



Evaluation of remuneration to Group management in B&B TOOLS 2015/2016

1 Introduction

On 1 February 2010, a new revised Swedish Code of Corporate Governance ("the Code") came into effect. The background to the changes in the Code with respect to remuneration were a direct adjustment to new EU recommendations ("2009/3177/EG").

Remuneration to Group management in the B&B TOOLS Group is established based on the guidelines determined by the Annual General Meeting.

The guidelines are available in their entirety in B&B TOOLS' 2015/2016 Annual Report. The guidelines state that the Company's ability to recruit, provide long-term motivation for and retain competent employees who create long and short-term shareholder value is crucial to the Board of Directors. To achieve this goal, it is important to offer competitive terms. The Company's remuneration levels and remuneration structures for members of Group management are to be in line with market conditions.

In accordance with the guidelines, the total remuneration package should comprise a balanced combination of fixed salary, variable salary, long-term incentive programmes, pension benefits and other benefits. Variable salary and long-term incentive programmes should primarily be linked to the Group's earnings and value performance.

2 Evaluation

The Compensation Committee has requested that the remuneration for the 2015/2016 financial year be evaluated in view of section 9.1 of the Code.

The conclusion of this evaluation is that, based on the information available, there are no indications that the existing remuneration levels and remuneration structures for Group management deviate from the guidelines determined by the Annual General Meeting.

Stockholm, June 2016

The Board of Directors
B&B TOOLS AB (publ)