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REPORT BY THE BOARD ON THE REMUNERATION COMMITTEE'S EVALUATION OF REMUNERATION PAYABLE TO SENIOR EXECUTIVES

Since the 2015 AGM the Board has appointed a Remuneration Committee for the purpose of performing the duties incumbent on a remuneration committee under the Swedish Corporate Governance Code. Among other things, the Remuneration Committee is tasked with monitoring and evaluating schemes offering variable remuneration to the Company's management, implementation of the Company's guidelines for remuneration payable to senior executives, and the current remuneration structure and remuneration levels at the Company.

In accordance with Rule 10.3 of the Swedish Corporate Governance Code, the Board hereby presents the following report on the results of the Remuneration Committee's evaluation.

The Remuneration Committee considers that the Company's guidelines for remuneration payable to senior executives, which were adopted at the 2015 AGM, have achieved their purpose, worked well and have been applied correctly. The Committee also considers that the Company's remuneration structure and remuneration levels are balanced and in line with the market, but that there may be reason to evaluate the need for an additional and more long-term incentive structure.

Stockholm, March 2016

Board of Directors

Alimak Group AB (publ)