

Dometic's Remuneration Report 2023

Introduction

This remuneration report provides an outline of how Dometic's Guidelines for Remuneration for the CEO & the Group Management (the "remuneration guidelines"), adopted by the annual shareholders' meeting 2020, which was implemented in 2021. The report also provides details on the remuneration of the CEO of Dometic. The report has been prepared in accordance with the Swedish Companies Act and Stock Market Self-Regulation Committee's Remuneration Rules.

Further information on executive remuneration is available in note 9 (*Employee benefit expense and remuneration*) on page 101 in the 2023 Annual and sustainability report. Information on the work of the Remuneration Committee in 2023 is set out in the corporate governance report available on pages 65-77 in the 2023 Annual and sustainability report.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the annual shareholders meeting and disclosed in note 9 on page 101 in the 2023 Annual and sustainability report.

Key Developments 2023

The CEO summarizes the company's overall performance in his statement on pages 4-5 in the 2023 Annual and sustainability report.

The company's remuneration guidelines: scope, purpose and deviations in 2023

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 can recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. Dometic's remuneration guidelines enable the company to offer the Executive Management a competitive total remuneration.

Under Dometic's remuneration guidelines, 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, short-term variable compensation based on annual performance targets, long-term incentives, pension and other benefits, including non-monetary benefits. The criteria 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 promote the executive's long-term view. Larger acquisitions will be excluded from the performance calculation. The variable cash remuneration, LTI, shall be designed to ensure a long-term commitment to Dometic Group's development and increasing shareholder value. It should 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 ("EPS") and environmental, social and governance ("ESG") parameters. Larger acquisitions will be excluded from the EPS performance calculation. All participants in the LTI are required to invest a proportion of the net variable cash remuneration in Dometic shares. Members of the Group Management are required to invest until they hold Dometic shares equivalent to a value corresponding to their annual base salary. If they already hold shares equivalent to their annual base salary, they have the flexibility to opt for the receipt of potential LTI payments in cash. Group management are only entitled to divest shares for the amount exceeding their annual base salary at the divestment date. Other members of the LTI program are required to invest 50% of the net payment in Dometic shares and keep them for at least 3 years.

The remuneration guidelines are found on pages 58-59 in the 2023 Annual and sustainability report. Total remuneration of the CEO during 2023 has complied with the company's remuneration guidelines.

The auditor's report regarding the company's compliance with the remuneration guidelines is available on:

<https://www.dometicgroup.com/en-us/our-company/corporate-governance/shareholders-meeting/2023>

Table 1 – Total CEO remuneration in 2023 (kSEK)

Name of Director, position	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
	Base salary*	Other benefits**	One-year variable	Multi-year variable***	Extraordinary items	Pension expense****	Total remuneration	Proportion of fixed and variable remuneration
Juan Vargues (CEO)	10 772	873	4 477	5 670	0	4 328	26 120	Fixed 61% Variable 39%

* Including vacation pay of kSEK 111.

** Including allowances, car benefit, per diem and health care benefit.

*** LTI 2021. Vesting March 31st, 2024.

**** Pension expense which in its entirety relates to base salary and is premium defined, has been counted entirely as fixed remuneration.

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected 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 promote the executive's long-term development.

As to the quantitative assessment of performance, the internal financial metrics have been measured against the latest financial information made public by the company.

Table 2 - Performance of the CEO in the reported financial year: variable cash

1 Plan description	2 Description of the criteria related to the remuneration component	3 Relative weighting of the performance criteria	4 a) Measured performance and b) actual award/ remuneration outcome
STI 2023	EBITA 2023	60%	a) MSEK 3 463 b) kSEK 2 686
	EBITA Margin 2023	10%	a) 12,5% b) kSEK 448
	Cash conversion 2023	30%	a) 148% b) kSEK 1 343
LTI 2021	EPS 2021	23,3%	a) 100%
	LTIFR 2021	3,3%	a) 24%
	Female Managers 2021	3,3%	a) 4%
	CO ₂ Reduction	3,3%	100%
	EPS 2022	23,3%	0%
	LTIFR 2022	3,3%	100%
	Female Managers 2022	3,3%	0%
	CO ₂ Reduction 2022	3,3%	100%
	EPS 2023	23,3%	82%
	LTIFR 2023	3,3%	100%
	Female Managers 2023	3,3%	100%
LTI 2022	EPS 2022	23,3%	0%*
	LTIFR 2022	3,3%	100%*
	Female Managers 2022	3,3%	0%*
	CO ₂ Reduction 2022	3,3%	100%*
	EPS 2023	23,3%	82%*
	LTIFR 2023	3,3%	100%*
	Female Managers 2023	3,3%	100%*
	CO ₂ Reduction 2023	3,3%	100%*
	EPS 2024	23,3%	**
	Innovation Index 2024	3,3%	**
	Female Managers 2024	3,3%	**
LTI 2023	EPS 2023	23,3%	82%*
	LTIFR 2023	3,3%	100%*
	Female Managers 2023	3,3%	100%*
	CO ₂ Reduction 2023	3,3%	100%*
	EPS 2024	23,3%	**
	Innovation Index 2024	3,3%	**
	Female Managers 2024	3,3%	**
	CO ₂ Reduction 2024	3,3%	**
	EPS 2025	23,3%	**
	Innovation Index 2025	3,3%	**
	Female Managers 2025	3,3%	**
CO ₂ Reduction 2025	3,3%	**	

* Not included in total CEO remuneration as performance period is still running.

** Performance period still running.

Comparative information on the change of remuneration and company performance

Table 3 – Change of remuneration and company performance over the last three reported financial years

Annual change	2021 vs 2020	2022 vs 2021	2023 vs 2022	2023 (RFY)
Juan Vargues, CEO (kSEK)	-2 231 -9,3%	-2 391 -10,9%	+6 668 +34,3%	26 120
EBITA* (MSEK)	+1 113 +49,8%	+583 +17,4%	-468 -11,9%	3 463
Average remuneration on a full-time equivalent basis of all employees in the group** (kSEK)	+24 +5,6%	+77 +17,1%	+56 +10,6%	582

The outcome per year equals the actual remuneration current year, including the variable incentive earned related to the performance the same year.

* EBITA before items affecting comparability.

** A comparison with the company's employees (Dometic Group AB publ.) is not possible as it only employs Group Management members. The calculation excludes CEO & Group Management and social security. The methodology for calculating average remuneration per employee has been updated from 2023 with a widened scope.