

Report of the Nomination Committee in Telefonaktiebolaget LM Ericsson in respect of its work for the Annual General Meeting of Shareholders 2008

Background

In accordance with the decision by the Annual General Meeting of Shareholders 2007, the largest shareholders as per April 27, 2007 have each appointed a representative to, along with the Chairman of the Board of Directors, constitute the Nomination Committee. The names of the representatives were announced via press release on June 13, 2007.

The Nomination Committee for the Annual General Meeting of Shareholders 2008 has been composed of:

Jacob Wallenberg, Investor AB,
Carl-Olof By, Industrivärden, Chairman of the Nomination Committee,
Caroline af Ugglas, Livförsäkringsaktiebolaget Skandia,
Mats Legerqvist, Swedbank Robur Fonder, and
Michael Treschow, Chairman of the Board of Directors.

According to the resolution by the Annual General Meeting of Shareholders 2007, the mandate of the Nomination Committee shall run until the next Nomination Committee has been appointed and its mandate period starts.

In accordance with the resolution by the Annual General Meeting of Shareholders 2007, the assignment of Nomination Committee includes preparation of proposals to be put forward to the Annual General Meeting of Shareholders 2008 in respect of the following matters:

- Chairman at the Annual General Meeting of Shareholders;
- Chairman of the Board of Directors and other members of the Board of Directors appointed by the Annual General Meeting of Shareholders;
- fees payable to non-employed members of the Board of Directors appointed by the Annual General Meeting of Shareholders;
- fees payable to Auditors; and
- possible fees payable to the members of the Nomination Committee.

Work of the Nomination Committee

The Nomination Committee has held seven meetings and the members have, in addition thereto, had a number of telephone contacts.

The Company has made available on its website information on how shareholders may submit proposals to the Nomination Committee.

The Nomination Committee has thoroughly familiarized itself on how the Board work is functioning and conducted, as well as on the Company's strategy and future challenges and has made assessments in terms of the competence and experience that is required by the Board members, which has served as guidance to the work of the Nomination Committee.

The Nomination Committee has conducted a methodical search process in view of identifying possible future candidates to the Board of Directors, using both its own networks as well as a global search firm.

In addition, the Nomination Committee has considered the importance of both continuity and renewal among the Board members, and has also assessed the appropriate size of the Board.

The Nomination Committee is of the opinion that the current Board is well functioning and comes up to very high expectations with respect to its composition and competence.

In view of the assessments made in terms of e.g. competence and experience that are required by the Board, and considering that Katherine Hudson has abstained from re-election, the Nomination Committee has proposed election of Roxanne Austin as a new member of the Board to further enhance the Board's competence in terms of e.g. new technologies.

The Nomination Committee has further proposed that fees to non-employed Board members elected by the Annual General Meeting of Shareholders, and members of the Board's Committees remain unchanged.

With the purpose of further enhancing the directors' interest in Ericsson and its financial development and also providing an opportunity for the directors to have a financial interest in the Company comparable with the shareholders', the Nomination Committee considers that the directors should be offered the possibility of receiving part of the fees in the form of synthetic shares. By a synthetic share is understood a right to receive a future payment of an amount which corresponds to the market value of a share of series

B in the Company on the OMX Nordic Exchange Stockholm at the time of payment.

The Nomination Committee has acquainted itself with the assessments made by the Company and the Audit Committee in terms of Auditor work, as well as the Audit Committee's recommendation in respect of Audit fees, and has proposed that Audit fees, like previous years, be paid on approved account.

The Nomination Committee has further thoroughly discussed the procedure for appointing members to the Nomination Committee, in particular in the light of striving to achieve a transparency in the set of rules and regulations, predictability and continuity. The Nomination Committee is of the opinion that the current procedure fulfils such fundamental criteria and proposed that the procedure for appointing the members to the Nomination Committee remain unchanged.