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## **LINDAB INTERNATIONAL AB (PUBL)**

### **THE NOMINATION COMMITTEE'S PROPOSAL AND REASONED STATEMENT REGARDING ELECTION OF THE BOARD OF DIRECTORS**

#### **1. Background**

In accordance with the resolution on the Annual General Meeting 2018, the following persons were in October 2018 appointed as members of the Nomination Committee for the Annual General Meeting 2019, Sven Hagströmer, representing Creades AB (publ), Göran Espelund, representing Lannebo Fonder, Per Colleen, representing 4:e AP-fonden and Peter Nilsson, chairman of the Board of Lindab International AB (publ). Sven Hagströmer was appointed chairman of the Nomination Committee.

In accordance with the resolution of the Annual General Meeting, the Nomination Committee shall evaluate the composition and work of the Board of Directors and submit proposals for the Annual General Meeting 2019 regarding:

- Election of chairman for the Annual General Meeting
- Election of the Board of Directors and chairman of the Board
- Election of auditors
- Fees to the Board members, any committees and auditors
- Composition of the Nomination Committee for the Annual General Meeting 2020

The Nomination Committee has carried out an evaluation of the Board members and the composition and work of the Board. In addition, the chairman of the Board has reported how the work of the Board has been conducted.

The Nomination Committee has held two meetings before the Annual General Meeting 2019. All members of the Nomination Committee have attended all meetings. In addition thereto, the members of the Nomination Committee have been in contact via phone and email correspondence.

#### **2. Nomination Committee's proposals**

##### *Election of chairman of the Annual General Meeting*

The Nomination Committee proposes that the Annual General Meeting elects Peter Nilsson as chairman of the Annual General Meeting

##### *Number of Board members and deputy Board members*



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The Nomination Committee proposes that the number of Board members elected by the Annual General Meeting shall remain unchanged and thus, that the Board shall consist of seven members without deputies.

#### *Fees for the Board of Directors and auditors*

The Nomination Committee has evaluated the possibility to encourage the Board members' interest in the Company and its financial development and also to create the possibility for the Board members to have a financial interest in the Company that is aligned with the shareholders. With this background, the Nomination Committee wants to establish a principle that a part of the Board members' fees shall be invested into Lindab shares. The Nomination Committee has also assessed a revision of the Board members' fees due to the increasing complexity and time requirement needed for the Board. Consequently the Nomination Committee proposes a change of the fee to the Board members elected by the Annual General Meeting of an adjustment of 25% and in return by the Board members shall invest 1/3 of the Board members' fees after tax in Lindab shares subject to the following terms:

- The number of shares the Board members shall acquire shall be based on an average of the closing share price of the ten days of trading directly after the release of the Company's report of the first quarter of 2019.
- Acquisition of shares shall be made after the date of the Annual General Meeting of 2019 and before release of the Company's report of the second quarter of 2019.
- The shares shall be kept by the Board member for five (5) years after the acquisition of the shares by the Board member.
- The obligation to keep the shares for five (5) years, shall be observed also if the Board member leaves the Board.

Subsequently, the Nomination Committee proposes that the fee to the chairman of the Board shall amount to SEK 856,000 and the fee to each of the other Board members elected by the Annual General Meeting shall amount to SEK 391,250. The fee to each of the ordinary employee representatives shall amount to SEK 26,250. The total fee for the ordinary work of the Board thereby amounts to SEK 3,256,000.

The Board has in 2018 appointed an Audit Committee consisting of Viveka Ekberg (chair), John Hedberg and Anette Frumerie. The Audit Committee has since the Annual General Meeting 2018 held six meetings. The Nomination Committee proposes that the fee to the chairman of the Audit Committee shall amount to SEK 102,000 and that the fee to each of the other members shall amount to SEK 51,000.



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The Board has also in 2018 appointed an Remuneration Committee consisting of Peter Nilsson (chair), and Per Bertland. The Remuneration Committee has since the Annual General Meeting 2018 held four meetings and has in addition thereto been in contact via email and phone. The Nomination Committee proposes that the fee to the chairman of the Remuneration Committee shall amount to SEK 61,000 and that the fee to each of the other members shall amount to SEK 31,000.

The total fee for the services of the Audit Committee and the Remuneration Committee shall not exceed SEK 296,000.

The Nomination Committee proposes that the auditors' fees shall be paid in accordance with approved account.

#### *Election of the Board of Directors*

The Nomination Committee proposes re-election of all Board members: Per Bertland, Viveka Ekberg, Bent Johannesson, Peter Nilsson, Sonat Burman-Olsson, John Hedberg and Anette Frumerie.

#### *Election of chairman of the Board*

The Nomination Committee proposes the re-election of Peter Nilsson as chairman of the Board.

#### *Election of auditor*

In accordance with the recommendation of the Audit Committee, the Nomination Committee proposes re-election of the registered audit firm Deloitte AB as the Company's auditor for the period until the end of the next Annual General Meeting.

Deloitte AB has informed the Company that authorized public accountant Hans Warén shall be auditor in charge.

#### *Proposal for resolution regarding the Nomination Committee*

The Nomination Committee shall consist of at least four members, one of whom shall be the chairman of the Board. At the end of the third quarter in 2019, the chairman of the Board shall contact the three largest shareholders in the Company and request them to appoint their representative to the Nomination Committee without delay. If a shareholder refrains from exercising its right to appoint a member of the Nomination Committee, the right to appoint a member of the Nomination Committee will pass on to the next largest shareholder that has not appointed a member of the Nomination Committee. The chairman of the Nomination Committee shall be the member that has been appointed by the largest shareholder unless the Nomination Committee decides otherwise. The tasks of the Nomination Committee shall include evaluation of the composition and work of the Board, as well as submission of proposals to the Annual General Meeting regarding:



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- election of the Board and chairman of the Board
- election of chairman for the Annual General Meeting 2020
- election of auditor
- fees to the Board of Directors, any Board committees and the auditor
- Nomination Committee for the Annual General Meeting 2021

The mandate period of the Nomination Committee will run until a new Nomination Committee is constituted. In the event of a substantial change of ownership in the Company during the mandate period, the Nomination Committee shall invite the new major owner representation in the Nomination Committee. If a member appointed by a shareholder resigns during the mandate period, the shareholder shall have the right to appoint a new member within a time frame as decided by the Nomination Committee.

The composition of the Nomination Committee shall be made public at least six months prior to the Annual General Meeting 2020. The members of the Nomination Committee receive no remuneration from the Company but shall have the right to reimbursements from the Company for reasonable expenses.

### **3. Reasoned statement regarding the Nomination Committee's proposal for election of the Board of Directors**

The Nomination Committee has carried out an evaluation of the work of the Board, the Board members and the composition of the Board, and reviewed the report from the chairman of the Board. Considering the Company's activities, development phase and other circumstances, the Nomination Committee has discussed the versatility, size and composition of the Board in particular with regard to market experience, competence and the requirement to strive towards an equal division of the genders.

Based upon the evaluation of the Board, the Nomination Committee finds that the Board and the work of the Board have functioned well.

In order to strive for equality and diversity within Lindab, the Board has adopted an Equal Opportunities Policy which ensures that nobody in Lindab is discriminated because of gender, race, religion, ethnicity or other similar factors. The policy of the Nomination Committee is to achieve diversity and equal division of gender also in the Board. The Nomination Committee has applied as policy clause 4.1 of the Swedish Code of Corporate Governance (the "Code"). The proposed Board members comprise of three women and four men (42,8 and 57,1 per cent, respectively). The Nomination Committee finds it important that the Company continue to strive for diversity in the Board and in the Company.



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The Nomination Committee finds that the proposal entails a Board composition that will continue to be appropriate considering the Company's activities, development phase and other circumstances and that the proposal is characterized by versatility and span of the Board members' qualifications, experience and background as set out in clause 4.1 the Code.

The Nomination Committee finds that the proposed Board of Directors fulfils the requirements of independence as stipulated in the Code. The Nomination Committee has in the assessment considered that John Hedberg as President and CEO of Creades AB (publ) is regarded as dependent in relation to major shareholders. The other proposed Board members are considered to be independent in relation to the Company, the Company's management and the Company's major shareholders.

Further information is available at Lindab's website [www.lindabgroup.com](http://www.lindabgroup.com).

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Stockholm in March 2019

The Nomination Committee of Lindab  
International AB (publ)