

The Nomination Committee of Eltel's proposals and statement regarding resolutions at the Annual General Meeting of Eltel AB to be held on 4 May 2020

The Nomination Committee and its work

The Nomination Committee, which consists of Peter Immonen (Chairman) (appointed by Wipunen Varainhallinta Oy, Mariatorp Oy and Riikantorppa Oy), Erik Malmberg (appointed by Solero Luxco S.á.r.l.), Per Colleen (appointed by the Fourth Swedish National Pension Fund), and Marianne Nilsson (appointed by Swedbank Robur), jointly represent approximately 57 per cent of the voting rights for all the shares in Eltel as of 31 December 2019.

The Nomination Committee held its first meeting in November 2019 and has following that first meeting held two additional meetings ahead of the Annual General Meeting 2020. All of the Nomination Committee's decisions have been unanimous. The Nomination Committee has conducted its work in accordance with the Swedish Code of Corporate Governance (the Code) and with the current instructions for Eltel's Nomination Committee. The Chairman of the Board of Directors has given the Nomination Committee an account of the company's process for its annual evaluation of the Board of Directors and presented the results from this evaluation.

The Nomination Committee has discussed the composition of the Board of Directors and agreed upon the main requirements that shall apply to the board member's, including the requirements regarding the board members' independence. The Nomination Committee has interviewed all current members of the Board of Directors. The Nomination Committee has applied rule 4.1 in the Code as its diversity policy, in which it is stated that the Board of Directors is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances, and further, that the board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background and that the company is to strive for gender balance on the board.

The Nomination Committee's proposals:

Chairman of the meeting

The Nomination Committee proposes Ulf Mattson, Chairman of the Board of Directors, to be elected as Chairman of the Annual General Meeting.

Number of members of the Board of Directors and auditors

The Nomination Committee proposes that the Board of Directors shall consist of five ordinary members with no deputy directors and that a registered auditing company shall be elected auditor of the company, with no deputy auditor.

Remuneration to the Board of Directors and the auditors

The remuneration to the Board of Directors, for the period until the end of the next Annual General Meeting, is proposed to be a total of EUR 299,400 (439,600) to be allocated with EUR 100,000 (100,000) to the Chairman of the Board of Directors, EUR 33,000 (33,000) to each of the other members of the Board of Directors, EUR 10,000 (10,000) to the Chairman of the Audit Committee and EUR 8,200 (8,200) to each of the other members of committees established by the Board of Directors.

The remuneration to the auditors is proposed to be paid in accordance with approved accounts within a given quotation.

Election of Board of Directors and auditors

For the period until the end of the next Annual General Meeting, the Nomination Committee proposes that the following persons shall be re-elected as members of the Board of Directors: Ulf Mattsson, Håkan Dahlström, Gunilla Fransson, Roland Sundén and Joakim Olsson. Ulf Mattsson is proposed to be re-elected as Chairman of the Board of Directors.

The Nomination Committee considers that all proposed members of the Board of Directors are independent in relation to the company and its management, and that all proposed members of the Board of Directors, except Joakim Olsson, are independent in relation to the company's major shareholders.

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, that KPMG AB is elected as auditor for the company for the period until the end of the next Annual General Meeting.

The Nomination Committee's Statement

The Nomination Committee finds it justified to reduce the size of the Board of Directors. According to the opinion of the Nomination Committee, the proposed Board of Directors have with regard to the company's ownership, operations, phase of development and other relevant circumstances an appropriate composition characterized by diversity and breadth of qualifications, experience and background. The Nomination Committee considers it appropriate that the Board of Directors in its entirety constitutes the Audit Committee and that three of the members of the Board of Directors shall constitute the Remuneration Committee with the Chairman of the Board of Directors as Chairman also for the Remuneration Committee.

The Nomination Committee considers that the number of other board assignments held by each of the members of the Board of Directors does not impede any of the board members from actively participating in the work of the Board of Directors of Eltel.

The Nomination Committee's ambition is that the proportion of female board members shall be increased within the next years.

Stockholm, 27 March 2020

The Nomination Committee in Eltel AB (publ)