

The Nomination Committee of Eltel AB's proposals and reasoned statement for resolutions at the Annual General Meeting of Eltel AB to be held on 9 May 2018

The Nomination Committee and its work

The Nomination Committee, which consists of Erik Malmberg (appointed by Solero Luxco S.á.r.l. and Chairman of the Nomination Committee), Joakim Rubin (appointed by Zeres Capital), Peter Immonen (appointed by Wipunen Varainhallinta Oy, Mariatorp Oy and Riikantorppa Oy) and Per Colleen (appointed by the Fourth Swedish National Pension Fund), jointly represented approximately 49 per cent of the voting rights for all the shares in Eltel as of 31 January 2018.

The present Nomination Committee has held five meetings. The Nomination Committee has been working in accordance with the Swedish Code of Corporate Governance (the Code) and in accordance with the instructions for Eltel's Nomination Committee as resolved by the Extraordinary General Meeting held on 21 October 2014.

The Nomination Committee's proposals:

Election of Chairman of the meeting

The Nomination Committee proposes Wilhelm Lüning, Attorney at law, to be elected as Chairman of the meeting.

Number of members of the Board of Directors and auditors

The Nomination Committee proposes that the Board of Directors shall consist of eight ordinary members with no deputy directors and that one 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 is proposed to be a total of EUR 465,200 (531,200) to be allocated with EUR 175,000 (175,000) to the Chairman, whereof EUR 75,000 is additional remuneration due to continued expected extraordinary workload in the coming year, and EUR 33,000 (49,500) each to the other members of the Board of Directors. After having been adjusted for extraordinary workload during 2017, the remuneration to the Board of Directors is, for all members except for the Chairman for whom the Nomination Committee foresees a continued extraordinary workload in the coming year, returned to normal levels. It is further proposed that EUR 10,000 (10,000) is paid to the Chairman of the Audit Committee and 8,200 (8,200) each to the other members of the Audit Committee and the members of the Remuneration Committee.

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

Election of the members of the Board of Directors and Auditor

The Nomination Committee proposes that the following members of the Board of Directors shall be re-elected for the period until the next Annual General Meeting has been held: Ulf Mattsson, Håkan Dahlström, Gunilla Fransson, Ulf Lundahl, Markku Moilanen, Mikael Moll and Hans von Uthmann. Joakim Olsson, for the same period, is proposed to be elected as new member of the Board of Directors. Ulf Mattsson is proposed to be re-elected as Chairman of the Board of Directors.

Joakim Olsson, born 1965, currently serve as Senior Industry Expert at Triton and as Chairman of the Board in Ovako Group and Seves Group S.á r.l. Previous positions include, among others, the assignments as Board member in Semcon AB, Concentric AB, and FläktGroup GmbH, as well as President and CEO of SAG Group GmbH and Haldex AB.

Additional information about Joakim Olsson and 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 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 Mikael Moll and Joakim Olsson, are independent in relation to the company's major shareholders.

The Nomination Committee proposes that KPMG AB is elected as auditor for Eltel for the period until the next Annual General Meeting has been held. KPMG AB has informed Eltel that if KPMG AB is elected as auditor, the authorised accountant Mats Kåvik 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 members of the Board of Directors 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 members of the Board of Directors proposed to the Annual General Meeting 2018 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 should be increased in order to come 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 will be disclosed by including the information in the Company's official notice to the Annual General Meeting 2018.

The company's Audit Committee has submitted a decision basis and a recommendation regarding the election of the company's auditor. The election has been preceded by a request for proposal through the company's Audit Committee, which has set a number of evaluation criteria for the election of the auditing company. Thereafter, the Audit Committee submitted a recommendation to the Board of Directors and the Nomination Committee regarding the election of the auditor. The recommendation was reasoned and contained two alternatives, where KMPG AB and Öhrlings PricewaterhouseCoopers AB were presented as acceptable alternatives. Of these alternatives, the Nomination Committee considered that KPMG AB presented the strongest and most competitive offer based on the pre-determined evaluation criteria. The Audit Committee has confirmed that its recommendation is free from influence by a third party. The Nomination Committee therefore proposes that the Annual General Meeting, in accordance with the Audit Committee's recommendation, elects KPMG AB as the company's auditor for the period until the next Annual General Meeting has been held.

Stockholm, 4 April 2018

The Nomination Committee of Eltel AB (publ)

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