

THE BOARD'S PROPOSAL FOR GUIDELINES FOR REMUNERATION OF SENIOR EXECUTIVES

The Board recommends that the Annual General Meeting adopt the following guidelines for remuneration of senior executives. The guidelines have been developed in line with new EU rules on shareholders' rights, which have been implemented through amendments to the Swedish Companies Act and the Swedish Corporate Governance Code. The guidelines apply until new guidelines are adopted by the general meeting and are valid for a maximum of four years.

Scope

The guidelines below include the Board of Directors (as applicable), the CEO and other members of the Group management, hereinafter referred to as senior executives. The guidelines are applicable to remuneration under new agreements, and amendments to remuneration already agreed, after adoption of the new guidelines by the AGM. The guidelines do not apply to remuneration decided on by the general meeting.

The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

SkiStar's vision is to create memorable mountain experiences as the leading operator of European alpine destinations. As a listed company, SkiStar aims to create value for the Company's shareholders and promote long-term sustainability in all operations.

Further information about SkiStar's strategy, long-term interests including financial and operational targets, as well as sustainability work, see www.skistar.com/sv/corporate and the annual report, which is available on the said website no later than three weeks before the AGM.

Successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, are contingent on the Company having qualified employees. SkiStar must therefore be able to offer competitive compensation. The Company's remuneration structure in accordance with these guidelines shall

- contribute to a consensus between senior executives and shareholders in terms of the long-term perspective of the operations, including promotion of the Company's business strategy, long-term interest and sustainability,
- ensure that senior executives receive remuneration that is on market conditions and competitive, enabling the company to recruit, motivate and retain competent employees,
- require senior executives' compliance with the Company's code of conduct, policies and directives, and
- offer a salary based on the Company's financial targets and senior executives' individual responsibility, competence, performance, duties, experience and position.

Variable remuneration covered by these guidelines shall aim to promote the Company's business strategy and long-term interests, including sustainability.

Remuneration and forms of remuneration

The total compensation for senior executives shall be reviewed regularly, and at least annually, to ensure that it is market-based. To create well-balanced total compensation that strengthens both short and long-term performance management and target achievement, remuneration may include the following components: fixed cash salary, variable remuneration/bonuses including undertaking to acquire shares, pension benefits and other benefits.

Fixed cash salary

Senior executives shall be offered a fixed cash salary that is individualised and market-based in relation to responsibility, competence, performance and regional salary level. The fixed salary shall be determined annually, to apply for the period September to August.

Variable remuneration/bonus including undertaking to acquire shares

Senior executives may receive variable cash remuneration/bonuses, based on the current bonus programme for SkiStar's senior executives as decided by the Board for each financial year. Bonuses shall be related to measurable criteria defined by the Board with regard to the Company's performance on earnings per share, return on equity, operating margin and organic growth, measured for each financial year. If the Board considers that the business strategy and the Company's long-term interests, including sustainability, would be better promoted if the criteria were supplemented or changed, these guidelines allow such changes to be made.

The CEO's bonus may amount to a maximum of 60% of 3 x the current monthly salary x 12. However, the bonus may not exceed 60% of the current monthly salary x 12. Other senior executives' bonuses may amount to a maximum of 60% of the current monthly salary x 12.

The level of fulfilment of the criteria for awarding variable cash remuneration shall be determined at the end of the measurement period. The Remuneration Committee is responsible for the CEO's variable cash remuneration assessment. The CEO is responsible for other senior executives' variable cash remuneration assessment. Assessment of financial targets shall be based on the most recent financial report published by the Company. Variable remuneration is paid in October of the year after it was earned.

Under an agreement with the Company, senior executives who receive bonuses shall undertake to acquire shares in the Company for long-term ownership (a period of at least three years), investing at least 1/3 of their post-tax bonuses. The purpose is to create involvement and engagement by offering senior executives the opportunity to become shareholders in a structured way. Through the criteria that determine the outcome as described above, incentives are created for senior executives to contribute to realisation of the Company's business strategy and safeguarding of the Company's long-term interests, including sustainability, and therefore to long-term value creation.

If a senior executive contravenes the above conditions by, for example, prematurely selling shares acquired under the conditions, the senior executive shall, in accordance with the agreement with the

Company, be required to repay the full amount (including income tax but not social security contributions) paid for the shares acquired.

Pension benefits

Senior executives are entitled to pension arrangements under collective agreements and agreements with SkiStar. All pension obligations are defined-contribution plans. For the CEO, the Company pays pension contributions corresponding to 30 percent of the pensionable salary. For other senior executives, pension payments are made according to the standard ITP plan. Salary waivers can be used for increased pension provisions through one-time pension premium payments under salary and bonus sacrifice arrangements. The retirement age for senior executives who are Swedish citizens is 65. For others, it is as specified in their own country's pension rules.

Car benefits

Senior executives may be offered car benefits.

Other benefits

Senior executives may be entitled to health insurance as well as the benefits available to other SkiStar employees. The total value of the benefits may not exceed five percent of a senior executive's fixed cash salary.

In addition, the CEO may be entitled to private travel between home and work (including air travel), tax return assistance and supplementary health insurance in addition to the collectively agreed health insurance.

Other

Employment conditions for senior executives who are subject to rules other than Swedish rules on pension and other benefits may be duly adjusted to ensure compliance with mandatory rules or established local practice, taking into account the overall purpose of these guidelines as far as possible.

Period of notice and termination benefits

The maximum period of notice is 24 months for termination of employment initiated by SkiStar and six months for termination by the senior executive. Termination benefits shall only be paid when termination of employment is initiated by the Company. Termination benefits shall only be paid up to the date on which the individual in question obtains other employment. Termination benefits are calculated on the fixed cash salary and are not pensionable.

Decision-making process to determine, review and implement the guidelines

The Board's Remuneration Committee is responsible for annually reviewing the need to revise the guidelines prior to the Board's proposal to the AGM (if applicable) for adoption. The Board shall prepare a proposal for new guidelines at least every fourth year and present it to the AGM for resolution. The guidelines shall be valid until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programmes for variable remuneration for senior executives, the application of guidelines for remuneration of senior executives and applicable remuneration structures and remuneration levels in the Company. The Board makes decisions on the

salary and other terms of employment for the CEO on the basis of proposals from the Remuneration Committee. The CEO makes decisions on the salary and other terms of employment for other senior executives and consults with the Remuneration Committee on this matter. The CEO and other senior executives are not present when the Board and the Remuneration Committee consider and make decisions on remuneration-related matters in so far as they are affected by these matters.

Derogation from the guidelines

The Board may, following a proposal from the Remuneration Committee, decide to make a temporary derogation from the guidelines, in whole or in part, if there are particular reasons to do so in an individual case and provided such derogation is necessary in order to serve the Company's long-term interests, including sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee's tasks include preparation of the Board's decisions in remuneration-related matters. This includes to deviate from the guidelines. Such deviations must be reported and justified in the subsequent compensation report.

Salary and terms of employment for other employees

In preparing the Board's proposal for these remuneration guidelines, the salaries and terms of employment for the Company's employees have been taken into account by including information about the employees' total remuneration, the components of the remuneration and the remuneration increase and rate of increase over time in the Board's decision support material for evaluating the reasonableness of the guidelines and limitations set out herein. The remuneration report on paid and outstanding remuneration covered by the guidelines will include a report on the development of the gap between Company management's remuneration and other employees' remuneration.

Changes from previous guidelines

The Board's proposal for guidelines for remuneration of senior executives prior to the 2020 AGM is mainly in accordance with the guidelines decided at the 2019 AGM, but the proposed new guidelines are more detailed than previously, due to changed rules in the Swedish Companies Act and the Swedish Corporate Governance Code.

More information

On the date of submission of these proposed remuneration guidelines for senior executives, SkiStar did not have any remuneration commitments not due for payment other than ongoing commitments to senior executives in accordance with the remuneration principles adopted at the 2019 AGM. Further information about remuneration at SkiStar, see the annual report, which is available at www.skistar.com/sv/corporate no later than three weeks before the AGM.

Sälen in November 2020
the Board of Directors of SkiStar AB (publ)