

CORPORATE GOVERNANCE REPORT

Dometic is a global market leader in branded solutions for mobile living in the areas of Climate, Hygiene & Sanitation and Food & Beverage. Dometic operates in Americas, EMEA and Asia Pacific, providing products for use in recreational vehicles, trucks and premium cars, pleasure and workboats, and for a variety of other uses. Dometic offers products and solutions that enrich people's experiences away from home, whether in a motorhome, caravan, boat or a truck. The Company's motivation is to create smart and reliable products with outstanding design. Dometic operates 22 manufacturing/assembly sites in nine countries, sells products in approximately 100 countries and manufactures approximately 85% of the products sold in-house. Dometic has a global distribution and dealer network in place to serve the aftermarket. In 2016 Dometic had sales of SEK 12.388 billion and 6,503 employees worldwide.

Dometic Group AB (publ) ("Dometic" or the "Company") is a Swedish public limited liability company listed on Nasdaq Stockholm Large Cap List. Dometic's corporate governance is mainly regulated by the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code (the "Code"). Dometic has applied the Code from November 25, 2015, when Dometic's share started to be traded on Nasdaq Stockholm. The 2016 Corporate Governance Report describes Dometic's corporate governance, management and administration and the internal control over the financial reporting. Below is Dometic's formal governance structure.

Dometic aims at implementing strict norms and efficient processes to ensure that all operations create long-term value for shareholders and other stakeholders. This involves the maintenance of:

- an efficient organizational structure;
- systems for internal control and risk management; and
- transparent internal and external reporting.

Regulatory compliance

External governance systems

The external governance systems that constitute the framework for corporate governance at Dometic primarily comprise the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers, the Code and other applicable laws, rules and regulations.

The Code is available on the Swedish Corporate Governance Board's website, <http://www.corporategovernanceboard.se/the-code/current-code>.

Internal governance systems

The Company's articles of association adopted by the shareholders' meeting and the rules of procedure for the board of directors of Dometic (the "Board"), instructions for the CEO and instructions for the Remuneration and Audit Committees, as adopted by the Board, as well as the Code of Conduct are the most important internal governance documents. In addition, the Company has a number of policies, guidelines and instructions containing rules and principles for the group's employees and operations.

The complete articles of association are available on the Company's website, www.dometic.com.

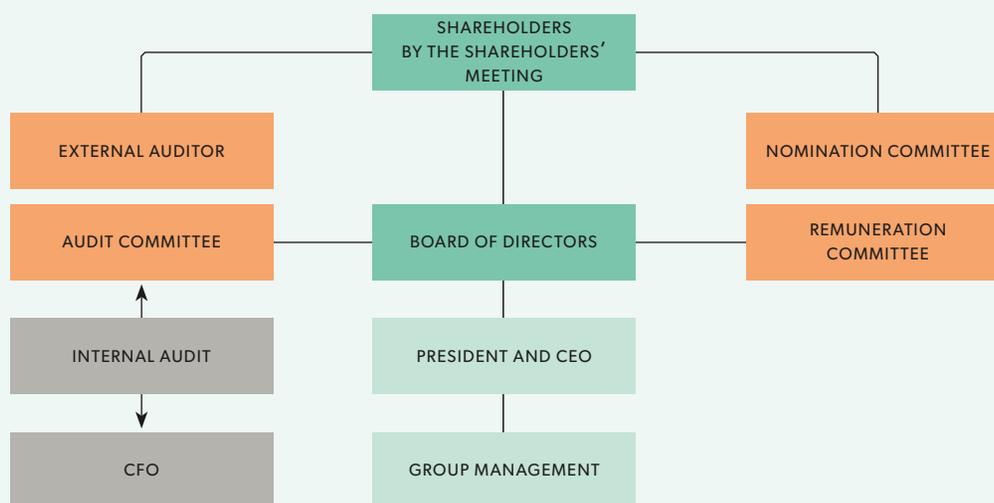
Deviations from the Code

As the Company had been listed on Nasdaq Stockholm on November 25, 2015 and wished to communicate its first quarterly report to the market, it decided to have the said report reviewed by the auditors (instead of the second or third quarterly report, as is normally applicable pursuant to rule 7.6 of the Code).

Shareholders' meeting

Pursuant to the Swedish Companies Act, the shareholders' meeting is the Company's highest decision-making body and the shareholders exercise their voting rights at such meetings. Shareholders who are listed in the share register

Dometic's corporate governance structure



on the record date and have notified the Company of their intention to participate in the shareholders' meeting not later than the date and time indicated in the notice are entitled to attend the shareholders' meeting in person or by proxy. Resolutions are made at the shareholders' meeting normally by a simple majority. However, in certain matters, the Swedish Companies Act stipulates that a certain level of attendance is required to form a quorum or a qualified majority of votes.

Annual shareholders' meeting shall be held within six months from the end of each fiscal year. Dometic's annual shareholders' meeting shall be held each calendar year in Stockholm, Sweden, before the end of June. The annual shareholders' meeting shall resolve on such matters as the adoption of statutory financial statements, disposition of the Company's result, discharge from liability of the Board and the CEO, principles for the appointment and work of the Nomination Committee, principles for the terms of remuneration and employment for the CEO and other executive management, and, if applicable, adoption of long-term incentive programs, repurchase and transfer of the Company's own shares and authorization to resolve on the issuance of new shares. The annual shareholders' meeting shall also resolve on matters proposed by the Nomination Committee, such as election of the chairman of the meeting, number of Board members, remuneration to the Board members and external auditor, and election of Board members and chairman of the Board and of external auditor. At the annual shareholders' meeting, shareholders shall have the opportunity to ask questions about the Company and its results for the past year.

In addition to the annual shareholders' meeting, extraordinary shareholders' meetings can be held if specifically required.

Written documentation presented at the shareholders' meeting may be downloaded from the Company's website and shall also be sent to shareholders upon request. The minutes recorded at the shareholders' meeting shall normally be published within a few days and not later than two weeks following the shareholders' meeting. A press release containing the decisions made by the shareholders' meeting shall be published immediately after the shareholders' meeting.

Individual shareholders may request that the Board includes a specific issue in the agenda of a shareholders' meeting through an address provided on the Company's website seven weeks prior to the meeting.

In accordance with the Company's articles of association, notice of a shareholders' meeting shall be published in the Swedish Official Gazette (Sw. Post och Inrikes Tidningar) and on the Company's website, www.dometic.com. In conjunction with notice being given, an announcement with information that the notice has been issued shall be published in the Swedish daily newspaper Svenska Dagbladet.

2016 annual shareholder's meeting

The 2016 annual shareholders' meeting was held on April 25, 2016, in Stockholm, Sweden. The complete minutes for and information about the 2016 annual shareholders' meeting are available on the Company's website at www.dometic.com. The annual shareholders' meeting resolved to adopt the submitted income statement and balance sheet and the consolidated income statement and consolidated balance sheet. In accordance with the Board's proposal, the annual shareholders' meeting resolved that no dividend for the fiscal year 2015 should be paid to the shareholders. It was also resolved that the Company's profit should be carried forward. The meeting discharged the Board members and the CEO from liability in respect of their management of the Company's business during the period covered by the annual report and resolved on the remuneration to the Board members. The meeting approved the Board's proposal regarding the remuneration of the executive management.

2017 annual shareholders' meeting

The 2017 annual shareholders' meeting of Dometic shall be held on Friday April 7, 2017, at 13.00-17.00 p.m. at Meeting Room, Alströmergatan 20, 112 47, Stockholm, Sweden. For more information regarding the meeting and how to register the attendance, please refer to Dometic's website at www.dometic.com.

Nomination Committee

The annual shareholders' meeting on April 25, 2016, resolved to adopt the following principles for the appointment of the Nomination Committee for the 2017 annual shareholders' meeting.

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 the expiry of the third quarter of the financial year. 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 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 Nomination Committee shall present proposals to the annual shareholders' meeting regarding the chairman of the Board and other Board members together with an explanatory statement for the proposal, the fees and other remuneration for Board assignments for each of the Board members, including any remuneration for committee work, the external auditor and the auditor's fees, and the chairman of the annual shareholders' meeting and, where appropriate, propose changes to the appointment of the Nomination Committee. 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 shall be publicly announced not later than on the date of notification of the annual shareholders' meeting.

The composition of the Nomination Committee for the annual shareholders' meeting shall normally be announced on the Company's website six months before the annual shareholders' meeting.

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

Nomination Committee prior to 2017 annual shareholders' meeting

The composition of the Nomination Committee was published on the Company's website www.dometic.com on November 30, 2016. The Nomination Committee prior to the 2017 annual shareholders' meeting comprises Mr. Joachim Spetz (Swedbank Robur Fonder), Mr. Simon Blecher (Carnegie Fonder), Mr. Christian Brunlid (Handelsbanken Fonder) and Mr. Fredrik Cappelen, the chairman of the Board. Mr. Simon Blecher has been appointed the chairman of the Nomination Committee.

Nomination Committee

| Name | Appointed by | Percentage of votes, November 30, 2016 |
|-------------------|----------------------------------|--|
| Joachim Spetz | Swedbank Robur Fonder | 7.80 |
| Simon Blecher | Carnegie Fonder | 6.35 |
| Christian Brunlid | Handelsbanken Fonder | 5.24 |
| Fredrik Cappelen | Chairman of the Board of Dometic | 0.31 |

After the 2016 annual shareholders' meeting and until the date on which this annual report was presented, the Nomination Committee has held six meetings. As a basis for its proposals to the 2017 annual shareholders' meeting, the Nomination Committee assessed whether the current Board was appropriately composed and meets the requirements imposed on the Board considering the Company's operations, financial position and other circumstances. The Nomination Committee discussed and assessed the main requirements that should be imposed on Board members, including the competence and the independence of members given the number of Board assignments that they have in other companies. The Nomination Committee also considered that a variety as regards gender, age, nationality, educational background and term of office is represented among the Board members.

The Board of Directors

The Board shall be responsible for organizing the Company and the management of the Company's operations on behalf of the shareholders. The Board shall also issue guidelines and instructions for the CEO. In addition, the Board shall ensure that the Company's organization with respect to accounting, management of funds and the Company's financial position is satisfactory controlled.

Composition in 2016

Under the Company's articles of association, the Board shall comprise no fewer than three and not more than eight members appointed by the annual shareholders' meeting for a term until the end of the next annual shareholders' meeting. The Board is currently comprised of seven members without deputies. Seven Board members were re-elected at the annual shareholders' meeting on April 25, 2016: Mr. Fredrik Cappelen, Mr. Albert Gustafsson, Mr. Harry Klagsbrun, Mr. Magnus Yngen, Mr. Rainer Schmückle, Mr. Erik Olsson and Mrs. Gun Nilsson. No member of the Group Management is a Board member.

However, both the CEO and the CFO of Dometic participate in Board meetings and the Company's General Counsel serves as Secretary to the Board. Other members of the Group Management or other senior managers of the Company participate in Board meetings when presenting separate issues.

Independence of the Board

In accordance with the Code, a majority of the members of the Board elected by the shareholders' meeting shall be independent in relation to the Company, its executive management and major shareholders. The independence of the Board members is presented in the table on the composition of the Board on page 54. All of the members of the Board are independent in relation to the Company, its executive management, and its major shareholders¹⁾. Accordingly, the Company is in compliance with the Code's independence requirement.

Responsibilities of the chairman

The chairman of the Board shall lead and manage the Board's work and ensure that activities are conducted efficiently. The chairman shall ensure that the Swedish Companies Act and other applicable laws and regulations are followed and that the Board receives the necessary training and improves its knowledge of the Company and its operations. The chairman shall prepare the agendas for Board meetings in consultation with the CEO, monitor the operations in close dialog with the CEO, convey opinions from shareholders to other Board members and serve as a spokesman for the Board. The chairman shall also be responsible for providing the other members of the Board with information and decision basis and for implementing Board decisions. In addition, the chairman shall be responsible for ensuring that the work of the Board is evaluated every year.

Board responsibilities and work

The main task of the Board shall be to manage Dometic's operations in such a manner as to assure that the interests of the owners, in terms of a long-term return on capital, are being met in the best possible manner. The duties of the Board are primarily set out in the Swedish Companies Act and the Code. In addition, the work of the Board is governed by rules of procedure that the Board adopts every year at its statutory meeting, which shall be held directly after the annual shareholders' meeting. The rules of procedure regulate the allocation of work and responsibility between the Board, chairman of the Board and the CEO, as well as stipulate procedures for financial reporting by the CEO to the Board. The Board also adopts instructions for the Board's committees.

The Board shall establish strategies, business plans and budgets as well as submit interim financial statements, annual accounts, and adopt policies. The Board shall also follow the financial developments, ensure the quality of financial reporting and control functions, and evaluate the Company's operations based on the established goals and guidelines adopted by the Board. Finally, the Board shall also take decisions regarding major investments, acquisitions and divestments, appointment of and, if necessary, dismissal of the CEO, and organizational and operational changes in the Company. In addition, the Board shall, via its audit committee, annually evaluate the efficiency of the Company's internal control. Within the Company the internal audit function evaluates the Company's control environment and effectiveness of its control functions.

The current rules of procedure state that the Board shall hold at least four meetings per calendar year in addition to the statutory meeting following election. The Board held nine meetings during 2016 in addition to the statutory

¹⁾ Please note that until November 21, 2016, four of the members had been independent in relation to the Company's major shareholders.

meeting, of which one was held per capsulam. All Board meetings follow a predetermined agenda. Attendance at Board meetings is presented in the table on the composition of the Board on page 54.

In 2016, the Board mainly addressed matters regarding the operations, financing investments, acquisitions, and other ongoing accounting and company law issues. The Board decided on all investments exceeding SEK 10 m. Major issues addressed by the Board during 2016 included, inter alia, the following matters:

- Acquisition of the assets of IPV, a German-based aftermarket provider of coolers and other outdoor products.
- Acquisition of Oceanair, a UK-based market-leading manufacturer of marine blinds, screens and soft furnishings primarily for the Leisure Marine and Super Yacht segments.
- Divestment of the seating and chassis component business of Dometic's subsidiary Atwood Mobile Products to Lippert Components, Inc., a wholly-owned subsidiary of Drew Industries Incorporated. The divestment included a production site in Elkhart, Indiana.
- Appointment of new President for Americas and for EMEA.
- Class action complaint filed against Dometic in the US.
- Launch of Dometic's new corporate identity.
- Actions to improve the logistics in the US.
- Actions to streamline Dometic's activities.
- Actions for an efficient order-to-delivery system.
- Actions for a pro-active process to identify quality problems.

Board work evaluation

The Board evaluates its work annually with regard to working procedures and the working climate, as well as regards the focus of the Board 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 work and also serves as input for the Nomination Committee's work. The evaluation of the Board is each year initiated and lead by the Chairman of the Board. Evaluation tools include discussions. The results of the evaluation of the Board work was reviewed and discussed at a Board meeting. Based on the results, the Board focused on the following areas: (i) competence in the Board; (ii) competence in the management; and (iii) effectiveness of the Board work.

Board committees

The Board has two committees, the Audit Committee and the Remuneration Committee. The committees report on the issues addressed either verbally or in writing. The work of the respective committee is carried out pursuant to written instructions and rules of procedure from the Board. The major tasks of these committees are preparatory and advisory, but the Board may delegate decision-making powers on specific issues to the committees. Minutes of the committees' meetings are circulated to all Board members in advance of the following Board meeting. The members and the chairman of the committees are appointed annually at the statutory Board meeting following election of Board members, or when a committee member needs to be replaced.

Remuneration Committee

The Remuneration Committee shall prepare the Board's decisions on principles for remuneration and other terms of employment for the CEO and other executive management. The Committee shall also propose changes in remuneration to the CEO for resolution by the Board and shall review changes in remuneration to other members of Group Management on proposal by the CEO.

The work shall involve the preparation of proposals for guidelines for items, such as the allocation between fixed and variable remuneration, the relationship between performance and compensation, the main terms of bonus and incentive programs, conditions for other benefits, pensions, termination and severance pay, and the preparation of proposals for individual remuneration packages for the CEO and the Company's executive management. Furthermore, the Remuneration Committee shall also monitor and evaluate the outcome of variable remuneration, and how the Company complies with the remuneration guidelines adopted by the annual shareholders' meeting.

The current instructions for the Remuneration Committee state that the committee shall consist of at least two members and that the committee shall meet at least two times a year. The Remuneration Committee comprises three members: Mr. Harry Klagsbrun (chairman), Mr. Fredrik Cappelen and Mr. Erik Olsson. The Remuneration Committee held three meetings in 2016. The attendance of the members at these meetings is presented in the table on the composition of the Board on page 54. The Company's Head of Human Resources participated in the meetings and was responsible for preparations of the meetings and keeping the minutes of the meetings. The Company's CEO also participated in the meetings of the Remuneration Committee.

Audit Committee

The main task of the Audit Committee shall be to ensure that the Board meets the supervision requirements relating to internal control, auditing, internal audit, risk management, accounting and financial reporting, and prepares accounting and auditing matters. The Audit Committee shall review internal audit reports submitted by the group's internal audit function. The Audit Committee shall also review processes and procedures for accounting and financial control and prepare the Board's report on internal control. In addition, the Audit Committee shall monitor the impartiality and independence of the external auditor, evaluate the audit work and discuss coordination between the external audit and the internal work on internal control issues with the auditor. The Audit Committee shall also assist the Company's Nomination Committee when preparing proposals for external auditor and recommendations for auditor's fees.

The current instructions for the Audit Committee state that the committee shall consist of at least three members and shall meet at least three times a year. The Audit Committee comprises four members: Mr. Magnus Yngen (chairman), Mr. Albert Gustafsson, Mr. Rainer Schmückle and Mrs. Gun Nilsson. The Audit Committee meets all the requirements in relation to auditing and accounting competence as stipulated in the Swedish Companies Act.

The Audit Committee held six meetings in 2016. The members' attendance at these meetings is presented in the table on the composition of the Board on page 54. The CFO, the Company's General Counsel, the Heads of Accounting, Business Control, Internal Audit, Internal Control, Tax, and Treasury participated in the meetings of the Audit Committee. The General Counsel serves as secretary at the Audit Committee meetings.

THE BOARD OF DIRECTORS



1. FREDRIK CAPPELEN
Chairman since 2013

2. ALBERT GUSTAFSSON
Board member since 2011

3. HARRY KLAGSBRUN
Board member since 2014

4. GUN NILSSON
Board member since 2015

5. ERIK OLSSON
Board member since 2015

6. RAINER E. SCHMÜCKLE
Board member since 2011

7. MAGNUS YNGEN
Board member since 2012

| Board of Directors | Fredrik Cappelen | Albert Gustafsson | Harry Klagsbrun |
|--|---|--|--|
| | <p>Chairman Born 1957. Sweden. Bachelor of Business Administration and A-level Diploma in Political Science, University of Uppsala. Elected 2013. Member of the Remuneration Committee.</p> | <p>Born 1977. Sweden. B.Sc. in Business Administration and Economics, Gothenburg School of Business, Economics and Law. Elected 2011. Member of the Audit Committee.</p> | <p>Born 1954. Sweden. B.A. in Journalism, Stockholm University, M.Sc. in Business Administration, Stockholm School of Economics, and MBA from New York University. Elected 2014. Chairman of the Remuneration Committee.</p> |
| Position and Board membership ¹⁾ | <p>Chairman of the board of Dustin AB, Terveystalo Oy and Frostbite Holding AB. Member of the board of Transcom AB and Securitas AB.</p> | <p>Employed in EQT Partners AB as Director. Member of the board of Scandic Hotels Group AB and Frostbite Holding AB.</p> | <p>Employed in EQT Partners AB as Partner. Member of the board of AcadeMedia AB, Piab AB and PressGaney Inc.</p> |
| Previous positions | <p>Chairman of the board of Byggmax AB, Sanitec Oy, Granngården AB, Svedbergs AB and several subsidiaries of Dometic Group AB (publ). Vice chairman of the board of Munksjö AB. CEO of Nobia AB (1994–2008). Member of the board of Carnegie Investment Bank AB and Cramo Oy. Managing Director 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. Managing Director of Kauko GmbH and Kauko International.</p> | <p>Member of the board of Cimbria Bulk Technology AS, GG Holding AB, Granngården AB and several subsidiaries of Dometic Group AB (publ).</p> | <p>Member of the board of Gambro AB, Securitas Direkt AB, ISS AS and Duni AB.</p> |
| Board meeting attendance | 10/10 | 10/10 | 7/10 |
| Remuneration Committee attendance | 3/3 | | 3/3 |
| Audit Committee attendance | | 6/6 | |
| Holdings in Dometic ²⁾ | 904,140 ³⁾ | – | – |
| Independence ⁴⁾ in relation to the company and its executive management/In relation to major shareholders | Yes/Yes ⁵⁾ | Yes/Yes ⁵⁾ | Yes/Yes ⁵⁾ |

¹⁾ Position and board membership as of December 31, 2016.

²⁾ Holdings in Dometic Group AB (publ) as of December 31, 2016.

³⁾ Shareholding in Dometic through related party.

⁴⁾ For further information about the independence assessment, see page 51.

⁵⁾ Please note that until Frostbite I S.á.r.l. divested its shares in Dometic Group AB (publ) on November 21, 2016 the said Board member had not been independent in relation to the Company's major shareholder.

| Gun Nilsson | Erik Olsson | Rainer Schmückle | Magnus Yngen |
|--|--|---|---|
| Born 1955. Sweden. M.Sc. in Business Administration, Stockholm School of Economics. Elected 2015. Member of the Audit Committee. | Born 1962. Sweden. B.Sc. in Business Administration and Economics, Gothenburg School of Business, Economics and Law. Elected 2015. Member of the Remuneration Committee. | Born 1959. Germany. Degree in Industrial Engineering, University of Karlsruhe. Elected 2011. Member of the Audit Committee. | Born 1958. Sweden. M.Sc. and Licentiate of Technology, Royal Institute of Technology in Stockholm. Elected 2012. Chairman of the Audit Committee. |
| CFO of IP-Only Holding AB. Member of the board of Hexagon AB (publ), Albert Bonnier AB, Bonnier Holding AB and Capio AB (publ). | Member of the board of Ritchie Bros. Auctioneers, Inc. Member of the board and CEO of Mobile Mini, Inc. Member of the board of the non-profit organization St Mary's Food Bank Alliance. | Member of the board of Autoneum Holding Ltd and Autoneum AG. | President, CEO and member of the board of Camfil AB. Chairman of the board of Sveba-Dahlén Group AB and Duni AB. Member of the board of Intrum Justitia AB. |
| CFO of Sanitec Corporation. Chairman of the board of Ido Badrum AB, Royal Sanitec AB, Sanitec Holdings Sweden and Ifö Sanitar AB. Member of the board of Contura Steel AB. | Member of the Board and CEO of RSC Holdings, Inc. | Member of the board of Wittur GmbH, Frostbite Holding AB and several subsidiaries of Dometic Group AB (publ). CEO of MAG IAS GmbH. COO Automotive of Johnson Controls, Inc. and COO of Mercedes Cars of Daimler AG. | CEO and member of the board of Husqvarna AB. Chairman of the board, member of the board and/or CEO in several subsidiaries of Dometic Group AB (publ). Member of the board of Frostbite Holding AB and of the non-profit organizations Teknikarbetsgivarna i Sverige and Teknikföretagen i Sverige. |
| 10/10 | 10/10 | 10/10 | 10/10 |
| | 3/3 | | |
| 6/6 | | 6/6 | 6/6 |
| 4,000 | – | 118,895 ³⁾ | 278,460 |
| Yes/Yes | Yes/Yes | Yes/Yes | Yes/Yes |

CEO and Group Management

The Dometic Group Management consists of the CEO, the heads of the regions as well as the heads of the group staff functions.

The Company's CEO is Mr. Roger Johansson (born 1965). Mr. Johansson has a B.Sc. in International Business and Trade from Gothenburg School of Business, Economics and Law. Roger Johansson has been President of Trelleborg Automotive and CEO of BE Group AB (publ). Before that he spent sixteen years with General Motors Corporation leading purchasing and also powertrain operations in Europe. He holds 905 180 shares in the Company as of December 31, 2016. Mr. Johansson has no significant assignments outside Dometic.

The CEO is appointed by and subordinate to the Board and is responsible for the day-to-day management and operations of the Company. The division of work between the Board and the CEO is set out in the rules of procedure for the Board and instructions for the CEO. The CEO is also responsible for the preparation of reports and compiling information from management for Board meetings and for presenting such material at Board meetings. According to the instructions for financial reporting, the CEO is responsible for the financial reporting in the Company and consequently shall ensure that the Board receives adequate information for the Board to be able to evaluate the Company's and the group's financial position.

The CEO shall keep the Board continuously informed of developments in the Company's operations, the development of sales, the Company's results and financial position, liquidity and credit status, important business events and all other events, circumstances or conditions that can be assumed to be of significance to the Company's shareholders.

The CEO appoints all other members of the Group Management. Information about remuneration and terms of employment for the CEO and other executive management is available on the Company's website at www.dometic.com.

The heads of the regions shall be responsible for the revenues, costs and use of capital in their respective operations.

Group staff functions shall be responsible for the coordination of general issues of importance to the group, development of policies, instructions and guidelines as well as support for the business units that apply them. The tasks of staff functions include consolidation and reporting of financial results, financing, treasury, tax, internal audit, internal control, IT, IR, legal matters, risk management and insurance, health and safety, environmental and sustainability issues, compliance, personnel issues, internal communication as well as external communication with media and the capital markets, brand and marketing, quality and business development.

In 2016 the Group Management held monthly meetings to review the previous month's results, update forecasts and plans and discuss strategic issues.

External Auditor

The Company's external auditor is elected at the annual shareholders' meeting every year.

The Company's auditor shall review the financial reports and accounts and the annual report and consolidated financial statements for the Company and the administration of the Board and the CEO. The auditor shall follow an audit plan that shall be discussed with the Audit Committee.

The auditor shall participate at the Board meeting that addresses the annual report and consolidated financial statements. At this meeting, the auditor shall present the financial information and discuss the audit with the Board members. The auditor shall also attend the annual shareholders' meeting and describe their audit activities and observations made in an audit report.

In 2016 the auditor presented reports to the Audit Committee during the course of the audit and finally to the Board as a whole when the year-end report was adopted.

During the year, the auditor performed certain audit-related consulting assignments in addition to the audit, mainly pertaining to tax consultancy and consulting in accounting issues.

PricewaterhouseCoopers AB (PwC) is responsible for auditing all of the important subsidiaries in the group. PricewaterhouseCoopers AB has been the Company's auditor since 2011. Mr. Magnus Brändström is the auditor in charge.

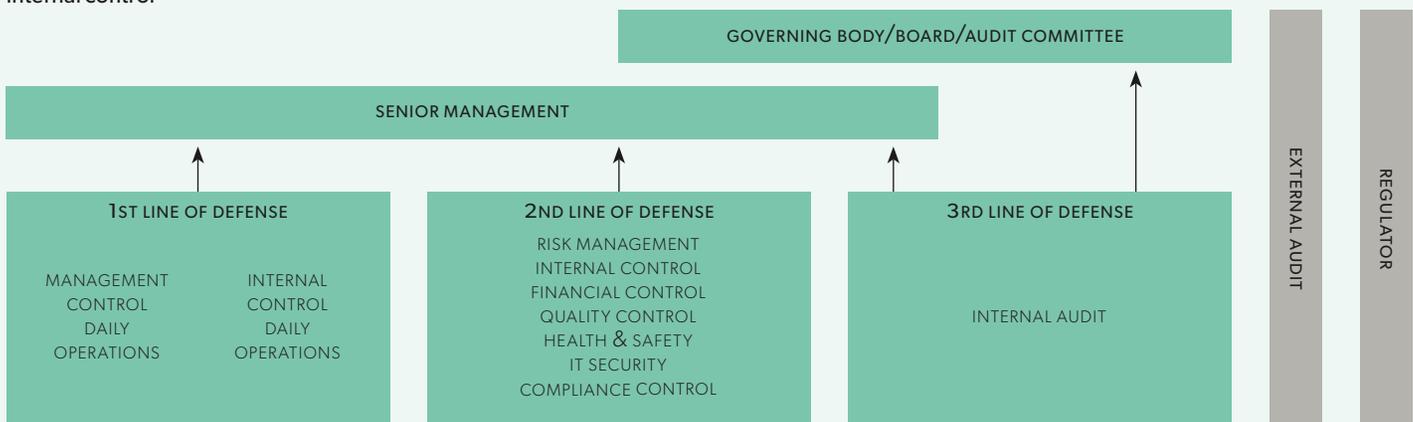
Pursuant to the decision of the 2016 annual shareholders' meeting, the auditor's fee until the 2017 annual shareholders' meeting shall be paid on the basis of approved invoices.

Information and Communication

The Company's governance documents for financial reporting primarily comprise policies, guidelines and instructions that are continuously updated and reviewed yearly and communicated to the appropriate employees via relevant information channels. In addition, other policies relevant for internal control over financial reporting can be accessed on the group's intranet by all relevant personnel.

An information policy is in place for internal and external communication that provides guidelines on how such information shall be provided. The purpose of the policy is to ensure that the Company complies with the requirements for disseminating correct and complete information to the market.

Internal control



Internal Control

Internal control over financial reporting within Dometic is designed to ensure reliable financial reporting. The internal control of the financial reporting is carried out in several steps and covers income statement, capital and cash flow including supporting documentation. In addition to the financial reporting, the internal control procedures shall also support the organization in managing other identified risks and processes in the organization. Dometic's system for internal control is based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Control environment

The control environment at Dometic constitutes the framework for the direction and culture communicated to the organization by the Board and the Group Management.

Internal guidance and control in accordance with established frameworks is a prioritized part of the management work. The Board and the Group Management define and formulate decision-making channels, authority and responsibilities which are communicated throughout the organization. The Board also strives to ensure that governance documents, such as internal policies and guidelines, cover identified and significant areas and that they provide proper guidance for the relevant employees in the group.

Risk assessment

Dometic has during 2016 established a risk management process with an executive risk committee and quarterly executive risk committee meetings administered by an appointed risk coordinator. The chairman of the executive risk committee is the CFO. The executive risk committee consists of representatives from the regional operations, product market and innovation (PMI), finance, HR, legal, and internal audit. The main tasks of the executive risk committee include: to evaluate group risks, conduct risk assessment, discuss recent risk related issues, evaluate and approve risk related actions and activities, discuss and approve the risk governance framework (policies and activities) and facilitate input from the executive risk committee members and from significant risk related reports. The committee is the internal forum to address risks. A summary of the committee's work is presented to the Audit Committee and the Board.

Dometic performs annual risk analysis by assessing each defined risks likelihood and impact and the related risk activities with risk owners in a risk register, resulting in global and regional risk maps used as a foundation for the group control activities.

Control activities

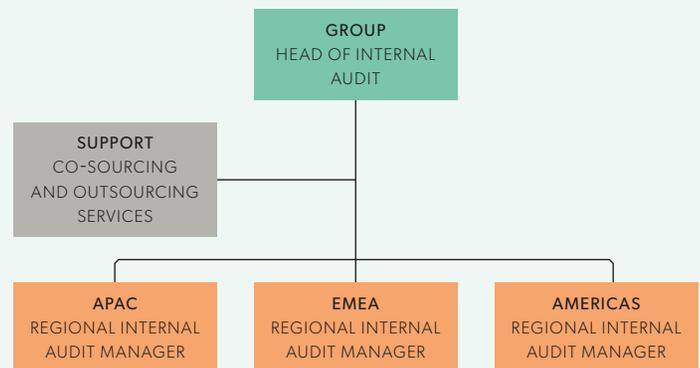
Dometic maintains a comprehensive financial reporting system for the monitoring of operations, which enables identification of possible deviations in financial reporting. Financial reports for the different legal entities and regions are reviewed on a continuous basis by the central finance department. This entails a thorough monitoring of the financial results in accordance with a fixed plan for the financial year.

Financial data is reported by nearly seventy reporting units and the CFO as well as other representatives of the central finance function meet the region managers and review the region's results every month in accordance with the standardized routines for reporting that are stipulated in Dometic's finance manual. These reports are the basis for the group's consolidated financial reporting.

To ensure that risks are identified and properly managed, Dometic has developed a tool for developing, assessing, reporting and monitoring internal control, the MICR (minimum internal control requirements). MICR consists of a number of controls divided into eight key processes and underlying sub processes, and will after the roll out during 2017, be conducted as an entity self-assessment with selected follow ups performed by the company control functions.

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 region to discuss the business.

Dometic's internal audit organization



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.

Internal control

To maintain the quality of internal control and further strengthen Dometic's control processes a new central function for internal control was established in November 2015. During 2016 a systematic tool for self-assessment, MICR, has been established that will be further rolled out during 2017. Internal control provides a reasonable risk based control over financial reporting and ensures compliance with the group policies and procedures for efficient operations.

Internal audit

An internal audit function was established in November 2015 to improve operations through systematic evaluation of the effectiveness of the corporate governance, risk management and internal control. Internal audit reports to the chairman of the Audit Committee and to the CFO, as described in the corporate governance structure on page 49. Internal audit identifies weaknesses and suggests actions for improvement to the Audit Committee and the Group Management. The internal audit function has been strengthened and improved during 2016 with new regional internal audit managers appointed.

Dometic uses risk based audits based on the outcome of annual risk assessments. From 2017 internal audits will be conducted based on regional audit plans with input from regional senior management. Audit plans are presented by the Head of Internal Audit and approved by the Audit Committee. Dometic's Internal Audit policy is approved by the Board and a global Internal Audit Instruction is guiding how to perform audit in each region.

Monitoring

The Audit Committee evaluates the Company's internal control and received input from its control functions. At Audit Committee meetings a number of the Company control functions are present to inform the Audit Committee of internal control deficiencies.

The Board is ultimately responsible for internal control over financial reporting. Efficient performance by the Board is thus the basis for satisfactory internal control. Assessment of Dometic's financial position and strategy is made by the Board and the Group Management through continuous discussion and reviews. These areas are discussed at each Board meeting and the Board further receives monthly reports of the current financial and operational issues.

GROUP MANAGEMENT





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1. ROGER JOHANSSON

Born 1965. CEO since 2012.

B.Sc. in International Business and Trade from Gothenburg School of Business, Economics and Law.

Shareholding: 905,180

2. LISELOTTE BERGMARK

Born 1966. Head of Group HR since 2015.

B.Sc. and M.Sc. in Human Resources from Linköping University.

Shareholding: 4,700

3. PER-ARNE BLOMQUIST

Born 1962. CFO since 2014.

B.Sc. in Business Administration and Economics from Stockholm School of Economics.

Member of the Board of Directors of Djurgården Hockey AB.

Shareholding: 701,172

4. CHIALING HSUEH

Born 1963. President APAC since 2016.

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

Shareholding: 0

5. PER-NICKLAS HÖGLUND

Born 1973. Head of Strategy, Group Projects and M&A since 2014.

M.Sc. degree in Civil Engineering from Chalmers University of Technology in Gothenburg and M.Sc. degree in Accounting & Business Administration from School of Business, Economics and Law at Gothenburg University.

Shareholding: 742,356 through related party

6. PETER KJELLBERG

Born 1965. Chief Marketing Officer since 2015.

Marketing Economy, DIHM, IHM Business School.

Member of the Board of Directors of USWE Sports AB and XO Boats.

Shareholding: 138,241

7. SCOTT NELSON

Born 1964. President The Americas since 2016.

B.Sc. in Economics & Management, Albion College, USA and MBA studies, Indiana University, USA.

Shareholding: 0

8. ANNA SMIESZEK

Born 1964. Group General Counsel since 2015.

Masters of Laws from University of Silesia and Stockholm University.

PhD studies at Oxford University, Diploma Program in International Law from Stockholm University.

Shareholding: 2,500

9. BENGT THORSSON

Born 1964. President EMEA since 2016.

B.Sc. degree from Gothenburg School of Business, Sweden.

Shareholding: 25,000 through related party



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