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<<Unidentified Analyst>>

For our next speaker, I'd like to introduce the CEO of Telia, Johan Dannelind. Johan has been CEO since 2013, before that he was in South Africa as the CEO of Vodacom South Africa. Now this story is very compelling. I've known Johan and worked with him in our research for almost a year. Tonight at the reception, David, could you raise your hand? David Kiron of MIT Sloan Management Executive Editor; and Bob, could you raise your hand? Bob Eccles. We wrote – Bob and I wrote an article the MIT Sloan Management Review about this thing called the Statement of Significant Audiences and Materiality. It's just a one page statement put out by the Board saying who the significant stakeholders are for the company, the Board's decision on that and what the major ESG issues are and the kind of strategy boundaries for the company.

Telia is one of three companies in the world that has done that, we hope eventually every company does, but that's fuel for the reception. And this is only part of the long-term value creation and transformation story that Johan is going to tell. I think you're going to find it very compelling. Ladies and gentlemen, Johan Dannelind.

<<Johan Dannelind, President and Chief Executive Officer>>

Thank you. Thank you very much and good morning, ladies and gentlemen. Thanks to CECF and Bloomberg also for hosting and giving us, me the opportunity to speak about Telia for roughly 20 minutes or so and then take your questions. For those of you, who don't know us which is probably quite a few, given that we are obscure location up in the Nordic-Baltic side of Stockholm. I'll give you a brief intro. And for those of you who know us quite well, there are a few of you in here bear with me. I just want to get us on the same page.

We are up there and based in Stockholm. When we came in – when I came in four years ago, we were in 17 countries would reach around the globe with our global carrier, which is the leading IP carrier in the world competing with Level 3 of carrying the amount of traffic, internet traffic around the world. We're about 21,000 employees in the core operations and we have a market cap of roughly \$20 billion, it went up actually 2.5% today on the back of a sale yesterday of shares in Turkcell, but we'll come back to that.

We – as I said, we're basing ourselves in the Nordic-Baltics, that's our focus and we are a leading operator, integrated operator in these markets, one or two except for Denmark. And Denmark we have us a little strategic challenge that we always come back to what's the solution and well, I'm happy to take questions on that if you're interested. But this is really a region where things move quickly and where we are leading the way on many parameters on the digitalization index, sustainability index and leading the way also I would call it in the forefront industrial revolution, not just societies but companies and individuals. So when you're up there, you can feel a lot and

see a lot what's actually going to happen. Stockholm is second to only Silicon Valley I think in terms of unicorn and start-ups, so it's really a place to be in this industry.

For those of you that follow us regularly, we had our Q2 in July and this is just a quick snapshot to get you into what we actually do and then I'll get to the integrated story. We have a massive rollout of fiber and 4G across our markets and especially in Sweden and then we are on track on an ambition we set out couple of years back of reaching 2 million – almost 2 million households. And the beauty of this is that people actually paid about US\$2,000 upfront to get fiber connections in the households. And it's one of the most fibrous countries in the world. That's give us – and the customers of course its access to the gigabit society that I'll speak about later. It's a fundamental infrastructure for society we believe and we're investing heavily.

Norway similarly, we're still only mobile. We have acquired a couple companies and right now they are the star of the group in terms of performance. Finland on the rise, we're also testing a new business model around integrated operations with media buying content like we see other operators do across some markets. And then I spoke a bit about our core and our divesting. We are leaving the region Eurasia. I'll get to that in a second. And as part of that, we're also divesting our associates Turkcell. We're down now to only 24%-ish in Turkcell, we have divested two times this year.

We're on a very strict cash flow and cost ambition and program for the year and we're sticking to our guidance and we have a roughly a yield around 5% on the current share price with two tranches of dividends coming one in April and one, second one in October. Then we're still working on closing a sad chapter of our company. And we label it under the Uzbekistan matters. We are back 10 years ago, Telia entered into Uzbekistan under dubious circumstances that we have been under investigation and three authorities across both U.S., the Netherlands and Sweden, actually two authorities here in the U.S., SEC and DOJ.

Those are ongoing discussions we have actually put in our books \$1 billion that we anticipate that we have to pay, for the wrongdoings in the past. That was a big wakeup call for our new strategy that we set out four years ago. I would not go through this. I would just point to two things that are of importance today and I'll get to that in a second. One is obviously that we are integrating a strong governance framework and compliance program, best-in-class as a fundament for doing responsible business and we are also integrating our – the way we do business sustainably. And Tim mentioned that in the intro, but we also come out with a statement of materiality as one of the very, very few in early companies to show that we take these things seriously.

On the core strategy of the operation stand, we're about connectivity, but we're also not just connectivity, world-class connectivity but services on top. We're not aiming to be only a carrier of Internet traffic, because then we're not 21,000, then we're 5,000 people. And customers both consumers and enterprise are prepared to pay for services and experience. And we can deliver that and that's why we have an integrated converged strategy both for consumer and enterprise. And of course, we need to be competitive across the Board, when it comes to efficient operations.

Then we focus a lot on building a strong culture and that it comprises two things. One is the formal framework with sustainability and the responsible business and governance and compliance. That's really the formal part of it, but the more important piece is how we as individuals and employees work and act in the company. So therefore we put a lot of emphasis on our values and our culture and that's why it's also integrated in our one pager for everybody to see how important it is. We – as I said had problems and it started way before we came in and actually the reason I'm – my Chairman came in was that we had so many troubles that the old Board and the CEO had to leave.

We came in and set a new framework for getting us back on track. We had a huge impact, not just on our brand but on our people and motivation, trust from stakeholders at large. We had to start from the beginning, resetting the Company's platform. We have done so with a strong framework. We're now getting towards where we can start delivering on the potential, it's taken time. It does take time. Once you go wrong and want to do things right again, it takes time. But if you don't have patience, you don't have a business in there. So we have been patient and we're getting to a point now where we can start delivering on the potential. And that's also unfortunately seen in our share price over the last few years has not been very exciting, but we have kept a level where we think we're now at the good stage moving further.

Getting to this integrated piece, when we started, it was really about getting the things right from the ethics and compliance a responsible business side, because we didn't have it. Believe it or not, back in 2013 there was no Compliance Officer in our company. There was no global policies for our countries how to act. There was no whistleblower line that was of any material impact. We had to reset everything in order to really tell the story that we are actually changing for people to believe us, we had to really do it from the start.

Before we started to talk about the proactive value creative things that you do also when you reset an agenda, but there was the baseline for it, then we came up with our more shared value creation story around the sustainability and then came two years ago, the sustainability development goals as you know, which was perfect timing for us to start integrating the SDGs into our business, into our strategy, not – and I want to emphasize that not as a separate thing. It is not a nice thing to have something on the side. It is part of our core business as we believe, we create value by acting towards the SDGs and fulfilling the SDGs, they are close to us.

By the way our industry was the first industry to come out unified to support SDG one year ago. And I'm on the Board of that association GSMA where I pushed this very hard and I'm glad that we were the first industry to lead the way supporting the SDGs and we as a company, Telia is taking this to our level in our way and have launched something we called Unite internally to motivate and engage all our employees to be a part of this, spending one day per year, on the SDGs activities with our partners, close to our core, linking it to our everyday business and our services, and then understanding that. When we do that we'll actually impacting one of the 17 SDGs.

Then it gets tangible, then it gets real, then it gets integrated into the way we do business. That's how we'll reach the digital impact, the social digital impact supporting the SDGs over time. And this is where this statement of materiality comes in. I – and there's a sentence here that I like you

to read, but it's so small, so I have to read it for you, but you can look it up later. It says see if I can find it here, it is Telia Company's firm belief. It's my firm belief. That the best way to ensuring sustainable growth and profitability is integrating sustainable, responsible business practices into all parts of the business and strategy. It's a statement and we're reporting on it. How we're doing? How we're progressing towards this? And it's not a separate thing. It's an integrated thing into what we do in our business.

And this we realized when we came out with this that we were very early, we didn't do it to be first or second or third, we did it because it's part of our business and also a consequence of what we have built and what I show you on the previous slides. I think there are a lot of benefits in doing this and pushing this through your companies.

And this is how we view our agenda around digital impact. As you see a completely integrated way of running this as part of our business and this is what we have on our strategy, in our every day, in our follow-up, in our reporting through the Board send to our stakeholders. And we – of course then will be questioned. Are you progressing the way you would like to towards these ambitions? And I rather fail on the progress then fail on the ambition. We have put out a bold ambition.

So Telia Company into the future as we now go through our refocus and leaving Eurasia we're divesting the region, we're divesting as I said in Turkcell. We're moving into becoming a pure-play integrated operator in the Nordic-Baltics, in the most digitalized region in the world with a global carrier backbone supporting the explosion in Internet traffic. We're doing that with a lot of focus on services on top both for consumers and enterprise. We do that with innovation at heart otherwise we will not be able to do this. We're doing it by going with the mentality that from the Telco ecosystem where we did everything on our own to an ecosystem where we're opening up for partners to be part of value creation for our customers and our partners.

And of course as we have been speaking about it is truly integrated in the way we work, in the way we report and it's a good business case. It is not something it's done on the side. We believe that that's the way to create shareholder value. So when you're up in Stockholm, still a good time of the year, not much longer though. So don't come in the dark November, come in the fall or spring or summer we'll be happy to host you, show you around Stockholm. This is an imaginary picture. What's happening with 5G is amazing. We were first in the world with 4G. In couple of years back we're going to be very early with 5G in Stockholm, Italy and Helsinki and so forth.

And what you can do with 5G as a platform is beyond imagination in many cases. You have the mobile revolution. You all realized what that did to your lives. You have the Internet revolution. You all realize what that did to your life. The fourth industrial revolution of the revolution by combining and entering into the 5G as a platform where speeds are even faster, where latency or either time it takes to experience things, it's going to go down significantly, so that you get to real-time experiences. And therefore you can start to feel and experience real things. Be it virtual reality, augmented reality or what we actually call dream reality because it's happening now. And that's the path to what we called Gigabit Society. In a Gigabit Society with digital and sustainable is our core belief. It's our purpose bringing the world closer.

So with that, I'd like to thank you for your attention and happy to take question or questions. Thank you very much.

Q&A

<Q>: Thank you very much, Johan. Johan, before we open up to the floor, I have one question from the app. Are you getting questions given you put up the statement of materiality? Are you getting questions about material ESG issues or stakeholders from investors? And it's a two part question, if you're not getting any what should they be asking? And if you are getting questions are you getting the right ones?

<A – Johan Dannelind>: The question – the answer is yes, we are getting questions around this. And just to put that in perspective, I've spent basically 30, 40 minutes of that investor hour, the last four years talking about our problems and the effects of our problems. How we got into problems? How we getting out of problems? Are you going to get in problems again? How do you deal with this? And then I said my answer is just building an infrastructure in a platform to try to avoid that. I can't guarantee it's not going to happen again, but we're really working hard to have it as a platform integrated in our culture and then also report on it when we move into the value created part, value – what the traditional course shared value creation by having it more integrated.

And the shift now in investors by the way, I think all investors should be sustainable. So you shouldn't separate sustainable investors and normal investors. I think the focus on these matters are really increasing and I think the companies that lead the way will be rewarded and benefited down the line hopefully sooner than later.

<Q>: Thank you. So now, we'll open up the floor to questions. And remember we keep questions short, we can have more questions and when you get a microphone please state your name and affiliation first. So raise hands please. Yes, down here, Hans?

<Q>: Yes. I'm Hans Hirt [ph] from Hermes. First, thank you for the great presentation first. Good to hear something about the SDGs. We haven't heard about much, much today and generally, here in the U.S. you hear less about the SDGs and also materiality statement. How do you manage and practice when you have conflicts between the stakeholders, when you have to list of you key stakeholders? And maybe related to that question, is there something about directors' duties in Sweden that makes it easier than perhaps here in the U.S. to take and stakeholder interests into a controversial interesting piece in the Harvard Business Review earlier this year suggesting that one problem here is that directors' duties interpreted in a way that you only need to focus on your shareholders and is there difference in Europe on that? Thank you.

<A – Johan Dannelind>: Thanks for very good question. And then I go back to the first sentence on this, which you also can't read. There it states clearly that the Board of Directors is there on their Companies Act in Sweden to protect them and drive shareholder value, right, create value for shareholders is the main purpose. My point and our point and my Board's point is that you can't do that without taking the full view and integrating the sustainability agenda. That's the firm belief then that comes to the second sentence firm belief that is value creative. So I think that

answers the question that you can't ignore it. And therefore you can't fulfill your overall purpose by the Companies Act if you don't take it seriously and that's our firm belief.

<Q>: Thank you. Another question? Yes, Sanford.

<Q – Sanford Lewis>: Hi, Sanford Lewis, Shareholder Rights Project. I'm very excited to see that you've done the statement of materiality and audiences. And I know in its original conception by Bob, there was a lot of talk, Bob and Tim, there was a lot of talk about time frames being part of the framework. And I'm wondering I just looked at the statement it seems like – I'm wonder if you consider that and then didn't do it or how you dealt with the issue of material timeframes.

<A – Johan Dannelind>: Thank you very much. It's also very important question. I think I wish we could be even bolder and more ambitious. And I think we will be and put ourselves stronger commitments out there. This is a start. But I think as we move down to next year say integrated or combined as we have – today, we have a combined report but not as separate but combined sustainability and annual. We are moving towards integrated with this materiality statement. I think we're also be more inclined to take bets on timing and commit ourselves to certain time frames. For me I mean, the time frame is set by UN, by all countries in the world, 2030 is the deadline where we have to achieve the SDGs. So that's kind of one deadline down the road, but of course you need to break it down and get – put yourself in commitments along the way. So I'll take that with me actually as an encouragement to be more clear on timing. Thank you.

<Q>: Thank you, another question from the floor. Bob?

<Q>: Thanks for that. A quick question, do you notice in your investor meetings, any differences between European and U.S. investors – in questions and any differences between asset managers and asset owners that aren't using third-party asset managers...

<A – Johan Dannelind>: Repeat yourself.

<Q>: So differences in questions between U.S. and European investors in your investor meetings and any differences in questions between asset managers and asset owners who are managing their own money and not using the third-party asset managers. I will be there in November, so we can get together. I'm a big fan, I'm a big fan of Stockholm.

<A – Johan Dannelind>: Happy to host you. I think there is no major on this materially – materiality statement. I don't think I feel a difference, I think there is a difference in the compliance field and the governance, the formal part of it there has been a slight difference between the regions especially when we're going to main troubles, you get in with the big funds who have a lot of compliance themselves and then you need compliance and compliance and that has been heavyweight on the heavy funds. But I don't sense a geographical divide on this sustainability side, to be honest. But I'll think about it for the next time we meet, see if there is something that pops up.

<Q>: Do you see it? Do you see a difference in?

<A – Johan Dannelind>: I mean at a high level of generality I think that the European investors are more sophisticated and more cognizant of this little bit more advanced in terms of ESG integration maybe a little bit longer in time frame, that wouldn't be true when you look at the asset owners as much and I think a big trend in the U.S. is what's happening with the passive investors that are kind of in there for the long-term no matter what we have someone from Vanguard here. So it's an interesting trend here to see with the big, really big U.S. asset managers. I'm getting increasingly engaged with engagement and stewardship. Is kind of what the trend is, Eurasian investors just don't know.

<Q>: Right, thank you.

<Q>: One more question before we break for lunch? Yes, please, right over here.

<Q>: Hi, Allison Elman [indiscernible] (23:18) Capital. I was wondering if you thought that through there was sort of rock bottom experience that you had at the company a couple years ago. Did that allow for the kind of action that you took or like – did we need that level of incentive to take the kinds of steps you've taken?

<A – Johan Dannelind>: Unfortunately, the answer is yes. And it has been a painful and costly experience and we can't put a price tag on it even if we have reserved \$1 billion in our book for the potential settlements. You can't put a price tag on the damage, on the brand reputation, people motivation, customer impact, you can't put a price tag on it. So the wakeup call has been expensive. And we would not have had the energy and drive and focus and priority from the Board and downwards if it hadn't happened unfortunately. So I hope I can be the wakeup call for other companies to take this seriously. As you build your company that needs to be sustainable in the long run.

<<Unidentified Analyst>>

Thank you very much, ladies and gentlemen. Let's have a round of applause for the Johan Dannelind.

<<Johan Dannelind, President and Chief Executive Officer>>

Thank you very much.