

Press release
September 4, 2024

Telia Company initiates change program targeting annual savings of at least SEK 2.6 billion

- Program set to improve customer focus by strengthening country units with additional capabilities for faster decision-making and improved commercial execution, while reducing layers of organizational complexity
- Subject to union negotiations, Telia aims to reduce its headcount by 3,000* positions during 2024, impacting all units across Telia, with proportionally higher impact on group and common functions and a proportionally lower impact on country units
- Program expected to result in restructuring charges of approximately SEK 1.4 billion in H2 2024, with expected annual savings of at least SEK 2.6 billion
- Estimated restructuring charges are not expected to impact Telia's financial outlook statements for 2024

Telia Company is today announcing a change program that is set to simplify its operations by implementing a new operating model with streamlined processes and improved ways of working, which will lead to a more customer-focused organization, while also resetting the company's cost base through an intended reduction of 3,000* positions during 2024. While Telia already holds strong positions in its markets, the company sees opportunities to further increase its efficiency and simplify its structure to become faster in decision-making and commercial execution, and with a focus on ensuring its workforce is increasingly engaged, accountable and empowered to create impact. With the program, Telia aims to maximize the value of its network infrastructure and service offerings to sustain growth, increase efficiency and profitability, and improve its ability to serve its customers and the societies where the company operates.

As part of the program, Telia plans to streamline and reshape its organizational structure to equip its country units with additional capabilities transferred from the current Common Products & Services (CPS) and Group Strategy & Commercial (GSC) organizations. By decentralizing and moving part of the competence from common to country units, the latter will be able to better serve customers and capture growth based on local market needs, while reducing overlaps and simplifying interfaces in day-to-day operations. After the intended transfer of competence to country units, the remaining part of the common technology and product unit would retain expertise in IT, networks and product management, allowing Telia to continue to benefit from economies of scale where relevant.

Patrik Hofbauer, Telia Company President and CEO, says: "This is a tough decision, but one that is necessary to ensure the long-term success of Telia. Together with the Board and my leadership team, we are set to eliminate barriers to execution and reduce layers of organizational complexity so that we can better serve our customers. I envisage that this intended approach will not only result in a Telia that is simpler and faster in decision-making and commercial execution, but also help us to grow our business and generate enough cash so that we can make necessary investments and cover our dividend, as we remain committed to our dividend policy. While we will support the employees who will eventually leave Telia, we will also make this company a better place to work for those employees who remain with us."

The program is expected to result in restructuring charges of approximately SEK 1.4 billion in H2 2024, with expected annual savings of at least SEK 2.6 billion. The estimated restructuring charges are not expected to impact Telia's full-year financial outlook statements for 2024, which relate to service revenue growth, adjusted EBITDA growth, CAPEX excluding fees for licenses, spectrum and right of use assets, and the structural part of Operational free cash flow.

All changes are subject to customary union negotiations and Telia will provide more information about the planned workforce reductions as soon as those negotiations are finalized.

* When calculating the intended headcount reduction of 3,000 positions, including both employees and resource consultants, December 31, 2023, was used as the baseline, when Telia had approximately 18,000 employees and 1,370 resource consultants. Year-to-date, Telia has reduced its headcount by 455 positions, and aims to make the remaining reductions by December 1, 2024.

Implied impact per market from intended headcount reduction (all units included):

Market	Baseline – number of positions on Dec. 31, 2023 (approx.)	Intended impacted positions by Dec. 1, 2024 (approx.)
Sweden	8,500	1,400
Finland	4,000	635
Norway	2,170	245
Lithuania	2,900	400
Estonia	1,550	160
Other**	250	160
Total	19,370	3,000

** Other countries where Telia has resource consultants and/or employees

This information is information that Telia Company AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 07.30 CET on September 4, 2024.

NOTES TO EDITORS

For more information, contact Tobias Gyhlénus, Telia Company's press office on [+46 \(0\)771 77 58 30](tel:+460771775830), visit our [newsroom](#) and follow us on [LinkedIn](#) and [X](#). To download our logo, high-resolution images of Telia leaders, offices and solutions or B-roll footage for editorial use, visit our [media bank](#).

ABOUT TELIA

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