

Report from the Nomination Committee, proposals and reasoned statement for the Annual General Meeting in JM AB on April 12, 2018

Background

The Annual General Meeting of JM AB ("JM"), which was held on April 27, 2017, adopted instructions stating that the Company's Nomination Committee is formed by the four largest shareholders who wish to take part, each appointing one member. The person in question may not be a Board Member for the Company. The Chairperson of the Board convenes the first meeting and serves as the fifth member of the Nomination Committee. The mandate of the Nomination Committee remains in effect until a new Nomination Committee is appointed.

The Nomination Committee includes the following people:

Åsa Nisell (Chairperson), Swedbank Robur Fonder
Hans Ek, SEB Fonder
Anders Algotsson, AFA Försäkringar
Carina Lundberg Markow, Folksam
Fredrik Persson, Chairperson of the Board of JM.

As of January 31, 2018, the four shareholders referred to above represent 16.7 percent of the shares and votes in JM.

The composition of the Nomination Committee was announced in a press release on October 6, 2017 and was also posted on the Company's website (www.jm.se/en). Länsförsäkringar Fondförvaltning's shareholdings in JM decreased after the Nomination Committee in JM was established. In light of this, Eva Gottfridsdotter-Nilsson, appointed by Länsförsäkringar Fondförvaltning AB, relinquished her position to a larger shareholder. Carina Lundberg Markow, appointed by Folksam, therefore joined the Nomination Committee as a new member. The change was made public via a press release on November 21, 2017. Information can be found about how shareholders can submit proposals to the Nomination Committee on the website under About JM - Corporate Governance. The Nomination Committee received one proposal for a Board member and took this proposal into consideration. No other proposals were submitted.

Report from the Nomination Committee

The Nomination Committee held four meetings at which minutes were kept and in addition maintained contact through email and by telephone. The Nomination Committee has received a report from the Chairperson of the Board on how work is conducted on the Board of Directors as a whole and in the committees and the results from an internal Board assessment that included a written survey for the Members. The Nomination Committee also interviewed Board Members elected by the Annual General Meeting and the President. Given this work, the Nomination

Committee discussed competences and experience that it believes are needed to strengthen the Board. The candidates were interviewed and the independence of the Members was assessed.

The Nomination Committee can hereinafter present its proposal to the Annual General Meeting in accordance with the following:

The Nomination Committee's unanimous proposal

Election of Annual General Meeting Chairperson

Fredrik Persson is proposed to chair the Annual General Meeting.

Number of Members

Seven members elected by the Annual General Meeting.

Election of Chairperson and Members to the Board of Directors

The Nomination Committee proposes the re-election of Fredrik Persson as Chairperson of the Board and re-election of Board Members Kaj-Gustaf Bergh, Olav Line, Eva Nygren, Kia Orback Pettersson, Åsa Söderström Jerring and Thomas Thuresson.

Remuneration to the Board of Directors

It is proposed that remuneration to the Chairperson will be SEK 840,000 for work on the Board, and remuneration to Members who are not employed by the Company SEK 335,000.

It is proposed that Members who are not employed by the Company receive unchanged remuneration for work on committees as follows:

Chairperson of the Audit Committee: SEK 120,000

Members on the Audit Committee: SEK 90,000

Chairperson of the Compensation Committee: SEK 60,000

Members on the Compensation Committee: SEK 60,000

Chairperson of the Investment Committee: SEK 80,000

Members on the Investment Committee: SEK 60,000.

Proposed remuneration for the 2018 Annual General Meeting pertaining to seven paid Members amounts to a total of SEK 3,530,000 (3,380,000), including remuneration for work on committees and including fees for one additional member of the Compensation Committee since it has been proposed that there be one more member in the Compensation Committee. Taking into consideration the increase in the number of members in the Compensation Committee, this corresponds to an increase in the fee of 2.7 percent.

Election of and remuneration to the auditors

The 2017 Annual General Meeting elected PricewaterhouseCoopers AB as the auditing company. The term of office for the auditing company extends until the end of the 2018 Annual General Meeting.

The Nomination Committee proposes, in accordance with the Audit Committee's and the Board's recommendation, the re-election of PricewaterhouseCoopers AB. In accordance with Swedish law, the term of service runs until the end of the 2019 Annual General Meeting.

PricewaterhouseCoopers AB has announced that Håkan Malmström will continue to be auditor-in-charge if the Annual General Meeting elects PricewaterhouseCoopers AB to be the auditing company.

Remuneration to auditors will be paid as per invoices issued by the auditing company and approved by JM.

Instructions for the Nomination Committee

The Nomination Committee proposes that the Annual General Meeting adopt the revised version of the instructions that was adopted at the 2017 Annual General Meeting.

The proposed instructions are set out in Appendix 1 of this document.

In summary, according to these instructions, a Nomination Committee will be formed by the four largest shareholders who wish to take part, each appointing a member. The assessment regarding which shareholders hold the most votes shall be based on the public register of shareholders maintained by Euroclear Sweden AB, the public nominee list of owners as at July 31 and other reliable information provided to the Company at such time. The owner statistics that shall be used must be sorted by vote strength (grouped by shareholder) and contain the largest registered shareholders in Sweden, i.e. shareholders with an account in their own name with Euroclear Sweden AB or shareholders who have deposited their shares with a nominee who has registered the identity of the shareholder with Euroclear Sweden AB. The Chairperson of the Board shall convene the first meeting and be a member of the Nomination Committee.

The Nomination Committee will prepare and present proposals to the Annual General Meeting for:

- Chairperson at the Annual General Meeting
- the number of Board Members
- Chairperson and other Members on the Company's Board
- Board fees, distributed among the Chairperson, other Members and reimbursement for Committee work,
- election of and remuneration to the auditors
- where applicable, amendment of instructions for the Nomination Committee.

The Nomination Committee will otherwise perform the duties specified in the Swedish Corporate Governance Code that applies at any given time (the Code), which is managed by the Swedish Corporate Governance Board.

Reasoned statement

The Nomination Committee has determined that the composition of the proposed Board, considering the Company's operations, phase of development and conditions in general, is appropriate for the purpose, characterized by diversity and breadth with respect to the expertise, experience and background of the Members. The diversity policy applied by the Nomination Committee is rule 4.1 of the Code. It can be noted that JM has long had an even gender distribution in its Board of Directors, and of the Members proposed to the Annual General Meeting, three are women and four are men (43 percent and 57 percent, respectively). The proposal thus meets the requirements of the Code on an even gender distribution in the Board of Directors.

The Board of Directors has extensive experience and competence, including with regard to relevant sustainability aspects, in JM's significant areas such as project and construction operations, architecture, marketing, brand matters, finance and the most relevant geographic markets. Three of the Board's seven Members have been elected during the past two Annual

General Meetings. Given this, the Nomination Committee has proposed re-election of all Directors.

Information according to article 2.6 of the Code regarding those persons proposed for re-election and new election can be found on JM's website under About JM – Corporate Governance. The information includes:

1. age and main education and work experience,
2. duties at JM and other significant commitments,
3. personal and/or related natural or legal person's holdings of shares and other financial instruments in JM,
4. whether, according to the Nomination Committee, the Board Member is considered to be independent of JM and the Company's senior management, as well as of major shareholders in the Company, and
5. on re-election, the year that the Member was first elected to the Board.

Stockholm, February 22, 2018

Åsa Nisell

Hans Ek

Anders Algotsson

Carina Lundberg Markow

Fredrik Persson