

## **The Board of Directors for SkiStar AB's report regarding the result of the evaluation of remuneration, according to Point 10.3 of the Swedish Corporate Governance Code**

The Board of Directors of SkiStar AB (publ), referred to as the Company below, has a Remuneration Committee<sup>1</sup>. The Remuneration Committee has reviewed the remuneration paid by the Company, as well as the remuneration guidelines, and has carried out the valuation stated below, the result of which has been reported to the Board.

### **Objectives for the Company's remuneration**

The Company's fundamental principles for the remuneration structure for 2016/17 were to:

- ensure that there is a consensus between the employees and the shareholders in terms of the long-term perspective on the operations,
- ensure that the employees receive market-based, strongly competitive remuneration, enabling the Company to recruit and keep employees, and to
- offer a salary based on the employees' performance, work assignments, competence, experience and position.

### **Variable remuneration to Company management**

Information regarding variable remuneration to Company management<sup>2</sup>, can be found in the Company's annual report. The annual variable remuneration is intended to encourage and reward performances which have a positive impact on the Company's financial results. The Board is of the opinion that the program for variable remuneration to Company management functions as intended.

### **Share-related and share price-related incentive program**

There are no share-related and share price-related incentive programs today.

### **Guidelines for remuneration to senior executives**

The applicable guidelines for remuneration to senior executives can be found in the Company's annual report. The guidelines are intended to provide the board with the possibility to formulate the remuneration payable to the Company's senior executives in accordance with the Company's stated objectives for remuneration. The Board is of the opinion that the guidelines are well-formulated. The guidelines adopted by the annual general meeting 2016 have been followed, with the exception that the board of directors, in connection with the review of the remuneration to the CEO, decided to change the distribution between salary and retirement provision for the CEO. The change entails a separate deviation from the guidelines adopted by the annual general meeting in such a way that the Company's payment of pension contributions for the CEO was changed from 30 % to 35 % of the pensionable salary. The change was made in order to ensure that remuneration to the CEO is in line with market standard.

### **Remuneration structures and remuneration levels**

The Board of Directors' assessment is that the remuneration structures and remuneration levels in the Company are well-suited to fulfill the Company's objectives for remuneration as stated above.

Sälen, November 2016

*The Board of Directors*

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<sup>1</sup> The Remuneration Committee consists of Erik Paulsson, Per-Uno Sandberg and Pär Nuder, with Erik Paulsson as Chairman.

<sup>2</sup> In this context, Company management refers to the CEO for whom the Company reports salaries and other remuneration separately, in accordance with Chapter 5, Point 20 of the Annual Accounts Act (1995:1554).