

## **The Nominating Committee's proposals to the Annual General Meeting 2016 of Mekonomen Aktiebolag (publ), including its reasoned statement and information regarding the directors recommended for the Board**

The Nominating Committee of Mekonomen Aktiebolag consists of Caroline Berg (Axel Johnson Aktiebolag), committee chair, Jonathan Mårtensson (Handelsbanken Fonder), Mats Gustafsson (Lannebo Fonder) and Annika Andersson (Swedbank Robur fonder). Kenneth Bengtsson, Chairman of the Board, is co-opted member of the Nominating Committee.

The Nominating Committee submits the following recommendations to the Annual General Meeting of the company on 12 April 2016:

### **Chairman of the Annual General Meeting**

Kenneth Bengtsson, Chairman of the Board, to be elected as chairman to preside over the Annual General Meeting.

### **Number of members of the Board of Directors and deputy members**

The Board shall consist of seven meeting-elected members. No deputy directors shall be elected.

### **Fees to the Board of Directors and members of the Board committees**

Fees to meeting-elected directors whom are not employed by the company (the proposal entails an increase for the chairman with SEK 150,000 and an increase for other directors with SEK 10,000 compared to the previous year) and members of the Board committees in accordance with the following (expressed in SEK):

- 550,000 payable to the chairman,
- 310,000 payable to the vice chairman,
- 270,000 payable to each of the other directors,
- 60,000 payable to the chairman of the Audit Committee,
- 35,000 payable to each of the other members of the Audit Committee,
- 35,000 payable to the chairman of the Remuneration Committee, and
- 25,000 payable to each of the other members of the Remuneration Committee.

The increase in fees for the chairman and directors are motivated by the comparative analysis that the Nomination Committee has made to other listed companies with similar business and market value. The Nominating Committee deems, based on this comparative data, that the fees proposed are in line with market conditions.

### **Fees to the auditor**

Auditor's fees shall be payable in accordance with approved account.

### **Election of members of the Board of Directors**

*Re-election* of directors Kenneth Bengtsson, Caroline Berg, Kenny Bräck, Malin Persson, Helena Skåntorp and Christer Åberg.

*New-election* of Mia Brunell Livfors as director of the Board.

Mia Brunell Livfors (b.1965) is since 2015 the President and CEO of Axel Johnson Aktiebolag. Mia Brunell Livfors was between 2006 – 2014 the President and CEO of Investment AB Kinnevik and before that she was, inter alia, CFO of Modern Times Group

MTG. Mia Brunell Livfors is currently, inter alia, chairman of Axstores AB and director of Martin & Servera Aktiebolag, Axel Johnson International Aktiebolag, Stena Aktiebolag and Efva Attling Stockholm Aktiebolag.

#### Election of Chairman of the Board of Directors

*Re-election* of Kenneth Bengtsson as chairman of the Board.

#### Election of auditor

Re-election of the chartered auditing firm PricewaterhouseCoopers AB as the company's auditor from the conclusion of the Annual General Meeting 2016 to the conclusion of the Annual General Meeting 2017. The auditing firm has stated that, provided that the Nomination Committee's proposal is approved by the Annual General Meeting, the authorized public accountant Lennart Danielsson will be chosen as auditor in charge.

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The Nominating Committee's reasoned statement for its proposal and information about the directors recommended for the Board is set out in **Appendix 1**.

The Nominating Committee also submits its proposal for guidelines for appointment of the Nominating Committee as set out in **Appendix 2**.

Stockholm in March 2016

THE NOMINATING COMMITTEE OF MEKONOMEN AKTIEBOLAG

Caroline Berg, chairman

Jonathan Mårtensson

Mats Gustafsson

Annika Andersson

**The Nominating Committee's reasoned statement and information regarding the directors recommended for the Board**

The Nomination Committee has held two recorded meetings in addition to further contacts between meetings. The Nomination Committee has interviewed all proposed directors. The Nomination Committee has also taken part of the evaluation of the Board.

The Nominating Committee has proposed re-election of the Board directors Kenneth Bengtsson, Caroline Berg, Kenny Bräck, Malin Persson, Helena Skåntorp and Christer Åberg. The Nominating Committee has also proposed new-election of Mia Brunell Livfors as director of the Board.

Mia Brunell Livfors (b.1965) is since 2015 the President and CEO of Axel Johnson Aktiebolag. Mia Brunell Livfors was between 2006 – 2014 the President and CEO of Investment AB Kinnevik and before that she was, inter alia, CFO of Modern Times Group MTG. Mia Brunell Livfors is currently, inter alia, chairman of Axstores AB and director of Martin & Servera Aktiebolag, Axel Johnson International Aktiebolag, Stena Aktiebolag and Efva Attling Stockholm Aktiebolag.

The Nominating Committee is of the opinion that the directors who have been proposed for re-election are very well suited to form the Board of Directors of Mekonomen Aktiebolag for the coming mandate period.

The proposed new director is the President of Axel Johnson Aktiebolag and has many years of experience from board work in Swedish listed companies. She also has financial expertise and, at management level, extensive experience in operational and strategic work that will be valuable for Mekonomen's business and development.

The Nominating Committee is of the opinion that the Board with the proposed directors will have an appropriate composition with regard to the operations, phase of development and other relevant circumstances pertaining to the company. A basis for the proposal has been that the composition of the Board shall reflect and provide for such knowledge and experience that the company's strategic development and operation may demand. The Nomination Committee has paid particular attention to the requirement for versatility and diversity within the Board and the requirement to achieve an equal gender balance. It is the opinion of the Nominating Committee that the composition of the Board is well adapted to meet such demands of the business activities of the company.

The Nominating Committee has deliberated on the issue of independency of the directors. The Nominating Committee is of the opinion that the proposal for the composition of the Board meets the requirements in the Swedish Code of Corporate Governance regarding the independency of the directors of the Board.

All of the proposed directors are to be considered as independent with respect to the company and its senior management. The proposed composition of the Board also meets the requirement that at least two of the directors who are independent with respect to the company and its management shall also be independent with respect to the major shareholders of the company.

The Nominating Committee has gathered the following information concerning the directors proposed for election.

### Kenneth Bengtsson (1961)

Member of the board since:	2013
Holdings in Mekonomen:	2,000 shares
Main education:	Upper secondary school and education within the ICA system.
Other assignments:	<b>Chairman</b> of Ahlsell AB (publ), Claes Ohlson Aktiebolag (publ), Ersta Diakonisällskap, EuroCommerce a.i.s.b.l, Systembolaget Aktiebolag, Ung Företagsamhet and World Childhood Foundation.  <b>Director</b> of Herenco Aktiebolag and Svenska S Holding 3 AB (the holding company in the Synsam Group).

Kenneth Bengtsson is independent with respect to the company, the company management and major shareholders of the company.

### Caroline Berg (1968)

Member of the board since:	2014
Holdings in Mekonomen:	None
Main education:	B.A. in Media / Communications and Psychology from Middlebury College, Vermont, USA.
Other assignments:	<b>Chairman</b> of Axel Johnsons Aktiebolag and the Erik and Göran Ennerfelt Foundation for International Studies for Young Swedes.  <b>Director</b> of AxFast AB, Axfood Aktiebolag, Axstores AB and Stockholm School of Economics Advisory Board.

Caroline Berg is independent in relation to the company and company management, but not independent in relation to major shareholders of the company.

### Kenny Bräck (1966)

Member of the board since:	2007
Holdings in Mekonomen:	1,000 shares
Main education:	Upper secondary school.
Other assignments:	Self-employed, minority shareholder and board member of Motorsport Auctions Ltd, and test and development driver for McLaren Automotive.

Kenny Bräck is independent with respect to the company, company management and major shareholders of the company.

### Malin Persson (1968)

Member of the board since: 2015

Holdings in Mekonomen: 1,000 shares

Main education: M.Sc. at Chalmers University of Technology.

Other assignments: **Chairman** of RO-Gruppen Förvaltning AB.

**Director** of Ahlströms Capital Oy, Becker Industrial Coatings Holding AB, Getinge AB (publ), Hexatronic Group AB, HEXPOL AB (publ), Konecranes Plc, Kongsberg Automotive ASA, Magnora Aktiebolag and Mobile Climate Control Group Holding AB.

Malin Persson independent with respect to the company, company management and major shareholders of the company.

### Helena Skåntorp (1960)

Member of the board since: 2004

Holdings in Mekonomen: 2,000 shares

Main education: MBA, University of Stockholm.

Other assignments: **Chairman** of a number of Lernia AB's subsidiaries and chairman / CEO of Skåntorp&Co AB.

**Director** of 2E Group AB and Swedish Staffing Agencies.

**President and CEO** of Lernia AB.

Helena Skåntorp is independent with respect to the company, the company management and major shareholders of the company.

### Christer Åberg (1966)

Member of the board since: 2014

Holdings in Mekonomen: 2,500 shares

Main education: IHM Business School Stockholm and education within Unilever.

Other assignments: **Director** of AB Svenska Spel.

**President** of Hilding Anders Group.

Christer Åberg is independent with respect to the company, the company management and major shareholders of the company.

The Nomination Committee has gathered the following information on the proposed new director.

Mia Brunell Livfors (1965)

Proposed director of the Board

Holdings in Mekonomen: 1,250 shares

Main education: Studies in economics at Stockholm University.

Other assignments: **Chairman** of Axstores AB.

**Director** of Axel Johnson International Aktiebolag, Efva Attling Stockholm Aktiebolag, Martin & Servera Aktiebolag and Stena Aktiebolag.

**Managing director** of Axel Johnson Aktiebolag.

Mia Brunell Livfors is independent in relation to the company and company management, but not independent in relation to major shareholders of the company.

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**The Nominating Committee's proposal for guidelines for appointment of the Nominating Committee**

The Nominating Committee proposes that the Annual General Meeting 2016 adopts the following.

Mekonomen shall have a Nominating Committee consisting of four directors. The four largest shareholders of Mekonomen shall be contacted by the board of directors based on the record provided by Euroclear Sweden AB on the registered shareholders of the company as of 31 August 2016. Each of the four largest shareholders shall be entitled to appoint one member each. Should any of the four largest shareholders abstain from its right to appoint a member to the Nominating Committee, the right to appoint such member shall transfer to the subsequent largest shareholder. The chairman of the Nominating Committee shall, unless its members agree otherwise, be the member representing the largest shareholder.

The Nominating Committee's composition shall be publicly announced by Mekonomen as soon as the Nominating Committee has been appointed. The Nominating Committee's mandate period runs until a new Nominating Committee has been appointed.

If a member of the Nominating Committee leaves the committee before its assignment has been completed or if a material change occurs in the ownership structure after the appointment of the Nominating Committee, the Nominating Committee's composition shall be changed in accordance with the above procedure. Deadline for changes in the composition of the Nominating Committee is three months before the Annual General Meeting. A shareholder who has appointed a member to the Nominating Committee is always entitled to replace such member or appoint a new member should its member leave the assignment.

Changes in the Nominating Committee's composition shall be publicly announced on Mekonomen's website.

Fees will not be paid to the members of the Nominating Committee.

The Nominating Committee is tasked with submitting recommendations for the following ahead of the Annual General Meeting:

- Chairman to preside over the Annual General Meeting,
- The number of directors and deputy directors,
- Directors' and auditor's fees, and any special fees for committee work,
- Chairman and other directors of the Board,
- Auditors,
- Guidelines for appointment of the Nominating Committee.

The Nominating Committee shall in connection with its assignment fulfil the duties which, according to the Swedish Code of Corporate Governance, are incumbent upon Mekonomen's nominating process, and at the request of the Nominating Committee, Mekonomen shall provide personnel resources, such as a secretarial function for the committee, to facilitate its work. Where needed, Mekonomen shall also be able to bear reasonable cost for external consultants which are deemed by the Nominating Committee to be necessary for the committee to fulfil its assignment.

*This is a translation of the Swedish version of the proposal. In case of any discrepancies, the Swedish version shall prevail.*