

Item 18

Proposal by the Board and the Nomination Committee for the composition and working methods of the Nomination Committee

The Board and the Nomination Committee propose that the Annual General Meeting resolves to appoint a Nomination Committee for the 2015 Annual General Meeting as follows.

The Company shall have a Nomination Committee consisting of four (4) members who represent the Company's shareholders. The Chairman of the Board of ICA Gruppen shall be co-opted onto the Nomination Committee.

Two of the members shall be nominated by the largest shareholder and two members shall be nominated by the two subsequent largest shareholders. The largest shareholders based on voting rights shall be determined based on a list of registered shareholders provided by Euroclear Sweden AB as of the last trading day in August and they will be contacted soon thereafter by the Company. In the event that any of the three largest shareholders decides to forego the right to appoint a representative to the Nomination Committee, this right shall be transferred to the shareholder that has the next largest shareholding on the aforementioned date. The names of the shareholder representatives and the names of the shareholders they represent shall be announced not later than six months prior to the Annual General Meeting. The mandate period of the Nomination Committee shall extend until the next Nomination Committee is appointed. Unless the members agree otherwise, the chairman of the Nomination Committee shall be one of the members who represent the largest shareholder in terms of votes. The chairman shall have the decisive vote.

If, during the mandate period of the Nomination Committee, one or more of the shareholders that appointed members of the Nomination Committee is/are no longer among the three largest shareholders, the members appointed by these shareholders shall resign and the, or those, shareholder(s) that are now among the three largest shareholders shall be entitled to appoint a member. Unless there is specific reason, however, no changes shall occur in the composition of the Nomination Committee if only minor changes in ownership have occurred or if changes occur later than two months prior to the Annual General Meeting. Shareholders that have appointed a member of the Nomination Committee are entitled to remove such member and appoint a new member of the Nomination Committee. Any change in the composition of the Nomination Committee shall be announced on the Company's website as soon as it occurs.

The Nomination Committee will present proposals regarding the following matters prior to the Annual General Meeting:

- (i) proposal for chairman of the meeting;
- (ii) proposal for members of the Board of Directors;

- (iii) proposal for Chairman of the Board;
- (iv) proposal for fees payable to the Board of Directors, broken down into amounts for the Chairman of the Board and other Board members and as remuneration for committee work; and
- (v) proposal for auditor or auditors and proposed fees to be paid to the Company's auditor.

The Nomination Committee shall also perform the duties set out in the Swedish Corporate Governance Code. At the request of the Nomination Committee, the Company shall provide personnel resources – such as a secretarial function in the Nomination Committee – to facilitate its work. As required, the Company shall also be responsible for reasonable costs for external consultants that the Nomination Committee deems necessary to perform its work.

It is proposed that the resolution on the Nomination Committee, which leaves the arrangements essentially unchanged compared with 2014, should apply until further notice.