

Evaluation of programs for variable remuneration to the CEO and the Group Management and of applied remuneration structure and remuneration levels in the company

General

The board of directors of Dometic (the "Board") has a remuneration committee that prepares the Board's proposals concerning remuneration principles, remuneration and other employment terms for the CEO and the Group Management. The remuneration committee also monitors and evaluates the applied remuneration structure and remuneration levels in the company.

As from the annual shareholders' meeting 2016, the remuneration committee also monitors the application of the guidelines for remuneration to the CEO and the Group Management adopted by the shareholders' meeting. The following is the Board's report of the results of the evaluation:

General description of Remuneration to the CEO and Group Management

The total remuneration in Dometic shall be based on the position held, individual performance, performance of the Dometic group and be competitive in the country of employment. The overall remuneration package may consist of the base salary, variable salary based on short-term annual performance targets, long-term incentives, pension and other benefits, including non-monetary benefits.

Variable remuneration

Currently, the Dometic group applies a short term incentive program. Under this program, and dependent on an annual decision by the Board, the CEO and the Group Management are eligible to variable salary that is based on short-term annual performance targets. The variable salary potential is dependent on the position and may for the CEO amount to a maximum of 75% of the base salary and for the Group Management members be within the interval 30-50%, according to individual agreements. The performance targets are cascaded to the regions and regional functions to support the overall objectives of the Dometic group. The guideline on remuneration to the CEO and Group Management also takes a potential long term incentive plan into account, which will be introduced from 2017.

Remuneration structure and levels

The Board is of the view that the current remuneration structure and levels entail a good balance between the incentives for employees and cost efficiency requirements. It has, however, been discussed and concluded by the Board that a long term incentive plan would support Dometic to attract, recruit and retain qualified personnel. During 2016 the Board has reviewed proposals and confirmed an implementation of an LTI cash plan for a limited number of key job holders in key positions. Participants shall be invited in the beginning of year 2017 to a plan that lasts for three years. Dometic's LTI plan is annual but implementation of new plans during the years to come, as well as performance targets and decision on participants, will require approval by the Board.

During 2016 new regional Presidents were recruited to the Group Management. The Board can confirm that the employment conditions have been established in line with the guidelines for remuneration to the CEO and the Group Management as adopted by the shareholders meeting 2016. The CEO currently has 70% STI opportunity and other members between 30-50%. Pensions is provided as defined contribution.

Guidelines for remuneration

The remuneration policy established by the annual shareholders' meeting in 2016 has been applied for the CEO and Group Management of the company during the year. The Board has in no case exercised the mandate to deviate from the policy as authorized by the shareholders at the annual shareholders' meeting in 2016. It is the Board's view that the remuneration policy has been applied in a manner consistent with applicable law as well as the Corporate Governance Code.

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Dometic Group AB (publ)
The Board of Directors