



Report on Tele2 AB Nomination Committee's work in preparation for the Annual General Meeting in 2006

This report has been drawn up in accordance with the Swedish Code of Corporate Governance (the Code).

Background

In accordance with the decision of the AGM 2005, Cristina Stenbeck convened a Nomination Committee during the autumn 2005 in preparation for the Annual General Meeting in 2006, consisting of the major shareholders in Tele2 AB. The Nomination Committee consists of Cristina Stenbeck, on behalf of Investment AB Kinnevik and Emesco AB Björn Lind, on behalf of SEB Fonder and SEB Trygg Liv, Peter Rudman, on behalf of Nordeas fonder and Mats Guldbrand, on behalf of AMF Pension. The four shareholder representatives in the Nomination Committee jointly represent more than 50 percent of voting rights in the Company. The names of the shareholder representatives were publicised in the Company's third quarterly report in 2005.

The Nomination Committee has been assigned the task of proposing the procedure of electing the Nomination Committee ahead of the Annual General Meeting 2007, for approval by the Annual General Meeting in 2006. The Nomination Committee has moreover been assigned the task of nominating a Chairman to lead the Annual General Meeting and to submit proposals for election of the Board of Directors as well as proposals on Board remuneration and auditor remuneration.

The Board member Cristina Stenbeck has been appointed as Chairman of the Nomination Committee, which deviates from what the Code prescribes. The other members of the Nomination Committee have declared their decision regarding the election of the Chairman of the Nomination Committee as being in all the shareholders' interest, and a natural consequence of Cristina Stenbeck representing the company's largest shareholder.

The work of the Nomination Committee

The Nomination Committee has held three minuted meetings, with additional contacts between meetings. As the basis for its work, the Nomination Committee has an evaluation of the Board and its work, among other documents. To assess the degree to which the present Board fulfils the requirements placed on the Board, as a result of the Company's situation and future direction, discussion has focused on the Board's size and composition as regards experience and expertise.

No proposals have been received by the Nomination Committee from persons outside the Nomination Committee.

The Nomination Committee has further discussed the matter of the Board's independence. The proposal regarding Tele2 AB's Board composition fulfils both the Stockholm Stock

Exchange's rules regarding independent directors as well as the Code's demands on independence including the rule that at least two of the Board members who are independent from the company's management also shall be independent from the company's major shareholders.

More detailed information on the proposed Board members is available at Tele2 AB's website, www.tele2.com.

With respect to Board remuneration and against the background of the increase in the Board by one person, the Nomination Committee has proposed an increase in the total Board remuneration (including remuneration for the work in the committees of the Board of Directors) from SEK 3,350,000 to SEK 3,750,000.

The Company's auditor was elected at the Annual General Meeting in 2004 for the period until after the Annual General Meeting to be held in 2008. The Nomination Committee proposes to the Annual General Meeting that auditor remuneration shall be paid in accordance with an approved bill, which specifies time, persons who worked and tasks performed.

The Nomination Committee's proposals

The Nomination Committee submits the following proposals for resolution at the AGM 2006:

- Lawyer Martin Børresen as Chairman to lead the Annual General Meeting.
- Election of 8 Board members and no deputies.
- Re-election of Vigo Carlund, John Hepburn, Jan Loeber, John Shakeshaft and Cristina Stenbeck, as Board members.
- Election of Mia Brunell, Donna Cordner and Daniel Johannesson, as Board members.
- Vigo Carlund is proposed as Chairman of the Board.
- Board remuneration (including remuneration for the work in the committees of the Board of Directors) of a total of SEK 3,750,000, of which SEK 800,000 shall be allocated to the Chairman of the Board and SEK 400,000 to each of the other directors of the Board and a total of SEK 150,000 for work in the committees of the Board of Directors.
- Audit remuneration in accordance with an approved bill, which specifies time, person and work performed
- The appointment of a Remuneration Committee and an Audit Committee at the Constituent Board Meeting.
- The Nomination Committee shall consist of at least three members representing the shareholders of the company and it will be formed during September 2006 in consultation with the largest shareholders in the company at that time. The Nomination Committee shall be elected for a term of office of one year. The majority of the members of the Committee may not be members of the Board of Directors or employed by the company. If a member of the Committee resigns before the work is concluded, a replacement member is to be appointed in the corresponding manner. Cristina Stenbeck shall be a member of the Committee and shall also act as its convenor. The members of the Committee shall appoint the Chairman among themselves at the first meeting. The composition of the Committee shall be communicated in the company's interim report for the third quarter of 2006.