

## **Proposal regarding Guidelines for Remuneration for the CEO and the Group Management of the Dometic Group**

The board of directors of Dometic Group AB (publ) ("Dometic Group") proposes that the 2018 annual shareholders' meeting resolve to adopt the following guidelines for remuneration for the CEO and the Dometic Group management (the "Group Management") for the period until the 2019 annual shareholders' meeting.<sup>1</sup>

### **Total Remuneration**

The total remuneration 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.

### **Base Salary and Variable Salary**

Base salary shall be the basis for the total remuneration. The base salary shall be market relevant and reflect the degree of responsibility involved in the position. The base salary levels shall be reviewed annually.

Members of the Group Management shall, in addition to the base salary, dependent on an annual decision by the board of directors, be eligible to variable salary that is based on short-term annual predetermined and measurable performance targets. The variable salary potential shall be dependent on the position and may for the CEO amount to a maximum of 75% of the base salary and for the other members of the Group Management be within the interval 30-50% of the base salary, according to individual agreements.

### **Long-term Incentive Programs**

In addition to base salary and variable salary, long-term incentive programs may be implemented. Such programs shall be designed to ensure a long-term commitment to Dometic Group's development, be implemented on market terms and have a term of no less than three years. Share or share price related LTI programs shall be approved by the shareholders' meeting.

### **Pensions and Insurance**

Pension and disability benefits shall reflect regulations and practice in the country of employment. The value of the benefits shall be in line with market practice in the country and shall not exceed 30% of the annual base salary. If possible, pension plans shall, in line with the group remuneration policy, be defined contribution plans. The retirement age is normally 65 years.

### **Other Benefits**

Other benefits, such as company car, health insurance or similar, may be part of the total remuneration and shall aim to facilitate the Group Management's duties and correspond to what is considered reasonable in relation to market practice in the country of employment.

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<sup>1</sup> *The principles for remuneration set out in these guidelines shall apply to arrangements entered into following the adoption of the guidelines for remuneration by the annual shareholders' meeting, as well as to any changes made in existing agreements following the adoption of the guidelines for remuneration.*

### **Notice of Termination and Severance Pay**

Members of the Group Management shall have 6 months' notice period when notice is given by the employee. If the notice is given by the company 6-12 months' notice shall be applied. The CEO shall have 6 months' notice by the company, with up to an additional one year base salary as severance payment. Severance pay shall not form a basis for vacation pay or pension benefits. Local employment laws and regulations may influence the terms and conditions for notice given by the company.

The Group Management shall be obliged not to compete with the company during the notice period.

### **Authority for the Board of Directors to Deviate from the Guidelines for Remuneration**

Under special circumstances, the board of directors may in an individual case deviate from these guidelines for remuneration. In case of such deviation, the next annual shareholders' meeting shall be informed of the reasons.

As regards the guidelines for remuneration adopted by the 2017 annual shareholders' meeting, the board of directors has exercised its mandate given by the 2017 annual shareholders' meeting to deviate from the guidelines for remuneration in connection with the recruitment of a new CEO. The pension of the new CEO has been agreed to 35% of the base salary instead of 30% that is the maximum level in the guidelines for remuneration adopted by the 2017 annual shareholders' meeting. The notice period to be given by the company to the new CEO, in case of termination of the employment, has been agreed to 12 months instead of 6 months. The new CEO will also be compensated for parts of lost compensation from the previous employer up to a maximum of 15 MSEK.