

The Nominating Committee's proposals to the Annual General Meeting 2017 of Mekonomen Aktiebolag (publ), including its reasoned statement and information regarding the directors recommended for the Board

The Nominating Committee of Mekonomen Aktiebolag (publ), which has been appointed in accordance with the guidelines decided upon by the 2016 Annual General Meeting, has up until 16 December 2016 consisted of Caroline Berg (Axel Johnson Aktiebolag), committee chair, Jonathan Schönback (Handelsbanken Funds), Mats Gustafsson (Lannebo Funds) and Arne Löow (Fourth Swedish National Pension Fund). As a result of LKQ Corporation's acquisition of Axel Johnson Aktiebolag's shares in the company, in accordance with the guidelines, on the 16 December 2017, John S. Quinn (LKQ Corporation) replaced Caroline Berg as a member and the chair of the Nominating Committee. 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 25 April 2017:

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 and members of the Board committees (same as last year) 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.

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 Kenny Bräck, Joseph M. Holsten, Malin Persson, John S Quinn, Helena Skåntorp and Christer Åberg.

New-election of Magnus Håkansson as director of the Board.

Magnus Håkansson, born 1963, holds the position as CEO of RNB Retail and Brands AB (publ) since 2011, has a Bachelor in Business Administration and Economics (Stockholm School of Economics) and a Master of Science in Management (MIT Sloan School). He has previously held the positions as CEO of Expert Sverige AB, CFO of the KF Group and

Management Consultant at McKinsey & Co, he was the Chairman of RNB Retail and Brands AB (publ) 2010-2011 and has held management and board positions in several other companies. Magnus Håkansson is currently the Chairman of Tenant & Partner Group AB and GS1 Sweden AB.

Board director Kenneth Bengtsson, also chairman of the Board, has in December 2016 informed the Nomination Committee that he declines re-election.

Election of Chairman of the Board of Directors

New-election of John S Quinn as chairman of the Board.

Election of auditor

Re-election, in accordance with the Audit Committee's recommendation, of the chartered auditing firm PricewaterhouseCoopers AB as the company's auditor from the conclusion of the Annual General Meeting 2017 to the conclusion of the Annual General Meeting 2018. 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.

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 2017

THE NOMINATING COMMITTEE OF MEKONOMEN AKTIEBOLAG

John S. Quinn, chairman

Jonathan Schönbäck

Mats Gustafsson

Arne Lööv

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

The Nomination Committee has held three 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 to the 2017 Annual General meeting proposed re-election of the Board directors Kenny Bräck, Joseph M. Holsten, Malin Persson, John S. Quinn, Helena Skåntorp and Christer Åberg. The Nominating Committee has also proposed new-election of Magnus Håkansson as director of the Board.

Magnus Håkansson, born 1963, holds the position as CEO of RNB Retail and Brands AB (publ) since 2011, has a Bachelor in Business Administration and Economics (Stockholm School of Economics) and a Master of Science in Management (MIT Sloan School). He has previously held the positions as CEO of Expert Sverige AB, CFO of the KF Group and Management Consultant at McKinsey & Co, he was the Chairman of RNB Retail and Brands AB (publ) 2010-2011 and has held management and board positions in several other companies. Magnus Håkansson is currently the Chairman of Tenant & Partner Group AB and GS1 Sweden AB.

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 RNB Retail and Brands AB (publ) and has many years of experience from board work in Swedish companies. He also has financial expertise and, at management level, extensive experience in operational and strategic work in various sectors that will be valuable for Mekonomen's business and development.

The Nominating Committee has discussed the requirements for diversity based on, among other things, the requirements in the Swedish Corporate Governance Code to state how the diversity policy has been applied in the drafting of its proposal. In this respect the Nominating Committee has chosen to use rule 4.1 of the Code as its diversity policy. 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.

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, the company management and major shareholders of the company.

Joseph M. Holsten (1952)

Member of the board since:	2017
Holdings in Mekonomen:	None
Main education:	M.B.A in Finance and Accounting and a Bachelor of Arts from Indiana University and certified accountant.
Other assignments:	Executive Chairman in LKQ Corporation. Director in Covanta Holding Corporation.

Joseph M. Holsten is independent with respect to the company, the company management, but not independent in relation to 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:	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 Peab AB.

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

John S. Quinn (1958)

Member of the board since: 2017

Holdings in Mekonomen: None

Main education: M.B.A., York University - Schulich School of Business, Bachelor of Commerce, University of Toronto and certified accountant.

Other assignments: **CEO and Managing Director** in LKQ Europe.

John S. Quinn is independent with respect to the company, the company management, but not independent in relation to major shareholders of the company.

Helena Skåntorp (1960)

Member of the board since: 2004

Holdings in Mekonomen: 2,000 shares

Main education: M.B.A., University of Stockholm.

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

Director of ByggPartner i Dalarna Holding AB (publ).

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 Axfood AB (publ).

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.

Magnus Håkansson (1963)

Proposed director of the Board

Holdings in Mekonomen: None

Main education: Bachelor in Business Administration and Economics, Stockholm School of Economics and a Master of Science in Management, MIT Sloan School.

Other assignments: **Chairman** of Tenant & Partner Group AB, GS1 Sweden AB and Validoo AB.

CEO of RNB Retail and Brands AB (publ).

Magnus Håkansson is independent with respect to the company, the company management and major shareholders of the company.

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

The Nominating Committee proposes that the Annual General Meeting 2017 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 2017. 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.