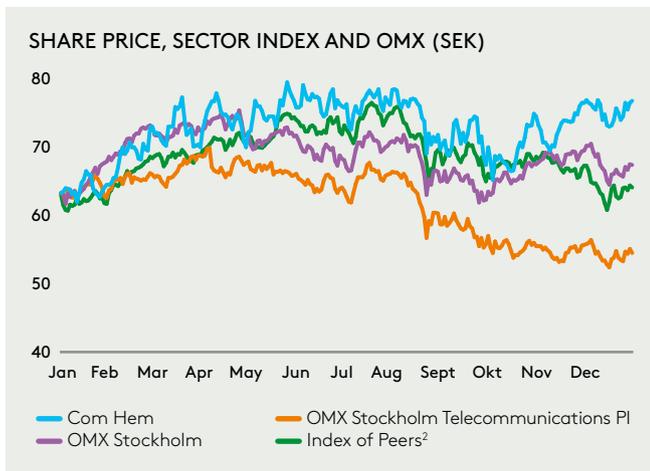


SHAREHOLDER INFORMATION

The Com Hem share is since June 2014 listed on Nasdaq Stockholm in the Large Cap segment. In 2015, the Com Hem share rose by 21.9 per cent and thereby outperformed the OMX Stockholm Telecommunications PI as well as the OMX Stockholm PI.

Share Performance

The Com Hem share rose by 21.9 per cent during 2015, from SEK 63.00 to SEK 76.80, and thereby significantly outperformed the OMX Stockholm PI (positive 6.6 per cent), the OMX Stockholm Telecommunications PI (negative 14.0 per cent) as well as Com Hem's peer group²⁾ which showed an average increase of 2.5 per cent. The highest price paid in 2015 was SEK 80.00 on 29 May, and the lowest price paid was SEK 61.00 on 28 January. The average share price was SEK 72.68. Total shareholder return ("TSR", measured as change in share price adjusted for dividends) has been 34.1 per cent since the IPO on 17 June 2014 (introduction price of SEK 58). For 2015, the Com Hem share delivered a TSR of 23.5 per cent.



Turnover and trading¹⁾

In 2015, a total of 96.1 million Com Hem shares were traded on Nasdaq Stockholm for a value of approximately SEK 7.0bn and the share turnover was 46 per cent. An average of 382,705 Com Hem shares were traded per trading day, representing a value of approximately SEK 27.7m.

¹⁾ Source: Nasdaq OMX Nordic

²⁾ TeliaSonera, Tele2, MTG, TDC, Telenet, Altice, Charter Communications, Time Warner Cable, Liberty Global, Cablevision, Comcast

Share capital

Based on a decision at an Extraordinary Shareholders' Meeting in March, Com Hem carried out a voluntary share redemption program whereby 886,221 shares were redeemed with SEK 73.50 per share paid in cash to the shareholders who accepted the offer (SEK 65m in total). After the redemption, the total number of shares outstanding was reduced to 206,643,376, which also corresponded to the number of shares at year-end. Each share has a quota value of approximately SEK 1.03 and the share capital amounted to SEK 213,337,879. Com Hem's share capital comprises a single class of shares in which each share has the same voting power and grants the same entitlement to dividends. For further information regarding the share capital see note 18.

Share repurchases

In accordance with the mandate given at the Annual General Meeting on 21 May 2015, the Board of Directors have resolved to repurchase shares in accordance with the European Commission's ordinance (EC) No 2273/2003 of 22 December 2003 "EC ordinance". The share repurchases are carried out by a credit institution that makes its trading decisions regarding Com Hem's shares independently and without the influence of Com Hem with regard to the timing of the repurchase. The Board of Directors have also resolved on the possibility, up until the 2016 Annual General Meeting, to make repurchases through block trades that will not be made in accordance with the EC ordinance. During 2015, 9,645,123 shares were repurchased representing 4.7 per cent of the number of registered shares for a total of SEK 711m, of which block trades comprised SEK 80m corresponding to 1,099,663 shares.

| Change in number of shares in 2015 | No. of shares | Average price per share | |
|---|--------------------|-------------------------|------------|
| | | SEK | SEK/m |
| Number of shares, 31 Dec 2014 | 207,529,597 | - | - |
| Redemption of shares | -886,221 | 73.50 | 65 |
| Registered shares, 31 Dec 2015 | 206,643,376 | - | - |
| <i>Share repurchases</i> | | | |
| Programmes according to EC ordinance | -8,545,460 | 73.91 | 632 |
| Block trades | -1,099,663 | 72.32 | 80 |
| Total number of repurchased shares held by Com Hem | -9,645,123 | 73.73 | 711 |
| Total number of outstanding shares, 31 Dec 2015 | 196,998,253 | - | - |

THE SHARE IN BRIEF

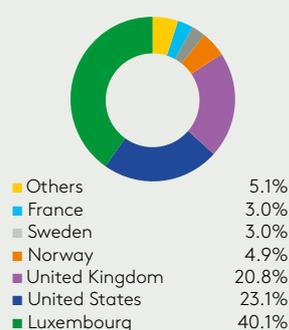
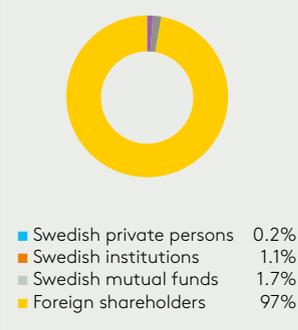
Market place: Nasdaq Stockholm
Ticker symbol: COMH
ISIN code: SE0005999778
Sector: Telecommunications
ICB code: 6500
Number of shares: 196,998,253 (excluding 9,645,123 shares held in treasury)
Market capitalisation December 31st: SEK 15.1bn

BROKERS COVERING COM HEM

| | |
|--------------------|----------------------|
| ABG Sundal Collier | J.P Morgan |
| Barclays | Morgan Stanley |
| Berenberg | New Street |
| Carnegie | Research |
| Citi | Nordea |
| Credit Suisse | Royal Bank of Canada |
| DNB Bank | SEB |
| Goldman Sachs | Swedbank |

Shareholders³⁾

At 31 December 2015, Com Hem had 1,094 shareholders. The largest shareholder NorCell S.à.r.l., indirectly controlled by funds advised by BC Partners Limited, controlled 37.5 per cent of the outstanding shares and votes (excluding Com Hem's holding of treasury shares). The 10 largest single shareholders represented 58.3 per cent of the share capital. Foreign investors held 97.0 per cent of the shares (adjusted for Com Hem's holding of treasury shares).

OWNERSHIP BY COUNTRY⁴⁾**OWNERSHIP BY CATEGORY⁴⁾****COM HEM'S 10 LARGEST OWNERS³⁾ 4) 5)**

| At 31 December 2015 | Share capital/votes, % |
|-----------------------------------|------------------------|
| NorCell S.à.r.l. | 37.5 |
| Adelphi Capital LLP | 5.4 |
| MFS Investment Management | 5.3 |
| Norges Bank Investment Management | 4.9 |
| Lazard Frères Gestion Funds | 1.1 |
| Saudi Arabian Monetary Agency | 1.0 |
| Echiquier Funds | 0.9 |
| Abu Dhabi Investment Authority | 0.8 |
| Stichting Pensioenfond ABP | 0.7 |
| Nordea Funds | 0.7 |
| Total | 58.3 |

DISTRIBUTION OF COM HEM SHARES⁴⁾

| At 31 December 2015 | Holders, % | Number of shares | Holding/votes |
|---------------------|--------------|--------------------|---------------|
| 1-500 | 69.2 | 107,282 | 0.1 |
| 501-1,000 | 6.5 | 57,663 | 0.0 |
| 1,001-5,000 | 5.8 | 135,665 | 0.1 |
| 5,001-50,000 | 7.7 | 1,615,652 | 0.8 |
| 50,001-100,000 | 1.3 | 1,050,005 | 0.5 |
| 100,001-500,000 | 5.4 | 15,647,395 | 7.9 |
| 500,001-1,000,000 | 1.1 | 8,539,270 | 4.3 |
| 1,000,001-5,000,000 | 2.2 | 42,056,839 | 21.3 |
| 5,000,001- | 0.8 | 127,788,482 | 64.9 |
| Total | 100.0 | 196,998,253 | 100.0 |

Shareholder remuneration in 2015

During the May-December period, shareholders were remunerated by a total of SEK 983m in the form of share redemption (SEK 65m), ordinary cash dividend (SEK 207m) and share repurchases (SEK 711m), representing 6.5 per cent of the market capitalisation at year-end.

Proposal to the 2016 AGM

The Board of Directors proposes to the AGM in May 2016 a cash dividend of SEK 1.50 per share, an increase of 50 per cent compared to the SEK 1 per share paid in 2015, and a renewed mandate to repurchase up to 10 per cent of the share capital.

³⁾ Source: Holdings/Euroclear as per 31 December 2015

⁴⁾ Com Hem's holding of treasury shares have been excluded

⁵⁾ Holdings with depositories are excluded from the list

SUSTAINABLE DIGITALISATION FROM COM HEM

With more than 40 per cent of Swedish homes connected to Com Hem’s network, we are a significant driver of digital Sweden. We strive to unleash the potential of the digitalisation to enhance everyday life by giving more people access to communication, experiences and entertainment. Therefore we will continue to innovate and to develop our infrastructure and our offerings. We aim to be a positive force with inspired employees.

We take responsibility for the footprints of our business activities – both positive and negative. In 2015, as part of our change journey, we initiated a process to improve our sustainability efforts and to develop our reporting in the sustainability area.

New reporting format

2015 is the first year Com Hem has reported sustainability data in accordance with the sustainability reporting guidelines issued by the Global Reporting Initiative (GRI). The report complies with the latest version of the Guidelines – G4, in accordance with level Core. Our aim is to present more detailed and structured sustainability information, something that is becoming increasingly important for employees, customers, suppliers, investors and society as a whole.

Focus of the sustainability report

As Com Hem communicates with different stakeholders thousands of times every day, our success is based on their confidence in Com Hem, and that we serve them in a long-

term, sustainable manner. We therefore decided to conduct a specific stakeholder analysis in 2015, with the aim of gathering views about the areas that are most significant, and that should provide a focus for our future sustainability efforts. We sent out an online survey to selected customers, shareholders, analysts and employees, asking them to rank what they considered most important for Com Hem to develop.

The results from more than 1,800 responses show that sustainability aspects are becoming increasingly important among all stakeholder groups, and that Com Hem is expected to operate in a manner that, first and foremost, focuses on operational reliability and quality, financial stability, the professional development of its employees, diversity, anti-corruption and reduced environmental impact. These are all areas closely linked to our business model and success. We also see our role in the development of a digital society as a key mission going forward. The results of our stakeholder analysis are shown in the figure below. The most important aspects are divided into four areas in which our efforts are presented.

| Toward a digital society | Employees | Responsible business | Environment |
|---------------------------|-------------------------------|----------------------------------|---|
| Indirect economic impacts | Employment conditions | Anti-corruption | Energy consumption |
| Information security | Training & education | Supplier assessment | Emissions |
| | Occupational health & safety | Responsible marketing | Environmental impact of products & services |
| | Diversity & equal opportunity | Labelling of products & services | |

UNLEASH THE POWER OF SWEDISH HOMES AND SMALL BUSINESSES



Com Hem's role is to unleash the power of Swedish homes and small businesses. Every home, and every business, is unique. Some homes are empowered by being able to communicate with family and friends all over the world, while others need powerful broadband for gaming. Many homes are empowered by the everyday luxury of having access to a wealth of cinematic experiences. By maintaining our focus in the Swedish market, we have acquired in-depth knowledge of the digital lifestyle in Sweden. With more than 40 per cent of Swedish homes connected to Com Hem's network, we are a significant driver of digital Sweden. Com Hem is the provider delivering +100 Mbit/s download speeds to the most homes across Sweden. We also offer one of the widest selection of TV and play services in the market. Due to our in-depth knowledge of individual digital needs, combined with high quality services delivered via a very powerful network, we are well equipped to unleash the power of Swedish homes and small businesses. Now and in the future.

Sustainable digitalisation

Sustainable digitalisation from Com Hem rests on two pillars – Safety and Democracy. We strive to raise awareness in homes, businesses and society as a whole so that as many people as possible can benefit from digitalisation with a high level of security. Today access to digital communication is a basic democracy and human rights issue.

Safety

As communication becomes increasingly digital, Com Hem is committed to protecting the privacy of our customers. We have a privacy policy describing how we process customer data. Information security is central to our operations also from a legal perspective where we correspondingly adhere to the ethical standards of our industry.

Risk management is a natural part of our ongoing efforts to ensure compliance with information security requirements. This work proceeds from our Information Security Management System (ISMS), based on the ISO 27001 standard. The system is a framework of policies, procedures and activities for systematically analysing, designing and improving information security practices in our operations. Com Hem also has a personal data representative who reviews and ensures that we abide by all laws, regulations and internal policies in this area. In 2015 we have experienced one minor incident concerning information security, compared with three in the preceding year.

We launched our product Trygg Surf in 2015 which offers a comprehensive protection to all devices used in a family, be it a computer, mobile or tablet. Com Hem also plays an active role in Surfa Lugnt (the Safe Surfing Foundation), which promotes improved network security for young people by working with schools and adults to raise awareness of how children and young people routinely use the Internet. The aim is to affirm the positive aspects of young people's Internet use, such as creativity, communication and knowledge sharing, while giving parents and other adults more knowledge of how to deal with the pitfalls of the Internet, such as cyberbullying and invasions of privacy for the children.

Democracy

We strive to make as many as possible benefit from the digital evolution in Sweden. We engage in efforts which fight digital class divides. For example, we share insights on Sweden's digital wellbeing with other parties that are also working to make Sweden the world leader in leveraging the opportunities offered by digitalisation. In 2016 we will coordinate this work in a report we call Com Hem Kollen. In the report, we will share the insights we have gained through our continuous dialogue with our customer panel of 2,000 homes. Com Hem is also involved in the Next up project, which aims to educate and inspire young people from all over Sweden to work in the IT and Telecom sector. Bredbandsskolan is another example aiming at helping people to make the most use of our services. In 2015 Com Hem has delivered digital services pro-bono to support refugee organisations, an effort we intend to intensify in 2016. However, the most important efforts are made by giving people access to the best digital services by investing in our infrastructure and services. Over the past few years, we have invested about SEK 500m a year in our infrastructure to improve both speed and stability.

Operational reliability

Every day, Com Hem works to proactively develop the availability, reliability and stability of our networks and services. In spring 2015, the Swedish Post and Telecom Authority (PTS) presented a proposal for new operational reliability regulations. The aim of the new regulations is to reduce risk, and to improve the industry’s ability to manage interruptions and disruptions.

However, the PTS’s proposal was problematic as the authority intended to micromanage, by regulations, how providers build their networks in order to achieve the desired level of operational reliability. Com Hem’s assessment was that this would entail major counterproductive investments, with no benefit for consumers. Com Hem and other industry players therefore reacted forcefully and coherently to the proposal, which became the subject of intense public debate. When the PTS adopted the regulations in June, a number of changes were made to the original proposal. The regulations have entered into force from 1 January 2016.

Promoting infrastructure competition

The Swedish government’s broadband strategy, as well as recommendations by the Swedish Association of Local Authorities and the PTS are stressing the importance of infrastructure competition. As demands for higher speeds and reliability increase in society, a well functioning infrastructure competition is key and has also been a crucial driver for Sweden as one of the most digital countries in the world. Com Hem is engaged in a number of activities promoting competition.

For example Tangerås, Ph.D. in Economics, has written a report about the importance of multiple infrastructures for society. A key conclusion of this report is that a weakened competition drives up retail prices in open access fibre networks. In some locations around Sweden, municipality owned property companies have decided to shut down coax networks, thereby forcing homes to purchase services from one, usually publicly financed, open access fibreLAN.

In light of this, Com Hem conducted a customer survey of homes affected in various ways when landlords have shut down their coax network. The survey shows that a significant proportion have negative experiences due to inferior service performance, technical issues and teething problems associated with the technological transition. A clear majority of the consumers want to choose their own network and service provider.

EMPLOYEES

Being able to keep and attract the best and most engaged employees is key to Com Hem. We strive to retain and recruit the right employees, who share our values of being reliable, personal and proactive.

We want all employees to feel they have an important and clear role to play in the company to create a positive customer experience. As an employee of Com Hem you have the chance to make a difference to shape the digital future of Sweden.

The results of the 2015 employee survey were positive. The employee satisfaction score was 90 out of 100, which is higher than the industry average and shows that we have a high percentage of satisfied employees. The Leadership Index score increased, compared to the last measurement two years ago, suggesting increased confidence in managers at Com Hem. The Employee Engagement Index score, which is a measure of commitment and clarity, has increased for our workplaces and is now just below the industry average. Based on the year’s results, Com Hem will focus on the following development areas:

- We are developing a new template for the annual performance review that will focus on creating clarity around the role and expertise required by both the individual and the company. The annual performance review will also be more clearly linked to our values, and our overall strategic goals.
- We are developing a new platform for the annual performance review. The new process will be web-based to achieve a clearer structure, and to facilitate clearer documentation and monitoring.

TOTAL WORKFORCE, END OF YEAR

| 2015 | Employees | Women (%) | Men (%) |
|---------------------|--------------|------------|------------|
| Permanent employees | 1,169 | 31% | 69% |
| – of whom full-time | 1,148 | 30% | 70% |
| – of whom part-time | 21 | 86% | 14% |
| Temporary employees | 9 | 56% | 44% |
| Total | 1,178 | 31% | 69% |

EMPLOYEE MOVEMENT

| 2015 | Employees | Women (%) | Men (%) |
|---|-----------|-----------|---------|
| New recruitments during the year | | | |
| Under 30 | 120 | 33% | 67% |
| 30–50 | 89 | 31% | 69% |
| Over 50 | 7 | 29% | 71% |
| Total | 216 | 32% | 68% |
| New recruitment rate | 21% | | |
| Individuals who left during the year | | | |
| Under 30 | 105 | 38% | 62% |
| 30–50 | 100 | 39% | 61% |
| Over 50 | 10 | 20% | 80% |
| Total | 215 | 38% | 62% |
| Employee turnover | 21% | | |

The employee turnover is in line with our industry and its customer service operations. The average age of our employees are 28–29 years. Many younger employees work within customer service for a few years before moving on to other work or studies.

Professional development

We strive to ensure that all employees have an individual development plan that is monitored at regular performance reviews. During 2015 all of our employees participated in a performance review. One of the objectives of the development plan is to offer our employees the activities they require to develop in their existing roles, as well as to grow within the company in other attractive roles.

We have continued to invest in and further develop our leadership programme, which is now more clearly based on our values, expertise, organisational culture and business challenges. The programme runs for one year, and strengthens leadership skills at Com Hem through continuous training initiatives.

Talent programme

Com Hem has initiated an external partnership to identify and recruit young talent in IT. In 2015, Com Hem had a number of young developers on site who underwent an induction programme. The programme participants worked in a development team, as well as doing internships in other departments. The participants were also offered special courses and continuous coaching by experienced employees, to give them the best start to their working lives. The programme was highly successful and we are looking at ways of introducing it into other departments at Com Hem over the coming year.

Health & balance

We attach great importance to all aspects of occupational health and safety. Com Hem has been committed to employee wellbeing for many years, and encourages employees to take part in health-promotion activities. By providing occupational health services, we ensure that our employees receive prompt and qualified care and rehabilitation when required. 81 per cent of our employees are covered by collective-bargaining agreements.

Diversity

Com Hem values gender equality and diversity, and our recruitment base extends far beyond Swedish borders. We believe that Com Hem has become a more innovative and dynamic company by employing women and men of all ages, with various backgrounds and experience. Com Hem strives to offer women and men the same opportunities for development and promotion at Com Hem, as well as equal pay for equal work with no wage-setting discrimination.

At the end of 2015, a salary survey was initiated at Com Hem to determine whether any structural salary disparities existed between men and women. The result of this salary survey will be finalised in April 2016. In 2016, a gender equality plan will also be prepared.

RESPONSIBLE BUSINESS

Com Hem will never engage in activities that we cannot openly disclose. We have clear ethical standards and policies for all aspects of our operations, and towards all partners with whom we interact. These are guided by our Code of Conduct, which was implemented in 2015. The Code of Conduct is a set of rules to guide our conduct in various contexts and which, in turn, refers to more detailed policies and guidelines in areas such as human rights and the precautionary principle.

Anti-corruption

Our Anti-corruption Policy, which was introduced in May 2015, sets out the principles that are applied in Com Hem to prevent corruption in our business operations. All employees at Com Hem have been informed about the company's new Code of Conduct and our efforts to combat corruption. Our managers will undergo ethics and anti-bribery training during 2016. We provide continuous training to reduce the risk of unintentional mistakes and make it more difficult to find and exploit loopholes. During 2015 Com Hem have had no confirmed incidents of corruption and have not experienced any actions regarding anti-competitive behavior.

Our Gifts, Hospitality and Entertainment Guidelines provide more detailed information about how everyone at Com Hem should act in regard to external entertainment, and our approach to giving and receiving gifts or other benefits. If our employees feel uncertain about how they should act, or the rules that apply to a given situation, they are encouraged to contact their supervisor or consult with the company's General Counsel.

Whistle-blower system

Com Hem launched a whistle-blower system in 2015 to encourage employees to report suspicions of serious misconduct committed, sanctioned or deliberately ignored by an employee in a management or key position. The system allows for anonymous reporting, and the information received is kept completely confidential to safeguard the integrity of the whistle-blower. The whistle-blower system is considered a complement to Com Hem's normal communication channels and Com Hem naturally recommends that employees contact their supervisor or the company's General Counsel in the first instance.

Purchasing procedures

Potential suppliers are assessed on the basis of their ability to maintain sound business practice, and to comply with Com Hem's Code of Conduct. We believe that our suppliers should be treated in a fair, ethical and professional manner. Com Hem aims for long-term conditions and relationships with our suppliers. During the year, we updated our purchasing policy to create greater clarity regarding our approach to suppliers. In 2016, we will provide internal training courses in the updated purchasing policy to ensure sound business ethics. Com Hem supports all ten principles of the UN Global Compact, and in our new purchasing policy, we also require that all major providers do the same.

Most of our suppliers are local and typically include contractors, consultants and logistics partners. The hardware for our networks and customer-premises equipment (CPE) is purchased from international suppliers. Com Hem consciously tries to select partners with a good international reputation and does not opt for lower-cost alternatives, because this could have a negative impact on our sustainability profile. Due to the profiles of our major suppliers, Com Hem assesses the risk of non-compliance with our requirements to be low.

Responsible marketing

To ensure a positive customer experience and correct marketing, Com Hem complies with the regulations and recommendations of the Swedish Consumer Agency, the EU, the PTS and the National Board for Consumer Disputes (ARN). We support – and are actively involved in – various organisations, such as the Swedish Telecom Advisors and Kontakta. The Swedish Telecom Advisors provides free and impartial assistance to consumers, while Kontakta strives to create a healthy climate between consumers, the community and businesses that engage with customers.

During 2015 Com Hem had no incidents of non-compliance with regulations that led to fines or warnings. In 2015, the number of cases of non-compliance with voluntary codes was seven, compared with nine in the preceding year. These cases usually relate to situations in which the reporting party has mistakenly been called, despite being registered with NIX (a no-call list to stop unsolicited calls for marketing, sales and fundraising purposes). To further reduce the number of these incidents, Com Hem has established internal systems whereby phone numbers are cross checked against the registry.

ENVIRONMENT



As Com Hem connects people through its network, the company's environmental impact is low. Digitalisation represents a major opportunity to reduce society's impact on the climate and the environment, and Com Hem wants to be a driving force in this transition.

We work continuously to reduce our internal environmental impact, and our most significant environmental aspects are energy consumption and transport. In 2015, the energy consumption within our organisation was 11,080 MWh. We mainly use energy to operate our headends, data centres, hubs and server centres across the country, and for our offices. Our transport mainly consists of our company cars, business travel and the transportation of modems, routers and set-top boxes to our customers.

A modern network is powered by renewable energy

Com Hem's goal is that 100 per cent of the energy used in our premises and our network is derived from green electricity. During 2015, about 54 per cent of all energy purchased by Com Hem was renewable. We have initiated a project during 2016 to make sure that all our operations have renewable electricity.

ENERGY CONSUMPTION (MWh)

| | 2015 |
|------------------|---------------|
| Electricity | 7,500 |
| District heating | 840 |
| District cooling | 2,740 |
| Total | 11,080 |
| Share renewables | 54% |

The table shows the electricity, district heating and cooling from Com Hem's offices and data centres. The energy consumption from outsourced data centres and IT-infrastructure was 4,300 MWh during 2015.

Greenhouse gas emissions

Com Hem is, for the first time, reporting the company's greenhouse gas emissions according to the global standard, the Greenhouse Gas (GHG) Protocol, to become more aware of our carbon footprint. During the year, our total greenhouse emissions amounted to 2,660 tons of CO₂ and were mainly caused by energy consumption and business travel.

Com Hem is engaged in ongoing dialogue with landlords regarding use of the residual heat from our data centres. In 2016, we intend to continue streamlining the operation of our services.

E-WASTE

The downside of rapid technological change is the environmental problems caused by electronic waste. Com Hem is committed to ensuring that the used network materials, modems, routers and set-top boxes are collected and recycled in the proper manner. For this purpose, we have established a partnership with Kuusakoski for the recycling of e-waste, and are affiliated with El-Kretsen for the recycling of obsolete consumer electronics.

EMISSIONS PER ACTIVITY

