

*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.*

## **PROPOSAL FOR GUIDELINES FOR THE REMUNERATION TO SENIOR EXECUTIVES**

The Board of Directors proposes that the Annual General Meeting resolves on guidelines for remuneration to senior executives, principally entailing that remuneration to senior executives shall be based upon the market conditions in which the Company operates and the environment in which each of the executives works, be competitive, enable the Company to recruit new executives and motivate senior executives to remain with the Company.

The remuneration system will comprise the following elements; fixed salaries, variable salaries, pensions, benefits and incentive programs, in accordance with the below.

At the Annual General Meetings 2008-2010, resolutions were made regarding incentive programs 2008/2011, 2009/2012 and 2010/2013 for key employees. The subscription period in the incentive program 2008/2011 expired on 31 May 2011, whereupon the validity of the subscription warrants expired. Since the determined subscription price for subscription of shares within the program exceeded the relevant share price for a Lindab share, no warrants were used. For incentive program 2009/2012, 784,000 warrants were issued and subscribed for by 68 employees in the Lindab Group. The subscription period in the incentive program 2009/2012 expires on 31 May 2012, whereupon the validity of the subscription warrants will expire. Since the determined subscription price for subscription of shares within the incentive program 2009/2012 to a significant extent exceeds the present share price for a Lindab share, no warrants are expected to be used. As a result of the incentive program 2010/2013, 784,000 warrants were issued and subscribed for by 60 employees in the Lindab Group. As the incentive program 2010/2013 expires on 31 May 2013, there are no reasons to now estimate to what extent the warrants will be used.

The Annual General Meeting 2011 resolved upon the first part of a long term performance based incentive program in the form of the share savings program (LTIP 2011), according to which the participants are required to acquire shares in Lindab at market price by private funding and stay employed in the group during a specific period of time in order to obtain the benefit. The outcome of LTIP 2011 is related to the results of the company. 79 employees participated in the program.

The Board of Directors proposes that the Annual General Meeting shall resolve on the second part of the share savings program (LTIP 2012), according to which the participants are required to acquire shares in Lindab at market price by private funding and stay employed in the group during a specified period of time in order to obtain the benefit. The outcome of LTIP 2012 is related to the results and growth of the company.

Fixed salary and benefits should be established individually based on the criteria outlined above and each of the executive's individual skills.

Variable salaries shall be paid upon completion of clearly fixed targets for the Lindab Group and for the individual. The variable salary shall be paid as a percentage of the fixed salary and shall have a fixed cap.

As a principal rule, the pension shall be a defined-contribution plan. The extent of the pension shall be based on the same criteria as for fixed remuneration and is based partly on fixed and partly on variable salary.

The Board of Directors shall be entitled to deviate from the guidelines in an individual case, if there are specific grounds for this.

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Båstad in April 2012

**The Board of Directors**