

Information about our Risk Management Procedures

- Every year Tele2 publish a summary of the main identified risks in the Annual Report, refer to 'Risks and uncertainty factors' on page 23 in latest report (<http://www.tele2.com/investors/reports/>). This summary includes specific risks related to our operations in Kazakhstan, risks which are continuously monitored by the Tele2 Leadership Team and the Board through the risk management process. Some of the actions defined by the Leadership Team include (but are not limited to) continue to evaluate the risks on a periodic basis, further communicate and educate our Code of Conduct among staff and business partners in Kazakhstan and be transparent in our reporting on the business in Kazakhstan.
- An overview of Tele2's risk management procedures is described here: <http://www.tele2.com/governance/risk-management/>
- Further information about risks and controls are described in the Internal Controls section of the Tele2 Corporate Governance report, see pages 8-9 in the latest published report (<http://www.tele2.com/governance/corporate-governance-documents/>). As a result of the assessment by Group Internal Control and the considerations referred to in the report a large part of the internal audits are spent on reviewing the operations in Kazakhstan (during 2014 a total of 100 days).
- In addition to the above several control activities are made, on a daily basis, by the Kazakh Tele2 operational management. Examples are continuous audits and investigations either initiated by central functions such as Group Security or by local Internal Control or Security functions, trainings in Code of Conduct, including the Whistle Blower process etc. The main purposes of the mentioned controlling activities are to ensure internal controls, transparency and accuracy in reporting and compliance to laws, regulations, internal rules and ethical work practices.