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

The Board has earlier 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 2017 AGM, have achieved their purpose, worked well and have been applied correctly. The Committee notes that no long term incentive program (LTI) has been implemented although the guidelines included such mandate, since focus has been put on integrating acquired business. The Committee agrees with this prioritization during 2017.

However, the Committee's conclusion of 2017, that the Company's remuneration structures and remuneration levels should be supplemented by a long-term incentive program (LTI), remains. Thus the Board has determined that the guidelines for remuneration payable to senior executives proposed to the 2018 annual general meeting also shall include a mandate to implement a LTI.

Stockholm in April 2018
Alimak Group AB (publ)
The Board of Directors