

Welcome to TeliaSonera's Annual General Meeting 2014

The annual general meeting of TeliaSonera AB (publ) will be held on Wednesday, April 2, 2014 at 2.00 pm CET at Cirkus, Djurgårdsslätten 43-45, Stockholm. Registration for the meeting starts at 1.00 pm CET. Coffee will be served before the meeting starts. The 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 Thursday, March 27, 2014, and
- give notice of attendance to the Company no later than on Thursday, March 27, 2014.

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 +46-8-402 90 50 on weekdays between 9.00 am and 4.00 pm CET, or
- on the Company's website [www.teliasonera.com/Investors/Annual General Meeting](http://www.teliasonera.com/Investors/Annual%20General%20Meeting) (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 Thursday, March 27, 2014. 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 or by phone at +358 (0)20 770 6609, for registration of their shares in their own name well in advance of Thursday, March 27, 2014.

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. 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 Thursday, March 27, 2014.

Other information

Marie Ehrling's and Johan Dannelind's speeches at the meeting will be posted on the Company's website www.teliasonera.com after the meeting.

The total number of shares and votes in the Company is 4,330,084,781 at the date the notice is issued. At the same date, the Company does not own any treasury shares.

At the request of any shareholder, the Board of Directors and the CEO shall provide information at the meeting on any circumstances that may affect the assessment of a matter on the agenda or the Company's financial position, 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 2013. A description by the chair of the Board of Directors Marie Ehrling of the work of the Board of Directors during 2013 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 2013
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 2013
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
13. Election of chair and vice-chair of the Board of Directors
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 Management
19. Resolution authorizing the Board of Directors to acquire the Company's own shares
20. Resolution on
 - (a) implementation of a long-term incentive program 2014/2017 and
 - (b) hedging arrangements for the program
21. Resolution on special investigation

Closing of the meeting

Resolutions proposed by the Nomination Committee

The Nomination Committee appointed at the annual general meeting consists of the following persons: Magnus Skåninger, chair (Swedish State), Kari Järvinen (Solidium Oy), Jan Andersson (Swedbank Robur Funds), Per Frennberg (Alecta) and Marie Ehrling (chair of the Board of Directors).

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 2015, 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 1,240,000 to the chair (previously SEK 1,200,000), SEK 750,000 to the vice-chair (unchanged) and SEK 470,000 to each other director elected at the annual general meeting (previously SEK 450,000). The chair of the Board of Directors' audit committee will receive remuneration of SEK 150,000 (unchanged) and other members of the audit committee would receive SEK 100,000 (unchanged), and the chair of the Board of Directors' remuneration committee would receive SEK 65,000 (unchanged) and other members of the remuneration committee would receive SEK 45,000 (unchanged) and the chair of the Board of Directors' sustainability and ethics committee will receive SEK 150,000 (unchanged) and other members of the sustainability and ethics committee will receive SEK 100,000 (unchanged).
- **Item 12** – Election of directors: Re-election of Marie Ehrling, Mats Jansson, Olli-Pekka Kallasvuo, Mikko Kosonen, Nina Linander, Martin Lorentzon, Per-Arne Sandström and Kersti Strandqvist. Information of the candidates nominated by the Nomination Committee for election to directors is available on the Company's website, 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 Kallasvuo as vice-chair.
- **Item 14** - Number of auditors and deputy auditors: Until the end of the annual general meeting 2015 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 Magnus Skåninger (Swedish State), Kari Järvinen (Solidium Oy), Jan Andersson (Swedbank Robur Funds), Per Frennberg (Alecta) 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:

The Nomination Committee will nominate the chair of the annual general meeting, the chair of the Board of Directors and other directors, and present a proposal for remuneration, which will be specified between the chair of the Board of Directors, other directors and, if applicable, remuneration for serving on subcommittees. Where applicable, the Nomination Committee will also nominate auditors and present proposed remuneration for auditors. In addition, the Nomination Committee will nominate the members of the following year's Nomination Committee. The Nomination Committee will appoint replacements for any positions vacated prematurely.

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

The Board of Directors proposes that a dividend of SEK 3.00 per share is distributed to the shareholders and that April 7, 2014 be set as the record date for the dividend. If the annual general meeting resolves in accordance with the proposal, it is estimated that Euroclear Sweden AB will execute the payment on April 10, 2014.

Item 18 – Principles for remuneration to Group Management

The Board of Directors proposes that the annual general meeting resolves on the following principles for remuneration to Group Management. Group 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 vision and strategy of the Company. Remuneration to Group 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 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.

The fixed salary of a Group 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 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.

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

The termination period for a Group Management member may be up to six months (12 months for the President) when given by the employee and up to twelve 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 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 on an individual basis from the principles stated above.

Item 19 – Authorization for the Board of Directors to acquire the Company’s own shares

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 2015, acquire the Company’s own shares on the main terms and conditions set out below.

Acquisitions of shares may be made on NASDAQ OMX Stockholm and/or NASDAQ OMX Helsinki or in accordance with an offer to acquire shares made to all shareholders or by a combination of these two alternatives. The maximum number of treasury shares held by the Company may not exceed 10 percent of all shares in the Company. Acquisitions of shares on NASDAQ OMX Stockholm and/or NASDAQ OMX 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 OMX Stockholm and/or NASDAQ OMX Helsinki.

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.

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. 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 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.

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.

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.

The purpose of the proposal above is 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 to enable the Company to transfer its own shares under long-term incentive programs approved at a general meeting. In order to create an efficient instrument to achieve the purpose, the Board of Directors also intends to propose that future annual general meetings of the Company authorize the Board of Directors to acquire the Company's own shares on terms and conditions materially equivalent to those set forth above.

Item 20 – (a) Implementation of a long-term incentive program 2014/2017 and (b) hedging arrangements for the program

The Board of Directors proposes that the annual general meeting resolves on (i) implementation of a long-term incentive program 2014/2017 on the further main terms and conditions set out in item (a) below, and (ii) hedging arrangements for the program, in accordance with item (b) below. Definitions used below are defined in the complete proposal of the Board of Directors.

(a) Main terms and conditions for Performance Share Program 2014/2017

1. Performance Share Program 2014/2017 shall comprise approximately 200 key employees within the Group.
2. Provided that certain performance conditions, consisting of financial targets linked to EPS (Earnings Per Share) and TSR (Total Shareholder Return), are met during the Performance Period, participants in Performance Share Program 2014/2017 shall be given the opportunity to receive final allotments of Performance Shares without consideration.
3. Performance Share Program 2014/2017 shall in total comprise no more than 2,090,000 TeliaSonera shares, which corresponds to approximately 0.05 percent of the total number of outstanding shares in the Company.
4. Participation in the program requires that the participant has invested in or allocated to the program already held Saving Shares corresponding to a value of two (2) percent of the participant's Base Salary. Saving Shares shall normally be acquired or allocated to the program during a period of approximately five weeks following the publication of the Company's Interim Report for the first quarter 2014. In the event of recruitment of key employees thereafter, participation in the program may be offered and acquisition or allocation of Saving Shares may take place until the end of August 2014.
5. The final allotments of Performance Shares will be based 50 percent on the Company's development in EPS for each of the financial years 2014, 2015 and 2016, in relation to EPS for the preceding financial year, and 50 percent on the Company's TSR during the Performance Period in relation to TSR in a peer group of approximately ten comparable Nordic and western European telecom companies defined by the Board of Directors.
6. The financial targets include a minimum level which must be achieved in order for any allotments to occur at all, as well as a maximum level in excess of which no additional allotments will occur. Should lower financial targets than the maximum level be achieved, a lower number of Performance Shares may thus be allotted.

7. Maximum preliminary EPS-based allotment of Performance Shares for each of the financial years 2014, 2015 and 2016, shall amount to the number of Performance Shares corresponding to approximately 5.00 percent of the Base Salary for the key employee divided by a volume-weighted average price, calculated as the average of the daily noted volume-weighted purchase price of the Company's share on NASDAQ OMX Stockholm's official list during December for each of the years 2013, 2014 and 2015, however not lower than SEK 26. The maximum final EPS-based allotment of Performance Shares may not exceed annual preliminary allotted Performance Shares, but may be below the annual preliminary allotted Performance Shares as a result of the limitation on the maximum financial outcome that applies for each participant as set out in item 10 below or other reduced final allotments as decided by the Board of Directors in accordance with item 13 below. Preliminary allotments of Performance Shares shall normally take place in conjunction with the Board of Directors' submission of the Annual Report for each of the financial years 2014, 2015 and 2016.
8. Maximum TSR-based allotment of Performance Shares, shall amount to the number of Performance Shares corresponding to 15 percent of the Base Salary for the key employee divided by a volume-weighted average price, calculated as the average of the daily noted volume-weighted purchase price of the Company's share on NASDAQ OMX Stockholm's official list during December 2013.
9. Final allotments of Performance Shares will take place following the publication of the Company's Interim Report for the first quarter of 2017. Rounding off shall be made to the closest whole number of Performance Shares.
10. The maximum financial outcome for a participant, and the maximum number of Performance Shares that may finally be allotted, shall be capped at such number of Performance Shares which aggregate market value, based on a volume-weighted average price, calculated as the average of the daily noted volume-weighted purchase price of the Company's share on NASDAQ OMX Stockholm's official list during 20 trading days prior to the day of publication of the Interim Report for the first quarter of 2017, corresponds to 37.5 percent of the Base Salary of the key employee. Rounding off shall be made to the closest whole number of Performance Shares.
11. Recalculation of final allotments of Performance Shares shall take place in the event of an intervening bonus issue, split, rights issue and/or other similar events.
12. A condition for final allotments of Performance Shares shall normally be that the participant has been employed within the Group during the whole Vesting Period and that all Saving Shares held by a participant have been kept during such period. Upon termination of the employment within the Group during the Vesting Period, the right to receive final allotments of Performance Shares normally lapses. The same normally applies also in relation to the right to receive preliminary EPS-based allotment of Performance Shares.
13. In addition to what is set out above, the Board of Directors shall under certain circumstances be entitled to reduce final allotments of Performance Shares or, wholly or partially, terminate Performance Share Program 2014/2017 in advance and to make such local adjustments of the program that may be necessary to implement the program with reasonable administrative costs and efforts in the concerned jurisdictions, including, among other things, to offer cash settlement as well as to waive the requirement for investing in or allocating Saving Shares to the program for participants in such jurisdictions.

14. The Board of Directors shall be responsible for the further designing and administration of Performance Share Program 2014/2017 within the framework of the above stated main terms and conditions.

(b) Transfers of own shares

Transfers of own shares to participants in Performance Share Program 2014/2017, 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 2,090,000 TeliaSonera shares may be transferred to participants in Performance Share Program 2014/2017 as Performance Shares.
2. Entitled to receive allotments of Performance Shares without consideration shall be such persons within the Group being participants in Performance Share Program 2014/2017. Further, subsidiaries shall be entitled to acquire shares without consideration, in which case such company shall be obliged, pursuant to the terms and conditions of Performance Share Program 2014/2017, to immediately transfer the shares to such persons within the Group that participate in Performance Share Program 2014/2017.
3. Transfers of shares shall be made without consideration at the time and on such additional terms and conditions that participants in Performance Share Program 2014/2017 are entitled to receive final allotments of Performance Shares, i.e. following the publication of the Company's Interim Report for the first quarter of 2017.
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 reasons for deviation from the shareholders' preferential rights are the following.

The transfers of own shares are integrated parts of the implementation of Performance Share Program 2014/2017. The Board of Directors considers it to be an advantage for the Company and the shareholders that the participants in Performance Share Program 2014/2017 are offered 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 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.

Matter proposed by shareholders

Item 21 – Resolution on special investigation

At the request of one of the company's shareholders, a proposal for special investigation will be addressed at the meeting. The complete proposal will be presented at the meeting.

Majority requirements

A resolution on authorization for the Board of Directors to acquire 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.

Documents, etc.

The annual report, complete resolution proposals and any other documents to be made available prior to the annual general meeting as required by the Swedish Companies Act or the Swedish Code of Corporate Governance will be available at TeliaSonera AB, Investor Relations, Stureplan 8 in Stockholm, as from Wednesday, March 12, 2014. The documents can also be obtained from the following address: TeliaSonera AB, Box 7842, SE-103 98 Stockholm, or by phone +46-8-402 90 50. The documents will also be available on the Company's website www.teliasonera.com from the same date.

Stockholm, February, 2014
Teliasonera AB (publ)
The Board of Directors