Tele2 Capital Markets Day
Agenda

1. Intro and Overview
2. Sweden Consumer
3. Sweden Business
4. Technology
5. Capex, Cash Flow and Remuneration
6. Sustainability and Organization
7. Summary
Today’s Presenters

Kjell Johnsen
President and CEO, Tele2 Group

Samuel Skott
EVP, Chief Commercial Officer

Karin Svensson
EVP, People and Change

Yogesh Malik
EVP, CTIO

Mikael Larsson
Group CFO

Stefan Trampus
EVP, Tele2 B2B
SMARTEST TELCO IN THE WORLD

Enabling a society of unlimited possibilities
### LEADING TELCO

**In the Nordic & Baltic region**

<table>
<thead>
<tr>
<th>Superior customer experience</th>
<th>Best industry shareholder return</th>
<th>High employee engagement</th>
<th>Lead in sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Distinctly positioned leading brands</td>
<td>- To be the trusted digitalization &amp; communication partner</td>
<td>- Lead in customer satisfaction and brand reputation</td>
<td>- Execute on the Business Transformation Program</td>
</tr>
<tr>
<td>- Win the household through FMC and excellent customer experience</td>
<td>- Multi-segment approach with value creation focus</td>
<td>- Develop next-generation household offerings</td>
<td>- Ensure end-to-end process harmonization</td>
</tr>
<tr>
<td>- Accelerate digitalization of customer journeys</td>
<td>- Lead through FMC, future proof business models &amp; technologies</td>
<td>- Strengthen our position in B2B</td>
<td>- Execution powered by data driven insight</td>
</tr>
</tbody>
</table>

### Our growth strategy

**Our strategic enablers**

<table>
<thead>
<tr>
<th>Unique people and culture</th>
<th>Reliable connectivity</th>
<th>Next generation operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Walk the talk leadership that aligns and engages</td>
<td>- Network modernization through 5G and 10G</td>
<td>- Execute on the Business Transformation Program</td>
</tr>
<tr>
<td>- Evolve Tele2's culture to maintain competitive advantage</td>
<td>- Distinct partner to commercial business units</td>
<td>- Ensure end-to-end process harmonization</td>
</tr>
<tr>
<td>- Attract and retain performance driven people with future proof competencies</td>
<td>- Customer focused network operations</td>
<td>- Execution powered by data driven insight</td>
</tr>
<tr>
<td>- Diverse and inclusive workplace to be proud of</td>
<td>- Architecture enabling Leading Digital Telco</td>
<td>- Continuous optimization to achieve efficiency</td>
</tr>
</tbody>
</table>

### Our medium term ambition

3-year horizon
A Model for Superior Shareholder Remuneration

- Low single digit growth in EUSR
- Mid single digit growth in underlying EBITDAaL
- Capex excl spectrum and leases of SEK 2.8-3.3bn
- Strong Operating Cash Flow
- Even stronger Equity Free Cash Flow
- Superior Shareholder Remuneration
Leading Brands Capturing Value From Full Market

Dual Brand Strategy to Drive Both Price and Volume

Covering the Whole Consumer Market

- Collecting for convenience
- Willingness to pay premium
- Explorers
- Sceptics
- Collectors
- Status seekers
- Price hunters
- Do-gooders
- FOMOs
- Techies
- Status seekers
- Price hunters
- Do-gooders
- FOMOs
- Techies

TELE2

COMVIQ
Clear Focus on Each Segment in Sweden B2B

**SME**

**Ambition**
Take back market share by offering simplified packages and bundling's based on customer needs

**Key drivers**
- Turn around trend in Fixed
- Simplified Mobile portfolio
- FMC & Mobile bundling

**Large**

**Ambition**
Improve Large private segment profitability by increasing higher margin sale, grow through as-a-service & Mobile bundling's

**Key drivers**
- EBITDA turnaround
- Bundling opportunities
- IoT enablement

**Public**

**Ambition**
Maintain and defend our Public Segment asset by carefully choosing our new bets and continue delivering reliable solutions for a sustainable society

**Key drivers**
- Stabilizing Mobile ASPU
- Grow engagement
- Professional services/advisory

**EUSR Trend**
- High
- Medium
- Medium-Low

**Margin Profile**
High Exposure to One of the Most Attractive Telco Markets in Europe

Market structure – Three player markets

- EE
- LV
- LT

Rational FMC
- Only more-for-more FMC playbook
- Tele2’s mobile-centric bundle of mobile telephony & mobile broadband is a competitive alternative to fixed broadband in all markets
- Mobile broadband has grown faster than fixed internet in the past 3-5 years

Source: Analysys Mason Mobile Service revenue market share
Strong Track Record of Growth, Set to Continue

EUSR Development

Organic Mobile ASPU Growth

Mobile RGUs (of Which Postpaid)
Key Strategic Initiatives

**Tele2**
- Consolidate brands in Sweden
  *Tele2 to be the leading premium brand*

**Comviq**
- Continue the Comviq success story
  *Balanced growth through volume and value*

- Invest for growth in broadband

- Turn around Sweden B2B
  *Trend shift 2021 and stabilize 2022*

**Consolidate and decommission IT systems over next 6 quarters**

- Deliver at least SEK 1bn savings

- Continue growth in the Baltics and prepare for FMC
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Three key drivers of B2C growth

Next phase of convergence with two leading brands covering the full market

Value led connectivity strategy supported by continued volume growth

Stable TV & Play development through continued modernization
NEXT PHASE OF CONVERGENCE
FMC 1.0: All About Building Loyalty in Overlapping Base

Successful FMC uptake in overlapping base

- **FMC uptake at 80% of the overlapping customer base**

Building further loyalty in base

- **Positive churn reduction effects on core connectivity categories in FMC 1.0**

... to maintain value & product hold of existing Fixed & Mobile customers

- **The FMC base >x2 the product hold and ASPU vs non-FMC**

More-for-more program key lock-in tool for FMC base, not discount driven

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**Note:** "B2C Base" refers to the total number of individual customers who subscribe to at least one service from the Tele2 Group.
Next Phase of FMC: A Truly Convergent Customer Experience

A truly convergent customer experience covering the full household needs

Tapping into a much larger cross- & upsell opportunity

Sizing the potential for FMC growth in the consumer business

Across brands, Thousand, Households (HHs)

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMC cross- &amp; up-sell (HH rel)</td>
<td>1,300</td>
</tr>
<tr>
<td>No HH relation (FMC prospect)</td>
<td>1,400</td>
</tr>
<tr>
<td>Total HH with FMC potential</td>
<td>2,985</td>
</tr>
</tbody>
</table>

5G Remote Phy
Next generation BB & TV

Accelerate development of digital journeys
Transition to one IT stack

Personalized connectivity and digital services offers based on data driven customer insights

Unified Customer Experience Driven By Digital 1st Approach
Superior Connectivity And Quality of Service
Multi-Product Personalized Value Proposition
One Converged Premium Brand to Unlock FMC Potential

The new Tele2

- Two of Sweden's strongest brands combined, creating one Unlimited premium brand
- Enhanced and simplified customer experience with superior customer interactions through one webpage, one customer service and one retail chain
- One fully converged brand undergoing digital transformation

Key milestone in journey of Unlimited possibilities

Internal Transformation

- Merged brands, Channels and Customer Operations
- All customers migrated to FMC IT stack
- Finalize building an IT architecture enhancing the digital customer experience
- Migration of Boxer into Tele2

Next Steps

- Mobile, broadband and entertainment converged and rebranded across touchpoints
- One environment and invoice for new and Mobile customers
- Accelerate cross- and upselling

Goal

- Fully consistent FMC customer experience and one invoice for all
- New and improved purchase flows for all products
- Brand portfolio optimization and enhanced FMC experience for DTT customers
- Real cross-sell flows with personal offers, purchase flows and MFM benefits
VALUE LED CONNECTIVITY STRATEGY
Value Creation Through More-For-More Pricing

**Increasing demands**
Customers request higher broadband speeds and mobile data allowances.

**Pricing cycle**
Improvements and upgrades to justify higher prices.

**Increased ASPU**
Consequently, more customers are having better services paying higher prices.

### Tele2 Mobile postpaid net intake & usage

- **2018**: 22%
- **2019**: 24%
- **2020**: 42%

- **DOCSIS 3.1**
- **Surfgaranti**
- **Remote Phy & speed leadership**

### Tele2 Broadband net intake

- **2018**: 33%
- **2019**: 34%
- **2020**: 48%

- **>20 GB**
- **0-5 GB**

- **Average data usage**

### Tele2 ASPU YoY development

- **Broadband**
- **Mobile Postpaid**

- **2018**: 0%
- **2019**: 5%
- **2020**: 1.2%
- **2021**: 2.0%
- **2022 & onwards**: 3.5%

*Source: Post- och Telestyrelsen, Note: ASPU excl. roaming, fees, add-ons as well as periodization of discounts across binding period. Broadband ASPU excludes group agreement customers.*
Supported By Continued Volume Growth

Cross-sell opportunity in next phase of FMC
- Drive volume through accelerated cross- and upsell in second phase of FMC

Continue momentum in Comviq postpaid growth
- Maintain strong volume growth balanced with more-for-more pricing
- Driven by Comviq’s strong market position and pre-to-postpaid movements

Continue momentum in Broadband growth
- Maintain growth after Com Hem is rebranded Tele2, with CX improvements, superior Wi-Fi and Remote Phy roll out
- Use Comviq Broadband to compete with value players, utilizing strong brand and attractive offerings

Sizing the potential for FMC growth in the consumer business

<table>
<thead>
<tr>
<th>Thousand, HHs</th>
<th>FMC</th>
<th>HH relation</th>
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<th>Total HH with FMC potential</th>
</tr>
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<tbody>
<tr>
<td>FMC</td>
<td>285</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>FMC cross- &amp; up-sell</td>
<td>1300</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>FMC prospect</td>
<td>1400</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>2,985</td>
<td>-</td>
<td>-</td>
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Comviq postpaid RGUs; SEK

<table>
<thead>
<tr>
<th>1Q18</th>
<th>3Q18</th>
<th>1Q19</th>
<th>3Q19</th>
<th>1Q20</th>
<th>3Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>+45.8%</td>
<td></td>
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</table>

ASPU Customer base

<table>
<thead>
<tr>
<th>1Q18</th>
<th>3Q18</th>
<th>1Q19</th>
<th>3Q19</th>
<th>1Q20</th>
<th>3Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>+16.0%</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Broadband RGUs; SEK

<table>
<thead>
<tr>
<th>1Q18</th>
<th>3Q18</th>
<th>1Q19</th>
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<th>1Q20</th>
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MODERNIZING
TV & PLAY
Strong and Stable Position in the TV Market

Market growth is coming from SVOD, but Pay-TV is here to stay

- Stable household penetration of digital Pay-TV (DTV)
- SVOD penetration driven by stacking

We have a strong position and capabilities

- Large TV customer base for cross- and upselling
- Stable customer base in core TV segment
- Slow decline in DTT not accelerating

Sustain profitability despite EUSR decline

- Variable cost model with limited downside to profit and cash flow
- Large part of revenue decline coming from low-margin Premium

2020 Was an Eventful Year With Start of 2021 Showing Signs of Stabilization

2020 was an eventful year

- TV4 conflict late 2019
- Launch of Comhem Play+
- DTT license changes
- New digital basic tier replaced analogue TV
- New multiyear deal signed with TV4

But we also laid the foundation for modernizing out TV business

- Digitalization of TV and introduction of new basic tier
- Secured OTT rights needed to build the future of TV
- Comhem Play+

Stabilization is in sight

- DTV ASPU year-on-year development trending towards pre-COVID levels

ASPU year-on-year growth

Sweden B2C

<table>
<thead>
<tr>
<th>Q1</th>
<th>1Q21</th>
<th>2Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>-10.2%</td>
<td>-5.6%</td>
<td></td>
</tr>
<tr>
<td>-7.7%</td>
<td>-4.0%</td>
<td></td>
</tr>
<tr>
<td>-5.1%</td>
<td>-4.2%</td>
<td></td>
</tr>
<tr>
<td>-2.4%</td>
<td>-1.7%</td>
<td></td>
</tr>
<tr>
<td>3.4%</td>
<td>-2.5%</td>
<td></td>
</tr>
</tbody>
</table>

1Q20: -8.7%  2Q20: -5.4%  3Q20: -5.6%  4Q20: -4.4%  1Q21: -2.6%
Further Stabilization Achieved Through Continued Modernization Based on Aggregation Business Model

### Evolution of TV & Play

- **TiVo**
  - Cater to linear viewing habits

- **TV Hub**
  - Modernize STB based offer and introduce streaming

- **Comhem Play+**
  - App centric streaming offer added on top

### Future TV & Play Experience

- **Next Gen TV Hub and App centric proposition combined in renewed viewing experience**

- Renew viewing experience with more intuitive and personalized UI/UX and added functionalities (Cloud PVR, top-level domain) both catering for Linear 1st and VOD centric users
- Continue development of TV & Play portfolio leveraging Comhem Play+ product in combination with Linear streaming
- Introduce next generation of low-cost TV Hub catering for active migration from legacy set-top box (STB) to improve customer experience and reduce churn
- Evolve content partnership models to new alternatives incl. software development kit (SDK) deep linking
Three Key Drivers of B2C Growth

- Taking the next step in FMC journey by accelerating cross- and upsell, now with our fully converged premium brand Tele2 and our simple, digital brand Comviq.

- Investing to meet increasing market demand for connectivity and continue to generate value through our more-for-more strategy, supported by sustainable volume growth.

- Stabilizing and modernizing our TV business by managing the installed base and building a future proof TV & Play product portfolio.
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Introducing a Deep Dive Into Tele2 B2B

Updated B2B Strategy

Financial Ambition

Change
Recognized leader in Sweden B2B & IoT

Utilization of Tele2 assets

Digitalization & communication partner

Segmented customer focus

Operational excellence

Objective to achieve long-term profitable growth
Strong Capabilities and Assets

We have been able to retain strong capabilities and assets even if we have had challenges in recent years.

- **Market position**
  - Mobile → #2 in Sweden
  - Fixed → #2 in Sweden
  - H&A → #1 in Sweden
  - IoT → Top 10 Europe

- **Infrastructure**

- **Portfolio**
  - Strong Capabilities and Assets
    - Mobile: #2 in Sweden
    - Fixed: #2 in Sweden
    - H&A: #1 in Sweden
    - IoT: Top 10 Europe

- **Competence**
  - Service Delivery
  - Security Management
  - Consulting, Project Management, & Integration
To be the trusted digitalization & communication partner

We want to deliver reliable premium services and be our customers’ friendly expert
Tele2’s Role in a Digitalized Society

Digitalization in the market accelerates the need of adoption among our customers, where Tele2 takes clear steps to meet those needs.

- Workplace agility & collaboration
- Digitalization & efficiency improvement in public
- New technology
- Sustainability, security & simplicity
- Productivity & automation
Segmented Customer Focus

**SME**
- **Ambition**: Take back market share by offering simplified packages and bundling's based on customer needs.
- **Key drivers**:
  - Turn around trend in Fixed
  - Simplified Mobile portfolio
  - FMC & Mobile bundling

**Large**
- **Ambition**: Improve Large private segment profitability by increasing higher margin sale, grow through as-a-service & Mobile bundling’s.
- **Key drivers**:
  - EBITDA turnaround
  - Bundling opportunities
  - IoT enablement

**Public**
- **Ambition**: Maintain and defend our Public Segment asset by carefully choosing our new bets and continue delivering reliable solutions for a sustainable society.
- **Key drivers**:
  - Stabilizing Mobile ASPU
  - Grow engagement
  - Professional services/advisory

**EUSR Trend**
- **Margin Profile**
  - High
  - Medium
  - Medium-Low
Small- and Medium Enterprise

Take back market share in **SME** by offering simplified packages and bundlings based on customer needs

- Easy to use
- Flexible WoW
- Anytime/anywhere
- Quality

Key drivers & customer needs

- Mobile
- Security
- Fixed
- Device
- UC&C
- Network
- Customer Experience

Turn around trend in Fixed

- Simplified mobile portfolio
- Positive RGU trend in Q1

FMC opportunities

Margin profile: High

EUSR Trend

*Current share of EUSR
**EUSR split based on Tele2’s 2020 reported numbers
Large Private Enterprise

Improve **Large private** segment profitability by increasing higher margin sales, grow through 5G Enterprise Networks & Mobile bundling.

- Effortless usage
- Customization
- Combination of services
- Seamless experience

**Key drivers & customer needs**

- EBITDA turnaround
- 5G enterprise networks opportunities
- IoT enablement

**Margin profile: Medium**

**EUSR Trend**

~1/3**

*current share of EUSR

**EUSR split based on Tele2's 2020 reported numbers*
Public Enterprise

Maintain and defend our Public Segment asset by carefully choosing our new bets and continue delivering reliable solutions for a sustainable society.
Operational Excellence

- **Portfolio Optimization**
  - UC profitability improvements: +4% Q1
  - Portfolio simplification program

- **Quality of Service & Automation**
  - Average cost/delivery -15%
  - Top 2 in NPS/CSAT performance in the market

- **Simplification & Future Proof IT Systems**
  - 100% of customers in target BSS 2021 Q4
  - 5% YoY increase of order handled online vs customer service

- **Data & Analytics**
  - All data sources in BI target platform 2023
  - NBO model for entire B2B customer base released in H2 2022

- **Competence**
  - Employee diversity +3% p.p. by Q4 2022
  - High employee engagement: 82/100 Q4 2022
A Turnaround Towards Growth

The EBITDA impact trend is gradually improving, and we can see a turnaround towards growth for Tele2 Sweden B2B

Key factors

- Fixed legacy decline phased out by 2023
- More selective approach in Large Private & Public
- Covid return to new normal
- FMC & bundling will drive volume and APU
- Start monetizing 5G and enterprise networks
- Continue IoT growth journey
- ICT partner ecosystem

Improved efficiency will be achieved by portfolio optimization, automation and increased use of data & analytics
Positive Signs in Several Strategic Focus Areas

We are already seeing positive signs in several strategic focus areas supporting our ambition to turnaround to EUSR growth.

-27%
Q1 2021 YoY in reduced churn on Mobile Post Paid RGUs in the small segment

Customer satisfaction improvement
Datanet access

39% → 81%

Large & Public customer base in target IT stack by Q4 2021

Significant profit improvements on large accounts

Successful 5G pilots create a lot of buzz

+25% YoY in IoT EUSR in Q1 2021
Key Takeaways

Updated B2B strategy in place
- Important role to play in digitalization
- Clear focus areas and strategic ambition

Financial ambition
- Return to revenue growth
- Improving EBITDA trend

Signs of change
- Positive signs that support both profitability improvement and EUSR turnaround
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OUR CONTEXT
Fixed infrastructure – 3.5M households reach and 1.7 households connected with our HFC

Significant spectrum advantage

Strong customer base

Advanced services e.g. TV & IoT

Strong network sharing agreements

Legacy systems and opportunity for streamlining

**DIGITAL CAPABILITIES & TECHNOLOGY**

End-to-End mindset
Billions of touchpoints, transactions and network metrics provide us with a complete 360° customer view.

End-to-End

Embracing End-to-End through a unified customer, IT & network perspective

Always asking ourselves what it means for the customer maintains a strict customer focus.

Customer impact  
Customer behavior  
Customer needs
A reliable home essential utility
Our operating model and sustainability focus make Tele2 the **most energy efficient** operator in Sweden.

Source: Company reported figures, Internal analysis
STRATEGIC INITIATIVES
STRATEGIC PILLARS

Superior reliability by quality and simplification

Enabling new revenues

Leading digital telco
Our IT Journey After the Merger

> 6 different IT stacks

Simplified target systems with modern architecture

Migrations & decommissioning

Today status decommissioning:

1 Stack completed (2020)
1 Stack ongoing (2021)
2 Planned (2022)
Building Architecture to Enable Digital Customer Experience

Inhouse capabilities to become a true digital telco…

- Fit for purpose IT-stacks
- Strong open-source capabilities

- Solutions sales
  - Online
  - Shops
- Mass-market
  - Online
  - Shops

Encapsulating complexity into simple services

Transparency in information sharing

…with interactions according to customer preference

Network, Services & IT systems

Manage

Buy

Pay

Resolve

Renew

Retire
10G Fixed Access Network Modernization with Remote-Phy

- Increased capacity & high speed
  - x10 Downstream Capacity Increase
  - x25 Upstream Capacity Increase

- Customer satisfaction
  - 25% Fewer Incidents
  - 15% Fewer Support Contacts to CS

- Reduced Opex baseline
  - 70% Less Power Consumption
  - 30% Less Maintenance

Physical cable modem termination system
- Analog optics
- Coaxial devices

Virtualized cable modem termination system core
- Ethernet Metro
- IP over Ethernet Uplink

Source: internal numbers from Remote PHY pilots in Motala & Sundsvall
10G Fixed Access Network Roll-out

22k
Landlords

1.7M
Households

Highly data-driven

CX Centric

Automated

P&L Optimized
Full Network Modernization

- RAN modernization and 5G rollout
- Mobile Core and IP network modernization
- First in Sweden with real 5G

Aiming for lowest production costs per GB

Decreased Mobile Access production cost per data unit vs 2020

Simplicity and quality uplift

Standardized design and state of the art solutions

New business opportunities

e.g., Enterprise networks & MEC, eMBB & FWA
SUNAB Closedown in Progress with Customer Experience in Mind

Closedown plan

Closedown of SUNAB 3G Network

>15% of sites

Closedown Goal 2021

Accelerating VoLTE

VoLTE share of total voice minutes

25% Past 3 years

70% Today

90% Goal End 2021

Streamlining to one single network

Total sites in Tele2's Networks

Closedown plan

Jan-21 Jul-21 Jan-22 Jul-22 Jan-23 Jul-23 Jan-24 Jul-24 Jan-25

Closedown of SUNAB 3G Network

Closedown Goal 2021

Accelerating VoLTE

Streamlining to one single network

Total sites in Tele2's Networks

2G 3G 4G 5G

Band size (MHz)

700 800 900 1.8 2.1 2.6 3.5

MHz MHz MHz GHz GHz GHz GHz

2*10 2*10 2*20 2*30 2*20 2*40 100

SUNAB Closedown in Progress with Customer Experience in Mind

Closedown plan

Closedown of SUNAB 3G Network

>15% of sites

Closedown Goal 2021

Accelerating VoLTE

Streamlining to one single network

Total sites in Tele2's Networks

2G 3G 4G 5G

Band size (MHz)

700 800 900 1.8 2.1 2.6 3.5

MHz MHz MHz GHz GHz GHz GHz

2*10 2*10 2*20 2*30 2*20 2*40 100
A Significantly Better Network and Customer Experience

Delivering next level reliability and quality...

...and a mobile network with >100% increased capacity...

...performed with lower total JV Opex
Meet the customer demands of tomorrow on **premium user experience** throughout the entire customer journey End-to-End

*Unlock new business opportunities*

**Proactive Capex management to serve increased demands**

Steady historical growth of Fixed Data (total data consumption in fixed network)

- 2y CAGR 25%

Steady historical growth of Mobile Data (total data consumption in mobile network)

- 4y CAGR 28%

The share of 3G data is declining
Grass Root Analytics

Customer & Business Data  E2E CX Insight  Network & Operations Data

KPIs & Processes  Culture & Skills  Architecture  Technology
Enabling Our Success by the Way We Work

Before at site

Effectively utilizing Big Room Planning with over 1000 participants

Aligned autonomy and fit for purpose ways of working with full agility

Now remote

Effective tools for remote collaboration
Key Takeaways

Making Easy & Simple

Full Modernization

Enable Grass Root Analytics
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Reducing steady state capex

- Entire Swedish RAN consolidated into Net4Mobility
- More efficient fixed network with Remote Phy
- Fewer IT systems
- Fewer CPEs and more digital sales

As a result, capex will return to low levels post 5G rollout.

Top-line growth, cost cutting, and a capex efficient model leads to strong operating cash flow growth

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**Capex excluding spectrum and leases**

- During 5G rollout → SEK 2.8-3.3bn
- Post 5G rollout → Lower than pre 5G rollout
High Cash Conversion

This means that we only need low single digit service revenue growth to achieve strong cash flow growth.
Sustainable Distribution of Over 100% of Equity Free Cash Flow

Growing underlying EBITDAaL and equity free cash flow leads to higher shareholder remuneration in accordance with our distribution policy.

Even stronger EFCF

- No significant spectrum ahead
- Predictable taxes and working capital
- Debt financing at attractive levels
- No need for significant M&A

Superior Shareholder Remuneration

- Strong cash generation along with attractive leverage range leads to superior shareholder remuneration

100% of EFCF

- Room for additional shareholder remuneration through re-levering as underlying EBITDAaL grows
- Room for additional 20% of EFCF as dividend
- At least 80% of EFCF in ordinary dividend in accordance with our policy

Equity Free Cash Flow
Shareholder Remuneration
Additional Shareholder Remuneration

On top of EFCF growth and the re-levering effect we have additional opportunities to crystalize value for shareholders.

The Netherlands

<table>
<thead>
<tr>
<th>Previous state</th>
<th>Current state</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number 4 player</td>
<td>25% ownership in number 1 player in mobile</td>
</tr>
<tr>
<td>Mobile only</td>
<td>FMC capabilities through fixed infrastructure</td>
</tr>
<tr>
<td>Negative OFCF</td>
<td>Positive OFCF</td>
</tr>
</tbody>
</table>
Aiming For a Consistently Growing Ordinary Dividend

Ordinary dividend, SEK bn (in the year it was paid)
Superior Shareholder Remuneration

1. EFCF growth through EUSR growth, cost efficiencies and low capex

2. Re-levering growing underlying EBITDAaL at 2.5-3.0x and distributing the cash

3. Additional monetization of non-core assets.
Agenda

1. Intro and Overview
2. Sweden Consumer
3. Sweden Business
4. Technology
5. Capex, Cash Flow and Remuneration
6. Sustainability and Organization
7. Summary
Lead in Sustainability - Update

First telco in Nordics and Baltics to be climate neutral in our own operations. Approved science-based target

Positive trend for ESG-rating results for several years in a row

Implementing the recommendations of the Task-force on Climate Related Financial Disclosures

For more information, please see the recorded presentation which is available on Tele2.com
Lead in sustainability – Our Four Focus Areas

Advance circular economy to combat climate change
By 2025 Tele2 will develop winning offerings for relevant customer segments in B2B and B2C, based on a circular business model and reduced climate impact.

Maximize potential through an inclusive and diverse workplace
By 2023, Tele2 will build an inclusive environment where diverse talent can perform at their best and at the same time a gender balanced workforce.

Boost innovation for sustainability
By 2025 Tele2 will use connectivity combined with innovative technology to create product and service offerings in partnerships that meet a growing demand from B2B and B2C customers, increase internal efficiencies, and create sustainability value.

Protect children in a connected society
By 2023 Tele2 will implement technical solutions and drive behavioral change to protect children online and win customers.
Employee Engagement

Keeping employee engagement high and evolving Tele2’s culture to maintain a competitive advantage

Diverse & Inclusive workplace:
Ambition is to be gender balanced in the end of 2023

### EMPLOYEES

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Benchmark</th>
<th>vs Sep</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>69%</td>
<td>31%</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td>2019</td>
<td>68%</td>
<td>32%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>67%</td>
<td>33%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>60%</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### MANAGERS

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Benchmark</th>
<th>vs Sep</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>73%</td>
<td>27%</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>2019</td>
<td>71%</td>
<td>29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>69%</td>
<td>31%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>60%</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### GROUP LEADERSHIP TEAM

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Benchmark</th>
<th>vs Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>92%</td>
<td>8%</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>2019</td>
<td>82%</td>
<td>12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>75%</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>75%</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>60%</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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- How happy are you working for Tele2
- Tele2 has a great culture
- People at Tele2 live the company values
Agenda

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Key Strategic Initiatives

**Tele2**
- Consolidate brands in Sweden
  - Tele2 to be the leading premium brand
- Invest for growth in broadband
- Turn around Sweden B2B
  - Trend shift 2021 and stabilize 2022

**Comviq**
- Continue the Comviq success story
  - Balanced growth through volume and value
- Deliver at least SEK 1bn savings

**Tele2**
- Continue growth in the Baltics and prepare for FMC
- Consolidate and decommission IT systems over next 6 quarters
## LEADING TELCO
### In the Nordic & Baltic region

<table>
<thead>
<tr>
<th>Our growth strategy</th>
<th>Superior customer experience</th>
<th>Best industry shareholder return</th>
<th>High employee engagement</th>
<th>Lead in sustainability</th>
</tr>
</thead>
</table>
| Reignite growth in Sweden Consumer | • Distinctly positioned leading brands  
• Win the household through FMC and excellent customer experience  
• Accelerate digitalization of customer journeys | Recognized leader in Sweden B2B & IoT | • To be the trusted digitalization & communication partner  
• Multi-segment approach with value creation focus  
• Lead through FMC, future proof business models & technologies | Continued growth in the Baltics | • Lead in customer satisfaction and brand reputation  
• Develop next-generation household offerings  
• Strengthen our position in B2B |

<table>
<thead>
<tr>
<th>Our strategic enablers</th>
<th>Unique people and culture</th>
<th>Reliable connectivity</th>
<th>Next generation operations</th>
</tr>
</thead>
</table>
| Walk the talk leadership that aligns and engages  
Evolve Tele2’s culture to maintain competitive advantage  
Attract and retain performance driven people with future proof competencies  
Diverse and inclusive workplace to be proud of | Network modernization through 5G and 10G  
Distinct partner to commercial business units  
Customer focused network operations  
Architecture enabling Leading Digital Telco | Execute on the Business Transformation Program  
Ensure end-to-end process harmonization  
Execution powered by data driven insight  
Continuous optimization to achieve efficiency | | 
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