
Proposed guidelines for remuneration to senior executives - annual general meeting 2017

The Board proposes the Meeting to adopt the following guidelines for remuneration to senior executives to apply for the period until the close of the Annual General Meeting of 2018.

Salary and other remuneration

The CEO shall receive a fixed salary and a variable remuneration. The variable remuneration shall amount to 2.0 per cent of the Group's earnings before tax after allocations to the profit-sharing foundation RayFoundation, though not more than 12 months' salary. In addition, the CEO may have other benefits of a common nature, such as a company car.

The CEO's salary shall be reviewed annually. This shall take place through negotiations between the CEO and the Chairman of the Board, after which the Chairman shall present a proposal to the other Board members. The CEO shall not be present when the Board discusses and resolves on this issue.

The other senior executives are the Deputy CEO, Chief Financial Officer (CFO), Director of Research, Director of Development, Director of Sales and Marketing, Director of Sales for the Asia & Pacific region, Director of Service and the General Counsel. The other senior executives shall, as all other employees in RaySearch Laboratories AB (publ), except the CEO, be covered by the profit-sharing foundation RayFoundation, and thereby receive a variable remuneration. Furthermore, the following shall apply with regard to remuneration to the other senior executives.

The Director of Sales and Marketing shall receive a fixed salary and a variable remuneration. The variable remuneration shall amount to a certain percentage of the sales of RayStation® worldwide.

The Director of Sales for the Asia & Pacific region shall receive a fixed salary and a variable remuneration. The variable remuneration shall amount to a certain percentage of the sales of RayStation® in the Asia & Pacific region.

The Deputy CEO, CFO, Director of Research, Director of Development, Director of Service, and the General Counsel, shall receive a fixed salary but no variable remuneration, other than being covered by the profit-sharing foundation RayFoundation in accordance with the above.

The salaries of the other senior executives shall also be reviewed annually. This shall take place in negotiations between the CEO and each individual.

Incentive programs

There are no incentive programs intended specifically for senior executives and none is proposed. However, the senior executives, except the CEO, may participate together with the other employees in such option programs and profit-sharing programs as the company may apply.

Pensions

All pension undertakings are defined-contribution plans. The retirement age for the CEO and the other senior executives is 65 years and the pension premiums correspond to the Swedish ITP plan.

Period of notice

If the CEO terminates his employment, his period of notice is 6 months, and if the company terminates the CEO's employment, the period of notice is 12 months. In both cases, the CEO is entitled to salary during the period of notice. In respect of the other senior executives there is a mutual period of notice of 3 months during which salary shall be paid.

Severance pay

Neither the CEO nor the other senior executives shall be entitled to any severance pay, in a formal sense, should their employment cease. However, as described above, the CEO and the other senior executives shall be entitled to salary during the period of notice.

Deviation

The Board proposes that the Board be entitled to deviate from the above guidelines if there are special reasons for such deviations.