

Stockholm, Sweden May 17, 2019

To our stakeholders:

I am pleased to confirm that Dometic reaffirms its support of the Ten Principles of the United Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.



President & CEO
Dometic Group

Human Rights

- Assessment, policy and goals
- Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

Dometic's Code of Conduct provides guidance for the companies' employees. The Code of Conduct supports and respects the principles of the following ethical guidelines:

- o The United Nations Universal Declaration on Human Rights;
- o International Labour Organization Declaration on Fundamental Principles and Rights at Work;
- o United Nations Global Compact;
- o OECD's Guidelines for Multinational Enterprises;
- o UN Guiding Principles for Business and Human Rights;
- o UN Convention on Rights of Children and Children's Rights and Business Principles.

Dometic's Code of Conduct and other governing documents set the framework for how the Group acts and follows up on business practices. The Code of Conduct applies to all employees, customers, business partners and suppliers.

Dometic's relationships with business partners and suppliers are based on high ethical standards and business practices and aim to prevent unethical behaviors.

The company supports and respects the protection of internationally proclaimed human rights.

Dometic does not attribute more importance to one human right over another. However, we strive to prioritize our implementation efforts in aspects of operations over which we have greater degree of control and influence. In particular, the Dometic Group commits to the following:

The company respects and fosters labour-related human rights, including nondiscrimination, health & safety, illegal child labour and fair wages, within its own operations and its supply chain. Dometic Group respects and promotes the rights of the environment, including minimizing the impact of our production and products on the environment. Dometic Group conducts due diligence in regard to human rights and our business in selected sensitive geographies and promotes best practice.

The minimum age for any employee in Dometic is 15 or the minimum school leaving age, whichever is the oldest. In line with international conventions, we acknowledge that a person is a child until the age of 18. This means that we recognize the rights of every child to be protected from economic exploitation and from performing any work that is

hazardous or harmful to the child's physical or mental health or interferes with the child's education.

Forced, bonded or other forms of compulsory labour, physical or psychological punishment are prohibited.

Dometic has around 4,100 suppliers of direct material in 40 countries. To ensure that they meet the standards for responsible and ethical business practices, the suppliers are required to comply with the principles of the Code of Conduct. The Group's procurement organization monitors compliance with the Code of -Conduct using self-assessments and -supplier audits. Dometic continues to develop the supplier audits globally to reach fully fledged sustainability audits for its suppliers.

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- Implementation
 - Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.
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Focus areas:

- Increased awareness regarding the Code of Conduct
- Development and launching of GDPR awareness program to secure compliance with GDPR
- Deployment of the whistleblower system (Dometic SpeakUp Line)

CODE OF CONDUCT

In 2018, approximately 98 percent of white-collar workers conducted the Code of Conduct awareness program for employees that was launched globally in 2017. This e-learning program provides hands-on examples from the workplace to train expected behaviors and to ensure that all employees are aware of expectations and behavioral guidelines. Additionally, new employees, regardless where in the world, are invited and expected to conduct training in their first work weeks.

WHISTLEBLOWING

In 2017, Dometic implemented a new whistleblower system called the Dometic SpeakUp Line, available in all Dometic Group languages. It offers Dometic's employees an anonymous channel to report any business activities or behaviors that are potentially in breach of the Code of Conduct. Dometic's SpeakUp Line is managed by a third-party -vendor to ensure full privacy.

TARGETS 2019–2021

- Continue to implement the Code of Conduct
 - 100 percent of employees (white-collar and blue-collar) conduct e-learning on the Code of Conduct
 - 100 percent of suppliers of direct material adhere to the Dometic Code of Conduct
- Implement training program on anti-trust and sanctions

- 100 percent of the senior managers and sales employees conduct e-learning on anti-trust and sanctions
- Conduct supplier audits
 - 90 percent of all suppliers of direct material spend in low cost countries should be audited every second year

KEY ACTIVITIES 2019–2021

- Ensure that all blue-collar workers receive training on the Code of Conduct
 - Develop e-learning courses on anti-trust and sanction regulations
 - Strengthen the supplier audit organization
 - Develop new global audit template and plan for supplier audits
 - Accelerate supplier audits
 - Continue GDPR implementation and perform audits on status
 - Implement structured CSR screening as part of the due diligence process for acquisition target
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- Measurement of outcomes
 - Description of how the company monitors and evaluates performance.
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THE FOLLOWING ACTIVITIES WERE MEASURED AND FOLLOWED UP IN 2018.

KEY ACTIVITIES 2018

- Increased awareness regarding the Code of Conduct
 - Approximately 98 percent of white-collar workers took part in the Code of Conduct e-learning
 - Increased due diligence of suppliers
 - Development of a global Purchasing Manual
 - Development of contract templates for purchasing, including the Code of Conduct as a mandatory attachment to be signed by suppliers
 - Initiate audits of top suppliers of direct material in the regions, focusing on their corporate structure, quality and manufacturing process
- Development and launching of GDPR awareness program to secure compliance with GDPR
 - Training for representatives for all regions in main elements of GDPR
 - Appointment of the Data Protection Officer (DPO) and Data Protection Managers (DPMs) in European entities
 - Development of GDPR e-learning program for employees and the board of directors
- Deployment of the whistleblower system (Dometic SpeakUp Line)

In 2018 85 percent of reported cases led to investigations and actions.
 15 percent were guided to appropriate channels or closed as not relevant.

Labour

- Assessment, policy and goals
 - Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.
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Dometic's Code of Conduct provides guidance for the companies' employees.

Dometic strives to be a preferred employer of both current and potential employees.

All employees and contractors shall be provided with a safe and healthy work environment, free from work related injuries, when working at or visiting the Dometic Group offices or production sites. The Dometic Group shall strictly adhere to all applicable laws and regulations relating to workplace health and safety. Any incidents or potential safety issues shall be immediately reported to local management in order to properly address risk areas, ensure continuous improvement and monitor development. Managers shall ensure that employees and contractors receive adequate training and required safety equipment. Managers shall correct and report any unsafe conditions, accidents and work-related injuries and illness.

All employees shall be treated according to his or her abilities and qualifications in any employment decisions, including but not limited to hiring, advancement, compensation benefits, training, lay-offs and termination. Discrimination against employees based on sex, race, age, sexual orientation, religion, caste, nationality, disability, employees that are pregnant or workers with family responsibilities is prohibited.

Wages, including overtime and benefits, shall equal or exceed the minimum level required by applicable law and regulations in each respective country. Dometic Group shall honour all applicable laws regarding compensation and work hours.

Dometic respects the employee's rights to form, join or to refrain from joining employee associations. No employee shall be subject to intimidation or harassment in his or her peaceful exercise of these rights.

- Implementation
 - Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.
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Dometic is committed to provide an attractive workplace. Key areas include creating diverse work environments and ensuring that the Group complies with principles of equality and diversity when hiring and providing development opportunities to the

employees to enable them to reach their full potential. In 2018 Dometic introduced a revised version of its Core Values guiding employees in their work by building a more value-driven organization. By having a work environment based on Dometic's Core Values and Code of Conduct, the company creates a great place to work for both current and future employees.

Core values and The Dometic Way

The Dometic Way is the foundation of the corporate culture, derived from Dometic's Core Values. It sets the standards for everything Dometic does and how people in the Group interact with each other and external parties. Four Core Values provide direction for the leaders and employees:

- We are passionate
- We act responsibly
- We are building together
- We embrace change

At the end of 2018, a project for the development of a common training in understanding the Core Values and the Dometic Way has started, as well as an Employer Branding project pinpointing what the company culture has to offer both future and current employees.

Gender distribution

In 2018, Dometic employed on average 7,991 people, 36 percent of whom were women. The Group management team comprised 10 people, of which 4 were women (40 percent). Dometic continually works with gender distribution at all levels in the Group by enhancing the hiring processes and skills development opportunities. Out of a total of 546 managers, 23 percent are women.

Health and Safety

Health and safety are key areas for Dometic, from both a regulatory, people and business perspective. The company works proactively to reduce the number of work-related incidents and increase control of the work environment, with the aim of improving product quality and output.

To further emphasize the importance of health and safety, it is clearly integrated in the Dometic Way. Consequently, all business reviews as well as daily start-up meetings on the shop floors start with a health and safety review. Dometic's Health & Safety Guidelines were introduced during the year at all legal entities to ensure a common standard across the Group, as well as adherence to local regulations. In 2018, 11 operation sites were assessed according to the Dometic Health & Safety Guidelines. As part of the Health & Safety Guidelines, Dometic conducts a Job Safety Analysis (JSA) to identify hazards related to specific tasks in a proactive effort to reduce the risk of injury to workers and to prevent accidents. Workers receive training to carry out their jobs safely and ensure adequate technical safety, including the use of personal protective equipment. Health and safety processes are key components of the factory management systems. In 2018, 64 lost-time health and safety-related incidents were reported.

Dometic has introduced the Dometic Loss Prevention Guideline (DLPG) to reduce risk and maintain high standards for safety, quality and delivery. The DLPG is designed to guide the Group's production sites regarding appropriate safety and security levels. Based on DLPG, a risk-scoring model is used to ensure compliance with good industry practices. In addition to local work, Dometic regularly conducts assessments together

with a third party at all production sites to analyze potential risks. In 2018, Dometic assessed 17 sites according to DLPG and performed Business Impact Analysis workshops for 5 sites across all three regions

Competence Management

Knowledge is a key factor for Dometic's business success, its employees as well as for the business partners. Dometic Academy provides a central learning management system that hosts training opportunities globally. In recent years, coordinated efforts have led to several appreciated global trainings that could be provided internally in line with business needs. The digital infrastructure contains eLearning sessions, tutorials and webinars available to all employees. Employees can also download business-related books, as well as titles on stress reduction, language skills and IT software. English courses are provided globally to improve English skills in all countries where it is relevant. In addition, Dometic supports its employees through practical skills training programs to gain new knowledge and build leadership skills. In total, more than 2,000 employees participated in over 300 training activities across all our markets in 2018.

In the coming years, Dometic will have to increase its efforts in Competence Management to defend its leading market position. New areas such as e-commerce will lead to the development of a totally different skill set than before.

In order to take a next step in Performance Management, a global common process for Performance Management has been developed in 2018, securing that all employees will have performance reviews with their managers and individual development plans.

Targets 2019–2021

- Reduce injury rate
Reach a lost time injury frequency rate of 2 by 2021 (LTIFR= work accidents with lost time > = 1 day / per million working hours))
- Improve gender distribution
26 percent female managers by 2021
- Increase competence management
100 percent employee performance reviews by 2021 (incl individual development plans)

KEY ACTIVITIES 2019–2021

- Implement electronic performance agreements including individual development plans
- Develop and implement Career Paths
- Implement regional competence management processes by 2020
- Implement leadership model globally
- Perform global health & safety awareness initiative finalized by 2020

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- Measurement of outcomes
 - Description of how the company monitors and evaluates performance.
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Any violation of the Global Compact Labour principles leads to consequences. All companies within the Dometic Group shall operate in full compliance with relevant laws and regulations applicable to their operations and employment in the countries in which they operate. This is the minimum requirement in all sections of Dometic's Code of Conduct. However, the requirements set forth in Dometic's Code of Conduct shall be respected and followed even when they go beyond applicable national requirements. The requirements of Dometic's Code of Conduct apply to all employees, officers and board members of the Dometic Group, in all markets and at all times.

For Dometic's employees and managers failure to comply with the Code of Conduct may result in disciplinary action, which may include written warning or ultimately, termination of employment.

Measurements how all employees and managers live the core values will be introduced in the employee survey 2019.

Dometic measures also gender and age distribution when it comes to all employees and to management.

The following activities were measured and followed up in 2018.

- Global Health & Safety Guideline with audit readiness implemented
 - Lean trainings conducted in several sites in EMEA
 - Development of Diversity and Inclusion policy
 - Several new product trainings launched on LMS platform
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Environment

- Assessment, policy and goals
 - Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.
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Dometic's way of working with environmental related issues is described in Dometic's Code of Conduct. The company always strives, to improve the environmental performance of its activities and products and to prevent any harmful effects on the environment. All activities and products shall comply with regulations and demands made by authorities as well as by customers. The Dometic Group is committed to the efficient use of natural resources and to sustainable development. This means efficient use of materials and energy during the design, production, purchase, logistic, use and disposal of all its products. Dometic requires its partners and suppliers to adhere to the principles outlined in Dometic's Code of Conduct and the Global Compact environmental principles.

Reduced environmental impact is a key priority in order to achieve a long-term, sustainable business model. Important areas include reduced energy consumption in production, lower emissions of CO₂ gases from production and transportation, responsible use of raw materials, water and waste in production, as well as increased energy efficiency throughout the life cycle of each product. Dometic's production units have set local targets to improve their environmental performance based on their production profile, local environment and improvement potential. Next step will be to drive this development from a global perspective as well.

Implementation

- Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.
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MATERIAL USE AND WASTE

The main materials used in Dometic products are plastics, steel, aluminum and copper. To minimize the use of resources, the ambition is to increase the use of recycled materials, along with enhanced reparability and recyclability in future product generations. Currently, the use of recycled materials in Dometic products is limited to recycled plastics on a low scale.

In 2018, total waste amounted to 7,004 (7,641) tons, of which 228 (319) were hazardous waste. In all, 66 (59) percent of waste was recycled, including packaging, plastics and metals. In most countries, Dometic has access to developed systems for recycling and energy recovery and aims to achieve recycling solutions in all markets.

ENERGY CONSUMPTION

Improved energy efficiency is one of the cornerstones and key challenges for Dometic. For years the Group has worked proactively with energy-saving programs aimed at reducing energy consumption at all facilities. Total energy consumption has continued to be improved in 2018. This was mainly done by:

- Improved compressor technologies (i.e. compressed air)
- Installation of LED lighting systems
- Heat recovery
- Improved heating systems
- Implementation of energy management systems

Dometic expects to increase the percentage of energy from renewable sources over the next few years, in line with its aim to reduce CO₂ emissions.

In order to further improve the energy efficiency in Dometic's operations, a new energy savings target of 10 -percent until 2021 was set on Group level. Global CO₂ emissions are disclosed yearly by CDP Carbon Disclosure -Project. Total energy use in 2018 was 76.6 GWh (77.0). Energy consumption in proportion to net sales improved to 4.2 percent (5.4), mainly driven by improved technologies for lightning, compressed air, heating and air-conditioning.

CHEMICALS

Dometic complies with applicable chemical legislation, including REACH and RoHs, with the aim of phasing out CMR chemicals. Key issues also include responsible end-of-life handling of cooling agents. Dometic has developed an end-of-life technology for

-emptying cooling units in absorption refrigerators. This technology is also used in Dometic's production units worldwide.

TARGETS 2019–2021

- Reduce space
15 percent space reduction by 2021
- Accelerate energy saving
10 percent reduction of energy consumption by 2021
- Reduce water consumption
10 percent reduction of water consumption by 2021
- Increase recycling
75 percent recycling target of all waste by 2021

KEY ACTIVITIES 2019–2021

- Consolidation of locations to reduce space
- Outsourcing
- Reduction of stock keeping units (SKUs) and components
- Modular product platform
- Digitalization throughout the entire value chain
- Consolidation of suppliers
- Increased coordination of transportation of goods
- Continue ISO 14001: 2015 certification
- Increased focus on Value Analysis / Value Engineering to reduce use of material and waste

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- Measurement of outcomes
 - Description of how the company monitors and evaluates environmental performance.
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The following activities were measured and followed up in 2018.

KEY ACTIVITIES 2018

- Phase out of CMR solvents for PU foaming operations
- Implementation of ISO 14001:2015 at Milan factory
- Successful conversion to new ISO 14001:2015 standard at all currently certified sites
- Energy saving project for central air-conditioning system at the Shenzhen manufacturing site
- Termination of ground water usage for cooling purposes at the Krautheim manufacturing site
- Improved treatment of VOC emissions from Krautheim paint shop

Additionally, Dometics environmental performance is measured via KPIs on local levels in the respective plants and coordinated on global level. The company very closely follow the development of its CO2 emissions, total energy consumption, usage of chemicals,

waste and water consumption. Dometic does on a running basis, together with external partners, carry out audits to ensure adherence to local laws and regulations as well as audits to prevent any risks in Dometics operations.

Anti-Corruption

- Assessment, policy and goals
 - Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.
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Dometic's Code of Conduct outlines the principles to be adhered to by all employees, partners and suppliers with reference to anti-corruption.

The Code clearly states that the Dometic Group, and its employees, partners and/or suppliers, shall not participate in or facilitate any kind of corruption, including fraudulent actions, bribery, facilitation payments or money laundering.

Dometic's goal is to ensure that employees, partners and/or suppliers are aware and adhere to these principles.

- Implementation
 - Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.
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Dometic has during 2017 introduced a Code of Conduct e-learning to raise further awareness to the principles set out in the Code of Conduct, including for anti-corruption.

Dometic's whistle-blower function "Dometic Speak Up-Line" provides opportunities for employees to anonymously report any potential breach of the Code of Conduct. The Dometic Speak Up-Line is managed by an external provider and offer all employees to file a report on what they believe to be in breach with Dometic's Code of Conduct in general as well as potential corruption.

- Measurement of outcomes
 - Description of how the company monitors and evaluates anti-corruption performance.
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Risks are part of any business and Dometic is no exception. As a global Group with production, sales and distribution all over the world, Dometic faces risks that can impact its ability to achieve established goals, including financial targets. Effective risk management of business and market risks, operational risks (including sustainability risks), compliance and regulatory risks and financial risks are part of Dometic's effective risk protection.

In 2016, Dometic established a risk management process with a Risk Committee. During 2017 and 2018 the work with the risk committee has developed in a positive way and raised higher awareness and better monitoring and mitigating of risks. The Risk

Committee is the operational forum on Group Level with the purpose to discuss and make decisions on risk-mitigating activities and is represented by Finance, Operations, Product development HR including Health & Safety, Legal, Quality, Internal Control and Internal Audit. The CFO is the chairman of the Risk Committee. The main tasks of the Risk Committee are to assess Group risks, discuss recent risk-related issues, facilitate input from Risk Committee members and review risk related reports and evaluate and approve risk mitigating activities. Formal minutes with agreed actions are recorded and reviewed in the next meeting. The work of the Risk Committee is regularly reported to the Audit Committee and the Board of Directors (annually).