

Minutes from Annual General Meeting of shareholders in Tele2 AB (publ), company reg. no. 556410-8917 on 17 May 2010 at 1.00 p.m. CET in Stockholm

This is a translation of the Swedish version.

Present: As set out in the list in Appendix 1, stating the number of shares, class of shares and votes for each person entitled to vote.

The following persons were also present: Chairman of the Board Vigo Carlund, the Board members Mia Brunell Livfors, Jere Calmes, John Hepburn, Mike Parton, John Shakeshaft, Cristina Stenbeck and Pelle Törnberg, the proposed Board members Lars Berg och Erik Mitteregger, Chief Financial Officer/acting Managing Director Lars Nilsson and the authorised public accountant Jan Berntsson.

In addition, persons noted in Appendix 2 were noted as present.

§ 1

Opening of the Annual General Meeting and election of Chairman (item 1 of the agenda)

The Chairman of the Board, Vigo Carlund opened the meeting and welcomed the shareholders.

It was resolved, in accordance with the Nomination Committee's proposal, to appoint the lawyer Wilhelm Lüning to conduct the meeting in the capacity of Chairman. It was noted that the Chairman had appointed Victor Englesson to keep the minutes at the meeting.

It was resolved that representatives from the media and persons noted in Appendix 2 should be permitted to attend the meeting.

§ 2

Preparation and approval of the voting list (item 2 of the agenda)

It was resolved to approve the procedure for the preparation of the voting list, as accounted for by the Chairman, and the list of shareholders present, Appendix 1, was approved as the voting list for the Annual General Meeting of today.

§ 3

Approval of the agenda (item 3 of the agenda)

It was resolved to approve the agenda for the meeting, which had been distributed at this meeting to the participants and which previously had been included in the notice to the meeting.

§ 4

Election of one or two persons to check and verify the minutes (item 4 of the agenda)

It was resolved that the minutes should be verified by Peter Lindell representing AMF Funds and AMF Insurance and Åsa Nisell representing Swedbank Robur funds, jointly with the Chairman of the meeting.

§ 5

Determination of whether the Annual General Meeting has been duly convened (item 5 of the agenda)

It was established that the notice of the meeting had been given within the period stated in the Articles of Association by way of an announcement in Post- och Inrikes Tidningar, in Metro and in Svenska Dagbladet on 19 April 2010.

It was noted that the meeting was duly convened.

§ 6

Presentation of the annual report, the auditors' report and the consolidated financial statements and the auditors' report on the consolidated financial statements (items 6 of the agenda)

The Chairman of the Board Vigo Carlund reported on the work of the Board during the financial year 2009.

The acting Managing Director Lars Arne Nilsson reported on the Company's operations during the financial year 2009.

Questions from the shareholders concerning the Company's work regarding sustainability, equality, multiplicity, the Company's expansion towards the east and potential risks associated therewith, currency effects on the business of the Company and costs for the settlement of the prior Managing Director, were answered by the Chairman of the Board and the Managing Director.

The authorised public accountant Jan Berntsson from the auditing firm Deloitte AB reported on the audit work and the Auditor's Report in respect of the Company and the Group.

The Board of Directors' and Managing Director's Annual Report and Group Annual Report, with the incorporated income statements and balance sheets in respect of the financial year 2009, were presented.

§ 7

Resolution on the adoption of the Profit and Loss Statement and the Balance Sheet and of the Group Profit and Loss Statement and the Group Balance Sheet (item 7 of the agenda)

It was resolved to adopt the income statements and balance sheets for the Company and the Group in respect of the financial year 2009, presented under § 6 above.

Shareholders, specified in Appendix 3, represented by Ulf Forsgren, representing in total 93,531 shares and votes and Carina Liljegren-Thärning, representing in total 38,634 shares and votes, voted against the decision.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 176,767 shares and votes, abstained from voting.

§ 8

Resolution on the proposed treatment of the Company's unappropriated earnings as stated in the adopted balance sheet (item 8 of the agenda)

The secretary presented the proposal made by the Board of Directors and the Managing Director, and supported by the Auditors, regarding allocation of profits and the Board of Directors' reasoned statement about the proposed dividend.

It was resolved, in accordance with the proposal made by the Board of Directors and the Managing Director and supported by the Auditors, to distribute SEK 3.85 per share as an ordinary dividend and SEK 2.00 per share as an extra dividend, in total SEK 5.85 per share, meaning that the funds at the disposal of shareholders should be distributed as follows:

Dividend in total SEK 5.85 per share	SEK 2,576,347,833
<u>Carried forward</u>	<u>SEK 5,844,712,245</u>
Total amount	SEK 8,421,060,078

The record date for the dividend was determined as Thursday 20 May 2010 and it was noted that the dividend is expected to be paid by Euroclear Sweden AB on Tuesday 25 May 2010.

§ 9

Resolution on the discharge of liability of the directors of the Board and the Chief Executive Officer (item 9 of the agenda)

It was noted that the Company's Auditors recommended the meeting to discharge the members of the Board of Directors and the Managing Director from liability for the financial year 2009.

It was resolved by the required majority, to discharge the members of the Board and the Managing Director from liability for their administration of the Company's affairs during financial year 2009.

It was noted that neither members of the Board who represented shares held by themselves or others, nor the Managing Director voted on this resolution.

Shareholders, specified in Appendix 3, represented by Ulf Forsgren, representing in total 94,781 shares and votes and Carina Liljegren-Thärning, representing in total 38,634 shares and votes, voted against the decision.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 176,767 shares and votes, abstained from voting.

§ 10

Determination of the number of directors of the Board (item 10 of the agenda)

The Chairman of the Nomination Committee, Cristina Stenbeck, presented the proposals relating to the election of the Board of Directors and remuneration to the Board of Directors and Auditor and the procedure of the Nomination Committee. It was resolved that, for the period until the close of the next Annual General Meeting, the Board of Directors shall consist of eight Directors, without deputies, elected by the General Meeting.

§ 11

Determination of the remuneration to the directors of the Board and the auditors (item 11 of the agenda)

It was resolved that the fixed remuneration for each director of the Board for the period until the close of the next Annual General Meeting shall be unchanged. Due to the elimination of the Vice Chairman role on the Board, however, it was resolved that the total Board remuneration shall be decreased from SEK 5,125,000 to SEK 4,975,000, for the period until the close of the next Annual General Meeting, of which SEK 1,200,000 shall be allocated to the Chairman of the Board, SEK 450,000 to each of the directors of the Board and total SEK 625,000 for the work in the committees of the Board of Directors. It was resolved that for work within the Audit Committee SEK 200,000 shall be allocated to the Chairman and SEK 100,000 to each of the other three Audit members and for work within the Remuneration Committee it was resolved that SEK 50,000 shall be allocated to the Chairman and SEK 25,000 to each of the other three members.

Further, it was resolved that the remuneration to the Auditor shall be paid in accordance with approved invoices.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 176,767 shares and votes, abstained from voting.

§ 12

Election of the directors of the Board and the Chairman of the Board (item 12 of the agenda)

The Chairman informed the meeting on which positions the proposed members of the Board of Directors hold in other companies, by referring to the presentation handed out in connection with entering the meeting and to the presentation of the Chairman of the Nomination Committee.

It was resolved, in accordance with the Nomination Committee's proposal, to re-elect Mia Brunell Livfors, Jere Calmes, John Hepburn, Mike Parton, John Shakeshaft and Cristina Stenbeck as Board members for the period until the end of the next Annual General Meeting. Further it was resolved to elect Lars Berg och Erik Mitteregger as new Board members for the period until the end of the next Annual General Meeting. Mike Parton was elected Chairman of the Board.

It was noted that Vigo Carlund och Pelle Törnberg have declined re-election.

It was noted that it was resolved at the Annual General Meeting 2008 to elect the auditing firm Deloitte AB as Auditor, with the authorised public accountant Jan Berntsson being the main responsible auditor, for a period of four years, and therefore no auditor shall be appointed on this Annual General Meeting.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 447,480 shares and votes, Helena Siljeström, representing in total 115,605 shares and votes and Carina Liljegren-Thärning, representing in total 38,634 shares and votes, voted against the decision.

Shareholders specified in Appendix 3, represented by Carina Liljegren-Thärning, representing in total 88,579 shares and votes, abstained from voting.

§ 13

Approval of the procedure of the Nomination Committee (item 13 of the agenda)

It was resolved, in accordance with Nomination Committee's proposal, to approve the following procedure for preparation of the election of the Board of Directors and Auditor. The work of preparing a proposal on the directors of the Board and auditor, in the case that an auditor should be elected, and their remuneration as well as the proposal on the Chairman of the Annual General Meeting of 2011 shall be performed by a Nomination Committee. The Nomination Committee will be formed during October 2010 in consultation with the largest shareholders of the Company as per 30 September 2010. The Nomination Committee will consist of at least three members representing the largest shareholders of the Company. The Nomination Committee is appointed for a term of office commencing at the time of the announcement of the third quarter report in 2010 and ending when a new Nomination Committee is formed. The majority of the members of the Committee may not be directors of the Board of Directors or employed by the Company. If a member of the Committee resigns before the work is concluded, a replacement member may be appointed after consultation with the largest shareholders of the Company. However, unless there are special circumstances, there shall not be changes in the composition of the Nomination Committee if there are only marginal changes in the number of votes, or if a change occurs less than three months prior to the Annual General Meeting. Cristina Stenbeck will be a member of the Committee and will also act as its convenor. The members of the Committee will appoint the Committee Chairman at their first meeting. The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the Company, and to charge the Company with costs for recruitment consultants if deemed necessary.

Shareholders, specified in Appendix 3, represented by Ulf Forsgren, representing in total 67,838 shares and votes and Carina Liljegren-Thärning, representing in total 38,634 shares and votes, voted against the decision. The shareholder Torvald Arvidsson, representing 1,000 shares and votes, made a reservation against the decision with the motivation that the proposal of the Nomination Committee was an act of iniquity (*Sw. överloppsgärning*) and a play to the gallery.

Shareholders specified in Appendix 3, represented by Ulf Forsgren, representing in total 176,767 shares and votes, abstained from voting.

It was resolved not to approve the motion of an amendment to the approved procedure for the Nomination Committee, Appendix 4. The shareholder Torvald Arvidsson, representing 1,000 shares and votes, reserved himself from the decision with the motivation that the resolution implies a breach of the general accepted values of the society.

§ 14

Resolution regarding Guidelines for remuneration to the senior executives (item 14 of the agenda)

The Chairman of the Remuneration Committee, John Hepburn, presented the proposal on guidelines for remuneration to the senior executives.

It was resolved in accordance with the proposal from the Board of Directors, to adopt the guidelines on remuneration and other employment terms and conditions for the senior executives, as set out in Appendix 5.

Shareholders, specified in Appendix 3, represented by Carina Liljegren-Thärning, representing in total 38,634 shares and votes and Ulf Forsgren, representing in total 69,088 shares and votes, voted against the decision.

Shareholders, specified in Appendix 3, represented by Ulf Forsgren, representing in total 176,767 shares and votes and Carina Liljegren-Thärning, representing in total 88,579 shares and votes, abstained from voting.

§ 15

Resolution regarding incentive programme (item 15 of the agenda)

The Chairman of the Remuneration Committee John Hepburn presented the proposal on the implementation of an incentive programme. Questions from the shareholders were answered.

It was resolved by the required majority, by more than nine-tenths of the shares and the number of votes represented at the meeting, in accordance with the proposal from the Board of Directors, Appendix 6.

It was noted that the incentive programme had been adopted in its entirety.

It was noted that the resolutions in this item 15 in accordance with the above also shall include an authorisation for the Managing Director to make any adjustments necessary for registration of the resolution at the Swedish Company Registration Office and Euroclear Sweden AB.

Shareholders, specified in Appendix 3, represented by Ulf Forsgren, representing in total 176,767 shares and votes, abstained from voting. The Swedish Shareholders' Association

(Sw. Sveriges Aktiesparares riksförbund) and Aktiespararna Topp Sverige, represented by Leo Gillholm, made a reservation against the resolution.

§ 16

Resolution to authorise the Board of Directors to resolve on repurchase and transfer of own shares (item 16 of the agenda)

It was resolved by the required majority, by more than two-thirds of the shares and the number of votes represented at the meeting, in accordance with the proposal from the Board of Directors, Appendix 7, to authorise the Board of Directors to resolve to repurchase and transfer the Company's own shares.

Shareholders, specified in Appendix 3, represented by Ulf Forsgren, representing in total 1,250 shares and votes and Carina Liljegren-Thärning, representing in total 227,424 shares and votes, voted against the decision.

Jan Forsman representing 24 Class A shares and 3,141 Class B shares representing in total 3,381 votes, voted against the decisions.

§ 17

Closing of the Meeting (item 17 of the agenda)

The retiring Directors of the Board Vigo Carlund and Pelle Törnberg were thanked for their work in the Board.

Since there were no other issues, the chairman closed the meeting.

Keeper of the minutes:

Victor Englesson

Verified:

Wilhelm Lüning

Peter Lindell

Åsa Nisell

Tele2 AB (publ)**Item 7 - Votes against the proposal**

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Louisiana State Employees Retirement System	93 531	B
Total	93 531	

Item 7 - Votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
RR Univ QC-Grandes Societes	38 634	B
Total	38 634	

Item 7 - Abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
City Of Philadelphia Public Employees Retirement System	3 964	B
City Of Philadelphia Public Employees Retirement System	66 553	B
City Of Philadelphia Public Employees Retirement System	106 250	B
Total	176 767	

Item 9 - Votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Louisiana State Employees Retirement System	93 531	B
Fire And Police Pension Association Of Colorado	1 250	B
Total	94 781	

Item 9 - Votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
RR Univ QC-Grandes Societes	38 634	B
Total	38 634	

Item 9 - Abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
City Of Philadelphia Public Employees Retirement System	3 964	B
City Of Philadelphia Public Employees Retirement System	66 553	B
City Of Philadelphia Public Employees Retirement System	106 250	B
Total	176 767	

Item 11 - Abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
City Of Philadelphia Public Employees Retirement System	3 964	B
City Of Philadelphia Public Employees Retirement System	66 553	B
City Of Philadelphia Public Employees Retirement System	106 250	B
Total	176 767	

Item 12 - Votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Fire And Police Pension Association Of Colorado	1 250	B
California State Teachers Retirement System	111 329	B
California State Teachers Retirement System	114 828	B
Fonds De Solidarite Des Travailleurs Du Quebec	67 838	B
Ford Motor Company Defined Benefit Master Trust	13 600	B
Illinois State Board of Investment	12 356	B
ING International Index Portfolio	9 763	B
ING Wisdom Tree Global High-Yielding Equity Index Portfolio	10 578	B
State of Wisconsin Investment Board	5 590	B
State of Wisconsin Investment Board	45 231	B
The Master Trust Bank of Japan, Ltd as trustee of MUTB400037407	11 417	B
The Master Trust Bank of Japan, Ltd. Re: Frank Russell Investments (JP) Lim Intl Equity Fund	43 700	B
Total	447 480	

Item 12 - Votes against the proposal

Proxy: Helena Siljeström

Shareholder:	Shares:	Serie:
Stichting MN Serv. Aandelensfonds Europa	19 825	B
Stichting MN Serv. Aandelensfonds Europa III	4 223	B
Stichting Pensioenfonds Metaal en Techniek	91 557	B
Total	115 605	

Item 12 - Votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
RR Univ QC-Grandes Societes	38 634	B
Total	38 634	

Item 12 - Abstains from voting

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
Amundi Index Europe	15 012	B
Amundi Europe Non Cyclique	49 090	B
Federstocks	763	B
GRD 3	14 658	B
Icare	9 056	B
Total	88 579	

Item 13 - Votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Fonds De Solidarite Des Travailleurs Du Quebec	67 838	B
Total	67 838	

Item 13 - Votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
RR Univ QC-Grandes Societes	38 634	B
Total	38 634	

Item 13 - Abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
City Of Philadelphia Public Employees Retirement System	3 964	B
City Of Philadelphia Public Employees Retirement System	66 553	B
City Of Philadelphia Public Employees Retirement System	106 250	B
Total	176 767	

Item 14) Votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Fonds De Solidarite Des Travailleurs Du Quebec	67 838	B
Fire And Police Pension Association Of Colorado	1 250	B
Total	69 088	

Item 14 - Votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
RR Univ QC-Grandes Societes	38 634	B
Total	38 634	

Item 14 - Abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
City Of Philadelphia Public Employees Retirement System	3 964	B
City Of Philadelphia Public Employees Retirement System	66 553	B
City Of Philadelphia Public Employees Retirement System	106 250	B
Total	176 767	

Item 14 - Abstains from voting

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
Amundi Index Europe	15 012	B
Amundi Europé Non Cyclique	49 090	B
Federstocks	763	B
GRD 3	14 658	B
Icare	9 056	B
Total	88 579	

Item 15 - Abstains from voting

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
City Of Philadelphia Public Employees Retirement System	3 964	B
City Of Philadelphia Public Employees Retirement System	66 553	B
City Of Philadelphia Public Employees Retirement System	106 250	B
Total	176 767	

Item 16 - Votes against the proposal

Proxy: Ulf Forsgren

Shareholder:	Shares:	Serie:
Fire And Police Pension Association Of Colorado	1 250	B
Total	1 250	

Item 16 - Votes against the proposal

Proxy: Carina Liljegren-Thärning

Shareholder:	Shares:	Serie:
KAS Bank N.V.	227 424	B
Total	227 424	

Proposal from the Shareholder Thorvald Arvidsson (Item 13 of the agenda)

The Nomination Committee shall when performing its assignment pay certain attention to decisions involving increased equality between men and women as well as between persons born in Sweden and in other countries.

GUIDELINES FOR REMUNERATION TO THE SENIOR EXECUTIVES (Item 14)

The Board proposes the following guidelines for determining remuneration for senior executives for 2010, to be approved by the Annual General Meeting in May 2010.

The objectives of the Tele2 remuneration guidelines are to offer 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 management to execute strategic plans and deliver excellent operating results and to align management's incentives with the interests of the shareholders. Senior executives covered by the proposed guidelines include the CEO and members of the Executive Board ("**Senior Executives**"). At present Tele2 have eight Senior Executives.

Remuneration to the Senior Executives should comprise annual base salary and variable short-term incentive (STI) and long-term incentive (LTI) programs. The STI shall be based on the performance in relation to established objectives. The objectives shall be related to the Company's overall result and the Senior Executives individual performance. The STI can amount to a maximum of 100 percent of the annual base salary.

Over time, it is the intention of the Board of Directors to increase the proportion of variable performance based compensation as a component of the Senior Executives' total compensation.

Other benefits may include e.g. company cars and for expatriated Senior Executives e.g. housing benefits for a limited period of time. The Senior Executives may also be offered health care insurances.

The Senior Executives are offered premium based pension plans. Pension premiums for the CEO can amount to a maximum of 25 percent of the annual base salary. For the other Senior Executives pension premium can amount to a maximum of 20 percent of the annual base salary.

The maximum period of notice of termination of employment shall be 12 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 18 months for the CEO and 12 months for any of the other Senior Executives.

In special circumstances, the Board may deviate from the above guidelines. In such case the Board is obligated to give account for the reason for the deviation on the following Annual General Meeting.

There is no deviation during 2009 compared with the remuneration guideline for senior executives approved by the Annual General Meeting in May 2009.

PROPOSAL TO IMPLEMENT AN INCENTIVE PROGRAMME (item 15)

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based incentive programme for senior executives and other key employees within the Tele2 group in accordance with items 15 (a) – 15 (b) below. All resolutions are proposed to be conditional upon each other and are therefore proposed to be adopted in connection with each other.

PROPOSAL TO ADOPT AN INCENTIVE PROGRAMME (item 15 (a))

Summary of the programme

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based incentive programme (the “**Plan**”). The proposed Plan has the same structure as the plan that was adopted at the 2009 AGM. The Plan is proposed to include in total approximately 150 senior executives and other key employees within the Tele2 group. The participants in the Plan are required to own shares in Tele2. These shares can either be shares already held or shares purchased on the market in connection with the notification to participate in the Plan. Thereafter the participants will be granted, by the Company free of charge, retention rights and performance rights on the terms stipulated below.

The personal investment

In order to participate in the Plan, the employees have to purchase shares in Tele2. These shares can either be shares already held or shares purchased on the market in connection with notification to participate in the Plan. The required purchase of shares in Tele2 will correspond to a value of 6-10 percent of the employee’s annual base salary.

For each share held under the Plan, the participants will be granted retention rights and performance rights by the Company. Subject to fulfilment of certain retention and performance based conditions during the period 1 April 2010 – 31 March 2013 (the “**Measure Period**”), the participant maintaining the employment within the Tele2 group at the date of the release of the interim report January – March 2013 and subject to the participant maintaining the invested shares, each right entitles the employee to receive one Class B share in the Company. Dividends paid on the underlying share will increase the number of retention and performance shares being allotted in order to treat the shareholders and the participants equally.

Performance conditions

The rights are divided into (i) Series A rights; retention shares, (ii) Series B rights; performance shares and (iii) Series C rights; performance shares.

The shares to be received by the employee depend on the fulfilment of certain defined retention and performance based conditions during the Measure Period as follows:

<i>Series A rights</i>	Tele2's total shareholder return (TSR) on the Tele2 shares; with a minimum hurdle exceeding 0 percent during the Measure Period;
<i>Series B rights</i>	average normalised return of capital employed (ROCE); with a minimum hurdle of 15 percent during the Measure Period and a stretch target of ROCE 18 percent; and
<i>Series C rights</i>	TSR compared with a peer group including Elisa, KPN, Millicom, Mobistar, MTS - Mobile Telesystems, Telenor, Telia Sonera, Turkcell and Vodafone during the Measure Period with TSR being better than the average TSR for the peer group as a minimum hurdle and TSR being 10 percentage points better than the average TSR for the peer group as a stretch target.

The determined levels of the retention and performance based conditions are minimum hurdle and stretch target with a linear interpolation applied between those levels. The minimum hurdle constitutes the minimum level which must be exceeded in order to enable exercise of the rights. If the minimum hurdle is not reached all respective rights to retention and performance shares in that series lapse. If a stretch target is met all retention rights and performance rights remain exercisable in that series. If the minimum hurdle is reached the number of rights exercisable is proposed to be 20 percent for the Series B and C rights and 100 percent for the A rights.

The allotment of the retention rights and the performance rights

The allotment of the retention shares and performance shares shall be governed by the following terms and conditions:

- Granted free of charge on or around 1 June 2010. The Board of Directors shall be authorised to make allotments within the scope of the incentive programme in connection with recruitments that have been carried out after the first allotment, however no later than on 31 December 2010.
- May not be transferred or pledged.
- May be exercised the day following the release of the interim report for the period January – March 2013.
- Dividends paid on the underlying share will increase the number of retention and performance shares being allotted in order to treat the shareholders and the participants equally.
- May only be exercised provided that the holder is still employed by the Tele2 group and has maintained the personal investment during the vesting period.

Preparation and administration

The Board of Directors, or a committee established by the Board for these purposes, shall be responsible for preparing the detailed terms and conditions of the Plan. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the Tele2 group, or its circumstances, would result in a situation where the decided terms and conditions for vesting and for the possibility to exercise the rights under the Plan, become unsuitable to use. The Board of Director's possibility to make such adjustments does not include the grant of continued participation for Senior Executives in the Company's long-term Incentive programs after the termination of their respective employments.

Allocation

In total, the Plan is estimated to comprise up to 234,000 shares and entitling up to 1 032,000 rights whereof 234,000 retention rights and 798,000 performance rights. The participants are divided into different categories and in accordance with the above, the Plan will comprise the following number of shares and maximum number of rights for the different categories:

- the CEO: can acquire up to 8,000 shares within the Plan and 1 Series A right per invested share, 3 Series B and C rights each per invested share;
- senior executives (approx. 10 persons and key employees): can acquire up to 4,000 shares within the Plan and 1 Series A right per invested share, 2.5 Series B and C rights each per invested share;
- category 1 (approx. 30 persons): can acquire up to 2,000 shares within the Plan and 1 Series A right per invested share, 1.5 Series B and C rights each per invested share;
- category 2 (approx. 40 persons): can acquire up to 1,500 shares within the Plan and 1 Series A right per invested share, 1.5 Series B and C rights each per invested share; and
- category 3 (approx. 70 persons): can acquire up to 1,000 shares within the Plan and 1 Series A right per invested share, 1.5 Series B and C rights each per invested share.

Scope and costs of the programme

The Plan 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 124 (closing share price of the Tele2 Class B share on 6 April 2010), a maximum participation, an annual employee turnover of 7 percent among the participants of the programme, and an average fulfilment

of performance conditions of approximately 50 percent, the cost for the program, excluding social security costs, is estimated to approximately SEK 55 million. The cost will be allocated over the years 2010-2013. At a 100 percent fulfilment of the performance conditions the cost is approximately SEK 71 million.

Social security costs will also be recorded as a personnel expense in the income statement by current reservations. The social security costs are estimated to around SEK 31 million with the assumptions above and an average social security tax rate of 33 percent and an annual share price increase of 10 percent. At a 100 percent fulfilment of the performance conditions the cost is approximately SEK 38 million.

The participant's maximum profit per right in the Plan is limited to SEK 529, five times the average closing share price of the Tele2 Class B shares during February 2010 (SEK 105,90). If the value of the rights exceeds SEK 529 at vesting, the number of shares for each right which the participant is entitled to will be reduced correspondingly. The maximum dilution is up to 0.27 percent in terms of shares outstanding, 0.19 percent in terms of votes and 0.10 percent in terms of costs for the programme as defined in IFRS 2 divided by Tele2's market capitalisation. Assuming that maximum profit of SEK 529 per right is obtained, that the total amount of invested shares are kept and that a 100 percent fulfilment of the retention and performance conditions is obtained, the maximum IFRS 2 cost for the Plan is about SEK 87 million and the maximum social security cost is about SEK 191 million.

Information on Tele2's other equity-related incentive programmes, reference is made to the annual report for 2009, note 36, page 45.

Effects of important ratios

The impact on basic earnings per share if the programme had been introduced 2009 with the assumptions above would result in a dilution of 1,1 percent or from SEK 10,26 to SEK 10,15 on a proforma basis.

The annual cost of the programme including social charges is estimated to approximately SEK 29 million assuming the above assumptions. This cost can be related to the Company's total personnel costs, including social charges, of SEK 2,979 million in 2009.

Delivery of shares under the Plan

To ensure the delivery of Class B shares under the Plan, the Board of Directors proposes that the General Meeting resolves that maximum 1,180,000 Class C shares held by the company after reclassification into Class B shares may be transferred to the participants under the Plan.

The rationale for the proposal

The objective of the proposed Plan is to create conditions for retaining competent employees in the group. The Plan 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 the Plan requires a personal investment, be it shares already held or shares purchased on the market in connection with the Plan. By offering an allotment of retention rights and performance rights which are based on profits and other retention and performance based conditions the participants are rewarded for increased shareholder value. Further, the Plan rewards employees' loyalty and long-term growth in the Company. Against this background, the Board of Directors is of the opinion that the adoption of the Plan as set out above will have a positive effect on the Tele2 group's future development and thus be beneficial for both the Company and its shareholders.

Preparation

The Plan has been initiated by the Remuneration Committee and has been prepared by the executive management in consultation with external advisors in accordance with guidelines set out by the Remuneration Committee. The Plan has been reviewed by the Board of Directors at board meetings during the end of 2009 and the first months of 2010.

Majority requirement

A resolution in accordance with the proposal is valid only where supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the General Meeting.

The above proposal is supported by major shareholders.

TRANSFER OF OWN CLASS B SHARES (item 15 (b))

The Board of Directors proposes that the Annual General Meeting resolves that maximum 1,180,000 Class C shares held by the company after reclassification into Class B shares may be transferred to participants in accordance with the terms of the Plan.

A resolution in accordance with the proposal is valid only where supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the General Meeting.

AUTHORISATION FOR THE BOARD OF DIRECTORS TO RESOLVE ON REPURCHASE AND TRANSFER OF OWN SHARES (Item 16)

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to pass a resolution on repurchasing the Company's own shares in accordance with the following conditions:

1. The repurchase of Class A and/or Class B shares shall take place on the NASDAQ OMX Stockholm in accordance with the rules regarding purchase and sale of own shares as set out in the Rulebook of NASDAQ OMX Stockholm.
2. 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.
3. 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.
4. The repurchase of Class A and/or Class B shares at the NASDAQ OMX 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.
5. Payment for the shares shall be in cash.

Furthermore, the Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to pass a resolution on transferring the Company's own shares in accordance with the following conditions:

1. The transfer of Class A and/or Class B shares shall take place:
 - (i) on the NASDAQ OMX Stockholm in accordance with the rules regarding purchase and sale of own shares as set out in the Rulebook of NASDAQ OMX Stockholm; or
 - (ii) in connection with an acquisition of companies or businesses, on market terms.
2. The transfer 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.
3. Not more than so many Class A and/or Class B shares, as are repurchased according to the Meeting's authorisation to the Board of Directors to pass a resolution on purchasing the Company's own shares as set out above, may be transferred.
4. The transfer of Class A and/or Class B shares on the NASDAQ OMX 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.

5. The authorisation includes the right to resolve on disapplication of the preferential rights of shareholders and that payment shall be able to be made in other forms than cash.

The purpose of the authorisations is that the Board of Directors shall obtain increased freedom to act and obtain the ability to continuously adapt the Company's capital structure and thereby contribute to increased shareholder value as well as have the ability to finance future acquisitions.

The Board of Directors shall be able to resolve that repurchase of own shares shall be made within a repurchase programme in accordance with the Commission's Regulation (EC) no 2273/2003, if the purpose of the authorisation and the repurchase only is to decrease the Company's equity.