



Corporate Governance Report

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Alimak Group AB has its headquarters in Stockholm and is the Parent Company of the Alimak Group, with subsidiaries in 20 countries. Alimak has approximately 2,400 employees worldwide and conducts sales to more than 100 countries via its own companies and distributors. Alimak Group is a public limited company with shares listed on Nasdaq Stockholm.

Alimak Group is managed and controlled on the basis of a system of corporate governance comprising a number of principles, policies, guidelines, structures and processes, which are described in this report. Corporate governance is intended to ensure a decision-making process that is effective and creates value, with a clear division of roles and responsibilities among Alimak Group's shareholders, Board of Directors, management and other employees.

Corporate governance is based on external regulations such as the Swedish Companies Act, Nasdaq Stockholm's Rule Book for Issuers, the Swedish Code of Corporate Governance ("the Code") and other relevant laws, regulations and rules. Internal regulations such as

Articles of Association, Code of Conduct, Insider and Communication policies and the Board's procedural rules also apply.

SHAREHOLDERS

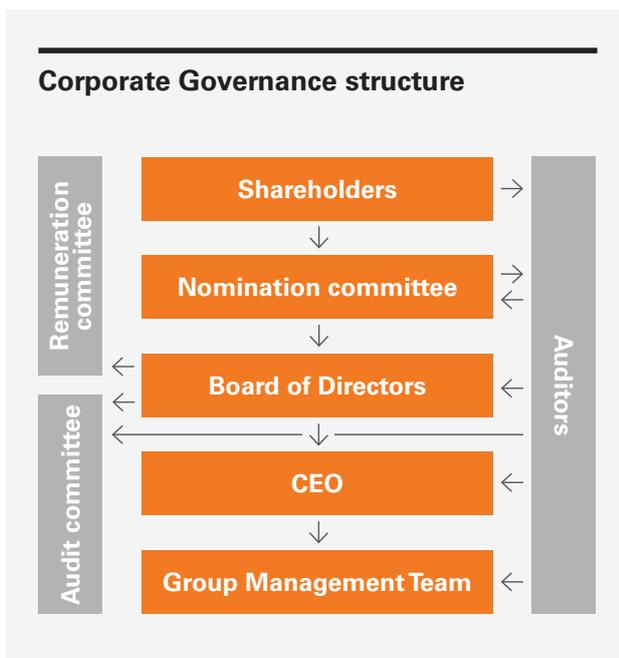
Alimak Group's share capital on December 31, 2018 totalled approximately MSEK 1.1. The number of shares outstanding was 54,157,861. Each share carries the right to one vote at the Company's General Meetings. According to the share register, Alimak Group had 6,091 known shareholders on December 31, 2018. Latour was the largest shareholder, with 29.3 per cent of the share capital. Lannebo Funds was the second largest with 10.0 per cent of the share capital. At year-end, foreign shareholders accounted for approximately 25.4 per cent of the total.

There are no restrictions as to how many votes each shareholder can cast at a General Meeting.

The Board of Directors is not aware of any shareholder agreements, or other agreements, between shareholders in Alimak Group.

ANNUAL GENERAL MEETING

According to the Swedish Companies Act, the General Meeting is the Company's highest decision-making body. In addition to the AGM, extraordinary general meetings may be convened. The Company's AGMs are held in Stockholm, Sweden, before the end of June each calendar year. At the AGM, shareholders exercise their right to vote on key issues such as the adoption of the income statements and balance sheets, appropriation of the Company's earnings, discharge from liability for the members of the Board and the President & CEO, election of Board members and auditors and remuneration to the Board and auditors, as well as



other issues in accordance with the Swedish Companies Act, the Articles of Association and the Code.

During 2018, one General Meeting was held:

Annual General Meeting 2018

The AGM 2018 was held on May 16, 2018 in Stockholm, Sweden and 63.39 per cent of the total number of shares in the Company were represented.

Decisions at the AGM 2018 included:

- adoption of balance sheets and profit and loss accounts, as well as the consolidated profit and loss account and consolidated balance sheet for the financial year 2017.
- adoption of the Board's proposal that a dividend of SEK 2.30 per share would be paid, the record day being Friday, May 18, 2018.
- discharge from liability during the 2017 financial year for the Directors and the CEO.
- re-election of Anders Jonsson, Helena Nordman-Knutson, Joakim Rosengren and Jan Svensson as Directors of the Board, election of Tomas Carlsson and Christina Hallin as new Directors. Election of Jan Svensson as the Chair of the Board.
- re-appointment of the registered audit firm Ernst & Young AB as auditor of the Company.
- adoption of the guidelines for remuneration payable to senior executives, as proposed by the Board.
- adoption of a performance-based stock savings programme for senior executives, LTI 2018.
- a resolution to authorise the Board to, on one or more occasions until the next annual general meeting of 2019, resolve on acquisition and/or transfer of own shares, the later may be resolved on with deviation from the shareholders' preferential rights.

AGM 2019

Alimak Group's AGM 2019 will be held on May 9, 2019. All shareholders who are registered in the share register maintained by Euroclear Sweden AB ("Euroclear") five days prior to the AGM are entitled to participate in the AGM. Such shareholders must have informed the Company of their intention to attend no later than on the date stated in the notice convening the AGM. Further information about the AGM is available at alimakgroup.com.

NOMINATION COMMITTEE

According to the Code, the Company is required to have a Nomination committee tasked with presenting a proposal for a Chair for the AGM. The committee also presents proposals regarding number of Board members, fees to be paid to each of the Board members, election of Board members and Chair of the Board, remuneration to the auditor and election of auditor and, if necessary, proposal for changes in the instruction for the Nomination committee. In 2016, Alimak Group's Annual General Meeting adopted an instruction regarding the appointment of the Nomination committee, applicable until the General Meeting resolves otherwise. Pursuant to this instruction, the Nomination committee shall, prior to the Annual General Meeting, be composed of persons appointed by the four largest shareholders listed in the shareholders' register maintained by Euroclear as of August 31 each year together with the Chair of the Board, who will also convene the first meeting of the Nomination committee. The member appointed by the largest shareholder shall be Chair of the Nomination committee.

Shareholders who wish to present proposals to the Nomination committee prior to the AGM may submit

them to the Chair of the Committee, in accordance with the information on procedure, published on the Company's web page prior to the AGM. The proposals will be assessed by the Nomination committee according to its instruction and the Code. The Nomination committee's decision will be reported in its proposal and reasoned statement prior to the AGM.

The Company's Articles of Association have no Company-specific provisions concerning the appointment and dismissal of Board members or concerning amendment of the Articles of Association.

NOMINATION COMMITTEE PRIOR TO 2019 AGM

As a result of a new large shareholder in Alimak Group, the Nomination committee has decided to adjust the composition of the Nomination committee for the 2019 annual general meeting, as announced in a press release dated November 21, 2018. The Nomination committee therefore comprises members appointed by the five largest shareholders holding the highest percentage of voting rights in Alimak Group, instead of the four members as set out in the instruction regarding the appointment of the Nomination committee.

The Nomination committee during the period prior to the 2019 AGM comprises the following members:

- Anders Mörck, Chair of the Nomination committee (Latour)
- Johan Lannebo (Lannebo Fonder)
- Åsa Nisell (Swedbank Robur Fonder)
- Francisco De Juan (Alantra EQMC Asset Management)
- Michael Green (Handelsbanken Fonder)
- Jan Svensson, Alimak Group's Chair of the Board.

As a basis for its proposal, the Nomination committee has conducted an evaluation of the work of the Board. The Nomination committee has prior to the 2019 AGM held two meetings, interviewed the Board members and had a number of contacts between the meetings. In addition, the Chair of the Board has presented the results of the evaluation of the work carried out by the Board, for the Nomination committee. The requirements for competence, experience and background that should be placed on the Board in Alimak Group have been discussed in detail. Matters of independence have been highlighted and an extra focus has been placed on the question of gender balance. The Nomination committee has applied a diversity policy as set out in section 4.1 of the Swedish Code of Corporate Governance.

BOARD OF DIRECTORS

The tasks of the Board of Directors are regulated first and foremost by the Swedish Companies Act and the Code. The work of the Board of Directors is also regulated by rules of procedure adopted annually by the Board. The rules of procedure for the Board of Directors determine the division of work and responsibilities among the Board members, the President & CEO and the committees. Furthermore, the division of work between the Board and President & CEO is governed by instructions to the President & CEO, which are adopted annually by the Board. The instructions to the President & CEO also include instructions on financial reporting. The duties of the Board of Directors include the establishment of strategies, business plans, budgets, interim reports, year-end accounts and annual reports, as well as the adoption of instructions, policies and guidelines. The Board shall also monitor financial performance and ensure quality in financial reporting and internal controls, and shall assess operations in

Name	Born	Member since	Position	Independence in relation to Group	Independence in relation to major shareholders	Attendance at Board Meetings	Attendance at Audit committee meetings	Attendance at Remuneration committee meetings
Jan Svensson	1956	2017	Chair	Yes	No	8/8	3/5	2/2 (Chair)
Anders Jonsson	1950	2012	Board Member	Yes	Yes	8/8	–	2/2
Helena Nordman-Knutson	1964	2016	Board Member	Yes	Yes	8/8	5/5 (Chair)	–
Joakim Rosengren	1960	2008	Board Member	Yes	Yes	8/8	–	–
Anders Thelin ¹	1950	2015	Board Member	Yes	Yes	3/8	–	1/2
Eva Lindqvist ¹	1958	2015	Board Member	Yes	Yes	3/8	2/5	–
Christina Hallin ²	1960	2018	Board Member	Yes	Yes	5/8	–	–
Tomas Carlsson ²	1965	2018	Board Member	Yes	Yes	5/8	2/5	–
Örjan Fredriksson	1968	2016	Employee representative	–	Yes	8/8	–	–
Greger Larsson	1959	2009	Employee representative	–	Yes	6/8	–	–

¹ Board and Committee member until the AGM 2018. ² Board and Committee member since the AGM 2018.

Fees during the 2018 financial year

(All input in TSEK)

Name	Basic fee	Audit committee	Remuneration committee	Total
Jan Svensson	488	28	70	586
Anders Jonsson	413	–	50	463
Anders Thelin	113	–	19	132
Eva Lindqvist	113	28	–	140
Joakim Rosengren	300	–	–	300
Helena Nordman-Knutson	300	100	–	400
Christina Hallin	188	–	–	188
Tomas Carlsson	188	47	–	234
Örjan Fredriksson	–	–	–	–
Greger Larsson	–	–	–	–
Total	2,100	203	139	2,442

terms of the targets and guidelines established by the Board. Finally, the Board of Directors makes decisions on significant investments and changes to the Group's organisation and operations.

The Chair of the Board is responsible for the Board's work, and for ensuring that it is conducted efficiently and that the Board fulfils its obligations. The Chair shall monitor the Company's performance via regular contacts with the President & CEO. The Chair presides over Board meetings, but the agenda is agreed and the meetings prepared in consultation with the President & CEO. The Chair is also responsible for ensuring that each year the Board evaluates its work and that the Board members receive on an ongoing basis the information they need to perform their work. The Chair represents the Company vis-à-vis its shareholders.

COMPOSITION OF THE BOARD OF DIRECTORS

Alimak Group's Board of Directors is made up of six members elected by the AGM and two employee representatives. No deputies have been appointed for Board members.

At the AGM held on May 16, 2018, Jan Svensson, Anders Jonsson, Joakim Rosengren and Helena Nordman-Knutson were re-elected as Directors of the Board. Tomas Carlsson and Christina Hallin were elected as new Directors of the Board. Jan Svensson was appointed Chair. The employee representatives, Greger Larsson and Örjan Fredriksson, are appointed by the trade union organisations.

Further information about the Board members is provided on pages 50–51.

Independence of the Board of Directors

According to the Code, more than half of the Board members appointed by the AGM must be independent in relation to the Group and the Company's management. At least two of the Board members who are independent in relation to the Company and the Company's management shall also be independent in relation to the Company's major shareholders.

To determine the independence of a Board member, an overall assessment shall in each case be conducted regarding the Board member's relationship to the Company. None of the Company's Board members elected by the AGM are employed by the Company or any other company in the Group. All Board members elected by the AGM are deemed to be independent in relation to the Company and the Company's management. When determining whether a Board member is independent in relation to a major shareholder, the extent of the Board member's direct and indirect relationships with the major shareholder shall be taken into consideration. A Board member is deemed not to be independent in relation to the Company's major shareholders if he or she is employed at, or is a Board member of, a company that is a major shareholder. Five out of six Board members elected by the AGM are independent in relation to the Company's major shareholders. The Company therefore satisfies the Code's requirements regarding the independence of the Board in relation to the Company, the Company's management and the Company's major shareholders.

The table on page 42 provides details of the Board members' year of birth, the year they were first elected to the Board and whether they are deemed independent in relation to the Company, the Company's management and major shareholders as defined in the Code.

The Board's working year 2018

Board Meeting

- Full year results and Q4 report
- Dividend
- Audit memorandum
- Performance and remuneration review of CEO and senior management
- Succession planning
- Review of insurance coverage

Board Meeting

- Adoption of annual report

Board Meeting

- Risk analysis
- Share repurchase programme

Board Meeting

- Review of strategic plan



Board Meeting

- Q1 report
- AGM decisions
- Evaluation of internal audit
- Brand strategy
- Board opinion according to 19:22

Statutory Board Meeting

- Signing authorisation
- Appointment of members of the committees
- Adoption of the procedural rules for the Board
- Adoption of instructions for the CEO, the Audit committee and the Remuneration committee
- Adoption of Code of Conduct and Insider Policy
- Decisions on Board meeting dates for the coming year

Board Meeting

- Q2 report

Board Meeting

- Adoption of budget for 2019
- Evaluation of internal audit
- Evaluation of the Board
- Adoption of financial calendar
- Share repurchase programme

Board meetings also deal with ongoing issues (in addition to the current state of operations), market overviews, investments, divestments, financing, employees, IT systems, updates on the integration, reports from the committee chairmen on the work of the committees, as well as issues regarding the work environment, customer-related issues and reporting of incidents.

WORK OF THE BOARD DURING THE YEAR

The Board of Directors met on eight occasions during 2018. The current Board of Directors was appointed by the AGM held on May 16, 2018 and met on five occasions during the year. In the course of the financial year, the Board not only produced financial reports but also addressed issues regarding strategic policy, budgets, business planning, auditing, investments, incentive programmes, succession planning, environment, health, insurance cover, internal control and safety, as well as issues relating to the acquisition agenda. In 2018, the Board of Directors visited Alimak Group's production and assembly facilities in Mammendorf, Germany.

BOARD COMMITTEES

The primary function of the committees is to prepare matters to be presented to the Board of Directors prior to decision. The duties and instructions for each committee are established annually by the Board of Directors.

Audit committee

According to the applicable rules of procedure for the Board, Alimak Group's Audit committee consists of no less than two members. The Swedish Companies Act stipulates that the members of the audit committee must not be employees of the Group and that at least one member shall be competent in accounting and auditing matters.

The audit committee has two members: Helena Nordman-Knutson (chair) and Tomas Carlsson. The audit committee is a committee within the Board of Directors that deals with issues relating to risk assessment, internal controls, financial reporting and auditing. Its main role is to ensure that the principles for financial

reporting and internal controls are observed and that the Company maintains appropriate relationships with its auditors. The committee shall identify and oversee the management of important auditing issues, and discuss them with the Company's auditors. The Committee shall examine the processes for monitoring the above-mentioned areas and shall form an opinion as to whether the Company is applying the financial reporting regulations consistently and fairly, and in accordance with the relevant rules and practices.

The audit committee shall also form an opinion regarding the risk situation in the Company, assess whether the internal control and governance procedures applied are fit for purpose and effective, and determine whether the Company's risk and risk management reporting in the Annual Report are accurate and adequate. Furthermore, the audit committee shall ensure that the auditor is impartial and independent, and, in consultation with the auditor, plan the annual audit process and ensure that the audit is conducted on that occasion. The audit committee shall also assist in the drawing up of proposals for the AGM on election of the auditor.

Remuneration committee

According to the applicable rules of procedure for the Board, Alimak Group's Remuneration committee shall consist of no less than two members.

The remuneration committee has two members: Jan Svensson (chair) and Anders Jonsson.

The role of the remuneration committee is to prepare issues regarding remuneration and other employment conditions for the President & CEO and the Company's other senior executives. This work involves preparing proposals for guidelines on conditions of employment,

including remuneration, the relationship between earnings and remuneration and the main principles of incentive programmes. It also includes preparing proposals for individual remuneration packages for the President & CEO and other senior executives. In addition, the remuneration committee establishes guidelines on remuneration and incentive programmes for certain senior executives who report directly to the President & CEO, and it decides upon the outcome of these programmes. The remuneration committee is also required to monitor and evaluate the Company's compliance with guidelines on remuneration to senior executives, as adopted by the AGM.

Furthermore, the remuneration committee is responsible for assisting the Board of Directors in its annual review of senior executives, including the President & CEO, and for evaluating the President & CEO's succession planning for senior executives.

REMUNERATION TO THE BOARD

At the AGM on May 16, 2018, it was decided that a fee of SEK 600,000 should be paid to the Chair of the Board and SEK 300,000 to each of the other directors elected at the annual general meeting. In addition, SEK 100,000 should be paid to the chair of the audit committee and SEK 75,000 to other members of the audit committee, SEK 70,000 to the Chair of the Remuneration committee, and SEK 50,000 to other members of the remuneration committee. For further details regarding remuneration to the members of the Board, please refer to Note 7.

EVALUATION OF THE WORK OF THE BOARD OF DIRECTORS

The Board members and the Board's work are evaluated annually in a systematic and structured manner to

ensure quality in the Board's work and to identify any additional requirements in terms of expertise and experience. The Chair of the Board leads the evaluation, which is discussed within the Board and the results are presented to the nomination committee.

EXTERNAL AUDITOR

At the AGM on May 16, 2018, EY (Ernst & Young AB) was appointed as Alimak Group's external auditor for the period up to and including the 2019 AGM. EY appointed Rickard Andersson as principal auditor. The auditor attends at least one Board meeting a year, at which the auditor reports on the audit for the year and discusses it with the Board of Directors, without the presence of the President & CEO and any member of the Company's management. Over the past financial year, EY provided the Group with tax advisory services and other advice, in addition to its audit function. The auditor is paid for his work in accordance with the AGM's decision. In 2018, the total fees paid to the Company's auditor were approximately MSEK 10. For more information, see Note 8.

ORGANISATION AND OPERATIONAL MANAGEMENT

The Alimak Group is organised into four business areas; Construction Equipment, Industrial Equipment, After Sales and Rental. The Business Area Managers, who are responsible for business operations within each area, report directly to the President & CEO of Alimak Group. The respective business areas are organised into functions driving strategic and operational business area initiatives across the global organisation. The Group has also appointed Country Managers for the countries where the Group perform own activities. These are responsible for delivering on the business area strategies and report to members

of the Group Management Team of Alimak Group. For further information about Alimak Group's business areas and operations, visit the Group's website at alimakgroup.com.

PRESIDENT & CEO AND OTHER SENIOR EXECUTIVES

Since January 1, 2018, the Management Team consists of the President & CEO, COO, CFO, CTO and heads of business areas and business units.

The President & CEO reports to the Board of Directors and conducts day-to-day management of the Company in accordance with the Board's guidelines and instructions. The division of work between the Board of Directors and President & CEO is set out in the Board of Directors' instructions to the President & CEO.

The President & CEO is also responsible for producing reports and compiling information ahead of Board meetings, as well as for presenting material at such meetings.

The President & CEO is responsible for financial reporting in the Company and must ensure that the Board receives adequate information to enable it to evaluate the Company's financial position. The President & CEO shall continually monitor, and keep the Board of Directors regularly informed about, developments in the Company's business, sales performance, results and financial position, liquidity, key business events and all other events, circumstances or conditions that may be considered to be of relevance.

The President & CEO and other senior executives are presented on pages 52–53.

GUIDELINES ON REMUNERATION TO SENIOR EXECUTIVES

Under the Swedish Companies Act, the Board of Directors is required to present to the AGM proposals for guidelines on remuneration to the President & CEO and other senior executives. Issues regarding remuneration to the President & CEO shall be prepared by the remuneration committee and decided by the Board of Directors.

Issues regarding remuneration to other senior executives shall, following recommendations by the CEO, be prepared and decided by the remuneration committee. For further information on proposals for guidelines on remuneration to senior executives and remuneration paid in 2018, see Note 7 to the Financial Statements.

INSIDER TRADING AND INFORMATION POLICY

The Company has produced policy documents and e-learning training courses, with the aim of informing employees and other parties concerned within Alimak Group about the rules and regulations regarding the Company's information provision and the specific requirements that apply to persons operating within a listed company, for example regarding price-sensitive information. In this context, the Company has also developed procedures for handling the distribution of information that has not been made public. These procedures are in line with the Market Abuse Regulation Act (MAR).

INTERNAL CONTROLS ON FINANCIAL REPORTING

Alimak Group operates a risk management programme that is an integral part of the Company's operational and strategic governance. Operations are based on a governance framework consisting of a Code of Conduct, policies and guidelines that regulate how Alimak Group

is managed. The Board of Directors and the President & CEO are ultimately responsible for ensuring that internal controls are developed, communicated to and understood by those Company employees who are responsible for the individual control procedures, and for ensuring that the control procedures are monitored, implemented, updated and maintained. Managers at each level are responsible for ensuring that internal controls are established within their own areas of activity, and that these controls fulfil their purpose.

At Group level, the President & CEO, the COO and the Group's CFO, together with the Country Managers, are responsible for ensuring that the necessary controls are in place and are followed up. Internal controls include control over the Group and the organisation, procedures and follow-up measures. The aim is to guarantee reliable and accurate financial reporting – to ensure that the Company's and Group's financial reporting is drawn up in compliance with the law, relevant accounting standards and other requirements.

The internal control system is also intended to monitor compliance with the Group's policies, principles and instructions. Furthermore, the system ensures protection of the Company's assets, and that the Company's resources are utilised in a cost-efficient and appropriate manner. Internal control is also exercised via follow up of the information and business systems implemented, as well as via risk analysis.

In order to further develop and strengthen the internal control the Board of Directors have implemented a "SAFE methodology" for the Group.

The SAFE methodology can be described as a way to:

- Safeguard the reporting and the Company assets
- Assist the subsidiaries to be firm, fair and friendly in their roles and help them to make their processes as efficient as possible
- Fix issues or see to it that outstanding issues from last year's audit will be fixed within the current calendar year, as well as fixing reporting problems in the subsidiaries
- Ensure that group guidelines are regarded as internal rules and will be followed

The SAFE methodology will be used for internal control purposes for all of the Group Companies.

The Board of Directors has concluded that Alimak Group at present has no need to add a separate internal control function to the organisation, over and above current processes and functions for internal control. Follow up is exercised by the Board of Directors and the Company's management, and the level of control is deemed to meet the Company's needs. An annual assessment will be made to determine whether a separate internal control function is necessary to maintain good internal control.

MONITORING OF CODE OF CONDUCT COMPLIANCE

Alimak Group's approach to sustainability is based on the risks and opportunities identified within the area of sustainability, including follow up of compliance with the Group's Code of Conduct, which is based on the ten principles enshrined in the UN Global Compact regarding social responsibility, the environment and business ethics. The Board of Directors adopts the Group's policies, including the Code, and the Company's management establishes sustainability targets and indicators.

The Code is communicated regularly via information to and training for the Company's employees.

Responsibility for implementing and monitoring compliance with the Code is incumbent upon the President & CEO and other members of the Company's management. Responsibility for practical implementation of the Code during the year was delegated to the Group's purchasing, production and sales and service organisations, and is followed up annually by the Company's management and reported back to the Board. For more information about Alimak Group's sustainability work, see pages 26–36.

Board of Directors, Stockholm, April 9, 2019

More information on Alimak Group's corporate governance work can be found in the section on corporate governance at alimakgroup.com. The next four pages contain information about the Board members and Management Team.

Major external regulations

- Swedish Companies Act
- Rules for issuers at Nasdaq Stockholm
- Swedish Code of Corporate Governance
- IFRS standards
- UN Global Compact
- EU's accounting regulation

Important internal regulations

- Articles of Association
- Board of Director's Rules of Procedures
- Policy regarding the composition of the Board, signers for the Company, authorisation
- Rules of procedure in the subsidiary boards
- Policies for communication, insider information, sustainability, Code of Conduct and Crisis Management
- Manuals and guidelines for important parts of the business
- Processes for internal control and risk management

Board of Directors



JAN SVENSSON

Chair of the Board since 2018 and Board member since 2017. Independent of the Company, not independent as a major owner (Latour)

Born: 1956
CEO, Investment AB Latour

Education: Mechanical engineer and Bachelor of Science (Econ.) Stockholm School of Economics

Current Board duties: Chair of the Board AB Fagerhult, Nederman Holding AB, Tomra Systems ASA, Oxeon AB and Troax Group AB. Member of the Boards of Assa Abloy AB and Loomis AB

Former positions, selection: CEO, Stenbergs

Committee work: Chair of the Remuneration committee

Shareholding, own and via closely related persons*: 11,000



ANDERS JONSSON

Board member since 2012. Independent of the Company and major shareholders

Born: 1950
Industrial Adviser to Triton Private Equity

Education: MSc, Linköping Institute of Technology. Stockholm School of Economics Executive Leadership Programme

Current Board duties: Vice Chair of the Board, Swedish Swiss Chamber of Commerce, Zürich

Former positions, selection: Member of ABB Group Executive Committee, Zürich

Committee work: Member of the Remuneration committee

Shareholding, own and via closely related persons*: 758,096



HELENA NORDMAN-KNUTSON

Board member since 2016. Independent of the Company and major shareholders

Born: 1964
Executive Director, Hallvarsson & Halvarsson

Education: MSc in Political Science, Helsinki University. MSc in Economics, Hanken School of Economics, Helsinki

Current Board duties: Board member, Exel Composites, Lexington Company, IAR Systems, Catella Fonder

Former positions, selection: Financial Analyst, Enskilda Securities, Orkla Securities and Öhman Fondkommission

Committee work: Chair of the Audit committee

Shareholding, own and via closely related persons*: 100



JOAKIM ROSENGREN

Board member since 2008. Independent of the Company and major shareholders

Born: 1960
Chief Executive Officer and President, DeLaval International AB

Education: MSc in Economics and Business, Stockholm School of Economics

Current Board duties: Board member, DeLaval International AB, DeLaval Holding AB, DeLaval Hamra Gård, Stena Metall and Södertörn University

Former positions, selection: President Tetra Pak Nordic and Tetra Pak Packaging Material. Various positions in the Tetra Pak Group

Shareholding, own and via closely related persons*: 176,797



CHRISTINA HALLIN

Board member since 2018.
Independent of the Company and major shareholders

Born: 1960

Vice President Market India of Volvo Trucks

Education: MSc in Engineering Chalmers University of Technology

Current Board duties: Board member of SEM (Swedish Electromagnet)

Former positions, selection: Senior Vice President of Dong Feng Commercial Vehicles, various management positions within Volvo Group

Shareholding, own and via closely related persons*: 160



TOMAS CARLSSON

Board member since 2018.
Independent of the Company and major shareholders

Born: 1965

President & CEO, NCC
Education: MSc in Engineering Chalmers University of Technology, Executive MBA from London Business School and Columbia Business School

Current Board duties: -
Former positions, selection: Head of Business Area Construction Sweden, NCC, President & CEO, Sweco

Committee work: Member of the Audit committee

Shareholding, own and via closely related persons*: 4,000



ÖRJAN FREDRIKSSON

Board member since 2016.
Employee representative

Born: 1968

Appointed by: The trade union IF Metall

Shareholding, own and via closely related persons*: 0



GREGER LARSSON

Board member since 2009.
Employee representative

Born: 1959

Appointed by: PTK (the Swedish Confederation of Professional Employees)

Shareholding, own and via closely related persons*: 0

* Shareholding per December 31, 2018.

Management Team



TORMOD GUNLEIKSRUD

President & CEO since 2012
Born: 1960
Education: Engineer, Sofienberg Technical School, Oslo
Former positions, selection: Head of Operational Excellence Robotics Business Unit, ABB Switzerland; Regional Divisional Manager, Northeast Asia and China; senior positions at ABB Robotics since 1984
Shareholding, own and via closely related persons*: 464,000



TOBIAS LINDQUIST

Chief Financial Officer since 2018
Born: 1969
Education: BA in Accounting, Finance and Economics, Stockholm University and Middlesex University
Former positions, selection: Chief Financial Officer Asia, EF Education First (China), Chief Financial Officer, 3IC Inc (South Korea), Business Unit Controller, Ericsson (Sweden)
Shareholding, own and via closely related persons*: 0



STEFAN RINALDO

Chief Operational Officer since 2016 and with the Group since 2007
Born: 1963
Education: BA in Economics and Business, Karlstad University
Former positions, selection: CFO Alimak Group; Senior Vice President, Business Development & Oper.Control, Alimak Hek Group; Executive Vice President, Global Operations & Customer Service HVDC, ABB Power Systems
Shareholding, own and via closely related persons*: 304,850



CHARLOTTE BROGREN

Chief Technology Officer since 2017
Born: 1963
Education: PhD in Chemical Engineering, University of Lund
Former positions, selection: Director-General Vinnova, The Swedish Governmental Agency for Innovation Systems, Technology Manager, ABB's Robotics Division, various management positions within ABB's research & development department
Shareholding, own and via closely related persons*: 1,000

* Shareholding per December 31, 2018.



HENRIK TEIWIK

Head of Business area Construction Equipment and Business area Rental since 2015 and with the Group since 2013

Born: 1980

Education: MSc in Economics and Business, Stockholm School of Economics

Former positions, selection: Associate Principal, McKinsey & Company, specialising in Corporate Finance & Strategy

Shareholding, own and via closely related persons*: 40,980



FREDRIK BETTS

Head of Business units General Industry and Oil & Gas within Industrial Equipment since 2018 and with the Group since 2014

Born: 1975

Education: BA in Business Admin, Thames Valley University, London

Former positions, selection: Head of Business Area Construction Equipment in Alimak Group, Member of management group, ABB Robotics Service; Regional Sales Manager, ABB Robotics Southeast Asia, ABB Malaysia

Shareholding, own and via closely related persons*: 12,525



MARK CASEY

Head of Business unit BMU within Industrial Equipment since 2018 and with the Group since 2006

Born: 1963

Education: MBA Curtin University, Western Australia

Former positions, selection: Regional General Manager ROW CoxGomyl, CEO CoxGomyl, Regional Sales Director Asia Festo, Managing Director Festo SE Asia

Shareholding, own and via closely related persons*: 1,000



JOSÉ MARIA NEVOT

Head of Business unit Wind within Industrial Equipment since 2018 and with the Group since 2009

Born: 1969

Education: MSc in Mechanical Engineering, University of Zaragoza and MBA, Chamber of Commerce Zaragoza

Former positions, selection: CSO, Avanti Wind Systems, General Manager AWS S.L., General Manager Oerlikon AB

Shareholding, own and via closely related persons*: 1,000



PATRIK SUNDQVIST

Interim of Head of Business area After Sales since 2019 and with the Group since 2008

Born: 1975

Education: Service management, Handelshögskolan i Umeå, Umeå

Former positions, selection: General Manager After Sales, Alimak Hek AB, Skellefteå; Business Area Head and Product Manager, Franke Futurum, Skellefteå

Shareholding, own and via closely related persons*: 0

The Share

Alimak Group shares were listed in June 2015 and are traded on the Mid Cap list of Nasdaq Stockholm. The Group's market capitalisation at year end was SEK 6.0 billion.

SHARE PRICE AND TRADING

The share's EPIC is ALIG and its ISIN code is SE0007158910. A trading lot is one share. During 2018, a total of 25,754,159 shares were traded for an amount of MSEK 3,318 on Nasdaq Stockholm. The average number of shares traded per trading day was 103,017 and the average number of trades 524 per trading day.

The closing price at year-end 2018 was SEK 110.00, representing a market capitalisation of approximately SEK 6.0 billion. The highest share price, SEK 148.00, was recorded on August 8 and the lowest, SEK 106.60, on October 24. The average price for the year was SEK 128.85.

SHARE CAPITAL

At year-end, Alimak Group's share capital totalled MSEK 1.1, represented by 54,157,861 shares. All shares carry the same voting entitlement and an equal share in the Group's profits and capital.

OWNERSHIP STRUCTURE

At year-end, Alimak Group had 6,091 known shareholders. The largest shareholder was Latour, with

29.3 per cent. The ten largest shareholders represented around 69 per cent of the total number of shares outstanding. At year-end, Swedish ownership accounted for approximately 75 per cent of the total. There are no restrictions on voting rights or authorisation to the Board of Directors. At year-end, Alimak Group held 0.2 per cent of all its issued shares in treasury. The Board of Directors may acquire additional treasury shares pursuant to an authorisation from the annual general meeting 2018. The Board may not vote for any shares that Alimak Group has acquired, nor shall any dividend be paid to these shares.

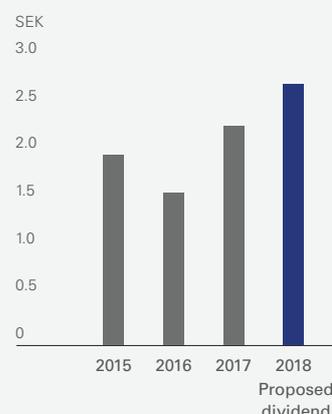
DIVIDEND

Alimak Group has a target of paying a dividend of approximately 50 per cent of its net profit for the current period to its shareholders. However, decisions on dividends shall take account of the Group's financial position, cash flow, acquisition opportunities, strategic considerations and future prospects. The Board of Directors' dividend proposal, subject to approval by the 2019 Annual General Meeting, is SEK 2.75 per share.

The Alimak Group and share turnover since listing



Dividend



Largest shareholders 31/12/2018

Shareholder	Number of shares	Capital, %	Votes, %
Latour	15,846,809	29.3	29.3
Lannebo Funds	5,441,013	10.0	10.0
Swedbank Robur Funds	3,874,268	7.2	7.2
Peder Pråhl	2,902,543	5.4	5.4
Alantra EQMC Asset Management SGIIIC	2,710,400	5.0	5.0
Handelsbanken Funds	2,378,049	4.4	4.4
BMO Global Asset Management	1,487,416	2.7	2.7
Enter Funds	1,170,305	2.2	2.2
Länsförsäkringar Funds	837,221	1.5	1.5
C WorldWide Asset Management	795,859	1.5	1.5
Total shareholding – 10 largest	37,443,883	69.1	69.1
Other shareholders	16,713,978	30.9	30.9
Total number of shares	54,157,861	100.0	100.0

Share distribution

Holdings	Number of shares	Capital, %	Votes, %	Number of shareholders
1 – 100	116,675	0.22	0.22	3,540
101 – 200	105,042	0.19	0.19	672
201 – 500	257,434	0.48	0.48	735
501 – 1,000	415,332	0.77	0.77	510
1,001 – 2,000	430,501	0.79	0.79	281
2,001 – 5,000	579,386	1.07	1.07	171
5,001 – 10,000	523,559	0.97	0.97	71
10,001 – 20,000	442,571	0.82	0.82	31
20,001 – 50,000	891,463	1.65	1.65	25
50,001 –	50,395,898	93.05	93.05	55
Total, 31 December 2018	54,157,861	100.00	100.00	6,091

Shareholders per geographical region

Country	Number of shareholders	Number of shares	Capital, %	Votes, %
Sweden	5,892	40,415,211	74.6	74.6
United States	33	4,831,911	8.9	8.9
Spain	8	3,448,067	6.4	6.4
United Kingdom	9	1,224,102	2.3	2.3
Denmark	23	1,035,202	1.9	1.9
Others	126	2,080,988	3.8	3.8
Anonymous ownership		1,122,380	2.1	2.1
Total, 31 December 2018	6,091	54,157,861	100.0	100.0

Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

Auditor's report on the corporate governance statement

To the general meeting of the shareholders of Alimak Group AB (publ),
corporate identity number 556714-1857.

ENGAGEMENT AND RESPONSIBILITY

It is the Board of Directors who is responsible for the corporate governance statement for the year 2018 on pages 38–55 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance

with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

OPINIONS

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm April 9, 2019
Ernst & Young AB

Rickard Andersson
Authorized Public Accountant