

The Nomination Committee's report, proposals and motivated statement ahead of Mekonomen's 2021 Annual General Meeting

The composition of the Nomination Committee and report on its work

The Nomination Committee of Mekonomen Aktiebolag (publ) shall, according to the resolution by the 2018 Annual General Meeting (AGM), consist of members appointed by the four largest shareholders, who wish to participate, based on owner statistics from Euroclear Sweden AB as per 31 August 2020.

Mekonomen's Nomination Committee ahead of the 2021 AGM was presented on 16 September 2020 and consists of John S. Quinn (Nomination Committee chair, LKQ Corporation), Arne Lööw (Fjärde AP-fonden), Kristian Åkesson (Didner & Gerge Fonder) and Caroline Sjösten (Swedbank Robur Fonder). Helena Skåntorp is co-opted member of the Nomination Committee in the capacity of Board member of Mekonomen.

Ahead of the 2021 AGM, the Nomination Committee has the assignment to, among other things, present proposals regarding the number of members of the Board, the composition of the Board, as well as its compensation. As informed on the Company's website, shareholders have been able to submit proposals to the Nomination Committee. No such proposals have been submitted. The Nomination Committee has held six recorded meetings in addition to further contacts between meetings. The Chairman of the Board has reported on how the Board's work was conducted during the year. Further, the Nomination Committee has interviewed all proposed directors and has also taken part of the evaluation of the Board. The Nomination Committee has subsequently evaluated the Company's needs. Furthermore, the Nomination Committee has evaluated the compensation to the Board members and the committees.

The Nomination Committee's proposals

The Nomination Committee submits the following proposals to Mekonomen's 2021 AGM:

1. AGM chair

The Nomination Committee proposes Malin Tiberg, member of the Swedish Bar Association, as AGM chair.

2. Number of members of the Board

The Nomination Committee proposes that the Board shall consist of seven (7) meeting-elected members and no deputy members.

3. Compensation to the Board and auditor

The Nomination Committee proposes the following compensation to the Board members and auditor:

- SEK 650,000 to the Chairman of the Board (620,000), SEK 420,000 to the Vice Chairman (400,000), and SEK 315,000 to each of the other directors appointed by the AGM (300,000),
- for committee work, SEK 125,000 to the Chairman of the Audit Committee (120,000), and SEK 55 000 to each of the other members of the Audit Committee (50,000), and SEK 50,000 to the Chairman of the Remuneration Committee (45,000), and SEK 25,000 to each of the other members of the Remuneration Committee (25,000), and
- auditor's fees in accordance with approved account.

The Nomination Committee has evaluated the compensation to the Board in relation to companies of similar size and complexity and considered the cost of the compensation per person and in total. Based on this evaluation, and the need to be competitive to attract and retain qualified board members, the Nomination Committee proposes an increase in the Board compensation, as set out above.

4. Election of the Board and Chairman

The Nomination Committee proposes:

- re-election of directors Eivor Andersson, Kenny Bräck, Joseph M. Holsten, Magnus Håkansson and Helena Skåntorp,
- election of Robert M. Hanser and Michael Løve as new directors of the Board, and
- election of Robert M. Hanser as Chairman of the Board.

The proposed Board members are presented with additional detail on the Company's website, www.mekonomen.com.

5. Election of auditor

The Nomination Committee proposes re-election of the auditing firm PricewaterhouseCoopers AB as the Company's auditor for the period until the end of the 2022 AGM. The auditing firm has informed the Company that Linda Corneliusson will be the auditor in charge, if re-elected. The proposal is in accordance with the Audit Committee's recommendation.

6. Current Instruction for the Nomination Committee

The 2018 AGM adopted an instruction for the Nomination Committee's composition and work to apply until further notice. The Nomination Committee has evaluated the current instruction and proposes no changes to the instruction.

The Nomination Committee's motivated statement regarding its proposal for election of directors

Based on the work and evaluation performed, the Nomination Committee considers that the current Board has been well functioning under the year. Ahead of the 2021 AGM, the Chairman of the Board, John S. Quinn, and the Board member Arja Taaveniku, have informed that they declined re-election. The Nomination Committee has proposed re-election of the directors Eivor Andersson, Kenny Bräck, Joseph M. Holsten, Magnus Håkansson and Helena Skåntorp, and election of Robert M. Hanser and Michael Løve as new directors of the Board. The new directors proposed for election are considered to broaden the Board's competence in retail and contribute to geographical diversification.

Robert M. Hanser, born 1953, is a European board member of LKQ Corporation since 2015. Prior to that, Robert has held several assignments within the German multinational engineering and electronics company Robert Bosch GmbH, including Managing Director of Bosch in the UK, Executive Vice-president of Automotive Original Equipment and President of the Automotive Aftermarket Division.

Michael Løve, born 1974, is Executive Vice President & Managing Director of the food company Netto International in Denmark. Michael has previously been Group Retail Director & Chief Operating Officer for Coop Danmark and Chief Operating Officer for Copenhagen Airports. Michael has extensive experience from retail in the Danish and Polish markets.

In its work, the Nomination Committee has considered the requirement in the Swedish Corporate Governance Code regarding diversity and breadth of the Board members and to strive for gender balance on the Board. The Nomination Committee has, in its work, applied rule 4.1 of the Swedish Corporate Governance Code as its diversity policy.

The Nomination Committee considers that the proposed Board has an appropriate composition with regards to the operations, phase of development and other relevant circumstances pertaining to the Company. The Committee is of the opinion that the proposed Board members have such diversity and breadth with respect to qualifications, experience and background that the Company's strategic development and operations may demand. For many years, the Board of Mekonomen has had a gender balance and the Nomination Committee evaluate and discuss this every year. Of the proposed directors, two are women and five are men (corresponding to 28,6 and 71,5 percent, respectively). However, the

Nomination Committee is of the opinion that the composition of the Board is well adapted to meet the demands of the Company's business activities. The Nomination Committee strive for gender balance and considers that the work to achieve this should continue further on.

The Nomination Committee considers that the proposed Board meets the requirements of the Swedish Corporate Governance Code regarding the independency of the directors of the Board.

Stockholm, March 2021

The Nomination Committee of Mekonomen AB (publ)

This is a translation of the Swedish original wording. In case of discrepancies, the Swedish version shall prevail.