



NOTICE TO ATTEND THE ANNUAL GENERAL MEETING

The shareholders of Tele2 AB (publ) are hereby invited to the Annual General Meeting on Monday 11 May 2020 at 15.00 CEST at Tele2's premises on Torshamnsgatan 17 in Kista, Stockholm. The doors open for shareholders at 14.40 CEST.

Special arrangements in view of the outbreak of the novel corona virus and COVID-19

The continued spread of the novel corona virus and COVID-19 remains difficult to assess with any certainty. At the time of the issuance of this notice, public gatherings with more than 50 participants are prohibited. Tele2 is mindful of the health of the shareholders as well as the work to limit the spread of the virus, and will of course comply with any applicable restrictions and limitations for gatherings. If there is a risk that the number of people present at the Annual General Meeting will exceed the restrictions and limitations for gatherings applicable at the time, Tele2 may decide to postpone the Annual General Meeting until a later date. As a precautionary measure Tele2 has decided – in consultation with experts and in response to feedback from concerned shareholders – to implement special arrangements at the 2020 Annual General Meeting. Such arrangements include, among other things, that Tele2's Chief Executive Officer, Anders Nilsson, Chairman of the Board, Carla Smits-Nusteling, and Chairman of the Nomination Committee, Georgi Ganev, will not give their customary presentations at the Annual General Meeting this year, and that no food and beverage will be served.

Tele2 strongly encourages all shareholders to consider the possibility of not attending the Annual General Meeting in person. Tele2 will give all shareholders the possibility of postal voting. There will also be possibilities to participate via a proxy holder.

Tele2 is closely monitoring the impact of the outbreak of the novel corona virus and COVID-19 in Sweden, and in case of updated government instructions or recommendations from relevant authorities, Tele2 may decide on additional precautionary measures in connection with the 2020 Annual General Meeting. Information and updates on the special arrangements, as well as information regarding proxy services, is available on the company's website www.tele2.com under the heading "Annual General Meeting 2020", found under the section "Governance", where a template for voting by post will be made available no later than 15 April 2020.

NOTICE ETC.

Shareholders who wish to attend the Annual General Meeting shall

- be entered in the share register maintained by Euroclear Sweden on Tuesday 5 May 2020, and
- give notice of their intention to attend no later than Tuesday 5 May 2020. Notice to attend is to be made on the company's website at www.tele2.com, under the heading "Annual General Meeting 2020", found under the section "Governance", by telephone to +46 (0) 8 402 92 09 or by mail to Tele2 AB, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.

Shareholders shall in their notice to attend state name, personal identification number or company registration number, address, phone number and number of advisors, if applicable. Shareholders whose shares are registered in the names of nominees must temporarily re-register such shares in their own name in order to be entitled to attend the Annual General Meeting. In order for such re-registration to be completed on Tuesday 5 May 2020, the shareholder must inform their nominees well before that day. Shareholders attending by a proxy or a representative should send documents of authorisation to the mail address above well before the Annual General Meeting. Information regarding proxy services, as well as a template proxy form is available on the company's website www.tele2.com under the heading "Annual General Meeting 2020", found under the section "Governance". No later than 15 April 2020 there will also be information regarding on how shareholders can postal vote including a postal vote template, available on the company's website.

PROPOSED AGENDA

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check and verify the minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Presentation of the annual report, the auditor's report and the consolidated financial statements and the auditor's report on the consolidated financial statements.
8. Resolution on the adoption of the income statement and the balance sheet and of the consolidated income statement and the consolidated balance sheet.
9. Resolution on the proposed treatment of the company's earnings as stated in the adopted balance sheet.
10. Resolution on the discharge of liability for the members of the Board and the Chief Executive Officer.
11. Determination of the number of members of the Board.
12. Determination of the remuneration to the members of the Board and the auditor.
13. Election of Board members;
 - (a) Andrew Barron (re-election, proposed by the Nomination Committee).
 - (b) Anders Björkman (re-election, proposed by the Nomination Committee).
 - (c) Georgi Ganev (re-election, proposed by the Nomination Committee).
 - (d) Cynthia Gordon (re-election, proposed by the Nomination Committee).
 - (e) Eva Lindqvist (re-election, proposed by the Nomination Committee).
 - (f) Lars-Åke Norling (re-election, proposed by the Nomination Committee).
 - (g) Carla Smits-Nusteling (re-election, proposed by the Nomination Committee).
14. Election of the Chairman of the Board.
15. Determination of the number of Auditors and election of Auditor.
16. Resolution regarding guidelines for remuneration to senior executives.
17. Resolutions regarding an incentive programme (items (a)-(e)).
18. Resolution to authorise the Board to resolve on repurchase of own shares.
19. Resolution regarding amendments of the Articles of Association.
20. Resolution regarding shareholder Martin Green's proposals (items (a)-(c)).
21. Resolution regarding shareholder Thorwald Arvidsson's proposals (items (a)-(f)).
22. Closing of the Annual General Meeting.

RESOLUTIONS PROPOSED BY THE NOMINATION COMMITTEE

Election of Chairman of the Annual General Meeting (item 2)

The Nomination Committee proposes that Wilhelm Lünig, member of the Swedish Bar Association, is elected to be the Chairman of the Annual General Meeting.

Determination of the number of members of the Board and election of the members of the Board and the Chairman of the Board (items 11, 13(a)-(g) and 14)

The Nomination Committee proposes that the Board shall consist of seven members.

The Nomination Committee proposes that Andrew Barron, Anders Björkman, Georgi Ganev, Cynthia Gordon, Eva Lindqvist, Lars-Åke Norling and Carla Smits-Nusteling, shall be re-elected as members of the Board until the close of the next Annual General Meeting.

The Nomination Committee proposes that Carla Smits-Nusteling shall be re-elected as Chairman of the Board.

Determination of the remuneration to the members of the Board and the auditor (item 12)

The Nomination Committee proposes unchanged remuneration per member level, for the period until the end of the next Annual General Meeting. The proposed remuneration amounts to a total of SEK 6,475,000 and shall be allocated in accordance with the following:

- SEK 1,700,000 to the Chairman of the Board,
- SEK 850,000 to the Deputy Chairman of the Board,
- SEK 625,000 to each of the five other members of the Board,
- SEK 240,000 to the Chairman of the Audit Committee and SEK 120,000 to each of the other three members, and
- SEK 100,000 to the Chairman of the Remuneration Committee and SEK 50,000 to each of the other two members.

The Nomination Committee proposes that remuneration to the auditor shall be paid in accordance with approved invoices.

Determination of the number of Auditors and election of Auditor (item 15)

In accordance with the Audit Committee's recommendation, the Nomination Committee proposes that the company shall have one registered accounting firm as auditor, and that the registered accounting firm Deloitte AB shall be re-elected as auditor until the close of the 2021 Annual General Meeting. Deloitte AB has informed Tele2 that the authorised public accountant Didrik Roos will be appointed auditor-in-charge if Deloitte AB is re-elected as auditor.

RESOLUTIONS PROPOSED BY THE BOARD

Dividend (item 9)

The Board proposes an ordinary dividend of SEK 5.50 per share to be paid out to the shareholders in two equal tranches of SEK 2.75 per share each. The record dates shall be on Wednesday 13 May 2020 for the first ordinary dividend payment, and Friday 2 October 2020 for the second ordinary dividend payment.

In addition, the Board proposes an extraordinary dividend of SEK 3.50 per share. The record date for the extraordinary dividend payment shall be on Wednesday 13 May 2020.

If the Annual General Meeting resolves in accordance with the proposal, the shareholders will receive a total dividend of SEK 9.00 per share, and the first tranche of the ordinary dividend and the extraordinary dividend will be paid out to the shareholders on Monday 18 May 2020 and the second tranche of the ordinary dividend will be paid out to the shareholders on Wednesday 7 October 2020.

Guidelines for remuneration to senior executives (item 16)

The Board proposes the following guidelines for remuneration to senior executives.

Applicability

Senior executives covered by the provisions of these guidelines include the CEO and members of the Group Leadership Team (“senior executives”). For the purpose of these guidelines, senior executives also include Board Members, elected at General Meetings, to the extent such Board Members perform services within their respective areas of expertise outside of their Board duties. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2020. These guidelines do not impose restrictions to any remuneration decided or approved by General Meetings. Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Our approach to the remuneration guidelines

The remuneration policy provides a structure that aligns remuneration with the successful delivery of our long-term business strategy, interests and sustainability.

In short, the company’s business strategy is the following.

Tele2’s vision is to be the smartest telco in the world, creating a world of unlimited possibilities. We enable the transformation of businesses and the creation of tomorrow’s infrastructure. Connecting people and technology far and wide, as well as right here around us. Simple. Sustainable. Smart. Tele2’s values are Fearless, Open, Cost Efficient, Reliable and Flexible. These values together constitute “The Tele2 Way” – our way of relating to each other internally, and to the world around us. Tele2’s culture and strong values, “The Tele2 Way”, make the foundation for attracting and retaining driven and engaged talent.

More information regarding the company’s business strategy is available on the company’s website www.tele2.com.

A prerequisite for the successful implementation of the company’s business strategy and safeguarding of its long-term interests and its sustainability, is that the company is able to attract and retain driven and engaged talent. To this end, it is necessary that the company offers competitive remuneration packages to attract, motivate and retain key employees within the context of an international peer group. The aim is to create incentives for the management to execute strategic plans and deliver excellent operating results, and to align management’s incentives with the interests of the shareholders.

General Meetings in Tele2 have separately resolved on long-term share and share-price related incentive plans. Going forward, any new long-term share and share-price related incentive plans will be resolved upon separately by the General Meetings and are therefore not covered by these guidelines since these guidelines do not impose restrictions to any remuneration decided or approved by General Meetings. The performance criteria used to assess the outcome of these long-term share and share-price related

incentive plans are distinctly linked to the business strategy and thereby to the company's long-term value creation, including its sustainability. At present, these performance criteria comprise i.a. Tele2's absolute TSR and Tele2's TSR vs a defined Peer Group. However, such criteria may change in future long-term share and share-price related incentive plans. Current plans are also conditional upon the participant's own investment and certain holding periods of several years. More information regarding these long-term share-related incentive plans, including the performance criteria which the outcome depends on, is available on the company's website www.tele2.com under the heading "Remuneration", found under the section "Governance".

Remuneration elements

Remuneration to the senior executives should comprise annual fixed base salary, variable short-term remuneration, variable long-term incentives, pension benefits and other benefits.

Annual fixed base salary

For defining the annual fixed base salary for the senior executives, the Remuneration Committee uses a similar methodology as for benchmarking other employees' fixed annual remuneration, utilizing external benchmark and reviewing peers. The Board considers the remuneration of employees and the average annual increases an important element in determining the annual salary increase for senior executives.

Variable short-term remuneration, including criteria for awarding

The variable short-term remuneration ("STI") shall be linked to predetermined and measurable criteria, measured over a period of maximum one year, which can be financial, such as EBITDA, or Sales Revenue, or non-financial, such as sustainability. In addition, they may be individualized, quantitative or qualitative objectives. For senior executives, the financial criteria are weighted 80 percent and the non-financial criteria are weighted 20 percent. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy, "The Tele2 Way" or promote the senior executive's long-term development.

The variable short-term remuneration can amount to a maximum of 100 percent of the annual fixed base salary.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated and/or determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable cash remuneration to the senior executives, including a Board Member, if any. The evaluation for financial objectives shall be based on the latest financial information made public by the company.

Variable long-term incentives, including criteria for awarding

The structure of any variable long-term incentives shall ensure a long-term commitment for Tele2's development and value creation and may be both share and share-price related as well as cash based. Going forward, any long-term share and share-price related incentive plans will be resolved upon separately by the General Meetings and are therefore not covered by these guidelines.

Pension benefits

The senior executives are offered defined contribution pension plans, including health insurance (Sw. *sjukförsäkring*). Defined contributions for pensions to the CEO and the other senior executives can amount to a maximum of 20 percent premium based on the annual fixed base salary and the STI, which could maximum lead to 40 percent of the annual fixed base salary.

Other benefits

Other benefits may include e.g. company cars, health care insurance and for expatriated senior executives e.g. housing benefits for a limited period of time. Such benefits may amount to not more than five percent of the annual fixed base salary.

Termination of employment

The maximum period of notice of termination of employment shall be twelve months in the event of

termination by the CEO and six months in the event of termination by any of the other senior executives. In the event of termination by the company, the maximum notice period during which compensation is payable is eighteen months for the CEO and twelve months for any of the other senior executives.

Additionally, remuneration may be paid for non-compete undertakings and such remuneration shall compensate loss of income. The remuneration shall be paid during the time the non-compete undertaking applies, however not for more than six months. With regard to the CEO, the remuneration shall amount to not more than 60 percent of the CEO's average monthly remuneration (both fixed and variable) paid by the company during the twelve months preceding the time of termination and with regard to other senior executives, the remuneration shall amount to not more than 80 percent of the senior executive's monthly base salary at the time of the termination.

Salary and employment conditions for employees

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

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

The Board has established a remuneration committee. The committee's tasks include preparing the Board's decision to propose guidelines for remuneration to senior executives. The Board shall prepare a proposal for new guidelines 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 and evaluate programmes for variable remuneration for the senior executives, the application of the guidelines for remuneration to senior executives as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its executive management. The CEO and other senior executives do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board 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 the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Incentive programme (items 17(a)-(e))

The Board proposes that the Annual General Meeting resolves to adopt a retention and performance-based incentive programme in accordance with items 17(a)-(e) below.

Tele2's Remuneration Committee has prepared the incentive programme in consultation with external advisors and major shareholders. The incentive programme has been reviewed by the Board at board meetings during the end of 2019 and the first months of 2020.

Adoption of an incentive programme (item 17(a))

Summary of the programme

The Board proposes that the Annual General Meeting resolves to adopt a retention and performance-based incentive programme ("LTI 2020") based on a similar structure as last year, but including another performance metric.

LTI 2020 is proposed to include approximately 225 senior executives and other key employees within the Tele2 Group. The participants in LTI 2020 are required to hold Tele2 shares. These shares can either

be shares already held or shares purchased on the market in connection with the notification to participate in LTI 2020. The personal investment will thereafter be matched by the company through free-of-charge granting of retention and performance rights on the terms stipulated below.

In the event delivery of shares under LTI 2020 cannot be achieved at reasonable costs, with reasonable administrative efforts or due to market conditions, participants may instead be offered a cash-based settlement.

The rationale for the proposal

The purpose of LTI 2020 is to create conditions for retaining competent employees in the Tele2 Group. LTI 2020 has been designed based on the view that it is desirable that senior executives and other key employees within the group are shareholders in the company. Participation in LTI 2020 requires a personal investment in Tele2 shares, be it shares already held or shares purchased on the market in connection with the notification to participate in LTI 2020.

By offering an allotment of performance rights which are based on the fulfilment of defined profits and activity-based conditions, the participants are rewarded for increased shareholder value. Further, LTI 2020 rewards employees' loyalty and long-term value growth in the company. Against this background, the Board believes the adoption of LTI 2020 will have a positive effect on the Tele2 Group's future development and thus be beneficial for both the company and its shareholders.

Personal investment

Employees must own Tele2 shares in order to participate in LTI 2020. These shares can either be shares already held, provided that the shares are not used as investment shares under the share-based incentive programmes for the years 2018 or 2019, or shares purchased on the market in connection with notification to participate in LTI 2020. The maximum number of shares that the employee can hold under LTI 2020 will correspond to approximately 15 - 25 percent of the employee's annual base salary as further described below. For each Tele2 share held under LTI 2020, the participants will be granted retention and performance rights by the company.

General terms and conditions

Subject to fulfilment of certain retention and performance-based conditions during the periods 1 January 2020 – 31 December 2022 (the "Cash flow Measurement Period") and 1 April 2020 – 31 March 2023 (the "TSR Measurement Period") and the participant maintaining the invested shares at the release of the interim report for January – March 2023 and, with certain exceptions, maintaining the employment within the Tele2 Group, each right entitles the participant to receive one Tele2 share free-of-charge. The retention and performance rights do not entitle the holder to receive dividends, but in order to align the participants' and the shareholders' interests, the company will compensate the participants for any dividends paid on the underlying shares during the respective Measurement Periods, by increasing the number of shares that each retention and performance right entitles to at the end of the vesting period. It should be noted that the participants in LTI 2020 will not be compensated for dividend proposed at the Annual General Meeting 2020 if the dividend is executed prior to grant date of the LTI 2020 programme.

Retention and performance conditions

The rights are divided into Series A (retention rights) and Series B and Series C (performance rights). The number of Class B shares the respective participant will receive after vesting depends on which category the participant belongs to and on the fulfilment of the following defined retention and performance-based conditions:

Series A The total shareholder return on the Tele2 shares (TSR) during the TSR Measurement Period exceeding 0 percent as entry level.

Series B The total shareholder return on the Tele2 shares (TSR) during the TSR Measurement Period being equal to the median TSR for a peer group comprising BT Group, Deutsche Telekom, Elisa, Freenet (Xet), Koninklijke KPN, NOS SGPS, Orange, Proximus, Swisscom, Sunrise Communications,

Telecom Italia, Telefonica, Telefonica Deutschland, Telenet Group Holding, Telekom Austria, Telenor, Telia Company and Vodafone as entry level, and exceeding the median TSR for the peer group with 20 percentage points as the stretch level.

Series C: Operating cash flow¹ shall be measured on cumulative basis for the consolidated Tele2 Group during the Cash flow Measurement Period. The Board shall establish appropriate target levels according with the external financial guidance by Tele2. As an entry level for allotment of the Cash flow target, 90 percent of the target level has to be reached and in order to reach stretch level, 110 percent of the target level has to be reached.

The determined levels of the conditions include an “entry” and a “stretch” with a linear interpolation applied between these levels as regards the number of rights that vest. The entry level constitutes the minimum level which must be reached in order to enable vesting of the rights in the relevant series. If the entry level is reached, the number of rights that vests and give right to Class B shares is proposed to be 100 percent for Series A, 50 percent for Series B and 30 percent for Series C. If the entry level is not reached for a certain series, all retention or performance rights (as applicable) in that series lapse. If the stretch level for Series B and Series C are met, all retention and performance rights vest. The Board intends to disclose the outcome of the retention and performance-based conditions in the annual report for the financial year 2023.

Retention and performance rights

The retention and performance rights shall be governed by the following terms and conditions:

- They are granted free-of-charge after the Annual General Meeting 2020.
- They vest three years after grant (vesting period).
- Each right entitles the participant to receive one Tele2 share after the three-year vesting period, if the participant, with certain exceptions, maintains the employment within the Tele2 Group and the invested shares at the release of the interim report for the period January – March 2023.
- In order to align the participants’ and the shareholders’ interests, the company will compensate the participants for any dividends paid by increasing the number of shares that each retention and performance right entitles to at the end of the vesting period. It can be noted that the participants in LTI 2020 will not be compensated for dividend proposed at the Annual General Meeting 2020, if the dividend is executed prior to grant date of the LTI 2020 programme.
- They may not be transferred or pledged.

Preparation and administration

The Board, or a committee established by the Board for these purposes, shall be responsible for preparing the detailed terms and conditions of LTI 2020, in accordance with the mentioned terms and guidelines. To this end, the Board shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board may also make other adjustments if significant changes in the Tele2 Group or its operating environment would result in a situation where the decided terms and conditions of LTI 2020 no longer serve their purpose. The Board of Directors is proposed to have the right to adjust for items affecting the original target setting, i.e. items that are deemed not be related to ordinary course of business and similar items at time of the original target setting. The Board’s possibility to make such adjustments does not include the grant of continued participation for senior executives in the company’s long-term incentive programmes after the termination of their respective employments.

Allocation

LTI 2020 is estimated to comprise up to 396,500 shares held by the participants entitling to allotment of up to 1,808,000 rights, whereof 396,500 retention rights and 1,411,500 performance rights. The

¹ Operating cash flow is defined as Underlying EBITDAaL less Capex excluding spectrum & leases. It will be measured on cumulative bases for the consolidated Tele2 Group during the measurement period of 1 January 2020 – 31 December 2022.

participants are divided into different categories and in accordance with the above, LTI 2020 will comprise the following number of shares and maximum number of rights for the different categories:

- the CEO: may acquire up to 10,000 shares within LTI 2020, entitling to an allotment of 1 Series A right, 4.5 Series B rights and 4.5 Series C rights per invested share, with the possibility to receive a maximum of 100,000 Tele2 shares at vesting;
- senior executives and certain key employees (approximately 11 individuals) are divided into two subcategories where category (i) (approximately 3 individuals) may acquire up to 7,500 shares each within LTI 2020, entitling the holder to allotment of 1 Series A right, 3.5 Series B rights and 3.5 Series C rights per invested share, with the possibility to receive a maximum of 60,000 Tele2 shares at vesting. Category (ii) (approximately 8 individuals) may acquire up to 4,500 shares each within LTI 2020, entitling the holder to allotment of 1 Series A right, 2.5 Series B rights and 2.5 Series C rights per invested share, with the possibility to receive a maximum of 27,000 Tele2 shares at vesting;
- category 3 (approximately 30 individuals in total): may acquire up to 3,000 shares each within LTI 2020, entitling the holder to allotment of 1 Series A right, 1.5 Series B rights and 1.5 Series C rights per invested share, with the possibility to receive a maximum of 12,000 Tele2 shares at vesting;
- category 4 (approximately 55 individuals in total): may acquire up to 2,000 shares each within LTI 2020, entitling the holder to allotment of 1 Series A right, 1.5 Series B rights and 1.5 Series C rights per invested share, with the possibility to receive a maximum of 8,000 Tele2 shares at vesting;
- category 5 (approximately 128 individuals in total): may acquire up to 1,000 shares each within LTI 2020, entitling the holder to allotment of 1 Series A right, 1.5 Series B rights and 1.5 Series C rights per invested share, with the possibility to receive a maximum of 4,000 Tele2 shares at vesting.

Scope and costs

LTI 2020 will be accounted for in accordance with IFRS 2 which stipulates that the rights should be recorded as a personnel expense in the income statement during the vesting period. Based on the assumptions of a share price of SEK 119.70 (closing share price of the Tele2 Class B share on 24 March 2020 of SEK 125.95 reduced by the proposed dividend of SEK 6.25 per share, which is distributed from underlying share before the launch of LTI 2020), a maximum participation, an annual employee turnover of 10 percent among the participants, a fulfilment of performance conditions of 50 percent including a full vesting of retention rights, the cost for LTI 2020, including financing costs, but excluding social security costs, is estimated to approximately SEK 78 million. The cost will be allocated over the years 2020 – 2023. At a 100 percent fulfilment of the performance conditions, the total cost is estimated to approximately SEK 109 million, according to IFRS 2.

The calculated social security cost will be recorded as a personnel expense in the income statement by current reservations. The social security cost is estimated to approximately SEK 42 million with the assumptions above (approximately SEK 68 million at a 100 percent fulfilment of the performance conditions), an average social security charge rate of 30 percent and an annual share price increase for Tele2's Class B shares of 10 percent during the vesting period.

The participant's maximum profit per right in LTI 2020 is limited to SEK 562, which equals to four times the average closing share price of the Tele2 Class B share during February 2020 with deduction for the proposed dividend, which is distributed from underlying share before the launch of LTI 2020. If the value of the Tele2 B-share exceeds SEK 562 at vesting, the number of Class B shares that each right entitles the participant to receive at vesting will be reduced correspondingly.

The maximum dilution is up to 0.30 percent of outstanding shares, 0.23 percent of votes and 0.18 percent in terms of costs for LTI 2020. The calculation is made in accordance with IFRS 2, divided by Tele2's

market capitalisation, excluding the dividend proposed to the Annual General Meeting 2020. Together with rights granted under the incentive programmes for the years 2017, 2018 and 2019, the maximum dilution is up to 0.77 percent of outstanding shares and 0.59 percent of votes.

If the maximum profit of SEK 562 per right is reached, all invested shares are retained under LTI 2020 and a fulfilment of the retention and performance conditions of 100 percent, the maximum cost, as defined in IFRS 2, is approximately SEK 148 million and the maximum social security cost is approximately SEK 305 million.

For information on Tele2's other equity-related incentive programmes, reference is made to the annual report for 2019, note 33.

Effect on key ratios

If LTI 2020 had been introduced in 2019 with the assumptions above, the impact on basic earnings per share would have resulted in a dilution of 0.6 percent or from SEK 7.24 to SEK 7.19 on a pro forma basis.

The annual cost of LTI 2020, including financing costs and social security costs, is estimated to approximately SEK 41 million given the above assumptions. This cost can be related to the company's total personnel costs, including social security costs, of SEK 2,852 million in 2019.

Delivery of Class B shares

To ensure the delivery of shares under LTI 2020, as well as other outstanding equity-related incentive programmes, the Board proposes that the Annual General Meeting resolves to authorise the Board to resolve on a directed issue of Class C shares to Nordea Bank in accordance with item 17(b), and further to authorise the Board to subsequently resolve to repurchase the Class C shares from Nordea Bank in accordance with item 17(c). The Class C shares will then be held by the company, whereafter the appropriate number of Class C shares will be reclassified into Class B shares and subsequently be delivered to the participants under LTI 2020 as well as other outstanding equity-related incentive programmes.

The Board further proposes that the Annual General Meeting resolves that a maximum of 2,100,000 Class B shares may be transferred to the participants in accordance with the terms of LTI 2020. These shares can either be Class B treasury shares held by the company or Class B shares held by the company after reclassification from Class C shares.

Authorisation to issue Class C shares (item 17(b))

The Board proposes that the Annual General Meeting resolves to authorise the Board, during the period until the Annual General Meeting 2021, to increase the company's share capital by not more than SEK 3,750,000 by the issue of not more than 3,000,000 Class C shares, each with a ratio value of SEK 1.25. With disapplication of the shareholders' preferential rights, Nordea Bank shall be entitled to subscribe for the new Class C shares at a subscription price corresponding to the ratio value of the shares. The purpose of the authorisation and the reason for the disapplication of the shareholders' preferential rights in connection with the issue of shares is to ensure delivery of Class B shares to participants under LTI 2020 as well as in accordance with LTI 2017- LTI 2019.

Authorisation to resolve to repurchase own Class C shares (item 17(c))

The Board proposes that the Annual General Meeting resolves to authorise the Board, during the period until the Annual General Meeting 2021, to repurchase its own Class C shares. The repurchase may only be effected through a public offer directed to all holders of Class C shares and shall comprise all outstanding Class C shares. The purchase may be effected at a purchase price corresponding to not less than SEK 1.25 and not more than SEK 1.35 per share. Payment for the Class C shares shall be made in cash. The purpose of the repurchase is to ensure the delivery of Class B shares under LTI 2020.

Resolution on the transfer of own Class B shares (item 17(d))

The Board proposes that the Annual General Meeting resolves that Class C shares that the company purchases by virtue of the authorisation to repurchase its own Class C shares in accordance with item 17(c) above, following reclassification into Class B shares, may be transferred to participants in LTI 2020, to participants in other outstanding equity-related incentive programmes in accordance with the approved terms, or sold on Nasdaq Stockholm as set out in accordance with item 17(e) below.

The Board proposes that the Annual General Meeting resolves that a maximum of 2,100,000 Class B shares may be transferred to participants in accordance with the terms of LTI 2020. These shares can either be Class B treasury shares held by the company or Class B shares held by the company after reclassification from Class C shares.

Resolution on the sale of own Class B shares (item 17(e))

The Board proposes that the Annual General Meeting authorises the Board to resolve, on one or more occasions, for the period up until the Annual General Meeting 2021, to sell Class B shares on Nasdaq Stockholm. The number of Class B shares to be sold may not exceed the number of Class B shares that the company holds at the point in time of the Board's resolution. Sale of Class B shares may only be in consideration of cash payment at a price within the share price interval registered at that time, meaning the interval between the highest purchase price and the lowest selling price.

The purpose of the authorisation is to ensure the company's undertakings, including social security costs and payment of preliminary salary tax, in connection with delivery of shares to the participants in Tele2's long-term incentive programme LTI 2018 – LTI 2020.

Authorisation for the Board to resolve to repurchase own shares (item 18)

The Board proposes that the Board is authorised to resolve on repurchasing the company's own shares if the purpose is to retire shares through a decrease of the share capital, as well as to ensure delivery of B-shares to the participants in the Tele2's long-term incentive programmes LTI 2018 – 2020, in accordance with the following conditions:

- The repurchase of Class A and/or Class B shares shall take place on Nasdaq Stockholm in accordance with Nasdaq Stockholm's rules regarding purchase of own shares.
- The repurchase of Class A and/or Class B shares may take place on one or more occasions for the period up until the next Annual General Meeting.
- So many Class A and/or Class B shares may, at the most, be repurchased so that the company's holding does not at any time exceed 10 percent of the total number of shares in the company.
- The repurchase of Class A and/or Class B shares at Nasdaq Stockholm may occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.
- It is the from time to time lowest-priced, available, shares that shall be repurchased by the company.
- Payment for the shares shall be made in cash.

The purpose of the authorisation is both to give the Board flexibility to continuously decide on changes to the capital structure during the upcoming year, and thereby contribute to increased shareholder value, as well as to hedge delivery of B-shares to the participants in Tele2's long-term incentive programmes LTI 2018 – 2020, in accordance with the resolutions under items 17(d) and (e) and previous Annual General Meetings' resolutions.

Amendment of the Articles of Association (item 19)

The Board proposes that the Annual General Meeting resolves to amend the Articles of Association. A new section is proposed to be inserted in the Articles of Association allowing the Board to collect powers of attorney in accordance with the procedure described in Chapter 7, section 4, paragraph 2 of the Swedish Companies Act (2005:551) and allowing the Board to decide that shareholders shall have the right to provide their votes before a General Meeting. Further, a number of editorial amendments are proposed and amendments to reflect changes in legislation.

Current wording

§ 1

The *registered* name (Sw. *firma*) of the Company is Tele2 AB. The Company is a public company (publ).

§7

The Company shall as Auditor have no less than one and no more than three registered accounting firms. The Auditors term of office shall last until the end of the *first Annual General Meeting* which is held after the year the Auditor was appointed.

§ 10

To be entitled to participate in a general meeting, shareholders must be recorded in a print-out or another presentation of the complete share register relating to the circumstances as of five business days before the meeting, and give notice to the company no later than on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

§ 11

As a consequence of the insertion of a new section 11 a renumbering of section is proposed, whereby the old § 11 becomes § 12.

Proposed wording

The *business* name (Sw. *företagsnamn*) of the company is Tele2 AB. The Company is a public company (publ).

The Company shall as Auditor have no less than one and no more than three registered accounting firms. The auditor's term of office shall last until the end of *the Annual General Meeting that is held during the first, second, third or fourth financial year* after the auditor was elected.

To be entitled to participate in a general meeting, shareholders shall give notice to the company no later than on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

A shareholder or proxy may be accompanied by one or two advisors at a General Meeting, only where the shareholder has given the company notice in the manner stated in the previous paragraph.

The Board may collect powers of attorney in accordance with the procedure described in Chapter 7, section 4, second paragraph of the Companies Act (2005:551).

The Board has the right before a General Meeting to decide that shareholders shall be able to exercise their right to vote by post before the General Meeting.

RESOLUTIONS PROPOSED BY THE SHAREHOLDERS

Proposals from shareholder Martin Green (items 20 (a)-(c))

Shareholder Martin Green proposes that the Annual General Meeting resolves:

- (a)* that an investigation is carried out regarding the company's procedures to ensure that the current members of the Board and Leadership Team fulfil the relevant legislative and regulatory requirements, as well as the demands that the public opinions ethical values places on persons in leading positions. In addition, the investigation shall include the current attitude and practical handling performed by the company's administrators and executives,
- (b)* in the event that the investigation clarifies that there is need, swift, relevant measures shall be taken to ensure that the requirements are fulfilled, and
- (c)* taking into consideration the nature and scope of any needs, the investigation and any measures should be presented as soon as possible, however not later than during the Annual General Meeting 2021.

Proposals from shareholder Thorwald Arvidsson (items 21 (a)-(f))

Shareholder Thorwald Arvidsson proposes that the Annual General Meeting resolves:

- (a)* that §5 first paragraph item 3 in the Articles of Association shall have the following wording: In connection with voting at General Meetings, shares of series A as well as series B and C, shall entitle to one vote,
- (b)* that §9 in the Articles of Association shall be supplemented by a second paragraph with the following wording: notice to attend Annual General Meeting or Extraordinary General Meeting at which amendment to the Articles of Association is to be addressed shall be issued not earlier than six weeks and not later than four week prior to the meeting. Notice of other Extraordinary General Meeting shall be issued not earlier than six weeks and not later than three weeks prior to the meeting,
- (c)* to instruct the Board to, ahead of the 2021 Annual General Meeting or an Extraordinary General Meeting prior to such meeting, prepare a proposal of further amendments to the Articles of Association applicable as a result of the proposed amendment of §5,
- (d)* also to instruct the Board to promote the abolition of the possibility to have differentiated voting powers in the Swedish Companies Act, primarily by approaching the Swedish government,
- (e)* to instruct the Board to prepare a proposal regarding representation on the Board and Nomination Committees for small and medium-sized shareholders to be resolved upon at the 2021 Annual General Meeting, or an Extraordinary General Meeting prior to such meeting,
- (f)* to instruct the Board to promote a corresponding change in the national Swedish regulatory framework, primarily by approaching the government.

MISCELLANEOUS

Shares and votes

There are a total number of 690,341,597 shares in Tele2, whereof 22,577,128 Class A shares and 667,764,469 Class B shares, corresponding to a total of 893,535,749 votes. As at the date on which this notice is disclosed Tele2 holds 2,397,369 of its own Class B shares corresponding to 2,397,369 votes which cannot be represented at the Annual General Meeting.

Special majority requirements with respect to the proposed resolutions in items 17, 18, 19 and 21

Resolutions under items 17(b), 17(c), 17(e), 18, 19 and 21(b) are valid only if supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

Resolution under item 17(d) is valid only if supported by shareholders holding not less than nine-tenth of both the votes cast and the shares represented at the Annual General Meeting.

Resolution under item 21(a) is valid only if supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting as well as one-half of all the Class A shares in the company and not less than nine-tenths of the Class A shares represented at the Annual General Meeting.

Authorisation

The Board, or the person that the Board will appoint, shall be authorised to make the minor adjustments in the Annual General Meeting's resolutions as may be required in connection with registration at the Swedish Companies Registration Office and Euroclear Sweden.

Documentation

The nomination committee's motivated statement regarding its proposal to Board and information about the proposed board members are available on the company's website, www.tele2.com.

The reasoned statement of the Board pursuant to Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act (2005:551), the evaluation of remuneration to the senior executives (report according to the transitional provisions of the Swedish Corporate Governance Code and the Swedish Companies Act (2005:551)), the Auditor's statement pursuant to Chapter 8 Section 54 of the Swedish Companies Act (2005:551) and the proposed wording of the Articles of Association are available at the company's website www.tele2.com under the heading "Annual General Meeting 2020, found under the section "Governance". The annual report is available on the company's website www.tele2.com under the heading "Reports and presentations", found under the section "Investors". All documentation are also available at the company's premises at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

The documentation can be ordered by telephone at +46 (0) 8 402 92 09 or at the address Tele2 AB, "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.

Shareholders' right to request information

The Board and the Chief Executive Officer shall, if any shareholder so requests and the Board believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the group and the consolidated accounts.

Processing of personal data

For information on how your personal data is processed, see Tele2's Privacy notice for General Meetings of Shareholders at www.tele2.com under the heading "Annual General Meeting 2020", found under the section "Governance".

Stockholm, April 2020

TELE2 AB (PUBL)

THE BOARD

Other information

Schedule for the Annual General Meeting:

The doors open for shareholders at 14.40 CEST.

The Annual General Meeting commences at 15.00 CEST.
