

Board of Director's report on remuneration committee's assessment of remuneration to senior executives, in accordance with section 10.3 of the Swedish Code of Corporate Governance

Systemair AB's Board of Directors has established a remuneration committee that fulfils the functions that fall within the remit of a remuneration committee under the Swedish Code of Corporate Governance. According to the Code, the committee's tasks include monitoring and assessing programmes of variable remuneration to the company management, application of guidelines, approved by the AGM, for remuneration to senior executives, as well as current structures and levels of remuneration. In accordance with section 10.3 of the Code, the Board presents the following report.

Application of guidelines for remuneration to senior executives as well as current structures and levels of remuneration at the Company

In its 2012/13 assessment and report to the Board of Directors, the remuneration committee concluded that the existing structures of remuneration comply with the guidelines adopted by the AGM. Furthermore, they accord with the overarching principles that according to the Code shall apply to the design of remuneration and remuneration structures to senior executives, i.e. to secure the Company's supply of executives with the expertise needed by the Company, at levels of cost within the Company's means.

Variable pay for company management

The Group's management team comprises a total of eight persons including the Chief Executive Officer. The maximum amount allowed for variable remuneration to each individual in this category is two months' salary. The amount is based primarily on improved performance within the individual's responsibilities, the Group's results and individual development plans.

On the basis of the results for the 2012/13 financial year, variable remuneration in a total amount of SEK 670,000 was paid to five members of the Group's management team.

In the Board of Directors' view, the existing system of variable remuneration is operating effectively and the results of the remuneration amounts paid are reasonable and well in line with the growth in the Company's operations and results. The system of annual reviews of the criteria for payment of variable remuneration also involves continuous follow-up and adaptation of the variable remuneration, which enables the Board from year to year to link the level of variable remuneration to factors that promote long-term value creation by the Company.

Skinnskatteberg, July 2013

Board of Directors