

Proposal regarding Guidelines for Executive Remuneration of Dometic Group

The board of directors of Dometic Group AB (publ) ("**Dometic Group**") proposes that the 2020 annual shareholders' meeting resolve to adopt the following guidelines for remuneration for the CEO and the Dometic Group management (the "**Group Management**").¹ These guidelines do not apply to any remuneration decided or approved by the general meeting.

The Guidelines' Promotion of the Company's Business Strategy, Long-term Interests and Sustainability

In short, the common ground for the company's business strategy and for all activities is found in the global strategy. By defining the way forward through well-defined toolboxes within the areas of profitable expansion, product leadership and cost reductions, we are leveraging our full strengths as a global company and industrializing Dometic whilst maintaining our successful entrepreneurial approach. For more information regarding the company's business strategy, please see <https://www.dometic.com/en/se/about-us/our-company/strategy>.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

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.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, considering, to the extent possible, the overall purpose of these guidelines.

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 which can be financial or non-financial. The performance targets shall be designed to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or

¹ The guidelines for remuneration 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.

promote the executive's long-term development. The short-term variable remuneration shall be linked mainly to financial parameters, such as EBIT, cash conversion etc. Non-financial parameters can occur. The weighting of the different parameters can vary between 10-60%. 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 amount to a maximum of 30-50% of the annual base salary, according to individual agreements.

To which extent the criteria for awarding short-term variable cash remuneration have been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation. For financial targets, the evaluation shall be based on the latest financial information made public by the company, with any adjustments considered appropriate by the Remuneration Committee and Board of Directors.

Long-term Incentive Programs

In addition to base salary and short-term variable cash remuneration, 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. Long-term incentive programs shall be cash-based and linked to the development of earnings per share. The total remuneration during the three-year measurement period may amount to a maximum of 100% of the participant's annual base salary at the time of the implementation of the program. Alternatively, long-term incentive programs shall be share or share price related and 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 pension and the benefits shall be in line with market practice in the country and the pension premiums for premium-based pension shall not exceed 40% of the annual base salary for the CEO and 35% for the other members of Group Management. If possible, pension plans shall, in line with the group remuneration policy, be defined contribution plans. The retirement age is normally 65 years. Variable salary components shall not qualify for pension benefits, save for situations when the rules in a general pension plan is applicable (for example the Swedish ITP plan).

Other Benefits

Other benefits, such as company car, medical or health insurance, housing or travel benefits 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. Premiums and other costs relating to such benefits may amount to not more than 10% of the fixed annual base salary.

Notice of Termination and Severance Pay

Upon termination of employment, the notice period may not exceed twelve months. Fixed cash salary during the notice period and severance pay may not, in total, exceed an amount corresponding to the fixed cash salary for two years. When termination is made by the executive, the notice period may not exceed six months, without any right to severance pay.

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.

Salary and Employment Conditions for Employees

In the preparation of the board of directors' proposal for these remuneration guidelines, the salary and employment conditions for employees of the company have been taken into account by the inclusion of information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the board of directors' basis of decision when

evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

The Decision-making Process to Determine, Review and Implement the Guidelines

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

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

Under special circumstances and if it is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability, the board of directors may, in whole or in part, 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 2019 annual shareholders' meeting, the board of directors has exercised its mandate given by the annual shareholders' meeting to deviate from the guidelines in connection with the recruitment of a new CFO. It was agreed to compensate the new CFO for lost STI from the previous employment with a maximum amount of SEK 1,300,000. The final amount to be paid out in accordance therewith has been determined to SEK 1,276,136.