



LCI INDUSTRIES

LCI Industries
Compensation Committee Charter

LCI INDUSTRIES

COMPENSATION COMMITTEE CHARTER

I. PURPOSE

The purpose of the Compensation Committee of the Board of Directors is: (i) to assist the Board in discharging its responsibilities in respect of compensation of the Company's CEO, President, other executive officers (including executive officers of Lippert Components, Inc.); and (ii) to prepare an annual report on executive compensation for inclusion in the Company's Proxy Statement.

II. ORGANIZATION

The Compensation Committee shall consist of a minimum of three independent directors. At least two members of the Committee also shall qualify as "outside" directors within the meaning of Internal Revenue Code Section 162(m) and as "non-employee" directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. Members of the Committee shall be appointed by the Board of Directors upon the recommendation of the Corporate Governance and Nominating Committee and may be removed by the Board of Directors in its discretion.

III. STRUCTURE AND MEETINGS

The Committee shall meet at least three times annually, and more frequently as circumstances dictate in order to accomplish the purposes and goals set forth in this Charter. Committee meetings and communications shall be either in person or by conference telephone call.

The chairperson of the Compensation Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson will ensure that the agenda for each meeting is circulated in advance of the meeting.

Minutes shall be prepared for each meeting of the Committee, which minutes shall be submitted to the Committee for approval at a later meeting. The minutes of all meetings of the Committee shall be made available to all independent Board members and delivered to the Secretary of the Company for filing.

IV. GOALS AND RESPONSIBILITIES

The purpose of the Compensation Committee shall be to carry out the Board of Directors' overall responsibility relating to executive compensation.

In furtherance of this purpose, the Compensation Committee shall have the following authority and responsibilities:

1. To review and approve on an annual basis the corporate goals and objectives relevant to compensation for the Chief Executive Officer (the “CEO”). The Committee shall evaluate at least once a year the CEO’s performance in light of these established goals and objectives. The Committee shall determine and approve the annual compensation, including salary, bonus, incentive and equity compensation, for the CEO.
2. To review and approve the annual compensation, including salary, bonus, incentive compensation, and equity compensation, for the Company’s other Named Executive Officers designated as such in the Company’s current Proxy Statement, based on initial recommendations from the CEO.
3. To annually review and approve both the “executive bonus pool” and the “executive equity pool” (collectively, the “executive pools” and each an “executive pool”) established by the CEO for annual executive bonuses and equity awards to be given to key executives. As part of the annual review and approval process for the executive pools, the Committee will work with the CEO to establish the following:
 - a. threshold, target, and maximum performance goals, and corresponding payout opportunities, applicable to the executive bonus pool; and/or
 - b. threshold, target, and maximum performance goals, and corresponding payout opportunities, applicable to any performance stock units included in the executive equity pool.

The CEO shall also establish all other elements of annual compensation, including salary, for the employees identified in this Section 3.

4. To annually approve the “employee bonus pool” established by the CEO for annual employee bonuses.
5. To review the Company’s incentive compensation and equity-based plans and recommend changes in such plans to the Board as needed. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of all equity-based plans and shall establish criteria for the granting of options and other equity-based compensation to the Company’s officers and other employees. The Committee shall review and approve the granting of equity-based compensation in accordance with such criteria.
6. To certify that the performance goals and other material terms applicable to any executive officer who is to receive performance-based compensation have been satisfied.
7. To coordinate with the Corporate Governance and Nominating Committee, Director compensation levels and practices. However, it will be the primary responsibility of the

Corporate Governance and Nominating Committee to recommend Director compensation levels to the Board of Directors, which will make the final determination.

8. To periodically review and approve the peer group companies to which the Company shall compare itself for compensation purposes.
9. To review major organizational and staffing matters as identified by the CEO and the President.
10. To review incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk taking and to review and discuss, at least annually, including with the Risk Committee, as deemed necessary, the relationship between risk management policies and practices, corporate strategy and executive compensation.
11. To review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and to recommend to the Board that the CD&A be included in the Company's annual report and proxy statement. As part of this review, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation as required by Section 14A of the Securities Exchange Act of 1934. The Committee shall prepare and publish an annual executive compensation report in the Company's proxy statement in accordance with applicable rules and regulations.
12. The Committee shall, periodically and as and when appropriate, review and approve the following as they affect the executive officers: (a) any employment agreements and severance arrangements; (b) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (c) any special or supplemental compensation and benefits for the executive officers and individuals who formerly served as executive officers, including supplemental retirement benefits and the perquisites provided to them during and after employment.
13. The Committee shall oversee the Company's compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under NYSE rules that, with limited exceptions, shareholders approve equity compensation plans.

V. COMMITTEE RESOURCES

The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee shall have authority to retain such compensation consultants, outside counsel and other advisors (collectively, "Advisors") as the Committee may deem appropriate in its sole discretion. The Committee will comply with New York Stock Exchange listing standards regarding independence of compensation consultants and SEC proxy rules requiring disclosure of

compensation consultant conflicts of interest. The Committee shall have sole authority to approve related fees and retention terms and oversee the work of the Advisors.

The Committee may select an Advisor only after taking into consideration all factors relevant to that person's independence from management, including the following:

1. The provision of other services to the Company by the firm that employs the Advisor;
2. The amount of fees received from the Company by the firm that employs the Advisor, as a percentage of the total revenue of the firm that employs the Advisor;
3. The policies and procedures of the firm that employs the Advisor that are designed to prevent conflicts of interest;
4. Any business or personal relationship of the Advisor with a member of the Committee;
5. Any stock of the Company owned by the Advisor; and
6. Any business or personal relationship of the Advisor or the firm employing the Advisor with an executive officer of the Company.

VI. PERFORMANCE EVALUATION

The Committee shall report its actions and any recommendations to the Board after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee. The Committee shall review at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.

VII. DISCLOSURE OF CHARTER

The Committee will cause the Company to (i) maintain on its website copies of this Charter and the Key Practices, (ii) indicate in its annual report that such information is available on the Company's website or in printed form upon request, and (iii) include this Charter in public filings that may require such inclusion.