

STATEMENT OF FACTS

1. Introduction

Telia Company AB (formerly TeliaSonera AB, hereinafter: “TeliaSonera”) is an international telecommunications provider, headquartered in Stockholm. TeliaSonera was created as the result of a merger between Swedish telecom company Telia and the Finnish telecom company Sonera. The company is listed on the NASDAQ Stockholm exchange and on the NASDAQ Helsinki exchange. The company provides telecommunications services in Europe and Asia. In 2016, TeliaSonera’s sales amounted to approximately USD 11.4 billion.

Sonera Holding BV, TeliaSonera UTA Holding BV (hereinafter: “TeliaSonera UTA”), and Telia Sonera Uzbek Telecom Holding BV (hereinafter: “TeliaSonera Uzbek”) are Dutch subsidiaries of TeliaSonera and have their registered offices in Rotterdam.

The criminal investigation by the Fiscal Intelligence and Investigation Service headed by the Dutch Public Prosecution Service has revealed that during the period from 2007 up to and including at least 2010, TeliaSonera paid bribes via the Dutch holding companies TeliaSonera UTA and TeliaSonera Uzbek through Takilant Ltd. (hereinafter: “Takilant”) to a government official in Uzbekistan. Payments were made in connection with TeliaSonera’s entry into and operations in the Uzbek telecommunications market, including the acquisition and maintenance of telecommunications licenses, frequencies and number blocks. The Dutch Public Prosecution Service holds that these payments constitute the criminal offences of bribery of a government official and inaccurate books and records.

The telecommunications infrastructure in Uzbekistan is centralized and controlled by Uztelecom, which is a state-owned company that holds a monopoly position. Mobile telephone companies and internet service providers have to use the Uztelecom infrastructure to enter international telecommunication networks. The national

regulator, the Uzbek Agency for Communication and Information (hereinafter: UzACI), is responsible for issuing licenses and the allocation of frequencies and number blocks.

The criminal investigation has revealed that Gulnara Karimova, the eldest daughter of the former president of Uzbekistan, exercised control over the Uzbek telecom market. Operating in this market required, among other things, bribe payments for the acquisition of licenses, frequencies and number blocks.

TeliaSonera paid more than USD 314 million in bribes to Gulnara Karimova between 2007 and 2010. Payments were made to letterbox company Takilant. Takilant is an offshore company based in Gibraltar. Gulnara Karimova is the Ultimate Beneficial Owner of Takilant. The three-judge division of the Amsterdam District Court convicted Takilant by judgment dated 20 July 2016 of complicity in (passive) foreign bribery of a government official and forgery of documents in connection with receiving among other things those bribes.

2. Entry into the Uzbek Telecommunications Market and Acquisition of the 3G License

In 2007, TeliaSonera assessed the possibility of acquiring telecomprovider T1. Telecomprovider T1 was an international telecom provider, which was active in the Uzbek telecom market through its subsidiary Coscom LLC (hereinafter: "Coscom"). The initial intention was to have the acquisition carried out by TeliaSonera's partly owned subsidiary Fintur Holdings BV (hereinafter: "Fintur"). Fintur is a Dutch joint venture company with TeliaSonera as majority shareholder and has its registered office in Rotterdam. The negotiations regarding the acquisition of telecomprovider T1/Coscom were initiated by the board of directors and management of Fintur.

At that time, telecomprovider T1/Coscom was involved in a dispute with the Uzbek authorities, which resulted in the Coscom network being shut down for a period of time. It is evident from e-mail correspondence in February 2007 between Fintur's management and board of directors that it was understood by those involved that the

support of the president of Uzbekistan was required for TeliaSonera's acquisition of telecomprovider T1/Coscom. As a result, TeliaSonera sent a letter to President Karimov.

On 25 February 2007, Senior Manager X1 e-mailed a document entitled 'Deal Status Report' to the management and board of directors of Fintur. The status report emphasizes the importance of presidential support:

"It is necessary to note that [telecomprovider T1]'s Chairman demanded that we reach out President Karimov and his top level officials around the telecoms industry to confirm his support to the proposed acquisition before [telecomprovider T1] board seriously proceeded with a transaction with Fintur."

Senior Manager X1 indicates in an e-mail that they have to demonstrate political support in the short term. He also indicates that he has a contact that can bring them closer to President Karimov's inner circle. In an e-mail dated 16 March 2007, Person P1 explains that TeliaSonera's letter from Person P2 has been delivered to the President via "the Lady" and that there will be a meeting with "her people":

"(...) the letter from [Person P2] had been delivered to President. It went through the hands of the Lady and her people were ready to meet on the subject. We will learn tomorrow, what people are going to represent her and will let you know, immediately."

On 24 March 2007, Senior Manager X1 writes in an e-mail to Senior Manager X2 that they have tried various approaches to reach Karimov's highest elite, by having several parties promoting Fintur's potential entry into the Uzbekistan market. As a result of these efforts, they are expecting to have a meeting with Gulnara Karimova and her telecom colleagues.

At TeliaSonera's request, independent investigators prepared a report on political risks in the telecommunications sector in Afghanistan, Tajikistan and Uzbekistan. A draft of the report that is sent to Senior Manager X1, Senior Manager X3 and Senior Manager X4

on 3 April 2007 describes how Gulnara Karimova herself has interests in the telecom sector and that any large investments in Uzbekistan should only be done with the approval and support of President Karimov. The comments regarding Karimova were deleted from the final report dated 15 May 2007 at the request of Senior Manager X1. Instead, the final report's conclusion noted that while doing business in Central Asia is indeed difficult, Fintur has experience in this area and these markets have great potential, which is a strong argument for investment in these countries.

On 17 May 2007, Senior Manager X1 sent a memorandum to the management and board of directors of Fintur which noted that there was a provisional agreement regarding 'the starting points for a potential partnership with Gulnara Karimova's investment team':

"We have made several trips to Tashkent over the 6 weeks and now have a preliminary handshake for principles of a potential partnership with Gulnara Karimova's investment team. We are expecting to sign a non-binding Term Sheet with them within the next 10-15 days. According to the proposed deal, our proposed Uzbek partners will bring in new 1800 frequencies, 3G-frequencies as well as some technically value-adding assets for the company, such as number blocks, in exchange for 26% of the Uzbek venture plus USD 32.5 millions."

The 'telecomprovider T1-deal' was presented at TeliaSonera's board of directors at a meeting on 11 June 2007. The structure of the proposed acquisition presented to the board referred to a 'local partner' who would acquire a 26% interest in the Dutch parent company of Coscom following the acquisition of telecomprovider T1. The local partner is described summarily as:

"A strong local group with business interests in various industries which has expressed interest to cooperate. The proposed local partner will work with our group to bring in value-adding assets to Coscom, including 1800 Mhz and 3G frequencies and number blocks to be assigned for PSTN-mobile calls."

The board of directors approves the acquisition of telecomprovider T1/Coscom as presented one day later on 12 June 2007 subject to the condition that there is a deal with the local partner.

On 3 July 2007, TeliaSonera's Board resolved that the acquisition of telecomprovider T1/Coscom would not take place via Fintur, but through Sonera Holding BV (and later TeliaSonera UTA and TeliaSonera Uzbek). An agreement on the "Establishment of Partnership" between the later TeliaSonera UTA and the local partner was entered into on 4 July 2007 (the "Cooperation Agreement"). The payments and other obligations relating to the local partner were set out in this agreement. Twelve days later, on 16 July 2007, Senior Manager X5, sent an e-mail to the management and the board of directors of TeliaSonera informing them that the acquisition of telecomprovider T1/Coscom had been completed. Only later it becomes clear that Takilant is the local partner to which the payments are to be made.

The agreement with Takilant includes the following features: Takilant will form a 100% owned subsidiary that will acquire a 3G licence, frequencies and number blocks. This subsidiary will subsequently waive these telecom rights so that they can subsequently be allocated to Coscom. Takilant will receive USD 80 million for the services to be provided. Takilant will also acquire a 26% interest in TeliaSonera Uzbek in exchange for a payment of USD 50 million. This means that on balance TeliaSonera will pay an amount of USD 30 million to Takilant and will transfer 26% of the shares in TeliaSonera Uzbek. It is laid down in a call/put option that these shares will be repurchased by TeliaSonera for a predetermined minimum price after 1 January 2010 at Takilant's request. The plans were carried out as agreed. Takilant formed subsidiary Teleson on 10 September 2007. Frequencies and number blocks were allocated to Teleson by the UzACI on 27 September 2007.

On 30 November 2007, Senior Manager X5 e-mails three draft agreements to Takilant's representative and states that TeliaSonera insists that the agreements are drawn up in accordance with Dutch law because it concerns a Dutch company. The final 'Number

Block / Frequency Allocation Purchase Agreement' is signed by TeliaSonera Uzbek and Takilant on 17 December 2007. It provides that Takilant will be paid for waiving the 3G license, frequencies and number blocks acquired by Teleson and for the allocation of these rights to Coscom by the competent Uzbek authority. TeliaSonera will pay an overall amount of USD 80 million to Takilant under this agreement.

Despite the fact that Takilant itself is not the competent government authority, it is paid pursuant to this agreement when Coscom is allocated the 3G licenses, frequencies and number blocks. The agreement includes a paragraph that provides, stated succinctly, that anti-corruption legislation is complied with and that no government official has any direct or indirect ownership or financial interest in the agreement. This is despite the fact that it has been clear from the beginning that a deal is being concluded effectively with a government official: Gulnara Karimova. It is understood that she will use her influence to ensure that the telecom rights are granted to Coscom.

The other payment that must be made to Takilant concerns the transfer of 26% of the shares in TeliaSonera Uzbek (Coscom is a 100% subsidiary of this company) to Takilant. A 'Share Purchase Agreement' concluded between TeliaSonera UTA, TeliaSonera Uzbek and Takilant dated 24 December 2007 includes a call and put option on the basis of which TeliaSonera is obliged to purchase the TeliaSonera Uzbek shares back from Takilant after 1 January 2010 for a predetermined minimum amount. It is clear from the 'Share Purchase Agreement' that in exchange for the transfer of 26% of the shares in Coscom, Takilant undertakes to ensure that:

- all obligations regarding the 'Number Block / Frequency Allocation Purchase Agreement' will be complied with;
- no government acts will be performed that will limit or restrict the agreed transactions; and
- Coscom will receive official approval from the Uzbek government authorities to use the telecom frequencies that were allocated to it.

On 27 December 2007, TeliaSonera pays USD 80 million to Takilant. One day later, on 28 December 2007, Takilant pays USD 50 million to TeliaSonera UTA with reference to the agreement dated 24 December 2007.

Share Buy Back

Takilant approached TeliaSonera in December 2009 requesting that it buy back part of the shares in TeliaSonera Uzbek. It was understood within TeliaSonera that in the future TeliaSonera will need Takilant's assistance, for example when exchanging Uzbek SUM for Swedish Krona, allocation of new licenses and local support for sound pricing policy. The board of directors of TeliaSonera resolved on 18 January 2010 to buy back 20% of the shares in TeliaSonera Uzbek from Takilant for a price of USD 220 million. This amount is higher than the estimated value of the relevant shares in TeliaSonera Uzbek. The share transaction was executed at a Dutch firm of civil-law notaries on 1 February 2010. The amount of USD 220 million was transferred to Takilant's bank account in Hong Kong via the clients' account of the civil-law notaries firm.

3. Acquisition of the 4G License

The put option is changed in an 'Amendment Agreement' dated 25 January 2010 pursuant to which Takilant acquired a put option giving it the right to sell the remaining 6% shares to TeliaSonera UTA after 15 February 2013 for the amount of USD 50 million or the actual market value if such is higher. In exchange, Takilant will assist Coscom acquire a 4G license. Subsequently, in May 2010, the minimum value of the put option for the remaining 6% interest is increased to USD 75 million. These value increases are indirect payments to Gulnara Karimova for the purpose of obtaining a 4G licence in Uzbekistan.

Further to its attempts to acquire a 4G license, TeliaSonera also agrees to take over and repay a debt owed by Company X1. Company X1 is allegedly controlled by Gulnara Karimova. Company X1 purchased GSM equipment from a third-party vendor in March 2009. One year later, Company X1 encounters serious financial problems and requests

assistance from TeliaSonera. Company X1 would arrange for allocation of the 4G licence to Coscom in exchange for TeliaSonera taking over the debt to the third-party vendor. This agreement with Company X1 is in addition to the previous agreement that Takilant would provide support with respect to the acquisition of the 4G licenses. The fact that Gulnara Karimova allegedly controlled Company X1 was known within TeliaSonera. Senior Manager X1 communicated to Senior Manager X4 by e-mail in 2007 that Gulnara Karimova is the shareholder of Company X1.

During April 2010, TeliaSonera and TeliaSonera Uzbek entered into a series of agreements whereby they acquired the USD 15 million debt that Company X1 owed a third-party vendor in exchange for Company X1's assistance in acquiring 4G licenses.

Coscom received approval from the UzACI on 11 June 2010 to use the 4G radio frequency channels in Uzbekistan. TeliaSonera Uzbek transferred the amount of USD 15 million to the third-party vendor on 14 June 2010. The debt owed by Company X1 to TeliaSonera Uzbek was set-off as payment for the 4G licenses received by Coscom.

4. Acquisition of Additional Number Blocks

By the middle of June 2008, Coscom required additional number blocks. It is clear from documents that Senior Manager X4 has an appointment with the 'Uzbek partner' on 2 July 2008. On 10 July 2008, Takilant's subsidiary Teleson requests that the UzACI allocate one million numbers and the network code 594. This request is granted five days later. An agreement is concluded between Takilant and TeliaSonera Uzbek on 20 August 2008 in which Takilant agrees that Teleson will waive its rights to the relevant one million numbers and network code 594. In exchange, TeliaSonera Uzbek agrees to pay Takilant USD 9.2 million. Teleson waives its rights to the numbers and the network code that same day and Coscom requests these rights from the UzACI. The UzACI allocates the rights to the numbers and the network code to Coscom six days later on 26 August 2008. TeliaSonera Uzbek paid USD 9.2 million to Takilant on 16 September 2008.

5. Additional Frequencies in 2010

On 21 September 2010, the representative of the local partner, e-mails a draft agreement between TeliaSonera Uzbek and Takilant to Senior Manager X5 regarding 700 MHz/LTE- frequencies and a long-term agreement regarding STM/Ethernet channels in Uzbekistan. This draft agreement states that Takilant will assist Coscom in connection with the application for additional frequencies in Uzbekistan. This assistance will consist inter alia of assisting with negotiations for making available the relevant frequencies, obtaining approval for using the relevant frequencies, obtaining permits or authorizations from the competent authority in Uzbekistan and drawing up the required documents. TeliaSonera agrees to pay Takilant an amount of USD 55 million for these services. The board of directors of TeliaSonera UTA formally approves this deal in a board resolution dated 29 October 2010:

“Hereby resolve to approve:

for the combined transaction value of MILLION US DOLLAR 75 the entering into the following agreements: - i) 20 year Lease Agreement between COSCOM and Uzbek Telecom within the territory of Uzbekistan to COSCOM to be used throughout the entire territory of the Republic of Uzbekistan, all over UZBEKTELEKOM’s existing and future network (“Lease Agreement”); and - ii) an Agreement between TeliaSonera Uzbek Telecom Holding B.V. and Takilant Limited for COSCOM to receive the following LTE frequencies: Reception 777 787 MHz; 746 756 MHz. Transmission: 788 798 MHz; 758 768 MHz (“Frequency Agreement”).”

An identical resolution was adopted by the board of directors of TeliaSonera Uzbek. This resolution was also dated 29 October 2010. The final agreement between TeliaSonera Uzbek and Takilant is dated 1 November 2010. At the request of TeliaSonera the agreement was supplemented with a further assurance that in connection with any obligation under the agreement, none of the parties will influence a government official by paying or promising to pay anything of value to a government official. This provision was included even though Takilant and then-senior TeliaSonera managers were aware

of the fact that the payments were being made to Gulnara Karimova. In addition, a letter of confirmation was written at the request of a TeliaSonera Uzbek board member (appointed by TeliaSonera) in which Takilant declares that sums paid under the agreement include payment for not exercising Takilant's option to acquire the relevant frequencies.

The Uzbek authorities granted Coscom approval on 26 November 2010 to use certain 700 MHz frequencies.

However, it is evident from internal e-mails and e-mail correspondence between board members in TeliaSonera Uzbek and the Takilant representative that the agreement was not signed on 1 November. The agreement was amended as late as 1 December and was not signed until at least 10 December 2010. The formal board resolutions were dated 29 October 2010. In an e-mail dated 9 December 2010, Senior Manager X5 requests the TeliaSonera Uzbek board members: "Please execute these attached resolutions as I changed the dates on them. The resolution date is now October 29. We needed to do this to sequence the events properly. The date of the agreement will be dated November 1, Service Acceptance act and invoice will be dated as per December 10, 2010."

The backdating conceals the fact that the deal with Takilant was not concluded formally until after the frequencies had already been allocated to Coscom on 26 November.

TeliaSonera paid USD 55 million to Takilant on 16 December 2010.

6. Sponsorship Payments and Charitable Contributions

Coscom paid over USD 27.3 million in 'sponsorship' and 'charitable contributions' in the period from 2007 - 2013. As is evident from the investigation, some of these payments appear to be linked to the acquisition of licenses, permits and number blocks or other commercial interests on the part of Coscom in Uzbekistan.

7. Conclusion

The facts as set out above show that in the period from 2007 up to and including at least 2010 TeliaSonera paid a total of more than USD 314 million and 6% of the shares in TeliaSonera Uzbek to Takilant, which was controlled indirectly by government official Gulnara Karimova. In exchange for those payments, Karimova ensured that TeliaSonera was granted access to and permitted to operate without interference in the Uzbek telecommunications market, Karimova facilitated the acquisition of important Uzbek licenses and frequencies, such as 3G and 4G frequencies, and Karimova enabled TeliaSonera to continue operating in the Uzbek telecommunications market. In addition, in the period from 2007-2013 Coscom paid over USD 27.3 million in sponsorships and charitable contributions, some of which appear to be linked to the acquisition of licenses, permits, number blocks and other commercial interests. These facts constitute bribery of a government official.

Many of the payments described above were entered incorrectly in Coscom's and TeliaSonera's accounts as legitimate payments, for example as costs related to the purchase of services and goods. False agreements, contracts and resolutions were also drawn up to conceal the fact that bribes were being paid. These facts constitute forgery of documents.