

Remuneration policy

This remuneration policy covers salary and other terms of employment for the management team of Catena AB (publ), including salary and other terms for the CEO, (hereinafter referred to collectively as “senior executives”).

This remuneration policy shall be applied to all agreements entered into, or changes to existing agreements, with senior executives following the adoption of the policy by the Annual General Meeting.

1. Basic principle

Salaries and other terms of employment shall enable Catena to attract and retain skilled senior executives.

2. Fixed salary

Senior executives shall be offered a fixed salary in-line with the market and based on the senior executive’s skills, experience, responsibility and conduct. Salary is to be set for each financial year.

3. Bonus, etc.

Senior executives may, from time to time, be offered bonuses. Such bonuses may not exceed 50 percent of annual fixed salary for the CEO and 25 percent for other senior executives and shall be set for the financial year in question. Bonuses should be based primarily on the operational targets set for each manager’s area of operations. The Remuneration Committee has proposed, within the framework mentioned above, that it be delegated with more closely determining and evaluating bonus targets for each senior executive. The company’s commitments to senior executives who may be subject to bonus targets are not calculated to exceed SEK 3,000,000 for 2019.

In preparation for the 2019 Annual General Meeting, the Remuneration Committee has recommended that no share-related incentive programme be adopted.

4. Non-monetary benefits

Senior executives are entitled to additional health insurance and all other benefits provided to other employees of the Group.

5. Pensions

The retirement age for the CEO and other senior executives is 65 years. For the CEO, pension payments are made corresponding to at most 35 percent of pensionable salary. For other senior executives, pensions are secured through the ITP plan and insurance plans, with pension premiums amounting to at most 30 percent of pensionable salary and being calculated based on the benefits applicable under the ITP plan (now, in all cases, ITP 2). The ITP plan entails premiums being determined based on the levels applicable under the relevant collective agreement.

6. Termination and severance pay

On termination by the senior executive, a period of notice of two to six months applies. On termination by the employer, a period of notice of four to 12 months applies. In addition to salary during the period of notice, severance pay is based on salary for zero to six months depending on the level of seniority of the position. Other principal terms for severance pay are stated in the Annual Report and it is proposed that these continue to be applied in 2019.

7. Preparations and decision-making by the Board of Directors

The Remuneration Committee submits recommendations to the Board of Directors.

The Remuneration Committee makes proposals and the Board of Directors makes decisions regarding salary and other terms for the CEO. The Board's Remuneration Committee makes decisions regarding salaries and other terms for other senior executives.

Board of Directors, March 2019