

**ALAMO GROUP INC.
POLICY REGARDING DIRECTOR CANDIDATES RECOMMENDED BY
SHAREHOLDERS**

The Board's Nominating/Corporate Governance Committee (the "Committee") identifies and evaluates director candidates. In identifying and recommending nominees for positions on the Board, the Committee places primary emphasis on (i) judgment, character, expertise, skills and knowledge useful to the oversight of our business; (ii) diversity of viewpoints, backgrounds, experiences and other demographics; (iii) business or other relevant experience; and (iv) the extent to which the interplay of the nominee's expertise, skills, knowledge and experience with that of other members of the Board will build a board that is active, collegial and responsive to the needs of Alamo Group Inc. ("Alamo").

The Committee accepts shareholder recommendations of director candidates and evaluates such candidates in the same manner as other candidates. Upon identifying a director candidate, the Committee initially determines the need for additional or replacement Board members and evaluates the director candidate under the criteria described above based on the information the Committee receives with the recommendation or otherwise possesses, which may be supplemented by certain inquiries. If the Committee determines, in consultation with other Board members, including the Chairman, that a more comprehensive evaluation is warranted, the Committee may then obtain additional information about the director candidate's background and experience, including by means of interviews. The Committee will then evaluate the director candidate further, again using the evaluation criteria described above. The Committee receives input on such director candidates from other directors, including the Chairman, and recommends director candidates to the full Board for nomination. The Committee may engage a third party to assist in the search for director candidates or to assist in gathering information regarding a director candidate's background and experience. If the Committee engages a third party, the Committee approves the fee that Alamo pays for these services.

Alamo shareholders who wish to recommend a candidate for the Committee's consideration must submit the recommendation in writing to the Committee in accordance with the *Board's Policy Regarding Shareholder Communication with the Board of Directors*. The recommendation must demonstrate that it is being submitted by a current Alamo shareholder and must include information about the candidate, including name, age, business address, principal occupation, principal qualifications and other relevant biographical information. Shareholders also must provide confirmation of the candidate's consent to serve as a director. Shareholders may make recommendations at any time, but recommendations for consideration for nominees at the annual meeting of shareholders must be received not less than 120 days before the first anniversary of the date of Alamo's proxy statement released to shareholders in conjunction with the previous year's annual meeting.

Approved by Board of Directors March 3, 2015