivalent to 100 percent of the Chief Executive Officer's and 50 percent of other members of the Group Executive Management's annual fixed base salary (net after tax) within timeframes set by the Board of Directors.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters, and preparing the Board's proposal for guidelines for remuneration to the Group Executive Management. The Board of Directors shall prepare a proposal for new guidelines when there is a need for material amendments to the guidelines, but at least every fourth year, and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor the application of these guidelines as well as the current remuneration structures and compensation levels within the Company. The Board of Directors shall annually prepare a remuneration report which shall be submitted to the General Meeting for approval.

Decisions regarding remuneration shall be managed through a well-defined process that ensures that no individual is involved in the decision-making process related to their own remuneration. The Chief Executive Officer's total remuneration is decided by the Board of Directors based on the recommendation of its Remuneration Committee within the confine of these guidelines. The total remuneration to the other members of the Group Executive Management is approved by the Remuneration Committee, based on the Chief Executive Officer's recommendations.

Deviation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve Telia Company's long-term interests, including its sustainability, or to ensure the group's financial viability. As set

out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in the remuneration related matters. This includes any resolution to deviate from the guidelines.

Description of material changes to the guidelines and how comments from shareholders have been taken into consideration

In relation to the remuneration guidelines adopted by the Annual General Meeting 2020, the guidelines have, other than editorial amendments, been adjusted so that pension premiums may not exceed 30 percent of the annual fixed base salary (previously 40 percent). In order to compensate for reduced pension premiums, the possibility of paying a cash allowance which, together with the pension premium, may not exceed 35 percent of the total remuneration has been introduced. The remuneration guidelines have further been supplemented with shareholding targets for members of Group Executive Management with the aim that they should have a significant long-term shareholding in Telia Company.

The Board of Directors has not received any comments from shareholders concerning the existing guidelines for remuneration to the Group Executive Management.

Item 20 – Authorization for the Board of Directors to resolve on repurchase and transfer of own shares

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors to resolve on *repurchase* of own shares on the main terms and conditions set out below.

1. Repurchase of shares may be made on Nasdaq Stockholm and/or Nasdaq Helsinki.
2. The authorization may be exercised on one or more occasions before the Annual General Meeting 2024.
3. A maximum number of shares may be repurchased so that the Company's holding at any time does not exceed 10 percent of all the shares in the Company.
4. Repurchase 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.

The Board of Directors further proposes that the Annual General Meeting resolves to authorize the Board of Directors to resolve on *transfer* of own shares, with or without deviation from the shareholders' preferential rights, on the main terms and conditions set out below.

1. Transfer may be made (i) on Nasdaq Stockholm and/or Nasdaq Helsinki or (ii) outside Nasdaq Stockholm and/or Nasdaq Helsinki in connection with an acquisition of companies or businesses.
2. The authorization may be exercised on one or more occasions before the Annual General Meeting 2024.
3. Transfer of own shares may be made of up to such number of shares as is held by the Company at the time of the Board of Directors' decision regarding the transfer.
4. Transfers 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. In case of transfers outside Nasdaq Stockholm and/or Nasdaq Helsinki, the consideration for the shares may be made by cash payment, for payment in kind or by way of set-off and the price shall be established so that the transfer is made on market terms.

The purpose of the authorizations to repurchase and transfer own shares, and the reason for the deviation from the shareholders' preferential rights (in relation to transfer of own shares), is to enable the Company in a time efficient way to use own shares as payment in connection with acquisitions of companies or businesses which the Company may undertake, or to settle any deferred payments related to such acquisitions, or for financing such acquisitions or deferred payments.

The purpose of the authorization to repurchase own shares is also 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 own shares to the participants in the Company's long-term share incentive programs. Please note that any transfer of repurchased shares to the participants in long-term share incentive programs requires a separate resolution by the General Meeting.

The Board of Directors has the right to decide on the other terms and conditions for the repurchase and transfer of own shares. 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 repurchase and transfer the Company's own shares.

Item 21 – (a) Implementation of a long-term share incentive program 2023/2026 and (b) transfer of own shares

Background

The Board of Directors proposes that the Annual General Meeting resolves to implement a long-term share incentive program for selected key employees within the Telia Company Group not including members of the Group Executive Management (the "Performance Share Program 2023/2026"). The Board of Directors is convinced that the Performance Share Program 2023/2026 will be beneficial to the Company's shareholders as it will contribute to the possibilities 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.

The Performance Share Program 2023/2026 relates to the financial years 2023-2025 and entails that Telia Company shares may be received after the publication of the interim report for the first quarter 2026.

Outline of the Performance Share Program 2023/2026

Participation in the Performance Share Program 2023/2026 shall be offered to approximately 250 key employees within the Group. Provided that the terms and conditions of the Performance Share Program 2023/2026 are met, and to the extent the performance conditions for the program related to Cashflow (Operational Free Cashflow), TSR (Total Shareholder Return), ROCE (Return on Capital Employed) and ESG (Environmental, Social and Governance) are fulfilled during the financial years 2023-2025 (the "Performance Period"), participants in the Performance Share Program 2023/2026 will, free of charge, receive Telia Company shares ("Performance Shares") after the publication of the interim report for the first quarter 2026.

Participants in the Performance Share Program 2023/2026 will receive a conditional right to be allotted Performance Shares, which is a right to receive a specific number of such shares at a future date provided that the relevant conditions are met. The maximum number of Performance Shares that can be subject to allotment has increased from 3,428,025 in the performance share program adopted by the Annual General Meeting 2022 to 4,065,601 in the Performance Share Program 2023/2026. Under the Performance Share Program 2023/2026, the number of Performance Shares that can be subject to allotment may not, at the time

of receipt of the conditional right, have an aggregate market value exceeding 30 percent of the participant's annual gross base salary (i.e. before taxes) per year-end 2022 or, if a participant has become employed thereafter, the calculated annual gross base salary for 2023 (the "2022 Base Salary"). Further, the maximum aggregate market value of the Performance Shares that can be subject to allotment following the end of the Performance Period (i.e. at vesting 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 2025 (the "2025 Base Salary").

The participants will receive their Performance Shares following the publication of the interim report for the first quarter 2026, and allotment is, with certain exceptions, subject to continued employment within the Group up to and including the day of publication of the interim report for the first quarter 2026.

The Performance Share Program 2023/2026 shall in total comprise no more than 4,065,601 Telia Company shares, corresponding to approximately 0.10 percent of the total number of outstanding shares in the Company.

The Board of Directors' complete proposal is set out in item 21(a) below.

The value of and the estimated costs for the Performance Share Program 2023/2026

The participants' conditional rights to receive Performance Shares under the Performance Share Program 2023/2026 are not securities and cannot be pledged or transferred. Neither are any shareholders' rights transferred to participants in the program prior to the day when they receive their Performance Shares and thus become the owners of such 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 of the rights to receive Performance Shares under the Performance Share Program 2023/2026 as approximately SEK 67.5 million, under the following essential assumptions: (i) a share price of SEK 27.67, calculated as the average of the daily noted volume-weighted price of the Company's share on Nasdaq Stockholm during December 2022, (ii) an annual employee turnover of five percent, (iii) a share price increase of five percent per year, (iv) a 50 percent achievement of the TSR performance condition, (v) a 100 percent achievement of the ROCE performance condition, (vi) a 50 percent achievement of the Cashflow performance condition and (vii) a 50 percent achievement of the ESG performance condition. The total cost under these assumptions would be SEK 85.7 million excluding the costs for the program's hedging measures and assuming a 27 percent mark-up for social security costs. The costs are accounted for as staff costs (share-based benefits) over the Performance Period.

If the Cashflow performance condition is achieved to 100 percent whilst the other assumptions above remain unchanged, the total value of the Performance Share Program 2023/2026 is estimated at approximately SEK 81.6 million. The total cost would in this case be SEK 103.6 million.

If all performance conditions are achieved to 100 percent, the total value of the Performance Share Program 2023/2026 would amount to SEK 112.5 million assuming conditions (i) through (iii) above remain unchanged. The total costs would in this case amount to SEK 142.9 million.

Dilution and effects on key ratios

The Performance Share Program 2023/2026 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 using shares already issued.

The costs for the Performance Share Program 2023/2026 are expected to have a marginal effect on the Group's key ratios.

Preparation of the proposal

The proposal regarding the Performance Share Program 2023/2026 to the Annual General Meeting 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.

Hedging

The Board of Directors has considered two alternative hedging structures for the Performance Share Program 2023/2026: either (i) transfer of own shares to the participants or (ii) a hedging arrangement with a bank or other financial institution securing delivery of shares under the program. The Board of Directors considers the first alternative as its preferred option. However, should the Annual General Meeting not approve the proposed transfer of own shares to participants in the program, in accordance with item 21(b) below, 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.

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 resolves (i) to implement the Performance Share Program 2023/2026 comprising no more than 4,065,601 Performance Shares, and on the further main terms and conditions set out under item 21(a) below, and (ii) to transfer own shares to participants in the program, and to subsidiaries within the Group to secure their obligations to deliver Performance Shares under the program, in accordance with item 21(b) below.

21(a) Implementation of a long-term share incentive program 2023/2026

Main terms and conditions

1. The Performance Share Program 2023/2026 shall be offered to approximately 250 key employees within the Group, who in 2023 will receive conditional rights to be allotted a number of Performance Shares (i.e. a right to receive such shares at a future date if the relevant conditions are met).
2. Each participant will receive a conditional right to be allotted a number of Performance Shares with an aggregate market value not exceeding 30 percent of the participant's 2022 Base Salary. The market value shall be calculated based on the average of the daily noted volume-weighted price of Telia Company's share on Nasdaq Stockholm during December 2022.
3. Provided that the terms and conditions of the Performance Share Program 2023/2026 are met, and to the extent the performance conditions described below are fulfilled during the Performance Period, participants in the Performance Share Program 2023/2026 will free of charge receive Performance Shares subject to their vesting.
4. The performance conditions applying under the Performance Share Program 2023/2026 will to 25 percent be based on the Company's Cashflow¹ target during the Performance Period (the "Cashflow Part"), to 40 percent on the Company's TSR during the Performance Period (the "TSR Part") in relation to TSR in a peer group of approximately ten comparable Nordic and western European telecom companies defined by the Board of Directors², to 20 percent on the Company's ROCE target

during the Performance Period (the "ROCE Part") and to 15 percent on the Company's ESG target during the Performance Period (the "ESG Part")³.

5. The performance conditions include a minimum level that must be achieved in order for any Performance Shares to be allotted, as well as a maximum level in excess of which no additional Performance Shares will be allotted.
 - a. The Cashflow Part represents 25 percent of the total allotment:
 - i. If 100 percent (or above) of the Cashflow target is met, 100 percent of the Performance Shares under the Cashflow Part will be subject to allotment.
 - ii. If less than 90 percent of the Cashflow target is met, no Performance Shares under the Cashflow Part will be subject to allotment.
 - iii. If 90 percent of the Cashflow target is met, 25 percent of the Performance Shares under the Cashflow Part will be subject to allotment.
 - iv. If between 90 and 100 percent of the Cashflow target is met, a proportionate number of Performance Shares under the Cashflow Part will be subject to allotment.
 - b. The TSR Part represents 40 percent of the total allotment:
 - i. If the Company's TSR is ranked first or second compared to the defined peer group of companies, 100 percent of the Performance Shares under the TSR Part will be subject to allotment.
 - ii. If the Company's TSR is ranked third or fourth compared to the defined peer group of companies, 75 percent of the Performance Shares under the TSR Part will be subject to allotment.
 - iii. If the Company's TSR is ranked fifth or sixth compared to the defined peer group of companies, 50 percent of the Performance Shares under the TSR Part will be subject to allotment.
 - iv. If the Company's TSR is ranked seventh compared to the defined peer group of companies, 25 percent of the Performance Shares under the TSR Part will be subject to allotment.
 - v. If the Company's TSR is ranked eight or lower compared to the defined peer group of companies, no Performance Shares under the TSR Part will be subject to allotment.
 - c. The ROCE Part represents 20 percent of the total allotment:
 - i. If 100 percent (or above) of the ROCE target is met, 100 percent of Performance Shares under the ROCE Part will be subject to allotment.
 - ii. If less than 90 percent of the ROCE target is met, no Performance Shares under the ROCE Part will be subject to allotment.
 - iii. If 90 percent of the ROCE target is met, 25 percent of the Performance Shares under the ROCE Part will be subject to allotment.

- iv. if between 90 and 100 percent of the ROCE target is met, a proportionate number of the Performance Shares under the ROCE Part will be subject to allotment.
- d. The ESG Part represents 15 percent of the total allotment:
 - i. If 100 percent (or above) of the ESG target is met, 100 percent of the Performance Shares under the ESG part will be subject to allotment.
 - ii. If the minimum level is not reached, no Performance Shares under the ESG part will be subject to allotment.
 - iii. If the minimum level is reached, 25 percent of the Performance Shares under the ESG part will be subject to allotment.
 - iv. If between the minimum level and 100 percent of the ESG target is met, a proportionate number of the Performance Shares under the ESG part will be subject to allotment.
- 6. The allotment 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 2026.
- 7. The participants will receive their Performance Shares following the publication of the Company's interim report for the first quarter 2026. 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 2023/2026 shall have an aggregate market value not exceeding 60 percent of the participant's 2025 Base Salary. The market value shall be calculated based on the average of the daily noted volume-weighted price of the Company's share on Nasdaq Stockholm during 20 trading days prior to the day of publication of the interim report for the first quarter 2026. Rounding off shall be made to the closest whole number of Performance Shares.
- 9. The Performance Share Program 2023/2026 shall in total comprise of no more than 4,065,601 Telia Company shares, which corresponds to approximately 0.10 percent of the total number of outstanding shares in the Company.
- 10. Recalculation of the number of Performance Shares that may be received under the Performance Share Program 2023/2026 shall take place in the event of an intervening bonus issue, split, rights issue and/or other similar events.
- 11. In addition to what is set out above, the Board of Directors shall under certain circumstances be entitled to reduce the number of Performance Shares to be received or, wholly or partially, terminate the Performance Share Program 2023/2026 in advance and to make such local adjustments of the program that may be necessary or appropriate to implement the program with reasonable administrative costs and efforts in the concerned jurisdictions, including, among other things, to offer cash settlement.
- 12. The Board of Directors shall be responsible for the further design and administration of the Performance Share Program 2023/2026 within the above stated main terms and conditions.

Hedging

Should the Annual General Meeting not approve the proposed transfer of own shares to participants in the Performance Share Program 2023/2026 in accordance with item 21(b) below, the Board of Directors shall be entitled to enter into a hedging arrangement with a third party to hedge the obligations of the Company to deliver Performance Shares under the program.

Performance outcome

The performance outcome will be determined by the Board of Directors in 2026 after the expiry of the Performance Period on December 31, 2025. In connection therewith the Board of Directors will also publish the performance outcome.

21(b) Transfer of own shares

Transfer of own shares to participants in the Performance Share Program 2023/2026, and to subsidiaries within the Group to secure their obligations to deliver Performance Shares under the program, may be made on the following terms and conditions.

1. No more than 4,065,601 Telia Company shares may be transferred to participants in the Performance Share Program 2023/2026 as Performance Shares.
2. The entitlement to receive Performance Shares free of charge shall only vest in persons within the Group who are participants in the Performance Share Program 2023/2026. In addition, subsidiaries shall be entitled to acquire shares free of charge for the purpose of immediately transfer such shares to participants in the Performance Share Program 2023/2026 in accordance with the terms and conditions of the Performance Share Program 2023/2026.
3. Transfer of Performance Shares free of charge shall be made to the extent and when the participants are entitled to receive Performance Shares in accordance with the terms and conditions of the Performance Share Program 2023/2026, which will be following the publication of the Company's interim report for the first quarter 2026.
4. The number of shares that may be transferred shall be subject to recalculation in the event of an intervening bonus issue, split, rights issue and/or other similar events.

The reason for the 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 2023/2026 and the Board of Directors considers that the implementation of the Performance Share Program 2023/2026 will be to the advantage of the Company and the shareholders as it will contribute to the possibilities 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.

Item 22 – (a) Reduction of the share capital by way of cancellation of own shares, and (b) increase of the share capital by way of a bonus issue without issuance of new shares

22(a) Reduction of the share capital by way of cancellation of own shares

The Board of Directors proposes that the Annual General Meeting resolves to reduce the share capital by way of cancellation of own shares repurchased under the SEK 5.4 billion share buy-back program that Telia Company announced on June 1, 2022. The reduction of the share capital shall amount to SEK 533,709,020.97 and shall be made by way of cancellation of 157,522,416 shares held in treasury by the Company. The purpose of the reduction is allocation to unrestricted equity.

The resolution to reduce the share capital under this item 22(a) may be effectuated without obtaining an authorization from the Swedish Companies Registration Office or, in disputed cases, a court of general jurisdiction, as the Company simultaneously effectuates a bonus issue, as set out under item 22(b) below, entailing that neither the restricted equity nor the share capital will be reduced.

22(b) Increase of the share capital by way of a bonus issue without issuance of new shares

For the purpose of restoring the share capital after the proposed reduction of the share capital under item 22(a) above, the Board of Directors proposes that the Annual General Meeting resolves to increase the share capital by way of a bonus issue through a transfer of SEK 533,709,020.97 from the Company's unrestricted equity. The bonus issue shall be carried out without the issuance of new shares.

Other information

Number of shares and votes

The total number of shares and votes in the Company amounts to 4,089,631,702 at the date this notice is issued. On the same date, the Company holds 157,522,416 shares in treasury, which cannot be represented at the Annual General Meeting.

Shareholders' right to request information

At the request of any shareholder, the Board of Directors and the Chief Executive Officer shall provide information 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.

Special conditions and majority requirements

The resolution to transfer own shares under item 21(b) is conditional upon the Annual General Meeting resolving on the implementation of a long-term share incentive program 2023/2026 in accordance with the Board of Directors' proposal under item 21(a).

The resolutions to reduce the share capital by way of cancellation of own shares under item 22(a) and increase the share capital by way of a bonus issue without issuance of new shares under item 22(b) are conditional upon each other.

Valid resolutions to authorize the Board of Directors to decide on repurchase and transfer of own shares under item 20 and to reduce the share capital by way of cancellation of own shares under item 22(a) require support by shareholders holding at least two-thirds of both the votes cast and shares represented at the Annual General Meeting.

Valid resolution to transfer own shares under item 21(b) requires support by shareholders holding at least nine-tenths of both the votes cast and shares represented at the Annual General Meeting.

Documentation

The Board of Directors' and the Nomination Committee's proposals to the Annual General Meeting are set out in this notice. Information about the proposed Board members as well as the Nomination Committee's motivated statement are available on Telia Company's website www.teliacompany.com.

The annual and sustainability report and the auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements as well as other documents to the Annual General Meeting will be available on Telia Company's website www.teliacompany.com and at the Company's Head Office at Stjärntorget 1 in Solna, Sweden, as from Monday, March 13, 2023. Hard copies of the documents will also be sent to those shareholders who so request and state their postal or email address. The documents can be ordered by post to Telia Company AB, "AGM 2023", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by telephone +46 (0)8 402 90 50.

Authorization

The Board of Directors, or such person that the Board of Directors may appoint, shall be authorized to make the minor adjustments in the resolutions adopted by the Annual General Meeting as may be required in connection with registration at the Swedish Companies Registration Office and Euroclear Sweden AB and to take such other measures required to execute the resolutions.

Presentation by Telia Company's President and Chief Executive Officer

The presentation by President and Chief Executive Officer Allison Kirkby will be made available on Telia Company's website www.teliacompany.com after the Annual General Meeting.

Interpretation

The Annual General Meeting will mainly be held in Swedish. As a service to the shareholders, simultaneous interpretation from Swedish to English as well as from English to Swedish will be provided at the Annual General Meeting.

Processing of personal data

For information on how your personal data is processed, please refer to www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

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Stockholm, March 2023
Telia Company AB (publ)
The Board of Directors

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

We are Telia Company. Our approximately 20,000 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. Read more at www.teliacompany.com



²⁾ TSR is equal to the overall return a shareholder would receive on his or her shareholding taking into account both share price appreciation and dividends (if any). When calculating TSR, an average TSR index number for December 2022 shall be compared with December 2025 for the Company and for the companies included in the peer group defined by the Board of Directors. The peer group presently consists of Telenor ASA, Elisa Oyj, Tele2 AB, KPN NV, Orange SA, Deutsche Telekom AG, Vodafone Group Plc, Telefonica SA, Proximus PLC and Swisscom AG.

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

For more information, please contact Telia Company press office, +46 771 77 58 30, visit our [Newsroom](#) or follow us on Twitter [@Teliacompany](#).