

The Nomination Committee's report to the Annual General Meeting 2024 of Terranet AB (publ)

Composition of the Nomination Committee

At the Company's 2021 Annual General Meeting, a new instruction for the Nomination Committee was adopted, which regulates the composition of the Nomination Committee. The instructions are set out below:

- 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 then have the right to appoint one member each to the Nomination Committee. If any of the largest shareholders refrains from appointing a member, the Chairman of the Board shall request the shareholder who comes next in size to appoint a member. The analysis of ownership shall be based on Euroclear Sweden AB's list of registered shareholders as of 31 August 2021 and on any other circumstances known to the Chairman of the Board of Directors. 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 resigning 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 shareholders regarding any change in the composition of the Nomination Committee. However, no changes in shareholding that occur later than three months prior to 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 member representing the largest shareholder in terms of voting rights is appointed Chairman of the Nomination Committee, 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 tasks incumbent on the Nomination Committee in accordance with these principles.

- Information regarding the composition of the Nomination Committee shall be provided on the Company's website well in advance, but no later than six months prior to the Annual General Meeting, at which time information shall be provided on how shareholders can contact and submit proposals to the Nomination Committee. A change 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 of the general meeting where elections are to take place.
- The Nomination Committee shall fulfil the tasks that are incumbent on the Nomination Committee in accordance with the Swedish Code of Corporate Governance.
- 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.

Ahead of the 2024 Annual General Meeting, the Nomination Committee consists of the following persons

- Julian Aleksov, Chairman of the Nomination Committee, appointed by Maida Vale Capital AB,
- Michael Knutsson, appointed by Knutsson Holdings AB,
- Fredrik Olsson, own holdings, and
- Torgny Hellström, Chairman of the Board.

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

The Nomination Committee's tasks have been to prepare proposals for the 2024 Annual General Meeting regarding the Chairman of the Annual General Meeting 2024, the Chairman of the Board, other Board members and auditor as well as remuneration to the Board of Directors and the auditor.

During the year, the Nomination Committee evaluated the work of the Board of Directors and each member. The evaluation has been carried out through individual discussions with the members. The Nomination Committee has also taken note of the Chairman's report on the work of the Board. During the year, the Nomination Committee convened at 3 meetings at which minutes were taken. The Nomination Committee's conclusion is that the work of the Board of Directors has functioned 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 Torgny Hellström, Anders Blom, Magnus Edman, Mats Fägerhag and Nils Wollny. Göran Jansson has declined re-election.
- Torgny Hellström is elected Chairman of the Board.

Proposal for remuneration to the Board of Directors

The nomination committee proposes that remuneration to the board of directors shall be paid with SEK 175,000 (SEK 150,000 previous year) to each of the board members elected by the general meeting and who is not employed by the Company or the group and with SEK 475,000 (SEK 400,000 previous year) to the chairman of the board of directors, in total SEK 1,350,000 (SEK 1,150,000 previous year).

The Nomination Committee further proposes that a fee of SEK 25,000 (SEK 25,000 previous year) shall be paid to each of the members of the Remuneration Committee, in total SEK 75,000 (SEK 75,000 previous year).

The Nomination Committee further proposes that a fee of SEK 60,000 (SEK 40,000 previous year) shall be paid to each of the members of the audit committee (maximum 2 members) and SEK 100,000 (SEK 70,000) to its chairman, in total SEK 220,000 (SEK 150,000 previous year).

Reasoned statement regarding the composition and remuneration of the Board of Directors

The Nomination Committee has found that the Board of Directors should be reduced in order to increase efficiency as the Company is now in a commercialization phase. The composition of the Board of Directors meets the requirements of a modern and technology-intensive Company like Terranet. The combined experience and expertise achieves a sought-after versatility and breadth. In its work, the Nomination Committee has also strived to achieve a more even gender distribution on the Board, but has not found more relevant and interested candidates in relation to the now proposed members. The adjustment of the fees is motivated by the increasingly increasing workload that is expected and that the Nomination Committee wants 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 members of the Board of Directors who are independent in relation to the company and its management shall also be independent in relation to the company's major shareholders.

Magnus Edman, Mats Fägerhag, Torgny Hellström and Nils Wollny 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.

The Nomination Committee is of the opinion that the proposed Board of Directors fulfils 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 2025 Annual General Meeting. Ernst & Young AB has announced that the authorized public accountant Martin Henriksson has been appointed as auditor in charge.

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

Proposal for Chairman of the Meeting 2024

The Nomination Committee proposes that Mark Falkner, member of the Swedish Bar Association, at Eversheds Sutherland Advokatbyrå AB, is elected Chairman of the Meeting and keeper of the minutes or, in the event of impediment, the person appointed by him.