ANNUAL AND SUSTAINABILITY REPORT 2023

MOBILE LIVING MADE EASY

DOMETIC

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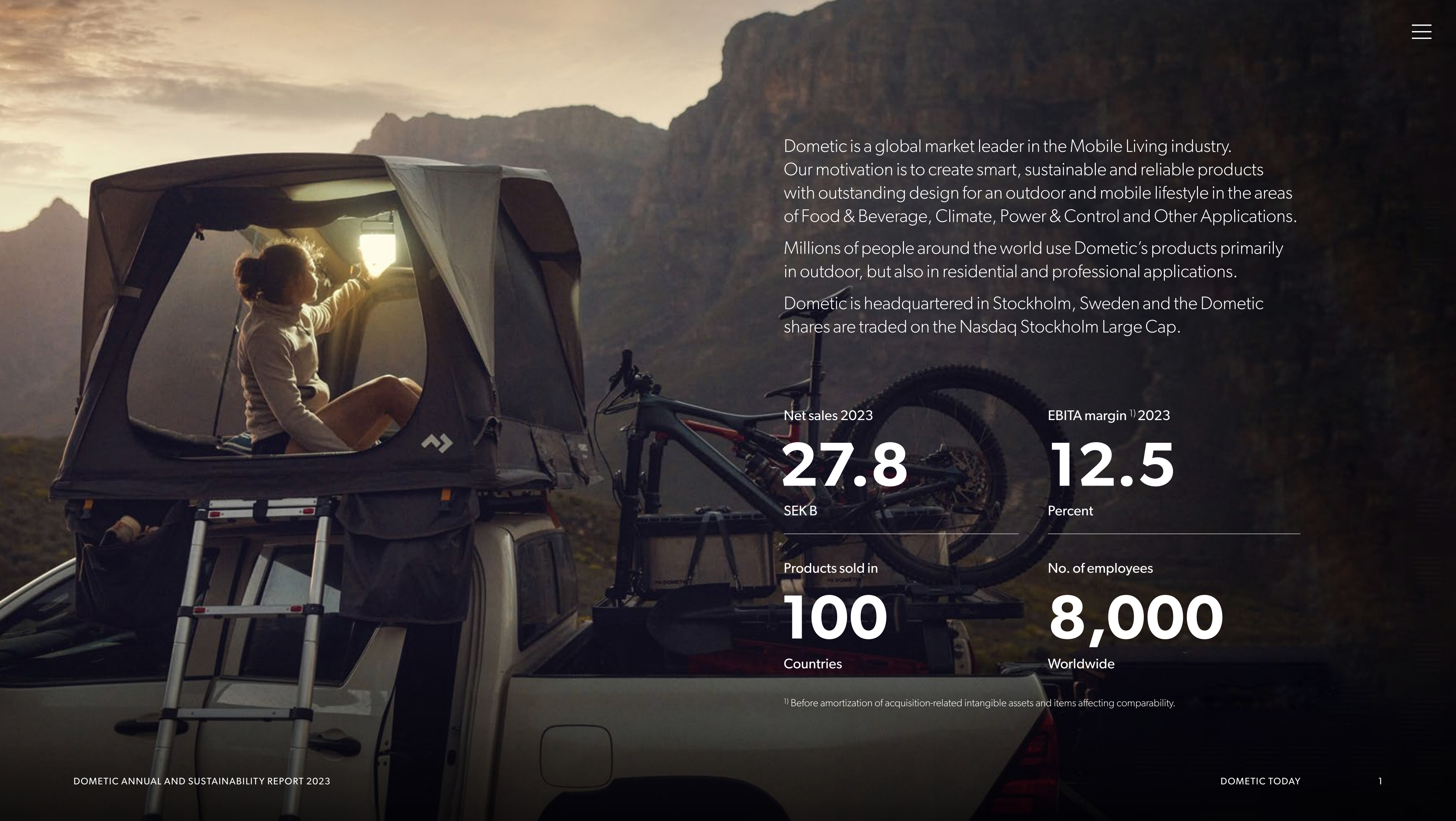
The statutory annual report comprises pages 55–127. The statutory sustainability report as required under the Swedish Annual Accounts Act is provided on pages 29–42 and 132–143. Comparative figures in brackets refer to the corresponding figures for the preceding year.



Dometic is a global market leader in the Mobile Living industry. Our motivation is to create smart, sustainable and reliable products with outstanding design for an outdoor and mobile lifestyle in the areas of Food & Beverage, Climate, Power & Control and Other Applications.

Millions of people around the world use Dometic's products primarily in outdoor, but also in residential and professional applications.

Dometic is headquartered in Stockholm, Sweden and the Dometic shares are traded on the Nasdaq Stockholm Large Cap.

Net sales 2023

27.8

SEK B

EBITA margin [1] 2023

12.5

Percent

Products sold in

100

Countries

No. of employees

8,000

Worldwide

[1] Before amortization of acquisition-related intangible assets and items affecting comparability.

PRODUCTS AND SOLUTIONS

FOOD & BEVERAGE
Mobile food and beverage applications, such as mobile cooling boxes, refrigerators, mobile delivery solutions and cooking products.

CLIMATE
Mobile climate and temperature-control applications. Including air conditioners, heating solutions and tents.

POWER & CONTROL
Mobile power and control applications, such as steering systems, solar panels, batteries, displays and monitors.

OTHER APPLICATIONS
Other leisure and professional mobile applications, such as sensors, sanitation solutions and complementary products.

Net sales by application area

- Food & Beverage, 38% (39)
- Climate, 30% (29)
- Power & Control, 21% (21)
- Other applications, 11% (11)

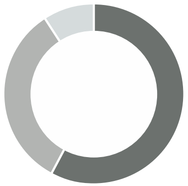
2023 (2022)

Net sales by sales channel

- Original Equipment Manufacturer, OEM, 43% (44)
- Service & Aftermarket, 28% (27)
- Distribution 29% (29)

2023 (2022)

Net sales by geographic region



- Americas, 58% (61)
- EMEA, 33% (30)
- APAC, 9% (8)

2023 (2022)

2023 IN BRIEF

FINANCIAL HIGHLIGHTS

- Net sales SEK 27,775 m (29,764).
- Operating profit (EBITA[1]) of SEK 3,463 m (3,931) corresponding to a margin of 12.5 percent (13.2).
- Profit for the year of SEK 1,332 m (1,784).
- Earnings per share of SEK 4.17 (5.58).
- Operating cash flow of SEK 5,205 m (2,268).
- Net debt to EBITDA leverage ratio was 2.7x (3.0x).

In a challenging market environment, impacted by geopolitical and macroeconomic uncertainty in combination with high inventory levels, Dometic demonstrated that it has become a resilient, fast-moving and more effective company. Due to the tough market situation, full year 2023 organic net sales declined by 12 percent, while the EBITA margin[1] showed solid year-on-year improvements in the second half of the year and ended at 12.5 percent (13.2) for the full year. Reducing working capital was a top priority and operating cash flow of SEK 5.2 b (2.3) for the year was the strongest ever. The net debt to EBITDA leverage ratio improved to 2.7x (3.0x).

BUSINESS AND STRATEGIC HIGHLIGHTS

- Share of sales in Distribution and Service & Aftermarket reached 57 percent (56).
- Product innovation index was 17 percent (17).
- The global restructuring programs announced in 2019 and 2022 were successfully completed.
- The CO_2 emissions (Scope 1 and 2) in relation to net sales decreased by 46 percent compared to baseline year 2020.

The two global restructuring programs announced in 2019 and 2022 were successfully completed. A total of 2.000 employees and 24 sites were affected.

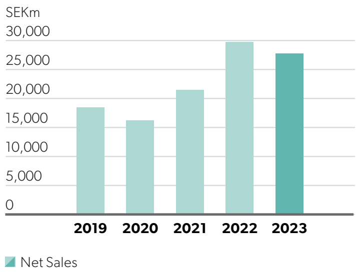
Investments in ESG activities (Environmental, social and governance) continued and several KPIs show a result already above the 2024 target level. The CO_2 emission to net sales was reduced by 46 percent compared to 2020 and the share of female managers increased during the year from 24 percent to 29 percent. Product innovation index improved gradually during the year and is an important driver for continued reductions in CO_2 emissions. Several new products were launched where the energy consumption is significantly below that of previous models.

[1] Before amortization of acquisition-related intangible assets and items affecting comparability.

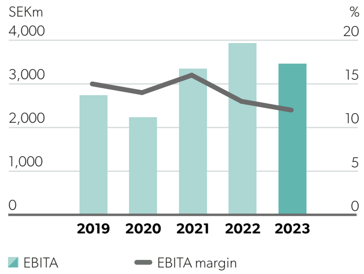
-46%

Reductions of CO_2 emissions in relation to net sales

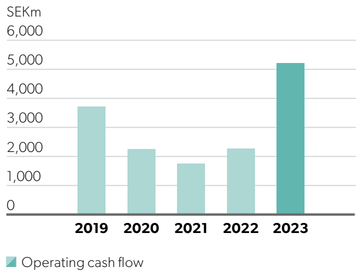
Net sales



EBITA and EBITA margin[1]



Operating cash flow



"In a challenging market environment we continued to demonstrate that we have become a more resilient, fast-moving, and effective company."

EARNINGS RESILIENCE AND ALL-TIME HIGH CASH FLOW

The year 2023 was characterized by a market impacted by geopolitical and macro-economic uncertainty. In addition, high retail-inventory levels and interest rates led to significantly lower demand. In this challenging market environment, we continued to demonstrate that we have become a more resilient, fast-moving, and effective company.

Clear results of strategy execution
Since the launch of the Dometic strategy in 2018, we have developed the company in practically all areas. Through strategic actions, including several acquisitions during the past years, we positioned ourselves in the consumer space while also growing our existing OEM and Service & Aftermarket businesses.

Our strategy is built on three main pillars:
Profitable growth – Supported by global market trends such as increased leisure spending, we are using our core competences and strengths to grow net sales with increased margins. This is done by an increased product orientation in outdoor tech solutions and with increased consumer focus, while addressing fast-growing areas such as Mobile Power Solutions. Developing and expanding the Service & Aftermarket business is key, as this is a growing recurring business and offers high margins.
Product Innovation – Innovation and product leadership are the major drivers for organic growth and long-term competitiveness. By developing products built on global platforms, we can focus our investments and launch product solutions with leading cost-competitive and sustainable advantages. Global platforms also lead to fewer stock keeping units (SKUs) and strengthened sourcing opportunities, which reduces inventory levels and improves margins.
Continuous cost reductions – By relentlessly reducing costs in all areas of the business, we reduce complexity and increase efficiency. By continuously increasing efficiency and reducing costs, we release the capital needed for investments, margin expansion and return to shareholders.

The effects of our strategic actions are becoming increasingly visible in our financial performance. Despite an extremely challenging market situation in 2023, we delivered a solid EBITA[1)] margin of 12.5 percent with improved margins in the second half of the year. In addition, our operating cash flow was our strongest ever, and our net debt to leverage ratio improved to 2.7x (3.0x). We can also see that net sales from our global product platforms have increased more than four times in five years, and that net sales per full-time equivalent (FTE) have increased more than 60 percent compared to 2017. Our efforts and actions to be more consumer-oriented are giving results, and e-commerce direct-to-consumer (DTC) net sales grew by 19 percent.

Committed to our targets

Dometic has clear action plans for how to reach our financial and sustainability targets. Growth will be a key enabler for target achievement, and while 2023 was a year when demand was impacted by macroeconomic uncertainty and high retail-inventory levels, the underlying global market trends support long-term growth for Dometic. Global growth trends, such as increased usage of leisure products, innovation and mobility, are resulting in a steadily growing demand for Dometic's solutions and generate a foundation for continued profitable growth. Acquisitions will play an important role on our transformation journey. Our industry is still very fragmented and we are in a leading position to continue to drive the consolidation. At the same time we are looking into divesting parts of the business that no longer fit our strategy.

The transformation journey continues

Dometic is on a transformation journey, and we are gradually shifting the focus from a regional-led approach to a product-led approach, with focused and specialized teams driving specific product solutions globally. The first steps on our transformation journey were successfully taken in 2021 and 2022, with the formation of the Global and Marine segments. To further drive value creation and secure synergy realization across the company, we plan to establish Mobile Cooling Solutions as a new segment from the first quarter 2024 reporting. The Igloo business, acquired in 2021 and our largest acquisition ever, has shown impressive performance in 2022–2023, supported by its brand recognition, product innovation and a consumer-oriented organization. The new Mobile Cooling Solutions segment would drive the Igloo business and other Dometic-branded mobile cooling and drinkware businesses globally to realize further sales and cost synergies. In addition, our Mobile Power Solutions business is planned to be a new sub-segment in segment Global Ventures.

Building together

In the fall of 2023, a two-day global management summit was held with more than 150 top managers to further accelerate the Dometic transformation journey. Following several acquisitions in 2021 and 2022, we have many new employees on board, and the summit was a great opportunity to share strategy and best practices. At the summit, we also launched our updated Dometic core values. The purpose of the core values is to further build a "ONE Dometic" culture and strengthen leaders to enable more decentralized decision making and increase the speed of execution.

Sustainability – an integrated part of our business

As a market leader in Mobile Living solutions, Dometic is committed to driving sustainability in our industry. This means offering innovative, durable, low-carbon products that inspire an active, comfortable and responsible life in the outdoors. The company aims to meet the growing demand for a Mobile Living lifestyle while continuously reducing consumers' environmental footprints. Through Dometic's sustainability platform and goals, the company contributes to at least six Sustainable Development Goals (SDGs) in support of the 2030 Agenda for Sustainable Development. Sustainability target follow up is an integrated part of the monthly business reviews and are also a part of senior managers' long-term incentive plans.

Dometic is committed to driving sustainability in our industry.

Business performance 2023

Full-year 2023 organic net sales declined by 12 percent, while the EBITA margin[1)] showed year-on-year improvements in the second half of the year and ended at 12.5 percent (13.2) for the full year. The full year margin decline was mainly related to segment Americas, where RV industry production fell by 37 percent and high retailer inventory levels led to reduced Service & Aftermarket net sales. Several cost-reduction measures have been implemented and we are convinced we will accelerate our transformation journey and drive efficiencies and margin improvements in the segment.

Operating cash flow was our strongest ever and improved to SEK 5,205 m (2,268). The net debt to EBITDA leverage ratio improved to 2.7x (3.0x). Inventory levels declined throughout the year but remained elevated.

Our sustainability work is generating results. Our CO_2 emissions in relation to net sales decreased by 46 percent and the share of female managers increased to 29 percent (24). The KPIs measuring lost-time injury frequency rate (LTIFR) and environmental, social and governance (ESG) audits of new suppliers are both better than target levels.

We are very proud of the solid results that we have achieved in a very challenging 2023. Thanks to our dedicated employees around the globe, we continued to take several important steps on our strategic transformation journey while we at the same time took necessary short-term cost-reduction actions to protect margins and cash flow.

We will continue to drive our strategic agenda to deliver on our targets, while at the same time remaining agile to quickly respond to short-term market trends.

Stockholm, March 2024

Juan Vargues
President and CEO

1) Before items affecting comparability and amortization of acquisition-related intangible assets

FIVE REASONS TO INVEST IN DOMETIC

1 Active on a market with long-term structural growth in Mobile Living

Underlying global market trends support long-term growth for Dometic. Mobility, sustainability and outdoor living are all growing global trends that create opportunities for expansion. Global growth trends, such as increased usage of outdoor products and innovation have resulted in steadily growing demand for Dometic's outdoor tech solutions and generated a foundation for continued profitable growth.

→ Read more on page 7

2 Growth and diversification strategy that creates improved stability

Dometic's investments in innovative products, branding and marketing have contributed to strong growth. Combined with an acquisitive agenda, this has resulted in a business model that is well diversified in various geographic regions, products and customer segments, which improves stability.

Expanding the Distribution and Service & Aftermarket sales channels gives a more balanced business mix. Volatility decreases and the margin improves by becoming more diverse and less dependent on the OEM business. The shift contributes to transforming Dometic into a more consumer-oriented company with a greater share of recurring sales of durable lower-ticket discretionary spend products.

→ Read more on page 16

3 Industrialization of the company adds stability and supports improved margins

The ongoing industrialization of Dometic's operations reduces complexity and costs, leading to increased streamlining, efficiency and margins.

→ Read more on page 21

4 Dometic drives sustainability in its market

As a market leader in Mobile Living solutions, Dometic is committed to driving sustainability in the industry. This means offering innovative, durable, low-carbon products that inspire an active, comfortable and responsible life in the outdoors. The company has clear and measurable sustainability targets that contribute to the result.

→ Read more on page 29

5 Clear and value-generating financial targets [1] with an attractive dividend policy

10 percent growth – Average annual net sales growth
18–19 percent profitability – EBITA margin[2] of 18–19 percent
2.5× Leverage – Net debt to EBITDA ratio of around 2.5×
40 percent Dividend – At least 40 percent of net profit

→ Read more on page 12

[1] Medium to long-term financial targets over a business cycle. [2] Before amortization of acquisition-related intangible assets and items affecting comparability.

THE MARKET

Global market growth trends, such as increased leisure spending and mobility, have resulted in steadily growing demand for Dometic's products. On this market Dometic has a unique global position with its products sold in over 100 countries. Combined with continued investments in new innovative outdoor technology products, across all sales channels and with the consumer in focus, this creates a strong foundation for continued profitable growth.

STRONG GLOBAL MARKET TRENDS

Dometic operates in a global market that is being transformed by a number of market trends. The Company is benefitting from these trends by using its leading position, global organization and core competences in the application areas of Food & Beverage, Climate, Power & Control and Other Applications to develop innovative products and solutions for consumers. Dometic has identified six global trends that create opportunities for profitable growth in existing and new vertical markets.

❶ INCREASED LEISURE SPENDING

People are spending more time and money on outdoor activities. An active outdoor lifestyle is increasingly popular, driven by continuous urbanization and new demographics. The broad range of outdoor enthusiasts creates many opportunities, from true outlanders going off-grid for longer periods of time to families using their car as a base for spending a day or weekend outdoors.

Impact on Dometic: By leveraging its technology know-how, Dometic is providing a unique offer of solutions for a outdoor lifestyle. This includes both installed and standalone products.

❷ MARKET CONSOLIDATION

Dometic competes in an environment characterized by a high degree of local fragmentation and limited industrialization. Strong brands will be at the forefront in global markets, aimed at well-informed consumers who set high demands for both products and the companies behind them.

Impact on Dometic: With a market-leading position in key product areas, Dometic has an opportunity to drive consolidation in the industry. This provides a strong rationale for value-adding acquisitions to build true global leadership with a strong local presence.

❸ INNOVATION IS BECOMING INCREASINGLY IMPORTANT

Design and quality, sustainability, customer experience and connectivity are vital to staying competitive and attracting end customers. The number of electric vehicles is increasing rapidly, which is speeding up the pace of innovation in the Mobile Living market even further.

Impact on Dometic: With its scale and close customer relationships, Dometic is in a position to continuously develop new products and solutions based on customer needs and with a focus on sustainability.

❹ THE WORLD IS BECOMING MORE MOBILE

Today, demand for Mobile Living products is growing across all age groups due to increased interest in outdoor living and increased wealth. At the same time, mobile workplaces, mobile deliveries and new transport trends are evolving.

Impact on Dometic: Dometic plays an important role in current and evolving mobile living trends based on its technology know-how, global presence and broad product offering.

❺ SUSTAINABILITY IS A REALITY

Environmental regulations, customer requirements, electrification and change in travel trends drive demand for sustainable, recyclable and energy efficient products and solutions.

Impact on Dometic: As a pioneer in the Mobile Living arena, Dometic is committed to driving sustainability in its industry. This means offering innovative, durable, low-carbon products that inspire an active, comfortable and responsible outdoor life.

❻ DIGITALIZATION AND E-COMMERCE REVOLUTION

Building an even more consumer-focused business model is a key competitive advantage in today's market, where consumers are well informed of their options. A strong brand, seamless and automated business flows as well as relevant B2B and B2C e-commerce channels will be key competitive advantages.

Impact on Dometic: In recent years, Dometic has accelerated its efforts to get closer to end consumers, developed beneficial relationships with a large number of Dometic ambassadors, increased social media presence and built up a DTC e-commerce platform.

DOMETIC'S TOTAL ADDRESSABLE MARKET

The six identified global market trends impact the different vertical end-user markets in which Dometic is present.

Existing verticals: Areas where Dometic already has a strong position are impacted, for example, by the need for more sustainable solutions and a new type of RV and boat users who want more flexible solutions while still enjoying the same comfort as at home.

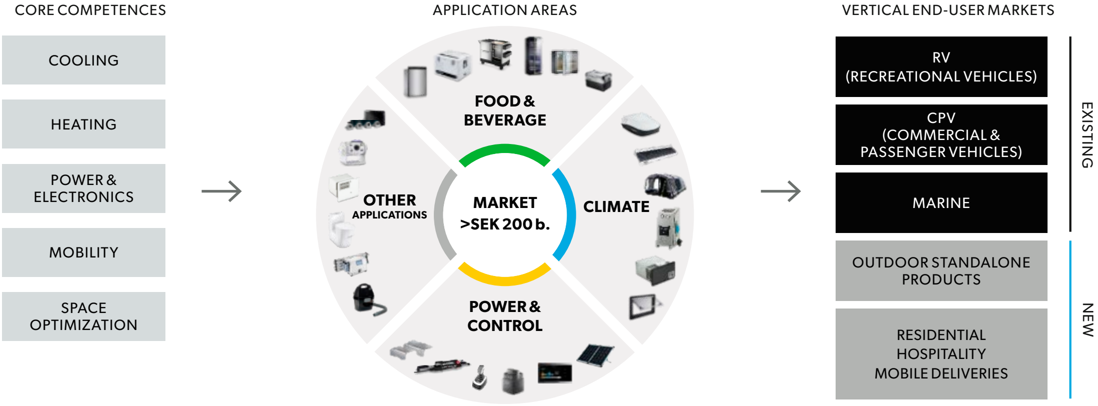
New verticals: Areas where Dometic can use its technology competences and other assets to grow are also impacted, which creates opportunities for Dometic. By utilizing core competences across different application areas, Dometic has expanded the total addressable market substantially, which creates significant growth opportunities for the Company.

A market larger than SEK 200 b

Dometic's total addressable market is more than SEK 200 b, of which approximately 30 percent is in the end-user markets where Dometic has traditionally been present (RV, CPV and Marine) and where the Company already has strong market-leading positions. These markets have historically been growing 1–3 percent on an average annual basis, sometimes with large fluctuations between years. Approximately 50 percent of the addressable market is in outdoor standalone products, a more stable and fast-growing market. For example, the camping equipment market in North America has shown accelerated growth for the past 15 years. Market trends and new innovations are also opening up opportunities for new growth areas in the vertical areas of Mobile Deliveries, Hospitality and Residential.

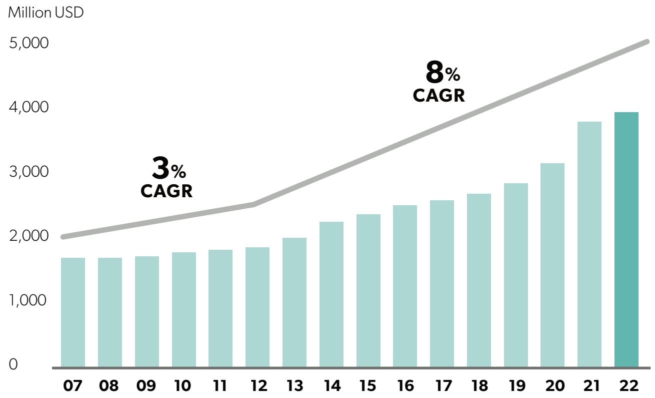
CORE COMPETENCES SERVING SEVERAL APPLICATION AREAS AND VERTICAL END-USER MARKETS

Dometic is using its core competences in developing and selling products in four application areas. These products and solutions are used by customers and end users across several existing as well as new vertical markets. The total addressable market for Dometic is estimated at more than SEK 200 b.



CAMPING EQUIPMENT IN THE US

With its stand-alone outdoor offering, Dometic is well positioned in the fast-growing camping equipment market, of which the US is the largest geographic market.



Source: Statista

DOMETIC AMBASSADORS

STEFANO GHISOLFI

LIVING A CHILDHOOD DREAM

"Living the van-life allows me to embrace the lifestyle I desire."

Stefano Ghisolfi is an Italian professional rock climber who specializes in competitive climbing. Residing in Arco, a charming town in northern Italy renowned for its limestone cliffs, Stefano has his training ground right at his doorstep. In addition to representing the Fiamme Oro team in the World Cup, he's an experienced rock climber who has conquered some of the world's toughest routes, such as Perfecto Mundo in Spain and Change in Flatanger, Norway. His current projects include attempting Silence in Norway and the boulder climb Burden of Dreams in Finland, where he travels between both for a couple months each year with his converted Fiat Ducato 540.

A world-class climber with a keen sense of adventure, Stefano, relies on the Dometic Hub 2 Redux activity shelter to establish his base camp. "The Hub provides instant shelter and shade when we stop to camp. It's easy to set up, and it's made from recycled plastic bottles," he explains.

Living the van-life allows Stefano to embrace the lifestyle he desires, enabling him to stay closer and longer while tackling various climbing projects. His dream of a nomadic existence originated in childhood, inspired by the caravan holidays he enjoyed with his parents. As he grew older, Stefano's passion for rock climbing evolved into a career, and now he seamlessly combines both passions.

Quick links to Dometic ambassadors
Read more stories
1 2 3 4

TARGETS AND HOW WE CREATE VALUE

FINANCIAL TARGETS

Medium to long-term financial targets over a business cycle

GROWTH

Average annual net sales growth including organic growth and M&A.

10 % TARGET

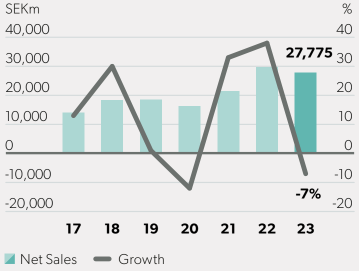
-7% 2023 ACTUAL

Outcome 2023

Net sales growth was –7 percent of which organic growth was –12 percent. Net sales growth CAGR 2017–2023 was 12 percent and above target level.

Progress Growth

Net sales and growth



PROFITABILITY

Operating (EBITA) margin of 18–19 percent, before amortization of acquisition-related intangible assets and items affecting comparability.

18–19 % TARGET

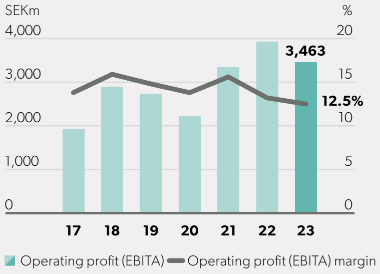
12.5% 2023 ACTUAL

Outcome 2023

The 2023 EBITA margin excluding items affecting comparability was 12.5 percent (13.2) with solid year-on-year improvements in the second half of the year. Average margin 2017–2023 was 14.2 percent.

Progress profitability

EBITA and EBITA margin before items affecting comparability



LEVERAGE

Net debt to EBITDA leverage ratio around 2.5x.

2.5× TARGET

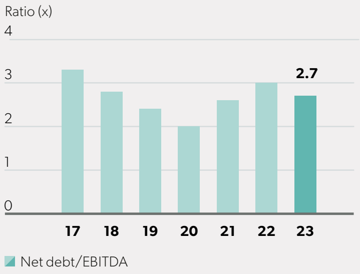
2.7× 2023 ACTUAL

Outcome 2023

Net debt to EBITDA leverage ratio was 2.7x, an improvement compared to 3.0x at the end of 2022. Average net debt to EBITDA leverage ratio 2017–2023 was 2.7x.

Progress Leverage

Net debt to EBITDA leverage ratio



DIVIDEND

Dividend of at least 40 percent of net profit for the period.

40 % TARGET

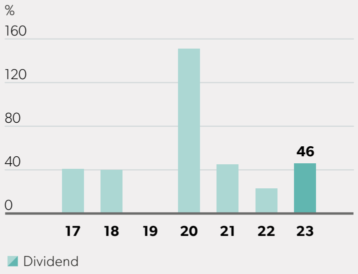
46% 2023 ACTUAL

Outcome 2023

The Board of Directors proposes a dividend for 2023 of SEK 1.90 (1.30) per share, corresponding to a payout ratio of 46 percent of the 2023 net profit. Payout ratio for the 2017 – 2023 period was 38 percent.

Progress Dividend

Payout ratio



SUSTAINABILITY TARGETS

Sustainability KPIs reported quarterly in 2023

REDUCE CO_2 EMISSION/NET SALES

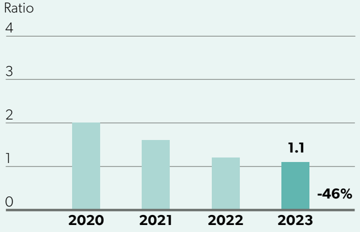
-30 % 2024 TARGET

-46% 2023 ACTUAL

Progress

The CO_2 emissions (Scope 1 and 2) in relation to net sales decreased by 46 percent compared with baseline year 2020, driven by the ongoing energy efficiency measures and the transition to renewable electricity sources.

CO_2 emission/net sales



CO_2 Emission/Net sales

PERCENT FEMALE MANAGERS

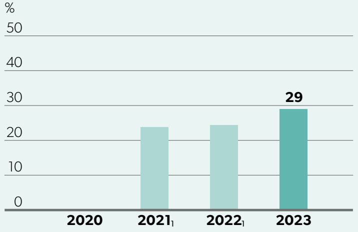
27 % 2024 TARGET

29% 2023 ACTUAL

Progress

The share of female managers increased to 29 percent (24). The result is supported by all segments' work to promote gender diversity, equity and inclusion, and to create a more equitable workplace.

Percent female managers



Percent female managers

[1]) New broader measurement specification from 2022

LTIFR

Injury rate/million working hours

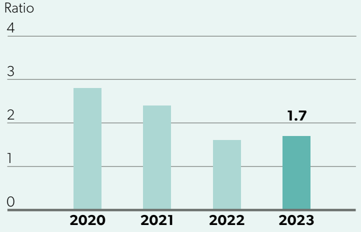
<2.0 2024 TARGET

1.7 2023 ACTUAL

Progress

The LTIFR was 1.7 and better than the target of 2.0. A company-wide Health & Safety incident reporting system is being implemented in order to further track occurred incidents, to learn and to take corrective proactive measures.

LTIFR



LTIFR, Injury rate/Million working hours

SHARE OF NEW DIRECT MATERIAL SUPPLIERS THAT HAVE BEEN ESG AUDITED

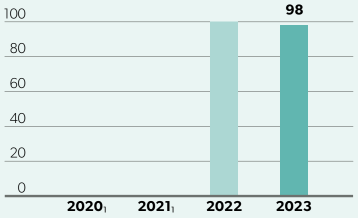
>90 % 2024 TARGET

98% 2023 ACTUAL

Progress

Dometic actively emphasizes auditing suppliers to guarantee that our Business Partners understand our sustainability requirements and adhere to the Code of Conduct. We ensure that a minimum of 90 percent of all new significant direct material suppliers undergo ESG compliance audits.

Share of new direct material suppliers that have been ESG audited



New ESG audited DM suppliers

[1]) New measurement and target started in 2022

HOW WE CREATE VALUE

GLOBAL MARKET TRENDS

1. Increased leisure spending
2. Market consolidation
3. Innovation is becoming increasingly important
4. The world is becoming more mobile
5. Sustainability is a reality
6. Digitalization and e-commerce revolution

STRATEGY AND KEY ACTIVITIES

- Profitable expansion in mobile living
- Product leadership through innovation
- Continuous cost reductions
- Building together
- We drive sustainability in our industry

STAKEHOLDER VALUE

Customers
Innovative, sustainable, energy-efficient and reliable products with outstanding design

Society
A responsible company that promotes fair business and labor practices as well as resource efficiency throughout the value chain

Employees
Attract, develop, engage and retain talented employees

Shareholders
Profitable growth resulting in attractive total returns

ASSETS AND RESOURCES

Market
- Well-diversified product offering and geographic spread.
- Strong brands in many attractive markets and product groups.
- Large installed base of products on the market.
- Large Distribution and Service & Aftermarket network.

Financial
- Track record of resilient earnings and cash flow.
- Clear and ambitious financial targets that support continued value creation.
- Well-diversified and balanced financing structure.

Sustainability
- Clearly defined sustainability focus areas and targets, with ownership within Group Management.
- Offering innovative, durable, low-carbon products that inspire an active, comfortable and responsible outdoor life.

Employees and organization
- Around 8,000 employees.
- Sales offices in more than 30 countries.
- 23 manufacturing and assembly sites in 11 countries.
- Global teams established to secure structural improvements.

DOMETIC STRATEGY

To succeed in the mission – making Mobile Living easy – Dometic aims to realize profitable growth through the following priorities: Profitable expansion in Mobile Living, Product leadership through innovation and Continuous cost eeductions. The foundation is named "Building together," as the strategy will be implemented through dedicated teamwork involving all employees. Thus, employeeship will make it happen. Dometic is committeed to driving sustainability in its industry and sustainability is an integrated part of the Dometic strategy and day-to-day business.

OUR VISION

To be the true world leader, most successful and innovative provider of tech Outdoor Living Solutions

To lead in innovation and provide smart, reliable products with outstanding design that offer true added value to our customers

To offer an attractive workplace to our employees

PROFITABLE EXPANSION IN MOBILE LIVING

- Consumer focus first independently of sales channel – create "pull."
- Expansion primarily in tech Outdoor stand-alone products and Mobile power.
- Growth in Service and Aftermarket to drive margin improvements.
- Grow in high margin OEM and leave low margin OEM with low service content.
- Growth opportunities driven by sustainability and electrification trends.
- Focus on two-step channel management and Seamless flow in all sales channels.
- Expand Outdoor living through acquisitions.

PRODUCT LEADERSHIP THROUGH INNOVATION

- Product management excellence.
- The right products for the right verticals, more frequent, at lower cost.
- Smart and reliable products with outstanding design.
- The most sustainable and energy efficient products in our industry.
- Products with focus on Service & Aftermarket to be prioritized.
- Implement common processes, global products and global technologies.
- The right quality and cost from the start.

CONTINUOUS COST REDUCTIONS

- Complexity reduction in everything we do.
- Common processes to enable synergies and improve competitiveness.
- Sourcing excellence.
- Robust forecasting and Supply Chain process in place.
- Drive manufacturing and distribution footprint.
- Sustainability mindset is key to reach waste and cost reductions.
- Seamless flow and automation whenever feasible to increase efficiency.

BUILDING TOGETHER

Common Values	Global talent pool and development	Strong leadership skills at all levels of the organization	Employee engagement	Common toolbox for execution

SUSTAINABILITY

PROFITABLE EXPANSION IN MOBILE LIVING

A growing share of the population wants to spend time outdoors, using their car, boat or recreational vehicle as a base. New consumer groups are entering the market, creating a demand for products and solutions that make outdoor life convenient and easily accessible.

Products used outdoors for cooking, cooling and storage need to be flexible, easy to use and energy efficient. In addition, sustainable mobile power solutions are needed to support the different products and solutions in an optimal way. With a broad range of tech outdoor living solutions, Dometic has a unique position in this growing Mobile Living market which provides an excellent opportunity to continue growing in existing and new vertical end markets.

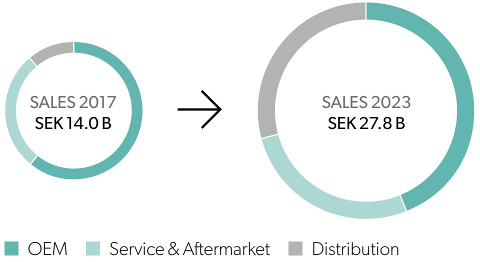
Three main sales channels

Dometic has three main sales channels:

1. Original Equipment Manufacturer (OEM): Installed products sold to RV, boat or CPV manufacturers.
2. Distribution: Installed and standalone products sold through distribution channels (physical and digital wholesalers and retailers as well as Dometic B2C e-commerce).
3. Service & Aftermarket: For installed and standalone products serviced through a network of independent service dealers and service providers or through Dometic's own service organizations.

More resilient mix with higher margins

As part of the strategy, Dometic has been focusing on expanding sales through the sales channels of Distribution and Service & Aftermarket. Growing these sales channels gives Dometic a better-balanced and more resilient business mix while expanding margins. Acquisitions made in recent years have primary exposure through these sales channels while organic growth initiatives, such as developing the outdoor portfolio and implementing a B2C platform, have fuelled this further. The OEM business continues to be important, as it creates scale and aftermarket opportunities, and Net sales through the OEM sales channel have



increased as well, but at a slower pace than the other sales channels.

Independent of the sales channel, Dometic is developing solutions with the consumer in focus. Putting the consumer first creates "pull" in the value chain. E-commerce solutions are important channels for expanding sales in Distribution and Service & Aftermarket. This increases direct interaction with consumers and will also improve order and supply flow efficiency for Dometic and for customers (a seamless flow). Dometic has a global B2C e-commerce platform implemented, and acquired businesses have contributed with competence for further scaling the B2C business. In 2023, 8 percent (6 percent in 2022) of the relevant business (non-OEM) was direct-to-consumer (DTC) and the ambition is to reach 20 percent. This is expected to contribute to both growth and margin expansion.

20 %
DTC sales share ambition*

* The ambition is to have 20 percent of the non-OEM business as DTC

Expanded adressable market

As part of the automotive industry trend toward larger vehicles such as sport utility vehicles (SUVs), more families are spending time in nature using their own SUVs, station wagons or pickups as the base. These kinds of consumers use their own cars to enjoy the outdoors effortlessly and spontaneously. Sustainability and electrification trends are accelerating this trend further. By using the technological know-how and small-space design experience from the RV and Marine industry, Dometic has developed and acquired portable products to meet the needs of these kinds of users. By offering flexible products to be used outside of the vehicle, Dometic's sales exposure moves from high-ticket discretionary sales to lower-ticket discretionary sales, while the global addressable market is growing from ~15 million registered RVs worldwide to more than 300 million registered vehicles (RVs, SUVs, pickups, and station wagons). Approximately 35 million new SUVs, station wagons and pickups are sold every year, to be compared with the RV industry, which has historically produced 700,000–800,000 vehicles per year.

Organically and through acquisitions, Dometic has built up a significant global Mobile Power Solutions business. This is addressing a fast-growing market supported by electrification and sustainability trends. Investments in products and capabilities will continue to build this business further, and an organization is established to drive this work further globally.

OEM drives aftermarket sales

Dometic's large installed base of products in both leisure and professional markets is a key asset driving organic growth in Service & Aftermarket sales. Upgrade kits, spare parts and replacements of existing products provide stable demand. Additional service concepts, including preventive maintenance and modernization kits, will strengthen customer relationships and provide further growth opportunities for the Group going forward. A continuously growing installed base of products and increased technology content drive service and aftermarket growth, contributing to increased recurring revenues. Dometic is piloting service initiatives in several countries, where Dometic service employees handle end users' service requirements.


More and more families use their own cars to enjoy the outdoors effortlessly and spontaneously.

Dometic has a strong position in OEM across RV, Marine and CPV. The OEM business is strategically important as it gives scale and Service & Aftermarket opportunities. The collaboration with large OEM customers also provides valuable and critical input for innovation and product development, and a significant portion of the products Dometic is launching are for the OEM business.

Acquisitions and portfolio review – an integrated part of the strategy

A balanced combination of organic growth and strategic acquisitions will continue to be important in further strengthening Dometic's leadership position. Carefully selected strategic acquisitions have been important in creating the true global player that Dometic is today and will continue to enable synergies and scalability, while integration processes and value creation will be further systemized.

Complementary "Bolt-on" acquisitions play an important role in existing businesses to strengthen the offering or further increase local presence. In new growth areas, larger "Transformational" platform acquisitions will occasionally be crucial in order to become relevant to the market and gain a critical mass from which to expand. In 2021, Igloo was "Transformational," while the other nine acquisitions made in 2021 and 2022 were "Bolt-on".

Dometic's industries are still fragmented, and leading the consolidation will be key to benefiting from the global trends driving growth. While the growing pipeline of potential strategic acquisitions is managed centrally, the operational units have been given greater responsibility to identify and evaluate acquisition targets.

M&A STRATEGY

Highly selective and disciplined approach to acquisitions.

> Complementary "Bolt-on" acquisitions play an important role in existing businesses to strengthen the offering or further increase local presence. In new growth areas, larger "Transformational" platform acquisitions will occasionally be crucial in order to become relevant to the market and gain a critical mass from which to expand.

CRITERIA

Strategic
- Exposure to markets with strong growth trends and attractive dynamics.
- Strong market presence.
- Preferably lower-ticket discretionary spend.
- Service & Aftermarket exposure.
- Aligned with Sustainability vision.
- Add capabilities, strengthens products portfolio.

Financial
- Support Group financial targets.
- Track record of profitable growth.
- Synergy opportunities.

Other
- Dometic integration capacity.
- Cultural fit.

TYPE OF ACQUISITION

Bolt-on
- Strengthen core technologies.
- Build global platforms.
- Increase local presence.
- Gain access to distribution channels.
- Create synergies and cost efficiencies.

Transformational
- Accelerate entry into new markets.
- Platforms for growth (organic and additional bolt-ons).

PORTFOLIO REVIEW

Acquisition and divestment opportunities

> There is continuous strategic review of the existing portfolio, and the Company is considering both acquisitions and divestments going forward.

Continuous portfolio review

- Aligned with Dometic strategy.
- Positive market trends.
- Build strong market positions globally.
- Opportunity for high-margin expansion.
- Generates Service & Aftermarket opportunities.
- Consumer orientation.
- In line with Sustainability vision.

Prioritized acquisition opportunities

- Service & Aftermarket.
- Mobile power solutions.
- Outdoor standalone equipment.
- Marine equipment.

Divestment opportunities

- Non-strategic areas.
- Low-margin OEM with low Service & Aftermarket opportunities.

Continuous portfolio review

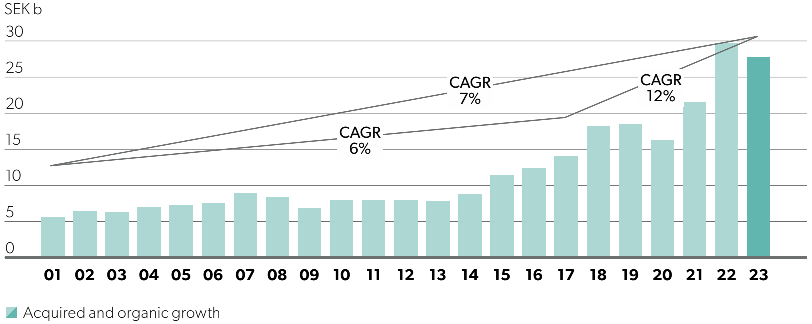
There is a continuous strategic review of the existing portfolio, and Dometic is considering both acquisitions and divestments going forward. Both new and existing products must be aligned with the Dometic strategy when it comes to, for example, Service & Aftermarket opportunities and future market growth.

Strategy execution highlights

- 12 percent net sales CAGR 2017–2023.
- Sales share from Distribution and Service & Aftermarket 57 percent compared to 39 percent in 2017.
- Direct-to-consumer e-commerce net sales grew 19 percent in 2023.

Net sales development

A combination of acquisitive and organic growth



The growth trend has accelerated in recent years supported by acquisitions in higher growth areas

DOMETIC AMBASSADORS

PROJECT ZERO

ON A MISSION TO DOCUMENT CLIMATE CHANGE

"By harnessing solar energy, Dometic mobile power solutions will enable the use of renewable energy during the expedition."

The Project Zero team, Dr Geoff Wilson and his son Kitale, are on their journey to promote climate change awareness. As they set off on their entirely carbon-neutral expedition, Dometic is supporting by providing technology and gear to support the challenging journey from the South Pole to the North Pole.

The expedition, called "Project Zero," follows two adventurers as they explore some of the world's most isolated and vulnerable environments. By documenting in real-time the status of those areas, Project Zero aims to raise awareness around climate change and gather information for scientific research.

From the South Pole to the North Pole, the father and son duo will document the visible impact of global warming and engage with the world's leading climate scientists, advocates and initiatives.

Dometic equipment such as mobile cooling and cooking gear, as well as mobile power solutions will be used on NANØØK X, the sailing yacht transporting the duo. By harnessing solar energy, Dometic mobile power solutions will enable the use of renewable energy during the expedition.

More information on the expedition can be found here: projectzero.earth

Quick links to Dometic ambassadors
Read more stories
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PRODUCT LEADERSHIP THROUGH INNOVATION

Smart and reliable products with outstanding design

The fundamental question should always be: "What does the end consumer really need?" To find out, Dometic listens carefully to customers and to end consumers to understand their needs – for products, complete solutions, delivery, support and service. Identifying and defining relevant consumer benefits at an early stage of product development will ensure that they will be integrated at the right quality and cost.

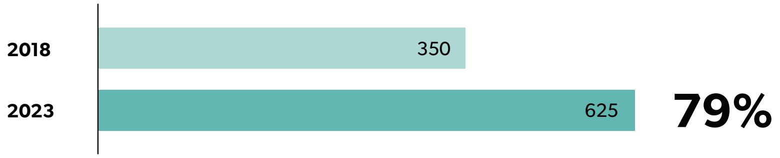
A number of activities are being conducted with consumers to develop an understanding of their requirements and expectations. Involving ambassadors and consumers is also crucial for product developers to make the right choices among all parameters, such as weight, size, performance and aesthetic design.

The product management organization plays a pivotal role in this work, ensuring that Dometic has the right pipeline of products. This role includes responsibility for market intelligence, idea generation, product roadmaps, sales support development and lifecycle management, including product phase-in and phase-out.

To secure the long-term benefits of these efforts, Dometic continues to work actively with the IP (Intellectual Property) portfolio and sees advantages when protecting both technology and design. This secures our brand recognition, technology leadership and cost control while still allowing adaptation for local needs.

Investments in product innovation

Investments in R&D, SEK m



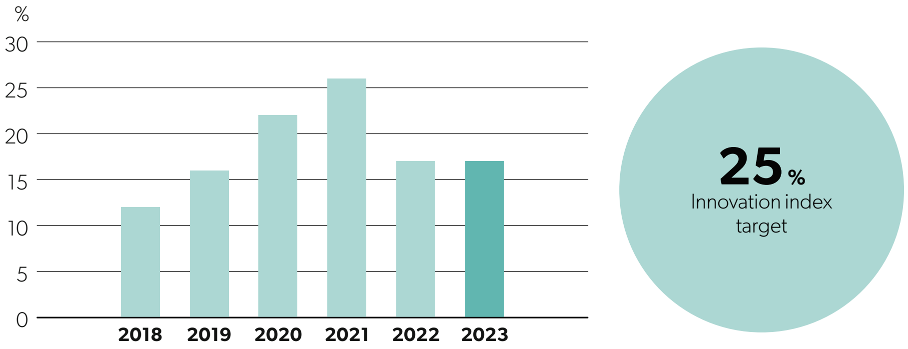
Investments in product innovation have increased and several new products were launched in 2023. R&D in percent of net sales remained at around 2 percent supported by increased efficiency and a focus on global product platforms.

Global products, generation planning and modularity

Dometic's strategy is to increase the level of innovation while maintaining and strengthening competitiveness. A balance between a global and regional product approach is required to increase efficiency and flexibility, while reducing time to market and product complexity. The increased focus on the product dimension in the Dometic organization will drive an even better alignment between the commercial and product strategies going forward. Technological know-how is comprehensive. Global product areas with appointed product managers ensure modularity, cost control, quality, sustainability considerations and component reuse between products and projects. Dometic has defined four core technologies: electronics, connectivity, cooling, and mobile power. These technologies are used across several customer offerings and solutions.

The Dometic Product Development Process (DPDP) has continued the shift to global development initiatives. The increased focus on larger projects ensures that Dometic spends time and resources on innovations that truly make a difference in the market, while there will be continuous expansion into new areas with a particular focus on standalone outdoor products.

Product innovation index



Share of net sales from products launched past three years. In 2022 and 2023, there was a temporary decline in the index due to semiconductor supply constraints and high inventory levels.

Through acquisitions made in recent years, Dometic has built a global position and presence in mobile power solutions. In this area, Dometic offers a broad portfolio of products that are very attractive to the aftermarket. This includes products to provide renewable energy with solar panels in combination with products used for energy conversion and storage. Efforts are now intensified to adjust the entire Dometic product portfolio to our mobile power solution offering to provide an even better and more sustainable consumer experience.

Design for consumables, service parts and upgrade kits

Historically, the focus has been on improving product performance, product quality and product cost. In recent years, a stronger Service & Aftermarket offering has been added to these focus areas. New products are being designed with a greater focus on serviceability, in addition to increased focus on developing products specifically for Service & Aftermarket.

Sustainable product leadership

Dometic has strengthened the organization to drive sustainable product leadership as we believe this will be a key market differentiator and drive long-term value creation. Market studies show that all ages, and especially younger generations, are willing to pay more for sustainable products. Embracing lifecycle thinking across the whole organization is important to make sustainability a valuable product attribute for Dometic.

Strategy execution highlights

Products launched in 2023 include:

- The Dometic NRX Refrigerator – a new product platform of refrigerators serving all verticals (Boats, RVs, CPVs), and being 25 percent more energy efficient than current available product on the market.
- The Dometic ventilate ACC3100 – a new ventilation product using a patented heat recovery system saving up to 20 percent of the energy consumption for heating and cooling an RV.
- Igloo compressor (ICF-series) and thermoelectric (TE-series) coolers - the first range of active coolers under the Igloo brand.
- Dometic's innovation index was 17 percent at the end of the year compared to a target 25 percent. 2021 innovation index was 26 percent. Component supply constraints and a short-term focus in the Group on reducing inventories, by driving sales on existing products, had a temporary negative impact on the index.
- Investments in product development have increased 79 percent compared to 2018.
- The IP (Intellectual Property) organization has been strengthened and the number of IP rights is >3,000 and has more than doubled since 2018.
- Net sales from products built on global platforms have increased by 4 times compared to 2018.

CONTINUOUS COST REDUCTIONS

To further increase Dometic's competitiveness and drive continued profitable growth, reducing costs is an important pillar in the strategy. Cost reductions will be achieved by reducing inefficiencies and waste, while leveraging the benefits of automation and digitalization.

Complexity reduction in everything Dometic does

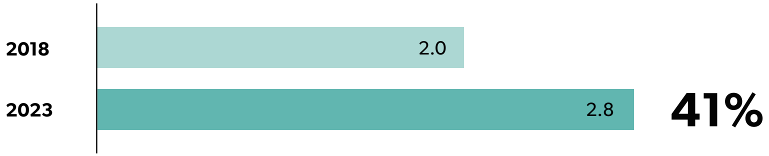
Dometic's size, broad business scope and global reach have many benefits but this also results in complexity. Unnecessary complexity must be reduced to create an efficient, agile and more innovative company. Dometic has initiated complexity reductions throughout the organization, including in areas such as number of suppliers, number of sites, number of legal entities, number of SKUs and in the IT infrastructure.

Complexity reduction is the starting point for driving industrialization. Dometic has implemented a structured process with clear ownership and cross-functional collaboration to optimize operations. The first step is focused on reducing complexity in stock-keeping units (SKUs), reducing the supplier base and driving regional and global category management. The second step involves outsourcing of non-core activities and consolidation of sites. The third and final step is to optimize the structure through common processes for sourcing, supply chain, lean methods and automation. The three steps are being implemented in parallel, with different timelines.

A reduction in SKUs is important, as it reduces costs and complexity. The Company has made strong progress and has reduced SKUs by 65 percent compared with 2018. Reduction efforts continue, with a focus on

Net sales per FTE (full time equivalent)

SEK m



Increased efficiency – net sales per full time equivalent have increased by 41 percent compared to 2018. Compared to 2017 the increase is 64 percent.

structural reductions by implementing platform/modular design with increased shared technology across the Group.

Sourcing is increasingly important as Dometic gradually shifts to globally coordinated processes around product development and manufacturing. Non-core components and products will be outsourced to external suppliers in low-cost countries, resulting in greater economies of scale and improved flexibility. Dometic is coordinating strategic sourcing centrally, and global sourcing structures have been established in a number of key areas, such as electronics and compressors. To support increased sourcing from low-cost countries, sourcing offices have been established in Mexico and Hungary, in addition to the existing office in China. Activities have continued to reduce exposure to Chinese operations, partly to avoid customs tariffs to the US.

Common processes and continuously improved competitiveness

Lean methods are crucial for operational excellence and will improve Dometic's competitiveness. A lean organization creates more value for customers while using fewer resources by focusing on continuously increasing customer value and eliminating inefficiencies. Common processes and clear ownership are critical to coordinating the industrialization of Dometic's operations. This includes everything from product development, manufacturing and logistics, to sales, administration and IT. Dometic has appointed global key process owners with responsibility for developing, leading and coordinating the implementation of Dometic's processes, training programs and IT applications in their respective areas.

Future optimized manufacturing and distribution footprint

Optimization of manufacturing operations is essential for realizing cost reductions. The ability to have a flexible infrastructure, to adapt quickly to seasonality and cyclicality and be asset-light is key. To achieve these goals, Dometic is focusing on reducing vertical integration by outsourcing non-core activities, reducing the number of manufacturing sites, reducing high-cost country manufacturing in different continents, realizing the benefits of low-cost countries and increasing automation and assembly near the main markets.

Develop operations in steps

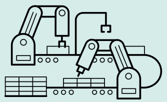
Complexity reduction is the starting point for driving industrialization. The second step involves outsourcing of non-core activities and consolidation of sites. The third and final step is to optimize the structure through common processes.

1 REDUCE COMPLEXITY

- SKU REDUCTION[1]
- CATEGORY MANAGEMENT
- TRANSFER SUPPLIERS FROM HCC TO LCC[2]
- SUPPLIER REDUCTION

[1] Stockkeeping Units. [2] High Cost Countries to Low Cost Countries.

2 REDUCE COMPLEXITY



- OUTSOURCING NON-CORE PRODUCTION
- CONSOLIDATE SITES

3 OPTIMIZATION

- SOURCING EXCELLENCE
- SUPPLY CHAIN EXCELLENCE
- VALUE ANALYSIS/VALUE ENGINEERING
- LEAN
- AUTOMATION

SUSTAINABILITY — LEAN EXCELLENCE — DIGITALIZATION

Dometic is strategically reducing in-house manufacturing while increasing outsourced value. Optimization of the manufacturing footprint includes common and improved procedures and processes for sourcing. A natural effect of this transition is a reduction in the number of suppliers and an increased number of strategic partners, resulting in high flexibility and reliability, competitiveness, zero-defect sourcing and high sustainability standards.

A cost-reduction program was announced in 2019, focused on outsourcing non-core activities and site consolidation, to optimize the footprint. An additional program was announced in July 2022. Activities in the two programs were successfully completed in 2023. A total of 24 sites and 2,000 employees were affected by the programs.

DIGITALIZATION AND SEAMLESS FLOW

Dometic endeavors to automate processes wherever possible and to transform the industry with a high degree of automation and seamless flow in all areas. The implementation of seamless flow and the coordination and optimization of the IT structure also enable efficient coordination of support functions. With this agenda, Dometic will be able to serve its thousands of customers worldwide better and more efficiently.

The Company is increasing activities and investments in digitalization and e-commerce to reach new customers and reduce costs.
This involves:

- Electronic data interchange (EDI) solutions for existing major customers and suppliers to reduce transactional costs.
- A global B2B solution to automate flows, reduce costs, and increase effectiveness.
- A global B2C solution to serve new customers directly.

Artificial intelligence – an opportunity and risk

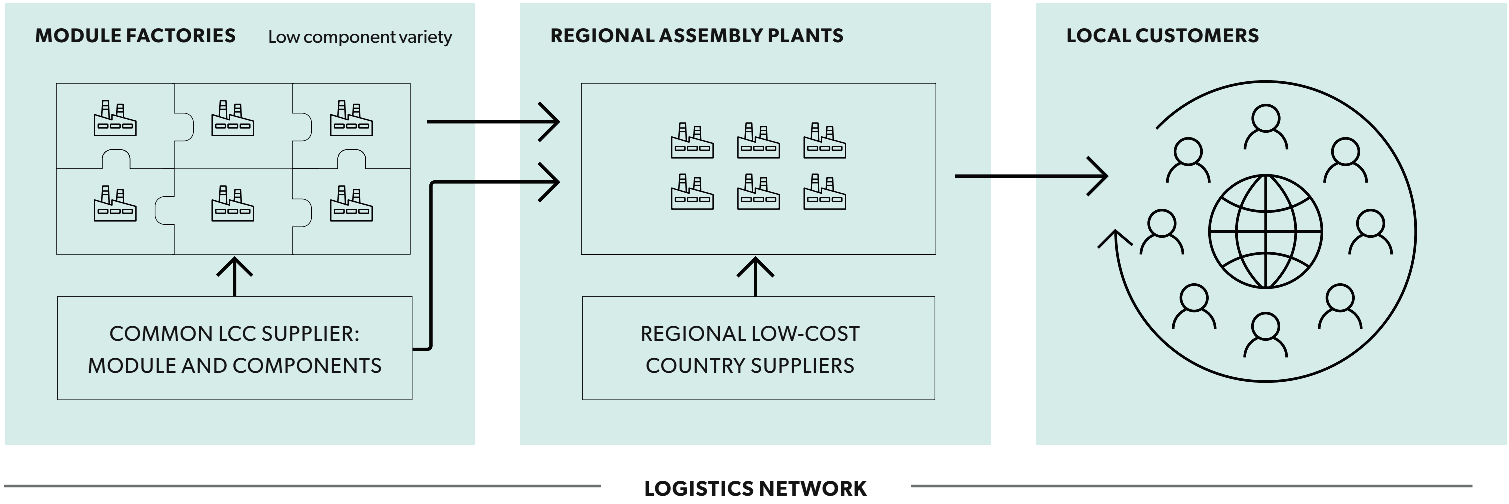
Artificial Intelligence (AI) and Generative Artificial Intelligence provide great opportunities for Dometic in many ways. They also add risks if not properly introduced. Dometic runs a program to create a framework for AI usage. The program explores the possibilities in: Product Design, Software Development, Marketing, Sales and Intellectual Property. Each project is responsible for ideas of usage, but also to contribute to forming the governance model for AI. This is done with focus on risks, e.g. information leakage, intellectual property infringements, quality of generated content.

Strategy execution highlights

- Increased efficiency – net sales per full time equivalent have increased by 41 percent compared to 2018. Compared to 2017 the increase is 64 percent.
- Increased flexibility – the share of contractors in the workforce is 19 percent compared to 5 percent in 2018.
- The total number of manufacturing sites has been reduced from 27 in 2018 to 23 in 2023, including four sites added through acquisitions. This equals an underlying reduction of 30 percent.
- The number of SKUs has been reduced by 65 percent compared to 2018 (excl. acquisitions).
- The share of Direct Material from low-cost countries increased to 66 percent (excl. acquisitions); the ambition is to reach 80 percent.
- The number of suppliers has been reduced by 29 percent (excl. acquisitions) compared to 2018; the ambition is to reach 50 percent.

Future manufacturing footprint structure

The ability to have a flexible infrastructure, adapt quickly to seasonality and cyclicality, and be asset-light is key.



TOGETHER, WE BUILD OUR FUTURE!

Our four Core Values provide guidance on who we are and what we represent. They help us align priorities and enable decentralized decision making while building a "ONE Dometic" culture together.

TOGETHER WE BUILD OUR FUTURE
We win as a team.
We are ONE Dometic.
We inspire personal growth through a positive feedback culture.

WE PLAY TO WIN
We are passionate and competitive.
We aim for excellence.
We have fun delivering results.

WE EMBRACE CHANGE
We are curious, collaborative and consumer driven.
We fail forward and learn quickly.
We innovate and improve.

WE WALK THE TALK
We do what we say.
We do the right thing.
We care about our people and our planet.

To support the transformation journey Dometic is on and help us to master constantly changing business needs, a thorough process was made to update the core values during 2023. The process took over six months and involved a high number of employees across the global Dometic organization.

The purpose is to build a "ONE Dometic" culture, strengthening the leaders and improving communication and trust between Segments and Functions. Further, we want to enable decentralized decision making and increase the speed of execution, ensuring our core values support the company's purpose, vision, strategy and brand.

Diversity and inclusion
Dometic believes that teamwork, including a shared sense of purpose and the willingness to take responsibility as individuals and as a Group, is essential for its success. Good teamwork will help make Dometic not only a successful company, but also a great place to work.

Diversity is a strategic asset for Dometic and a key element of our competitive edge. Diversity is embraced to the fullest and is seen as crucial for company success and motivation at work. Having a diverse workforce helps to acquire and retain the best talent, build employee engagement, enhance innovation and improve business performance.

Diversity, equity and inclusion principles apply across the entire Company and cover all facets. Diversity is understood to mean respecting that each individual is unique, and Dometic fosters the ability to set aside personal prejudices.

Dometic can only achieve the Company's aspirations if employees team up, live the core values and act consistently with the Company strategy. Dometic offers employees professional development and growth opportunities and embraces talent management and improved internal communication and interaction. Dometic's aim is to develop an organizational culture where taking responsibility, showing loyalty and being innovative characterize the Company's culture. This mindset will help cultivate the teamwork and partnership that will foster involvement and participation among all employees.

Together we build our future
Dometic employees should show clear focus, develop their capabilities continuously and find passion in everything Dometic does in order to execute the Company strategy. The core values are not only guiding principles; they define how team members in Dometic operate, behave and interact.

One of the most important pillars of sustainable and long-term organizational success is the systematic development of good leaders. Dometic believes in investing in leadership development and expects the efforts to have a positive effect on the bottom line.

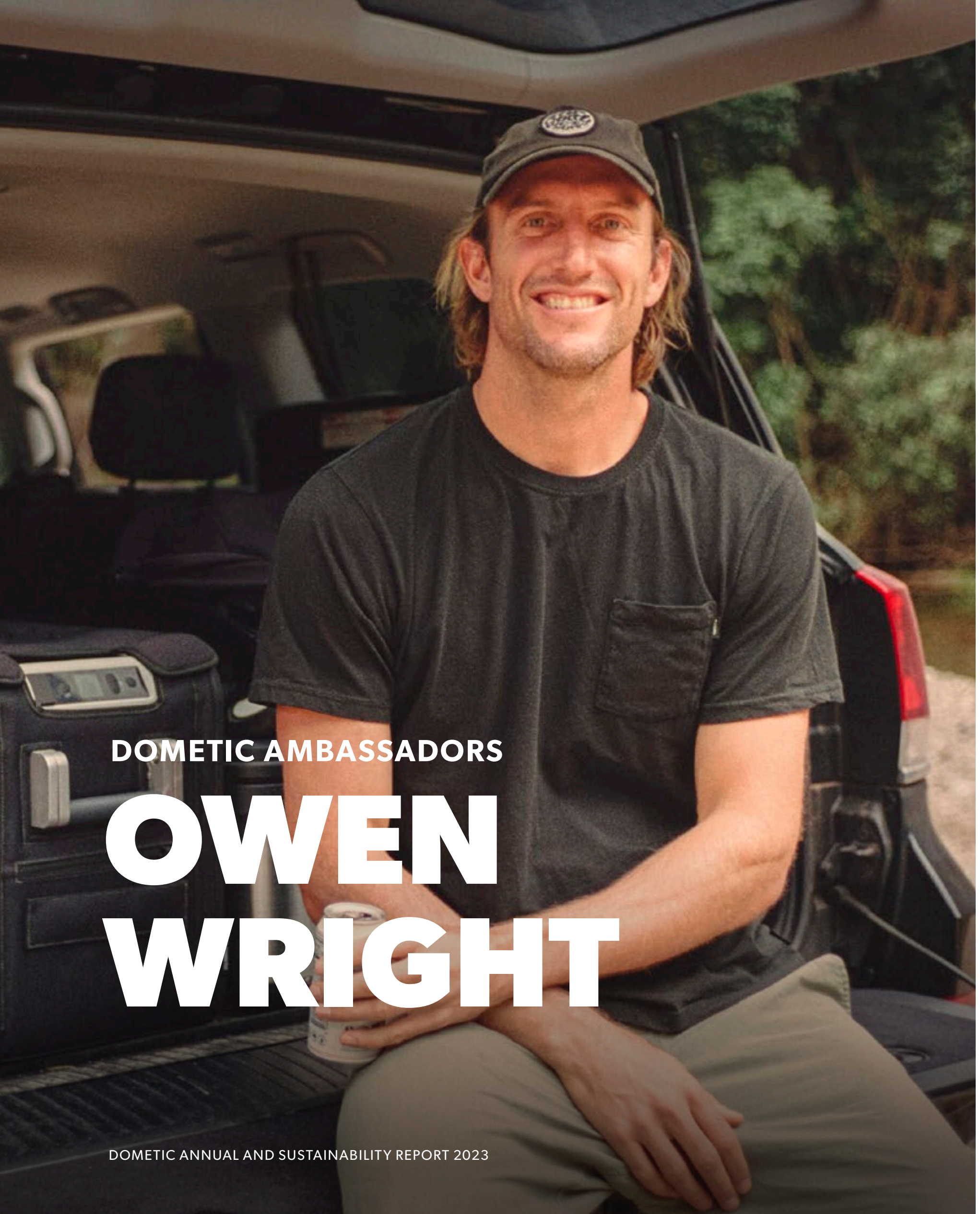
Leaders in Dometic manage rapid changes due to new technologies, politics, environmental concerns and unexpected events. Leaders need to be equipped and trained to be able to lead teams successfully and build organizational capacity for positive change.

A strong employer
To allow for more internal development opportunities, Dometic has further strengthened its internal job market and Talent Management.

The implementation of the global employer brand, especially on social media, continues. The main messages of the global employer brand are:
- A global Company with a friendly feel.
- Challenges move us forward.
- Leading and growing our industry.
- Challenges drive personal growth.
- Stronger and better together.

The first global employee survey was conducted in 2019 and repeated in 2021. After every survey the Company works actively with the resulting action plans. A new survey was launched in December 2023.

Strategy execution highlights
- Significantly increased the share of female managers to 29 percent.
- New talent review and succession planning process.
- Rollout of a global leadership development structure.
- Two-day global management summit to accelerate the Dometic transformation journey.
- Investment in an AI-powered learning and development platform.



DOMETIC AMBASSADORS

OWEN WRIGHT

GONE SURFING

"I'm so stoked to have found camping again and I know it will be part of my future forever."

Owen is a true surfing legend, having competed in the prestigious World Surf League and earned a bronze medal at the 2020 Tokyo Summer Olympics. He is widely recognized as one of the world's best surfers, with an impressive track record that speaks volumes about his passion and dedication. After 12 years of competitive surfing, Dometic Ambassador and Australian surf legend, Owen Wright, retired at The Rip Curl Pro Bells Beach, an iconic stop on The World Surf League Championship Tour.

Owen's journey hasn't always been easy. In 2015, he suffered a traumatic brain injury during a training session. Despite the setback, he was determined to overcome his injury and prove to himself and the world that he could continue to push his limits. Within a year, he went on to win the World Surfing League Quiksilver Pro Gold Coast, an incredible feat that left everyone in awe of his resilience and strength.

Owen recently announced that he would be retiring from professional surfing so he can focus on staying healthy, spending more time with his family, and continuing to explore and enjoy the outdoors.

"I found camping after I had a major concussion and I found it really helped me balance out my hectic lifestyle of traveling the world. It also brought joy and fun back into my life after battling so hard to bounce back after injury. It's something that I can share with my son and family, and it just grounded us. Being out in nature is the best thing and the Dometic products just allowed the process to be easy and painless. I'm so stoked to have found camping again and I know it will be a part of my future forever. You just can't beat getting outdoors and exploring," says Owen.

Quick links to Dometic ambassadors
Read more stories
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SUSTAINABILITY

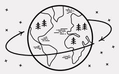
We love the outdoors. As pioneers in the Mobile Living area, we are committed to driving sustainability in our industry. Because we want nature to be a resource for everyone to enjoy and explore. Forever.

WE DRIVE SUSTAINABILITY IN OUR INDUSTRY

As a market leader in Mobile Living solutions, Dometic is committed to driving sustainability. Millions of people around the world buy and use Dometic products. All are part of a growing movement of people who enjoy an active mobile outdoor lifestyle, for freedom and for adventure. Proximity to nature is an important motivation for users of Dometic's solutions. The Company aims to meet the growing demand for the Mobile Living lifestyle while continuously reducing consumers' environmental footprints. Sustainability is an integrated part of Dometic's strategy and crucial for building a company that is well prepared for future challenges and opportunities.

OUR CONTRIBUTION
Dometic contributes to a more sustainable world by enabling people to enjoy and explore nature – locally and more frequently. We do so by offering innovative, durable, low-carbon products that inspire an active, comfortable, and responsible life in the outdoors.

SUSTAINABILITY PLATFORM 2022–2024

	Areas of influence					
Focus areas	**Company**	**Products / supply chain**	**Consumer**	**Dometic Ambitions**	**Dometic Goals**	**SDG contribution**
People 	Employer of choice in the outdoor industry	Good labor standards	Well-being	Offer a safe, inclusive, diverse and dynamic workplace – allowing every employee to reach their full potential for the best of the company as a whole.	• Provide a healthy and safe work environment for all employees • All employees can be their authentic selves • Excellent leadership on all levels of the organization	
Planet 	Sustainable operations	Sustainable innovation	Sustainable lifestyle	Offer innovative, durable, circular, low-carbon products. Minimize climate impact, increase resource efficiency and support circularity.	**Sustainable operations:** • Operations fully powered by renewable electricity • Reduce CO_2 from transport of goods • Minimize onsite waste and eliminate landfill **Sustainable innovations**: • Increase efficiency in the product use phase • Increase use of renewable and recycled materials • Extend expected lifetime	
Governance 	Good business practices	Good business partner	Enable outdoor experiences for more	Safeguard human rights at all times while pursuing fair business and labor practices.	• All employees understand the Code of Conduct and know how to act in difficult situations • All business partners have a good understanding of the Code of Conduct and support in driving sustainability in our industry	

In the intersection of the three focus areas and the areas of influence, nine blocks of action have been identified.

Through Dometic's sustainability platform and goals, the Company contributes to at least six Sustainable Development Goals (SDGs) in support of the 2030 Agenda for Sustainable Development.

Dometic's sustainability platform for 2022–2024 consists of the focus areas People, Planet and Governance. Dometic wants to make a difference through its areas of influence – within the Company, through its products and supply chain, and for its consumers. Each focus area, along with corresponding ambitions, goals and action plans, has clear ownership within Group Management. For each goal, clear KPIs with corresponding targets have been established. Three ESG targets are also included as part of the long-term incentive program. The platform's current mandate ends in December 2024. It will undergo renewal in alignment with CSRD and ESRS requierements.

PEOPLE | FOCUS AREA

Dometic is committed to being an attractive workplace and the employer of choice in the outdoor industry. Four core values form the foundation of Dometic's company culture. They provide the framework for everything Dometic does, as well as how people in the Group interact with each other and external parties.

With a work environment based on Dometic's core values, the Code of Conduct and supporting governing documents, the Company's ambition is to create a great place to work for current and future employees.

Core values

To support the transitional journey Dometic is on, and to help master the constantly changing business needs, a thorough process to update the Core Values took place 2023. The process took over six months and involved employees across the global Dometic organization.

The purpose was to build a common culture, strengthening the leaders and improve communication and trust between segments and functions. Further, Dometic wanted to enable decentralized decision making and increase the speed of execution ensuring that core values support the company's purpose, vision, strategy and brand.

"Together, we build our future! The four Core Values provide guidance on who we are and what we represent. They help us align priorities and enable decentralized decision making while building a ONE Dometic culture together."

3 GOOD HEALTH AND WELL-BEING | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH

3.9	Reduce illness and deaths from hazardous chemicals and pollution
5.1	End discrimination against women and girls
8.8	Protect labor rights and promote safe working environments

By implementing and following Dometic's Code of Conduct and additional governing documents as well as the ambitions and goals for 2022–2024 within the focus area People, the Company contributes to the SDGs.

Diversity, equity and inclusion

In the last few years, diversity, equity and inclusion (DE&I) has become a fundamental element of Dometic's culture. A global structure with teams in each segment has been established to continuously focus on creating a diverse workforce and an inclusive work environment. Dometic has a global diversity, equity and inclusion training initiative to build solid awareness and understanding that aims to foster a diverse and inclusive mindset throughout the organization. Such training programs are important steps to ensuring implementation of the DE&I policy and to nurture a culture in which every employee feels respected, valued and comfortable being their authentic selves.

The Group's internal job market portal offers access to all open positions in the Group and supports a fair and transparent hiring process. Last year, an initiative to review the recruitment process was launched with the ambition to attract a broader scope of talent and explore how the group can reduce subconscious bias in the recruitment process. This includes a global diversity, equity and inclusion statement in all job ads, as well as looking into how the language can be modified to attract all talent pools. The recruitment process improvement initiative will continue and be extended to include more aspects of the recruitment, onboarding, and retainment processes and culture.

Dometic's diversity, equity and inclusion initiative also supports gender diversity. In the past few years, Dometic has had a particular focus on increasing gender diversity in managerial positions. The share of female managers has increased to 29 percent (24) which illustrates the company's commitment to creating a more equitable workplace. Including the acquisitions made in 2021 and 2022, the share of female managers result was 28 percent. The result is supported by all segments' dedicated efforts to promote gender diversity, equity and inclusion and the efforts continue. Group Management comprises 11 (10) people, of which 4 (4) are women. The Board of Directors comprises 8 (8) people, of which 3 (3) are women.

For 2024, Dometic aims to improve its DE&I index, which is based on the employee engagement survey. The survey supports human resource leaders to design and implement further DE&I initiatives across the organization. Empowering underrepresented groups is an imperative for the company to drive a more diverse and inclusive employer branding strategy. During 2023, Dometic launched WIN Operations, Women in Operations, a pilot networking forum for women in operations across segment Americas, Marine and Global. The program intends to create a space where female team members from different areas of operations can share experiences and challenges, learn, network and have mentoring sessions.

Health and safety

Dometic works continuously to safeguard a healthy and safe work environment for all employees. The Dometic Health and Safety (H&S) Guideline is a key component of the factory management systems and aims to ensure a common high standard across the Group. Another component of the factory management systems is the Dometic Loss Prevention Guideline (DLPG), which is designed to guide the Group's production sites on safety and security measures to reduce risk, ensure compliance with industry practices, and maintain high standards for safety, quality and delivery. Occupational health and safety management system standards, such as ISO 45001, comprise a third component of the factory management systems for selected sites. In 2023, Dometic's on-site audit program was resumed with third-party assessments with three additional sites receiving ISO 45001 certification. To ensure awareness among employees, Dometic provides a H&S learning program to all factory employees.

This year, the focus continued to be on risk identification, mitigation and elimination, through strengthening local procedures in line with the H&S Guideline. The organization has been strengthened with more local and regional environment, health and safety (EHS) resources supporting Dometic's operations. The EMEA segment has implemented EHS Excellence processes with focus on improved leadership and organization, EHS compliance, risk management practice, general H&S guidance. To facilitate the return to work after an injury, the Marine segment has established a program "Fit for Duty" that supports an employee's fitness after injury. During 2023 the focus of the program has been on ergonomics, wellness and safety training for example, on "Spot the Hazard" to identify, correct, and track unsafe conditions within a facility.

The goal is to provide a healthy and safe work environment for all employees. To track the progress, Dometic uses two key performance indicators (KPIs). The first indicator is the global H&S index which is based on the biennial employee survey. The employee survey guides the development of local measures and initiatives for improvement and tracks employee favorable responses to H&S initiatives. In 2023, the Dometic employee survey yielded a 76 percent favorable response from employees. The target is to increase the H&S index to a 78 percent favorable employee response by 2024.

The second indicator relates to safety procedures. These efforts are tracked through the lost time injury frequency rate (LTIFR)[1]. In 2023, the LTIFR was 1.7 (1.6), well below the baseline of 2.4. The increase compared to last year is due to less total worked hours in the company, as a result of significantly fewer FTE's. Including acquisitions, the LTIFR was 1.5. Efforts focusing on injury prevention continue throughout the organization to stay below the target of 2.0. This year 23 (25) lost-time safety-related incidents were reported. The number of injuries has decreased compared to last year. Dometic is currently establishing a company-wide H&S incident reporting system (AFA IA system). The system has enabled the Group to further learn from events that do occur and promote an open climate where reporting of incidents, accidents or other events or risks is a natural part of efforts to constantly improve. As an example, one manufacturing site has managed to reduce accidents by 70 percent compared to 2022 by implementing the system.

[1] Absence due to illness occupational injuries per million working hours.

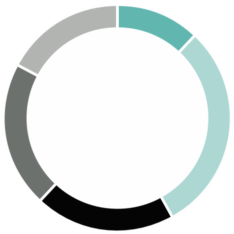
Competence management
Organizational capabilities remain key elements for Dometic's business success and for its employees during the Company's transition journey. Dometic Academy provides a central learning management system that hosts training opportunities globally and is the tool for strategy deployment and personal development within the Company. An annual roadmap has been established, which strongly accelerates the production of training output yearly. As a tool for personal development, Dometic Academy contributes to target alignment in performance management throughout the organization. In total, 5,133 (4,608) employees participated in 1,161 (984) training activities across all segments in 2023.

The ambition forward is to further improve the existing digital learning environment with easy access to broad and specific content as well as learning campaigns. This to help drive Dometic's strategic goals by supporting personal development. Dometic is also planning to improve the in-person training approach toward customers with digital certification training, enabling business customers to get certified on product knowledge, service and repair. With this initiative, Dometic aims to bring a great end-customer experience to fruition.

Leadership
Dometic's transformation journey puts high demands on leaders to succeed with the strategy deployment. Dometic's leadership model is based on three leadership criterias for transformational leadership: I drive performance, I inspire engagement and I lead change. These criteria support leaders in understanding their expectations to act as role models and ensure ethical and responsible business practices. Dometic is now taking the next steps in creating a viable leadership training curriculum for the Group with a mix of face to face and online learning. The plan is also to launch a Group-wide Executive Development Program (EDP) during 2024. Furthermore, the Group will set more clear targets for 2024 onwards to further improve the leadership index based on the global employee engagement survey.

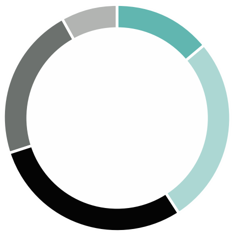
Sustainability training for all employees
Sustainability can only be fully integrated in a company's processes and day-to-day decisions if employees are aware of the benefits and importance for the various stakeholders. Since 2020, Dometic has provided a global sustainability e-learning program, which is part of the mandatory training package for all employees. As sustainability is an important part in the day-to-day operations, the Group's e-learning in Sustainability is relaunched for all employees on a yearly basis. The training highlights how all employees will learn about how Dometic contribute to a more sustainable development, as well as the program and goals for the coming years.

No. of employees per segment, %



Americas 12% (13)
EMEA 30% (31)
APAC 20% (19)
Marine 21% (20)
Global 17% (16)

Age structure, %



<30 years, 14% (15)
30–39 years, 27% (26)
40–50 years, 29% (29)
51–60 years, 22% (21)
>60 years, 8% (8)

FOCUS AREA PEOPLE

Ambition: Offer a safe, inclusive, diverse and dynamic workplace – allowing every employee to reach their full potential for the best of the company as a whole.

GOAL	KPI	ACTUAL 2023	BASELINE[2]	TARGET 2024
Provide a healthy and safe work environment for all employees	Health & Safety index	76%	75%	78%
	Lost time accidents per million working hours (LTIFR)	1.7	2.4	<2
All employees can be their authentic selves	Diversity & Inclusion index	82%[1]	75%	78 %
	% female managers at year end	29%	24%	+1%-point per year
Excellent leadership on all levels of the organization	Leadership index	77%	77%	80%

[1] The 2023 employee survey incorporated a different set of questions, impacting the comparison with the 2021 results. When analyzing the same set of questions, no changes were noted. [2] Target Baseline refers to actual results from 2020, 2021 or 2022 depending on the KPI. See Detailed sustainability information page 140 for actual results per year.

PLANET | FOCUS AREA

Proximity to nature is an important motivation for users of Dometic's products. Dometic is committed to offer innovative, durable, low-carbon products that inspire an active, comfortable and responsible life in the outdoors. Environmental consideration is an integral aspect of product design, and the company strives for resource efficiency and to continuously reduce its environmental impact throughout the product lifecycle.

SUSTAINABLE INNOVATION

Dometic uses the knowledge gained from lifecycle assessments (LCA) conducted on major product groups, such as cooling boxes, minibars and rooftop air conditioners, to make informed decisions on the development of new products. Dometic focuses on several areas to reduce the environmental impact of the product portfolio, including product energy efficiency, plastic recycle content, use of biobased plastics, recycled fabrics, refrigerants with low global-warming potential (GWP) and product weight reductions.

In 2023, Dometic introduced a new global function called product sustainability to strengthen the group's commitment to sustainability, climate action and circularity in all aspects of the product life cycle. With this strategic addition to the organization, the goal is to ensure that sustainability principles are integrated in all processes, which will help to drive sustainability throughout product design, management and development.

3.9	Reduce illnesses and deaths from hazardous chemicals and pollution.
8.4	Improve resource efficiency in consumption and production.
9.4	Upgrade all industries and infrastructures for sustainability.
12.2	Sustainable management and efficient use of natural resources.

By providing innovative low-carbon products and supporting circularity, Dometic contributes to the SDGs.

Efficiency in product-use phase

Based on the knowledge gained from the concluded LCAs, energy efficiency in the product-use phase contributes greatly to minimizing the overall environmental footprint of Dometic's energy-consuming products. It also enables users of Dometic's products to reduce energy costs and stay out longer. Dometic's development of the connectivity technology area will contribute to optimizing the performance and use of product and thereby further improve energy efficiency.

Dometic has a target to increase the energy efficiency of new products developed by minimum 5 percent, compared to previous models. These energy efficiency targets in the product development processes have incentivized the development of innovative products and solutions to reduce energy consumption. In 2023, several new products with higher energy efficiency were launched. An example is Dometic's new NRX refrigerators, which feature smaller, more compact and efficient compressors. Compared to previous models, this new series allows for a 19 percent reduction in energy consumption at its maximum and an average of almost 10 percent reduction in energy consumption across the entire family of models.

Another example is Dometic's new ACC3100D rooftop ventilation system for RVs, which not only sets a new standard in ventilation and indoor air quality, but also stands out for its remarkable energy efficiency. This product reduces energy consumption of the RV both when heating and cooling by up to 20 percent. This is done by allowing up to 87 percent of the exchanged air's heat energy to be recovered.

Dometic also continues to widen its portfolio of solar panels and battery solutions to simplify access to renewable power for consumers. Energy efficient products are paramount here since energy efficiency also simplifies operation by solar power.

Weight reduction

Weight is the most obvious measure of material use and direct use of energy for manufacturing. In addition, the weight of Dometic products used in mobile applications has an indirect impact linked to the energy consumed when the products are being transported. Thus, reducing product weight is important for limiting this direct and indirect energy consumption. Dometic has therefore set a target to reduce the weight of new products developed for mobile applications where indirect impact is significant. One example is the new rooftop air-conditioner FreshJet FjX-series, which was launched on the EMEA market in January 2023 and on the APAC market in March 2023. The new version is 9 percent lighter compared to the previous model and also consumes considerably less energy. The new inverter technology in some of the models allows for a very large energy efficiency increase in combination with a much more silent operation. This new air conditioner further contributes to lower climate impact through using a lower GWP refrigerant.

Electrification, renewable energy and mobile power solutions

Dometic continues to focus on adapting and broadening the product offering to support electrification and further use of renewable energy sources. Dometic's range of compressor refrigerators and the further widening of the offering of inverter technology in the A/C support electrification globally. Further, Dometic mobile power solutions such as high-end solar power solutions, batteries and battery chargers allow consumers to explore the outdoors, off-grid, with less dependency on fossil energy. This product area focuses on increasing efficiency and decreasing weight and physical dimensions.

Dometic's new ACC3100D rooftop ventilation system for RVs which not only sets a new standard in ventilation and indoor air quality, but also stands out for its remarkable effect on energy consumption.

Dometic's brand Go Power! has grown to become a leading supplier of recreational and business power solutions in North America, offering solutions such as flexible solar panels and solar charge controllers. In 2023, flexible 55 Wp and 110 Wp solar panels were introduced to EMEA CPV aftermarket customers. These products are among the most efficient flexible panels in the market. Characterized by their lightweight and ultra-thin aerodynamic design, these panels offer exceptional flexibility allowing them to seamlessly conform to the contours of various surfaces, such as truck cabins, trailer bodies or curved van roofs. The lightweight product reduces a vehicle's fuel consumption and GHG emissions. The solution eliminates the need for idling of delivery vehicles to charge auxiliary equipment such as fork-lifts, jack-lifts, etc., thereby also contributing to an improved local environment by reducing vehicle emissions.

During the year, a 48V solution for Climate was also presented, combining 48V power solution with a dedicated inverter A/C running at 48V that allows for a cost and performance optimized vehicle solution for the North American market.

Segment Marine has developed a new electric steering actuator that eliminates hydraulic fluids, pump, cylinder and hoses and consolidates three major sub-systems into a single unit. It was launched in November 2022 and is 55 percent lighter and saves 85 percent of the electrical power over the previous hydraulic steering system. The reduced power consumption reduces outboard engine idling. For some day boats, the surplus electricity can be used to power other house electrical loads, reducing the dependence on a diesel generator installation. This technology is now creating further interest in the market and with that, further beneficial impact on the environment.

Circularity through durability and alternative materials

Materials

The main materials sourced for Dometic's products are plastics, steel, aluminium and copper. For the past few years, Dometic has taken an active role in exploring and promoting new materials, such as plastics and fabrics made from recycled sources and bio-composites in selected applications. For 2024, Dometic has set a goal to further increase the use of renewable or recycled materials. Recent efforts led to the introduction of a recycled material "REDUX" made from PET bottles. Dometic use REDUX in tents, awnings and camping chairs. In the past year, focus has been on finding the right long-term partners for a stable supply of recycled plastic materials with the right quality and properties. Dometic is also working to reduce the impact of product packaging by minimizing the use of plastics, phasing out expanded polystyrene (EPS) and increasing post-consumer recycled content in plastics. During 2023, Dometic successfully eliminated EPS for heavy products such as compressor coolers and A/C. For sensitive products such as windows, Dometic aims to introduce cardboard as well, but in the meantime virgin continues to be replaced with recycled EPS.

A key activity in Dometic's efforts to reach the goals for sustainable innovation, both for existing products as well as in new product development, is value analysis, value engineering (VAVE). Through this cross-functional process, alternative features, materials and design are explored, many of which have the potential to improve the environmental performance of the product.

Extending expected lifetime

Dometic aims to enhance serviceability, repairability and recyclability in future product generations. With increased efforts in the aftermarket with planned maintenance programs, repairs and upgrade kits, these measures aim to support circularity and efficient use of natural resources. Dometic therefore continues to follow up the aftermarket program in each project to ensure that at least 80 percent of the projects have such focus included. Dometic also continue to work with the design for sustainability guidelines. This work is linked to the long experience of the Group in efficient documentation and handling of spare parts and service solutions for the products. Since January 1, 2023, 82 percent of the initiated projects have a program to extend the expected lifetime of the product.

Raw material spend

The scope has been widened compared to previous year's Annual and Sustainability Report as Segment Marine and sub-segment Igloo have been added. The process of including other acquisitions made in 2021–2022 has been initiated, but is not yet completed. To ensure efficient use of resources a goal has been set to increase the use of recycled and renewable plastics and fabrics by 2024.

FOCUS AREA PLANET – SUSTAINABLE INNOVATION

GOAL	KPI	ACTUAL 2023	BASELINE[1]	TARGET 2024
Increase efficiency in the product-use phase	% increase in energy efficiency of relevant new products	Outcomes of 2023 are presented through examples in the text, see p.36	Varies by product	5%
	% weight reduction (to save energy consumption in application of use) for relevant mobile applications	Outcomes of 2023 are presented through examples in the text, see p.36	Varies by product	5%
Increase use of renewable and recycled materials	% of total purchased plastic that comes from recycled or renewable sources	Increased to 1.4%	0.2%	Increase compared to baseline
	% of total purchased fabric that comes from recycled or renewable sources	Decreased to 0.7%	4%	Increase compared to baseline
Extend expected lifetime	% of new released products that provide a program that can prolong the expected lifetime	82%	n/a	80%

[1] Target Baseline refers to actual results from 2020, 2021 or 2022 depending on the KPI. See Detailed sustainability information page 140 for actual results per year.

SUSTAINABLE OPERATIONS

Clean and resource efficient operations
Dometic aims to reduce the environmental footprint of Mobile Living. Dometic continues to reduce environmental impact throughout the entire operations, including the supply chain. Resource efficiency and renewable energy serve as the cornerstones of the group's climate change goals.

Energy efficiency and renewable energy
Dometic has worked proactively for years with energy-saving programs aimed at reducing energy consumption at its facilities. In 2023, several initiatives to optimize energy use were launched throughout Dometic operations. For example, electricity consumption was reduced through the conversion of site lighting to LED and the installation of motion sensors in a production facility in the UK. Other measures to increase energy efficiency include building insulation and compressed air efficiency, as well as machine and process upgrading.

In 2023, total energy consumption decreased by –7 percent compared to baseline year 2020, relative to net sales the energy consumption decreased by –15 percent. Dometic aims to continuously improve energy efficiency as part of the segments' environmental programs. Environmental management systems (ISO 14001) and energy management systems (ISO 50001) ensure continuous focus on improvement areas.

Dometic continues the implementation and further development of its roadmap for transitioning to renewable electricity in all production facilities. In 2023, the proportion of the Group's total electricity derived from renewable sources is 37 percent, a significant increase compared to 6 percent in 2020. During the second quarter, two manufacturing sites, one in APAC and one in EMEA installed photovoltaic systems. APAC's system will generate approximately 50 percent of the site's electricity consumption. Furthermore, in Australia, a photovoltaic array commissioned in the third quarter is expected to fully power one of our distribution centers with renewable electricity.

In 2023, total greenhouse gas (GHG) emissions from Scope 1 and 2 in relation to net sales decreased by –46 percent (–39) compared to the 2020 baseline, mainly due to transitioning to renewable electricity in 13 of 24 factories. Most manufacturing sites within the EMEA segment are purchasing renewable electricity. Additional renewable electricity contracts in other segments were reached in 2023. Energy optimization and renewable electricity initiatives in all segments remain a priority to reduce Scope 1 and 2 GHG emissions. One example of such initiatives is the collaborative robot (cobot) integrated in one of the manufacturing sites in the US. Along with the cobot integration, a heating chamber was designed and built for applying Vent Filter labels. The newly designed machine drastically reduces the energy consumption of this manufacturing process.

Transportation and distribution

During 2023, GHG emissions from transportation of goods in relation to net sales decreased by –48 percent relative to the 2020 baseline. The result is supported by all segments' dedicated efforts. One example of such initiatives is the reduction of truck transport distances and route optimization through direct shipment to customers in segment EMEA. Segment Marine has led the optimization of container utilization through load consolidation. Segment APAC is requiring potential logistic service providers for sea shipments to include information on GHG emissions and reduction potentials. Several segments are actively switching transportation modes from air freight to ocean and road transportation.

Implementing collaborative solutions to mitigate the transport-related impact is essential. An example of such an initiative is the SmartWay EPA (US Environmental Protection Agency) program supporting the freight transportation sector to improve supply chain efficiency. The SmartWay program is implemented with all of Segment America's full truckload carriers.

As Dometic embraces the upcoming reporting requirements in the new EU Legislation, European Sustainability Reporting Standards (ESRS), a review of the Scope 1, 2, 3 GHG accounting, and all GHG targets is in progress to further develop the sustainability agenda.

Resource efficiency and waste

Dometic works continuously to increase resource efficiency and minimize waste generated in production facilities. In 2023, several initiatives have been launched. Example of such initiative include the completion of the stretch film optimization project contributing to the reduction of the amount of packaging material used in two sites in Europe. In the APAC segment, continuous process optimization yielded a significant reduction of plastic waste on-site. In the US, an initiative was launched to recycle scrap from the injection moulding process. The site in Texas uses plastic work in progress (WIP) pallets made from its own plastic regrind.

In 2023, operational waste amounted to 8,230 tons (12,780), of which 150 tons (200) were hazardous waste. In all, 86 percent (76) of total waste was recycled. Activities to increase resource efficiency remain high across the organization with employee engagement playing an important role. An example is Segment Marine's recycling quiz contest, which increased employee awareness of recycling within the site.

Dometic continues to monitor on-site water consumption across all segments, identifying initiatives to reduce usage while ensuring regulatory compliance.

FOCUS AREA PLANET – SUSTAINABLE OPERATIONS

Ambition: Minimize climate impact, increase resource efficiency and support circularity.

GOAL	KPI	ACTUAL 2023	BASELINE[1]	TARGET 2024	TARGET 2030
Operations fully powered by renewable electricity	% Renewable electricity (scope 2)	37%	6%	30%	80%
	CO_2 emissions ton/net sales SEKm (scope 1 and 2)	–46%	2.0	–30%	–50%
Reduce CO_2 from transport of goods	Downstream transportation and distribution ton CO_2e / net sales SEKm (scope 3)	–48%	1.5	–	–
Minimize waste and eliminate landfill	% Waste recycled or incinerated for energy recovery	86%	80%	85%	–

[1] Target Baseline refers to actual results from 2020, 2021 or 2022 depending on the KPI. See Detailed sustainability information page 140 for actual results per year.

GOVERNANCE | FOCUS AREA

Dometic's Code of Conduct and additional governing documents lay out the framework for how the Group acts and follows up on its business practices. The Code of Conduct applies to all employees as well as business partners. Dometic is a signatory to the UN Global Compact and is committed to align strategies and operations with the ten universal principles on human rights, labor, environment and anti-corruption.

Training and awareness

All Dometic employees are trained in how to interpret and apply the principles set forth in the Code of Conduct. The Code of Conduct awareness program provides hands-on examples of work-related situations to practice expected behaviors in difficult situations. No matter where in the world, new employees are invited to the training program and expected to complete it within their first few weeks of employment. The first training course is to be followed by a regular refresher every other year. A total of 94 percent (96) of white-collar workers and 99 percent (84) of blue-collar workers completed the Code of Conduct awareness program in 2023. The Dometic engagement surveys, carried out repeatedly, have confirmed that there is high awareness and a good understanding of the principles set forth in the Code of Conduct and the whistleblowing system in the organization. Read more about the whistleblowing system and reported cases in the sustainability notes on page 132. The Code of Conduct training is complemented for targeted groups in topics such as export regulations and anti-trust.

5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

5.1 End discrimination against women and girls.
8.7 End modern slavery, trafficking and child labor.
8.8 Protect labor rights and promote safe working environments.
16.5 Substantially reduce corruption and bribery in all their forms.

Dometic contributes to the SDGs by implementing and following the Dometic Code of Conduct and the Code of Conduct for Business Partners and additional governing documents as well as the company's ambitions and goals for 2024.

Business partners

Working with business partners who share Dometic's high standards regarding business ethics, quality, environmental awareness and social standards is necessary to effectively manage risks and enhance performance throughout the value chain. Dometic sources from suppliers in countries with varying levels of risk. Through an audit process, exposure to corruption, human rights practices and environmental management, are assessed. The Group has just under 3,000 suppliers of direct material in 51 countries. The biggest categories of direct material bought by Dometic are metal components, plastic components, electronic components and traded products. To ensure that suppliers meet the standards for responsible and ethical business practices, suppliers are required to comply with the principles set forth in the Dometic Code of Conduct for Business Partners.

The Group's sourcing organizations monitor compliance with the Code of Conduct through supplier assessments that consist of self-assessment, online audits, on-site audits and third-party audits. An internal training program for the sourcing and the supplier audit organization has been implemented to ensure a good understanding of Dometic's sustainability expectations on business partners and how to verify suppliers' compliance with these requirements.

Through specific clauses in the supply framework agreement Dometic set the expectations on sustainability. In 2023, 96 percent of direct material suppliers had signed the Dometic Code of Conduct for Business Partners. A total of 98 percent of new direct material suppliers as of January 1, 2023 were audited for ESG as part of the onboarding process. A total of 88 percent (92) of the direct material supplier spend in low-cost countries was audited over the past three years. Dometic's strategy to reduce complexity and number of suppliers enables deeper assessment and follow-up of selected suppliers over time.

Dometic has an online training program for business partners to support communication around the content of Dometic's Code of Conduct for Business Partners. Implementation of the training has started and will continue. Dometic works with a third-party sustainability rating platform to accelerate our work with suppliers to support our sustainability agenda. In 2023, Dometic initiated the onboarding of suppliers to this assessment platform. Each segment has established formalized plans and specific targets to guarantee a successful onboarding. The ambition is to further strengthen the responsible sourcing efforts, through clarifying supplier expectations, standardizing and enhancing of existing supplier assessment process and by providing the tools and insights necessary to make informed decisions and foster a culture of sustainability across the supply chain.

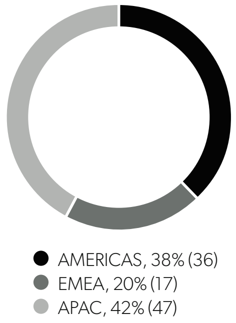
FOCUS AREA GOVERNANCE

Ambition: Safeguard human rights at all times while pursuing fair business and labor practices.

GOAL	KPI	ACTUAL 2023	BASELINE[2)]	TARGET 2024
All employees understand the Code of Conduct and know how to act in difficult situations	% employees that have passed Code of Conduct training	97%[1)]	95%	95%
All business partners have a good understanding of the Code of Conduct and support in driving sustainability in our industry	% of direct material suppliers that have signed the Code of Conduct	96%	94%	95%
	% of new dircet material suppliers that have been ESG audited (Dometic on-site, remote or 3rd party audit)	98%	n/a	90%

[1)] Including acquistions from 2021/2022.
[2)] Target Baseline refers to actual results from 2020, 2021 or 2022 depending on the KPI. See Detailed sustainability information page 140 for actual results per year.

Distribution of direct material supplier spend per geographic region



Dometic aims to reduce the total number of suppliers and performs risk assessments from a sustainability perspective in order to focus efforts of due diligence to suppliers of higher risk.

FAMILY LIFE ON THE ROAD

"Our children lead a rich life, full of unique opportunities that many don't experience in a lifetime."

Marlene and Dan, together with their three children and two adopted cats, live on the move. Home is their fully kitted-out 4x4 Sprinter van – and wherever they happen to find themselves. After zig-zagging all over North America, the intrepid family took on Europe and are now making their way through Central and South America.

The story of Mali Mish began in 2008. Dan and Marlene had just had their first child, a baby girl named Ava, and decided to do what most rookie parents would never dare to dream. They hit the road, baby in tow, with no intention of parking for the long haul. They made their way across America's southwest in a little camper. Two years later, following the birth of their second daughter, Mila, they went all in and purchased an Airstream, which they dubbed Mali Mish, Croatian for "Little Mouse." They took the RV across the US from California to Florida. They returned with a stirring inside. There was no question about it – this was how they wanted to spend their lives. Mali Mish took them across all 49 drivable states as well as much of Canada and Mexico. In 2012, a baby boy, Luka, joined the traveling family.

Eventually, the family switched to a four-wheel pop-up and now they roam in a Sprinter 4x4 DIY camper to accommodate the family of 5. Adventure is a way of life for Marlene and Dan, who can't imagine a playground smaller than the world for their children. "Our children lead a rich life, full of unique opportunities that many don't experience in a lifetime. And although our lifestyle may be trending now, when we first set out in 2008 it was not considered hip," says Marlene.

If you want to keep up with Mali Mish's adventures, make sure to follow them on social media: @mali.mish

Quick links to Dometic ambassadors
Read more stories
1 2 3 4

THE SEGMENTS

Dometic's segment structure develops and strengthens existing and well-positioned businesses while also establishing a more focused environment for new growth areas to receive the necessary management attention and fully dedicated resources to thrive and become sizable businesses.

SEGMENT STRUCTURE 2023

Segment structure – Businesses included in the segments

AMERICAS
- Products and solutions for:
  - Recreational vehicles (RV)
  - Commercial and passenger vehicles (CPV)
- Standalone outdoor products

EMEA
- Products and solutions for:
  - Recreational vehicles (RV)
  - Commercial and passenger vehicles (CPV)
- Standalone outdoor products

APAC
- Products and solutions for:
  - Recreational vehicles (RV)
  - Commercial and passenger vehicles (CPV)
- Standalone outdoor products

MARINE
- The complete product offering for customers in the Marine industry

GLOBAL
- Other Global Verticals (Residential, Hospitality, Mobile Deliveries)
- The Igloo business acquired in 2021

2023 share of Group net sales by segment

Americas	EMEA	APAC	Marine	Global
18 %	29 %	8 %	24 %	21%

SEGMENT AMERICAS

Overview and offering

- Products for manufacturers of Recreational Vehicles (RV OEM) and Commercial and Passenger Vehicles (CPV OEM).
- Service & Aftermarket products for the RV and CPV markets.
- Standalone outdoor products sold through retailers or through e-commerce (DTC).
- United States is by far the largest market followed by Canada.

Market and business summary

The market environment was challenging in 2023 and organic net sales declined by –31 percent. Industry RV production in the US declined by –37 percent with a corresponding negative impact on net sales in the OEM sales channel. In addition, high retailer inventory levels affected net sales in the Distribution and Service & Aftermarket sales channels negatively. RVIA (the US RV Industry Association) estimates that RV industry production will return to growth in 2024.

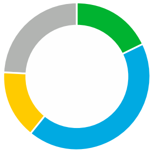
The significant net sales decline had a negative impact on the EBITA margin. The focus in 2023 was on implementing efficiency measures and reducing inventories while at the same time driving sales initiatives for future growth. Examples of sales initiatives include an increased focus on target customers and driving activities to increase the share of one- and two-step sales channel distribution. Integration of the two acquisitions completed in 2021 (Valterra and Zamp Solar) continued at a high pace, and the acquisitions contributed to a business mix with less exposure to the OEM sales channel. Distribution and Service & Aftermarket accounted for 53 percent (39) of total net sales.

Several manufacturing footprint activities have been undertaken in recent years to reduce fixed costs and increase efficiency. In 2022, the manufacturing site in Elkhart, Indiana, was closed, and in 2023 two additional warehouses were closed.

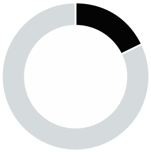
Investments in product innovation continue. Product launches in 2023 included the new series of RV air conditioners, center console coolers for the CPV market, rooftop tents for the outdoor market as well as new mobile power solution products.

The segment continues to work with energy and water efficiency, and with renewable energy purchasing. Collaborative solutions have been implemented with freight partners to mitigate transport-related environmental impact.

Net sales by application area



Segment as a proportion of Group net sales



Key figures

	2023	2022	2021
Net sales, SEKm	5,003	6,780	5,970
Net sales growth, %	–26%	14%	34%
Organic growth, %	–31%	–15%	20%
EBITA margin, %[1)]	–2.1%	4.9%	6.7%

1) EBITA margin before items affecting comparability.

SEGMENT EMEA

Overview and offering

- Products for manufacturers of Recreational Vehicles (RV OEM) and Commercial and Passenger Vehicles (CPV OEM).
- Service & Aftermarket products for the RV and CPV markets.
- Standalone outdoor products sold through retailers or e-commerce (DTC).
- Germany is the largest market followed by the UK.

Market and business summary

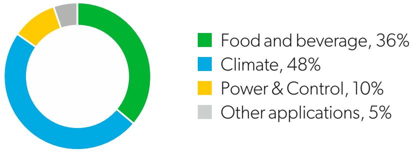
Organic net sales declined by –7 percent mainly as an effect of high retailer inventory levels which affected net sales in the Distribution and Service & Aftermarket sales channels negatively. The RV industry production in Europe grew and net sales in the OEM sales channel showed organic growth, also supported by growing CPV OEM net sales. Integration of the acquisitions completed in 2021 (Front Runner, Büttner Elektronik, Cadac and NDS Energy) continued and the acquired businesses delivered better than EMEA average margins. Distribution and Service & Aftermarket accounted for 48 percent (55) of total net sales.

Increased logistic costs and manufacturing inefficiencies impacted the financial results in 2023. Efforts to reduce the inventories and the number of warehouses were taken, and inventories and logistic costs were gradually declining throughout the year. In June 2023, the refrigerator manufacturing site in Siegen, Germany, was closed and its production successfully transferred to an existing site in Hungary.

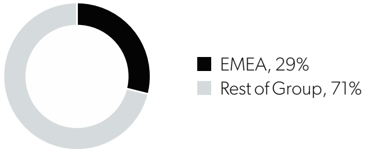
Product launches in 2023 included mobile power solution products and the new series of RV air conditioners, including the Dometic Ventilate, ACC3100, which saves up to 20 percent of the energy in an RV.

Since 2022, all production sites in EMEA are powered by renewable electricity. Actions to continuously reduce the environmental impact have been taken, including the installation of rooftop solar panels in South Africa. Resource efficiency and circularity initiatives include sustainable packaging innovations such as incorporating recycled plastic content in window packaging.

Net sales by application area



Segment as a proportion of Group net sales



Key figures

	2023	2022	2021
Net sales, SEKm	7,981	7,970	6,981
Net sales growth, %	0%	14%	24%
Organic growth, %	–7%	–2%	22%
EBITA margin, %[1)]	9.1%	10.5%	13.6%

1) EBITA margin before items affecting comparability.

SEGMENT APAC

Overview and offering

- Products for manufacturers of Recreational Vehicles (RV OEM) and Commercial and Passenger Vehicles (CPV OEM).
- Service & Aftermarket products for the RV and CPV markets.
- Standalone outdoor products sold through retailers or e-commerce (DTC).
- Approximately 80 percent of segment APAC's sales were in the markets of Australia and New Zealand, where Dometic has a leading market position across several vertical end-user markets.
- With two manufacturing sites and significant sourcing activities in Asia, the region is important in terms of manufacturing and supply for the global Dometic organization.

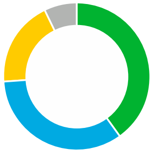
Market and business summary

Organic net sales declined by –5 percent mainly as an effect of high retailer inventory levels which affected net sales in the Distribution and Service & Aftermarket sales channels negatively. Segment APAC net sales in the OEM sales channel developed strongly with double-digit growth, fueled by strong RV industry development in Australia as well as ramping up deliveries in CPV OEM for projects awarded in 2021/2022. The integration of Enerdrive, an acquisition completed in 2021, continued and the acquired business contributes to a more balanced business mix. Distribution and Service & Aftermarket accounted for 45 percent (51) of total net sales.

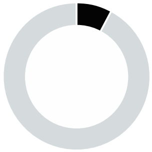
The EBITA margin improved in 2023 supported by continuous cost reductions and price management. Balancing resources in the Chinese manufacturing sites with the global market demand was key in 2023. Several new products were successfully introduced to the market including the new series of RV refrigerators and air conditioners, mobile power solution products and a global outdoor tent range.

During 2023, segment APAC contributed to the renewable energy transition through the installation of solar photovoltaic (PV) systems. At one manufacturing site in China, the rooftop solar panels generate approximately 50 percent of the site's electricity consumption. This will contribute significantly to further reducing the carbon emissions for the Group. At an Australian facility, a solar PV system has been installed and is expected to make this facility fully powered by renewable electricity.

Net sales by application area



Segment as a proportion of Group net sales



Key figures

	2023	2022	2021
Net sales, SEKm	2,138	2,231	1,961
Net sales growth, %	–4%	13%	49%
Organic growth, %	–5%	–4%	34%
EBITA margin, %[1]	26.0%	24.9%	26.8%

[1] EBITA margin before items affecting comparability.

SEGMENT MARINE

Overview and offering

The Marine segment was established in early 2022 and supplies the global marine industry with a wide range of innovative products for both the leisure and professional markets. The SeaStar acquisition in December 2017 was a very successful addition to the Dometic business, primarily in the Americas. The strategy is to leverage SeaStar as a platform for the Marine business globally and to make future acquisitions from a position of market leadership in steering and control systems, fuel systems, digital integration and climate control. With a strong market position as a basis and by driving continuous innovation, Dometic has an opportunity and the ambition to outperform market growth by increasing the content per boat, increasing service and aftermarket business with purpose-built products and by expanding the business into new areas, such as Commercial Marine.

Market and business summary

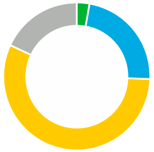
The Marine business showed a solid performance in 2023. Organic net sales declined by –4 percent. Net sales in the Service & Aftermarket sales channel declined slightly due to higher-than-normal retailer inventory levels entering the year. The OEM sales channel showed net sales growth in the first half of the year while net sales decreased in the second half of the year as boat builders reduced production. Integration of Treeline Capital LLC, acquired in 2022, continued and a new mobile power system for Marine was initiated. Distribution and Service & Aftermarket accounted for 38 percent (37) of total net sales.

The robust EBITA margin in 2023 shows how continuous cost reductions and investments in product innovation are generating results. New product launches included the new NRX Refrigerator series and new electric steering systems for inboard, Ski Boats and for a broader range of outboard engines.

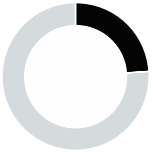
In 2022 the Limerick facility in the US started purchasing electricity from renewable sources and a new project to eliminate single-use plastic items has been initiated for all sites.

The segment continues to expand its product portfolio with energy efficient solutions. Examples include an electric steering actuator that reduces the dependence on a diesel generator installation, leading to a reduced environmental impact.

Net sales by application area



Segment as a proportion of Group net sales



Key figures

	2023	2022	2021
Net sales, SEKm	6,719	6,695	5,404
Net sales growth, %	0%	24%	20%
Organic growth, %	–4%	8%	25%
EBITA margin, %[1]	24.6%	26.0%	25.4%

[1] EBITA margin before items affecting comparability.

SEGMENT GLOBAL

Overview and offering

The Global segment has two sub-segments:

- Other Global Verticals and the Igloo business.
- Igloo was approximately 85 percent of the segment's total net sales in 2023.

OTHER GLOBAL VERTICALS

Other Global Verticals consists of Residential, Hospitality and Mobile Deliveries. The aim of Other Global Verticals is to, based on technology know-how, work with global product assortments that can be sold in all geographic regions. The common characteristics of these verticals are relevant global market size, market trends supporting growth and numerous opportunities for acquisitive growth.

Residential

The target for Residential is to create unique home and patio environments by taking established Dometic offerings to a new level and expanding into new areas. In 2021, Dometic acquired Twin Eagles, a leading US manufacturer of freestanding and built-in grills and outdoor kitchen solutions for the Residential outdoor market.

Hospitality

The current business is related primarily to the lodging industry, with the main products being minibars and safety boxes. The strategy is to continue to address the lodging business, while also using Dometic technologies and products for new customer segments, such as health care and elderly care institutions.

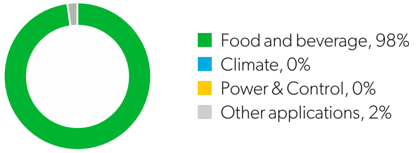
Mobile Deliveries

As logistics flows change and home deliveries of food and other goods increase, Dometic's heating and cooling products and capabilities are creating a strong foundation for developing products that can be used in the last mile of food delivery or as home delivery boxes. Dometic has launched the Dometic Delibox to meet this rising demand. The Delibox preserves the quality and temperature of restaurant food until it reaches the end user. Potential customers are vehicle manufacturers, restaurants and online food delivery services.

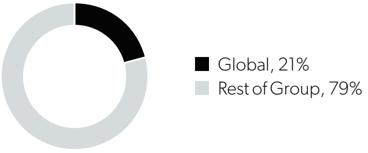
IGLOO

Igloo, acquired in 2021, is a global provider of cooling boxes and drinkware products for the outdoor market. Founded in 1947, Igloo is one of the leading manu-

Net sales by application area



Segment as a proportion of Group net sales



Key figures

	2023	2022	2021
Net sales, SEKm	5,934	6,086	1,201
Net sales growth, %	–2%	407%	278%
Organic growth, %	–8%	4%	29%
EBITA margin, %[1]	10.7%	7.6%	8.5%

[1] EBITA margin before items affecting comparability.

facturers in the world, with an iconic brand, a wide product range and strong consumer orientation. With its own manufacturing facility in Texas, products are primarily manufactured in-house, which results in cost benefits, flexibility and short lead times for the North American market.

The acquisition of Igloo was a major step in Dometic's strategy to continue to grow in the attractive outdoor industry. The global market for cooling boxes and drinkware is growing, fueled by the outdoor trends visible across the world. Igloo has a clear No 1 position in this market in the US. Combined with Dometic's global presence, technology know-how and sizeable business of both active and passive cooling boxes, the acquisition is expected to create a strong base to further grow in the outdoor segment. It also reduces sales cyclicality for Dometic, as it broadens the sales exposure from "high ticket discretionary spend" to "lower ticket discretionary spend." Starting in 2024, a Mobile Cooling Solutions segment is planned to be established to drive the Mobile Cooling business across the Dometic and Igloo brands globally. To ensure full market presence, the Igloo brand is positioned in the "Good" and "Lower better" categories while the Dometic brand is positioned in the "Upper better" and "Best" product categories.

Segment Global
– Market and business summary

In Other Global Verticals organic net sales declined mainly due to to lower demand for grills in the US impacting the Residential business. The EBITA margin for Other Global Verticals improved supported by price management and cost reductions. The margin improved in both Hospitality and Residential. Igloo continued to increase its market share while net sales in the second half of the year declined as major retailers temporarily were balancing their inventories. The end-user demand for mobile cooling products remains strong and retailer inventories declined gradually in the second half of the year. The Igloo business's EBITA margin improved supported by cost reductions, price management and product innovation. Integration activities are progressing as planned and a first series of Igloo-branded active cooling boxes was launched in the second half of 2023. The new products are using the combined technology skills from Igloo and Dometic and will be sold to customers globally.

To support the group sustainability targets, the segment has continued to align with goals for safety and environment. At the manufacturing site in Texas, a solar contract was negotiated, and an initiative was launched to recycle manufacturing scrap into pallets. The segment continues to expand its product portfolio with solutions to contribute to the renewable energy transition. Examples include flexible solar panels characterized by their lightweight and ultra-thin aerodynamic design.

In the Hospitality business Dometic offers products to the lodging industry, with the main products being minibars and safety boxes.

NEW SEGMENT STRUCTURE PLANNED FOR 2024

From the first quarter 2024 reporting Dometic is planning to have a new segment structure with six reporting segments. Dometic is on a transformation journey and is gradually shifting the focus from a regional-led approach to a product-led approach with focus and specialized teams driving specific solutions globally. As a step on the transformation journey, Dometic is planning to change its segment structure to drive value creation and secure synergy realization in the company.

Land vehicle segments Americas, APAC and EMEA
The product solution for the RV and CPV industry is planned to be consolidated in the three regional segments of Americas, APAC and EMEA. Other outdoor standalone products, such as tents and cooking products for land based outdoor activities, are also included.

Segment Marine
Segment Marine is planned to remain as a separate segment. The mobile power and mobile cooling businesses, previously in segment Marine, would from 2024 be reported in segment Global Ventures and segment Mobile Cooling Solutions.

Segment Mobile Cooling Solutions
The Igloo business, as well as the Dometic-branded mobile cooling and drinkware businesses are planned to be consolidated in a new global segment.

Segment Global Ventures
Segment Global is planned to be renamed to segment Global Ventures. Other Global Verticals remain as a sub-segment. The offering of Mobile Power Solutions is planned to be consolidated globally into a new sub-segment in segment Global Ventures.

THE DOMETIC SHARE AND SHAREHOLDERS

SHARE PRICE AND TRADING

Dometic's shares have been listed on Nasdaq Stockholm since November 25, 2015, and the shares are traded on Large Cap. In 2023, the share price increased by 34 percent (–43). The closing price was SEK 90 (67) on the last business day of the year, corresponding to a market capitalization of SEK 28.8 billion (21.5). The highest price paid in 2023 was SEK 90.86 (123.20) and the lowest price paid was SEK 52.58 (50.20).

A total of 169.6 million shares were traded during the year on Nasdaq Stockholm corresponding to an average daily trading volume of 678,497 shares.

SHARE CAPITAL AND CAPITAL STRUCTURE

As of December 31, 2023, the share capital amounted to SEK 798,750, divided into 319,499,933 shares. All shares are of the same class and carry equal rights in all respects. According to the Articles of Association, the Company should have no less than 200,000,000 shares and no more than 800,000,000 shares. The Company's share capital shall not be less than SEK 500,000 and not more than SEK 2,000,000. The Company's shares are registered with Euroclear Sweden AB, which manages the Company's share register and registers shares for individuals.

DIVIDEND AND DIVIDEND POLICY

The Board of Directors of Dometic has adopted a dividend policy, according to which the Board of Directors aims to propose to the annual shareholders' meeting that over a business cycle, at least 40 percent of net profit for the period shall be distributed to the shareholders. The Board of Directors assesses that after distribution of the proposed dividend, the equity of the Parent Company and the Group will be sufficient with respect to the kind, extent, and risk of the operations. Among other things, the Board of Directors considers the Parent Company's and the Group's historical development, expected future development, the short and long term need of liquidity and the state of the market and macroenvironment. For further information, please see page 126.

The Board of Directors proposes a dividend of SEK 1.90 (1.30) per share for 2023, equivalent to a total distribution of SEK 607 million (415). The proposed dividend corresponds to 46 percent (23) of net profit for the period. Based on the Dometic share price at the end of 2023, the dividend yield is 2.1 percent.

SHAREHOLDERS

On December 31, 2023, Dometic had 20,371 shareholders, according to the share register kept by Euroclear Sweden AB. The largest shareholder was NN Group N.V., with 7.3 percent of the shares. Dometic's

15 largest shareholders

Shareholders		Share capital, %	Voting rights, %
1	NN Group N.V.	7.33%	7.33%
2	Incentive AS	6.28%	6.28%
3	1832 Asset Management	5.83%	5.83%
4	First Swedish National Pension Fund	5.63%	5.63%
5	Swedbank Robur Funds	5.57%	5.57%
6	Nordea Funds	5.50%	5.50%
7	Alecta Pension Insurance	5.03%	5.03%
8	Fourth Swedish National Pension Fund	4.95%	4.95%
9	Didner & Gerge Funds	4.62%	4.62%
10	Vanguard	3.68%	3.68%
11	Handelsbanken Funds	2.36%	2.36%
12	SEB Funds	2.31%	2.31%
13	Capital Group	2.30%	2.30%
14	Norges Bank	2.27%	2.27%
15	Folksam	1.74%	1.74%
Total top 15		65.40%	65.40%
Others		34.60%	34.60%
Total		100.00%	100.00%

Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

Country distribution

Country	Shares	Capital	Votes	Number of known owners	Share of known owners
Sweden	156,794,547	49.07%	49.07%	19,806	97.23%
United States	44,746,872	14.01%	14.01%	48	0.24%
Norway	32,378,973	10.13%	10.13%	57	0.28%
Netherlands	23,469,152	7.35%	7.35%	11	0.05%
Canada	20,931,281	6.55%	6.55%	4	0.02%
Other	32,839,672	10.29%	10.29%	444	2.18%
Unknown country	8,339,496	2.60%	2.60%	1	0.00%
Total	319,499,993	100.00%	100.00%	20,371	100.00%

Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

ten largest shareholders held shares corresponding to 54.4 percent of the shares. Institutional ownership amounted to 83.6 percent of the shares.

Of the total number of shares, 42.2 percent was held by Swedish institutional owners. 5.1 percent was held by Swedish private individuals and the remaining 52.7 percent was held by foreign institutional owners, other and by unknown ownership.

Foreign investors are not always recorded in the share register, as foreign banks and other custodians may be registered for one or several customers' shares. This explains why the actual owners are not normally displayed in the register.

ANALYST COVERAGE

At the end of 2023, the following analysts had active coverage of Dometic.

ABG Sundal Collier .... Fredrik Ivarsson
Berenberg .... Trion Reid
Carnegie .... Henrik Christiansson
Danske Bank .... Daniel Schmidt
DnB .... Douglas Lindahl
Handelsbanken .... Karri Rinta
Jefferies .... Rizk Maidi
Kepler Cheuvreux .... Johan Eliasson
Nordea .... Agnieszka Vilela
Pareto .... Alexander Siljeström
SEB Enskilda .... Gustav Hageus

FOR FURTHER INFORMATION

Rikard Tunedal
Head of Investor Relations
Tel: +46 73 056 97 35
rikard.tunedal@dometic.com

Owner type distribution

Owner type	Shares	Capital	Votes	Number of known owners	Share of known owners
Other	28,053,158	8.78%	8.78%	1 034	5.08%
Swedish institutional owners	134,855,572	42.21%	42.21%	115	0.56%
Foreign institutional owners	132,083,010	41.36%	41.36%	91	0.45%
Swedish private individuals	16,169,775	5.06%	5.06%	19 131	93.91%
Unknown owner type	8,338,478	2.59%	2.59%	0	0.00%
Total	319,499,993	100.00%	100.00%	20 371	100.00%

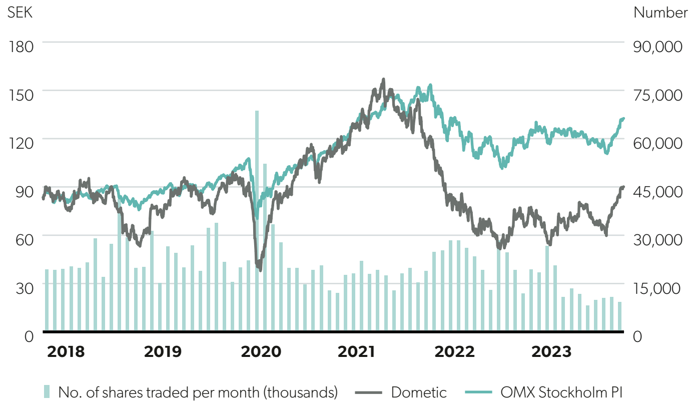
Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

Shareholding by size

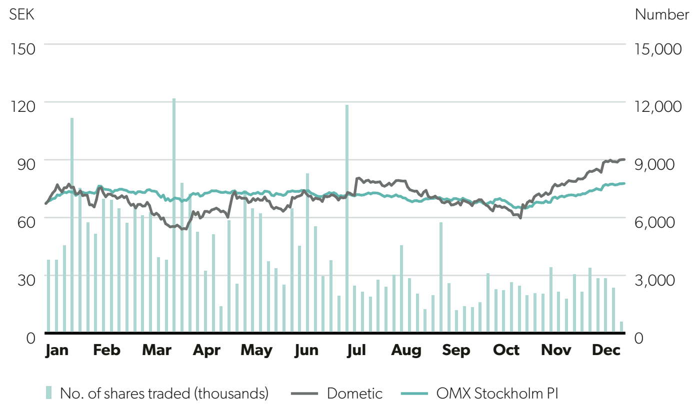
Holding size	No. of shares	Capital, %	Votes, %	Number of known owners	Share of known owners, %
1 – 100	357,806	0.11%	0.11%	9 839	48.30%
101 – 200	531,252	0.17%	0.17%	3 168	15.55%
201 – 300	365,425	0.11%	0.11%	1 377	6.76%
301 – 400	319,356	0.10%	0.10%	862	4.23%
401 – 500	391,408	0.12%	0.12%	809	3.97%
501 – 1,000	1,548,465	0.48%	0.48%	1 904	9.35%
1,001 – 2,000	1,669,105	0.52%	0.52%	1 060	5.20%
2,001 – 5,000	2,513,661	0.79%	0.79%	744	3.65%
5,001 – 10,000	1,945,764	0.61%	0.61%	258	1.27%
10,001 – 20,000	1,793,813	0.56%	0.56%	118	0.58%
20,001 – 50,000	2,494,260	0.78%	0.78%	79	0.39%
50,001 – 100,000	2,675,157	0.84%	0.84%	34	0.17%
100,001 – 500,000	15,452,363	4.84%	4.84%	62	0.30%
500,001 – 1,000,000	16,125,984	5.05%	5.05%	21	0.10%
1,000,001 – 5,000,000	54,032,041	16.93%	16.93%	21	0.10%
5,000,001 – 10,000,000	35,053,999	10.97%	10.97%	5	0.02%
10,000,001 – 50,000,000	173,891,656	54.43%	54.43%	10	0.05%
50,000,001 –	0	0.00%	0.00%	0	0.00%
Unknown holding size	8,338,478	2.59%	2.59%	0	0.00%
Total	319,499,993	100.00%	100.00%	20 371	100.00%

Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

Share price development 2018–2023



Share price development 2023



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BOARD OF DIRECTORS' REPORT

The Board of Directors and the President and CEO of Dometic Group AB (publ) registration number 556829-4390 (the "Company" or the "parent Company"), hereby submit the following Annual Report, including the Consolidated Financial Statements and the Parent Company Financial Statements for the financial year 2023.

Business and organization

The Company and subsidiaries jointly known as the Dometic Group ("Dometic", the "Group", or the "Dometic Group") is a global market leader in the Mobile Living industry. Dometic's motivation is to create smart, sustainable and reliable products with outstanding design for an outdoor and mobile lifestyle in the areas of Food & Beverage, Climate, Power & Control and Other Applications. Millions of people around the world use Dometic's products primarily in outdoor, but also in residential and professional applications. Dometic employs approximately 8,000 people worldwide, had net sales of SEK 27.8 billion in 2023 and is headquartered in Stockholm, Sweden.

Dometic operates 23 manufacturing and assembly sites in 11 countries with sales in approximately 100 countries. The Group is organized into five segments: Americas, EMEA (Europe, Middle East and Africa), APAC (Asia Pacific), Marine and Global (consists of subsegments Other global verticals and Igloo).

Significant events in the fiscal year

Refinancing activities

Dometic refinanced part of its credit facilities agreement with its bank group in 2023. A floating rate term loan of USD 210 m, previously expiring in 2024, was replaced with a USD 220 m floating rate term loan with a 3-year maturity including two 1-year extension options. In 2023 Dometic also signed and drew down a 3.5 year floating rate term loan of USD 44 m with Svensk Exportkredit. In addition, a SEK 750 m private placement bond of 3.25 years, at a rate of 6.25%, was signed and drawn down in 2023.

A bond of EUR 300 m due in September 2023 was repaid using cash at hand.

Macroeconomic environment

The year 2023 was impacted by geopolitical uncertainty, high inflation, increasing interest rates and high retail inventories.

Dometic continues to follow the development in Ukraine as well as in neighbouring countries and takes necessary actions needed to protect Group including its employees and assets. Dometic has stopped all business activities in Russia. Dometic also follows the development in Israel Gaza as well as in neighbouring countries and the impact it might have on Dometic's business operations.

Completion of global restructuring programs

Dometic successfully completed its two global restructuring programs in 2023. The first program was initiated in 2019 targeting an annual saving of SEK 400 m. An additional program was announced in the second quarter 2022, targeting an annual savings of SEK 200 m. The programs were completed in 2023 and savings are on track to reach the targets. During the year total costs related to the two programs amounted to SEK –142 m (–499). Since the start, 24 sites and approximately 2,000 employees were affected by the programs, with a total cost of SEK –960 m.

Lawsuit filed by ACON

As communicated before, ACON, the seller of Igloo, filed a lawsuit against Dometic in the fourth quarter 2022, making certain claims related to the Stock Purchase Agreement ("SPA"). Dometic is confident that the lawsuit lacks any merit, is vehemently contesting this lawsuit and has filed counterclaims against ACON related to its conduct under, and non-compliance with, the SPA. The parties are currently involved in the discovery process, and trial is expected to take place in the first quarter, 2025.

Organization

Jenny Evelius was appointed EVP and Head of Group HR and a member of Group Management, as of January 1, 2023. Eva Karlsson was appointed President of segment EMEA and a member of Group Management as of May 16, 2023. In addition, as of October 1, 2023, Anders Fransson was appointed EVP and Head of Group Operations & Sustainability and a member of Group Management and Peter Jannerö was appointed Chief Marketing Officer and a member of Group Management.

Acquisitions

There were no acquisitions in 2023.

Business, result and financial position at Dometic

In a challenging market environment, impacted by geopolitical and macroeconomic uncertainty in combination with high inventory levels, Dometic continued to demonstrate that it has become a resilient, fast-moving and more effective company. Due to the tough market situation, full year 2023 organic net sales declined by –12%, while the EBITA-margin[1] showed solid year-on-year improvements in the second half of the year and ended at 12.5% (13.2) for the full year.

Earnings per share were SEK 4.17 (5.58). Adjusted[1] Earnings per share were SEK 5.93 (8.32).

Reducing working capital was a top priority and operating cash flow of SEK 5,205 m (2,268) for the year was the strongest ever. The Net debt to EBITDA leverage ratio was 2.7x (3.0x) at year end.

[1] before amortization of acquisition-related intangible assets and items affecting comparability

Net sales

Net sales totaled SEK 27,775 m (29,764), a net sales decrease of –7%, of which –12% organic growth, 5% currency translation and 0% M&A.

Organic net sales in the OEM sales channel decreased by –14% mainly due to RV industry production in the US impacting net sales in segment Americas. Organic net sales in the the Service & Aftermarket sales channel decreased by –10% as retailers were rebalancing their inventory levels. There was a gradual improving trend in the Service & Aftermarket sales channel during the year and the year-on-year decrease in the fourth quarter was –3% compared to –19% in the first quarter of 2023. Organic net sales in the Distribution sales channel declined by –10% as retailers were re-balancing their inventories with a temporary negative impact on the Igloo business in the second half of 2023.

Segment Americas reported net sales of SEK 5,003 m (6,780). Total growth was –26%, of which –31% was organic growth, 5% currency translation and 0% M&A. The net sales decline was mainly in application areas Climate and Food & Beverage. The organic net sales decline was mainly due to lower RV OEM net sales. This was partly offset by net sales growth in the Distribution sales channel.

Segment EMEA reported net sales of SEK 7,981 m (7,970). Total growth was 0%, of which –7% was organic growth, 7% currency translation and 0% M&A. The net sales growth in application area Climate was offset by lower net sales in application area Power & Control. The organic net sales decline was due to lower Service & Aftermarket and Distribution net sales. This was partly offset by stronger CPV OEM and RV OEM net sales.

Segment APAC reported net sales of SEK 2,138 m (2,231). Total growth was –4%, of which –5% was organic growth, 1% currency translation and 0% M&A. The net sales decline was mainly in application area Food & Beverage. The organic net sales decline was mainly due to lower Distribution net sales, while net sales in the OEM sales channel showed organic growth.

Segment Marine reported net sales of SEK 6,719 m (6,695). Total growth was 0%, of which –4% was organic growth, 4% currency translation and 0% M&A. The net sales growth in application area Climate was offset by lower net sales in application area Power & Control. The organic net sales decline was mainly due to lower OEM net sales.

Segment Global reported net sales of SEK 5,934 m (6,086). Total growth was –2%, of which –8% was organic growth, 5% currency translation and 0% M&A. The organic net sales decline was related to both the Igloo business and Other Global Verticals.

Sales and administration

Sales and administrative expenses were SEK –3,714 m (–3,561) and were negatively impacted by currency effects and increased investments in strategic structural growth areas. Sales and administrative expenses in percent of net sales correspond to 13.4% (12.0).

Research and development

Research and development expenses were SEK –591 m (–531). In addition, Research and development expenses of SEK –33 m (–36) were capitalized in the year. In total, this corresponds to 2.2 percent (1.9) of net sales.

Operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability

The EBITA[1] was SEK 3,463 m (3,931). The corresponding margin was 12.5% (13.2). The margin decline was manly related to segment Americas, which was partly offset by improved margins in segments APAC and Global.
Gross profit in percent of net sales improved to 28.0% (26.5). Sales, Administrative as well as Research and development expenses were negatively impacted by currency effects and increased investments in strategic structural growth areas. Other operating income and expenses were SEK –13 m (143). The deviation compared with the full year 2022 was mainly due to currency hedge effects. Currency effects in total, mainly translation effects, had a positive impact on the operating profit, however with a limited impact on the corresponding margin.

Items affecting comparability

Items affecting comparability totaled SEK –167 m (–532) and were mainly related to activities in the previously announced global restructuring programs.

Amortization of acquisition-related intangible assets

Amortization of acquisition-related intangible assets were SEK –613 m (–611).

Operating profit (EBIT)

Operating profit (EBIT) was SEK 2,682 m (2,789). The corresponding margin was 9.7% (9.4). The improved margin was negatively impacted by a lower EBITA[1] margin, which was more than offset by reduced items affecting comparability.

Operating profit (EBIT) by segment

Segment Americas operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK –104 m (330), corresponding to a margin of –2.1% (4.9). The decline was mainly due to lower net sales and related inefficiencies in operations. This was partly offset by price management, efficiency improvements and a sales mix with a higher share of Distribution and Service & Aftermarket net sales. Items affecting comparability totaled SEK –11 m (–151). Amortization of acquisition-related intangible assets totaled SEK –111 m (–118). Operating profit (EBIT) was SEK –226 m (61), corresponding to a margin of –4.5% (0.9).

Segment EMEA operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 723 m (838), corresponding to a margin of 9.1% (10.5). The sales mix, with a lower share of Distribution and Service & Aftermarket net sales, had a negative impact on the margin. This was partly offset by price management and efficiency improvements. Extraordinary logistics-related costs and inefficiencies in manufacturing, linked to the factory transfer from Germany to an existing site in Hungary, were gradually declining but continued to have a negative impact on the EMEA operating profit. Items affecting comparability totaled SEK –131 m (–370). Amortization of acquisition-related intangible assets totaled SEK –73 m (–74). Operating profit (EBIT) was SEK 519 m (394), corresponding to a margin of 6.5% (4.9).

Segment APAC operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 557 m (555), corresponding to a margin of 26.0% (24.9). The improvement was driven by price management and efficiency improvements. Items affecting comparability totaled SEK –4 m (–4). Amortization of acquisition-related intangible assets totaled SEK –19 m (–21). Operating profit (EBIT) was SEK 534 m (531), corresponding to a margin of 25.0% (23.8).

Segment Marine operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 1,654 m (1,743), corresponding to a margin of 24.6% (26.0). Currency effects and investments in strategic structural growth areas had a negative impact on the margin. This was partly offset by price management, efficiency improvements and a sales mix with a higher share of Service & Aftermarket net sales. Items affecting comparability totaled SEK 0 m (–1). Amortization of acquisition-related intangible assets totaled SEK –210 m (–202). Operating profit (EBIT) was SEK 1,444 m (1,541), corresponding to a margin of 21.5% (23.0).

Segment Global operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability was SEK 633 m (464), corresponding to a margin of 10.7% (7.6), with improved margins for both Other Global Verticals and the Igloo business. Items affecting comparability totaled SEK –22 m (–7). Amortization of acquisition-related intangible assets totaled SEK –200 m (–196). Operating profit (EBIT) was SEK 411 m (262), corresponding to a margin of 6.9% (4.3).

Financial items

Financial items totaled a net amount of SEK –800 m (–351), including SEK –887 m (–531) in interest on external bank and bond loans impacted by higher interest rats. Other FX revaluations and other items amounted to SEK –81 m (135) and financial income amounted to SEK 168 m (45).

Taxes

Taxes totaled SEK –551 m (–654), corresponding to 29% (27) of profit before tax. The increased tax rate was due to a country mix with more taxable profits in higher tax jurisdictions and increased non-tax deductible interest costs. Current tax amounted to SEK –804 m (–723) and deferred tax to SEK 253 m (70). Paid tax was SEK –979 m (–991), corresponding to a paid tax rate of 52% (41). Paid tax in 2023 and 2022 were impacted by taxes related to previous years. Deferred tax recognized in the balance sheet, on tax losses, amounts to SEK 356 m of which SEK 146 m has been recognized in 2023. The recognition is supported by future utilization based on the assumptions used in the annual impairment test of goodwill and intangible assets with an indefinite useful life.

Profit for the year

Profit for the year was SEK 1,332 m (1,784).

Operating cash flow

Operating cash flow was SEK 5,205 m (2,268). The improvement was mainly driven by reduced inventories.

[1] before amortization of acquisition-related intangible assets and items affecting comparability

Investments
Total investments in both intangible and tangible fixed assets amounted to SEK 628 m (593), corresponding to 2.3% (1.9) of net sales.

Investments in tangible fixed assets amounted to SEK 575 m (516) of which SEK 82 m (112) refers to machinery, equipment and tools, SEK 155 m (7) to buildings and SEK 338 m (397) to construction in progress and advance payments. Investments in intangible fixed assets amounted to SEK 53 m (77). During the year Dometic performed payments of earn outs and deferred considerations amounting SEK –539 m. During 2022, acquisition of operations amounted to (–847). For more details, see note 29 on page 123.

Cash flow from financing and financial position
Net cash flow from financing was SEK –3,685 m (–570). A bond of EUR 300 m due in September 2023 was repaid using cash at hand. Dividend paid were SEK –415 m (–783) and the net of paid and received interest were SEK –762 m (–489).

Interest-bearing liabilities, excluding pension provisions, amounted to SEK 16,335 m (18,643). The debts are expressed in SEK, EUR and USD. The average time to maturity at the end of 2023 was 2.5 (2.8) years.

Group cash and cash equivalents at year-end amounted to SEK 4,348 m (4,399). In addition, the Group has unutilized loan facilities under the revolving credit facility of SEK 2,156 m (2,170). The Senior Credit Facilities agreement ("SFA"), the EKN-guaranteed facility and the bonds issued under the EMTN-program may be terminated upon the occurrence of certain customary circumstances, including in connection with a change of control in the Company or a delisting of the Company from Nasdaq Stockholm; for further information on the loan terms, see note 21.

There are no pledged assets or securities in the SFA, EKN and the EMTN program.

The SFA and EKN financing are conditioned with covenants: Net debt/EBITDA leverage ratio and interest cover that are assessed on a quarterly basis. Other financial risks are described in note 3.

The equity ratio was 48% (46) at year end. Net debt to EBITDA leverage ratio was 2.7x (3.0x) at year end.

Financial instruments
Dometic Group uses currency forward contracts to hedge forecasted future cash flows in foreign currency, interest rate swaps to hedge future floating rate interest payments, and loans in foreign currency to hedge the translation risk from net investments in foreign operations.

The fair values of Dometic's derivative assets and liabilities were SEK 21 m (147) and SEK 134 m (111), respectively. The value of derivatives is based on published prices in an active market. No transfers between levels of the fair value hierarchy have occurred during the period.

Other current and non-current liabilities, mainly referring to holdbacks and potential earnouts related to acquisitions, are accounted to fair value based on management's best estimate of future outcome and belong to level 3 in the fair value hierarchy.

For information on financial risk management and financial instruments, see note 3.

Parent Company
The parent Company Dometic Group AB (publ) comprises the functions of the Group's head office, such as Group management and administration. The parent Company invoices its costs to the Group companies.

For 2023, the parent Company Dometic Group AB (publ) had an operating profit (loss) of SEK –6 m (–3), including administrative expenses of SEK –235 m (–228) and other operating income of SEK 229 m (225), of which the full amount relates to income from Group companies.

Net financial expenses totalled SEK –343 m (6), including interest income from Group companies of SEK 855 m (509) and other financial income and expenses of SEK –1,198 m (–503). Net result for the year amounted to SEK –320 m (–11).

The parent Company has no branch offices. In total, the Group has three branch offices. For more information on the number of employees, salaries and remuneration, see note 9 Employee benefit expense and remuneration.

For information on shares in subsidiaries, see note 26.

Other significant events
Authorization to issue new shares and/or warrants and/or convertibles in Dometic Group AB (publ)
The Board of Directors proposes that the annual shareholders' meeting authorizes the Board of Directors to resolve, on one or several occasions until the next annual shareholders' meeting, on the issuance of new shares and/or warrants and/or convertibles with or without deviation from the shareholders' pre-emptive right. Such resolution may provide for payment in cash, against set-off of claims or in kind or otherwise on special conditions. The total number of shares that may be issued and the total number of shares that shall be possible to subscribe/convert to under the authorization shall in total be within the limits of the articles of association and shall not exceed ten (10) percent of the total number of shares in the Company at the time of the Board's resolution on an issue.

The purpose of the authorization, and the reasons for any deviation from the shareholders' pre-emptive right, is to increase the Company's financial flexibility. Should the Board of Directors resolve on an issue with deviation from the shareholders' pre-emptive right, the reason shall be to enable the Company to finance the operations or to strengthen the balance sheet in a fast and efficient way, acquire companies, businesses or parts thereof with payment in own shares, warrants and/or convertibles, secure financial capacity for current or future possible acquisitions of companies, businesses or parts thereof and/or to enable a broadening of the ownership of the Company. The issue price shall be determined in accordance with prevailing market conditions.

Significant events after the reporting period
Todd Seyfert joined Dometic on January 9, 2024 as new President for segment Americas.

Dometic is planning to have a new segment reporting structure with six reporting segments starting from the first quarter 2024 reporting:

- The Igloo business and other mobile cooling and drinkware businesses is planned to be consolidated into a new segment named Mobile Cooling Solutions.
- Segment Global is planned to be renamed to segment Global Ventures. Other Global Verticals is planned to remain as a sub-segment. The offering of Mobile Power Solutions is planned to be consolidated globally into a new subsegment in segment Global Ventures.
- The product solutions for the RV and CPV industries is planned to be consolidated in the three land vehicle segments of Americas, APAC and EMEA. Both the OEM and the Service & Aftermarket business, as well as other outdoor standalone products for land-based outdoor activities would be included. The Mobile Power Solutions businesses in the three land vehicle segments is planned to be reported in segment Global Ventures.
- Segment Marine is planned to remain as a separate segment. The Mobile Power Solutions business in segment Marine would be reported in segment Global Ventures.

There have been no other significant events that have impacted the financial reporting after the balance sheet date.

Future development
Dometic Group has set its financial targets as outlined below and has a roadmap of initiatives to continue to implement its strategy. Dometic does not provide a financial outlook for the year.

The Group's medium to long-term financial targets

Dometic's Board of Directors has adopted the following medium to long-term financial targets over a business cycle:

- Average annual net sales growth of 10%, including organic growth and M&A.
- Operating (EBITA) margin of 18–19% before amortization of acquisition-related intangible assets and items affecting comparability.
- Net debt to EBITDA leverage ratio around 2.5x.
- Dividend of at least 40% of net profit for the period.

Employees and remuneration

Number of employees

The average number of employees in terms of headcount was 8,093 (8,834).

Guidelines for remuneration for the CEO and Group Management

The annual shareholders' meeting resolved on April 7, 2020 to adopt the below guidelines for remuneration for the CEO and the Dometic Group management (the "Group Management"). The guidelines shall be subject to approval by the shareholders' meeting at least every fourth year. The Board of Directors did not propose any amendments to the guidelines before the annual shareholders' meeting 2021, 2022 and 2023 respectively, consequently the below guidelines remain in force. The guidelines apply to arrangements entered into following the adoption of the guidelines, as well as to any changes made in existing agreements following the adoption of the guidelines.

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, Dometic is leveraging its full strengths as a global Company and industrializing Dometic while maintaining a successful entrepreneurial approach.

For more information regarding the Company's business strategy, please see https://www.dometicgroup.com/en-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 Sweden 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 Group Management shall, in addition to the base salary, dependent on an annual decision by the Board of Directors, be eligible for variable salary that is based on short-term annual predetermined and measurable performance targets that 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 promote the executive's long-term view. The short-term variable remuneration shall be linked mainly to financial parameters such as EBITA, 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 amount for the CEO to a maximum of 75% of the base salary and for the other members of Group Management to a maximum of 30–50% of the annual base salary, according to individual agreements.

The extent to which 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 and ESG targets. 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. All participants in the LTI are required to invest a proportion of the net variable cash renumeration 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.

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 are 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 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.

Sustainability and environmental impact

For more information on the Dometic Group and sustainability, read the full sustainability report on pages 29–42. This is the statutory sustainability report in accordance with the Swedish Annual Accounts Act. See pages 132–143 for the sustainability notes. For information on subsidiaries in the Group, see note 26.

Dometic conducts activities subject to notification to and permission from authorities in Tidaholm, Sweden, in the form of devices containing enclosed radiation sources and storage of flammable goods. The business has the necessary permits, and no permit processes are ongoing. No changes are planned in the business that affect the permits and no violations have occurred during the year. Dometic's dependence on the activity subject to notification and authorization is not significant.

The share, shareholders and proposed distribution of earnings

The share

Dometic's shares have been listed on Nasdaq Stockholm since November 25, 2015 and the shares are traded on Large Cap; the share capital amounted to SEK 798,750 divided into 319,499,933 shares. The quotient value (nominal value) of the share is SEK 0.0025 per share.

All shares are of the same class and carry equal rights in all respects.

At the annual shareholders' meeting, each share carries one vote and each shareholder is entitled to vote the full number of shares such shareholder holds in the Company.

Shareholders

On December 31, 2023 Dometic had 20,371 shareholders according to the share register kept by Euroclear Sweden AB. Of the total number of shares, 42.2% was held by Swedish institutional owners, 5.1% was held by Swedish private individuals and the remaining 52.7% was held by foreign institutional owners, other and by unknown ownership. The largest shareholder was NN Group N.V., with 7.3% of the shares and 7.3% of the corresponding voting rights. Incentive AS was the second-largest shareholder, with 6.3% of the shares and 6.3% of the correponding voting rights. The ten largest shareholders accounted for 54.4% of the shares and 54.4% of the corresponding voting rights.

Articles of Association

The articles of association contain no separate provisions pertaining to the appointment and dismissal of Board members, nor to amendments to the articles of association.

Proposed distribution of earnings

The following earnings in SEK are at the disposal of the annual shareholders' meeting:

Retained earnings	11,643,611,603
Result for the year	–319,532,766
Total	**11,324,078,837**

For the Board of Directors justification of dividend, see page 126.

The Board of Directors proposes that earnings be distributed as follows:

A dividend to the shareholders of SEK 1.90 per share, totaling	607,049,987
To be carried forward	10,717,028,850
Total	**11,324,078,837**

RISKS AND RISK MANAGEMENT

Risks are part of any business and as a global Group with production and distribution all over the world, Dometic faces risks that can impact its ability to achieve established strategic and other objectives, including financial targets and sustainability targets. Effective risk management of strategic risks, execution risks, compliance & regulatory risks and reporting risks creates opportunities and effective risk mitigation.

Dometic Three Lines Model

The key to effective risk management is identifying known risks and preparing for any unknown risks to which the Group is exposed to. While mitigating risks usually comes at a cost, effective risk management adds value by establishing clear process and risk ownership combined with risk identification, risk assessment, risk prioritization and risk response i.e. risk mitigating actions as well as effective monitoring. See page 66 for more details on the Dometic Three Lines Model.

Risk management

In line with Dometic's Three Lines Model, Risk Management as part of the second line of responsibility constitutes an important role by providing and supporting management and the business operations with a risk framework including a risk management process and a risk universe for identification, assessment and prioritization of risks, and for providing risk response i.e. risk-mitigating actions as well as effective monitoring.

The risk framework aligns strategic risks with the Group strategic objectives and the strategy toolbox for execution. Each defined tool in the strategy toolbox represents both risks and opportunities that, correctly managed, help the Group deliver on its strategy.

Risks in the risk framework and especially the strategic risks are connected to the objectives defined for each of the three pillars in the Group strategy. Read more about the Dometic strategy on page 15.

During 2023, risk assessments were performed on Group and Segment levels to assess risks and related risk mitigating actions. Group risk assessments mainly focused on the strategic risks and the Segment risk assessments mainly focused on the execution risks, since the Segments execute on the strategy and decisions made by Group Management and the Board of Directors.

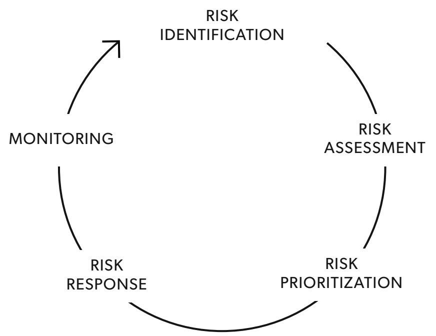
The Risk Committee, which comprises the members of Group Management, held meetings in connection with Group Management meetings, during which significant time was dedicated to plan for and present results from risk assessments as well as review of risk mitigating actions.

Strategic risks are assessed top-down by Group Management, while execution risks, compliance & regulatory risks and reporting risks are assessed bottom-up by Segment Management and process and risk owners, as well as top-down by Group Management and global process and risk owners, as applicable. The Risk Committee discusses and makes decisions on risk mitigating actions and the members of Group Management act as global process and risk owners as applicable. The work of the Risk Committee is regularly reported to the Audit Committee and annually to the Board of Directors.

With strategic risks, execution risks, compliance & regulatory risks and reporting risks identified and assessed annually, the results thereof in terms of risk registers and risk maps help raise risk awareness and support management and the business operations at different levels of the organization in prioritization of risks and decisions on risk-mitigating actions. The annual risk assessment, including risk registers and risk maps, also serves as a foundation for the Group's control functions, such as Internal Control and Internal Audit, for their prioritization of focus areas.

Risk response i.e. risk-mitigating actions could include avoiding the risk, reducing the risk, sharing the risk or accepting the risk. The preferred action depends on the probability, impact and nature of the risk, whether e.g. avoiding it by not engaging in certain businesses, reducing the exposure of it by hedging or strengthening internal processes, sharing it through insurance or joint ventures, or accepting it as part of the business in combination with monitoring it to be able to react fast if the risk materializes. Monitoring is executed in the daily business operations and more formally at the Risk Committee meetings as well as at the Audit Committee and Board of Directors' meetings respectively.

Risk management process



Risk universe

The risk framework includes a universe of risks that could impact Dometic's ability to achieve established strategic and other objectives including financial targets and sustainability targets. The risks to which Dometic is exposed are classified into four main categories: strategic risks, execution risks, compliance & regulatory risks and reporting risks. Each main category has subcategories with defined underlying risks. Sustainability risks are integrated in the main categories and subcategories. Risks are mapped to strategic and other objectives including financial targets and sustainability targets. Risk ownership is identified for each risk in the risk universe.

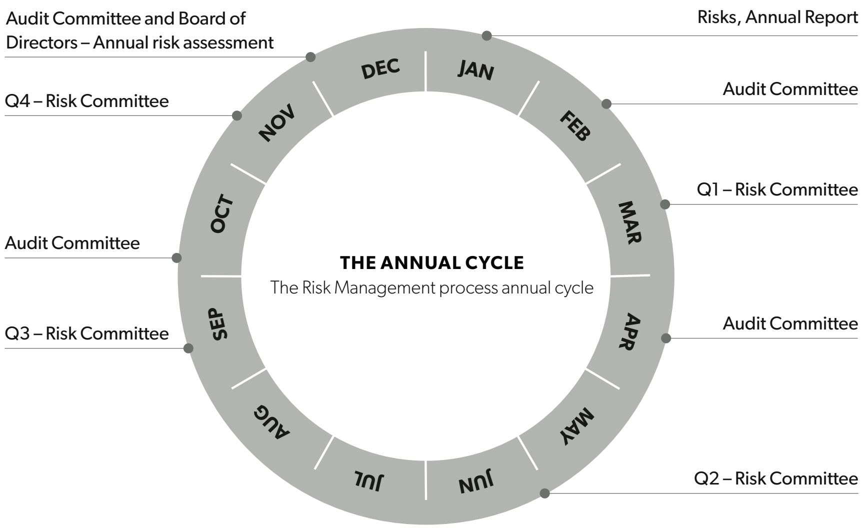
Strategic risks

Strategic risks can impact Dometic's ability to achieve strategic objectives including financial targets and sustainability targets. Strategic risks are divided into the following subcategories:

- Market and sales risks.
- Product risks.
- Manufacturing, distribution and sourcing risks.
- Organizational risks.
- External risk factors.

Strategic risks are assessed top-down by Group Management and strategic risk maps are used for e.g. evaluating the Group's opportunities and strategic position.

Examples of market and sales risks are customer dependency, cyclicality, seasonality and segment dependency, market trends, channel conflicts, e-commerce, brand and reputation and M&A opportunities and prioritization. Examples of product risks are product prioritization, technology disruption and product lifecycle management. There are also manufacturing, distribution and sourcing risks and within organizational risks there are competence management and leadership risks. External risk factors could be political,



The Risk Committee is comprised of the members of Group Management. The work of the Risk Committee is regularly reported to the Audit Committee and annually to the Board of Directors including the annual risk assessment.

geopolitical, climate change, weather-related, hazards, inflation, interest rate, sourcing and risks related to compensation, external crime and pandemics. Political risks could be tariffs or other trade barriers caused by political decisions and geopolitical risks could be risk of military invasion. Special attention was given to the hazard risk during the year, as an effect of the Covid-19 pandemic and the sourcing risk, as an effect of the development in Ukraine and in Israel-Gaza .

The Covid-19 pandemic had a negative impact on Dometic's business operations, primarily during the first half of 2020. Future development of the pandemic creates uncertainty and external as well as internal measures to contain Covid-19 cases may impact Dometic's business operations. The current pandemic situation in China is closely monitored .

Dometic continues to follow the development in Ukraine as well as in neighboring countries and will take necessary actions needed to protect the Group including its employees and assets. Dometic has stopped all business activities in Russia. Dometic follows the development in Israel-Gaza as well as in neighboring countries and the impact it might have on Dometic's business operations.

The current macroeconomic situation brings uncertainty, and it is difficult to predict how geopolitical, inflation and interest rate developments will impact the Dometic's business operations short term. Dometic is actively working to balance capacity and resources with demand across the organization. While closely monitoring and acting on short-term market developments, Dometic will continue to implement its strategic agenda to deliver on its targets.

Execution risks

Execution risks are operational, commercial and financial risks associated with Dometic's business operations. Execution risks are divided into the following subcategories:

- Product-related risks.
- Sales, sourcing/suppliers, distribution and manufacturing risks.
- Corporate Governance risks.
- Organizational risks.
- Information and IT risks.
- Asset risks.
- Financial risks.

Execution risks are assessed bottom-up by Segment Management and process and risk owners, and execution risk maps are used by Dometic's business operations to support in business assessments, prioritizations and decisions.

Execution risks can impact the business operations' ability to reach established objectives and targets. Execution risks are mitigated by implementing clear process ownership, internal governing documents, by effective internal control, quality programs, whistle-blower systems, insurance programs and proper crisis management as well as by reducing environmental impact and improving energy efficiency.

Examples of product-related risks are inefficient introduction of new products, reactions to product quality issues, product safety and liability, environmental and business disruption risks. Examples of sales, sourcing/suppliers, distribution, and manufacturing risks are price control, customer/supplier contracts, suppliers and supply chain, manufacturing of existing products, distribution and environmental risks. Examples of corporate governance risks are ineffective organization, process ownership, internal processes, internal controls, internal governing documents, digitalization, internal corruption, fraud and misconduct risks. Examples of organizational risks are employee health and safety, working conditions, ability to attract, hire, retain competence and personnel, change management, M&A integration and security risks. Examples of Information and IT risks are Information Security, IT operations, IT security, cybercrime , social media, and Artificial Intelligence (AI) risks. Examples of asset risks are tangible assets, inventory and intangible asset risks. Examples of financial risks are credit, liquidity and financing, impairment, tax, interest rate and currency risks. For more information on financial risks and risk management, see Note 3 financial risk management and financial instruments on page 89.

Compliance & Regulatory risks

Compliance & Regulatory risks are both internal compliance with internal governing documents as well as external compliance with laws, rules and regulations etc. Compliance & Regulatory risks are divided into the following subcategories:

- Internal governing documents risks.
- Laws, rules and regulations risks.
- Other compliance and regulatory risks.

Compliance & Regulatory risks are assessed top-down by Group Management as well as bottom-up by Segment Management, and compliance & regulatory risk maps are used to support in business assessments, prioritizations and decisions.

Dometic is subject to stringent environmental and other regulatory requirements, which can result in additional cost for the Group impacting the financial result or liability, restrict operations or result in the limitation or suspension of the sale or production of a product. The introduction of new laws, rules and regulations, the discovery of previously unknown contamination or the imposition of new or increased regulatory requirements could affect the Group's financial result and quality of financial reporting.

Internal compliance risks are mitigated by active dialogue, intranet publications and training of employees, annual assessments of internal governing documents by Compliance and by Group Internal Control .

External compliance risks are mitigated by active review by the global Quality function and continuous dialogue between Segment entities and Group functions, such as Legal, HR, Finance and Tax. Laws, rules and regulations risks may be related to global, segment or local laws, rules and regulations. Examples of other compliance and regulatory risks are other specific industry or market requirements as well as dispute and litigation risks.

A more detailed description of Dometic's work with internal control over financial reporting is provided in the Corporate Governance Report, section Internal control over financial reporting on page 71.

Reporting risks

Reporting risks are risks associated with Dometic's reporting, information and communication, both financial and non-financial. Reporting risks are divided into the following subcategories:

- External reporting risks.
- Internal reporting risks.

Reporting risks are assessed top-down by Group Management as well as bottom-up by Segment Management, and reporting risk maps are used in the risk assessment. External reporting is supported by e.g. an Information Policy approved by the Board of Directors and internal reporting is supported by other internal governing documents.

Examples of external reporting risks are related to external reporting, communication and information both financial, such as Interim reports, Full-year reports and Annual reports, and non-financial. Examples of internal reporting risks are related to internal reporting, communication and information, both financial and non-financial, including decision-supporting material and monitoring-supporting material.

A more detailed description of Dometic's work with internal control over financial reporting is provided in the Corporate Governance Report, section Internal control over financial reporting on page 71.

DOMETIC RISK UNIVERSE

STRATEGIC RISKS

- Market and sales risks
- Product risks
- Manufacturing, distribution and sourcing risks
- Organizational risks
- External risk factors

EXECUTION RISKS

- Product-related risks
- Sales, sourcing/suppliers, distribution, manufacturing risks
- Corporate Governance risks
- Organizational risks
- Information and IT risks
- Asset risks
- Financial risks

COMPLIANCE & REGULATORY RISKS

- Internal govering documents risks
- Laws, rules and regulations risks
- Other compliance and regulatory risks

REPORTING RISKS

- External reporting risks
- Internal reporting risks

CLIMATE RISK DISCLOSURES

In 2021, Dometic began to apply the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) using scenario analysis for assessing the potential business implications of climate-related risks and opportunities. The analysis is based on two potential future climate scenarios. For each scenario, a long-term perspective of ten years[1] was used to assess risks and opportunities. This section is structured around the four thematic areas recommended by TCFD: governance, strategy, risk management and metrics and targets.

The purpose of this report is to give stakeholders a better understanding of the potential business, strategic and financial implications of climate related-risks and opportunities for Dometic and how Dometic could manage these implications to ensure long-term business success.

Governance

Dometic has governance structures to manage climate-related risks and opportunities. The Board of Directors is ultimately responsible for the oversight of impact, risks and opportunities related to sustainability, including climate change. The CEO and Group Management are responsible for driving the development of Dometic's sustainability agenda, including monitoring and managing climate change impacts, risks and opportunities.

The Group's Sustainability Board provides recommendations to the CEO and Group Management, who makes decisions about climate-related issues, including policies, overall ambition and reduction targets. The Operations Board, which consists of the CEO and several Group Management members, has overall operational oversight of Dometic's climate program. Other boards and committees, such as the Product Compliance Board and the Value Added and Value Engineering Committe, focus on specific climate-related regulations, programs and initiatives.

Strategy

In 2021, Dometic carried out the first climate scenario analysis covering exposure to both transition and physical risks. As recommended by the TCFD, the qualitative analysis was based on two scenarios, referred to as the Rapid Transition Scenario (equivalent to RCP 2.6) and Business as Usual Scenario (equivalent to RCP 8.5). Potential financial impacts identified include:

- Increased value of sustainable business and solutions.
- Increased investment in the conversion to a low-carbon economy.
- Volatile and increased cost for energy, material, facilities and distribution.
- Increased insurance costs.

Strategic opportunities identified include growth opportunities for mobile power solutions driven by electromobility, renewable energy and system integration. Further actions to mitigate risk, reduce impact and capture opportunities include:

- Reduce complexity to enable an agile organization.
- Offer innovative, durable, circular and low-carbon products.
- Further develop the Service & Aftermarket business to extend the expected product lifetime through service, preventive maintenance, spare parts and upgrade kits.
- Consider climate-related risks and opportunities in acquisitions, divestments and investments.

Risk management

Dometic aims to continue to integrate climate-related issues into the risk-management processes and decision making. Physical risks in Dometic's operations are managed within the Loss Prevention Standard (LPS) framework and assessments are performed by a third party. The LPS assessment covers risks related to both internal and external environments, such as fire, earthquakes and flooding, which would impact the daily operations if they occurred.

Climate-change-related risk management is integrated into Dometic's risk governance. Physical risks and transition risks are considered within the risk framework, both from a strategic and an execution perspective, see pages 60–64. For more information on the sustainability governance and related governing documents, see page 132.

Metrics and targets

Dometic aims to reduce the carbon footprint of mobile living. Energy efficiency in operations and products have long been key strategic priorities.

In 2021, climate targets were set to reduce GHG emissions from Scope 1 and Scope 2 in relation to net sales by 30% by 2024 and by 50% by 2030. The Group also expanded the monitoring of its carbon footprint by extending the reporting to cover Scope 3 emissions from transport of goods. Internal reduction targets of downstream transport were also set. In 2021, product targets to be achieved by 2024 were also set. For more information on GHG emission data reported, see page 140. For more information on targets, see pages 13–14.

To increase the internal focus on actions to reduce the climate-change impact, a performance target linked to Scope 1 and Scope 2 GHG emissions within the long-term share-related incentive programs for Group Management was implemented in 2022.

[1] The risks, opportunities and impact in this forward-looking statement reflect the Company's current expectations and are subject to uncertainties that could cause actual financial results to differ materially due to a variety of factors.

Scenario analysis
Dometic has approached climate-related risks and opportunities, and the potential impact on Dometic's financial results, by means of scenario analysis as recommended by the TCFD framework. Below is a description of the scenarios explored and the identified risks, opportunities and potential impact on Dometic's financial results over the next ten years[1].

"Rapid Transition Scenario"
1.5–2 degree temperature increase by 2100

Description: Global warming is limited to no more than 2°C through collaboration among governments, industries and companies. Individuals push for tougher legislation and green innovation, while increasing demand for more sustainable products and services. Carbon emissions are strictly limited, and the carbon tax is extended, which promotes processes with low carbon emissions and greater use of circular materials and products.

Risks
- Increased investment costs in innovation and production due to tougher legislation for manufacturing processes and materials, energy sources and the environmental performance of products.
- Higher costs for goods sold due to price increases for raw materials, energy and distribution, as well as higher carbon taxes.
- Increased costs for facilities due to changing weather conditions.
- Changed consumption patterns.

Opportunities
- Competitive advantage through Dometic's long-term efforts to achieve more efficient resource use and a lower carbon footprint.
- Increased demand for sustainable solutions with a smaller climate footprint, rewarding companies with a strong sustainability profile.
- Travel trends increase demand for outdoor leisure products.
- Investments in and development of new business models and sustainable solutions attract more customers/consumers.

Potential impact on Dometic's financial result
- Increased value of sustainable business and solutions.
- Increased investment in the conversion to a low-carbon economy.
- Increased operating costs for climate adaptation.

"Business As Usual Scenario"
3–4 degree temperature increase by 2100

Description: Global warming of 3–4°C, due to the failure to effectively reduce emissions and other negative environmental impacts. Extreme weather is common, causing a more event-driven business. Sea levels continue to rise, desertification and deforestation continue. More frequent forest fires. Access to key resources such as raw materials, energy, water and food declines, resulting in greater volatility and uncertainty for prices and food security.

Risks
- Production and distribution disruption due to extreme weather conditions.
- Rising insurance costs.
- Increased investment required to safeguard stable production and supply chain.
- Significantly higher cost for goods sold as resource scarcity leads to higher prices for raw materials, energy, water and distribution.
- Lower living standards and changed consumption behavior.
- Deteriorating natural environments: forests, coastlines, mountains etc.

Opportunities
- Competitive advantage through Dometic's long-term efforts to achieve lower resource use and carbon footprint.
- Increased demand for sustainable solutions with a smaller climate footprint, rewarding companies with a strong sustainability profile.
- Travel trends increase demand for outdoor leisure products.
- Investments in and development of new business models and sustainable solutions attract more customers/consumers.

Potential impact on Dometic's financial result
- Increased value of sustainable business and solutions.
- Increased investments in managing climate change and costs for adaptation.
- Volatile and increased cost for energy, material, facilities and distribution.
- Increased insurance costs.

[1] The risks, opportunities and impact in this forward-looking statement reflect the Company's current expectations and are subject to uncertainties that could cause actual financial results to differ materially due to a variety of factors.

CORPORATE GOVERNANCE REPORT

Dometic is a global market leader in the mobile living industry. Dometic's motivation is to create smart, sustainable and reliable products with outstanding design for an outdoor and mobile lifestyle in the areas of Food & Beverage, Climate, Power & Control and Other Applications. Millions of people around the world use Dometic's products primarily in outdoor, but also in residential and professional applications. Dometic employs approximately 8,000 people worldwide, had net sales of SEK 27.8 billion in 2023 and is headquartered in Stockholm, Sweden.

Dometic Group AB (publ), registration number 556829-4390 with the Swedish Companies Registration Office (the "Company" or the "parent Company), and its subsidiaries are jointly known as the Dometic Group ("Dometic", "Group", or "Dometic Group").

The registered office of the Board of Directors of the Company (the "**Board**") is in Solna, Sweden. The address of the Group headquarters is Hemvärnsgatan 15, 6th floor, SE-171 54 Solna, Sweden.

The Company is a public Swedish limited liability company. The Company's shares are listed on the Nasdaq Stockholm Large Cap List. The Company aims to implement strict norms and efficient processes to ensure that all operations create long-term value for the shareholders and other stakeholders. This involves the maintenance of an efficient organizational structure, system of internal controls and risk management and transparent internal and external reporting.

The governance of the Company and the Group is based on the Swedish Companies Act, the Swedish Annual Accounts Act, the Nordic Main Market Rulebook for Issuers of Shares ("**Rulebook for Issuers**") and the Swedish Corporate Governance Code (the "**Code**") and other applicable Swedish and foreign laws, rules and regulations as well as internal regulations in terms of Dometic's internal governing documents. The Code is published on the website of the Swedish Corporate Governance Board, which administers the Code: www.corporategovernanceboard.se.

This corporate governance report has been drawn up as a part of the Company's application of the Code. There have been no deviations from the Code by the Company in 2023. There has been no infringement by the Company of applicable stock exchange rules and no breach of good practice on the securities market reported by the disciplinary committee of Nasdaq Stockholm or the Swedish Securities Council in 2023.

Dometic's formal corporate governance structure is presented on next page.

Highlights 2023

Re-election of Fredrik Cappelen as the Chairman of the Board and election of Patrik Frisk as new Board member. The appointment of Jenny Evelius, Eva Karlsson, Anders Fransson and Peter Jannerö as new members of Group Management.

Shareholders' Meeting

Pursuant to the Swedish Companies Act, the shareholders' meeting is the Company's highest decision-making body at which the shareholders exercise their voting rights. At the annual shareholders' meeting, shareholders have the opportunity to ask questions about the Company and the Group and the results for the past year. The annual shareholders' meeting of the Company is held in Stockholm, Sweden, usually in April or May.

The annual shareholders' meeting resolves upon:
- Adoption of statutory financial statements.
- Disposition of the Company's disposable earnings and dividend.
- Discharge from liability of the Board members and the CEO.
- Election of the Board members, the Chairman of the Board and the external auditor.
- Remuneration to the Board members, the Chairman of the Board and the external auditor.
- Principles for the appointment and work of the Nomination Committee.
- Guidelines for remuneration for the CEO and Group Management, and, if applicable, adoption of long-term share or share-price related incentive programs.
- Approval of the remuneration report.
- Other important matters, such as authorization to acquire and transfer shares in the Company, authorization to issue new shares in the Company, amendments to the Company's Articles of Association, if applicable.

Extraordinary shareholders' meetings may be held at the discretion of the Board or, if requested, by the external auditor or by shareholders owning at least 10 percent of all shares in the Company.

According to the Company's Articles of Association, shareholders' meetings are convened by publication of a convening notice in the Swedish National Gazette (Sw. Post- och Inrikes Tidningar) and on the Group's website, www.dometicgroup.com. At the time of the notice

Applicable laws, rules and regulations, examples	Internal regulations in terms of Dometic's internal governing documents, examples
• Swedish Companies Act. • Swedish Annual Accounts Act. • Nordic Main Market Rulebook for Issuers of Shares. • Swedish Corporate Governance Code.	• Articles of Association. • Rules of Procedure for the Board of Directors. • Instructions for the CEO. • Instructions for the Remuneration Committee. • Instructions for the Audit Committee. • Instructions for the reporting of financial situation of Dometic Group AB (publ) and the Dometic Group. • Code of Conduct. • Guidelines for Remuneration. • Diversity and Inclusion Policy. • Finance Policy (incl. Tax, Treasury and Credit Policy). • Information Policy. • Insider Policy. • Internal Audit Policy. • Dividend Policy. • Privacy Policy. • IT Policy. • Finance Manual. • Internal Control Charter. • Processes for internal control and risk management. • Internal Control Framework - Minimum Internal Control Requirements (MICR).

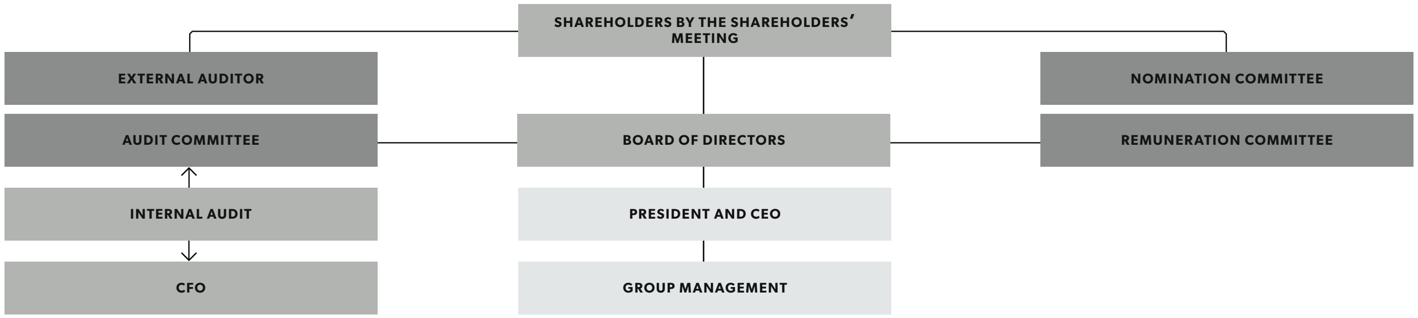
convening the meeting, information regarding the notice is published in the Swedish daily newspaper Svenska Dagbladet. The Company's Articles of Association are available on the Group's website, www.dometicgroup.com. Participation in decision-making at shareholders' meetings requires that the shareholder shall be registered in the share register by a stipulated date prior to the meeting and shall provide notice of participation in the manner prescribed in the notice convening the meeting. In addition, the shareholder's presence at the shareholders' meeting, either personally or through a proxy, is normally required, unless the Board, before the shareholder's meeting, has resolved to allow the exercise of voting rights in advance of the meeting (postal voting) or to collect proxies pursuant to the procedure stated in the Swedish Companies Act.

Individual shareholders may request that the Board includes a specific issue in the agenda of a shareholders' meeting. The address and the last date for making such a request for the respective meeting shall be published on the Group's website, www.dometicgroup.com.

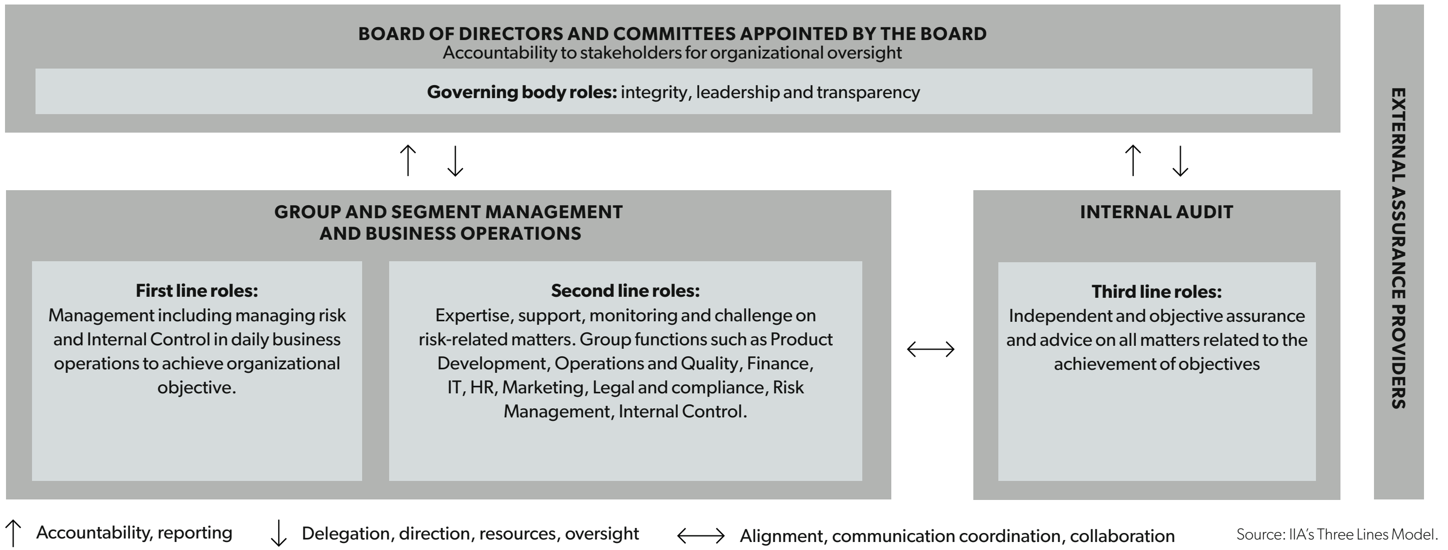
Decisions at the shareholders' meeting are usually taken on the basis of a simple majority. However, as regards certain issues, the Swedish Companies Act stipulates that proposals must be approved by shareholders representing a larger number of the votes cast and the shares represented at the meeting. The minutes recorded at the meeting shall be published on the Group's website not later than two weeks following the meeting. A press release containing the decisions made by the shareholders' meeting shall be published on the Group's website, www.dometicgroup.com, immediately after the meeting.

All shares in the Company carry equal voting rights, namely one vote per share. The Company's Articles of Association do not have any specific provisions regarding the appointment and dismissal of directors or about amending the Articles.

Dometic's corporate governance structure



Dometic Three Lines Model



Source: IIA's Three Lines Model.

Annual Shareholders' Meeting 2023

The 2023 annual shareholders' meeting of the Company was held at Clarion Hotel Sign, Östra Järnvägsgatan 35, SE-111 20 Stockholm, Sweden, on April 12, 2023. The shareholders were also able to exercise their voting rights by voting in advance of the meeting (postal voting), in accordance with the Company's Articles of Association. 308 shareholders representing a total of 73.4% of the votes were represented at the meeting.

Decisions at the 2023 annual shareholders' meeting included:

- Adoption of statutory financial statements for the financial year 2022.
- Approval of a dividend to shareholders of SEK 1.30 per share for financial year 2022. The record date for the dividend was set for April 14, 2023. The dividend was paid out to shareholders on April 19, 2023.
- Discharge from liability of the individual Board members and the CEO.
- Election of Patrik Frisk as new Board member and re-election of the Board members Fredrik Cappelen, Erik Olsson, Heléne Vibbleus, Jacqueline Hoogerbrugge, Mengmeng Du, Peter Sjölander and Rainer Schmückle.
- Re-election of Fredrik Cappelen as the Chairman of the Board.
- Re-election of the audit firm PricewaterhouseCoopers AB as external auditor.
- Approval of remuneration to the Board members, the Chairman of the Board and the external auditor.
- Approval of the Board's remuneration report.
- Authorization for the Board to issue new shares and/or warrants and/or convertibles.

Annual Shareholders' Meeting 2024

The 2024 annual shareholders' meeting of the Company shall be held on Thursday, April 11,2024, at Hotel At Six, Brunkebergstorg 6, SE-111 51 Stockholm, Sweden. For additional information regarding the next annual shareholders' meeting and how to register attendance, see the Group's website, www.dometicgroup.com.

Nomination Committee

The 2021 annual shareholders' meeting resolved to adopt the following principles for the appointment and work of the Nomination Committee, applicable until further notice. The Nomination Committee shall be composed of the Chairman of the Board together with one representative of each of the three largest shareholders, based on ownership in the Company as of August 31.

Should any of the three largest shareholders renounce its right to appoint one representative to the Nomination Committee, such right shall transfer to the shareholder, who then in turn, after these three, is the largest shareholder in the Company. The Board shall convene the Nomination Committee. The member representing the largest shareholder shall be appointed the chairman of the Nomination Committee, unless the Nomination Committee unanimously appoints someone else.

Should a shareholder having appointed a representative to the Nomination Committee no longer be among the three largest shareholders at a point in time falling three months before the annual shareholders' meeting at the latest, the representative appointed by such shareholder shall resign and the shareholder who is then among the three largest shareholders shall have the right to appoint one representative to the Nomination Committee. Should such change in the ownership occur during the three-month period prior to the annual shareholders' meeting, the already established composition of the Nomination Committee shall remain unchanged. Should a member resign from the Nomination Committee before his or her work is completed, the shareholder who has appointed such member shall appoint a new member, unless that shareholder is no longer one of the three largest shareholders, in which case the largest shareholder in turn shall appoint the substitute member. A shareholder who has appointed a representative to the Nomination Committee shall have the right to discharge such representative and appoint a new representative.
Changes to the composition of the Nomination Committee shall be announced immediately. The term of the office for the Nomination Committee ends when the next Nomination Committee has been appointed. The Nomination Committee shall carry out its duties as set out in the Code.

The composition of the Nomination Committee for the annual shareholders' meeting is publicly announced on the Group's website, www.dometicgroup.com no later than six months before the annual shareholders' meeting.

The Nomination Committee's tasks include preparing a proposal for the next annual shareholders' meeting regarding:

- Chairman of the annual shareholders' meeting.
- Board members.
- Chairman of the Board.
- Remuneration to the Board members and the Chairman of the Board.
- Remuneration for Board committee work.
- Amendments of the principles for the appointment and work of the Nomination Committee, if deemed necessary.
- External auditor and external auditor's fee.

In addition, the Nomination Committee shall assess the independence of the Board members in relation to the Company and the largest shareholders. The Nomination Committee's proposals are publicly announced no later than on the date of the notice of the annual shareholders' meeting. Shareholders wishing to submit proposals to the Nomination Committee should send a letter to Nomination Committee, Dometic Group AB (publ), Hemvärnsgatan 15, 6th floor, SE- 171 54 Solna, Sweden.

No remuneration is paid to members of the Nomination Committee. The Company shall pay any necessary expenses that the Nomination Committee may incur in its work.

Further information regarding the Nomination Committee and its work can be found on the Group's website: www.dometicgroup.com.

Nomination Committee for the 2023 Annual Shareholders' Meeting

The Nomination Committee for the 2023 annual shareholders' meeting comprised four members.

Mr. Magnus Billing (Alecta Pension Insurance) was the Chairman of the Nomination Committee.

For the proposal for the 2023 annual shareholders' meeting, the Nomination Committee made an assessment of the composition and size of the Board at that time as well as the Group's operations. Areas of particular interest were Dometic's strategies and goals and the demands on the Board that were expected from the Group's positioning for the future. The Nomination Committee also considered that a breadth and variety as regards experience, competence, diversity and gender shall be represented among the Board members.

In order to further strengthen the Board's expertise in the strategically important area of outdoor, the Nomination Committee proposed Patrik Frisk as new Board member. The Nomination Committee also proposed re-election of the Board members: Fredrik Cappelen, Erik Olsson, Heléne Vibbleus, Jacqueline Hoogerbrugge, Mengmeng Du, Peter Sjölander and Rainer Schmückle and the re-election of Fredrik Cappelen as the Chairman of the Board. The Board member Magnus Yngen was not available for re-election. After the election at the 2023 annual shareholders' meeting, three out of eight Board members are women.

Nomination Committee for the 2024 Annual Shareholders' Meeting

The Nomination Committee for the 2024 annual shareholders' meeting is based on the ownership in the Company as of August 31, 2023. The composition of the Nomination Committee was announced on the Group's website, www.dometicgroup.com on October 10, 2023, i.e. six months before the 2024 annual shareholders' meeting, in accordance with the Code's announcement requirement.

The Nomination Committee's members are:
Mr. Niklas Antman (Incentive AS), Mr. Jelle van der Giessen (NN Group N.V.), Mrs. Monica Åsmyr (Swedbank Robur Funds) and Mr. Fredrik Cappelen, Chairman of the Board. Mr. Jelle van der Giessen is the Chairman of the Nomination Committee.

Nomination Committee

Name	Appointed by	Percentage of votes, August 31, 2023
Niklas Antman	Incentive AS	8.18%
Jelle van der Giessen	NN Group N.V.	7.75%
Monica Åsmyr	Swedbank Robur Funds	5.40%
Fredrik Cappelen	Chairman of the Board	0.29%

The Board of Directors

The Board has the overall responsibility for the Company's and the Group's organization and administration by continuously monitoring the operations, ensuring an appropriate organization, management, governing documents and internal control. The Board establishes objectives and strategies and makes decisions concerning major investments and operational changes. The Chairman of the Board has a leading role and is responsible for ensuring that the Board's work is well organized and performed efficiently.

Composition of the Board

The Board comprises eight members, without deputies, who are elected by the annual shareholders' meeting. The annual shareholders' meeting elects the Chairman of the Board. Directly after the annual shareholders' meeting, the Board holds a meeting for formal constitution of the Board at which the members of the committees of the Board are elected.

The Chairman of the Board is Fredrik Cappelen.

Two of the eight Board members are not Swedish citizens. All Board members are non-executive members.

For additional information regarding the Board members, see pages 74–75.

The information is updated regularly on the Group's website, www.dometicgroup.com.

Diversity Policy for the Board of Directors

The Nomination Committee shall apply the Swedish Corporate Governance Code article 4.1 as its Diversity Policy in respect of the Board. The goal of the Policy is for the Board to have a composition appropriate to the Company's and the Group's operations, phase of development and other relevant circumstances. The Board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The Company shall strive for gender balance on the Board.

As set out in the Nomination Committee's proposal on election of the Board members for the 2023 annual shareholders' meeting, the Nomination Committee applied article 4.1 of the Swedish Corporate Governance Code as the Diversity Policy in its nomination process. The 2023 annual shareholders' meeting resolved to appoint the Board members in accordance with the Nomination Committee's proposal. After the election at the 2023 annual shareholders' meeting, three out of eight Board members are women (37.5%).

The above-mentioned application of the Diversity Policy has also been made in respect of the Nomination Committee's preparation of the proposals for the 2024 annual shareholders' meeting.

The Board is considered to be in compliance with relevant requirements for independence. The assessment of each Board member's independence is presented on pages 74–75. All Board members have been considered independent both in relation to the Company and its executive management and in relation to the major shareholders. Accordingly, the Company is in compliance with the Code's independence requirement.

The Board's tasks

One of the main tasks of the Board is to manage the Group's operations in such a way as to assure that the interests of the owners in terms of long-term profitable growth and value creation are being met in the best possible manner. The Board's work is governed by applicable laws, rules and regulations as well as internal regulations in terms of Dometic's internal governing documents ("internal governing documents") that constitute the framework for corporate governance at Dometic.

The Board deals with and decides on Group-related issues, such as:

- Objectives and strategies.
- Appointing, evaluating, and, if necessary, dismissing the CEO.
- Identifying how sustainability issues impact business risks and opportunities.
- Internal governing documents, as applicable.
- Ensuring that there is an appropriate system of internal controls and risk management to follow up the Group's operations and the risks to the Group that are associated with its operations.
- Ensuring that there is a satisfactory process for monitoring the Group's compliance with applicable laws, rules and regulations as well as internal governing documents.
- Ensuring that the Group's external communications are characterized by openness and that they are accurate, reliable and relevant.
- Evaluating its work annually.
- Evaluating the work of the CEO continuously.
- Matters that according to the Instructions for the CEO fall outside of the scope of the CEO's day-to-day management.

For information regarding examples of applicable laws, rules and regulations as well as internal governing documents, see the table on page 65.

Working Procedures and Board Meetings

The Board determines its working procedures, documented in the Rules of Procedure for the Board of Directors, each year and reviews these Rules of Procedure as required. The Rules of Procedure describe the Chairman of the Board's duties as well as the responsibilities delegated to the committees appointed by the Board.

In accordance with the Rules of Procedure for the Board of Directors and the Code, the Chairman of the Board shall among other things:

- Organize and lead the Board's work.
- Verify that the Board's decisions are implemented efficiently and effectively.
- Ensure that the Board discharges its duties.
- Ensure the efficient and effective functioning of the Board including necessary introductory training for new Board members and ensure that the Board regularly updates and develops its knowledge of the Group and its operations.
- Be responsible for contacts with the shareholders regarding ownership issues.
- Ensure that the Board receives sufficient information and documentation to enable it to conduct its work.

The Rules of Procedure for the Board of Directors stipulate that the meeting for the formal constitution of the Board shall be held directly after the annual shareholders' meeting. Decisions at such statutory Board meetings include the election of chairman and members of the committees of the Board and authorization to sign on behalf of the Company. In addition to the statutory Board meeting, the Board shall hold at least four ordinary Board meetings during the year. These meetings are held in conjunction with the publication of the Company's Interim reports, Full-year reports and Annual reports, in connection with visits to the Group manufacturing facilities, as applicable, and coordinated with the most important processes of the Group, such as strategy, budget and risk. Furthermore, extraordinary Board meetings may be held when necessary by telephone, video conferences or per capsulam.

The Board's work in 2023

During the year, the Board held 12 meetings, including statutory, ordinary and extraordinary. The attendance of each Board member at these meetings is presented on pages 74–75.

Ordinary Board meetings follow a calendar that is established annually. In addition to the Board meetings, the Chairman of the Board and the CEO have continuous contact pertaining to operations and other important matters. All Board meetings during the year followed an agenda, which, together with the documentation for each item on the agenda, was made available for the Board members in advance of the meetings. Meetings usually last for half a day or one entire day in order to allow time for presentations and discussions. Normally the CEO and the CFO are present at ordinary Board meetings and Dometic's Group General Counsel serves as secretary at the Board meetings.

Each scheduled ordinary Board meeting includes a review of the Group's business and the financial results and financial position as well as the outlook for the forthcoming quarters, as presented by the CEO and the CFO. The meetings also deal with investments, and the establishment of new operations, acquisitions and divestments. The Board decides on individual investments exceeding SEK 30 million and a total investment level above the approved investment budget.

Major items addressed by the Board in 2023 included:

- Strategy implementation.
- Monitoring emerging uncertainties,
- Risk assessments and Contingency plans.
- Organizational changes.
- Restructuring program.
- Sustainability.
- Cost reduction and price increase activities.
- Integration of acquired businesses.
- Visits to the businesses in Hungary and Slovakia.
- Funding strategy, expansion of financing sources and cash flow.

Ensuring Quality in Financial Reporting

The Rules of Procedure for the Board of Directors and the Instructions for the reporting of the financial situation of Dometic Group AB (publ) and the Dometic Group determined annually by the Board include detailed instructions on the type of financial reports and similar information, which shall be submitted to the Board. In addition to the Company's Interim reports, Full-year reports and Annual reports, the Board reviews and evaluates comprehensive financial information regarding the Group as a whole and the segments within the Group.

The Board also reviews, primarily through the Board's Audit Committee, the most important accounting principles applied by the Group in financial reports and major changes in these principles as well as internal control over financial reporting. For more information see section Internal control over financial reporting on page 71.

The Company's external auditor reports to the Board as necessary and at a minimum once a year. The external auditor also attends the meetings of the Audit Committee. The Audit Committee reports to the Board after each of its meetings. Minutes are taken at all Audit Committee meetings and are made available to all Board members and to the external auditor.

Board Work Evaluation

The Board evaluates its work annually with regards to its Rules of Procedure for the Board of Directors and the working climate as well as regards the focus of the Board's work. This evaluation also focuses on access to and requirements of special competence in the Board. The evaluation is a tool for the development of the Board's work and also serves as input for the Nomination Committee's work. The evaluation of the Board is initiated and led each year by the Chairman of the Board.

The 2023 annual evaluation was carried out in survey form. All Board members responded to the written questionnaire. The result of the evaluation was discussed at a Board meeting and also presented for the Nomination Committee by the Chairman of the Board.

The Board's work is progressing well. The Board members are making a constructive contribution to both the strategic discussion and the governance of the Company and the Group. The discussions are seen as open and the dialogue between the Board and the management is also considered positive and constructive.

Remuneration to Board members

Remuneration to the Board members and the Chairman of the Board is determined by the annual shareholders' meeting. The remuneration to the Board members and the Chairman of the Board was revised in 2023. For an overview of remuneration to the Board members and the Chairman of the Board, please see the table below.

Remuneration to Board members

(applicable from the respective annual shareholders' meeting)

SEK	2023	2022
Chairman of the Board	1,275,000	1,250,000
Board member	470,000	460,000
Chairman of the Audit Committee	210,000	160,000
Member of the Audit Committee	95,000	80,000
Chairman of the Remuneration Committee	103,000	103,000
Member of the Remuneration Committee	52,000	52,000

Committees of the Board

The Board has established an Audit Committee and a Remuneration Committee. The work of the respective committee is carried out pursuant to the Rules of Procedure for the Board of Directors and the Instructions for the Audit Committee and the Remuneration Committee, respectively.

The major tasks of these committees are preparatory and advisory, but the Board may delegate decision-making power as set out in the respective Instructions or in a specific authorization by the Board in an individual case. The issues considered at committee meetings shall be recorded in minutes of the meetings and reported at the following Board meeting. The members and Chairmen of the committees are appointed at the statutory Board meeting following election of Board members, or when a committee member needs to be replaced.

Audit Committee

The Audit Committee shall support the Board in monitoring that the Company and the Group are organized and managed in such a way that their respective accounts, management of funds and financial conditions in all aspects are controlled in a satisfactory manner in accordance with laws, rules and regulations and internal governing documents, as well as monitoring that the Company and the Group has an appropriate system of internal controls and risk management. As of the 2023 annual shareholders' meeting, the Audit Committee comprises three members: Erik Olsson (Chairman), Jacqueline Hoogerbrugge and Heléne Vibbleus. The Audit Committee meets all the requirements including accounting and auditing competence as stipulated in the Swedish Companies Act, as well as independence as stipulated in the Code.

At least four (4) meetings are held annually. Additional meetings are held if required. In 2023, the Audit Committee held 6 meetings, which were recorded in minutes. The attendance of each member at these meetings is presented on pages 74–75. Dometic's CFO, the Heads of Internal Audit and Internal Control, Risk Management, Accounting, Business Control, Tax, Treasury, Investor Relations, IT as well as Sustainability participated in the Audit Committee meetings. The external auditor participated in the ordinary Audit Committee meetings. The Dometic Group General Counsel serves as secretary at Audit Committee meetings.

The Audit Committee's tasks include:

- To monitor the financial reporting process and review financial reports and submit observations and recommendations to ensure their integrity, for the Board's approval.
- To monitor the effectiveness of internal control, internal audit, regulatory compliance and risk management in general, and in particular with regards to the financial reporting.
- To maintain regular contact with the external auditor and keep itself informed of the outcome of the external audit of the Company and the Group, including the audit of the financial reports and the consolidated financial reports and the conclusions from the quality control carried out by the Swedish Inspectorate of Auditors (Sw. Revisorsinspektionen).
- To inform the Board of the outcome of the external audit and explain how the audit contributed to the integrity of the financial reporting and of the role of the Audit Committee in that process.
- To review and monitor the objectivity and independence of the external auditor as well as the external auditor's engagements in tasks other than audit services.
- To prepare the proposal concerning election of the external auditor for adoption by the annual shareholders' meeting

In 2023, the work of the Audit Committee focused on monitoring the financial reporting processes, with a special focus on identifying risks and their impact on the quality of the financial reporting processes as well as evaluating the internal control environment. In addition, the Audit Committee focused on following up on the results of the work performed by the Risk management, Internal Control and Internal Audit functions as well as the results from the external audit. Furthermore, the Audit Committee reviewed the Company's Interim reports, Full-year report and Annual report including Sustainability report. Moreover, the Audit Committee also reviewed the plans of the external auditor.

Remuneration Committee

One of the Remuneration Committee's primary tasks is to prepare the Board's proposal concerning Guidelines for remuneration for the CEO and the other members of Group Management for adoption by the annual shareholders' meeting. The Remuneration Committee monitors and evaluates the applied remuneration structure and remuneration levels in the Group, as well as programs for variable remuneration, both ongoing and those that have ended during the year, for the CEO and the other members of Group Management. The Remuneration Committee also monitors the application of the Guidelines for remuneration for the CEO and the other members of Group Management adopted by the annual shareholders' meeting.

As of the 2023 annual shareholders' meeting, the Remuneration Committee comprises three members:

Fredrik Cappelen (Chairman), Patrik Frisk and Rainer Schmückle. At least two (2) meetings are held annually. Additional meetings are held if required.

In 2023 the Remuneration Committee held 3 meetings, which were recorded in minutes. The attendance of each member at these meetings is presented on pages 74–75. The Head of Human Resources and the CEO participated in the Remuneration Committee meetings. The CEO does not participate in regard to items on the agenda relating to remuneration of the CEO.

The Remuneration Committee's tasks include:

- To review and recommend to the Board the Guidelines for remuneration for the CEO and the other members of Group Management for adoption by the annual shareholders' meeting, if applicable.
- To review and make a recommendation to the Board for any changes in the compensation of the CEO and approve changes for the other members of Group Management.
- To monitor and evaluate programs for variable remuneration, both ongoing and those that have ended during the year, for the CEO and the other members of Group Management.
- To monitor and evaluate compliance with the Guidelines for remuneration for the CEO and the other members of Group Management adopted by the annual shareholders' meeting, as well as the current remuneration structures and remuneration levels in the Group.
- To assist the Board in preparing a remuneration report for approval by the annual shareholders' meeting.
- To prepare any proposals for shareholders' resolutions regarding share or share-price-related incentive programs (if relevant).
- To prepare any Board resolutions regarding short-term variable salary and incentive programs not requiring shareholder approval (i.e. variable cash remuneration schemes) for the CEO and Group Management.

CEO and Group Management

Group Management includes the CEO, the CFO, the four segment presidents and the additional five Group staff heads. The CEO is appointed by the Board. The CEO, in turn, appoints other members of Group Management and shall administer the Company's and the Group's ongoing operations pursuant to the instructions and directives issued by the Board. Group Management holds monthly meetings to review the previous month's results, to update forecasts and plans, and to discuss strategic issues. The CEO reports to the Board and ensures that the Board receives the information required to be able to make well-founded decisions.

The Company's CEO in 2023 was Mr. Juan Vargues. Mr. Vargues has a Management Education IMD Lausanne (CH); Executive MBA, Lund University (EFL); and high school degree in Mechanical Engineering, Tekniska Vuxengymnasiet, Gothenburg. Mr. Vargues has been Head of Entrance Systems at ASSA ABLOY, has previously worked as President and CEO of the Besam Group and has held several positions within the SKF Group. He holds 811,645 shares in the Company as of December 31, 2023. For details regarding members of Group Management, see pages 76–77. The information is updated regularly on the Group's website www.dometicgroup.com.

Changes in Group Management during 2023

Jenny Evelius was appointed EVP and Head of Group HR and a member of Group Management, as of January 1, 2023. Eva Karlsson was appointed President of segment EMEA and a member of Group Management as of May 16, 2023. In addition, as of October 1, 2023, Anders Fransson was appointed EVP and Head of Group Operations & Sustainability and a member of Group Management and Peter Jannerö was appointed Chief Marketing Officer and a member of Group Management..

Remuneration for the CEO and Group Management

Guidelines for remuneration for the CEO and the other members of Group Management are adopted by the annual shareholders' meeting, based on the proposal from the Board, at least every fourth year. Remuneration to the CEO is resolved upon by the Board, based on proposals from the Remuneration Committee. Remuneration to the other members of Group Management is resolved upon by the Remuneration Committee, based on proposals from the CEO and reported to the Board. The total remuneration shall be based on the position held, individual performance, performance of the Group and be competitive in the country of employment.

Remuneration may comprise:

- Base salary.
- Variable salary.
- Long-term incentive programs.
- Pensions and other benefits.

Members of Group Management shall, in addition to the base salary, dependent on an annual decision by the Board, be eligible to variable salary that is based on short-term annual predetermined and measurable performance targets.

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

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 may in an individual case deviate from the Guidelines for remuneration for the CEO and the other members of Group Management. In case of such deviation, the next annual shareholders' meeting shall be informed of the reasons.

The Guidelines for remuneration for the CEO and the other members of Group Management can be found on the Group's website, www.dometicgroup.com.

External auditor

The 2023 annual shareholders' meeting re-elected PricewaterhouseCoopers AB (PwC) as the Company's external auditor for a one-year period until the 2024 annual shareholders' meeting. Authorized Public Accountant Patrik Adolfson is the auditor in charge of the Company.

The external auditor audits the annual accounts and consolidated accounts of Dometic Group AB (publ), the proposed appropriation of the Company's profit or loss and the administration of the Board of Directors and the CEO of Dometic Group AB (publ). Based on the audit, the external auditor recommends the annual shareholders' meeting on adoption of the income statement and balance sheet for the parent Company and the Group respectively, on appropriation of the Company's profit or loss, and on the discharge from liability of the individual Board members and the CEO for the financial year. In addition, the external auditor provides a review report on the Interim report for the third quarter.

Pursuant to the decision of the 2023 annual shareholders' meeting, the external auditor's fee until the 2024 annual shareholders' meeting is paid in accordance with approved invoices within the external auditors' quotation.

When PwC is engaged to provide services other than the audit services, decisions pertaining to the nature, scope and fees for such work are made by the CFO and the Chairman of the Audit Committee.

The external audit is conducted in accordance with the International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden.

Audits of local statutory financial statements for legal entities outside of Sweden are performed as required by law or applicable regulations in the respective countries and as required by IFAC GAAS, including issuance of audit opinions for the various legal entities.

Dometic's internal governing documents

Dometic's internal governing documents, in the form of policies, guidelines and manuals etc., are exemplified on page 65 insofar as they concern the governance of the Company and the Group. The internal governing documents are mainly communicated via the Dometic intranet and are updated as needed on a regular basis to reflect changes in laws, rules and regulations or changes in Dometic's operations or processes.

Internal control over financial reporting

The Board is responsible for internal control and risk management in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code. Below is the Board's report on internal control and risk management over financial reporting.

The description of the Group's system of internal controls and risk management with regards to financial reporting is based on the framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The framework comprises five integrated components: the control environment, risk assessment, control activities, information and communication, and monitoring, as well as 17 fundamental principles related to the five components designed to provide reasonable assurance regarding the achievement of objectives. The description below is limited to internal control and risk management over financial reporting.

Internal control over financial reporting aims to provide reasonable assurance of the accurate, reliable and relevant external financial reporting in Interim reports, Full-year reports and Annual reports and to ensure that external financial reporting is prepared in accordance with laws, accounting standards and other requirements applicable to listed companies.

Control environment

Internal control over financial reporting is based on the overall control environment. Dometic's overall control environment combines corporate culture, core values and internal governing documents including processes as the basis for carrying out internal control across the Group. The Board and Group Management set the tone at the top regarding the importance of effective internal control, including expected standards of conduct of the employees. This involves integrity and ethical values, the parameters enabling the Board to carry out its oversight responsibilities, the organizational structure and assignment of responsibility and authority, the process for attracting, developing, and retaining employees, and the rigor around performance measures, as well as incentives and rewards to drive accountability for performance.

This is communicated in the form of internal governing documents such as Rules of Procedure for the Board of Directors, Instructions for the CEO, Instructions for the Audit Committee, Instructions for the reporting of financial situation, Code of Conduct, Finance Policy, Information Policy, Insider Policy, Internal Audit Policy, IT Policy, Finance Manual, Internal Control Charter, Processes for internal control and risk management as well as Minimum Internal Control Requirements (MICR). In addition, corporate culture and core values are important parts of the corporate governance of Dometic.

Risk assessment

Risk management within Dometic comprises a risk framework including a risk management process and a risk universe for identification, assessment and prioritization of risks, and for providing risk response i.e., risk mitigating actions as well as effective monitoring.

The risk universe is a universe of risks that could impact Dometic's ability to achieve established strategic and other objectives including financial targets as well as to achieve objectives of internal control over financial reporting, i.e. to provide reasonable assurance of the accurate, reliable and relevant external financial reporting in Interim reports, Full-year reports and Annual reports, and to ensure that external financial reporting is prepared in accordance with laws, accounting standards and other requirements applicable to listed companies. The risks to which Dometic is exposed are classified into four main categories: strategic risks, execution risks, compliance & regulatory risks and reporting risks, whereof the two latter main categories are attributable to internal control over financial reporting.

Compliance & Regulatory risks are assessed top-down by Group Management as well as bottom-up by Segment Management and compliance & regulatory risk maps are used in the risk assessment. Compliance attributable to internal control over financial reporting relates to laws, accounting standards and other requirements applicable to listed companies as well as to internal governing documents e.g., the Finance Policy, Information Policy, IT Policy, Finance Manual, Internal Control Charter, Processes for internal control and risk management as well as Internal Control Framework - Minimum Internal Control Requirements (MICR).

Reporting risks are risks associated with Dometic's reporting, information and communication, both financial and non-financial. Reporting risks are divided into the following subcategories:
- External reporting risks.
- Internal reporting risks.

Reporting risks are assessed top-down by Group Management as well as bottom-up by Segment Management and reporting risk maps are used in the risk assessment. External reporting is supported by e.g., an Information Policy approved by the Board, and internal reporting is supported by other internal governing documents.

Examples of external reporting risks are related to external reporting, communication and information both financial, such as Interim reports, Full-year reports and Annual reports, and non-financial. Examples of internal reporting risks are related to internal reporting, communication and information, both financial and non-financial, including decision-supporting material and monitoring of performance supporting material.

During 2023 risk assessments were performed on Group and Segment level to assess risks and related risk-mitigating actions to support management in prioritization of risks and decision on risk-mitigating actions.

A more detailed description of Dometic's risks and risk management is provided on page 60.

Control activities

Dometic maintains a comprehensive financial reporting system that enables comprehensive monitoring of Group performance. Financial reports for the different legal entities and segments are reviewed on a continuous basis by the central finance function. This entails thorough monitoring of the financial results in accordance with the financial reporting calendar for the financial year.

Financial data are reported by approximately 80 reporting units in accordance with the standardized procedures for financial reporting that are stipulated in the Finance Manual. This financial reporting is the basis for the Group's consolidated financial reports. The CFO as well as other representatives of the central finance function meet the segment managers and review the segment's results every month.

Business reviews are carried out on a quarterly basis, where the CEO, the CFO and relevant representatives of the central functions meet the management of the respective segments to discuss the business. The product portfolio is reviewed on a monthly and quarterly basis as part of the internal process for product development. Larger projects are reviewed at least on a quarterly basis.

Dometic has implemented an internal control framework, called Minimum Internal Control Requirements (MICR), with the purpose to add value by reducing risks and preventing losses, and to ensure efficiency and effectiveness of internal control over financial reporting. Details about the MICR internal control framework is provided on page 71 under Internal Control.

Information and communication

Dometic maintains information and communication processes to ensure adequate internal financial reporting, for monitoring of performance and for decision support, as well as for providing accurate, reliable and relevant external financial reporting to the financial markets.

Dometic is subject to the provisions of the EU Market Abuse Regulation No 596/2014 (MAR) which contains extensive requirements on Dometic's handling of inside information. The MAR regulates how inside information is to be disclosed to the market and circumstances in which publication may be delayed. It also requires Dometic to keep a list of persons working for the Group who have access to inside information about Dometic.

Since April 1, 2018, Dometic use InsiderLog, a digital tool, to ensure that the above persons meet the requirements of MAR and the Dometic Insider Policy, from the decision to delay disclosure of inside information all the way to the notice to be submitted to the Swedish Financial Supervisory Authority when the information has been disclosed. Only authorized persons in Dometic have access to InsiderLog. More information, see www.insiderlog.com.

Internal information and communication

The internal governing documents relevant to internal control over financial reporting are e.g., the Finance Policy, Information Policy, IT Policy, Finance Manual, Internal Control Charter, Processes for internal control and risk management as well as Internal Control Framework -Minimum Internal Control Requirements (MICR). The documents can be accessed on the Group's intranet by all relevant personnel. The CFO reports to the Audit Committee on the results, critical accounting issues and other issues that could affect the quality of the Group's financial reports at the Audit Committee meetings where the Interim reports, Full-year reports and Annual reports are dealt with. The Chairman of the Audit Committee reports on the Committee's work to the Board in the form of observations, recommendations and proposed decisions at the Board meeting following the Committee meetings and in the form of minutes from the Committee meetings that are submitted to the Board. Internal financial reports for decision support and for monitoring of performance are submitted to Group Management and the Board on a regular basis.

External information and communication

Dometic aims to provide the financial markets with accurate, reliable and relevant information in a timely manner. The Group has an Information Policy meeting the requirements of a listed company. Financial information is issued regularly in the form of Interim reports, Full-year reports, Annual reports and in press releases on all matters that could materially affect the share price. Interim reports, Full-year reports and Annual reports are to be found at the Group's website, www.dometicgroup.com, as well as press releases, presentations and relevant internal governing documents.

Monitoring

Ongoing evaluations, separate evaluations and some combinations of the two are used to ascertain whether each of the five components of internal control is present and functioning. Ongoing evaluations are performed by the Board, the Audit Committee and management at different levels of the Group, and separate evaluations are conducted as deemed necessary for instance by the Internal Audit function.

The Audit Committee evaluates the Group's internal control based on the result of the work performed by the Group's control functions with a role to play in the internal control over financial reporting, i.e. Internal Control and Internal Audit. The Group's control functions are present at the Audit Committee's meetings to report on the effectiveness of internal control over financial reporting when the Group's Interim reports, Full-year reports and Annual reports are on the agenda for the Audit Committee meetings. The Audit Committee reports the results of its work to the Board, which supports the Board in its monitoring of the effectiveness of internal control over financial reporting and on the adequacy of the reporting to the Board.

Internal Control and Internal Audit

The Group's control functions Internal Audit and Internal Control are organized under one lead, the Head of Internal Audit and Internal Control, with different functional reporting lines, to the Audit Committee Chairman for the Group Internal Audit function to ensure its independence, and to the CFO for the Group Internal Control function.

Internal Control

Internal Control is a Group function within Dometic that shall ensure compliance with the internal governing documents for efficient and effective operations and internal control. In 2020 an Internal Control Charter was developed and implemented, including the four building blocks vision, governance, roles and responsibilities, and framework for internal control, which is an integral component for fostering sound corporate governance within Dometic. The scope of the Group Internal Control function and the Internal Control Charter is internal control over financial reporting (ICFR). The Head of Internal Control reports to the CFO. The Minimum Internal Control Requirements (MICR) Internal Control Framework was developed and implemented in 2016 under the leadership of the Group Internal Control function with the purpose to add value by reducing risks and preventing losses, and to ensure efficiency and effectiveness of internal control over financial reporting.

The MICR Internal Control Framework is built on a risk-based approach identifying key processes that affect financial reporting and also, since 2018, on controls related to these processes as well as target classification. The MICR Internal Control Framework includes systematic MICR self-assessments. The MICR Internal Control Framework is evaluated and adjusted annually and has been updated following the Group's expansion to ensure it is suited for the Group's current needs. In 2020, the IT MICR key process (local legal entities and global IT) was added to the MICR Internal Control Framework for implementation by the local legal entities and global IT, and in 2023, the new sustainability process was added to the MICR Internal Control Framework. At the end of 2023, the MICR Internal Control Framework covers nine MICR key processes (entity level controls, purchase to pay, inventory, order to cash, payroll, fixed assets, financial closing, IT and sustainability). The testing of the MICR self-assessments on selected legal entities and for selected controls, performed by the segment Internal Control Coordinators and the Internal Audit function, which started in 202,1 has continued in 2023.

Internal Audit

Internal Audit is an independent and objective assurance and advisory function established by Dometic to add value to and improve its operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance. Internal Audit is a Group function within Dometic that shall act as an independent assurance function for the Board, primarily through its Audit Committee, and to support Group Management as an independent Business Advisor.

The scope of Internal Audit includes all business operations and processes as well as all management and organizational levels of Dometic in all geographic locations. Its mission, expectations and authority within the organization are outlined in an Internal Audit Policy approved by the Board. The Policy sets forth the Internal Audit requirements, mission and objective, scope, responsibilities, organizational structure, independence and objectivity, authority, resources and working standards, reporting, as well as quality assurance and improvement program for Internal Audit.

The Group Internal Audit function is governed and led by the Head of Internal Audit with segment Internal Auditors located in each segment headquarters. The Head of Internal Audit reports functionally to the Audit Committee Chairman on internal audit matters and administratively to the CFO. The Head of Internal Audit has full access to the Audit Committee and its Chairman. The Group Internal Audit function is authorized full, free and unrestricted access to Dometic's records, physical properties and personnel pertinent to carrying out its engagements.

Its three main targets are:
- Value creation.
- Risk mitigation.
- Cost reduction.

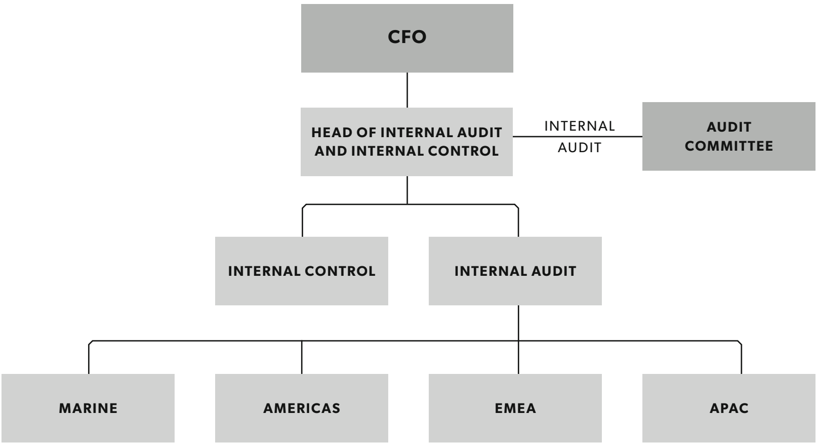
The Group Internal Audit function prepares an annual Internal Audit plan, including segment annual Internal Audit plans, utilizing a risk-based approach. The results of the annual risk assessment described in the section Risks and Risk Management on page 60 serve as input to the Internal Audit plans, which means that the plans are directly linked to these annual risk assessment results with risk maps. In addition, input from Group Management and Segment Management to capture business needs, is gathered to ensure effective Internal Audit targeting. The Internal Audit plan is presented annually by the Head of Internal Audit to the Audit Committee for input and approval.

Internal audits are conducted based on a defined Internal Audit process comprising the activities e.g., internal audit announcement, communication of information requests, field work and issuance of a formal Internal Audit Report, with recommendations, and subsequent following up on agreed action plans and deadlines in response to the recommendations to verify their status of implementation.

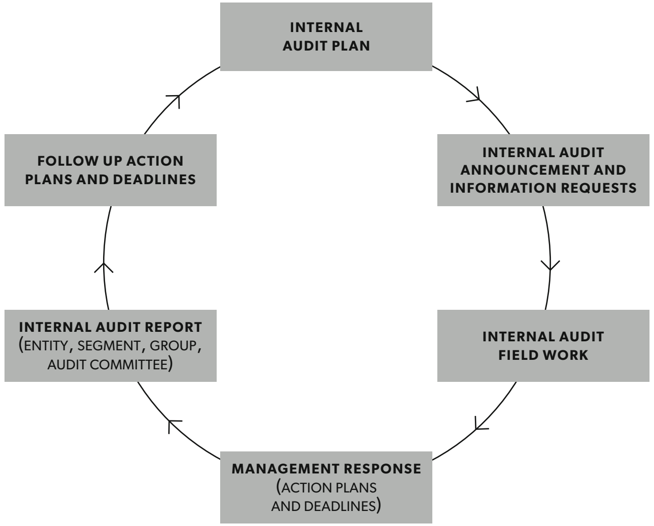
The Internal Audit reports are distributed to different organizational levels and legal entities both at Segment and Group levels as applicable, along with a separate report to the Audit Committee.

The Internal Audit methodology includes data analytics as a means of assessing and testing large data populations for selected internal audits, to increase coverage, identify abnormalities and increase testing efficiency.

Dometic´s internal audit and internal control functions



Internal audit process



BOARD OF DIRECTORS

Fredrik Cappelen
Chairman since 2013.

Born 1957. Sweden.

M.Sc. in Economics from Uppsala University. Studies in political science at Uppsala University.

Chairman of the Remuneration Committee.

Position and Board membership: Chairman of the board of directors of Transcom WorldWide AB, Eterna Invest AB, Ideal of Sweden AB and Rossignol Group S.A. Member of the board of directors of Securitas AB.

Previous positions: Chairman of the board of directors of Dustin Group AB, Byggmax Group AB, Granngården AB, Svedbergs AB, Sanitec Oy, Terveystalo Oy and KonfiDents GmbH. Chairman and deputy chairman of the board of directors of Munksjö AB. Member of the board of directors of Carnegie Investment Bank AB and Cramo Oy. CEO and President of Nobia AB. CEO and member of the Group management of STORA Building-products AB. Vice President Marketing and Sales and member of Group management of STORA Finepaper AB. CEO of Kauko GmbH and Kauko International.

Board meeting attendance: 12/12

Remuneration Committee attendance: 3/3

Holdings in Dometic: 939,240[1)]

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

[1)] Through legal entity

Mengmeng Du
Board member since 2021.

Born 1980. China.

Master of Economics and Business Administration from Stockholm School of Economics as well as a Master of Computer Science from Royal Institute of Technology in Stockholm.

Position and Board membership: Member of the board of directors of Clas Ohlson Aktiebolag, Tryg A/S and Swappie Oy.

Previous positions: Member of the Swedish National Innovation Council. Member of the board of directors of Finnair PLC, Livförsäkringsbolaget Skandia, ömsesidigt, Filippa K Group AB, Skånska Byggvaror AB and Qliro Group AB (publ) as well as a number of managerial positions at Spotify, COO at Acast, VP product development at Stardoll and management consultant at Bain & Company.

Board meeting attendance: 12/12

Holdings in Dometic: 2,500

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

Patrik Frisk
Board member since April 2023.

Born 1963. Sweden.

High School Degree

Member of the Remuneration Committee.

Position and Board membership: Member of the board of directors of First North USWE.

Previous Positions: Member of the board of directors of Gildan Activewear, Two Ten Footwear Foundation and Under Armour. CEO of Under Armour, CEO and President of the Aldo Group and several managerial positions at VF Corporation (among other, as the President Outdoor & Actionsports EMEA responsible for The North Face, Vans, Jansport, Reef and Protec, President Timberland Inc., President Outdoor Americas responsible for The North Face, Timberland, Smartwool, Jansport och Lucy), Nordic Snow Sports, Designer Labels, Peak Performance and W.I. Gore and Associates.

Board meeting attendance: 8/12

Remuneration Committee attendance: 2/3

Holdings in Dometic: 2,750

Independence in relation to the company and its executive management/In relation to major shareholders: Yes/Yes

Jacqueline Hoogerbrugge
Board member since 2017.

Born 1963. The Netherlands.

M.Sc. in Chemical Engineering from Rijks Universiteit Groningen.

Member of the Audit Committee.

Position and Board membership: Member of the board of directors of Broadview B.V., BA Glass I- Serviços de Gestão e Investimentos S.A. and Jumbo Groep Holding BV.

Previous positions: President Operations of Cloetta. Member of the board of directors of Swedish Match AB, IKEA Industries AB and Cederroth International. VP Operations Medical Division and VP Procurement Worldwide Baby Division at Danone. Procurement Director, Factory Director, Supply Chain Manager, Operations Manager and Services Manager of Unilever. Sales Manager Hydrocarbon Sector, Marketing Co-ordinator and Process Engineer of Fluor Daniel.

Board meeting attendance: 12/12

Audit Committee attendance: 6/6

Holdings in Dometic: 10,000

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

Erik Olsson
Board member since 2015.

Born 1962. Sweden.

B.Sc. in Business Administration and Economics, Gothenburg School of Business, Economics and Law.

Chairman of the Audit Committee.

Position and Board membership: The Chairman of Will Scot Mobile Mini, Inc. and of Ritchie Bros. Auctioneers, Inc.

Previous positions: CEO and member of the board of directors of Mobile Mini Inc. CEO and member of the board of directors of RSC Holdings, Inc. Member of the board of the non-profit organization St Mary's Food Bank Alliance. Various senior positions in the United States, Brazil, and Sweden with the Atlas Copco Group.

Board meeting attendance: 11/12

Audit Committee attendance: 5/6

Remuneration Committee attendance: 1/3

Holdings in Dometic: 32,000

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

Rainer Schmückle
Board member since 2011.

Born 1959. Germany.

Degree in Industrial Engineering at the University of Karlsruhe.

Member of the Remuneration Committee.

Position and Board membership: Chairman of the board of directors of STIGA C (Luxembourg) and STIGA SpA (Italy). Member of the Board of Directors at Kunstoffteile Schwanden AG (Switzerland), ACPS Automotive (Netherlands) and Canoo Inc. (USA).

Previous positions: Member of the board of directors of Autoneum AG (Switzerland), Autoneum Holding Ltd, Wittur GmbH, Frostbite Holding AB and MAN Truck&Bus AG. CEO of MAG IAS GmbH. COO Automotive of Johnson Controls, Inc. and COO of Mercedes Cars of Daimler AG. President and CEO of Freightliner Corporation.

Board meeting attendance: 12/12

Remuneration Committee attendance: 3/3

Holdings in Dometic: 78,895[1)]

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

1) Through legal entity

Peter Sjölander
Board member since 2017.

Born 1959. Sweden.

M.Sc. in Economics from Gothenburg University.

Position and Board membership: Senior Executive Advisor of Altor. Industrial Advisor to EQT AB. Chairman of the board of directors of Eton Group AB, Grundéns Rainwear and Super Dry PLC (UK).

Previous positions: CEO of Helly Hansen AS. SVP, Product & Brand Europe, CMO Global Brand & Global Licensing of AB Electrolux. General Manager Central Europe NIKE CEE and Global Business Director, Nike ACG of Nike Inc. European Director of Footwear, Marketing Director European Outdoor and Director of Marketing Nordics of Nike Europe BV. Marketing and Buying Director of Intersport. Brand Director of Mölnlycke AB. Member of the board of directors of Swims AS, BTX Group A/S, OBH Nordica Group, Varier AS, Fit Flop Ltd, F&S Ltd, SATS Elixia, Stadium AB and Fiskars Oy. Chairman of Revolution Race (Borås, Sweden). Senior advisor to F&S (London, UK).

Board meeting attendance: 11/12

Holdings in Dometic: 22,000[1)]

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

1) Through legal entity

Heléne Vibbleus
Board member since 2017.

Born 1958. Sweden.

B.Sc. in Business Administration and Economics from Linköping University.

Member of the Audit Committee.

Position and Board membership: Vice President, Internal Audit, Chief Audit Executive, CAE, of Autoliv Inc.

Previous positions: Member of the board of directors of Trelleborg AB, TradeDoubler AB, Scandi Standard AB, Marine Harvest ASA (Norway) , Renewable Energy Corporation ASA (Norway), Orio AB, Swedbank Sjuhärad AB, Segulah Medical Acceleration AB and Tyréns AB. Deputy chairman of the board of directors of Swedish International Development Cooperation Agency (SIDA). Chairman of the board of directors of Nordic Growth Market NGM AB and of Invisio Communications AB. Chief Audit Executive, CAE of Elekta AB. Senior Vice President Group Controller of AB Electrolux. Partner and member of the board of directors of PricewaterhouseCoopers, Sweden.

Board meeting attendance: 12/12

Audit Committee attendance: 6/6

Holdings in Dometic: 5,000

Independence in relation to the Company and its executive management/In relation to major shareholders: Yes/Yes

GROUP MANAGEMENT

Juan Vargues
Born 1959. President and CEO since 2018.

Management Education IMD Lausanne (CH), Executive MBA Lund University (EFL), High School Degree in Mechanical Engineering Tekniska Vuxengymnasiet, Gothenburg.

Holdings in Dometic: 811,645[1)]

Jenny Evelius
Born 1969. EVP and Head of Group HR since 2023.

MSc Business Administration – Stockholm School of Economics, Sweden.

Holdings in Dometic: 1,000

Anders Fransson
Born 1969. EVP and Head of Group Operations and Sustainability since 2023.

MSc in Mechanical engineering, Linköping University, Sweden.

Holdings in Dometic: 235

Peter Jannerö
Born 1969. Chief Marketing officer since 2023.

Master of Science in Business Administration with a Major in Marketing,

School of Economics and Commercial Law, Gothenburg.

Holdings in Dometic: 0

Eric B. Fetchko
Born 1962. President of segment Marine since 2022.

Mechanical Engineering from British Columbia Institute of Technology, Vancouver, Canada.

Holdings in Dometic: 2,000

Stefan Fristedt
Born 1966. CFO since 2019.

Bachelor's degree in Business Administration and Economics from the University of Lund and an MBA from the University of Lund.

Holdings in Dometic: 12,963

1) Including related party.

Chialing Hsueh
Born 1963. President of segment APAC since 2016.

M.Sc. in Marketing, University of Massachusetts, USA. B.Sc., Soochow University, Taiwan.

Holdings in Dometic: 20,470

Eva Karlsson
Born 1966. President of segment EMEA since 2023.

Management Education IMD Lausanne (CH), M.Sc. in Mechanical Engineering from Chalmers University of Technology.

Holdings in Dometic: 28,361

Anton Lundqvist
Born 1970. Chief Technology Officer since 2018.

Ph.D. Chemical Engineering – Electrochemistry and Tech. Lic, Chemical Engineering – Electrochemistry from KTH Royal Institute of Technology. M.Sc. Chemical Engineering – Energy Technology from KTH Royal Institute of Technology.

Holdings in Dometic: 43,969

Todd Seyfert*
Born 1969. President of segment Americas since 2024.

Master of Business Administration from University of St.Thomas.

Holdings in Dometic: 0

Anna Smieszek
Born 1964. EVP and Group General Counsel since 2015.

Masters of Law from University of Silesia and Stockholm University. PhD studies at Oxford University, Diploma Program in International Law from Stockholm University.

Holdings in Dometic: 6,602

AUDITOR

Patrik Adolfson
Born 1973. Auditor in charge, PricewaterhouseCoopers AB. Auditor in charge for Dometic since 2022.

Other auditor assignments: AcadeMedia AB (publ), Bonava AB (publ), Nordstjernan AB (publ) and Pandox AB (publ). Member of FAR (the institute for the accountancy profession in Sweden).

OTHER CHANGES IN GROUP MANAGEMENT

* Todd Seyfert joined Dometic on January 9, 2024 as new President for segment Americas.

KEY RATIOS

SEK m	2023	2022	2021	2020	2019
Result					
Net sales	27,775	29,764	21,516	16,207	18,503
Organic growth, %	–12	–3	23	–10	–7
EBITDA	4,207	4,265	3,775	2,669	3,155
EBITDA before items affecting comparability	4,374	4,797	3,899	2,728	3,252
EBITA	3,296	3,399	3,225	2,176	2,641
EBITA before items affecting comparability	3,463	3,931	3,348	2,235	2,738
Operating profit (EBIT)	2,682	2,789	2,855	1,880	2,338
Operating profit (EBIT) before items affecting comparability	2,850	3,321	2,979	1,939	2,434
Net result	1,332	1,784	1,726	451	1,325
Margins					
Operating margin, %, EBITDA	15.1	14.3	17.5	16.5	17.1
Operating margin, %, EBITDA before items affecting comparability	15.7	16.1	18.1	16.8	17.6
Operating margin, %, EBITA	11.9	11.4	15.0	13.4	14.3
Operating margin, %, EBITA before items affecting comparability	12.5	13.2	15.6	13.8	14.8
Operating margin, %, operating profit (EBIT)	9.7	9.4	13.3	11.6	12.6
Operating margin, %, operating profit (EBIT) before items affecting comparability	10.3	11.2	13.8	12.0	13.2
Capital measures					
Return on operating capital, %	6.4	6.8	9.9	7.4	8.6
Return on operating capital, excl. goodwill and trademarks, %	21.0	23.1	36.9	26.9	28.3
Core working capital/net sales, %[1]	31	32	24	22	22

SEK m	2023	2022	2021	2020	2019
Financial position					
Total assets	54,119	57,451	52,030	37,615	36,681
Interest-bearing debt	16,851	19,170	16,802	14,252	13,109
Average maturity of interest-bearing debt[1]	2.5	2.8	3.8	3.3	4.8
Net debt/EBITDA[1]	2.7	3.0	2.6	2.0	2.4
Equity	25,992	26,415	22,447	16,201	17,363
Operating capital	38,495	41,186	34,841	22,541	26,183
Operating capital excluding goodwill and trademarks	11,460	13,079	8,894	5,336	7,308
Capital employed	42,843	45,585	39,249	30,453	30,472
Core working capital[1]	7,070	9,143	6,476	2,953	3,238
Equity ratio, %	48	46	43	43	47
Share					
Earnings per share before dilution, SEK	4.17	5.58	5.58	1.52	4.48
Earnings per share after dilution, SEK	4.17	5.58	5.58	1.52	4.48
Adjusted earnings per share before dilution, SEK	5.93	8.32	6.75	2.40	5.44
Adjusted earnings per share after dilution, SEK	5.93	8.32	6.75	2.40	5.44
Dividend per share, SEK[2]	1.90	1.30	2.45	2.30	0.00
Number of shares (note 28)	319,499,993	319,499,993	319,499,993	295,833,333	295,833,333
Employees					
Average number of employees	8,089	8,834	7,650	6,482	7,257
Revenue per employee, SEK m	3.43	3.37	2.81	2.50	2.55

[1] New measurement from 2023, previous periods have been calculated and definitions are presented in note 31.
[2] Proposed by Board of Directors.

CONSOLIDATED INCOME STATEMENT

SEK m	Note	2023	2022
Net sales	5, 6	27,775	29,764
Cost of goods sold	6	–19,994	–21,883
Gross profit		**7,781**	**7,880**
Sales expenses	6	–2,184	–2,185
Administrative expenses	6,7	–1,530	–1,376
Research and development expenses	6	–591	–531
Other operating income and expenses	10	–13	143
Items affecting comparability	6	–167	–532
Amortization of acquisition-related intangible assets	6	–613	–611
Operating profit	8, 9	**2,682**	**2,789**
Financial income	11	168	45
Financial expenses	11	–968	–396
Net financial expenses		**–800**	**–351**
Profit (loss) before tax		**1,883**	**2,438**
Taxes	12	–551	–654
Net result		**1,332**	**1,784**
Profit (loss) for the year attributable to owners of the Parent Company		**1,332**	**1,784**
Earnings per share	28		
before dilution, SEK		4.17	5.58
after dilution, SEK		4.17	5.58
Average number of shares	28		
before dilution		319,499,993	319,499,993
after dilution		319,499,993	319,499,993

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Note	2023	2022
Net result		1,332	1,784
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans, net of tax	19	8	178
		8	**178**
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges, net of tax	3	3	– 73
Gains/losses from hedges of net investment in foreign operations, net of tax	3	156	573
Exchange rate differences on translation of foreign operations		–1,507	2,289
		–1,348	**2,788**
Other comprehensive income for the year		**–1,339**	**2,966**
Total comprehensive income for the year		**–7**	**4,751**
Total comprehensive income for the year attributable to			
Owners of the Parent Company		–7	4,751

CONSOLIDATED BALANCE SHEET

SEK m	Note	December 31, 2023	December 31, 2022
ASSETS			
Non-current assets			
Goodwill	14	21,267	22,086
Trademarks	14	5,767	6,020
Other intangible assets	14	6,821	7,580
Buildings, land and land improvements	15	831	685
Machinery and other technical installations	15	968	947
Tools, equipment and installations	15	480	528
Construction in progress and advance payments	15	215	380
Right of use assets	8	1,955	972
Deferred tax assets	12	718	513
Other non-current receivables	3, 13	181	168
Total non-current assets		39,204	39,879
Current assets			
Inventories	16	7,327	9,314
Trade receivables	3, 17	2,311	2,807
Current tax assets		127	109
Derivatives, current	3	21	147
Other current assets	3	533	506
Prepaid expenses and accrued income	18	248	289
Cash and cash equivalents	25	4,348	4,399
Total current assets		14,915	17,572
TOTAL ASSETS		54,119	57,451

SEK m	Note	December 31, 2023	December 31, 2022
EQUITY			
Equity attributed to owners of the Parent Company			
Share capital	28	1	1
Other paid-in capital		14,777	14,777
Other reserves		4,238	5,586
Retained earnings		6,976	6,051
TOTAL EQUITY		25,992	26,415
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions, non-current	21	16,335	15,304
Deferred tax liabilities	12	2,952	3,113
Other non-current liabilities	3	–	90
Leasing liabilities, non-current	3, 8	1,716	740
Provisions for pensions	19	517	528
Other provisions, non-current	20	237	255
Total non-current liabilities		21,755	20,030
Current liabilities			
Liabilities to credit institutions, current	21	–	3,339
Trade payables	3	2,568	2,978
Current tax liabilities		160	296
Advance payments from customers		37	47
Leasing liabilities, current	3, 8	388	351
Derivatives, current	3	134	111
Other provisions, current	20	412	594
Other current liabilities	3,29	1,266	1,919
Accrued expenses and prepaid income	22	1,407	1,371
Total current liabilities		6,372	11,007
TOTAL LIABILITIES		28,128	31,037
TOTAL EQUITY AND LIABILITIES		54,119	57,451

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to owners of the Parent Company				
SEK m	Note	Share capital	Other paid-in capital	Other reserves 3)	Retained earnings	Total equity
Opening balance January 1, 2022	28	1	14,777	2,797	4,872	22,447
Net result					1,784	1,784
Other comprehensive income						
Remeasurements of defined benefit plans, net of tax 1)					178	178
Cash flow hedges, net of tax				–73		–73
Gains/losses from hedges of net investment in foreign operations, net of tax				573		573
Exchange rate differences on translation of foreign operations				2,289		2,289
Total comprehensive income		–	–	2,788	1,962	4,751
Transactions with owners						
New share issue, net of transaction costs and tax			–			–
Dividend paid to shareholders of the Parent Company					–783	–783
Total transactions with owners		–	–	–	–783	–783
Closing balance December 31, 2022		1	14,777	5,586	6,051	26,415
Opening balance January 1, 2023	28	1	14,777	5,586	6,051	26,415
Net result					1,332	1,332
Other comprehensive income						
Remeasurements of defined benefit plans, net of tax 2)					8	8
Cash flow hedges, net of tax				3		3
Gains/losses from hedges of net investment in foreign operations, net of tax				156		156
Exchange rate differences on translation of foreign operations				–1,507		–1,507
Total comprehensive income		–	–	–1,348	1,340	–7
Transactions with owners						
New share issue, net of transaction costs and tax			–			–
Dividend paid to shareholders of the Parent Company					–415	–415
Total transactions with owners		–	–	–	–415	–415
Closing balance December 31, 2023		1	14,777	4,238	6,976	25,992

1) 2022 remeasurements of defined benefit plans amounted to SEK 243 m, and the tax related remeasurements of defined benefit plans amounted to SEK –65 m.
2) 2023 remeasurements of defined benefit plans amounted to SEK 9 m, and the tax related remeasurements of defined benefit plans amounted to SEK –0,5 m.
3) Other reserves mainly consist of exchange rate differences on translation of foreign operations.

CONSOLIDATED
STATEMENT OF CASH FLOW

SEK m	Note	2023	2022
Cash flow from operating activities			
Operating profit		2,682	2,789
Adjustment for non-cash items			
Depreciation and amortization	25	1,525	1,477
Other non-cash items	25	–13	421
Changes in working capital			
Changes in inventories		1,826	–1,247
Changes in trade receivables		444	231
Changes in trade payables		– 328	– 609
Changes in other working capital		–304	–200
Income taxes paid		–979	–991
Net cash flow from operations		**4,854**	**1,869**
Cash flow from investments			
Acquisition of operations, net of cash acquired	29	–539	–847
Investments in fixed assets	14, 15	–628	–593
Proceeds from sales of fixed assets	14, 15	7	4
Other investing activities		–5	10
Net cash flow from investments		**–1,165**	**–1,426**
Cash flow from financing			
Borrowings from credit institutions	25	3,478	1,000
Repayment of loans to credit institutions	25	–5,754	–
Payment of lease liabilities related to lease agreements	25	–355	–343
Paid interest		–922	–492
Received interest		160	3
Other financing activities	25	123	45
Dividend paid to shareholders of the Parent Company		–415	–783
Net cash flow from financing		**–3,685**	**–570**
Cash flow for the year		**4**	**–127**
Cash and cash equivalents at beginning of year	25	4,399	4,408
Exchange differences on cash and cash equivalents		–55	117
Cash and cash equivalents at end of year		**4,348**	**4,399**

PARENT COMPANY INCOME STATEMENT

SEK m	Note	2023	2022
Administrative expenses	6, 7, 9	–235	–228
Other operating income	6	229	225
Operating profit		**–6**	**–3**
Interest income from Group companies	11	855	509
Interest expenses to Group companies	11	–	–
Other financial expenses	11	–1,198	–503
Net financial expenses		**–343**	**6**
Group contributions		–	–
Profit (loss) before tax		**–349**	**3**
Taxes	12	29	–14
Net result		**–320**	**–11**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK m	Note	2023	2022
Net result		–320	–11
Other comprehensive income			
Other comprehensive income		–	–
Total comprehensive income for the year		**–320**	**–11**

PARENT COMPANY
BALANCE SHEET

SEK m	Note	December 31, 2023	December 31, 2022
ASSETS			
Non-current assets			
Shares in subsidiaries	26	16,228	16,228
Other intangible assets	14	0	0
Equipment	15	1	1
Deferred tax assets	12	52	10
Receivables from subsidiaries		6,008	12,456
Other non-current receivables	13	63	54
Total non-current assets		**22,351**	**28,749**
Current assets			
Receivables from subsidiaries		5,683	2,400
Other current assets		44	54
Prepaid expenses and accrued income	18	14	9
Cash and cash equivalents		–	–
Total current assets		**5,740**	**2,463**
TOTAL ASSETS		28,091	31,212

SEK m	Note	December 31, 2023	December 31, 2022
EQUITY	28		
Equity attributed to owners of the Parent Company			
Restricted equity			
Share capital		1	1
Unrestricted equity			
Other reserves		–	–
Retained earnings		1,1,644	12,070
Net result		–320	–11
TOTAL EQUITY		11,325	12,060
PROVISIONS			
Other provisions	20	107	104
Total provisions		**107**	**104**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions, non-current	21	16,335	15,304
Total non-current liabilities		**16,335**	**15,304**
Current liabilities			
Liabilities to credit institutions, current	21	0	3,339
Trade payables		14	32
Liabilities to subsidiaries		0	29
Other current liabilities		30	97
Accrued expenses and prepaid income	22	280	248
Total current liabilities		**324**	**3,745**
TOTAL LIABILITIES		16,766	19,152
TOTAL EQUITY AND LIABILITIES		28,091	31,212

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK m	Note	Share capital	Other reserves	Retained earnings	Total equity
Opening balance January 1, 2022	28	1	–	12,852	12,853
Net result				–11	–11
Other comprehensive income				–	–
Total comprehensive income		–	–	–11	–11
Transactions with owners					
Dividend paid to shareholders of the Parent Company				–783	–783
Total transactions with owners		–	–	–783	–783
Closing balance December 31, 2022		1	–	12,059	12,060
Opening balance January 1, 2023	28	1	–	12,059	12,060
Net result				–320	–320
Other comprehensive income				–	–
Total comprehensive income		–	–	–320	–320
Transactions with owners					
Dividend paid to shareholders of the Parent Company				–415	–415
Total transactions with owners		–	–	–415	–415
Closing balance December 31, 2023		1	–	11,324	11,325

PARENT COMPANY STATEMENT OF CASH FLOW

SEK m	Note	2023	2022
Cash flow from operating activities			
Operating profit		–6	–3
Adjustment for non-cash items			
Depreciation and amortization	25	0	0
Other non-cash items	25	–36	–102
Changes in working capital			
Changes in trade payables		–18	10
Changes in other working capital		–3,279	–432
Income taxes paid		–75	–43
Net cash flow from operations		–3,415	–569
Cash flow from investments			
Investments in fixed assets		–	–
Other investing activities		–	–
Net cash flow from investments		–	–
Cash flow from financing			
Borrowings from credit institutions	25	3,478	1,000
Repayment of loans to credit institutions	25	–5,754	–
Group contributions		–29	346
Paid interest		–862	–503
Received interest		855	509
Other financing activities	25	6,142	–
Dividend paid to shareholders of the Parent Company		–415	–783
Net cash flow from financing		3,415	569
Cash flow for the year		0	0
Cash and cash equivalents at beginning of year	25	–	–
Exchange differences on cash and cash equivalents		–	–
Cash and cash equivalents at end of year		–	–

NOTE 1
General information

Dometic Group AB (publ.) and its subsidiaries (together "the Dometic Group" or "the Group") is a global market leader in the mobile living industry. Millions of people around the world use Dometic products in outdoor, residential and professional applications. Dometic's motivation is to create smart, sustainable and reliable products with outstanding design for an outdoor and mobile lifestyle in the application areas of Food & Beverage, Climate, Power & Control and Other applications.

The Company is a limited liability company with corporate identity number 556829-4390. The registered office of the Board of Directors of the Company is in Solna, Sweden. The address of the Group headquarters is Hemvärnsgatan 15, 6th floor, SE-171 54 Solna, Sweden.

The consolidated financial statements and annual report cover the period January 1 to December 31, 2023 (comparative figures January 1 to December 31, 2022) and were authorized for issue by the Board of Directors on March 14, 2024.

The balance sheets and income statements are subject to approval by the annual shareholders' meeting on April 11, 2024.

Totals quoted in tables and statements may not always be the exact sum of the individual items because of rounding differences. The aim is for each line item to correspond to its source, and rounding differences may therefore arise.

Unless otherwise stated, all amounts are reported in million Swedish krona (SEK m).

NOTE 2
Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied, unless otherwise stated. Standards or interpretations that are not applicable for the Group are not included in the summary below.

2.1 Basis of preparation

The consolidated financial statements of Dometic Group AB (publ.) have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS interpretations as adopted by the European Union. The consolidated financial statements have been prepared under the acqusition cost principle, except for modified financial assets and financial liabilities, including derivative instruments accounted for at fair value.

Some additional information is disclosed based on the RFR 1 standard from the Swedish Corporate Reporting Board and the Swedish Annual Accounts Act.

The Parent Company applies the same accounting principles as the Group, except in the cases specified below in section 2.8 "Parent Company accounting principles".

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the application of the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas of assumptions and estimates that are material to the consolidated financial statements, are presented in note 4. Further information about additional accounting policies is disclosed in each note and in note 2, which contains a summary of the applied material accounting policies.

Dometic Group applies hedge accounting for derivatives that hedge forecasted cash flows in foreign currency, cash flow risks in interest payments, and for loans in foreign currency that hedge the currency translation risks in net investments in foreign operations.

2.1.1 Changes in accounting policies

New or amended accounting policies for 2023:

The new or amended standards or interpretations that are effective as of January 1, 2023 include: Changes in IAS 1 regarding disclosures about accounting principles resulting in that the requirements for dislosure of significant accounting principles have been replaced with a requirement to disclosure material accounting principles. The changes, in all material respects, have resulted in a reduction of standardized information about accounting principles. Changes in IAS 12 mainly relate to OECD's Pillar 2 rules, and changes which clarify that the exemption at initial recognition no longer applies for the accounting of deferred taxes on temporary differences that rise to both a deferred tax asset and liability with the same value, e.g. for right of use assets and lease liabilities. The impact of Pillar 2 rules on the Group is further described in note 12. The IAS 12 changes related to the initial recognition excemption for accounting of deferred taxes, have not had any material impact on the Group's financial position, as the Group did not apply the excemption in prior fiscal years.

New or amended accounting policies for 2024 and thereafter:

Several changed standards and interpretations have been published by IASB but have not yet become effective and these have not been applied by the Group or Parent Company. This include amendments in IAS 1 Presentation of Financial Statements related to the classification of liabilities, IFRS 16 Leases related to the accounting of leasing liabilities in sale and leaseback transactions, IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The changed standards or interpretations have not been applied early by the Group or Parent Company. These changes have not been deemed to have a material effect on the Group's or Parent Company's financial statements.

2.2 Principles for consolidation

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its share in the entity and has the ability to affect those returns through its control over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

The acquisition method is used to account for the business combinations. The purchase price for an acquisition of a subsidiary is the fair values of the net assets transferred at the acquisition date. Acquisition-related costs are expensed as they are incurred in the Group's income statement. The part of the purchase price which exceeds the fair value of the Group's share of the identified net assets acquired is recorded as goodwill.

Inter-company transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated.

(b) Associates
Investments in associates are accounted for using the equity method of accounting and are initially recognized at acqusition cost. Changes to the Group's share of the profit or loss in an associate, after the date of acquisition, are reported as an increase or decrease in the carrying amount of the shares, adjusted for dividends.

2.3 Foreign currency translation
(a) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are valued using the currency of the primary economic environment in which the entity operates – "the functional currency." The consolidated financial statements are presented in Swedish krona (SEK), which is the Group's presentation currency.

(b) Transactions and balances
Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing on the transaction date or on the date when a transaction is revalued.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the revaluation of exchange rates for monetary assets and liabilities denominated in foreign currencies using the rate on the balance sheet date, are recognized in the income statement, except when recognized in equity as qualified cash flow hedges or hedges of net investment in foreign operations.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement in the financial net. All other foreign exchange gains and losses are presented in the income statement as part of the operating result.

(c) Group companies
The result and financial position of all the Group entities which have a functional currency different from the presentation currency of the Group are translated into the presentation currency as follows:
(1) assets and liabilities for each balance sheet presented are translated at the closing rate at the balance sheet date
(2) income and expenses for each income statement are translated at average exchange rates, and
(3) all resulting exchange differences are recognized in other comprehensive income.

Fair value adjustments which arise when a foreign entity is acquried are treated as assets and liabilities of the foreign entity and are translated using closing rate.

Exchange rates

		Average rate		Closing rate as of December 31	
Country	Currency	2023	2022	2023	2022
Australia	AUD	7.02	6.99	6.81	7.08
Canada	CAD	7.84	7.71	7.55	7.70
China	CNY	1.50	1.49	1.41	1.50
Denmark	DKK	1.53	1.43	1.49	1.50
Eurozone	EUR	11.42	10.63	11.08	11.13
United Kingdom	GBP	13.16	12.43	12.74	12.57
Hong Kong	HKD	1.35	1.28	1.28	1.34
Hungary	HUF	0.03	0.03	0.03	0.03
Japan	JPY	0.08	0.08	0.07	0.08
Norway	NOK	1.01	1.05	0.99	1.06
Poland	PLN	2.52	2.27	2.55	2.37
United States	USD	10.56	10.05	10.01	10.43
South Africa	ZAR	0.58	0.62	0.54	0.62

2.4 Financial assets
Financial assets
Financial assets are initially recognized at fair value plus transaction costs for all financial assets not reconized at fair value through profit and loss. Financial assets recognized at fair value through profit or loss are initially recognized at fair value, and the transaction costs are expensed in the income statement.

The Group classifies and measures its financial assets in the following categories: Amortized cost and fair value through profit and loss.

a) Amortized costs: The Group's financial assets recognized at amortized cost comprises of trade receivables and other receivables as well as cash and cash equivalents in the balance sheet. The objective of holding these financial assets is to collect the contractual cash flows, thus the "*hold to collect*" business model. The cash flows from these assets are exclusively payment of principal and interest, and are therefore measured at amortized cost. The selling or trading of these financial assets is not part of the business model. If a sale would occur, it would be incidental and infrequent.

   Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any provisions for expected credit losses.

b) Fair value through profit and loss: The Groups financial assets recognized at fair value through profit and loss concern financial derivatives (currency forwards) for hedging of assets in foreign currencies when hedge accounting is not applied. Financial derivatives that are used for hedging and where hedge accounting is applied are recognized at fair value through other comprehensive income. Valuation of financial derivatives at fair value is done at the most recent updated market prices. Gains or losses arising from changes in the fair value of the financial assets measured at "fair value through profit or loss" category is presented in the operating result or financial net in the income statement depending on the nature of the economic relationship with the underlying asset.

Assets are classified as current assets if they are expected to be settled within 12 months, otherwise they are classified as non-current.

Impairment of financial assets
The Group's impairment methodology for financial assets is a credit loss matrix that is designed in accordance with the impairment model for financial assets in IFRS 9. Dometic Group applies the simplified approach to measuring and reporting expected credit losses over the lifetime of trade receivables. Historical information about Group companies, regarding credit loss experience and aging, is used to forecast future credit losses. See further description in note 17 Trade receivables.

2.5 Financial liabilities
Financial liabilities are initially recognized at fair value, net of transaction costs incurred. Liabilities to credit institutions are subsequently stated at amortized cost; any difference between the received amount (net of transaction costs) and the amount to be repaid is recognized in the income statement over the term of the borrowings using the effective interest method. Fees paid in connecttion with the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be utilized. If this is the case, the fee is deferred until the facility is utilized. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn, the fee is capitalized as a pre-payment for access of liquidity and amortized over the term of the facility to which it relates. Liabilities to credit institutions are classified as current liabilities unless the Group has the right to defer settlement of the liability for at least 12 months after the balance sheet date. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or otherwise expires. Financial liabilities recognized at fair value though profit and loss mainly concern considerations not yet paid from acquisitions. Accounting principles for these liabilities is explained in note 3 "Fair value" and in note 29.

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired from supplier in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less. Trade payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

Offsetting financial instruments
Financial assets and liabilities are offset and the net amount reported in the balance sheet, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to simuntaneously realize the asset and settle the liability.

2.6 Derivatives and hedge accounting
Derivatives are used to financially hedge the exchange rate and interest rate risks that the Group is exposed to. Derivatives are recognized at fair value in the balance sheet both initially on the contract date and in subsequent revaluations. Profit and loss related to derivatives is reported in the income statement at the same time as profit and loss is reported for the hedged items. Hedge accounting is applied for derivatives that hedge forecasts of future cash flows in foreign currency, derivatives that hedge cash flow risk in future interest payments and for borrowings in foreign currency that hedge the translation risk from net investments in foreign operations.

Cash flow hedges
Hedging forecast of future sales and purchases in foreign currencies
Currency forward are usedh for hedges of currency risk in forecasted future sales and purchases in foreign currencies. The effective portion of changes in the fair value of currency forward contracts that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in other reserves in equity. The accumulated value changes in equity are transferred to profit or loss for the year when the effects of the hedged cash flow impacts profit or loss for the year. The profit or loss relating to any ineffective portion is recognized immediately in the income statement.

Cash flow hedges of interest rate risks
Interest rate swaps are used for hedging of interest rate risks for forecasted interest payments for borrowing at floating interest rates, and receives a floating interest rate and pays a fixed interest rate. Interest coupons of an interest rate swap are continuously recognized in the income statement as interest costs and the cash flows from hedging instruments meet the cash flows from the hedged items. Unrealized changes in the fair value of interest rate swaps, to which they comprise an effective hedge, are recognized in other comprehensive income and are included as part of the hedging reserve until the hedged item impacts the profit and loss for the year and as long the hedge accounting criteria are fulfilled. Ineffective portions are recognized in the income statements.

Hedging of currency risk in foreign net investments
Net investments in foreign subsidiaries have been hedged to a certain extent by borrowings in foreign currencies which are translated to the exchange rate at the balance sheet date. Translation differences on the hedging instruments for the period are reported, to the extent that the hedging is effective, in other comprehensive income and accumulated changes in other reserves in equity. This is in order to neutralize the translation differences that impact other comprehensive income when the group is consolidated. Gains or losses accumulated in equity are transferred to the income statement in the event of the sale of a foreign operation. The profit or loss related to any ineffective portion is recognized continuously in the income statement.

Hedging of receivables and payables denominated in a foreign currency
Currency forward are used for hedging of currency risk in receivables or payables in foreign currencies. Hedge accounting is not applied for these derivatives because economic hedging is achieved in the accounts as both the hedged item and the hedging instrument are recognized at fair value and the value changes are met in the income statement. Exchange rate changes related to perating receivables and payables are recognized in operating profit, while exchange rate changes related to financial receivables and payables are recognized in the finance net.

2.7 Employee benefits
Termination benefits
Termination benefits are payable when employment is terminated by the Group before the planned retirement date, or whenever an employee accepts voluntary redundancy in exchange for such benefits. The Group recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Bonus plans
The Group recognizes a liability and an expense for bonuses when contractually obliged or where there is a past practice that has created a constructive obligation.

2.8 Parent Company accounting principles
The Parent Company's annual report is prepared in accordance with the Annual Accounts Act and the Swedish Corporate Reporting Board's Recommendation RFR 2, Accounting for legal entities. This means that IFRS is applied with the deviations and additions presented below.

Financial reports
In accordance with the requirements in RFR 2, the Parent Company's financial statements deviate from those presented for the Group. The Parent Company has the following five statements in the Annual Report: income statement, statement of comprehensive income, balance sheet, statement of cash flow and statement of changes in equity.

Financial instruments: Recognition and measurement
The Parent Company does not apply IFRS 9 Financial instruments, which replaced IAS 39 Financial instruments: Recognition and measurement. Instead measurements are based on the acquisition cost of assets and liabilities.

IFRS 16 Leases
The Parent Company has determined not to apply IFRS 16 Leases in accordance with the exemptions option in RFR 2.

Shares in subsidiaries
Shares in subsidiaries are recognized in the Parent Company's financial statements according to the acqusition cost method. The value of shares in subsidiaries is tested for impairment when there is an indication of a decline in the value.

Group contributions
The Parent Company recognizes all group contributions, paid and received, as appropriations in the income statement.

Shareholders' contributions
Shareholders' contributions from the Parent Company are recognized directly in the receiver's equity and capitalized in the shares and participations of the Parent Company, to the extent that impairment is not required.

Dividend from subsidiaries
A dividend is accounted for when the right to a dividend is deemed probable.

NOTE 3
Financial risk management and financial instruments

The Dometic Group's operations are exposed to different financial risks, including the effects of price changes in the loan and capital markets. To manage these risks efficiently, Dometic Group has established guidelines in the form of a Treasury policy which is a part of the Finance policy, that describes the financial risks that the Dometic Group may accept and how such risks are limited and managed. The Treasury policy also establishes a distribution of responsibilities between the Dometic Group's subsidiaries and the Dometic Group's central finance function.

Financial risk management is carried out by a central treasury department ("Group Treasury") under a policy approved by the Dometic Group's Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the Dometic Group's operating units. The Board provides written principles for overall financial risk management, and written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Currency risks

As a global Group with operations in a large number of countries throughout the world, The grou is exposed to both transaction risks and translation risks.

Transaction risk arises as a result of the Group having receipts and payments in foreign currencies. Transaction exposure arises with both commercial and financial transactions. The Dometic Group's transaction exposure is primarily related to the euro, U.S. dollar, Australian dollar, Canadian dollar, British pound and Chinese yuan. Important currency flows are sales from China/Hong Kong to Europe, the United States and Australia, and sales from Europe to Australia and the United States. As far as possible, transactional exposure is concentrated to the countries where the manufacturing entities are located. This is achieved by invoicing the sales entities in their respective functional currency from the manufacturing entities. The Dometic Group's Treasury policy target to hedge all main future currency flows. The policy permits up to 95 percent of the exposure and product flows forecasted in CNY, EUR, USD, AUD, CAD, GBP and JPY to be hedged utilizing spot and currency exchange contracts, currency swaps and currency options.

Translation risk arises in the translation of foreign subsidiaries to the reporting currency, SEK. The Dometic Group has a number of holdings in subsidiaries whose net assets are exposed to translation risk. Currency exposure arising from the net assets in the Group's foreign operations is managed to a certain degree through borrowings in the relevant foreign currencies. These borrowings are reported as foreign net investment hedges. As of December 31, 2023, 84 percent (100) of the Group's net assets in EUR and 23 percent (22) of the net assets in USD were hedged with loans in the respective currency.

Exposure from external and internal liabilities and receivables in foreign currency that are not part of the hedging relation under the hedging of net investment in foreign operations is hedged with currency forward contracts and currency swaps. These derivatives are recognized at fair value through the income statement together with changes in fair value of the hedged items.

Interest rate risks

The Dometic Group defines interest rate risk as the risk that changes in interest rates will have a negative impact on its earnings and cash flow. The Dometic Group's interest rate risks arise primary from long-term loans.

Interest rate risks are managed centrally by Group Treasury in accordance with the Treasury policy. The target is that external borrowing between 50 percent and 75 percent shall have fixed rates, with a duration between six months and three years. As of December 31, 2023, 51 percent (59) of the debt portfolio had fixed interest rates. To limit the interest rate risk, the outstanding bank loan portfolio has a maximum interest period of 9 months and in the case of interest-bearing assets, the fixed interest rate period is matched against the debt which is closest to maturity. As of December 31, 2023, the Dometic Group had hedged 0 percent (55) of bank loans in USD by swapping from a variable to fixed interest rate.

Cash flow hedges

In accordance with the Dometic Group's Treasury policy, the Group has hedged part of its cash flow exposure, by way of currency forward agreements (see Currency risks) and interest rate swaps with external counterparts, as reported below.

Interest swaps per currency

	December 31, 2023			December 31, 2022		
Currency	Nominal value in currency	Amount SEK m	Interest rate, %	Nominal value in currency	Amount SEK m	Interest rate, %
USD	–	–	–	300	3,128	0.7
		–			3,128	

Market value derivatives

December 31, 2022	Nominal value	Assets	Liabilities
Derivative financial instruments			
Interest rate swaps – cash flow hedges	3,128	5	–
Currency forwards & options			
– cash flow hedges	4,364	56	–105
– fair value	2,696	87	–7
Total		147	–111
Less non-current portion:		–	–
Current portion		147	–111

December 31, 2023	Nominal value	Assets	Liabilities
Derivative financial instruments			
Interest rate swaps – cash flow hedges	–	–	–
Currency forwards & options			
– cash flow hedges	2,633	19	–49
– fair value	1,709	2	–85
Total		21	–134
Less non-current portion:		–	–
Current portion		21	–134

Currency forwards mature on a monthly basis. During the period SEK –112 m (113) (before taxes) have been moved from other comprehensive income to realized hedging result. As of December 31, 2023, a net of SEK 3 m (–73) is reported in Other comprehensive income relating to cash flow hedges.

The Dometic Group is exposed to price risks for raw materials such as iron, copper, aluminum and components in which these metals are included. This risk also affects plastics in which petroleum forms the base. To limit the price risk of this type, the Group may enter into short-term contracts with some of the suppliers of raw material. No such financial contracts were in place either as of December 31, 2023 or in previous year.

Sensitivity analysis

The table below shows the impact on equity exclusive of hedges if the currency increased or decreased by 5 percent and if the interest rate increased or decreased by 1 percent.

			Impact on equity	
Currency	Variable	Change	2023	2022
Transaction effect	USD/CNY	+5%	81	132
	EUR/USD	+5%	53	73
	EUR/AUD	+5%	–4	–5
	AUD/USD	+5%	32	36
Transaction effect	USD/CNY	–5%	–81	–132
	EUR/USD	–5%	–53	–73
	EUR/AUD	–5%	4	5
	AUD/USD	–5%	–32	–36

			Impact on equity	
Interest rate	Variable	Change	2023	2022
Interest rate effect	Interest rate	+1%	–56	–57
Interest rate effect	Interest rate	–1%	56	57

Financial credit risks

Financial assets is carrying risks that counterparties may be unable to fulfill their payment obligations. This exposure arises from investments in liquid assets and from derivative positions with positive unrealized results against banks and other counterparties. Credit risks arise with placement of cash placements and investments in derivatives.

To reduce the credit risk, the Dometic Group has established a policy to work only with creditworthy counterparties. According to the Dometic Group's Finance policy, external financial transactions may only be made by Group Treasury.

All derivative transactions are covered by ISDA netting agreements to reduce the credit risk, and in 2023 SEK 21 m (97) can be netted with counterparties. Assets and liabilities are only netted from a credit risk perspective for counterparties with valid ISDA agreements. As a result of these policies and limitations, the credit risk from external financial institutions is immaterial.

No credit losses were incurred during 2023 on external investments or on derivative positions. Credit risk is divided into two categories: financial credit risk and credit risk in accounts receivable (see note 17, Trade receivables, for further description of credit risk). Investment transactions in the form of cash and cash equivalents amounted to SEK 4,348 m (4,399) at year end. This consists of cash holdings as well as short-term investments. The table below shows the recognized value of the Group's derivatives.

December 31, 2023	Assets	Liabilities
Derivatives		
Net amount recognized in the balance sheet	21	–134
ISDA agreements whose transactions are not offset in the balance sheet	–21	21
Net after offsetting in accordance with ISDA agreements	**–**	**–113**

Financing risks

Liquidity risks

Liquidity risk is the Dometic Group's risk of being unable to meet its payment obligations due to insufficient reserves of cash and cash equivalents or being unable to meet its payment obligations without significantly higher financing costs. The overall objective of the Dometic Group's liquidity management is to ensure that the Dometic Group maintains control over its liquidity situation.

Liquidity risks are managed by the Group by ensuring it has sufficient sources of liquidity through current investments in a liquid market, available financing through contracted credit facilities and the possibility to close market positions.

To maintain control over the liquidity and to ensure that the Group has enough cash to make major payments such as interest payments and amortizations on the Group's borrowings, all subsidiaries report their cash balance to management weekly. A liquidity forecast for the upcoming 12 weeks is reported to management on a monthly basis.

The table below analyzes the Group's financial liabilities and derivative liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows for the liabilities. For 2024, an annual undiscounted cash flow of SEK 848 m related to long-term debt obligations including future undiscounted interest payments, is expected up until the maturity of the long-term debt obligations.

December 31, 2022	< 1 year	1–2 years	2–3 years	3–4 years	> 4 years
Non-current liabilties including future undiscounted in interest payments	3,858	2,796	6,896	3,506	3,472
Derivative instruments	–27	–	–	–	–
Currency forward	111	–	–	–	–
Trade and other payables	2,978	–	–	–	–
Total	**6,920**	**2,796**	**6,896**	**3,506**	**3,472**

The table below shows the Group's leasing liabilities by maturity.

December 31, 2022	< 1 year	1–2 years	2–3 years	3–4 years	> 4 years
Lease liabilities	306	229	143	100	120
Total	**306**	**229**	**143**	**100**	**120**

December 31, 2023	< 1 year	1–2 years	2–3 years	3–4 years	> 4 years
Non-current liabilities including future undiscounted in interest payments	848	6,963	6,921	66	3,373
Derivative instruments	–	–	–	–	–
Currency forward	134	–	–	–	–
Trade and other payables	2,899	–	–	–	–
Total	**3,880**	**6,963**	**6,921**	**66**	**3,373**

The table below shows the Group's leasing liabilities by maturity.

December 31, 2023	< 1 year	1–2 years	2–3 years	3–4 years	> 4 years
Lease liabilities	382	328	281	220	1,589
Total	**381**	**328**	**281**	**220**	**1,589**

Capital risks

The Group defines capital as net debt according to table below (excluding provision for pensions and accrued interest) and equity which on December 31, 2023 totaled SEK 38,021 m (40,699). The Dometic Group's objectives when managing capital are to enable a continued sufficient growth in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group, through its bank loan agreements, must be compliant with bank covenants. These obligations have remained unchanged during 2023. At year-end 2023, the headroom was adequate in these covenants. In a hypothetical situation, if Dometic were to break these covenants, the lenders under the bank loan agreement would have the right to accelerate the debts. Under such circumstances, a negotiated solution among owners, lenders and Group Management would be sought in order to keep the Group as a going concern.

Net debt to EBITDA leverage ratio	December 31, 2023	December 31, 2022
Liabilities to credit institutions, non-current	16,335	15,304
Liabilities to credit institutions, current	–	3,339
Amortized transaction costs add-back	43	41
Liabilities to credit institutions, excluding capitalized transaction costs	**16,377**	**18,683**
Cash and cash equivalents	–4,348	–4,399
Net Debt*	**12,029**	**14,284**
EBITDA before items affecting comparability LTM	4,374	4,797
EBITDA acquisitions pro forma LTM	–	10
EBITDA before items affecting comparability, including acquisitions pro forma LTM	**4,374**	**4,807**
Net debt/EBITDA	**2.7x**	**3.0x**

*Net debt, excluding provision for pensions and accrued interest

Fair value

Valuation of financial instruments and derivatives at fair value is done at the most recent updated market prices. The valuation is performed on a regular basis to identify fluctuations in financial assets and liabilities over time. Standard methods such as discounted cash flows based on observable market value for each respective maturity and currency are used.

Currency forwards are valued at fair value by converting the market value of the forwards to SEK using the prevailing spot rate on the balance sheet date. For interest rate swaps, the market value is converted to SEK using the same spot rate.

Other non-current liabilities consist of considerations not yet paid, which relate to holdbacks and potential earn-outs from acquisitions, where the size of the earn-out is normally linked to profitability targets in the acquired company during a specific period of time. These liabilities are valued on the transaction date based on management's best estimate of the future actual results and belong to level 3 category according to IFRS 13. An updated assessment of the value is performed on each balance sheet date.

Per December 31, 2023, the fair value for level 2 financial assets was SEK 21 m (147) and for financial liabilities SEK 134 m (111) attributable to derivatives, and the fair value for level 3 financial liabilities amounted SEK 936 m, which refers to considerations not yet paid from previous acquisitions.

Performing fair value estimates requires different kinds of input on how to determine the fair values. The different levels have been defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Other observable data for the asset or liability than quoted prices included in Level 1, either directly, i.e. as price quotations, or indirectly, i.e. derived from prices.

Level 3: Data for the asset or liability that is not based on observable market data.

Financial instruments by category

December 31, 2023	Balance sheet carrying amount	Financial assets or liabilities at amortized cost	Financial assets or liabilities at fair value	Derivatives used for hedging	Derivatives at fair value
Financial assets					
Other non-current receivables	181	181	–	–	–
Derivatives, current	21	–	–	18	3
Trade receivables	2,311	2,311	–	–	–
Other current assets	533	533	–	–	–
Cash and cash equivalents	4,348	4,348	–	–	–
Total financial assets	**7,394**	**7,373**	**–**	**18**	**3**
Current portion	**7,213**	**7,192**	**–**	**18**	**3**

December 31, 2022	Balance sheet carrying amount	Financial assets or liabilities at amortized cost	Financial assets or liabilities at fair value	Derivatives used for hedging	Derivatives at fair value
Financial assets					
Other non-current receivables	168	168	–	–	–
Derivatives, short-term	147	–	–	56	92
Trade receivables	2,807	2,807	–	–	–
Other current assets	506	506	–	–	–
Cash and cash equivalents	4,399	4,399	–	–	–
Total financial assets	**8,028**	**7,880**	**–**	**56**	**92**
Current portion	**7,860**	**7,712**	**–**	**56**	**92**

December 31, 2023	Balance sheet carrying amount	Financial assets or liabilities at amortized cost	Financial assets or liabilities at fair value	Derivatives used for hedging	Derivatives at fair value
Financial liabilities					
Liabilities to credit institutions, non-current	16,335	16,335	–	–	–
Other non-current liabilities	–	–	–	–	–
Derivatives, current	134	–	–	34	100
Liabilities to credit institutions, current	–	–	–	–	–
Trade payables	2,568	2,568	–	–	–
Other current liabilities	1,266	330	936	–	–
Total financial liabilities	**20,303**	**19,233**	**936**	**34**	**100**
Current portion	**3,968**	**2,899**	**936**	**34**	**100**

December 31, 2022	Balance sheet carrying amount	Financial assets or liabilities at amortized cost	Financial assets or liabilities at fair value	Derivatives used for hedging	Derivatives at fair value
Financial liabilities					
Liabilities to credit institutions, long-term	15,304	15,304	–	–	–
Other non-current liabilities	90	–	90	–	–
Derivatives, short-term	111	–	–	46	66
Liabilities to credit institutions, short-term	3,339	3,339	–	–	–
Trade payables	2,978	2,978	–	–	–
Other current liabilities	1,919	312	1,607	–	–
Total financial liabilities	**23,741**	**21,933**	**1,697**	**46**	**66**
Current portion	**8,347**	**6,629**	**1,607**	**46**	**66**

NOTE 4
Critical accounting estimates and assumptions

In order to prepare the accounting records in accordance with accounting standards, estimates and assumptions affecting reported amounts in the annual report must be made. The actual results could differ from these estimates and assumptions. Areas where estimates and assumptions are of material importance to the Group are presented below.

Impairment test of goodwill and trademarks
In accordance with IFRS, the need for impairment of goodwill and trademarks is tested annually. These tests are based on an analysis of the recoverable value, which is calculated on the basis of management's estimates of future cash flow substantiated by budget and the strategic plan for the Group. Further information on the assumptions applied and sensitivity analysis is presented in note 14.

Deferred tax assets and deferred tax liabilities
Estimates are made to determine the value of both current and deferred tax assets and deferred tax liabilities. The possibility of making deductions against future taxable profits and thereby utilizing the deferred tax assets is also determined based on estimates. The actual results may differ from these estimates, for instance due to changes in the projections of future taxable profits, changed tax legislation or the outcome of the final review by tax authorities and tax courts of filed tax returns. Further information on estimates and assumptions are presented in note 12.

Post-employment benefits
Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. The Dometic Group has both defined-benefit and defined-contribution plans. The value of the pension obligations for the Group's defined-benefit plans are impacted by the assumptions made by management and used as a basis by actuaries when calculating these obligations. Assumptions and actuarial calculations are made separately for each country separetely where Dometic has operations, and where such employee benefits exists.

Material assumptions include discount rate, inflation, salary trends, development of pensions over time, mortality, trends in cost of health care and other variables. The assumption of discount rates and inflation is based on external market information. The assumption of wage growth reflects the historical development of salary costs, short-term forecasts and expected inflation. Mortality is based on official statistics. For further information, see note 19.

Warranty obligation
Within the Dometic Group's line of business many products are covered by a warranty, which is included in the price and valid for a predetermined period. Provisions for warranties are calculated based on past experience of costs for repairs, which are subject to estimates and assumptions. See further information in note 20.

Recall provision
Provisions for recalled products are based on estimates of future cash flow required to settle commitments. Such estimates are based on the nature of the recall, the legal process and the likely extent of damages as well as the progress of the process. Furthermore, opinions and recommendations from legal advisors and other are taken into consideration regarding the outcome of the process and experiences from similar cases. See further information in note 20.

Provision for restructuring
The definition of restructuring costs includes estimated costs for severance pay as well as other direct costs in connection with closure of operations. The calculation for provision is based on detailed plans for activities that are expected to improve the Group's cost structure and productivity. The amounts have been calculated based on management's best estimates. To minimize the level of uncertainty, historical outcomes from past similar events have been considered in the estimates. See note 20 for more information.

Businesses combinations and consideration not yet paid
Valuation of identifiable assets and liabilities in connection with the acquisition of businesses means that items in the acquired company's balance sheet and items that have not been recognized in the acquired company's balance sheet, such as customer relationships, intellectual property and brands, are measured at fair value. In normal circumstances, when listed market prices are not available for the assets and liabilities to be valued, different valuation methods have to be used. These valuation methods are based on a number of assumptions. Furthermore, several balance sheet items in the acquisition balance sheet are also subject to estimates and assumptions, which means that the preliminary measurement may need to be conducted and subsequently adjusted. Given the above description and the practical feasibility of compiling and disclosing all individual adjustments in a way that is useful to the reader of the annual report, Dometic Group has, unless relating to material adjustments chosen not to disclose for each acquisition specifically, the reasons why the initial accounting of the business combination is preliminary, nor the assets and liabilities for which the initial accounting are preliminary.

All payments for acquiring a business are recorded at acquisition date to fair value, including liabilities related to earn-outs or deferred considerations. These liabilities are measured at fair value in subsequent periods, with remeasurement recognized through profit or loss, if the remeasurement is attributable to circumstances after the date of acquisition. The actual result of earn-outs often depends on one or several factors related to future development, such as profitability targets, of the acquired company for an agreed period of time and can therefore be less or exceed the initial recognized value. Other current liabilities related to potential earn-outs and deferred considerations from previous acquisitions as of the balance sheet date amount to SEK 936 m and are therefore subject to estimates and assumptions. Further information on acquisitions is reported in note 29.

Disputes
The Dometic Group is involved in disputes in the ordinary course of business. Disputes may include product liability, alleged defects in the delivery of goods and services, and other issues of rights and obligations. Companies within the group may also be involved in a number of proceedings, other legal proceedings and tax audits that have arisen in the operations. Accounting for these may be subject to material estimates and assumptions. It cannot be ruled out that an unfavorable outcome in a dispute may have a significant impact on the Group's earnings and financial position. The Dometic Group has an ongoing legal dispute with former owners of Igloo. For further information, see note 24.

NOTE 5
Segment information

2023	Segment Americas	Segment EMEA	Segment APAC	Segment Marine	Segment Global	Unallocated	Total
Net sales, external	5,003	7,981	2,138	6,719	5,934	–	27,775
Operating profit (EBITA) before items affecting comparability	**–104**	**723**	**557**	**1,654**	**633**	**–**	**3,463**
Operating margin, %, EBITA before items affecting comparability	**–2.1%**	**9.1%**	**26.0%**	**24.6%**	**10.7%**	**–**	**12.5%**
Amortization of acquisition-related intangible assets	–111	–73	–19	–210	–200	–	–613
Items affecting comparability	–11	–131	–4	0	–22	–	–167
Operating profit (EBIT)	**–226**	**519**	**534**	**1,444**	**411**	**–**	**2,682**
Operating margin, %, operating profit (EBIT)	**–4.5%**	**6.5%**	**25.0%**	**21.5%**	**6.9%**	**–**	**9.7%**
Financial income	–	–	–	–	–	168	168
Financial expenses	–	–	–	–	–	–968	–968
Taxes	–	–	–	–	–	–551	–551
Net result	**–**	**–**	**–**	**–**	**–**	**–**	**1,332**
Investments in intangible and tangible assets	–	–	–	–	–	628	628
Net assets[1]	8,888	8,284	3,813	13,095	9,978	–	44,057

[1] Net assets at the end of the period excluding financial assets and liabilities and deferred taxes.

2022	Segment Americas	Segment EMEA	Segment APAC	Segment Marine	Segment Global	Unallocated	Total
Net sales, external	6,780	7,970	2,231	6,695	6,086	–	29,764
Operating profit (EBITA) before items affecting comparability	**330**	**838**	**555**	**1,743**	**464**	**–**	**3,931**
Operating margin, %, EBITA before items affecting comparability	**4.9%**	**10.5%**	**24.9%**	**26.0%**	**7.6%**	**–**	**13.2%**
Amortization of acquisition-related intangible assets	–118	–74	–21	–202	–196	–	–611
Items affecting comparability	–151	–370	–4	–1	–7	–	–532
Operating profit (EBIT)	**61**	**394**	**531**	**1,541**	**262**	**–**	**2,789**
Operating margin, %, operating profit (EBIT)	**0.9%**	**4.9%**	**23.8%**	**23.0%**	**4.3%**	**–**	**9.4%**
Financial income	–	–	–	–	–	45	45
Financial expenses	–	–	–	–	–	–396	–396
Taxes	–	–	–	–	–	–654	–654
Net result	**–**	**–**	**–**	**–**	**–**	**–**	**1,784**
Investments in intangible and tangible assets	–	–	–	–	–	593	593
Net assets[1]	10,014	8,641	4,025	13,559	10,423	–	46,662

[1] Net assets at the end of the period excluding financial assets and liabilities and deferred taxes.

The Groups operations are divided into five segments: Americas, EMEA, APAC, Marine and Global. Business areas included in the segments Americas, EMEA and APAC are RV, Outdoor and CPV. Business areas included in segment Marine are the entire offering to the marine market, and the business areas included in Global are Other Global Verticals (Residential, Hospitality and Mobile Deliveries) and Igloo. Igloo is a global provider of passive cooling boxes and drinkware products for the Outdoor market.

These segments are reported in a manner consistent with the internal reporting (i.e "integrated results", refer to page 95) provided to the Group Management and the Board of Directors. The operating segments are regularly reviewed by the President and CEO, the Group's chief operative decision maker.

The Group's monitoring is primarily based on net sales and operating profit (EBITA) before amortization of acquisition-related intangible assets and items affecting comparability. Information regarding income for each segment is based on a combination of which geographic sales are carried out, and the business areas included in the segments. Information regarding the assets is based on geographic regions and the business areas included in the segment, where the benefit of the assets is consumed. Sales between segments are carried out on market conditions with arm's length principles.

Investments in fixed assets are monitored on a Group and legal entity level, hence not allocated to segments. In operational follow-up, net assets are allocated to segments.

Management follow-up is based on integrated results in each segment, i.e. intra-segment sale is eliminated in the result of the segment. A simplified way of describing an integrated result is a local result in each segment combined with profit/loss allocated from the factories/distribution centers in other segments based on production volume. Futhermore, business areas and sales channels are considered important when presenting Dometic's net sales, see the table at right for more details.

The Group has no single customer from which it generates income that accounts for more than 10 percent of the Company's net sales.

Sales channels

	2023	2022
Net sales, external		
OEM	11,859	13,034
Distribution	8,238	8,688
Service & Aftermarket	7,679	8,042
Total net sales, external	**27,775**	**29,764**

Inter-segment sales

Inter-segment sales were as follows:

	2023	2022
Segment Americas	213	170
Segment EMEA	236	340
Segment APAC	2,457	3,316
Segment Marine	31	49
Segment Global	–	–
Total eliminations	**2,937**	**3,875**

Application areas

SEK m	2023	2022
Net sales, external		
Segment Americas		
Food & Beverage	895	1,494
Climate	2,139	2,970
Power & Control	769	1,032
Other applications	1,201	1,284
Segment Americas net sales, external	**5,003**	**6,780**
Segment EMEA		
Food & Beverage	2,884	2,871
Climate	3,838	3,763
Power & Control	830	925
Other applications	429	412
Segment EMEA net sales, external	**7,981**	**7,970**

SEK m	2023	2022
Segment APAC		
Food & Beverage	853	919
Climate	736	734
Power & Control	404	431
Other applications	146	147
Segment APAC net sales, external	**2,138**	**2,231**
Segment Marine		
Food & Beverage	174	217
Climate	1,520	1,262
Power & Control	3,843	3,939
Other applications	1,182	1,278
Segment Marine net sales, external	**6,719**	**6,695**
Segment Global		
Food & Beverage	5,837	6,009
Climate	5	4
Power & Control	1	3
Other applications	92	71
Segment Global net sales, external	**5,934**	**6,086**
Net sales, external		
Food & Beverage	10,642	11,509
Climate	8,237	8,732
Power & Control	5,846	6,331
Other applications	3,050	3,191
Total net sales, external	**27,775**	**29,764**

NOTE 5 (cont.)

Geographical information

	Net sales by country	
	2023	2022
United States	14,473	16,686
Germany	3,706	3,704
Australia	1,910	2,049
United Kingdom	939	1,058
France	923	862
Italy	813	657
Canada	646	679
The Netherlands	574	556
Japan	524	390
Sweden	319	349
Other	2,948	2,774
Total	**27,775**	**29,764**

Net sales attributable to countries on the basis of the customer's location.

Non-current assets

	Non-current assets by country	
	2023	2022
United States	23,738	24,125
Germany	4,875	5,068
Australia	3,232	3,376
Canada	2,583	2,491
Sweden	1,150	1,270
United Kingdom	769	772
Italy	630	639
China	397	468
South Africa	161	247
Hong Kong	146	146
Other	624	597
Total	**38,305**	**39,199**

Tangible and intangible non-current assets in Sweden amount to SEK 1,150 m (1,270).

NOTE 6
Net sales and operating profit

Dometic Group net sales 2023 amounted to SEK 27,775 m (29,764).

Revenue recognition and additional information on net sales

IFRS 15 Revenue from Contracts with Customers

Revenue recognition in the Dometic Group is based on IFRS 15 – Revenue from Contracts with customers. This standard specifies the requirements for recognizing revenue from all contracts with customers, except for contracts that are within the scope of the standards on leasing, insurance contracts and financial instruments.

Dometic is in the business of manufacturing and selling a diverse range of products within Food & Beverage, Climate, Power & Control and Other applications. Dometic is a global leader in creating innovative and outstanding products for installation in land vehicles and boats, standalone products for the outdoor market and solutions for residential, and professional applications.

Products in the area of Mobile Living are sold via three sales channels: Original Equipment Manufacturer (OEM), Distribution and Service & Aftermarket (AM).

The revenue reporting model is made up of a series of steps required to help Group companies determine when and how much revenue to report.

In the first step of the revenue model, the Group identifies the contract with a customer. This is then followed by the second step, in which the various goods and services that need to be accounted for separately, or distinct performance obligations, are identified. In the third step, the Group determines the transaction price, which is the total amount to which the Group expects to be entitled, and then in the fourth step the transaction price is allocated to the distinct performance obligations. Finally, the amount of revenue allocated to each distinct performance obligation is recognized either at a point in time or over a period of time, depending on when the customer acquires control over the promised goods or services in that performance obligation.

Customer contract

Purchase orders from the customer, the most common way of ordering goods, qualify as a contract according to IFRS 15. This includes all enforceable rights and obligations required.

Distinct performance obligations

The promises are all distinct, since the customer can benefit from the goods on their own and the service (if included in a contract) together with the readily available goods. Each promise (performance obligation) is accounted for separately.

In the rare cases where the Group offers installation services, revenue for that performance obligation is recognized over the contract period during which the service is provided. At present, the service part of the Group's revenue is immaterial, which is why revenue over time is not separately disclosed in the financial statements.

Transaction price

Sales are recorded based on the price specified in the customer agreements, net of the estimated discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. If the consideration includes a variable amount, the transaction price includes an estimate of what the entity will be entitled to receive. Estimated discounts are accounted for at the time of the sale and simultaneously external revenue is reduced. The amount is estimated by using either the expected value or the most likely amount.

The revenue estimate is included in the transaction price only if it is highly probable that there will not be a significant reversal in the amount of cumulative revenue recognized.

Revenue recognition

Revenue is recognized when the Group has fulfilled its performance obligation, which means the Group has transferred the promised good or service to the customer. The goods or services are regarded as transferred when the customer has obtained control of the good or service. Revenue from the sale of goods and services is recognized in a pattern that reflects the transfer of control of the promised goods or service to the customer, and this takes place when the customer has obtained the ability to direct the use of the goods and obtained substantially all remaining benefits from the asset.

Control either transfers to the customer over time or at a point in time, and this is determined at contract inception. The assessment of whether control transfers over time or at a point in time is critical to the timing of revenue recognition, since revenue is recorded when or as control transfers.

The Group has a limited number of arrangements where the performance obligations are satisfied over time, including some services but also a small volume of customized goods constructed for customers. To ensure correct timing for revenue reporting, progress toward satisfaction of a performance obligation must be measured.

Indicators for the transfer of control at a point in time for goods are if the Group has a right to payment for the goods or if the customer has legal title to the goods. Other indicators the Group considers are if the Group has transferred physical possession of the goods and if the customer has the significant risks and rewards related to the ownership of the goods.

Additionally, the Group considers whether the customer has accepted the goods in accordance with the customer acceptance clause.

International commercial terms are important as a checkpoint, to determine when control transfers to a customer. The Group must use judgement to determine whether all relevant control factors collectively indicate that the customer has obtained control before recognizing revenue.

Financing component

If the timing of the payment of the consideration is in advance or deferred and the timing provides a significant financing benefit, the payments are adjusted for the time value of money. However, since sales are normally made with a credit term of 30–60 days, which is consistent with market practice, no element of financing is considered to exist. The Group receives very limited amounts of advance payments from customers.

Warranty

Dometic offers a standard warranty, normally between two and three years. In some cases, an extended warranty may be offered to the customer. The standard warranty is reported as a provision and a warranty cost in the income statement, whereas the extended warranty is considered a separate performance obligation. The portion of the transaction price in the contract that is allocated to the extended warranty is accounted for as revenue over the term of the warranty period.

Costs of goods sold and additional information on costs by nature

Cost of goods sold consists of direct costs of producing products such as cost of materials, labor costs and factory costs. It also includes warranties and inventory value adjustments, costs of assembly of products, logistics (among other things, outbound freight and distribution costs for warehousing and deliveries to customers) and costs for finished goods from external suppliers. The most significant components of the Dometic Group's costs of goods sold are materials (including both raw materials and manufacturing supplies), which represented 45 percent (54) of Dometic Group's net sales at year-end.

As the Dometic Group manufactures a wide range of products, the Dometic Group's direct materials are highly diversified, with no individual type of raw material or component being dominant. Other significant components of goods sold include factory and material overheads and direct and indirect labor, which together typically represent a quarter of the Dometic Group's cost of goods sold.

	Group		Parent	
Expenses by nature	2023	2022	2023	2022
Raw materials and manufacturing supplies	–12,369	–16,018	–	–
Employee benefit expenses (note 9)	–5,220	–5,154	–92	–76
Amortization and depreciation (note 8, 14 and 15)	–1,525	–1,477	–	–
Other	–5,979	–4,326	86	73
Total	–25,093	–26,975	–6	–3

	Group		Parent	
Expenses by function	2023	2022	2023	2022
Cost of goods sold	–19,994	–21,883	–	–
Sales expenses	–2,184	–2,185	–	–
Administrative expenses	–1,530	–1,376	–235	–228
Research and development expenses	–591	–531	–	–
Other operating income [1]	192	246	229	225
Other operating expenses	–205	–103	–	–
Items affecting comparability	–167	–532	–	–
Amortization of acquisition-related intangible assets	–613	–611	–	–
Total	–25,093	–26,975	–6	–3

[1] The Parent Company has reported other operating income of SEK 229 m (225) of which the full amount relates to income from subsidiaries.

Sales expenses

Sales expenses consist mainly of expenses relating to marketing activities, including costs of sales staff, promotion, exhibitions and other events. Sales expenses also include credit and collection as well as related IT expenditures.

Administrative expenses

Administrative expenses include costs related to the administration of the Dometic Group's business that are not attributable to costs of goods sold or sales expenses, such as expenses related to management and the IT, human resources, finance and administration functions.

Research and development expenses

The expenses within the functions refer to expenditures related to the Dometic Group's R&D operations, which mainly consist of product development. These costs include, among other things, other salaries and related staff benefits, which generally are fixed costs, as well as external services, costs for testing products and product design, which generally are variable costs. During the fiscal year, costs amounted to SEK 591 m (531). Expenditures for research and development amounting to SEK 33 m (37) have been capitalized during the year.

Amortization of acquisition-related intangible assets by function and other operating income/cost

The table below specifies amortization of acquisition-related intangible assets by function and other operating income/cost. These costs are recognized separately in the Group's income statement due to the material financial impact, as well as to specify the amortization of acquisition-related intangible assets from the Group's other functions. These are costs from identified assets from acquisitions, and the impact is important to consider when the result from the reporting period is compared to previous reporting periods. When performing acquisitions, amortization of acquisition-related intangible assets can change materially compared to previous periods, therefore recognizing them on a separate line in the report gives a fair view.

Amortization of acquisition-related intangible assets by function and other operating income/cost	Trademarks		Customer relationship assets		Technology		Intellectual property rights		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Cost of goods sold	–	–	–	–	–73	–74	–3	–1	–77	–75
Sales expenses	–71	–91	–465	–444	–	–	–	–	–537	–535
Administrative expenses	–	–	–	–	–	–	–	–	–	–
Other operating income and expenses	–	–	–	–	–	–	–	–	–	–
Total	–71	–91	–465	–444	–73	–74	–3	–1	–613	–611

Items affecting comparability by function and other operating income/cost

The table below specifies items affecting comparability by function and other operating income/cost.

	Global restructuring program		Other		Total	
Items affecting comparability by function and other operating income/cost	2023	2022	2023	2022	2023	2022
Cost of goods sold	–107	–476	–1	–	–108	–476
Sales expenses	– 27	–3	3	–21	–24	–24
Administrative expenses	–5	–8	–0	–1	–5	–8
Research and development expenses	0	–11	–	–	–0	–11
Other operating income and expenses	–2	–2	–28	–11	–30	–13
Total	–142	–499	–25	–33	–167	–532

Items affecting comparability

Items affecting comparability are events or transactions with significant financial impact, which are relevant for understanding the financial performance when comparing profit for the current period with previous periods. Items included are for example restructuring programs, expenses related to major revaluations, gains and losses from material acquisitions or disposals of subsidiaries, or transaction costs related to material mergers and acquisitions.

Items affecting comparability	2023	2022
Global restructuring program	–142	–499
Other	–25	–33
Total	–167	–532

During 2023, Dometic had two ongoing restructuring programs. The first program started in 2019 with the goal of an annual savings of SEK 400 m, to a total of SEK 750 m. An additional program was announced in the second quarter of 2022, targeting an annual saving of SEK 200 m, to a total of SEK 200 m. The program concluded in 2023, and the total costs during the year for the two programs amounted to SEK –142 m (–499). Since the start, 24 sites and some 2,000 employees have been affected, with a total cost of SEK –960 m (–817). During the fiscal year, acquisition-related transaction costs amounted to SEK – m (–7), included in Other.

NOTE 7
Audit fees

	Group		Parent	
	2023	2022	2023	2022
PricewaterhouseCoopers (PwC)				
Audit fees [1]	–25	–23	–4	–3
Audit-related fees [2]	–3	–1	–1	–1
Tax fees [3]	–0	–1	–	– 0
All other fees[4]	–0	– 0	–0	–
Total fees to PwC	–28	–25	–4	–4
Other auditors				
Audit fees to other audit firms	–1	–	–	–
Audit-related fees	–	–	–	–
Tax fees	–	–	–	–
All other fees	–	–	–	–
Total fees to other auditors	–1	–	–	–
Total fees to other auditors	–29	–25	–4	–4

1) Audit fees – fees for the annual audit services and other audit services, i.e. services that only the external auditors reasonably can provide, and include the Company audit and statutory audits.
2) Audit-related fees – fees for assurance and related services that are reasonably related to the performance of the audit of the Company's financial statements or that are traditionally performed by the external auditors.
3) Tax fees – fees for transfer pricing, tax-compliance services, tax consultations and advice related to acquisitions, divestments and other projects and assistance with tax audits.
4) All other fees – fees for other services.

Audit fees for PwC Sweden in 2023 amounted to SEK –4 m (–3), audit-related fees to SEK –1 m (–1), tax fees to SEK – m (–0) and all other fees to SEK –0m (–).

NOTE 8
Leasing agreements

Right-of-use assets information is specified below:

2022	Buildings	Machinery, equipment and other technical installations	Total
Acquisition costs			
Opening balance	1,301	119	1,420
Additions/changes during the year	181	22	203
Reductions	–82	–21	–103
Exchange rate differences	151	11	162
Closing balance	**1,551**	**131**	**1,682**
Depreciation			
Opening balance	–382	–37	–420
Depreciation and impairment for the year	–298	–41	–338
Reductions	78	19	97
Exchange rate differences	–45	–4	–49
Closing balance	**–648**	**–63**	**–711**
Net carrying amount December 31, 2022	**903**	**68**	**972**

2023	Buildings	Machinery, equipment and other technical installations	Total
Acquisition costs			
Opening balance	1,551	131	1,682
Additions/changes during the year	1,419	27	1,445
Reductions	–105	–30	–135
Exchange rate differences	–97	–1	–99
Closing balance	**2,767**	**127**	**2,893**
Depreciation			
Opening balance	–648	–63	–711
Depreciation and impairment for the year	–340	–41	–381
Reductions	99	29	128
Exchange rate differences	24	1	25
Closing balance	**–865**	**–74**	**–939**
Net carrying amount December 31, 2023	**1,902**	**53**	**1,955**

Depreciation and impariment

	2023	2022
Depreciation and impairment of right-of-use assets	–381	–338
Of which impairment of right-of-use assets	–	–
Total depreciation and impairment of right-of-use assets	**–381**	**–338**

Additional lease information

The interest expenses on lease agreements are disclosed in Note 11 Financial income and expenses. A maturity analysis of the lease liability is disclosed in Note 3 Financial risk management and financial instruments.

Expenses for leases with low value and short-term leases amounted to SEK 83 m (75). Variable lease costs amounted to SEK 57 m (26).

IFRS 16 Leases

The Group has lease agreements as a lessee for some of its buildings, machinery, equipment and other technical installations including vehicles. Lease agreements normally have a fixed term of 1 to 3 years for vehicles and machinery and a fixed term of 5 to 10 years for buildings.

Extension options are included in the lease term for buildings when it is reasonably certain that they will be exercised. If the lease term expires within 3 years, it is assumed to be reasonably certain that the extension option will be utilized and therefor included in the lease term, however extension options are not included for lease terms exceeding 3 years for buildings.

Leases are recognized as a right-of-use asset and a corresponding liability, except for short-term leases (with a term of 12 months or less) and leases with low value. For these leases, payments are recognized as incurred in the income statement.

The Dometic Group recognizes right-of-use lease assets and lease liabilities separately from other assets and other liabilities in the balance sheet.

The Group uses the practical expedient for non-lease components, which means that each lease component and any associated non-lease component will not be treated separately but accounted for as one.

The Dometic Group apply the exemption for short-term leases and low-value leases and has decided to recognize all IT and office equipment as low-value assets and hence not include these in the balance sheet.

Measurement and remeasurement

Lease liabilities are initially measured at the present value of the future lease payments, fixed and variable depending on an index or a rate, discounted by the incremental borrowing rate.

Each lease payment is allocated between an amortization of the liability and finance cost.

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or a rate.

Right-of-use assets are measured at cost, comprising the amount of the initial measurement of the lease liability, lease payments made at or before the commencement date and any initial direct costs and any restoration costs.

The right-of-use asset is depreciated over the lease term on a straight-line basis and charged to the income statement over the lease period.

When there is a remeasurement of, or adjustment to the lease liability, a corresponding adjustment is made to the right-of-use asset.

Discount rate assumptions and estimation

The Dometic Group has established a method of calculating the discount rate when determining the present value of the remaining lease payments and in recognizing leasing liabilities. Lease contracts for different types of assets are assigned different discount factors, since the risk and thus the finance cost may vary significantly. Other adjusting factors for the rate are the currency and the time to maturity of the lease. Eurozone countries are deemed to have the same risk, as we borrow and lend internally in the Group at the same rate for all eurozone countries. The underlying observable market data used are government bonds.

Cash flow

Regarding IFRS 16 lease payments, they are split in cash flow between cash payments for the interest portion of the lease liabilities and repayment of its principal portion. The Group presents the principal portion of lease payments within the cash flows from financing activities, as required by IFRS 16. Cash payment for the interest portion is treated the same way as the presentation of interest payments of the Group. Short-term payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability are not shown separately but are included in payments to suppliers.

Total cashflow from leases amounted to SEK 544 m (480).

NOTE 9
Employee benefit expense and remuneration

Salaries, wages, other remuneration and social security costs

	Group		Parent	
Employee benefits	2023	2022	2023	2022
Salaries and remunerations	–4,079	–4,159	–54	–52
Social security costs	–514	–509	–21	–15
Pension costs				
– defined contribution plans	–107	–83	–12	–5
– defined benefit plans	–13	–14	0	0
Other personnel costs	–507	–388	–5	–4
Total	**–5,220**	**–5,154**	**–92**	**–76**

Remuneration is applied based on local market conditions and collective agreements. The total cost for employee benefits in 2023 amounted to SEK 5,220 m (5,154).

Remuneration to the Board of Directors

Remuneration to the Board of Directors approved by the 2022 annual general shareholders' meeting	SEK thousand
Fredrik Cappelen, Chairman	1,264
Mengmeng Du, Board member	458
Jacqueline Hoogerbrugge, Board member	536
Erik Olsson, Board member, Chairman Remuneration Committee	560
Rainer E. Schmückle, Board member	509
Peter Sjölander, Board member	458
Heléne Vibbleus, Board member	536
Magnus Yngen, Board member, Chairman Audit Committee	615
Total remuneration to the Board of Directors	**4,935**

Remuneration to the Board of Directors approved by the 2023 annual general shareholders' meeting	SEK thousand
Fredrik Cappelen, Chairman and Chairman Remuneration Committee	1,359
Mengmeng Du, Board member	468
Patrik Frisk, Board member since AGM April 12, 2023	392
Jacqueline Hoogerbrugge, Board member	559
Erik Olsson, Board member, Chairman Audit Committee	651
Rainer E. Schmückle, Board member	520
Peter Sjölander, Board member	468
Heléne Vibbleus, Board member	559
Magnus Yngen, Board member, Chairman Audit Committee until AGM April 12, 2023	155
Total remuneration to the Board of Directors	**5,128**

Remuneration to representatives in the Board of Directors for Board and Committee work amounted to SEK 5,128 thousand (4,935). Remuneration for the Committee work (Audit Committee and Remuneration Committee) until the next annual shareholders' meeting amounts to SEK 470 thousand in total (of which SEK 210 thousand to the chairman of the Audit Committee, SEK 103 thousand to the chairman of the Remuneration Committee, SEK 95 thousand to each Audit Committee member and SEK 52 thousand to each Remuneration Committee member).

Group Management consists of the CEO and ten other members. The roles represented in the Group Management directly reporting to the CEO are the four segment Presidents and the Heads of the Group functions; Finance, Human Resources, Legal, Marketing, Product Development and Operations.

The annual shareholders' meeting held on April 7, 2020 determined the guidelines which shall apply in relation to remuneration to the CEO and other members of Group Management. Current employment agreements and remunerations are based on the Remuneration Guidelines for the CEO and Group Management.

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. 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 following components:

- Fixed base salary.
- Short-term incentives (STI) linked to yearly business targets established by the Board of Directors.
- Long-term incentives (LTI) in the form of a three-year cash-based incentive plan linked to EPS development.
- Pensions, (if possible defined-contribution plans), that do not exceed
  - 35 percent of the base salary for Group Management members and
  - 40 percent for the CEO.
- Other benefits associated with the position.

Salaries and Remuneration to the CEO and Group Management in 2023 amounted to SEK 93,392 thousand (82,224). In addition to Dometic's short- term and long-term incentive plans, the variable pay reported includes a one-time lump sum in connection to onset of employment ("sign-on bonus"). Other benefits include allowances and benefits associated with the position, such as company car or car allowance and healthcare benefits.

Pension benefits

Group Management agreements concerning pensions are, where possible, defined-contribution pension plans. All pension plans provided are defined as a percentage of the fixed salary. According to the remuneration policy for the CEO and Group Management, the pension shall reflect regulations and practice in the country of employment and not exceed 35 percent of the annual base salary for the Group Management members and 40 percent for the CEO. The Group Management members employed in Sweden are either covered by a defined-contribution plan or by the relevant ITP plan. General retirement age is 65. Contributions to the pension scheme will cease when leaving the Company. Total pension expenses paid for the CEO and Group Management during 2023 amounted to SEK 11,555 thousand (10,227).

Notice period and severance

Members of Group Management have a 6 months' notice period when notice is given by the employee. If the notice is given by the Company, between 6–12 months' notice is applied. The CEO has 12 months' notice by the Company, as well as a 12 month's severance period. Severance pay shall be based on vacation pay or pension benefits. Local employment laws and regulations may influence the terms and conditions for notice given by the Company.

Remuneration to the CEO and Group Management

2022

SEK thousand	Annual fixed salary	Variable salary	Other benefits	Pension contribution	Total
President and CEO	10,483	4,493	853	3,623	19,452
Other members of Group Management	34,586	12,904	8,679	6,604	62,773
Total	**45,069**	**17,396**	**9,531**	**10,227**	**82,224**

2023

SEK thousand	Annual fixed salary	Variable salary	Other benefits	Pension contribution	Total
President and CEO	10,772	10,147	873	4,328	26,120
Other members of Group Management	34,837	21,072	4,136	7,227	67,271
Total	**45,609**	**31,219**	**5,009**	**11,555**	**93,392**

Salaries and remunerations to senior executives and other employees

Salaries and remunerations to senior executives and other employees	Group	
	2023	2022
Board, president and other senior executives	87	77
Other employees	3,992	4,083
Total	**4,079**	**4,159**

Average number of employees and gender distribution

The average number of employees in the Dometic Group during the period January 1 to December 31, 2023 was 8,093 (8,834). Of the total number of employees, 36 percent are women.
In the Group Management team, 4 executives out of 11 are women.

Gender distribution for the Board of Directors and Group Management

	December 31, 2023		December 31, 2022	
	Number on closing date	Of which men	Number on closing date	Of which men
Group (including subsidiaries)				
Board members	8	5	8	5
CEO and other senior executives	11	7	10	6
Group total	**19**	**12**	**18**	**11**

	2023		2022	
	Average number of employees	Of which men, %	Average number of employees	Of which men, %
Parent				
Sweden	7	57	7	58
Total	**7**	**58**	**7**	**58**
Subsidiary				
Australia	194	72	190	73
Austria	5	80	5	81
Belgium	3	100	4	100
Canada	534	74	561	74
China	1,341	61	1,445	62
Denmark	14	93	15	92
Finland	7	72	8	75
Subsidiary (cont. next page)				

	2023		2022	
	Average number of employees	Of which men, %	Average number of employees	Of which men, %
Subsidiary (cont.)				
France	53	51	52	52
Germany	1,023	67	1,211	67
Hong Kong	76	41	83	41
Hungary	381	59	370	59
Italy	144	76	133	77
Japan	16	75	18	75
Korea	9	45	8	52
Mexico	259	52	373	50
The Netherlands	57	69	53	72
New Zealand	11	65	10	61
Norway	8	78	9	84
Poland	25	57	26	54
Portugal	1	0	1	0
Russia	2	50	6	66
Singapore	5	58	7	66
Slovakia	175	63	205	65
South Africa	330	78	352	80
Spain	20	48	19	55
Sweden	316	60	334	61
Switzerland	6	84	8	87
United Arab Emirates	13	65	12	63
United Kingdom	211	61	212	59
United States	2,846	64	3,096	63
Group total	**8,093**	**64**	**8,834**	**64**

NOTE 10
Other operating income and expenses

Other operating income	2023	2022
Gain on disposal of fixed assets	25	2
Exchange rate effect changes	55	203
Royalties	21	22
Other[1]	91	19
Total	**192**	**246**

Other operating expenses	2023	2022
Loss on disposal of fixed assets	–23	–1
Exchange rate effect changes	–128	–80
Acquisition-related costs	–3	–17
Legal costs	–36	0
Other	–5	–5
Total	**–205**	**–103**
Other operating income and expenses	**–13**	**143**

1) "Other" within "Other operating income" mainly consists of non-recurring customer reimbursement and liquidation results from performed liquidations during the year.

Parent Company

Other operating income amounts to SEK 229 m (225) of which the full amount relates to income from Group companies.

NOTE 11
Financial income and expenses

	Group	
	2023	2022
Interest income	168	45
Total financial income	**168**	**45**
Interest expenses, liabilities to credit institutions	–887	–531
Interest expense on pension liabilities and expected return on plan assets (note 19)	–23	–12
Interest expense leases	–60	–36
Capitalized transaction costs	–23	–25
Exchange rate difference, net	53	227
Other financial expenses	–28	–19
Total other financial expenses	**–968**	**–396**
Net financial expenses	**–800**	**–351**

Interest income is recognized on a time-proportion basis using the effective interest method.

	Parent Company	
	2023	2022
Interest income from Group companies	855	509
Total interest income from Group companies	**855**	**509**
Interest expenses, liabilities to credit institutions	–891	–564
Capitalized transaction costs	–23	–25
Exchange rate difference, net	–265	98
Other financial expenses	–19	–12
Total other financial expenses	**–1,198**	**–503**
Net financial expenses	**–343**	**6**

NOTE 12
Taxes

	Group		Parent	
	2023	2022	2023	2022
Current tax on profit for the year	–846	–746	–	–14
Current tax prior year	42	23	–12	–
Deferred tax income/expense (–)	253	70	–	–
Total tax	**–551**	**–654**	**–12**	**–14**

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in equity under other comprehensive income. In this case the tax is also recognized in equity under other comprehensive income.

Current and deferred tax is calculated on the basis of the tax laws enacted or substantively enacted on the balance sheet date in the countries where the Company's subsidiaries and associates operate.

Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising when the reported carrying amounts of assets and liabilities differ from the corresponding tax base values.

Deferred tax assets related to tax losses carried forward are recognized only to the extent that it is probable that future taxable profit will be available, against which the tax losses may be utilized. The recognition is supported by future utilization based on the assumptions used in the annual impairment test of goodwill and intangible assets with an indefinite useful life.

Deferred tax assets and tax liabilities are offset when the conditions for offsetting are satisfied.

The Group does not have any tax exposures related to Pillar 2 rules (refer to last section in this note) for 2023 since no relevant Pillar 2 legislation had become effective on or before the balance sheet date.

The differences between the actual income tax expense and expected income tax expense based on weighted average tax rates are explained in the table below.

	Group		Parent	
	2023	2022	2023	2022
Profit (loss) before tax	1,883	2,438	–348	3
Weighted average tax	–552	–624	72	–1
Effects of:				
Change in tax rates	–	–	–	–
Non-taxable income and other tax credits [1]	40	45	–	–
Non-deductible expenses	–28	–23	–30	–19
Current tax prior year	42	23	–12	–
Withholding tax	–38	–37	–	–
Utilization of previously unrecognized tax losses/credits	–3	6	6	6
Tax losses and credits for which no deferred tax was recognized	–38	–8	–	–
Recognition of deferred tax related to prior year tax losses/credits	22	–36	–	–
Other differences	5	–	–	
Total tax	**–551**	**–654**	**–29**	**–14**
Weighted average tax rate:	29.3%	25.6%	20.6%	20.6%

1) Non-taxable income includes, *inter alia*, other tax credits that primarily consist of tax incentives for research and development.

The weighted average tax rate for the Group is calculated based on a weighting of the Group's result before income taxes multiplied by the local corporate income tax rate, per country of operation. The weighted average tax rate for the Parent Company corresponds to the statutory corporate tax rate in Sweden.

The comparatives for 2022 in the tables to the right have been adjusted to account for the changes in IAS 12 which require deferred taxes related to right of use assets and leasing liabilities to be disclosed separately on a gross basis. In prior years, these deferred taxes were reported as part of tangible assets or long-term and operating liabilities, respectively.

The Group's temporary differences have resulted in deferred tax assets and liabilities for the items in the table below.

	Group		Parent	
	2023	2022	2023	2022
Deferred tax assets				
Intangible assets	23	45	–	–
Pension obligations	67	68	11	11
Tax losses and credits	632	421	–	–
Provisions	121	106	–	–
Inventory	231	196	–	–
Leasing liabilities	533	279	–	–
Hedge accounting	17	22	–	–
Operating liabilities	22	–	–	–
Other long-term liabilities	–	–	–	–
Other assets and liabilities	12	19	1	–
Total deferred tax assets, before netting	**1,657**	**1,157**	**12**	**11**
Netting of deferred tax	–939	–644	–1	–
Net deferred tax asset	**513**	**513**	**11**	**11**
Deferred tax liabilities				
Trademarks	–1,412	–1,470	–	–
Other intangible assets	–1,804	–1,814	–	–
Tangible assets	–10	–62	–	–
Right of use assets	–490	–241	–	–
Hedge accounting	–4	–12	–	–
Operating liabilities	–	–32	–	–
Other long-term liabilities	–137	–119	–	–
Other assets and liabilities	–34	–7	–1	–
Total deferred tax liabilities, before netting	**–3,891**	**–3,758**	**–1**	**–**
Netting of deferred tax	939	644	1	–
Net deferred tax liabilities	**–2,952**	**–3,113**	**–**	**–**
Net deferred tax liabilities and assets	**–2,234**	**–2,601**	**11**	**11**

Change in net deferred tax	Group		Parent	
	2023	2022	2023	2022
Opening balance	–2,601	–2,136	10	10
Recognized in other comprehensive income	25	–194	–	–
Recognized in the income statement	253	70	–	–
Acquisitions	–	–27	–	–
Exchange rate differences	88	–314	–	–
Closing balance	**–2,234**	**–2,601**	**10**	**10**

The total deferred tax recognized in equity amounts to SEK –25 m (–194). SEK 8 m (–65) of this total deferred tax concerns pensions and SEK 17 m (–129) concerns financial instruments.

At the end of the period, the total tax losses carried forward for which no deferred tax assets are recognized are estimated to be SEK 85 m (161).

The tables on the right show the expiry dates for the Group's and Parent Company's tax losses and tax credits, respectively.

Expiry date, tax losses	Group		Parent	
	2023	2022	2023	2022
Expiring next fiscal year	–	–	–	–
Expiring 2–5 years after date of close	–	–	–	–
Expiring later	5	9	–	–
Tax losses without time restraints	1,806	1,257	200	–
Total	**1,811**	**1,266**	**200**	**–**

Expiry dates, tax credits	Group		Parent	
	2023	2022	2023	2022
Expiring next fiscal year	–	–	–	–
Expiring 2 years after date of close	61	–	61	–
Expiring 3 years after date of close	156	61	153	61
Expiring 4 years after date of close	31	156	15	153
Expiring 5 years after date of close	183	31	130	15
Expiring later	–	–	–	–
Unused tax credits without time restraints	1,103	829	–	–
Total	**1,534**	**1,077**	**359**	**229**

Global minimum tax (Pillar 2)

The Group is subject to the OECD's model rules for a global minimum tax, also known as the Pillar 2 rules. Legislation based on the rules and on the EU directive 2022/2523 ("The EU Minimum Tax Directive") have been implemented in Sweden through the Top Up Tax Act ("*lag om tilläggsskatt*"), which entered into force on January 1, 2024. According to the act, the Group is responsible for paying a top-up tax in Sweden for the difference between the effective tax rate for every jurisdiction, calculated based on certain provisions in the act, and the statutory minimum tax rate of 15%.

Depending on the local legislation, some jurisdictions may require that a top-up tax is paid locally instead of in Sweden. Under certain circumstances, the Group may also be allowed to apply safe harbor rules that allow the top-up tax for a jurisdiction to be deemed to be zero, without requiring a complete calculation.

The Group is currently evaluating the consequences of the Swedish Pillar 2 regulations and corresponding local regulations in relevant jurisdictions. Based on the underlying information that the Group will build its 2023 country-by-country report on, it is Group Management's assessment that the Group's exposure to taxes related to Pillar 2 regulations should be limited. The Group should be able to apply the transitional safe harbor rule in most of the jurisdictions where it carries out business.

Due to the complexity of the Pillar 2 rules, it is not yet possible to estimate the quantitative effects of the enacted legislation with reasonable certainty. Therefore, the rules may still give rise to future tax consequences even in jurisdictions where the Group should be able to apply the transitional safe harbor rule.

The Group applies the exemption from the requirement to report and provide information on deferred tax assets and tax liabilities related to the Pillar 2 rules, resulting from the changes in IAS 12 that were issued in May 2023 by the IASB and approved by the EU on November 8, 2023, through regulation 2023/2468.

NOTE 13
Other non-current assets

	December 31, 2023	December 31, 2022
Shares and participation in associated companies	24	22
Capital insurance	105	96
Other non-current receivables	51	50
Closing balance	181	168

Parent Company
Other non-current assets in the Parent Company consist of capital insurance of SEK 63 m (54).

NOTE 14
Intangible assets

Goodwill
Goodwill represents to which extent the costs of the acqusition exceeds the fair value of the Group's share of the identified net assets at the date of acquisition. Separately recognized goodwill is tested annually for impairment and recgonized at acqusition costs less accumulated impairment losses. Any impairment is recognized immediately as an expense and is not subsequently reversed.

Trademarks
Acquired trademarks are shown at acqusition cost. All trademarks within Dometic Group with a value on the balance sheet have been identified as part of the strategic planning process. Trademarks that have been determined to have an indefinite useful life are not depreciated but are tested for impairment annually. Trademarks which have been determined to have a defined useful life are amortized up to 10 years.

Acquisition-related intangible assets
Customer relations, technology and intangible assets (intellectual property) that is acquired through an acquisition is recognized at amortized cost, comparable with the actual value at the time of acquisition. These assets have an definite useful life and are carried at the initial value less accumulated amortization and depreciation Amortization is calculated using the straight-line method to allocate the value of customer relations, technology and intellectual property over their estimated useful lives. The following useful-life periods are applied:
- Customer Relationships up to 25 years
- Technologies up to 25 years
- Intellectual property and other rights 7 years

Other intangible assets/capitalized development expenses
Research expenditures are recognized as an expense as incurred. Expenditures for development projects are capitalized as intangible assets only if certain criteria are met. Other development expenditures that do not meet the criteria for capitalization are recognized as an expense as incurred. Expenditures for development projects that are capitalized are amortized on a linear basis over their useful life from the time when it is available for use. The amortization period normally equals 5 years.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when certain criteria are met. Computer software development costs recognized as assets are amortized over their estimated useful lives, which are not expected to exceed 3 years.

Criteria for capitalization of development costs:
- it is technically feasible to complete the asset so that it will be available for use
- management intends to complete the asset and use or sell it
- there is a possibility to use or sell the asset
- it can be demonstrated how the asset will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available
- the expenditure attributable to the asset during its development can be reliably measured.

Other intangible assets, such as patents and other rights that are capitalized are amortized on a straight-line basis over their estimated useful lives, which are normally 5 to 10 years.

Other intangible assets consist of customer relations assets, technology, intangible assets and other rights, capitalized development expenses and other intangible assets, which altogether amount to SEK 6,821 m (7,580).

2022	Goodwill	Trademarks	Other intangible assets: Customer relations	Technology	Intellectual property and other rights	Capitalized devel-opment expenses	Other intangible assets	Total
Acquisition costs								
Opening balance	20,503	5,603	6,822	1,155	175	124	440	34,823
Acquired in business combinations	619	16	132	21	–	–	3	792
Investments for the year	–	–	–	–	2	37	39	77
Sales and divestitures	–	–	–	–	–	–	–13	–13
Reclassifications	–	–	–	–	–	–	8	8
Exchange rate differences	964	669	909	130	1	0	34	2,707
Closing balance	**22,086**	**6,289**	**7,863**	**1,307**	**178**	**161**	**510**	**38,394**
Depreciation								
Opening balance	–	–159	–927	–193	–160	–87	–333	–1,860
Acquired in business combinations	–	–	–	–	–	–	–2	–2
Sales and divestitures	–	–	–	–	–	–	13	13
Depreciation for the year	–	–91	–444	–74	–2	–2	–44	–657
Reclassifications	–	–	–	–	–	–	–	–
Exchange rate differences	–	–16	–129	–23	0	0	–31	–201
Closing balance	–	**–267**	**–1,501**	**–290**	**–162**	**–89**	**–397**	**–2,706**
Net carrying amount December 31, 2022	**22,086**	**6,020**	**6,362**	**1,016**	**16**	**72**	**114**	**35,687**

2023	Goodwill	Trademarks	Other intangible assets: Customer relations	Technology	Intellectual property and other rights	Capitalized devel-opment expenses	Other intangible assets	Total
Acquisition costs								
Opening balance	22,086	6,289	7,863	1,307	178	161	510	38,394
Acquired in business combinations	–	–	–	–	–	–	–	–
Investments for the year	–	–	–	–	3	33	17	53
Sales and divestitures	–5	–	–	–	–	–	–1	–6
Reclassifications	–	–	–	–	–	–	4	4
Exchange rate differences	–814	–189	–268	–37	–1	0	–8	–1,317
Closing balance	**21,267**	**6,100**	**7,595**	**1,270**	**180**	**194**	**522**	**37,128**
Depreciation								
Opening balance	–	–267	–1,501	–290	–162	–89	–397	–2,706
Acquired in business combinations	–	–	–	–	–	–	–	–
Sales and divestitures	–	–	–	–	–	0	1	1
Depreciation for the year	–	–71	–465	–73	–3	–3	–46	–662
Reclassifications	–	–	–	–	–	–	–1	–1
Exchange rate differences	–	5	69	12	0	0	8	93
Closing balance	**–**	**–333**	**–1,897**	**–352**	**–165**	**–91**	**–435**	**–3,272**
Net carrying amount December 31, 2023	**21,267**	**5,767**	**5,698**	**918**	**16**	**103**	**87**	**33,856**

Depreciation for the year

Total amortization for the year related to intangible assets amounts to SEK –662 m (–657). The increase compared to last year mainly relates to amortization of customer relationships related to the acquisition.

Amortization of capitalized development expenses and other intangible assets

The amortization of capitalized development expenses and other intangible assets has been charged to cost of goods sold at SEK –49 m (–46).

Amortization of acquisition-related intangible assets

The amortization of acquisition-related intangible assets is specified in the table below.

	2023	2022
Amortization trademarks	–71	–91
Amortization customer relationship assets	–465	–444
Amortization technology	–73	–74
Amortization intellectual property and other rights	–3	–2
Amortization of acquisition-related intangible assets	**–613**	**–611**

Parent Company

Other intangible assets amounted to SEK 0 million (0).

2022	Other intangible assets: Intellectual property rights	IT system	Total
Acquisition costs			
Opening balance	2	3	5
Investments for the year	–	–	–
Reclassifications			
Closing balance	**2**	**3**	**5**
Depreciation			
Opening balance	–2	–3	–5
Depreciation for the year	–	0	–
Closing balance	**–2**	**–3**	**–5**
Net carrying amount December 31, 2022	**0**	**0**	**0**

2023	Other intangible assets: Intellectual property rights	IT system	Total
Acquisition costs			
Opening balance	2	3	5
Investments for the year	–	–	–
Reclassifications			
Closing balance	**2**	**3**	**5**
Depreciation			
Opening balance	–2	–3	–5
Depreciation for the year	–	0	–
Closing balance	**–2**	**–3**	**–5**
Net carrying amount December 31, 2023	**–**	**–**	**–**

Impairment test goodwill and trademarks
The Dometic Group holds assets in the form of goodwill and acquired trademarks that are determined to have an indefinite useful life. The Group's operations are divided into five segments: Americas, EMEA, APAC, Marine and Global. Goodwill and trademarks are allocated to the Cash-Generating Units (CGUs) of the Group, which are the five segments.

The Group's trademarks include, among others, Dometic, SeaStar, WAECO, Mobicool and Igloo. The Dometic Group continuously evaluates how to develop its trademark portfolio.

Impairment of non-financial assets
Assets that have an indefinite useful life, for example goodwill, are not subject to amortization. On a yearly basis, or whenever indications of impairment arise that the carrying amount may not be recoverable, an impairment test of goodwill and trademarks is performed. This means that the carrying value is higher than the recoverable amount. The recoverable amount is determined by using the value in use method - discounted cash flow calculations over a 5-year period. Discounted cash flows are compared with the carrying amount of the cash-generating unit and an impairment may exist if the present value of the discounted cash flows is less than the carrying amount.

As of December 31, 2023 the impairment test concluded that no impairtment of goodwill and trademark was needed, which is the same conclusion from performed impairment test in previous financial year. Management's assessment is that there are no reasonable possible changes in any of the key assumptions made that would have resulted in an impairment in any of the Group's cash-generating units.

Key assumptions in valuation
Material assumptions applied in the calculations of the recoverable amount used in the impairment tests carried out during the financial year are disclosed below:

The weighted average cost of capital (WACC) rates are based on equity beta set in comparison with peer companies. Local prerequisites for each region's inflation, regional long-term bonds and regional market risk are basis for the return on equity. This together with the Group capital structure generates a discount rate which Management conclude to be adequate.

The Group discount rate (WACC) post tax applied to cash flow forecasts was determined to 9.6 percent (10.2). The discount rate before tax can normally not be measured or observed directly, however calculated through iteration. This is performed by first calculating the discounted cash flows post tax with a discount rate post tax, and subsequently determining what the discount rate pre tax would need to be used in order for the value in use to be the same as when perfoming calculations on discounted cash flows post tax.

Carrying amount of goodwill and trademarks and discount rates post tax per segment are disclosed below:

Goodwill, Trademarks and discount rate	Goodwill & Trademarks 2023	Goodwill & Trademarks 2022	Average discount rate after tax, % 2023	Average discount rate after tax, % 2022
Americas	5,436	5,682	9.8	10.5
EMEA	5,278	5,459	8.7	9.2
APAC	2,956	3,079	9.7	10.3
Marine	8,017	8,328	10.1	10.5
Global	5,347	5,558	9.9	10.5
Group	**27,034**	**28,107**	**9.6**	**10.2**

Budget and estimates are based on reasonable assumptions by segment of important areas such as volume, price and mix, which will create a basis for future growth and gross margin. These figures are set in relation to past performance and external reports on market growth in the industry in which Dometic operates.

The calculations use 5-year cash flow projections. The first year of the 5 year strategic plan approved by Management is aligned with the financial budget approved by the Board. Cash flows beyond the 5-year period are extrapolated using a growth rate of 2 percent for all cash-generating units. This growth assumption set in comparison to GDP for Dometic's main markets US, Europe and Australia/New Zealand can be considered relevant and conservative.

Impact of possible changes in key assumptions
The calculations are based on management's consideration and assessment of a reasonable possible change of cost of capital and growth given the current macroeconomic environment and geopolitical uncertainty. By applying a 1 percent higher post-tax discount rate and a 0.5 percent lower estimated perpetual growth rate to forecast the cash flows for each cash-generating unit, no impairment requirement arises. Management has therefore assessed that book values as per balance sheet date for the segments Americas, EMEA, APAC, Marine and Global can be defended even in events of reasonable changes in material assumptions, such as market share, growth, foreign exchange rates, raw material prices and other assumptions. Regardless of the changes in assumptions stated above, the cash-generating unit most sensitive to changes in assumptions is Americas. The development of the cash-generating units will be followed up on during the coming financial year.

NOT 15
Tangible fixed assets

2023	Land and land improve-ments	Buildings	Machinery and other technical installations	Equipment and installations	Tools	Construction in progress and advance payment to suppliers	Total
Acquisition costs							
Opening balance	277	1,095	2,868	662	2,230	380	7,510
Acquired in business combinations	0	0	1	0	0	0	1
Investments for the year	0	155	35	18	29	338	575
Sales and divestment	0	–8	–285	–42	–143	–1	–480
Reclassifications	5	93	245	24	121	–497	–8
Exchange rate differences	–12	–50	–77	–16	–70	–4	–230
Closing balance	**270**	**1,285**	**2,787**	**646**	**2,166**	**215**	**7,369**
Depreciation							
Opening balance	–14	–527	–1,896	–536	–1,801	–	–4,775
Acquired in business combinations	0	0	–1	0	0	–	–1
Sales and divestment	0	5	260	36	138	–	439
Depreciation for the year	–1	–64	–206	–39	–172	–	–482
Reclassifications	–	–	2	–	–	–	2
Exchange rate differences	1	23	45	12	57	–	138
Closing balance	**–15**	**–563**	**–1,795**	**–528**	**–1,778**	**–**	**–4,678**
Impairment							
Opening balance	–38	–108	–25	–10	–16	–	–196
Impairment charge for the year	–	–2	2	–	–1	–	–1
Reclassifications	–	–	–	–	–	–	–
Exchange rate differences	–	1	0	–	–1	–	0
Closing balance	**–38**	**–109**	**–23**	**–10**	**–18**	**–**	**–197**
Net carrying amount December 31, 2023	**217**	**614**	**968**	**108**	**372**	**215**	**2,494**

Land, land improvements and buildings amount in total to SEK 831 m (685). The total of equipment, installations and tools amounts to SEK 480 m (528).

2022	Land and land improve-ments	Buildings	Machinery and other technical installations	Equipment and installations	Tools	Construction in progress and advance payment to suppliers	Total
Acquisition costs							
Opening balance	257	971	2,478	597	1,995	407	6,705
Acquired in business combinations	0	5	9	7	13	1	35
Investments for the year	0	7	33	27	51	397	516
Sales and divestment	–1	–5	–133	–39	–234	–2	–413
Reclassifications	0	29	221	21	191	–471	–9
Exchange rate differences	20	89	259	50	213	48	677
Closing balance	**277**	**1,095**	**2,868**	**662**	**2,230**	**380**	**7,510**
Depreciation							
Opening balance	–12	–432	–1,655	–488	–1,660	–	–4,247
Acquired in business combinations	–	–2	–8	–2	–3	–	–15
Sales and divestment	0	5	126	38	231	–	399
Depreciation for the year	–1	–57	–192	–43	–188	–	–481
Reclassifications	–	–	–	–	–	–	–
Exchange rate differences	–1	–41	–167	–40	–181	–	–430
Closing balance	**–14**	**–527**	**–1,896**	**–536**	**–1,801**	**–**	**–4,775**
Impairment							
Opening balance	–38	–94	–23	–10	–13	–	–178
Impairment charge for the year	–	–13	–2	–	–1	–	–16
Reclassifications	–	–	–	–	–	–	–
Exchange rate differences	–	–1	0	–	–1	–	–2
Closing balance	**–38**	**–108**	**–25**	**–10**	**–16**	**–**	**–196**
Net carrying amount December 31, 2022	**225**	**460**	**947**	**116**	**412**	**380**	**2,540**

Depreciation for the year – by line in the Income statement

In the consolidated income statement, the total depreciation of SEK 482 m (481) are allocated to cost of goods sold SEK 413 m (363), sales expenses SEK 16 m (74) and administrative expenses SEK 52 m (45).

Parent Company

Equipment in the Parent Company amounts to SEK 1 m (1).

2022	Equipment	Total
Acquisition costs		
Opening balance	1	1
Investments for the year	–	–
Closing balance	1	1
Depreciation		
Opening balance	0	0
Depreciation for the year	0	0
Closing balance	0	0
Net carrying amount December 31, 2022	1	1

2023	Equipment	Total
Acquisition costs		
Opening balance	1	1
Investments for the year	–	–
Closing balance	1	1
Depreciation		
Opening balance	0	0
Depreciation for the year	0	0
Closing balance	0	0
Net carrying amount December 31, 2023	1	1

Tangible assets

Land and buildings comprise mainly factories and offices. Land and buildings are recognized at acquisition value, reduced by subsequent depreciation of buildings.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated, as it is considered to have an unlimited useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The following useful-life periods are normally applied by the Group for tangible assets:

- Buildings 20–40 years
- Machinery 6–15 years
- Vehicles 5 years
- Equipment 3–10 years

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains and losses on divestitures are determined by comparing the proceeds with the carrying amount and are recognized in the income statement.

NOTE 16
Inventories

	December 31, 2023	December 31, 2022
Acquisition value inventories		
Raw materials and consumables and products in progress	2,529	3,088
Finished products	5,389	6,743
Advances to suppliers	84	76
Total inventories before provisions	8,002	9,907
Provisions for obsolescence		
Raw materials and consumables and products in progress	–250	–222
Finished products	–424	–370
Total provisions for obsolescence	–674	–592
Book value inventories		
Raw materials and consumables and products in progress	2,278	2,865
Finished products	4,965	6,373
Advances to suppliers	84	76
Total book value	7,327	9,314

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related indirect production overheads (based on normal operating capacity). It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Provisions for obsolescence (write-down inventory) are included in the value for inventory.

NOTE 17
Trade receivables

	December 31, 2023	December 31, 2022
Trade receivables	2,436	3,027
Provision for expected credit losses	–125	–220
Trade receivables – net	**2,311**	**2,807**

Provision for expected credit losses	December 31, 2023	December 31, 2022
Opening balance	–220	–150
Provision Acquired in Business combination	0	0
Provision for expected credit losses	84	–64
Receivables written off during the period as uncollectible	3	13
Unused amounts reversed	5	4
Exchange rate differences and other changes	3	–23
Closing balance	**–125**	**–220**

Aging analysis of trade receivables	December 31, 2023	December 31, 2022
Trade receivables, not due	1,932	2,219
Past due:		
Less than 1 month	147	300
1–6 months	232	288
6–12 months	29	74
More than 1 year	97	145
Total past due	**504**	**807**
Provision for expected credit losses	–125	–220
Closing book value, net	**2,311**	**2,807**

Trade receivables are amounts due from customers in the ordinary course of business and are expected to be settled within 12 months. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for expected credit losses.

As of December 31, 2023, provisions for expected credit losses for the Group's trade receivables amounted to SEK 125 m (220). The main reason for the decrease is connected to the decrease in the Group's outstanding trade receivables as well as translation effects.

Expected credit losses on trade receivables

The Group's impairment methodology for financial assets is a credit loss matrix that is designed in accordance with IFRS 9's impairment model for financial assets. To support and harmonize efforts within the Group, Management has introduced a calculation matrix for calculating expected credit losses. The Dometic Group recognizes expected credit losses over the expected life of the trade receivables. Historical information about Group companies, regarding credit loss experience and aging, is used to forecast future credit losses. In addition, current and forward-looking information about Group companies is used to create a picture of current and expected future losses.

Dometic applies the simplified approach to measure expected credit losses for trade receivables during their duration.

Credit risks

Credit risks are divided into 2 categories: credit risks in trade receivables and financial credit risks (see note 3, Financial risk management and financial instruments).

The Group has no significant concentration of credit risks. The Group has established policies to ensure that products are sold to clients with favorable payment history. In the Dometic Group and all its subsidiaries, use credit reports to establish credit limits on new clients. For a large part of Europe, the Dometic Group uses credit insurance to limit the credit risk and to get credit information regarding clients.

Letters of credit are used as a method for securing payments from customers operating in emerging markets, in particular markets with unstable political and/or economic environments. By having banks confirm the letters of credit, credit risk exposures to the Group are mitigated.

Provisions for expected credit losses are evaluated on a regular basis.

Parent Company

The Parent Company has substantial receivables from subsidiaries and measurement of the expected credit loss shows immaterial amount.

NOTE 18
Prepaid expenses and accrued income

	December 31, 2023	December 31, 2022
Prepaid rent	8	18
Prepaid insurance	103	104
Prepaid financing expenses	2	5
Prepaid market expenses	16	21
Prepaid personnel expenses	2	2
Prepaid administrative expenses	77	56
Prepaid consumable supplies	4	16
Prepaid costs, other	29	18
Accrued interest	0	42
Accrued income, other	6	7
Total	**248**	**289**

Parent Company

The Parent Company had prepaid expenses and accrued income of SEK 14 m (9), of which prepaid administrative expenses amounted to SEK 10 m (5), prepaid insurance SEK 4 m (4) and accrued interest amounts to SEK 0 m (0).

NOTE 19
Provisions for pensions

Pension obligations

The Dometic Group has both defined-benefit and defined-contribution plans. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The largest defined-benefit plans are in the US and Germany.

For defined-contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The defined-benefit plan typically defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognized in the balance sheet in respect of defined-benefit pension plans is the present value of the defined-benefit obligation at the end of the reporting period less the fair value of plan assets. The defined-benefit pension obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. The discount rates are based on corporate bonds indexes and government bonds indexes with the same maturity as the underlying plan liabilities. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized directly in the income statement. Interest costs on defined-benefit plans and interest income on plan assets are recognized within financial items. Remaining items are recognized in operating profit within costs of goods sold, sales or administrative expenses depending on the function the employee is a part of.

Other post-employment obligations

Some Group companies provide post-retirement healthcare benefits. The anticipated costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined-benefit pension plans. These obligations are valued annually by independent qualified actuaries.

Risk

Through its defined-benefit pension plans and post-employment medical plans, the Group is exposed to some risks. Among the most significant are:

a) Asset volatility
Pension plan liabilities are calculated with the help of a discount rate, which is based on rate levels of corporate bonds. If the annual outcome of pension plan assets is lower than the discount rate, this will create a deficit.

b) Changes in bond yields
A decrease in corporate bond yields will increase plan liabilities.

c) Inflation risk
The pension obligations are linked to inflation, and higher inflation will lead to higher liabilities. Pension plan assets are either unaffected by inflation (fixed interest bonds) or loosely correlated with it (equity instruments), meaning that an increase in inflation will also increase the deficit. The inflation risk has been affected given the macroeconomic situation. Assumptions regarding inflation are based on, among other things, long-term inflation objectives of central banks.

d) Life expectancy
The majority of pension plans offer employees/members lifelong payments. An increase in life expectancy will therefore also increase pension plan liabilities.

Plan assets, investment strategy and risk management

The Group has delegated the investments and allocation of the pension plan assets to external providers. As a part of the agreement with the external providers, the investment strategy mitigates risk to the pension assets by closely aligning our diversification with the projected liabilities of the plans.

Swedish plan

The commitments for retirement plans and family pension regarding employees in Sweden are secured through insurance in Alecta.

This plan is accounted for as a defined-contribution plan. At the end of 2023, Alecta reported a plan surplus of 178 percent (172), which was judged to be satisfactory. Alecta's surplus may be distributed to the policy-holders and/or the insurees.

Of the cost for defined contribution plans, SEK 7 m (9) has been charged by Alecta. The amount is expected to be immaterially changed for 2024.

The amounts recognized in the balance sheet are determined as follows:

	December 31, 2023	December 31, 2022
Present value of funded or partly funded obligations	940	949
Fair value of plan assets	–628	–618
Net liabilities relating to funded obligations	**312**	**331**
Present value of unfunded obligations	205	196
Asset ceiling	–	1
Net liability in the balance sheet	**517**	**528**
Reconciliation to the balance sheet		
Defined benefit pension plan, net	517	528
Other pensions	–	–
Provision for pensions	**517**	**528**

The movement in the defined-benefit obligation over the year is as follows:

	December 31, 2023	December 31, 2022
Opening balance	1,145	1,383
Current service cost	9	12
Past service costs	–	–
Interest expense	53	30
Remeasurements:		
Actuarial changes arising from changes in demographic assumptions	0	0
Actuarial changes arising from changes in financial assumptions	39	–372
Experience-based adjustments	–3	–2
Exchange difference	–32	157
Benefits paid	–67	–66
Acquisitions	–	7
Settlement of pension plan	–	–6
Closing balance	1,144	1,145

The movement in the fair value of plan assets over the year is as follows:

	December 31, 2023	December 31, 2022
Opening balance	618	681
Interest income	30	19
Remeasurements:		
Return on plan assets, excluding amounts included in interest[1)]	41	–135
Exchange difference	–24	91
Employer contributions	30	28
Benefits paid	–67	–66
Acquisitions	–	5
Settlement of pension plan	–	–6
Closing balance	628	618

1) Incl. admin. expenses of SEK 3 m (2).

	December 31, 2023	December 31, 2022
Present value of funded or unfunded obligations	1,144	1,145
Present value of plan assets	–628	–618
Asset ceiling	–	1
Net liabilities relating to funded and unfunded obligations	**517**	**528**

Net debt per country	December 31, 2023	December 31, 2022
Of which funded plan Germany and USA	312	330
Of which unfunded plans	205	198
Closing balance	517	528

The total pension costs in the income statement are divided into the following:

	2023	2022
Current and past service cost[1)]	13	14
Interest cost, net	23	12
Costs attributable to defined-benefit plans	**36**	**26**
Costs attributable to defined-contribution plans	107	83
Total cost in the income statement	**142**	**109**

1) Incl. administrative expenses of SEK 3 m (2).

Remeasurement gain in Other comprehensive income amounts to SEK 9 m before deductions for tax (243).

Major assumptions for the valuation of the defined-benefit plans:

	December 31, 2023			December 31, 2022		
Major actuarial assumptions	Germany	United States	Other[1)]	Germany	United States	Other
Discount rate, %	3.48	4.97	3.92	4.02	5.22	3.50
Salary increases, %	2.80	3.00	4.46	2.50	3.02	3.28
Inflation, %	2.00	2.73	1.87	1.90	2.48	1.82

1) Weighted average for other countries where the Group has defined-benefit pension plans.

Major categories of plan assets	December 31, 2023	December 31, 2022
Cash and cash equivalents	1	2
Equity instruments	305	313
Debt instruments	228	215
Real estate	13	6
Investment funds	80	82
Closing balance	628	618

The plan assets mainly consist of debt instruments, investment funds and equity funds. All plan assets within the category Cash and cash equivalent, equity instruments, debt instruments and real estate are assets with a quoted market price in an active market. No administered assets consist of financial instruments in the Dometic Group or assets that are used within the Dometic Group. Expected contributions to the plan next year amount to SEK 33 m (31).

Average duration of obligation is 8.89 years in Germany, 10.58 years in the US and 14.3 years in other.

Sensitivity analysis

The actuarial calculations of the Group's pension obligations and pension costs based on significant assumptions. The assumptions are the most significant in terms of risks for changes in pension liabilities. See description under "Risk" in this note. Below is the sensitivity analysis for the main financial assumption and the potential impact on the present value of the defined-benefit pension obligation in the Group.

Change of obligation, (+)	SEK m
Discount rate, +1%	–103
Discount rate, –1%	123
Inflation +0.5%	19
Inflation –0.5%	–13
Salary increase +0.5%	3
Salary increase –0.5%	0
Life expectancy +1 year	–30
Life expectancy –1 year	32

NOTE 20
Other provisions

	Warranty commitments	Environmental provision	Recall provision	Restructuring provision	Other provisions	Total
Opening balance January 1, 2022	294	18	3	28	236	578
Acquired in business combinations	1	–	–	–	0	1
Additional/revaluation provisions during the year	5	0	0	419	32	457
Unused amounts reversed	–	–18	–	–	–34	–52
Used provisions	–	–	0	–165	–15	–180
Exchange rate differences	33	0	0	11	2	46
Closing balance December 31, 2022	332	0	3	293	221	849
Provisions consist of:						
Non-current portion	104	0	2	1	148	255
Current portion	227	0	1	292	73	594
Total	332	0	3	293	221	849

	Warranty commitments	Environmental provision	Recall provision	Restructuring provision	Other provisions	Total
Opening balance January 1, 2023	332	0	3	293	221	849
Acquired in business combinations	–	–	–	–	–	–
Additional/revaluation provisions during the year	–3	–	10	–22	62	48
Unused amounts reversed	–	–	–	–	31	31
Used provisions	–	–	–11	–246	–20	–276
Exchange rate differences	–11	–	0	6	3	–3
Closing balance December 31, 2023	318	–	3	31	298	649
Provisions consist of:						
Non-current portion	69	–	2	1	164	237
Current portion	249	–	1	30	133	412
Total	318	–	3	31	298	649

Parent Company

Other provisions in the Parent Company consists of provisions for post-employment benefits of SEK 74 m (65) and other provisions of SEK 33 m (38) in total SEK 107 m (104).

Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Warranty commitments

Within the Dometic Group's line of business many products are covered by a warranty, which is included in the price and valid for a predetermined amount of time. Provisions for warranties are calculated based on past experience of costs for repairs, etc. Dometic offers a standard warranty, normally between two and three years. In some cases, an extended warranty may be offered to the customer.

Environmental provision

This relates to prior year reserves for handling of electric and electronic waste, according to the WEEE directive, but because this provision is no longer relevant, it has been reversed during the year.

Recall provision

Provisions for recalled products are estimations of future cash flow required to settle commitments. Such estimations are based on the nature of the recall, the legal process and the likely extent of damages as well as the progress of the process. Furthermore, consideration is taken of opinions and recommendations from legal advisors and other advice regarding the outcome of the process and experiences from similar cases. The timing of any outflow is uncertain.

Restructuring provision

The major part of the restructuring provisions is expected to be used within 12 months. During 2023, Dometic had two ongoing restructuring programs. The first program started in 2019 with the goal of an annual savings of SEK 400 m, to a total of SEK 750 m. An additional program was announced in the second quarter of 2022, targeting an annual saving of SEK 200 m, to a total of SEK 200 m. The program completed in 2023, and the total costs during the year for the two programs amounted to SEK –142 m (–499). Since the start, 24 sites and some 2,000 employees have been affected, at a total cost of SEK –960 m (–817). The amounts have been calculated based on Management's best estimates and are adjusted in the event of changes to these estimates. The cost calculation is based on detailed plans for activities that are expected to improve the Group's cost structure and productivity, and mainly includes severance pay as well as other direct costs in connection with closure of operations. The remaining provision mainly relates to expenses not yet settled.

Other provisions

Other provisions consist for example of other post-employee benefits and other liabilities where the timing of any outflows is uncertain.

NOTE 21
Liabilities to credit institutions

As of December 31, 2023 the Dometic Group's outstanding liabilities to credit institutions were:

	Group		Parent	
Liabilities to credit institutions	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Non-current liabilities				
Bank loans, USD	5,962	5,657	5,962	5,657
Bank loans, SEK	2,000	2,000	2,000	2,000
Bond loans, EUR	6,623	6,647	6,623	6,647
Bond loans, SEK	1,750	1,000	1,750	1,000
	16,335	15,304	16,335	15,304
Current liabilities				
Bond loans <1 year, EUR	–	3,339	–	3,339
Accrued interest	245	205	245	227
	245	3,544	245	3,566
Total	16,580	18,847	16,580	18,869

The liabilities include capitalized transaction costs accrued over the loan terms, and as of December 31, 2023 amounted to SEK 43 m (41).

All of the Group's non-current financial liabilities are due for payment within five years of the balance sheet date.

Borrowing

The Dometic Group has a Euro Medium Term Note (EMTN) program with a framework amount of EUR 1,500 m (SEK 16,615 m) for bond issues on the European capital market. On December 31, 2023, nominally EUR 600 m (SEK 6,646 m) was outstanding in public and SEK 1,750 m was outstanding in bilateral issues at a fixed rate and with an average maturity of 3.2 years. Borrowing under the EMTN program is an unsecured obligation that is ranked pari-passu with other unsubordinated non-prioritized debt. Borrowing is conditional on the Group being able to maintain an interest coverage ratio, calculated pro forma, of at least 2.0x on any increase in borrowings.

Bond loans

Issued	Maturity	Amount	Interest rate, %
EUR 300 m	2026	3,323	3.00
EUR 300 m	2028	3,323	2.00
SEK 1,000 m	2025	1,000	5.10
SEK 750 m	2026	750	6.25
Total		8,396	

The Dometic Group also has a syndicated bank loan facility with five relationship banks consisting of non-current borrowing in USD and a revolving credit facility in EUR. On December 31, 2023, USD loans amounted to SEK 5,981 m (5,667). The revolving credit facility under which loans and bank guarantees can be drawn in several currencies amounted to SEK 2,215 m, of which SEK 60 m was used for bank guarantees on December 31, 2023.

Dometic also has a bilateral bank loan, guaranteed by EKN (the Swedish Export Credit Agency), which amounted on December 31, 2023 to SEK 2,000 m (2,000).

The bank loan runs at a variable rate based on SOFR or STIBOR and a credit margin that varies depending on the Group's net debt in relation to EBITDA.

The bank loan facilities are not guaranteed. They are ranked pari-passu with other unsubordinated non-prioritized debt in the Company and are conditional on the bank loan market's usual commercial restrictions and financing agreements (so-called covenants) for the Dometic Group and its subsidiaries. The restrictions limit the ability to, among other things, pledge or dispose of assets, make corporate acquisitions and increase external leverage in the subsidiaries. The financial covenants that are tested on a quarterly basis are net debt in relation to EBITDA and interest cover rate. As of December 31, 2023, the margin in relation to the financial covenants is assessed to be at an adequate level.

The Dometic Group also has a certificate program of SEK 3,000 m (3,000), with the possibility to issue corporate certificate in SEK and EUR with maturities between 1 month and 1 year. On December 31, 2023, SEK 0 m (0) had been issued under the program.

Certain Chinese subsidiaries in the Dometic Group have granted local bank facilities. As of December 31, 2023, these facilities amounted to SEK 904 m (556), of which SEK – m (–) was utilized for local loans. These facilities are partially secured through pledging of fixed assets in the Chinese subsidiaries.

Interest-bearing debt

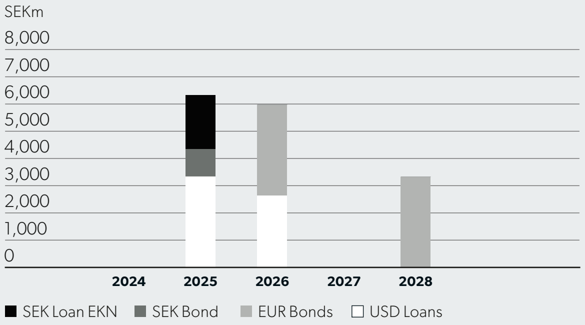
The Group's interest-bearing debt of SEK 16,851 m (19,170) includes the following items: bond loans SEK 8,396 m (11,016), syndicated bank loan facility SEK 5,981 m (5,667), EKN-guaranteed bank loan facility SEK 2,000 m (2,000), amortized transaction costs SEK –43 m (–41) and provisions for pensions SEK 517 m (528). Derivatives related to interest rate swaps were SEK – m (–). See the table below for further information regarding interest rates and maturity profile of the Group's interest-bearing debts (refer to note 19 for information related to provisions for pensions).

December 31, 2022	Currency	SEK m	Interest rate, %	Margins, %	Final payment year
Syndicated bank loans					
Dometic Group AB	USD	2,191	5.98	1.90	2024
Dometic Group AB	USD	3,476	5.98	1.90	2025
Syndicated revolving loan facility					
Dometic Group AB	EUR	–	–	1.50	2024
Bond loans					
Dometic Group AB	EUR	3,339	3.00	–	2023
Dometic Group AB	EUR	3,339	3.00	–	2026
Dometic Group AB	EUR	3,338	2.00	–	2028
Dometic Group AB	SEK	1,000	5.10	–	2025
EKN-guaranteed bank loan facility					
Dometic Group AB	SEK	2,000	3.98	1.95	2025
Total		18,683			

December 31, 2023	Currency	SEK m	Interest rate, %	Margins, %	Final payment year
Syndicated bank loans					
Dometic Group AB	USD	3,338	7.52	2.16	2025
Dometic Group AB	USD	2,203	7.81	2.45	2026
Dometic Group AB	USD	441	8.36	3.07	2026
Syndicated revolving loan facility					
Dometic Group AB	EUR	–	–	2.00	2026
Bond loans					
Dometic Group AB	SEK	1,000	5.10	–	2025
Dometic Group AB	EUR	3,323	3.00	–	2026
Dometic Group AB	SEK	750	6.25	–	2026
Dometic Group AB	EUR	3,323	2.00	–	2028
EKN-guaranteed bank loan facility					
Dometic Group AB	SEK	2,000	6.05	1.95	2025
Total		16,377			

The margins in the table are the applicable interest margins in the syndicated bank loan facilities as of the balance sheet date.

Maturity profile



NOTE 22
Accrued expenses and prepaid income

	Group		Parent	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Prepaid income for extended guarantee period	14	9	–	–
Accrued employee-related items	498	423	27	7
Accrued bonus to customers	273	355	–	–
Accrued interest	249	233	245	227
Accrued production costs	45	35	–	–
Accrued administrative expenses	137	108	8	13
Accrued marketing expenses	24	32	–	–
Accrued finance expenses	4	9	–	–
Product liability claims	105	99	–	–
Other	59	68	–	–
Total	1,407	1,371	280	248

NOTE 23
Pledged assets

As of December 31, 2023 the local bank facilities in China are partly supported by pledged assets of SEK 370 m (347).

Parent Company
There are no pledged assets in the Parent Company on December 31, 2023 (–).

NOTE 24
Contingent liabilities

The previous owner of Igloo, ACON, filed a lawsuit against Dometic in the fourth quarter of 2022, making certain claims related to the Stock Purchase Agreement ("SPA"). Dometic is confident that the lawsuit lacks any merit, vehemently contests the lawsuit and has filed a counterclaims against ACON related to its conduct under, and non-compliance with, the SPA. As of the end of 2023, the parties are involved in the discovery process, and trail is expected to take place the first quarter of 2025. Dometic assesses that this process has no significant impact on the Group's business operations or financial position. No other material contingent liabilities exist as of December 31, 2023 (–).

NOTE 25
Cash flow details

	Group		Parent	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cash and cash equivalents includes				
Cash in hand and balances with banks	4,348	4,399	0	0
Total cash and cash equivalents	**4,348**	**4,399**	**0**	**0**
Adjustments for non-cash items				
Depreciation and amortization (Notes 8, 14, 15)	1,525	1,477	0	0
Exchange rate differences	–76	218	–31	–102
Other	63	203	–5	–
Total non-cash items	1,512	1,898	–36	–102

Other financing activities
Group
Other financing activities amounted to SEK 123 m (–45) and consist of pensions paid SEK –31 m (–28), realized result financial hedges SEK 261 m (95), paid financial fees SEK –28 m (–19) and other SEK –79 m (–3).

Parent Company
Other financial items in financing operations amount to SEK 6,142 m (–) and consist primarily of net loans to subsidiaries and amortizations.

Reconciliation of changes in liabilities arising from financing activities, including both changes arising from cashflows and non-cash changes
Cash and cash equivalents include cash in hand, deposits at banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Utilized revolving loans and overdrafts are recognized as borrowing among the current liabilities of the balance sheet. As of the balance sheet date December 31, 2023, no revolving loans and overdrafts have been utilized (–).

Group

2022	On January 1	Changes arising from cashflow: Change in cash and cash equivalents	Changes arising from cashflow: Amortization of senior term loans	Changes arising from cashflow: New borrowings from credit institutions	Non-cash changes: Reclassification financial liabilities	Non-cash changes: Change accrued interest and fees	Non-cash changes: Foreign exchange movements	Non-cash changes: Changes in defined benefit obligations	On December 31
Bank loans, long-term	6,903	–	–	–	–	17	740	–	7,657
Bank loans, short-term	–	–	–	–	–	–	–	–	–
Bond loans, long-term	9,196	–	–	1,000	–3,130	7	575	–	7,647
Bond loans, short-term	–	–	–	–	3,130	–	209	–	3,339
Provisions for pensions	704	–	–	–	–	–	–	–176	528
Accrued interest	137	–	–	–	–	69	–	–	205
	16,940	**–**	**–**	**1,000**	**–**	**69**	**1,543**	**–176**	**19,376**
Cash and cash equivalents	4,408	–9	–	–	–	–	–	–	4,399
Net Debt	**12,531**								**14,977**

2022	On January 1	Changes arising from cashflow: Leasing payments	Changes arising from cashflow: Leasing interest	Non-cash changes: Additions/reductions during the year	Non-cash changes: Foreign exchange movements	On December 31
Lease liabilities	1,114	–343	–36	196	160	1,091

Group

2023	On January 1	Changes arising from cashflow: Change in cash and cash equivalents	Changes arising from cashflow: Amortization of senior term loans	Changes arising from cashflow: New borrowings from credit institutions	Non-cash changes: Reclassification financial liabilities	Non-cash changes: Change accrued interest and fees	Non-cash changes: Foreign exchange movements	Non-cash changes: Changes in defined benefit obligations	On December 31
Bank loans, long-term	7,657	–	–2,172	2,728	–	–9	–243	–	7,962
Bank loans, short-term	–	–	–	–	–	–	–	–	–
Bond loans, long-term	7,647	–	–	750	–	7	–31	–	8,373
Bond loans, short-term	3,339	–	–3,582	–	–	–	243	–	–
Provisions for pensions	528	–	–	–	–	–	–	–11	517
Accrued interest	205	–	–	–	–	40	–	–	245
	19,376	–	–5,754	**3,478**	–	38	–31	–11	**17,096**
Cash and cash equivalents	4,399	–51	–	–	–	–	–	–	4,348
Net Debt	**14,976**								**12,748**

2023	On January 1	Changes arising from cashflow: Leasing payments	Changes arising from cashflow: Leasing interest	Non-cash changes: Additions/reductions during the year	Non-cash changes: Foreign exchange movements	On December 31
Lease liabilities	1,091	–355	–60	1,439	–10	2,104

Parent Company		Changes arising from cashflow			Non-cash changes				
2022	On January 1	Change in cash and cash equivalents	Amortization of senior term loans	New bank/bond loans	Reclassification financial liabilities	Change accrued interest and fees	Foreign exchange movements	Changes in defined benefit obligations	On December 31
Bank loans, long-term	6,903	–	–	–	–	14	740	–	7,657
Bank loans, short-term	–	–	–	–	–	–	–	–	–
Bond loans, long-term	9,196	–	–	1,000	–3,130	7	575	–	7,647
Bond loans, short-term	–	–	–	–	3,130	–	209	–	3,339
Accrued interest	137	–	–	–	–	91	–	–	227
	16,236	–	–	1,000	–	91	1,543	–	18,870
Cash and cash equivalents	–	–	–	–	–	–	–	–	–
Net Debt	16,236								18,870

Parent Company		Changes arising from cashflow			Non-cash changes				
2023	On January 1	Change in cash and cash equivalents	Amortization of senior term loans	New bank/bond loans	Reclassification financial liabilities	Change accrued interest and fees	Foreign exchange movements	Changes in defined benefit obligations	On December 31
Bank loans, long-term	7,657	–	–2,172	2,728	–	–9	–242	–	7,962
Bank loans, short-term	–	–	–	–	–	–	–	–	–
Bond loans, long-term	7,647	–	–	750	–	7	–31	–	8,373
Bond loans, short-term	3,339	–	–3,582	–	–	–	243	–	–
Accrued interest	227	–	–	–	–	18	–	–	245
	18,870	–	–5,754	3,478	–	16	–31	–	16,579
Cash and cash equivalents	–	–	–	–	–	–	–	–	–
Net Debt	18,870								16,579

NOTE 26
Shares in subsidiaries

Dometic Group AB (publ.)

Company name	Corp. id. No	Domicile	No. of shares	Proportion of equity in %	2023 book value SEK m
Direct shareholdings					
Dometic Group Services AB	556829-4416	Solna, Sweden	50,000	100	0
Dometic Holding AB	556677-7370	Solna, Sweden	1,001	100	11,831
Dometic Sweden AB	556598-2674	Solna, Sweden	22,100,000	100	4,396
Total					16,228

Company name	Corp. id. No	Domicile	Proportion of equity in %
Indirect shareholdings			
Dometic Australia PTY LTD	086366305	Australia	100
Dometic Power and Control (Enerdrive) Pty Ltd.	650216381	Australia	100
Front Runner Vehicle Distribution AU Pty Ltd	77 627 620 517	Australia	100
Front Runner Vehicle Distribution AU Pty Ltd	169 275 647	Australia	100
Dometic Belgium Awnings NV	0559910229	Belgium	100
Dometic Denmark A/S	25 70 51 30	Denmark	100
Dometic Finland Oy	0885413-1	Finland	100
Dometic S.A.S	438636425	France	100
Dometic Middle East FZCO	2774	United Arab Emirates	100
Dometic Asia Co. Ltd.	14979283-000-02	Hong Kong	100
Dometic Asia Holding Co. Ltd.	17208219-000-07	Hong Kong	100
United Cooling Technologies Ltd	33068249-000-07	Hong Kong	100
Dometic Impex Co. Ltd	22342626-000-03	Hong Kong	100
Igloo Holdings Asia Limited	64932051-000-06	Hong Kong	100
Dometic Italy Marine S.r.l.	08934890156	Italy	100
Dometic Italy S.r.l.	00718330400	Italy	100
SMEV S.r.l.	03410350247	Italy	100
Dometic Mobile Power Italy S.r.l.	02065080687	Italy	100
Dometic KK	0104-01-045566	Japan	100
Dometic Marine Canada Inc.	853832533RC0003	Canada	100
Valterra Power CA, Ltd	704399724BC0001	Canada	100
Dometic (Shenzhen) Trading Co Ltd	91440300594318592P	China	100
Dometic (Shenzhen) Electronics Co Ltd	91440300618885496F	China	100
Dometic (Zhuhai) Technology Co Ltd	91440400729235971W	China	100
Jiaxing Igloo Trading Co., Ltd.	91330424MA2CW4T36Y	China	100
Shenzhen Cool Gear Trading Company Limited	914403003415011612	China	100
Dometic Korea Co., Ltd	295-88-01153	Korea	100
DHAB II S.á r.l	B148161	Luxembourg	100
Ensambladora Ventura de Mexico, SA de CV	462685007	Mexico	100
Dometic MX S de RL de CV	DMX011121UB6	Mexico	100
Cadac Europe B.V.	08104966	The Netherlands	100
Dometic Benelux B.V.	20051965	The Netherlands	100
Dometic Netherlands Holding B.V.	06050846	The Netherlands	100
Sierra Netherlands Coöperatief U.A	59086122	The Netherlands	100
Dometic Norway AS	841914422	Norway	100
Dometic New Zealand Ltd	2084564	New Zealand	100
Dometic Poland Sp. z o.o.	0000374897	Poland	100
Dometic RUS Limited Liability Company	1107746208338	Russia	100
Dometic Switzerland AG	CH-020.3.906.004-9	Switzerland	100
Dometic Pte Ltd	200003050k	Singapore	100
Dometic Slovakia s.r.o.	31617298	Slovakia	100
Dometic Spain SL	C.I.F.: B82837071	Spain	100
Dometic Mobile Cooking UK Ltd	06833828	United Kingdom	100
Dometic UK Ltd.	04190363	United Kingdom	100
Dometic UK Awnings Ltd	05964899	United Kingdom	100
Dometic UK Blind Systems Ltd	02504653	United Kingdom	100
Dometic AB	556014-3074	Sweden	100
Dometic Scandinavia AB	556305-2033	Sweden	100
Dometic Sweden Tidaholm AB	556528-1093	Sweden	100
Igloo EMEA AB	559388-7093	Sweden	100
WAECO Sweden WSE AB	559403-8464	Sweden	100
Dometic (Pty) Ltd	1973/010155/07	South Africa	100
Front Runner Racks 2000 (Proprietary) Limited	1999/023159/07	South Africa	100
Front Runner Vehicle Outfitters Proprietary Ltd	1998/014127/07	South Africa	100
Dometic Mobile Power Germany GmbH	HRB 6060	Germany	100
Dometic Vehicle Outfitters EU GmbH	HRB 215760	Germany	100
Dometic Germany Holding GmbH	HRB 5557	Germany	100
Dometic GmbH	HRB 5558	Germany	100
Dometic Light Systems GmbH	HRB 7855	Germany	100
Dometic Germany Krautheim GmbH	HRB 7731	Germany	100

Company name	Corp. id. No	Domicile	Proportion of equity in %
Dometic Germany GmbH	HRB 3716	Germany	100
WAECO Germany WSE GmbH	HRB 14141	Germany	100
Dometic Zrt	Cg.16-10-001727	Hungary	100
Balmar Acquisition Company LLC	35-2507978	United States	100
CDI Electronics LLC	63-0848240	United States	100
Cool Gear International. LLC	90-0634641	United States	100
Dometic Corporation	32-0145464	United States	100
Dometic Mexico LLC	3457538	United States	100
Ensambladora Holdings, LLC	46-2685007	United States	100
Front Runner Outfitters LLC	20-8700484	United States	100
I Products Corporation	33-0984483	United States	100
Igloo Acquisition Holdings Corp	26-3416632	United States	100
Igloo Products Asia HoldCo Inc	82-1119004	United States	100
Igloo Products Corp	36-3474772	United States	100
Marine Acquisition Corp.	27-5496404	United States	100
Marine Acquisition (US) Inc.	23-2467492	United States	100
Sierra International LLC	36-2643586	United States	100
Inca Products Acquisition Corp.	46-2862973	United States	100
Marine Digital Integration LLC	46-4518541	United States	100
Sierra Netherlands Holdings, LLC	46-3981447	United States	100
Treeline Capital LLC	20-8392940	United States	100
Valterra Power US, LLC	82-2205649	United States	100
Valterra Products, LLC	90-0974095	United States	100
ZampTech Sub LLC	82-4021581	United States	100
Dometic Austria GmbH	FN290460y	Austria	100

Change analysis of shares in subsidiaries	December 31, 2023	December 31, 2022
Opening balance	16,228	16,228
Impairment	–	–
Closing balance	**16,228**	**16,228**

NOTE 27
Transactions with related parties

All of the Group companies presented in note 26 are considered to be related parties. Shares in subsidiaries are specified in note 26.

Delivery of goods and services between the Dometic Group companies. Financial and intangible services are also provided. Market terms and pricing are applied to all transactions. All transactions between Group companies are eliminated in the consolidated accounts.

Parent company administrative expenses amounted to SEK –235 m (–228); of this SEK 229 m (225) was charged out to subsidiaries in accordance with a service agreement. The charged-out expenses are being classified as other operating income in the income statement.

Remuneration for Group Management and individual members of the Board are presented in note 9. The Dometic Group has not provided guarantees or sureties to or on behalf of Board members or senior executives. The Board has not identified any transactions with other related parties.

NOTE 28
Earnings per share and proposed distribution of earnings

Share capital
Ordinary shares are classified as equity. The share capital of Dometic Group AB (publ.) amounted to SEK 798,750 divided into 319,499,993 shares. The quotient value is SEK 0.0025 per share.

Weighted average number of shares
Average number of shares equals actual number of shares.

Earnings per share	December 31, 2023	December 31, 2022
Earnings per share before dilution		
Earnings attributable to the Parent Company's shareholders (thousands)	1,331,934	1,784,242
Weighted average number of shares issued	319,499,993	319,499,993
Earnings per share before dilution (SEK per share)	4.17	5.58
Earnings per share after dilution		
Earnings attributable to the Parent Company's shareholders (thousands)	1,331,934	1,784,242
Weighted average number of shares issued	319,499,993	319,499,993
Earnings per share after dilution (SEK per share)	4.17	5.58

Proposed distribution of earnings
The following earnings (SEK thousands) are at the disposal of the annual shareholders' meeting:

Retained earnings	11,643,612
Net result	–319,533
Total	**11,324,079**

The Board of Directors proposes that earnings be distributed as follows:

A dividend to the shareholders of SEK 1.90 per share, totaling	607,050
To be carried forward	10,717,029
Total	**11,324,079**

NOTE 29
Business combinations

The valuation of acquired assets and liabilities, including items that have not been recognized in the acquired company's balance sheet, such as trademarks or customer relationship assets, should be recogized at fair value.

The valuation of identifiable assets and liabilities is affected by the accounting environment that the acquired company has been active in. This relates for example to the availability of the data needed and the basis of preparation for the financial reporting, and consequently the level of adjustments that are necessary to comply with the Dometic Group's accounting principles.

The initial acquisition calculations are preliminary, even though best estimates and judgement have been used. Nevertheless, calculations might need to be adjusted subsequently. All acquisition calculations are finalized up until 12 months after the acquisition date. Considering the above description, Dometic has chosen not to specify reasons why the accounting of the business combination is preliminary, or which assets and liabilities for which the initial accounting is preliminary unless regarded material. Additionally, it is not feasible to compile and disclose all individual adjustments in a manner that will be useful for the reader of the financial statements.

Goodwill is generally not tax deductible.

2023

Dometic has not made any acquisitions or divestments during the year.
During the year, Dometic has paid outstanding earn-outs and holdback payments attributable to previous acquisitions of SEK –539 m. In the Group's statement of cash flow, these payments within Cash flow from investments are recognized under "Acquisition of operations, net of cash acquired."

Consideration not yet paid

Consideration not yet paid refers to holdbacks and potential earn-outs. These liabilities are reported as Other non-current liabilities and Other current liabilities in the balance sheet. The size of the potential earn-out is normally linked to profitability targets in the acquired company during a specific period of time. The accounting principles implies that holdbacks and potential earn-outs are at the acquisition date recognized at fair value, based on Management's best estimate in accordance with IFRS 13. Updated estimates are performed at end of each reporting period. Information obtained after the acquisition is assessed whether the information refers to circumstances at the date of acquisition or to subsequent events. Information referring to circumstances at the date of acquisition is recognized as adjustments to the purchase price, if still prepared on a preliminary basis. As of December 31, 2023, the liabilities relating to potential earn-outs and deferred considerations amounted to SEK 936 m and are classified as other current liabilities.

NOTE 30
Significant events after the reporting period

Todd Seyfert joined Dometic on January 9, 2024 as new President for segment Americas.

Dometic is planning to have a new segment reporting structure with six reporting segments starting from the first quarter 2024 reporting:

- The Igloo business and other Mobile cooling and drinkware businesses is planned to be consolidated into a new segment named Mobile Cooling Solutions.
- Segment Global is planned to be renamed to segment Global Ventures. Other Global Verticals is planned to remain as a subsegment. The offering of Mobile Power Solutions is planned to be consolidated globally into a new subsegment in segment Global Ventures.
- The product solutions for the RV and CPV industries is planned to be consolidated in the three land vehicle segments of Americas, APAC and EMEA. Both the OEM and the Service & Aftermarket business, as well as other outdoor standalone products for land-based outdoor activities would be included. The Mobile Power Solutions businesses in the three land vehicle segments is planned to be reported in segment Global Ventures.
- Segment Marine is planned to remain as a separate segment. The Mobile Power Solutions business in segment Marine would be reported in segment Global Ventures.

There have been no other significant events that have impacted the financial reporting after the balance sheet date.

NOTE 31
Definitions

RECONCILIATION OF NON-IFRS MEASURES TO IFRS (ALTERNATIVE PERFORMANCE MEASURES)

Dometic presents some financial measures in this annual report, which are not defined by IFRS. The Company believes that these measures provide valuable additional information to investors and Management for evaluating the Company's financial performance, financial position and trends in our operations. It should be noted that not all companies calculate financial measures in the same way, so such measures may not be comparable to similarly titled measures used by other companies. These non-IFRS measures should not be considered as substitutes for financial reporting measures prepared in accordance with IFRS. See Dometic's website www. dometicgroup.com for the detailed reconciliation.

Adjusted earnings per share
Net profit for the period, excluding the impact from amortization of acquisition-related intangible assets and items affecting comparability, divided by average number of shares.

Average maturity of interest-bearing debts
Interest-bearing debts excluding provisions for pensions and capitalized transaction costs divided by the number of outstanding days until maturity.

Core working capital
Consists of inventories and trade receivables less trade payables.

Core working capital/net sales
Average core working capital from the previous four quarters divided with the last 12 months rolling net sales.

EBITDA
Operating profit (EBIT) before Depreciation, Amortization and Impairment.

EBITDA margin
Operating profit (EBIT) before Depreciation, Amortization and Impairment divided by net sales.

EBITA
Operating profit (EBIT) before Amortization of acquisition-related intangible assets.

EBITA margin
EBITA divided by net sales.

EBITA before items affecting comparability
Operating profit (EBIT) before Amortization of acquisition-related intangible assets and items affecting comparability.

Gearing ratio
Net debt excluding pensions and accrued interest divided by total Equity.

Net Debt
Total borrowings, including provisions for pensions, accrued interest and capitalized transaction costs, minus cash and cash equivalents.

Net debt/EBTIDA (Leverage ratio)
Net debt excluding provisions for pensions, accrued interest and capitalized transaction costs in relation to the last twelve months EBITDA before items affecting comparability and including acquisitions pro forma. Any cash deposits with tax authorities are treated as cash in leverage calculation.

Operating cash flow
Cash flow from operations after investments in fixed assets excluding income tax paid.

Organic growth
Sales growth excluding acquisitions/divestments and currency translation effects. Quarters calculated at comparable currency, applying latest period average rate.

RoOC – Return on Operating Capital
Operating profit (EBIT) divided by operating capital. Based on the average operating profit (EBIT) for the four previous quarters, divided by the operating capital for the previous four quarters, excluding goodwill and trademarks for the previous quarters.

DEFINITIONS AND KEY RATIOS

AM
Aftermarket.

CPV
Commercial and Passenger Vehicles.

Earnings per share
Net profit for the period divided by average number of shares.

Equity ratio
Equity as a percentage of total assets.

I.A.C. Items Affecting Comparability
Items affecting comparability are events or transactions with significant financial effects, which are relevant for understanding the financial performance when comparing profit for the current period with previous periods. Items included are for example restructuring programs, expenses related to major revaluations, gains and losses from acquisitions or divestments of subsidiaries, or major transaction costs related to acquisitions.

Interest-bearing debt
Liabilities to credit institutions (including capitalized transaction costs) and provisions for pensions.

Investments in fixed assets
Capitalized expenses related to purchase of tangible and intangible assets.

LTM
Last twelve months.

Net profit
Profit for the period.

OCI
Other comprehensive income.

OEM
Original Equipment Manufacturers.

Operating capital
Interest-bearing debt plus equity less cash and cash equivalents.

Operating capital excluding goodwill and trademarks
Interest-bearing debt plus equity less cash and cash equivalents, excluding goodwill and trademarks.

Operating profit (EBIT)
Operating profit; earnings before financial items and taxes.

Operating profit (EBIT) margin
Operating profit (EBIT) divided by net sales.

Product development costs
Research and development costs including capitalized spend.

Profit margin
Net profit divided by net sales.

RV
Recreational Vehicles.

Working capital
Core working capital plus other current assets less other current liabilities and provisions relating to operations.

PROPOSED DISTRIBUTION OF EARNINGS

The following earnings (SEK thousands) are at the disposal of the annual shareholders' meeting:

Retained earnings	11,643,612
Profit for the year	–319,533
Total	**11,324,079**

The Board of Directors proposes that earnings be distributed as follows:

A dividend to the shareholders of SEK 1.90 per share, totaling	607,050
To be carried forward	10,717,029
Total	**11,324,079**

The Board of Directors has proposed April 15, 2024, as the record day for the right to dividend.

The Board of Directors has proposed that the 2024 annual shareholders' meeting resolves on a dividend of SEK 1.90 per share. On account thereof, the Board of Directors hereby makes the following statement according to chapter 18 section 4 of the Swedish Companies Act.

The Board of Directors finds that there will be full coverage for the restricted equity of the Parent Company, after distribution of the proposed dividend.

It is the Board of Directors' assessment that after distribution of the proposed dividend, the equity of the Parent Company and the Group will be sufficient with respect to the kind, extent, and risk of the operations. The Board of Directors has hereby considered, among other things, the Parent Company's and the Group's historical development, the expected future development, the short and long term need of liquidity and the state of the market and macroenvironment.

After distribution of the proposed dividend, the financial strength of the Parent Company and the Group is assessed to continue to be satisfactory in relation to the industry in which the Group is operating. The dividend will not affect the ability of the Parent Company and the Group to fulfill its short- or long-term payment obligations.

The Board of Directors finds that the Parent Company and the Group are well prepared to handle any changes in respect of liquidity, as well as unexpected events.

The Board of Directors is of the opinion that the Parent Company and the Group have the conditions to take future business risks and also withstand potential losses. The proposed dividend will not negatively affect the Parent Company's and the Group's ability to make further commercially motivated investments in accordance with the strategy of the Board of Directors.

The consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and give a true and fair view of the Group's financial position and results of operations. The financial statements of the Parent Company have been prepared in accordance with generally accepted accounting principles in Sweden and give a true and fair view of the Parent Company's financial position and results of operations.

The Board of Directors' Report of the Group and the Parent Company provides a true and fair overview of the development of the Group's and the Parent Company's operations, financial position and results of operations and describes material risks and uncertainties the Parent Company and the companies included in the Group are exposed to.

The Board of Directors and the President and CEO hereby also submit the Dometic Group AB (publ)'s sustainability report for 2023 as part of the Annual Report. The sustainability report outlines the Groups work from economic, environmental and social aspects. The report has been prepared in accordance with Swedish Annual Accounts Act.

Stockholm, March 14, 2024

Fredrik Cappelen
Chairman of the Board

Mengmeng Du
Board member

Jacqueline Hoogerbrugge
Board member

Erik Olsson
Board member

Rainer Schmückle
Board member

Peter Sjölander
Board member

Heléne Vibbleus
Board member

Patrik Frisk
Board member

Juan Vargues
CEO and President

Our Auditors' Report was issued on March 15, 2024
PricewaterhouseCoopers AB

Patrik Adolfson
Authorized public accountant
Partner in charge

Anna Roszdestsvenskaya
Authorized public accountant

AUDITOR'S REPORT

Unofficial translation

To the general meeting of the shareholders of Dometic Group AB (publ), corporate identity number 556829-4390

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Dometic Group AB (publ) for the year 2023, except for the corporate governance statement on pages 65–78. The annual accounts and consolidated accounts of the company are included on pages 55–124 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the Group as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 65–78. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the Group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Dometic Group has operations worldwide with 24 manufacturing and assembly sites in 11 countries. The business is organized into five segments: Americas, EMEA (Europe, Middle East and Africa), APAC (Asia Pacific), Marine, and Global (consists of subsegments Other global verticals and Igloo). In terms of net sales by country (attributable on the basis of the customer's location), United States, Germany and Australia are the most significant markets representing 78% of the Group's total sales in 2023. Following the acquisitions that Dometic Group have conducted during 2023 we have had a focus on audit procedures relating to purchase price allocations and other accounting topics relating to acquiring businesses.

The consolidated financial statements of Dometic Group consist of some 60 reporting units located in 30 countries. In establishing the overall Group audit strategy and plan, we determined the type of work that needed to be performed at the reporting unit level by component auditors. We also decided for the purpose of expressing an opinion on the consolidated accounts as a whole, that approximately 21 reporting units were the most significant and should be in scope for the Group audit – for instance reporting units in the US, Germany, China and Australia were in scope. In addition to this, during the year the auditor in charge has visited operations in Canada (Marine) and Hungary to discuss the audit, gain understanding of the operations in these entities, making a brief overview of the financial reporting based on the group's accounting principles and the entities' internal control. In order to tailor an appropriate audit strategy, we updated our understanding of, among other things, organisation, strategic focus areas and the overall control environment. We have had a series of interviews with management and have obtained and read material governing documents, operational reports and other relevant documentation. In addition to the valuation of goodwill and inventory, which are particularly significant areas in our audit, given the increased recognition of deferred tax assets relating to losses carried forward, we focused on the accounting treatment and assessment of support for the accounting treatment as well as financing and liquidity.

In order to tailor an appropriate audit strategy, we updated our understanding about, among other things, the organisation, strategic focus areas and overall control environment. We performed inquiries with management and obtained and read significant Group policies and instructions, management reports and other relevant documentation.

In addition to the Group audit, local statutory audit procedures are performed for all legal entities within the Group subject to such requirements according to local laws and regulations.

Our audit is carried out continuously during the year. In 2023, with respect to the closings for the third quarter and year-end, we reported our observations to Group management and the Audit Committee. At year-end, we also reported our main observations to the entire Board of Directors. For the third quarter 2023, we issued a limited review report.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key audit matter
Valuation of goodwill and intangible assets with an indefinite life (including significant acquisitions) Goodwill, trademarks and other intangible assets amount to SEK 34 billion as of December 31, 2023, most of which have been acquired externally, through acquisitions. These items are not only significant by amount but also by nature since they are influenced by management's judgment. This is why we have considered valuation of goodwill, trademarks and other intangible assets as a key audit matter in our audit, and the risk that we focused on particularly in the audit is that the balances may be overstated. Dometic Group has acquired several businesses containing intangible assets in prior years. There are a number of instances where the company's judgement is decisive for the accounting treatment in connection with acquiring businesses. Goodwill, trademarks and other intangible assets with an indefinite life are tested for impairment on an annual basis. In assessing if there is a need for impairment, cash flow models are used based on management's calculations of future cash flows based on budgets and strategic plans. Budgets and estimates are based on assumptions such as volume, price and mix to determine future growth and gross margins. Goodwill, trademarks and other intangible assets are allocated to the four segments; Americas, EMEA, APAC, Marine and Global which constitute Cash-generating units, the level on which the impairment test is performed. No impairment is recognised in 2023. Refer to the Annual Report Note 4 Critical accounting estimates and assumptions, Note 14 Intangible assets and Note 29 Business Combinations.	When testing for impairment of goodwill, trade marks and other acquisition-related intangible assets, in order to ensure primarily the valuation and accuracy, we have performed audit procedures including: • Evaluation of the assumptions as disclosed in note 14 as well as that the model used are in accordance with IFRS, we used PwC valuation experts to test and evaluate the models and methodology used, as well as the significant assumptions. • On a sample basis we have tried, verified, evaluated and challenged the data used in the calculation versus the Company's long-term plans and, where possible, external information. We have focused on assessed growth rates, margin developments and discount rate applied per cash generating unit. We also followed-up the accuracy and inherent quality of the Company's process to prepare business plans and financial plans based on the historic outcome. • Control of the sensitivity of the valuation of negative changes in essential parameters that could, on an individual or common basis, cause a writedown need. As noted in note 14, the cash-generating unit that has the least margin for impairment needs is Americas, thus the result of the impairment test for this cash-generating unit is most sensitive to changes in assumptions. Future development of the segments will be continuously followed during the coming financial year. • Assessment of that the disclosures provided in the financial statements are correct based on the impairment test performed, particularly for information on the sensitivity in the valuations. • Comparison of the disclosures in the annual report to the requirement of IAS 36 and found them to be consistent in all material aspects.

Inventory valuation

Inventories in the Group's consolidated financial statements amount to SEK 7,3 billion as of December 31, 2023. The provision for obsolescence was SEK 0,7 billion. Valuation of inventory is considered a key audit matter in our audit due to significance, complexity in underlying calculations and management's judgments involved.

Inventories are held by various manufacturing and assembly sites in many countries. Inventories are stated at the lower of cost and net realizable value. Cost of inventories is determined using the first-in, first-out method.

Valuation of inventories and provision for obsolescence requires clear guidelines and are subject to management's estimates.

Establishing product costing requires instances of management's judgement with effect on the reported values. This includes considering normal production levels, foreign currency, prices of raw materials, and allocation of other direct and indirect costs. Net realizable value is assessed based on the estimated selling price in the ordinary course of business less variable selling expenses.

During the year, the stock balance decreased from SEK 9 billion at the beginning of the year to SEK 7 billion at the end of the year as Dometic was focusing on adjusting production capacity and managing the inventory purchase levels.

Refer to the Annual Report Note 16 Inventories for additional information on the line item.

Our audit included but was not limited to the following procedures:

- Assessing the group's accounting principles for inventory in compliance with IFRS
- Assessing processes and procedures for inventory accounting.
- Audit of the internal control environment regarding valuation of inventory and test of identified key controls including IT systems,
- Tested, on a sample basis, stocks of raw materials to actual prices. Assessed the reasonableness of product costing for products in progress and finished products.
- Participated in stock takes on a number of locations and tested on a sample basis the cut-off of deliveries in or out of inventory.
- Obtained the analysis of slow movers and assessments of net selling prices to assess that book values are inline with accounting principles.
- Evaluating management's estimates related to provisions for obsolescence.
- Traced disclosure information to accounting records and other supporting documentation.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–54, and 126–144 This other information also contains the Remuneration report which received before the release of the Auditors' report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Dometic Group AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the Group's type of operations, size and risks place on the size of the parent company's and the Group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the Group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Dometic Group AB (publ) for the financial year 2023 .

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Dometic Goup AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 65–78 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Dometic Group AB (publ) by the general meeting of the shareholders on the 12 April 2023 and has been the company's auditor since the general meeting of the shareholders in 2010

Stockholm, March 15, 2024
PricewaterhouseCoopers AB

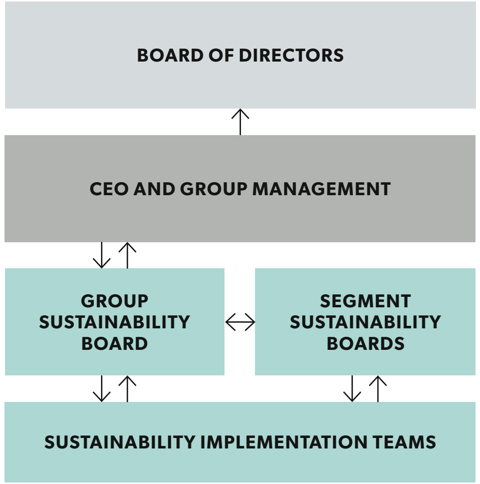
Patrik Adolfson	Anna Rozhdestvenskaya
Authorized Public Accountant	Authorized Public Accountant
Auditor in charge	

SUSTAINABILITY GOVERNANCE AND DETAILED INFORMATION

SUSTAINABILITY GOVERNANCE

Sustainability is an integrated part of Dometic's strategy. The CEO and Group management are in charge of incorporating sustainability into the strategy and global sustainability initiatives into operations as well as for monitoring reporting and performance. Dometic's sustainability board drives the development of the Group's sustainability agenda and ensures that sustainability is an integral aspect of Dometic's core values, strategy, training and communication. This internal governance body assess priorities, monitors progress and evaluates risks and opportunities. The sustainability board gives recommendations to Dometic Group Management, which takes decisions on strategic sustainability issues. Responsibilities also include stakeholder dialogues. The sustainability board consists of the President and CEO, Head of Group Operations, Chief Technology Officer, Head of Group Business Control, Global Sustainability Officer, Global Head of Product Sustainability and Global Sustainability Controller. Segment sustainability boards oversee Segment specific sustainability strategy and ensure alignment with Group's overall sustainability agenda, policies and metrics. Sustainability implementation teams are Segment and function specific. These teams define action plans to implement sustainability strategy, carry out key sustainability activities and report on progress, performance and results. The Board of Directors is responsible for the statutory sustainability report and quarterly interim financial reports, which contain selected sustainability information.

ORGANIZATION AND GOVERNANCE RELATED TO SUSTAINABILITY



GOVERNING DOCUMENTS

Governing documents are approved by the Dometic Board of Directors.

- Code of Conduct
- Finance Policy (incl. Tax Policy, Treasury Policy and Credit Policy)
- Information Policy
- Insider Policy
- Internal Audit Policy
- Privacy Policy
- IT Policy
- Diversity and Inclusion Policy

DOMETIC'S CODE OF CONDUCT

The principles of Dometic's Code of Conduct are based on Dometic's core values, sustainability focus areas, international legislation, standards and agreements, including the UN Global Compact and other international ethical guidelines[1)]. The Code of Conduct is complemented by a Code of Conduct for Business Partners. Dometic Group's Legal, HR and Sourcing departments monitor compliance with the Code of Conduct internally as well as among business partners. Read more in the chapter Governance on pages 65–77.

ANTI-CORRUPTION

Dometic's Code of Conduct strictly prohibits engaging in or facilitating any kind of corruption, including fraudulent actions, bribery, facilitation payments or money laundering. Dometic's relationships with business partners are based on high ethical standards and business practices that aim to support ethical behavior throughout the value chain. These practices strengthen the Dometic brand and contribute to fair market competition. Internal control activities aligned with Dometic's enterprise risk management process support the principles of the Code of Conduct. Internal control training is provided to increase awareness of internal control measures as part of the daily operations. The effectiveness of the internal control measures is assessed through a self-assessment and controlled by internal audit according to a defined audit plan.

WHISTLEBLOWING

The Dometic whistleblowing system, called the Dometic SpeakUp Line, is available for reporting in all Group languages. It offers Dometic's employees an anonymous channel through which to report any business activities or behaviors that are potentially in breach of the Code of Conduct or applicable laws and regulations. Dometic's SpeakUp Line is managed by a third-party vendor to ensure full privacy. This system enables employees to report cases in their native language, either through a website or a toll-free phone call. Employees are encouraged to report any conduct that they believe is in breach of the Code of Conduct and/or applicable laws and regulations, to their managers or to an HR department representative. In circumstances when such reporting is not possible, or if there is a conflict of interest, or if the case is sensitive in nature, reporting is encouraged to be through the SpeakUp line. Dometic expects managers to address issues and ensure their satisfactory resolution in compliance with the Code of Conduct and/or applicable laws and regulations.

During the year, a total of 23 alleged violations of the Code of Conduct and/or applicable laws and regulations were reported through Dometic's SpeakUp line. No evidence of wrongdoing was found in the alleged cases of fraud. The majority of cases related to labor relations were handled in the respective segment. In one case, weaknesses were found in internal processes, which were subsequently improved with support from the Internal Control function. No cases were reported to police or any other governmental authorities, nor were any legal proceedings initiated.

Reported alleged violations

Fraud	1
Labor relations including discrimination and harassment	19
Other	3

STAKEHOLDER DIALOGUE

Dometic engages both directly and indirectly with key investors, customers, business partners, employees and trade unions. In 2021, Dometic performed a strategic sustainability review based on macro trends, the strategic framework and input from key stakeholders. The review resulted in identification of three modified focus areas: people, planet and governance. Goals, KPIs and key activities have been identified within each focus area for 2024. Dometic actively works with relevant measures for each area to further

1) The United Nations Universal Declaration on Human Rights; International Labour Organization Declaration on Fundamental Principles and Rights at Work; OECD's Guidelines for Multinational Enterprises; UN Guiding Principles for Business and Human Rights; UN Convention on Rights of Children and Children's Rights and Business Principles

enhance value creation and compliance, and to reduce and mitigate sustainability risks.

Dometic will face the requirements of the new EU directive CSRD (Corporate Sustainability Reporting Directive), along with the corresponding European standards ESRS (European Sustainability Reporting Standards). In line with the CSRD, Dometic is conducting a double materiality analysis. A fundamental part of this assessment is to understand and address the concerns, priorities and expectations of the group's stakeholders. This process was initiated under 2023 and will continue during 2024. For more information about Dometic's stakeholder dialogue, see the overview on the website, dometicgroup.com.

SUSTAINABILITY RISKS

Sustainability risks are integrated in the governance of risk within Dometic. This includes strategic risks such as climate-related physical risks and transition risks. The Sustainability Board and Management Team regularly review and evaluate the effectiveness of global mitigation initiatives. Read more about risk management in the risk chapter on pages 60–62 and climate risks on pages 63–64.

ENVIRONMENTAL IMPACT

Dometic undertakes production in Americas, EMEA and APAC. Manufacturing mainly comprises the assembly of components sourced from external suppliers. Other processes include processing of metal, sheet metal and plastic, welding, vacuum forming, foaming and painting, sewing and brazing as well as filling of refrigerants into cooling units.

The product portfolio consists of mobile cooling boxes, refrigerators, air conditioning systems, windows, steering systems and other equipment and appliances.

The most important environmental aspects in production primarily constitute energy consumption and waste. Studies of the total environmental impact of the Group's main product groups during their entire lifecyclet, i.e. from production and use to recycling, indicate that the largest environmental impact is generated when the products are used, which is why energy efficiency in the use phase is a key environmental target. The Group has a long history of collecting and monitoring environmental data from its production sites and reports, among other things, on water consumption, energy, CO_2 emissions and waste recycling. Dometic's manufacturing units adjust their operations, apply for necessary permits and report to the authorities in accordance with local legislation. For details on permits, see page 62 in the Board of Directors' report.

Dometic's products are affected by laws, rules and regulations in various markets principally involving energy consumption, producer responsibility for recycling and the management of hazardous substances. Dometic continuously monitors changes in laws, rules and regulations, and both product development and manufacturing incorporate any required legal changes.

Product safety and substance control

Dometic's products are subject to more than 100 specific product regulations worldwide, and the products are often found in the interface between household and vehicle legislation. The company continues to strengthen global substance control in order to manage constantly growing substance legislation requirements and ensure product safety throughout the product life cycle. The Dometic Restricted Substances List (RSL), which is used in communication with suppliers, is available at Dometicgroup.com.

Refrigerants are key components in many of Dometic's products. To minimize their potential negative impact, Dometic is phasing out refrigerants with high Global Warming Potential (GWP) in favour of refrigerants with lower GWP that can fulfil the technical requirements, including safety. This is particularly important for air-conditioning products, where the main efforts are being made.

CERTIFICATIONS

An overview of site certifications is available at Dometic's website. Read more at dometicgroup.com

TAXONOMY

DOMETIC'S REPORTING IN ACCORDANCE WITH THE EU TAXONOMY REGULATION

In accordance with the EU's taxonomy for sustainable activities (EU 2020/852), Dometic has assessed which of its business activities are covered by the taxonomy and can thereby be classified as "eligible" and subsequently "aligned," meaning that they meet the technical screening criteria, minimum social safeguards and do no significant harm.

Included activities

Eligible activities in this report include economic activities for Dometic businesses that, according to the taxonomy regulation, could potentially be defined as taxonomy aligned. The technical screening criteria for potentially aligned economic activities in 2023 apply specifically to those focused on environmental objectives mitigation and the transition to a circular economy. These criteria encompass a range of activities outlined in the taxonomy, including the manufacture of electrical and electronic equipment, renewable energy technologies, batteries and energy-efficient equipment for buildings, among others.

Dometic's products are designed and intended for outdoor use, which do not categorize as household products in the context of the EU energy legislation and are thereby not eligible according to the EU framework. However, Dometic is a manufacturer of renewable energy technologies, batteries and other electrical equipment that are eligible according to the EU Taxonomy framework, even though some of the products are entirely sourced as traded goods.

The eligible activities under the objective mitigation are categorized as "enabling," while those under the circular economy are classified as "transitional". To avoid dual reporting, Dometic has a materiality perspective when approaching activities that can be applied under both objectives; this relates to where Dometic has the most impact or highest risk.

Revenue

Eligible revenues

Dometic's share of total reported revenue associated with taxonomy-eligible activities in 2023 was 47%. This proportion is mainly allocated toward the circular economy objective covering net sales from electrical and electronic consumer-use equipment and spare parts. The remaining share is allocated toward the environmental objective mitigation covering net sales from solar panels, batteries and refrigeration appliances with an EU energy label. This includes minibars, wine cellars and some specific compressor cooling boxes. However, it's important to note that Dometic is trading products globally while the taxonomy is an EU specific regulation. Some of the taxonomy regulation's technical screening criteria refer to EU labeling legislation, which only applies to products traded within the EU. Consequently, products traded outside the EU may not meet the taxonomy requirements due to the lack of uniform energy labeling standards worldwide. Therefore, only sales within the EU market are considered taxonomy eligible.

Aligned revenues

EU-labeled wine cellars and minibars are not aligned since they do not meet the technical screening criteria for energy efficiency. Some of the eligible compressor cooling boxes do fulfill the technical screening criteria set for energy efficiency. However, as they contain components with brass with a content of lead above 0.1% (w/w), they do not fulfill the DNSH according to Appendix C, see section below under Pollution & Substances usage. Manufacturing of solar panels and batteries are considered a green activity according to the taxonomy. However, their inclusion of brass components containing lead levels exceeding 0.1% (w/w) prevents them from meeting the DNSH criteria. Dometic has batteries that are free from lead and any other substances stated in the DNSH and are therefore considered aligned. Their share of total net sales is however negligible.

The share of revenue covered by the taxonomy corresponds to the total sales from sold articles/components in Dometic's assortment. The screening criteria are reviewed for each article/component to fully understand the impact from the products Dometic places on the market. The revenue base corresponds to the total reported revenue for the financial year (see consolidated comprehensive income on page 79 and note 5). The policies for consolidated revenue recognition are described in more detail under note 6.

Capital expenditures (CapEx)

Dometic's share of investment associated with taxonomy eligible activities in 2023 was 72%. The majority of the eligible investments are related to the Group's right of uses assets in buildings and investment associated with eligible revenue-related activities. A minor contribution is derived from investment in electrical cars, charging stations and improvement of building's energy efficiency.

The right of use assets for buildings that are considered eligible with the taxonomy correspond to 98% of the year's new leases signed by the Group. Dometic mainly leases the group's manufacturing and assembly sites. The property owner is usually responsible for maintenance, renovation and repairs why Dometic has little to no possibility to impact the energy efficiency of the building. However, where it is possible, Dometic work together with property owner in order to minimize the building's climate related impact, e.g., by converting to green electricity, installing solar panels and other actions that increase the building´s energy efficiency. None of the eligible right-of-use assets for leased buildings meet the criteria for alignment, as they do not fulfill the energy efficiency requirements equivalent to level A in their energy declaration standard.

Other additional investments related to installations, minor renovations, new machinery, and technical equipment etc. that do not have a direct connection to the Group's eligible products have not had a substantial impact on the site´s total energy performance and are therefore not considered aligned.

The eligibility for Dometic's newly added leasing contract for vehicles corresponds to 2% where the majority are related to leased electrical cars. The technical screening criteria for transport by passenger cars and light commercial vehicles state that the CO_2 emissions from exhaust fumes shall not exceed 50g CO_2/km. The electrical cars meet the technical screening criteria but due lack of transparency, it cannot be determined whether the suppliers are compliant with the DNSH criteria.

The value of the assets covered by the taxonomy corresponds to the cost for these assets through total acquired non-current assets, including right-of-use assets during the current reporting period (see notes 8, 14 and 15). Property, plant and equipment are recognized at cost after deducting accumulated depreciation and any impairment. Cost includes the purchase price plus direct costs associated with putting the asset in place in a condition to be used in the operations. In cases where an investment cannot entirely be associated with a specific activity in the taxonomy, a standard rate is used based on the legal entity's eligibility and alignment from sold products. This principle is used primarily for investments and right to use assets in machinery and equipment as well as for intangible investments associated with customer relations, capitalized development expenditures, brands and patents, etc. Gross investments related to IT systems and Goodwill are not part of the taxonomy's reporting scope.

Operating expenses (OpEx)

According to the taxonomy regulation, operating expenses are defined as direct non-capitalized costs associated with maintaining the value of assets linked to companies' eligible products. This relates to costs for research and development (R&D), short-term lease, repair and maintenance. Eligible expenses include a share of repair and maintenance, along with costs associated with collecting, processing, and storing user data from Dometic's products. Remaining costs are deemed negligible as the total share of eligible expenses associated with the taxonomy represents 4%. The majority of expenses related to product development is targeting products that are not included in the current scope of the taxonomy. The denominator consists of repair and maintenance costs, low value and short-term lease cost (note 8) and product development cost. Repair and maintenance costs are presented as a part of costs for raw materials and manufacturing supplies (note 6).

Do No Significant Harm (DNSH)
Risk assessment

Potential risks associated with the transition to a low-carbon economy include both changing consumer preferences and stricter laws and regulations. The risk framework aligns the Group's strategic objectives and the strategy toolbox for execution where climate and other risks are continuously identified, managed and reported (see pages 60–62). Mitigating risks usually comes at a cost. To obtain a better understanding of the financial consequences of climate change, Dometic has chosen to apply the TCFD's recommendations, see pages 63–64.

A lifecycle assessment for a product is used to identify the product's vulnerability and related risks. The product life cycle includes product generation planning with phase-in and phase-out of products and spare-part strategy. Dometic has conducted lifecycle assessments on three main product groups: minibars, rooftop air conditioners, and cooling boxes. These studies are used to inform future environmental priorities that have a substantial positive environmental impact on the basis of lifecycle considerations. The assessments also provide valuable data in the product development process to reduce the Group's environmental footprint. With this knowledge, Dometic can make informed decisions about new products, and by mapping the product's life cycle, Dometic can identify areas that offer the greatest opportunity to reduce that impact.

Dometic also uses third-party-conducted risk assessments on manufacturing sites. These assessments include both internal and external environmental aspects, such as fire, earthquakes and flooding, to fully understand the vulnerability in, for example, a production process.

Pollution & Substances usage

Dometic's manufacturing sites ensure compliance with local environmental legislation, including pollution control.

Dometic has a Restricted Substances List (RSL), available at Dometicgroup.com. The list includes all substances that are restricted according to EU regulations and must be reported if present in an article or material delivered to the Group.

Dometic complies with all legal requirements described in Appendix C under the generic criteria for DNSH to pollution prevention and control regarding use and presence of chemicals. Approved exemptions of restricted substances present in Dometics products are permitted where there is no technical alternative currently available. Most of Dometic's electrical products contain articles with substances listed in REACH's candidate list referred to in the legislation, such as lead in brass. The legal requirements in REACH allow articles in products to contain substances in the REACH candidate list above 0.1% (w/w). But since the criteria in Appendix C goes beyond the legal requirements these products cannot fully be aligned with the taxonomy. As Dometic's products are not essential to society, there is a need to phase out the lead content, or at least reduce it below 0.1% (w/w) in articles, before stating that the products are fully aligned with the DNSH criteria.

Water risk management

Risks related to preserving water quality and avoiding water stress are identified and addressed from an operation and site perspective. The amount of water used in Dometic's production processes is not material from an environmental perspective. Dometic complies with national legislation. Dometic continuously tracks and attempts to minimize water usage in the factories.

End-of-life and recycling

Dometic has an important role to play in enabling people to live more circular lives through its products and solutions. Dometic's Design for Sustainability Guideline provides recommendations for development projects on how to enhance the recyclability of each product. Dometic participates in relevant recycling schemes in the markets where products are sold. Service and aftermarket programs ensure durability and extended product lifetime.

In operations, Dometic interacts with the different manufacturing sites to identify new opportunities for material reuse and recycling while reducing the amount of waste sent to landfill or incinerated without energy recovery.

Minimum Safeguards

The following procedures have been implemented to ensure alignment with the policies and procedures of the Social Minimum Safeguards:

- The Dometic Code of Conduct and the Code of Conduct for Business Partners define the ethical business practices of Dometic and its business partners within the areas of governance, environment, social conditions, and health and safety.
- Dometic is a signatory to the UN Global Compact and committed to working with the ten universally accepted principles in the areas of human rights, labor, the environment, and anti-corruption.
- Dometic performs ESG assessments of all new direct material suppliers as part of the onboarding process. In addition, Dometic assesses its suppliers for ESG on a regular basis in order to ensure adherence to the Code of Conduct for Business Partners. More details on ethical business practices and ESG aspects concerning business partners are described in the chapter Governance (pages 65–77) and in the Sustainability notes section (page132).
- Dometic has adopted effective environmental management systems (ISO 14001, ISO 50001, ISO 45001, SA 8000) in selected sites. See overview of certified sites on Dometicgroup.com.
- Dometic views tax compliance as an essential component of our commitment to grow in a sustainable, responsible, and socially inclusive manner. Dometic complies with the tax regulations in countries where the Company operates. The Group Tax function and national tax and finance functions ensure that the financial, regulatory, and reputational risks associated with taxation are fully identified, evaluated and managed. Dometic's tax policy is approved annually by the Board of Directors. The purpose of the tax policy is to ensure that the Group has a framework that is in line with the Group's objectives regarding taxes and tax-related risks. According to the policy, Dometic shall comply with and be up to date with applicable laws, rules and regulations, and manage tax risks. Dometic shall not engage in artificial transactions or create structures that do not have any business purpose. For more information related to the Group's tax disclosures, see note 12.
- Dometic's Code of Conduct states that the company supports the principles of free enterprise and fair competition as the basis for business development and innovation. Dometic strives to compete on the market in a manner that is both ethical and fair, without engaging in any inappropriate activities or unfair trade practices. In addition to training in the Code of Conduct, a global training on fair competition and anti-trust is assigned to selected target groups in the organization.

Turnover[1]

Financial year N	2023			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	Code	Turnover	Proportion of Turnover, year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiveristy	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiveristy	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) turnover, year N-1	Category (enabling activity)	Category (transitional activity)
		Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of batteries	3.4	7	0.03%	Y							Y	Y	Y	Y	Y	Y	0.04%	E	–
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		7	0.03%														0.04%		
Of which Enabling		7	100%																
Of which Transitional			–																
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	1.2	10,148	36.5%				EL										–	–	T
Sale of spare parts	5.2	1,218	4.4%				EL										–	–	T
Manufacture of renewable energy technologies	3.1	611	2.2%	EL													2.7%	E	–
Manufacture of batteries	3.4	421	1.5%	EL													1.8%	E	–
Manufacture of energy efficiency equipment for buildings	3.5	751	2.7%	EL													2.8%	E	–
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		13,149	47.3%														7.3%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		13,157	47.4%														7.3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		14,618	52.6%														92.7%		
Total		27,775	100%														100%		

[1] Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year N

	Proportion of Turnover/Total Turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.03%	6.4%
CCA	–	–
WTR	–	–
CE	–	40.9%
PPC	–	–
BIO	–	–

CapEx[2)]

Financial year N	2023			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	Code	CapEx	Proportion of CapEx, year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiveristy	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiveristy	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, year N-1	Category (enabling activity)	Category (transitional activity)
		Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	0.03	0.0%	Y							Y	Y	Y	Y	Y	Y	–	E	–
Acquisition and ownership of buildings	7.7																3.0%	E	–
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.03	0.0%														3.0%		
Of which Enabling		0.03	100.0%														100.0%		
Of which Transitional			–																
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	1.2	0	0.0%				EL										–	–	T
Manufacture of renewable energy technologies	3.1	2	0.1%	EL													0.5%	E	–
Manufacture of batteries	3.4	0	0.0%	EL													0.0%	E	–
Manufacture of energy efficiency equipment for buildings	3.5	3	0.1%	EL													0.2%	E	–
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	27	1.3%	EL													1.5%	E	–
Renovation of existing buildings	7.2	10	0.5%	EL													–	–	T
Installation, maintenance, and repair of energy efficiency equipment	7.3	40	2.0%	EL													0.3%	E	–
Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	0	0.0%	EL													0.0%	E	–
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	0	0.0%	EL													0.1%	E	–
Acquisition and ownership of buildings	7.7	1,419	68.4%	EL													15.1%	E	–
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,502	72.4%														17.8%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		1,502	72.4%														20.9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		573	28%														79.1%		
Total		2,075	100%														100%		

2) Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year N

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	72.4%
CCA		
WTR		
CE	0.0%	0.0%
PPC		
BIO		

OpEx[3)]

Financial year N	2023			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	Code	OpEx	Proportion of OpEx, year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiveristy	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiveristy	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, year N-1	Category (enabling activity)	Category (transitional activity)
		Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0,0%	–	–	–	–	–	–	–	–	–	–	–	–	Y	0,0%		
Of which Enabling		–																	
Of which Transitional		–																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	1.2	24	2,9%														–	–	T
Sale of spare parts	5.2	9	1,1%														–	E	–
Manufacture of renewable energy technologies	3.1	0	0,0%														0,0%	E	–
Manufacture of batteries	3.4	0	0,0%														0,1%	E	–
Manufacture of energy efficiency equipment for buildings	3.5	1	0,1%														0,3%	E	–
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		35	4,2%														0,4%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		35	4,2%														0,4%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		799	95,8%														99,6%		
Total		834	100%														100%		

3) Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year N

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0,2%
CCA		
WTR		
CE	0%	4,0%
PPC		
BIO		

Nuclear and fossil-gas-related activities		
Row	**Nuclear energy related activities**	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

PEOPLE	2023	2022	2021	2020
% White collar employees (WC)	44	41	38	38
% Blue collar employees (BC)	56	59	62	62
% female employees at year end	36	36	36	36
% female managers at year end	29	24	24[1]	24
Diversity & Inclusion index %	82[3]	–[2]	78	–
Lost time accidents	23	25	40	41
Lost time accidents per million working hours (LTIFR)	1.7	1.6	2.4	2.8
Health & Safety index %	76	–[2]	75	–
Fatalities	0	0	0	0
Leadership index %	77	–[2]	77	–
Core values index %	–[4]	–[2]	77	–

PLANET	2023	2022	2021	2020
Share of renewable electricity %	37.4	32.4	21.6	5.8
Total energy consumption within the organization MWh	**91,420**	**103,600**	**114,500**	**98,800**
Direct energy MWh	41,760	48,300	50,300	38,900
Indirect energy MWh	49,660	55,300	64,200	59,900
Energy intensity MWh/net sales SEKm	5.2	5.2	5.7	6.1
GHG emission (scope 1 and 2 market-based) ton	**19,270**	**24,180**	**30,100**	**32,600**
Scope 1 GHG emissions ton CO_2e	8,600	9,920	10,400	9,200
Scope 2 GHG emissions (market-based) ton CO_2e	10,670	14,260	19,800	23,400
GHG emissions intensity (scope 1 and scope 2 market-based) tCO_2e / net sales SEKm	**1.1**	**1.2**	**1.5**	**2.0**
Scope 2 GHG emissions (location-based) ton CO_2e	16,780	21,100	25,700	24,100
Scope 3 GHG emissions (downstream transportation and distribution) ton CO_2e	13,630	24,350	28,800	24,600
Scope 3 GHG emissions intensity (downstream transportation and distribution) tCO_2e/net sales SEKm	0.8	1.2	1.4	1.5
Waste ton	8,230	12,780	15,100	12,300
Hazardous waste ton	150	200	400	400
Recycling waste %	86	76	80	76
Water m^3	183,370	268,700	261,600	224,400
Water m^3/net sales SEKm	10.4	13.6	13.0	13.9

GOVERNANCE	2023	2022	2021	2020
% Employees that have been trained in the CoC (WC)	94[3]	96[3]	94	95
% Employees that have been trained in the CoC (BC)	99[3]	84[3]	95	95
% Suppliers that have signed the CoC	96	95	94	95
% of supplier spend in LCC that has been audited (last 36 months)	88	92	88	82

[1] New broader measurement specification from 2022.
[2] Employee survey, conducted every other year. Next will be in 2023.
[3] Including acquisitions from 2021/2022.
[4] Since the core values underwent an update in late 2023, this index was not considered in the employee survey conducted during that year.

REPORTING PRINCIPLES AND DEFINITIONS

Boundaries
Dometic's sustainability report covers all the Group's own operations except companies acquired in 2021 and 2022, unless stated otherwise. All data have been collected in accordance with Dometic's financial year and policies.

Precautionary principle
The precautionary principle is applied to sustainability where necessary.

PEOPLE
Employees
Reported data includes all of Dometic's active employees including employees from acquired companies. Active employees pertain to the total number of employees with whom the company has an employment contract/agreement at the end of each respective reporting period, irrespective of whether the employment is temporary, part-time, or full- time. Contractors are not included. A contractor represents a person who is not on the Dometic payroll, but who works in-house at Dometic facilities. The reported data include employees on leave of absence, on parental leave etc. White-collar employees represent staff not directly involved in manufacturing/assembly, e.g. purchasing, finance staff etc. Blue-collar employees represent personnel who perform manual labor, e.g. construction work, mechanical maintenance, warehousing, technical installation etc.

Female managers
The share of female managers is calculated as the percentage of female managers in the company at the end of each period. The manager definition has been updated in 2022. Management position refers to managers with employee responsibility, employees who report directly to Group management members, and/or have a managerial position that belongs to any of the Group's segments' management teams.

The Lost Time Injury Frequency Rate
Lost time accidents are defined as the number of unplanned work-related events that resulted in personal injury, with absenteeism for a minimum of one full day or a full work shift. Accidents resulting from non-work-related activities, commuting injuries/ from home to and back from the office, are not included in the data. The Lost Time Injury Frequency Rate is defined as work related accidents with lost time >=1 day per million working hours. Rolling 12 months.

Actual working hours include regular work hours of permanent and temporary workers, paid and unpaid overtime. The definition excludes time not worked due to public holidays, annual paid leave, sick leave, injury and temporary disability, parental leave, schooling or training, slack work for technical or economic reasons, strike, or labor disputes etc.

PLANET
Energy consumption
The total amount of consumed energy is reported in Megawatt hours (MWh) and includes electricity consumption, heating, cooling and steam. The energy consumption is divided between direct and indirect energy. The reported consumption covers all of Dometic's 23 manufacturing and production sites. The measurement share of renewable energy includes energy consumption from the 13 sites that have converted to green energy. Self-generated energy pertains to solar power from Group-owned solar panel systems. All data pertain to actual consumption during the 2023 calendar year.

Emissions
Environmental data, energy, and emissions are collected through the Group's environmental reporting system. The consolidation principles used for environmental data are used for all parameters and reporting units/sites. The Group GHG (greenhouse gases) emissions disclosure is prepared in a tool aligned with the GHG protocol for CO_2 reporting. Greenhouse gas (GHG) emissions are reported in tons of CO_2 equivalent (CO_2e).

Based on the GHG Protocol Corporate Accounting and Reporting standard, Dometic's scope 2 emission accounting follows both location-based and market-based methods. Currently, the reported GHG emissions correspond to all of Dometic's 23 manufacturing and production sites, excluding acquisitions made in 2021 and 2022. The following emissions sources are currently included in the reporting scope:

- Scope 1: direct emissions from sources such as emissions from natural gas combustion in the operations of Group's manufacturing and production sites (Scope 1).
- Scope 2: indirect emissions from the generation of purchased electricity and district heating for offices, dormitories, manufacturing sites and distribution centres.
- Outbound transportation by rail, air, road, and ocean (Scope 3, category 9 downstream transportation and distribution).

Transport
Reported emissions from transport include transportation by air, train, road, or ocean, where Dometic pays for the specific leg of transportation. This includes transportation from Dometic sites to end user classified as outbound and are included in the current reporting scope.

Waste
Reported waste corresponds to data from the Group's different waste handling contractors, based on the number of collections made during the current reporting period. Data are reported as the number of tons of waste from the Group's manufacturing sites. Data from waste are reported based on predefined waste fractions. Waste fractions are determined by type of material and the handling method for the sorted waste.

Water use
Data for the Group's water consumption correspond to water used in the processes at Dometic's manufacturing sites.

Product programs with extended lifetime
This is defined as the share of products launched from January 2023, with a defined program for extended product lifecycle. The ambition level for the program is broken down into four levels on a scale from A to D, where A is considered the highest while D the lowest. All levels prior to the selected ambition level need to be fulfilled in order to reach the next. All projects above C level are considered to fulfil the requirement for extended lifetime. The share is based on data from the Group's project management tool.

Recycled materials
Recycled material is referred to both post- industrial or/and post-consumer recycled material content.

Recycled fabric

The percentage of recycled fabric is determined by the total spend on products made from recovered material and/or post-consumer recovered material, with fabric as the primary component. The spend volume for each item is retrieved from the reporting system and the total spend is based on each item's material cost.

Recycled plastic

The share of recycled plastic is defined as the spend of purchased plastic parts or resin that comes from recycled sources. The spend data is retrieved from the Groups purchasing BI system, which is based on invoiced direct material from external suppliers.

Direct material spend per geographical supplier region

Data is based on invoiced direct material from external suppliers. The acquired companies from 2021 and 2022 are excluded except for Igloo.

Direct material spend per main raw material category

The graphs are based on data from the Group's purchasing system. Data is based on invoiced direct material from external suppliers. The material spend corresponds to the raw material used to produce the product. Non-material, such as overhead cost for IT, freight, energy etc. are not included. The acquired companies from 2021 and 2022 are excluded except for Igloo.

GOVERNANCE

Suppliers

External suppliers are suppliers that are not part of the Dometic Group, but from which the Group makes direct and/or indirect purchases. Active suppliers are suppliers with a spend in the last 12 months rolling of > SEK 20,000. Suppliers to acquired companies in 2021 and 2022 are currently not part of the reporting scope. New suppliers are defined as suppliers that have had an accumulated spend exceeding SEK 20,000 in the last 12 months rolling. Suppliers of tooling equipment are not considered direct material suppliers and are therefore not part of the ESG objective. Potential suppliers that are involved in pre-production samples or prototype approval samples do not need to be ESG audited until contracted as suppliers for normal production. If samples and/or prototypes are approved, the supplier will need to sign the Code of Conduct for Business Partners and have a valid ESG audit result prior to supplying Dometic with any production materials.

Direct material suppliers that have signed the Code of Conduct

Share of active direct material suppliers with signed Dometic's Code of Conduct corresponds to active: suppliers with signed Code of Conduct, divided by the total number of active external direct material suppliers.

Direct material suppliers that have been ESG audited

As part of the Dometic supplier evaluation process, all new external direct material suppliers shall be ESG audited and approved before any contracts or orders are drawn up or made. Measuring period to be included as a new supplier is January 1, 2022, until end of 2024. An audit is equivalent to a Dometic on-site audit, a remote audit, or third-party audit carried out on behalf of Dometic. An audit is valid for 36 months. Suppliers in low-cost countries (LCC) are predefined in the system.

Training

All training activities for white-collar employees are conducted through Dometic's global learning management system. Results and passing rates are retrieved from the system on a quarterly basis. All training activities for blue-collar workers are conducted through classroom sessions. Acquisitions that have been part of Dometic for at least 12 months are included.

Auditor's report on the statutory sustainability report

To the general meeting of shareholders in Dometic Group AB (publ), Corporate Identity Number 556829- 4390

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the financial year 2023 on pages 30–42 and 132–143 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm, March 15, 2024
PricewaterhouseCoopers AB

Patrik Adolfson
Authorized Public Accountant
Partner in charge

Anna Rozhdestvenskaya
Authorized Public Accountant

FINANCIAL CALENDAR 2024

ANNUAL SHAREHOLDERS' MEETING **2023**	INTERIM REPORT **Q1**	INTERIM REPORT **Q2**	INTERIM REPORT **Q3**
The 2023 annual shareholders' meeting of Dometic Group AB (publ) will be held on **April 11, 2024**.	The Interim Report January 1–March 31, 2024 will be published on **April 19, 2024**.	The Interim Report April 1–June 30, 2024 will be published on **July 18, 2024**.	The Interim Report July 1–September 30, 2024 will be published on **October 23, 2024**.

FOR FURTHER INFORMATION

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In the event of any discrepancies, the Swedish version shall govern.

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