

To the shareholders of Telenor ASA

# Notice of Annual General Meeting in Telenor ASA

Telenor ASA's Annual General Meeting (AGM) will be held in the Telenor Expo Visitor Centre at Fornebu, on Tuesday 7 May 2019 at 15:00 (CET).

The Annual General Meeting will be opened and chaired by the Chair of the Corporate Assembly, Mr. Anders Skjævestad, cf. section 5-12, first paragraph of the Public Limited Liability Companies Act, and section 8, first paragraph of the company's Articles of Association.

## AGENDA

1. **Opening of the Annual General Meeting by the Chair of the Corporate Assembly (no voting)**
2. **Registration of attending shareholders and proxies (no voting)**
3. **Approval of the notice of the Annual General Meeting and the agenda**
4. **Election of a representative to sign the minutes of the Annual General Meeting together with the Chair of the meeting**
5. **Report by the CEO**
6. **Approval of the financial statements and annual report for Telenor ASA and the Telenor Group for the financial year 2018, including the Board of Directors' proposal for distribution of dividend**  
The Board of Directors proposes a total dividend payment of NOK 8.40 per share for the financial year 2018. The dividend is suggested split into two tranches, one of NOK 4.40 per share for shareholders registered in Telenor's shareholder register with the Norwegian Central Securities Depository (VPS) as of expiry of 7 May 2019 and one of NOK 4.00 per share for shareholders registered in Telenor's shareholder register with the Norwegian Central Securities Depository (VPS) as of expiry of 9 October 2019. There will be potential withholdings in the dividend payments to non-Norwegian shareholders for withholding tax (up to 25% of the dividend) in accordance with applicable regulations. Expected payment date for tranche one of the dividend is 21 May 2019 and 24 October 2019 for tranche two.  
The financial statements and the annual report for the financial year 2018, together with the auditor's report, are available on the company's website [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).  
The Board of Directors proposes that the Annual General Meeting passes the following resolution:  
*"The Annual General Meeting approved the financial statements and the annual report for Telenor ASA and the Telenor Group for the financial year 2018, including the use of profits and a dividend of in total NOK 8.40 per share in two tranches, one of NOK 4.40 and one of NOK 4.00, to be paid to shareholders registered as of expiry of 7 May and 9 October 2019 respectively."*
7. **Approval of remuneration to the company's external auditor**  
The Board of Directors proposes the following resolution:  
*"The Annual General Meeting approved the auditor's remuneration for audit of Telenor ASA of NOK 4,700,000."*
8. **Report on Corporate Governance**  
Pursuant to the Public Limited Liability Companies Act section § 5-6 (4), the Annual General Meeting shall consider the report on corporate governance provided pursuant to the Norwegian Accounting Act section § 3-3b. The report is not subject to a vote.  
The report for 2018 is available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).
9. **Statement regarding the determination of salary and other remuneration to the executive management**  
Pursuant to the Public Limited Liability Companies Act section 6-16a, the Board of Directors shall prepare a statement to the Annual General Meeting regarding determination of salary and other remuneration to the executive management. The statement is available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting). Pursuant to section 5-6 (3) of the Public Limited Liability Companies Act and the Norwegian Code of Practice for Corporate Governance, the Annual General Meeting shall consider the statement and conduct an advisory vote on the guidelines for the remuneration of the executive management (section 9.1) and a separate vote shall be held for the for the guidelines regarding share related incentive arrangements which shall be approved by the Annual General Meeting (section 9.2).
  - 9.1 **Advisory vote on the Board of Directors' statement regarding determination of salary and other remuneration to the executive management**  
The Board of Directors proposes that the Annual General Meeting passes the following resolution:  
*"The Annual General Meeting endorsed the Board of Directors' statement regarding determination of salary and other remuneration to the executive management as described in note 34 to the financial statements."*
  - 9.2 **Approval of guidelines for share related incentive arrangements for the coming financial year**  
The Board of Directors proposes that the Annual General Meeting passes the following resolution:  
*"The Annual General Meeting approved the guidelines for share related incentive arrangements as described in note 34 to the financial statements."*
10. **Capital decrease by cancellation of own shares and redemption of shares held by the Norwegian State, and decrease of other reserves**  
The Board of Directors in Telenor ASA has in recent years, with exception of 2016, held an authorisation to buy back and cancel own shares in the company. Buyback and cancellation of own shares can be a beneficial means to optimize the capital structure of the company. The company's purchase of shares has been done at market rates.  
The authorisation has been supported by the company's largest owner, the Norwegian State, as an annual agreement with the Norwegian State represented by the Ministry of Trade, Industry and Fisheries has been entered into whereby the Norwegian State participates in a buyback on a proportional basis through the redemption of such a fraction of its shares that the Norwegian State's

ownership interest in the company remains unchanged.

In 2018, Telenor entered into such a buyback and redemption agreement with the Norwegian State represented by the Ministry of Trade, Industry and Fisheries. On 2 May 2018, the General Meeting granted the Board of Directors an authorisation to buy back and redeem shares in the company, for the period until today's meeting, however not beyond 30 June 2019.

Compensation to the Norwegian State for the redeemed shares equals the following:

- volume-weighted average share price upon the company's buyback of own shares in the market pursuant to the authorization
- an addition for interest based on NIBOR + 1 percent p.a. calculated from the time of each share purchase until payment of compensation takes place
- a deduction related to paid dividends

The company has, pursuant to the current authorisation, acquired 13,350,090 own shares in the stock market and must on the basis of the agreement entered into with the Norwegian State redeem an additional 15,649,909 own shares against payment of an amount of NOK 2,379,746,137 to the Norwegian State.

On this basis, the Board of Directors submits a proposal for a decrease of the share capital by cancellation of repurchased own shares and redemption of shares held by the Norwegian State, and a decrease of other reserves (No: 'annen egenkapital').

The auditor's confirmation that there, after the decrease of share capital and reduction of other reserves, is full coverage for the company's remaining share capital and non-distributable equity, is available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).

The Board of Directors proposes that the Annual General Meeting passes the following resolution:

*«The company's share capital is decreased by NOK 173,999,994 by (i) cancellation of 13,350,090 own shares, and (ii) redemption of 15,649,909 shares owned by the Norwegian State represented by the Ministry of Trade, Industry and Fisheries against payment of an amount of NOK 2,379,746,137 to the Norwegian State represented by the Ministry of Trade, Industry and Fisheries.*

*An amount of NOK 2,205,746,143 which constitutes that share of the paid amount that exceeds the shares' nominal value, is charged to other reserves (No: 'annen egenkapital').*

*With effect from the effectuation of the capital decrease, the Articles of Association § 4 are amended to read:*

*"The company's share capital is NOK 8,654,748,192 divided on 1,442,458,032 shares, each with a nominal value of NOK 6."»*

## 11. Authorisation to repurchase and cancel shares in Telenor ASA

The Board of Directors of Telenor ASA has in recent years, with exception for 2016, held an authorisation to buy back shares in the company. Buyback and cancellation of own shares can be a beneficial means to optimize the capital structure of the company. The company's purchase of shares has been done at market rates.

The authorisation has been supported by the company's largest owner, the Norwegian State, as an annual agreement with the Norwegian State represented by the Ministry of Trade, Industry and Fisheries has been entered into whereby the Norwegian State participates in a buyback on a proportional basis through the redemption of such a fraction of its shares that the Norwegian State's ownership interest in the company remains unchanged.

The Board of Directors wish to establish a similar arrangement for 2019 and therefore proposes that the Board of Directors is granted an authorisation for the buyback and subsequent cancellation of shares in the company. The company entered into an agreement with the Norwegian State represented by the Ministry of Trade, Industry and Fisheries on 21 March 2019.

The Board of Directors proposes that the Annual General Meeting passes the following resolution:

*"The Board of Directors is authorised, pursuant to the Public Limited Liability Companies Act section 9-4, to repurchase the company's own shares.*

*The authorisation encompasses until 43,000,000 shares with a combined par value of NOK 258,000,000, which constitutes approximately 3 percent of the company's share capital after the capital decrease.*

*The highest consideration that may be paid for a share is NOK 250 and the lowest consideration is NOK 50.*

*The Board of Directors may resolve how and when shares are repurchased, subject to ordinary principles for equal treatment of shareholders.*

*Own shares that are acquired shall be cancelled pursuant to the Public Limited Liability Companies Act section 12-1.*

*The authorisation is valid from the time of registration of the authorisation in the Company Registry until the next Annual General Meeting but not beyond 30 June 2020."*

## 12. Election of shareholder elected members and deputy members to the Corporate Assembly

All the shareholder elected members of the Corporate Assembly are up for election. The Corporate Assembly has 15 members, of which 10 members and three deputies are elected by the Annual General Meeting. Five members and two deputies are elected of and amongst employees. The members of the Corporate Assembly are appointed for a period of two years, c.f. section 7 of the Articles of Association.

The Nomination Committee's recommendation is available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).

## 13. Election of members to the Nomination Committee

The members of the Nomination Committee are up for election. The Nomination Committee consists of four members who are appointed for a period of two years. The Chair of the Corporate Assembly shall be the Chair of the Nomination Committee and one of the other members shall be elected by and amongst the Corporate Assembly's shareholder elected members and deputies, cf. section 9 of the Articles of Association. The Annual General Meeting shall elect the two remaining members.

The Nomination Committee's recommendation is available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).

## 14. Determination of remuneration to the members of the Corporate Assembly and the Nomination Committee

The Nomination Committee recommends the remuneration for (i) the Corporate Assembly and (ii) the Nomination Committee as set out in the recommendation from the Nomination Committee.

The Nomination Committee's recommendation is available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).

## Attendance and voting

In accordance with section 8, second paragraph of the Articles of Association, the Board of Directors has decided that in order for shareholders who wish to participate in the Annual General Meeting either in person or through a representative, to have the right to attend and vote at the meeting, they must by Friday 3 May 2019 at 16:00 CET give notice of their attendance to the company's account operator:

Nordea Bank AB (publ), filial i Norge, Issuer Services  
PO Box 1166 Sentrum, NO-0107 Oslo, Norway  
Telefax +47 22 36 97 03

Please use the form enclosed. Notice of attendance may also be given electronically via VPS Investor Services or the company's website [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).

Shareholders who do not have the opportunity to be present at the Annual General Meeting may be represented by a representative. The

form for issuance of proxy, with more detailed instructions for use of the proxy form, is enclosed. The proxy may be given to the Chair of the Board of Directors, Ms. Gunn Wærsted, or to Chair of the Corporate Assembly who will open and chair the Annual General Meeting, Mr. Anders Skjævestad. The proxy form may be sent to Nordea Bank Norge ASA, Issuer Services, or electronically via VPS Investor Services, by the above mentioned deadline. A proxy for a shareholder who has registered within the above deadline may also present a proxy form upon attendance at the Annual General Meeting.

A shareholder, who do not present himself/herself at the Annual General Meeting, may prior to the Annual General Meeting cast a vote on each agenda item via the company's website [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting) or via VPS Investor Services. The deadline for prior voting is Friday 3 May 2019 at 16:00 CET. Until the deadline, votes already cast may be changed or withdrawn. Votes already cast prior to the Annual General Meeting will be considered withdrawn in the event of a shareholder attending the Annual General Meeting in person or by proxy.

If shares are registered by a nominee in the VPS register, cf. section 4-10 of the Public Limited Liability Companies Act, and the beneficial shareholder wants to vote for their shares, the beneficial shareholder must re-register the shares in a separate VPS account in its own name prior to the Annual General Meeting, or prove that the transfer to such account has been reported to the VPS prior to the Annual General Meeting.

Telenor ASA is a Norwegian public limited liability company subject to the Public Limited Liability Companies Act. As per the date of this notice, the company has issued 1,471,458,031 shares. Each share represents one voting right. The shares do also in other respects carry equal rights. Per the date of this notice, the company has a holding of 13,350,090 treasury shares for which voting rights cannot be exercised.

A shareholder has the right to propose draft resolutions for items included on the agenda and to require that members of the Board of Directors, members of the Corporate Assembly and the CEO in the Annual General Meeting provide available information about matters which may affect the assessment of (i) the approval of the annual accounts and the annual report, (ii) items which are presented to the shareholders for decision, and (iii) the company's financial situation, including information about activities in other companies in which the company participates, and other matters to be discussed in the Annual General Meeting, unless the requested information cannot be disclosed without causing disproportionate harm to the company.

This notice, the enclosures hereto, other documents regarding matters to be discussed in the Annual General Meeting, including the documents to which this notice refers, draft resolutions for items on the proposed agenda, as well as the company's Articles of Association are available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting). Shareholders may contact the company by mail, email or phone in order to request the documents in question. Address: Telenor ASA, Investor Relations, Snarøyveien 30, N-1360, Fornebu, Norway; [email: ir@telenor.com](mailto:ir@telenor.com); or phone: +47 957 24 402.

Fornebu, 12 April 2019  
The Board of Directors of Telenor ASA

Overview of appendices to the notice which are or will be available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting):

- Appendix 1: Annual report 2018, including financial statements, the Board of Directors Report and the auditor's report
- Appendix 2: Statement regarding determination of salary and other remuneration to the executive management (in note 34 to the financial statements)
- Appendix 3: Confirmation by the company's auditor that, after the decrease of the company's share capital and decrease of other reserves, there is full coverage for the company's remaining share capital and other non-distributable equity
- Appendix 4: Recommendation from the Nomination Committee regarding item 12 and 13
- Appendix 5: Recommendation from the Nomination Committee regarding item 14

Registration and proxy form for the Annual General Meeting has been distributed to the shareholders with the notice for the meeting and is also available at [www.telenor.com/investors/general-meeting](http://www.telenor.com/investors/general-meeting).