

The Nomination Committee's report to the Annual General Meeting 2023 in Terranet AB (publ)

Nomination Committee instructions adopted at the Annual General Meeting 29 April 2021

- The Nomination Committee, which shall be appointed for the period until a new Nomination Committee has been appointed, shall consist of four members, who shall be appointed as follows: The Chairman of the Board shall, before the end of the third quarter of the financial year, contact the three largest shareholders in the Company, who may then appoint one member each to the Nomination Committee. If any of the largest shareholders refrains from appointing a member, the Chairman of the Board of Directors shall invite the next-to-the-next owner to appoint a member. The analysis of ownership shall be based on Euroclear Sweden AB's list of registered shareholders on 31 August 2021 and on any other circumstances known to the Chairman of the Board. In the event that several shareholders waive their right to appoint members of the Nomination Committee, the Chairman of the Board shall not need to contact more than eight shareholders, unless it is necessary to assemble a Nomination Committee consisting of at least three members.
- In the event that a member resigns from the Nomination Committee before the Nomination Committee's assignment is completed, the shareholder who appointed the outgoing member shall appoint a successor.
- If any significant change in the ownership structure should occur after the nomination committee has been constituted, the chairman of the board shall conduct a dialogue with the major owners about any change in the composition of the nomination committee. However, no changes in shareholdings that occur later than three months before the Annual General Meeting shall lead to any changes in the composition of the Nomination Committee, unless special circumstances exist.
- One of the members of the Nomination Committee shall be the Chairman of the Board. The chairman of the nomination committee is appointed the member who represents the largest shareholder in terms of votes, unless the members agree otherwise.
- Should the Nomination Committee at any time consist of fewer than three members, the Nomination Committee shall nevertheless be authorized to perform the duties of the Nomination Committee in accordance with these principles.
- Information about the composition of the Nomination Committee must be provided on the Company's website in good time, but no later than six months before the Annual General Meeting, in which case information must be provided on how shareholders can get in touch with and submit proposals to the Nomination Committee. Changes in the composition of the Nomination Committee shall be announced immediately.
- The Nomination Committee shall provide the Company with proposals for board members in sufficient time for the Company to present such proposals in the notice convening the general meeting at which elections are to take place.
- The Nomination Committee shall carry out the tasks that, according to the Swedish Code of Corporate Governance, are the responsibility of the Nomination Committee.
- No remuneration is paid to the members of the Nomination Committee. However, the Nomination Committee has the right to charge the Company with reasonable costs for the performance of the assignment.

Prior to the Annual General Meeting 2023, the Nomination Committee consists of the following members

- Julian Aleksov, Chairman of the Nomination Committee, appointed by Maida Vale Capital AB,
- Michael Knutsson, appointed by Knutsson Holdings AB,
- Fredrik Olsson
- Göran Janson, Chairman of the Board of Terranet AB.

The Nomination Committee's report on how the work has been conducted

The tasks of the Nomination Committee have been to prepare proposals for the Chairman of the 2023 Annual General Meeting, the Chairman of the Board, other Board members and auditor, as well as the remuneration to the Board of Directors and auditor.

During the year, the Nomination Committee has evaluated the work of the Board of Directors and each member. The evaluation has been carried out through individual discussions with board members. The Nomination Committee has also taken note of the Chairman's report on the Board's

work. During the year, the Nomination Committee met at 3 recorded meetings. The Nomination Committee's conclusion is that the work of the Board of Directors has worked well and has been conducted in line with the Company's goals and strategies.

Proposal for Board of Directors

- The Board of Directors shall consist of six members without deputies.
- Re-election of Board members Göran Janson, Anders Blom, Tarek Shoeb, Magnus Edman and Nils Wollny.
- New election of Torgny Hellström.
- Torgny Hellström is elected Chairman of the Board

Information about Torgny Hellström

Torgny Hellström, born 1958, holds a law degree and has extensive experience from the IT and tech industry, including as CEO of Anoto Group AB and senior executive positions in Ericsson and IBM. He is the founder and senior management consultant at Ruddex International AB and has held several board assignments. Today, Torgny is Chairman of the Board of Starbreeze AB, PreciseBiometrics AB, Drupps AB and Swipp AB.

Proposal for remuneration to the Board of Directors

The Nomination Committee proposes that directors' fees shall be paid in the amount of SEK 150,000 (SEK 100,000 in the preceding year) to each of the members elected by the AGM who are not employed by the Company or the Group and in the amount of SEK 400,000 (SEK 200,000 in the preceding year) to the Chairman of the Board, in total SEK 1,150,000 (SEK 700,000 in the preceding year). The Nomination Committee further proposes that a fee of SEK 25,000 (SEK 25,000 in the previous year) shall be paid to each of the members of the Remuneration Committee, a total of SEK 75,000 (SEK 75,000 the previous year). The Nomination Committee further proposes that a fee of SEK 40,000 shall be paid to each of the members of the Audit Committee (maximum 4 members) that the Board intends to establish, and SEK 75,000 to its Chairman, a total of SEK 195,000 (SEK 0 in the preceding year).

Reasoned opinion on the composition and remuneration of the Board of Directors

The Nomination Committee has found that the Board needs to be strengthened with additional expertise since the Company is in a commercialization phase and will therefore propose Torgny Hellström as a new member and Chairman of the Board. With this appointment, the composition of the Board of Directors meets the requirements placed on a modern and technology-intensive Company such as Terranet. The combined experience and competence achieve a sought-after versatility and breadth. In its work, the Nomination Committee has also strived to achieve a more gender even distribution on the Board but has not found more relevant and interested candidates in relation to the now proposed members. The adjustment of the remuneration to the Chairman of the Board is justified by the increased workload expected and that the Nomination Committee wants to attract and retain competence through competitive remuneration. The adjustment of the

remuneration to other members is justified by the Nomination Committee's desire to attract and retain competence through competitive remuneration.

Independence of the Board of Directors

The majority of the Board members elected by the Annual General Meeting shall be independent in relation to the company and its management. At least two of the board members who are independent in relation to the company and its management must also be independent in relation to the company's major shareholders.

Tarek Shoeb, Magnus Edman, Nils Wollny and Torgny Hellström are all considered to be independent in relation to the Company and the Company's management as well as in relation to the Company's major shareholders.

Anders Blom is considered to be independent in relation to the Company and the Company's management, but not in relation to the Company's major shareholders.

Göran Janson is not considered to be independent in relation to the Company and the Company's management but independent in relation to the Company's major shareholders.

The Nomination Committee considers that the proposed Board of Directors meets the requirements for independence.

Proposal for auditor

The Nomination Committee proposes the registered accounting firm Ernst & Young AB for the period until the end of the Annual General Meeting 2024. Ernst & Young AB has notified authorized public accountant Martin Henriksson as auditor in charge.

Fees to the auditor shall be paid in accordance with approved invoices.

Proposal for Chairman of the Annual General Meeting 2023

The Nomination Committee proposes that lawyer Mark Falkner at Eversheds Sutherland Advokatbyrå AB be elected Chairman and Minutes Officer at the Meeting or, if unable to attend, the person he designates.