



TAX STRATEGY U.K.

BACKGROUND

Telia Carrier UK's shareholder until May 31, 2021, was Telia Company AB, listed on the Stockholm and Helsinki Stock Exchanges, the largest telecommunications group in the Nordic and Baltic regions.

On October 6, 2020, it was announced that Telia Company reached an agreement to divest its Telia Carrier business to Polhem Infra for a value of SEK 9,450 million on a cash and debt free basis. The transaction was subject to regulatory approvals and Telia Carrier legal entities were divested effective June 1, 2021 to Oura BidCo AB, Sweden (a subsidiary of Polhem Infra).

Effective June 1, 2021, the Telia Carrier entities (including Telia Carrier UK Limited) were divested and the new shareholder of Telia Carrier U.K. was Oura BidCo U.K. The shareholder of Oura BidCo U.K. is Oura BidCo AB, Sweden.

In January 2022 Telia Carrier launched its new brand name, Arelion. There will be a transition period during which all Telia Carrier external touchpoints and collateral will be updated to reflect the new Arelion brand. The rebranding process for all Telia entities will be completed by the second half of 2023.

Due to the rebranding process Oura BidCo AB, was renamed Arelion AB on March 3, 2022. Oura BidCo UK Ltd was renamed Arelion Holdings UK Ltd on November 24, 2022. On January 10, 2023 Telia Carrier UK Limited was renamed Arelion UK Ltd.

Arelion Group will grow into a standalone company that will be able to give increased focus to its mission to simplify connectivity for operators, content providers and enterprises.

Arelion will continue to deliver voice and IP services to Arelion's customers, and Telia Company will remain the largest customer and close strategic partner.

This tax strategy document details our approach to the management of tax by the Group's UK entities ("the UK Group"), and it is based on the overall Arelion group's approach to tax.

Our purpose regarding taxes is to be a responsible taxpayer, and everything we do should be a reflection of our purpose. Guided by our purpose we care for paying the correct amount of taxes which are legally due. We ensure we meet all legal requirements and file tax returns and tax payments according to local legislation and regulations. Applicable tax laws and regulations are closely monitored in all jurisdictions and tax knowledge is shared through internal networks within the Group.

All decisions should be made at the appropriate level and supported by documentation that evidences the facts, conclusions and any risk involved.

Significant tax issues or other material events concerning taxes are reported to the management of Arelion AB, if any.

Approach to Tax

The Groups approach is to deliver shareholder value based on the commercial drivers of the business. We ensure that due consideration is given to the Group's reputation, brand and corporate and social responsibilities when considering tax initiatives.

The UK group is seeking to deliver shareholder value, which includes taking advantage of tax incentives, reliefs and exemptions offered by tax authorities. We do not engage in artificial tax planning.

Managing our tax affairs

We manage our tax affairs in compliance with local tax laws and regulations, recognising that the global tax environment is inherently complex. The UK Group adopts a cautious approach in respect of tax risk. When tax legislation is subject to interpretation, external tax advisors are consulted, and where appropriate, the matter is discussed with tax authorities.

Arelion group maintains standardized internal control systems and risk management routines to identify and assess risks, which include the identification of tax risks.

Regular reviews are performed to ensure high quality tax reporting and compliance with laws and regulations within Arelion group and transparency is of utmost importance.

Approach towards dealing with HM Revenue & Customs (HMRC)

Arelion group seeks to develop strong, mutually respectful working relationships with HMRC based on transparency and openness. We regularly monitor tax changes through interactions with our external tax advisors and from our own research, which includes HMRC announcements, other tax publications and the provision of training to our employees.

Arelion group ensures to pay the amount of taxes legally due in accordance with UK tax legislation and international accepted principles.

Where there is uncertainty on a tax treatment, we consider discussing the matter with HMRC on a real time basis to provide clarity on our tax reporting.

Our published tax strategy satisfies Schedule 19 of the UK Finance Act 2016.

The U.K. tax strategy is checked regularly and is still valid for the year 2023.

January 10, 2023