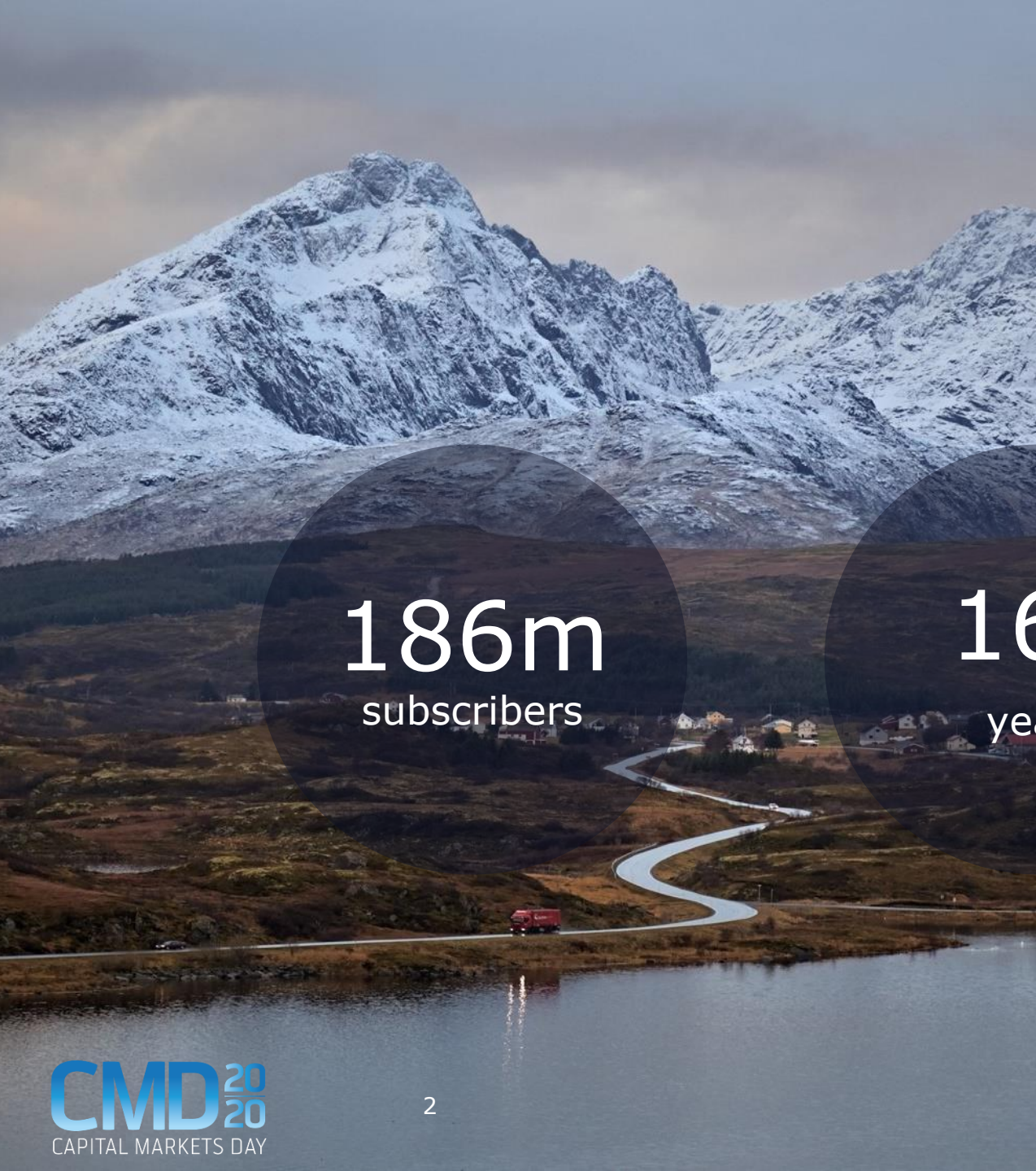




**CMD** <sup>20</sup>/<sub>20</sub>  
CAPITAL MARKETS DAY

We are Telenor  
Sigve Brekke, Group CEO





186m  
subscribers



165  
years



9  
markets

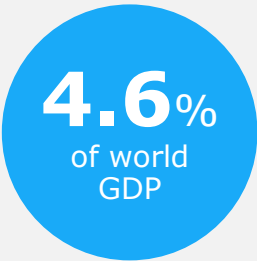




# Connectivity is the backbone of modern societies

A LARGER RESPONSIBILITY, NEW OPPORTUNITIES

Digitalization is changing the world



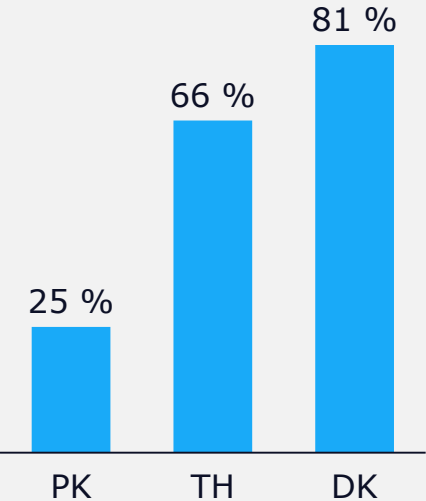
Mobile industry contribution to GDP



Additional GDP potential by 2023 from digitization, automation, and AI

Yet, there is still a way to go

Mobile internet penetration<sup>1</sup>



We believe connectivity and developing societies goes hand in hand



# Since 2017 we have been on a journey to position Telenor for the future

MAINTAINING THE STRATEGIC DIRECTION

Connecting you to what matters most. Empowering Societies.

## 2017 CMD

Set the direction for the next three years

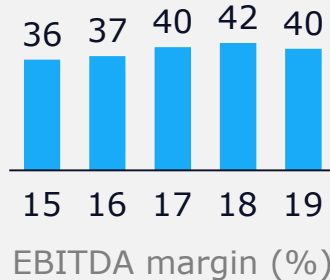


## 2020 CMD



We have come far – learning along the way:

### Operational excellence



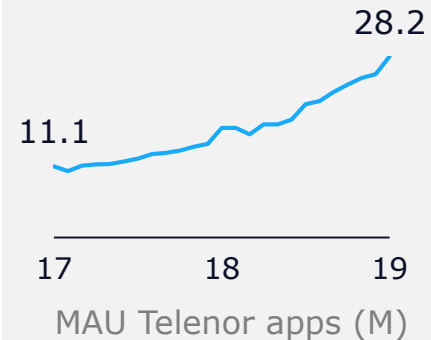
4

### Operating model



Balance standardization and local agility

### Digitize core operations



### Reposition portfolio

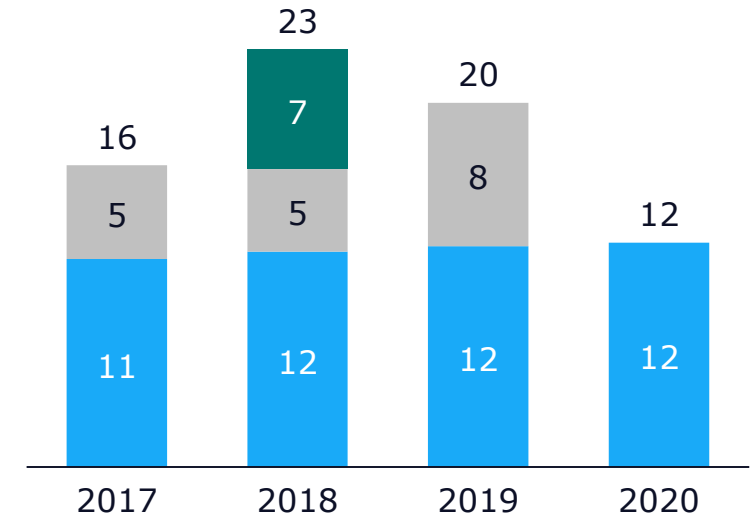


# We deliver on our commitments

## ATTRACTIVE SHAREHOLDER RENUMERATION

CMD 2017 AMBITION		2017	2018	2019
Organic S&T revenue	low single-digit	2.4%	0.2%	0.4%
Opex reductions	1-3% per year (flat in 2017)	3.3%	3.0%	0.8% <sup>1</sup>
Capex / sales ratio	around 15%, excl. licences (15-16% in 2017)	15.4%	15.2%	15.0% <sup>1</sup>

NOK / Share



- Special dividend
- Share buyback
- Ordinary dividend

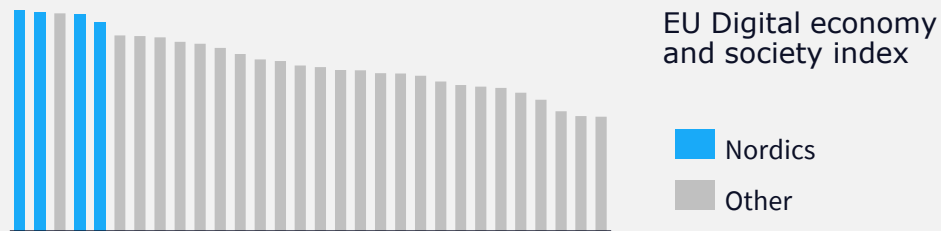


# We are now positioned in two highly attractive regions

## UNIQUE PORTFOLIO

### Nordics stand out as a resilient region in Europe

Digitally advanced and quality conscious consumers



High purchasing power

GDP per capita, PPP (USD)

**55k**

Nordic

**44k**

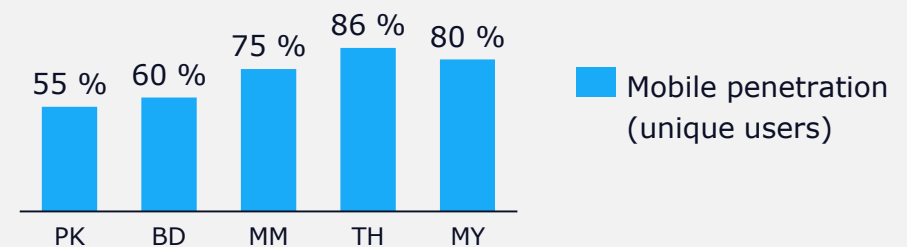
EU

Robust economies with attractive spectrum pricing

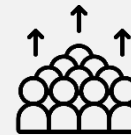


### Asia: Continued growth driven by pre-2-post, penetration, and data

Still large unconnected or underserved population



Young population



Data consumption growth

**9 GB**  
dtac, 2018

**14 GB**  
dtac, 2019



# ..enabling global benefits

## GLOBAL SCALE

- Procurement scale
- Copy with pride: Local experimentation, global replication
- Global architectures, benchmarking, and selective expert teams



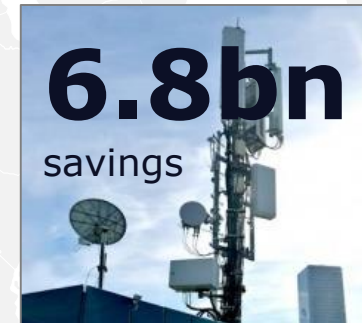
Product & pricing



5G pilots



Common Delivery Centres



Telenor Procurement Company





# Ready to take the next steps



Positioning for **growth** through focused offerings



At the forefront of **modernising** our core business



**Responsible business** as an integrated part of our strategy

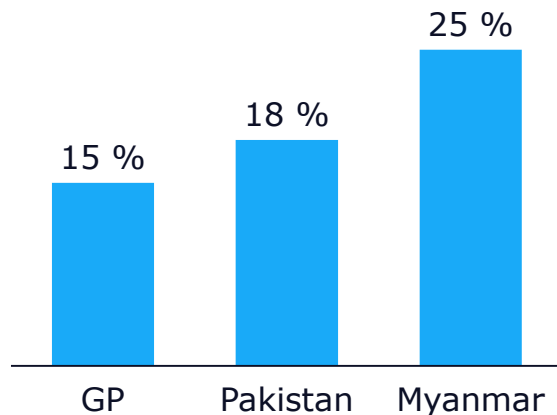




# We are well positioned to deliver growth and revenue renewal

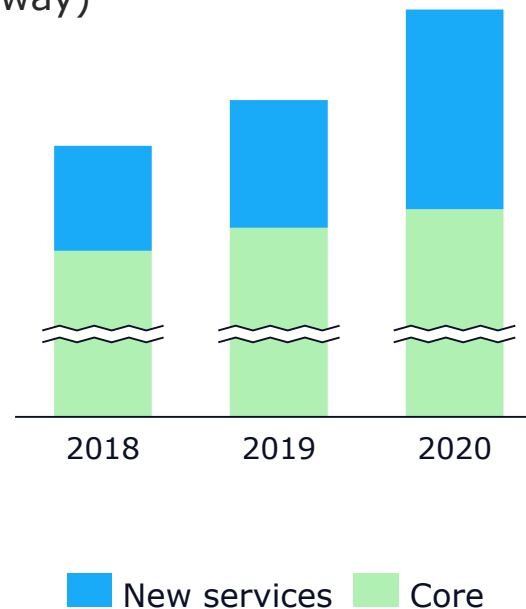
## Penetration and data growth in Asia

Daily active data users  
(Telenor base)



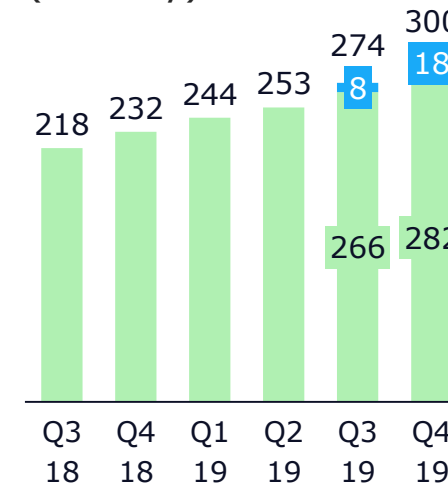
## ARPU growth supported by service bundling

Mobile revenue  
(Norway)

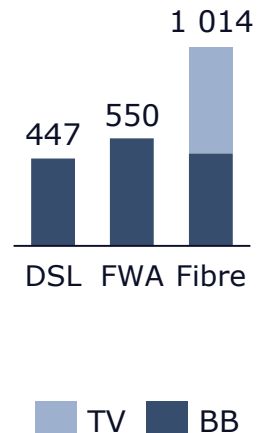


## Renewing fixed position: From copper to FWA and fibre

Fibre & FWA base  
(Norway)



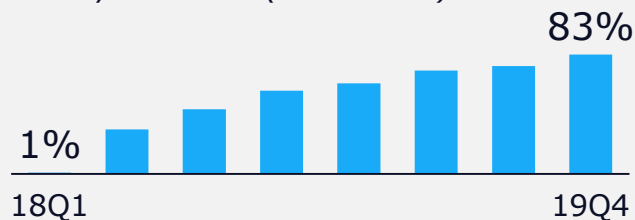
ARPU



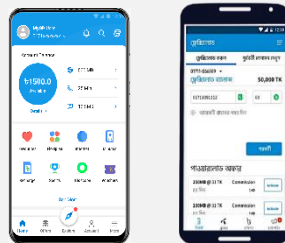
# At the forefront of modernizing the core

## Cloud based scalable network

*Telenor Hybrid Cloud (% of traffic)*



## Digitized customer touch-points



**1m**  
Points of sale  
in Asia

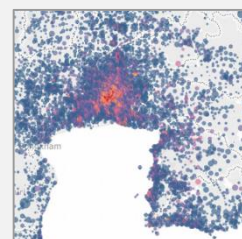
## Modern agile organization

*Employees with new critical digital competencies*

**15%**

## Efficient investments

**Site Profitability**  
Example of 1 BU



**Closer to customer**

Better customer experiences

**More efficient**

Structurally lower cost base – touch-free operations

**Faster**

Reduced time to market



# Responsible Business is the foundation of how we operate

CONNECTING YOU TO WHAT MATTERS MOST.  
EMPOWERING SOCIETIES.



## Leveraging the impact of connectivity

Ensuring digital inclusion through access to services, building skills and competencies

## Raising standards in operation and supply chain

Supply chain sustainability, Diversity, Climate and the environment

## Code of Conduct

## Responsible



Carbon neutral  
Nordics, by 2030

50% CO<sub>2</sub> reduction  
Asia, by 2030

17000h  
supplier training annually

35%  
women senior leaders by 2023

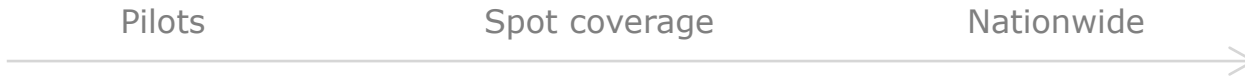
65%  
active data users by 2023





# 5G: An important enabler for our future position

## TELENOR'S APPROACH TO 5G



### ENHANCED MOBILE BROADBAND

- Improved customer experience, efficiency, brand position
- An integrated part of modernization journey
- Expect further launches in 2020; staged to local market needs



### FWA

- Copper replacement in Norway + launched FWA in Finland
- Global growth opportunity



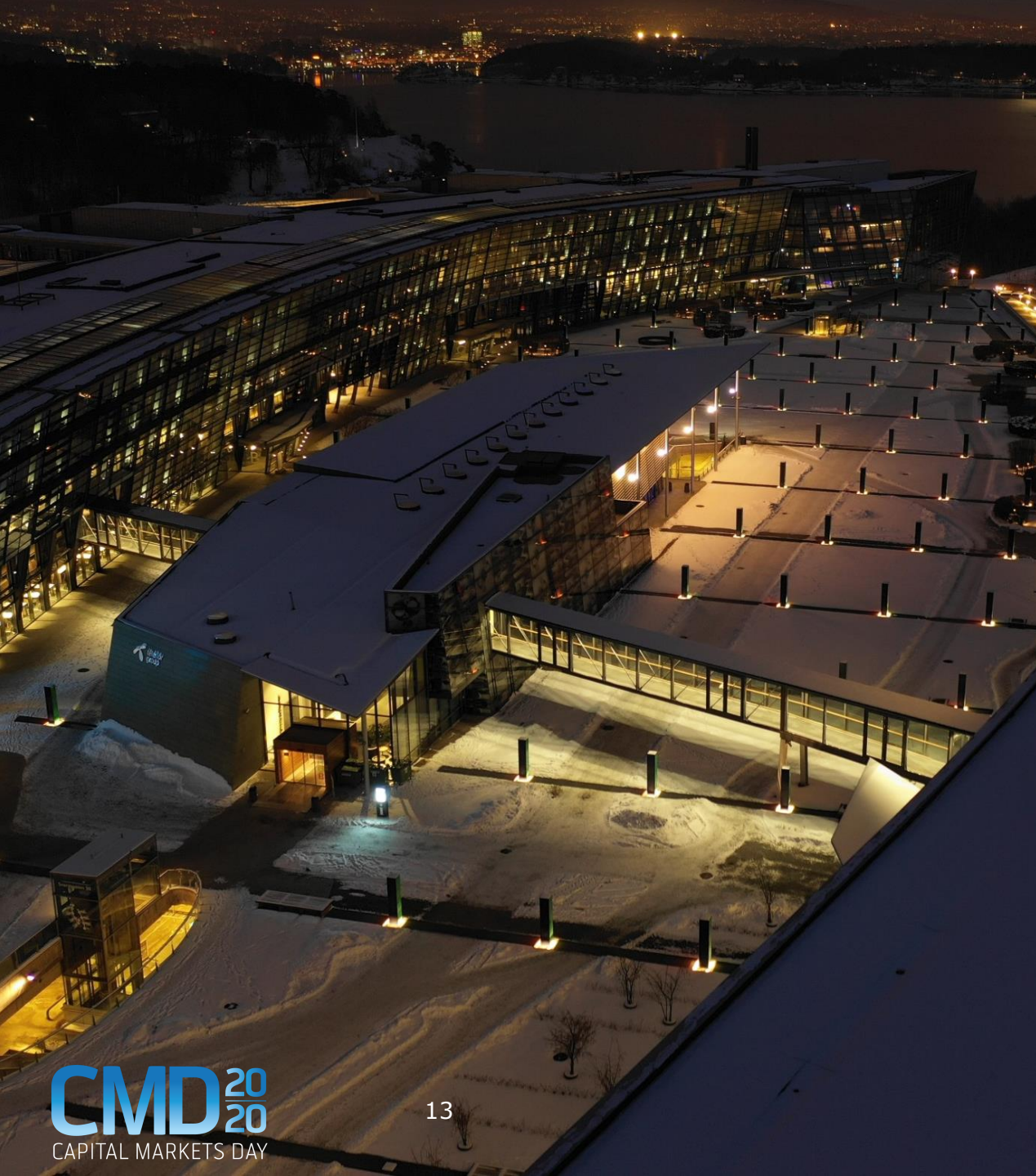
### NEW BUSINESS SERVICES

- Partnership focused approach to new B2B services
- Start with trials – agile & value driven



Ambition to stay within existing investment frame





# Mid-term ambitions 2020-2022

**0-2%**

S&T revenue growth

**1-3%**

Net OPEX reduction

**~15%**

CAPEX/Sales

**Year on year growth**

Ordinary dividend per share

**1.8-2.3x**

Net debt\*/EBITDA

\* Excluding licences

