

The Board's report regarding the result of the evaluation of compensation to company management in accordance with 10.3 of the Swedish Corporate Governance Code

The board of directors of SkiStar AB (publ) has a remuneration committee, which has consisted of Pär Nuder, Fredrik Paulsson and Per-Uno Sandberg, with Pär Nuder as chairman, during the financial year 2017/18. The remuneration committee has reviewed the remuneration paid by the Company, as well as the remuneration guidelines, and has carried out the evaluation stated below. The result of the evaluation has been reported to, and approved by, the board of directors.

Objectives for the company's remuneration

The company's fundamental principles for the remuneration structure for 2017/18 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, 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. As appears from the annual report, the company reports salaries and other remuneration for the CEO separately in accordance with Chapter 5, Point 20 of the Annual Accounts Act (1995:1554).

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 designate the remuneration to the company management 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 2017 have been complied with.

Share-related and share price-related incentive program

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

Although the variable remuneration system has worked satisfactorily, there are still reasons to develop it. As stated in the board's proposal for guidelines for compensation to company management, a share-related part should be included in the bonus system. Such incentives are common in many other companies and the board is of the opinion that it is good for the company if the company management get a share of the company's value development.

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 in November 2018

The Board of Directors of SkiStar AB (publ)