

The Nomination Committee of Eltel AB's proposals and reasoned statement for decision at the Annual General Meeting of Eltel AB to be held on 1 June 2017

The Nomination Committee and its work

The Nomination Committee, consists of Joakim Rubin (representing Zeres Capital and Chairman of the Nomination Committee), Marianne Flink (representing Swedbank Robur Fonder), Per Colleen (representing Fjärde AP-fonden), Ossian Ekdahl (representing Första AP-fonden) and Erik Malmberg (representing Solero Luxco S.á.r.l.), and jointly represents as of 31 January 2017 approximately 49% of the voting rights for all the shares in Eltel.

The present Nomination Committee has after the change in ownership of main shareholders on 28 February 2017 held three meetings to date. The Nomination Committee has been working in accordance with the Swedish Code of Corporate Governance (the Code) and in accordance with the instructions for the Eltel's Nomination Committee resolved by the Extraordinary General Meeting held on 21 October 2014.

The Nomination Committee proposes:

The Chairman of the Meeting

The Nomination Committee proposes Wilhelm Lüning to be elected as Chairman of the Meeting.

Number of members of the Board of Directors and auditors

The Board of Directors shall consist of seven ordinary members of the Board of Directors with no deputy members. One registered auditing company shall be elected as auditor of the Company with no deputy auditor.

The remuneration for the Board of Directors and the auditors

Remuneration for the Board of Directors is proposed to be EUR 531,200 to be allocated with EUR 175,000 to the Chairman, whereof EUR 75,000 is additional remuneration based on the extraordinary work load in the coming year, and EUR 49,500, whereof EUR 16,500 is an additional compensation based on the extraordinary work load in the coming year, to each six of the other members of the Board of Directors. Further, it is proposed that EUR 10,000 is paid to the chairman of the audit committee and EUR 8,200 to each of the members of the Audit Committee and the Remuneration Committee. Fees to the Auditors are proposed to be paid in accordance with approved accounts.

The election of members of the Board of Directors and auditors

For the period until the next Annual General Meeting has been held the following members of the Board of Directors are proposed to be re-elected for the period: Ulf Lundahl and Gunilla Fransson. Ulf Mattsson, Håkan Dahlström, Hans von Uthman, Mikael Moll and Markku Moilanen, for the same period, are proposed to be elected as new members of the Board of Directors. Ulf Mattsson is proposed to be elected as Chairman of the Board of Directors.

The current members of the Board of Directors, Matti Kyytsönen, Susanne Lithander, Rada Rodriguez and Karl Åberg, have declined re-election.

Ulf Mattsson born 1964, currently serves as chairman of the board in AcadeMedia, Musti ja Mirri and ItsLearning among others, and as board member in Addtech and Oras Invest. Previous positions include the assignment as chairman of the board in Securitas Direct, Granngården and Mackmyra Svensk Whisky, and as CEO of Capio, Gambro and Mölnlycke Health Care. Ulf Mattsson does not own any shares in Eltel nor does any closely associated persons of him.

Håkan Dahlström, born 1962, currently serves as Executive Vice President in Tieto Corporation, Country Manager Sweden and globally responsible for Technology Services and Modernization. Previous positions include the assignment as chairman of the board in Teo Group LT, member of the board in Teracom Group AB and several executive management positions in TeliaSonera AB. Håkan has a MSc from Herriot Watt University and a MSE, CSE from Linköping University. Håkan Dahlström does not own any shares in Eltel nor does any closely associated persons of him.

Hans von Uthman, born 1958, is chairman of the board at FEAB (Falbygdens Energi AB), Stockholm Gas and Springtime Group AB, and board member in Veidekke ASA, GIH and SOK. Previous positions include board member at ONE Nordic AB, Eneo Solutions and Fortum, as well as deputy CEO and head of Nordics at Vattenfall, CEO at Duni and Swedish Shell. Hans von Uthmann has studied at the Stockholm School of Economics. Hans von Uthmann does not own any shares in Eltel nor does any closely associated persons of him.

Mikael Moll, born 1982, is currently a Partner at Zeres Capital. He has previously held positions at CapMan Public Market Fund and the Investment Banking department of Merrill Lynch. He holds a Master of Science in Business and Economics from the Stockholm School of Economics. Mikael Moll does not own any shares in Eltel nor does any closely associated persons of him.

Markku Moilanen, born 1961, currently serves as Executive Director at Ramboll Group, COO of Northern Europe and globally responsible of Operational Excellence. Previous positions include Managing Director of Ramboll Finland, Vice President, Customer Services at Fortum and Sales Director at SAS Institute in Finland. Markku holds a D.Sc. (Eng.) from Helsinki University of Technology. Markku Moilanen does not own any shares in Eltel nor does any closely associated persons of him.

Detailed information about all persons proposed to be re-elected as members of the Board of Directors may be found on Eltel's website, www.eltelgroup.com.

The Nomination Committee considers that all proposed Board members are independent from the company and its management and that all proposed Board members except Mikael Moll are independent from the company's major shareholders.

The Nomination Committee proposes that Öhrling PricewaterhouseCoopers AB (PwC) is re-elected as auditor for Eltel for another year until the next Annual General Meeting. PwC has informed that if PwC is re-elected, the authorized public accountant Michael Bengtsson will be auditor in charge.

The Nomination Committee's reasoned statement

The Nomination Committee has evaluated the Board of Directors and its work by, inter alia, interviewing current and potential board members. The proposed board members have the relevant experiences and skills to fulfil the requirements of Eltel's board given the Company's market environment, operations and future developments. The Nomination Committee is of the

opinion that the board members proposed to the Annual General Meeting 2017 represent a good breadth in terms of industry experience and market expertise. In its work the Nomination Committee discussed requirements for diversity. The Nomination Committee's ambition is that the proportion of female board members in the next years shall be increased and closer to the level expressed by the Swedish Corporate Governance Board. The proposal for the composition of Eltel's Board of Directors meets the requirements of the Swedish Code of Corporate Governance regarding independent members of the Board of Directors. All decisions by the Nomination Committee have been unanimous. The Nomination Committee's proposal concerning the members of the Board of Directors has been disclosed by having the information included in the Company's official notification of the Annual General Meeting 2017.

Stockholm, 23 May 2017

The Nomination Committee of Eltel AB (publ)