

The board of directors' report of the compensation committee's evaluation of remuneration to members of management

During the foregoing year, Magnus Johansson (chairman), Jörgen Durban and Annika Sten Pärson have been members of the compensation committee. The compensation committee's responsibilities include preparing board decisions on matters concerning principles for remuneration, remuneration and other terms of employment for the executive management, monitoring and evaluating variable remuneration programmes for members of management, the application of the company's guidelines for remuneration to members of management and current remuneration structures and levels within the company. The board of directors hereby presents the following report of the compensation committee's evaluation, in accordance with rule 10.3 of the Swedish Corporate Governance Code.

The compensation committee believes that the company's guidelines for remuneration to members of management, approved by the annual general meeting 2017, have generally fulfilled their purposes and worked well. Further, the compensation committee has found that the remuneration to members of management has been paid in accordance with these guidelines.

As for the company's variable remuneration system, the compensation committee has found the following. The annual general meeting has during several years approved a yearly recurring long term incentive program. However, the board of directors did not present a proposal to the annual general meeting 2017 to adopt a long term incentive program because of the takeover situation the company was subject to at that time. In order to foster a long-term perspective in the decision-making and to ensure long-term achievement of goals, the compensation committee has concluded that a long term incentive program for members of management should be introduced again. The compensation committee has evaluated different types of long term incentive programs and has found that it would be appropriate based on, among other things, the company's business, stage of development and organisation, to implement a cash based – and not a share or share price related – incentive program according to which the performance criterion will be based on the return of capital employed over a period of not less than three years. The remuneration to participants, assuming the target is satisfied, shall not exceed 50 per cent of the participant's fixed annual salary.

On the basis of the result of the compensation committee's evaluation, the board of directors has proposed that the guidelines for remuneration to members of management should enable implementation of such program. If the board of directors' proposal for guidelines for remuneration to members of management is approved, the board of

directors' intention is to implement a long term incentive program in accordance with the above-stated structure. The program can be yearly recurring.

Landskrona in April 2018
Haldex Aktiebolag (publ)
The board of directors

THIS DOCUMENT IS AN UNOFFICIAL TRANSLATION OF THE SWEDISH VERSION. IN THE EVENT OF ANY DISCREPANCIES BETWEEN THE VERSIONS, THE SWEDISH SHALL PREVAIL