



*English convenience translation of Swedish original. In case of discrepancies between the Swedish original and the English translation, the Swedish original shall prevail.*

## **THE BOARD'S PROPOSAL REGARDING A RESOLUTION ON A CALL OPTION PLAN**

The Board proposes that the Annual General Meeting 2020 resolves to introduce a call option plan for senior executives and certain key employees in the Lindab Group (the "**Call Option Plan**"). In essence, it is an identical program with the programs 2017, 2018 and 2019.

The objective of the plan, and the reason for deviating from the shareholders' preferential rights, is to strengthen the link between the work of senior executives and the creation of shareholder value. By that means, it is considered that there will be an increased alignment of interests between the senior executives and the shareholders of Lindab International AB ("**Lindab**").

### **1. Number of call options, participants and allotment of call options**

Lindab may issue up to 275,000 call options under the Call Option Plan. Senior executives and certain key employees within the Lindab Group shall have the right to participate in the Call Option Plan and shall be divided into two different categories:

Lindab's CEO shall have the right to acquire up to 100,000 call options. The remaining members of Lindab's Global Management Team (approx. 8 persons), shall have the right to acquire up to 25,000 call options each. Senior executives who are not employed by the Lindab Group at the time of the Annual General Meeting but have commenced their employment within the Lindab Group no later than August 31, 2020 shall be entitled to participate in the Call Option Plan.

The call options shall be freely transferable but subject to an agreed right of first refusal in favour of Lindab to repurchase the call options at market value.

Assignment of call options to employees outside of Sweden is dependent on tax effects, market assumptions and restrictions in certain jurisdictions, and that the Board's assessment of assignment of call options outside of Sweden can be executed with reasonable costs and reasonable administrative efforts.

The participant is responsible for any tax consequences, possible financial support for acquiring call options or underlying shares, and for other practical handling of the call options.

### **2. Acquisition of call options**

Acquisitions of call options shall take place during an application period as soon as practically and legally possible after the Annual General Meeting. The price shall correspond to market value, calculated by an external appraiser based on the so called Black & Scholes-formula.

### **3. Time and price for acquisition of shares**

Each call option shall entitle to acquisition of one (1) share in Lindab. The exercise price will be 119 per cent of the average volume-weighted price paid for Lindab's share on Nasdaq Stockholm during the period April 30 – May 14, 2020. Acquisition of shares

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in Lindab by exercise of call options may be made from and including the day after Lindab publishes the interim report for the period January 1 – June 30, 2023 until and including August 31, 2023.

The number of shares that the call options entitle to and the subscription price may be recalculated on the basis of, among other things, extraordinary dividends paid, bonus issues, share splits or reverse share splits, rights issues or certain reductions of the share capital or similar actions.

#### **4. Delivery of shares**

Lindab owns 2,375,838 of its own shares of which 175,000 is subscribed to previous call option programs. The Board's proposal means that the Annual General Meeting approves that Lindab, with deviation from the shareholder's right of priority, to the holders of the call options transfers up to 275,000 of its own shares at the determined exercise price in connection with a possible exercise of the call options (subject to any recalculation).

#### **5. Costs and effects on key ratios etc.**

The market value of the call options is SEK 14,4<sup>1</sup> per call option, according to a preliminary valuation. The preliminary valuation is based on a market value of the underlying share of SEK 68 and an assumed exercise price of SEK 81 per share. The Black & Scholes-formula has been used for the valuation under the assumption of a risk-free interest rate of 0% and a volatility of 40%. Lindab has no other costs for the Call Option Plan than administrative costs regarding advisors etc. in connection with the preparation of documentation for the resolution and for resolving on the issue of the call options etc.

If all the proposed 275,000 call options are acquired and exercised these will constitute approx. 0.36% of the current total number of shares and votes of Lindab. Transfer of repurchased own shares will have the effect that shares that previously could not be represented at the Annual General Meeting or entitle to dividend will after the transfer be possible to represent at the Annual General Meeting and entitle to dividend.

#### **6. The preparation of the proposal**

The Call Option Plan has been prepared by the remuneration committee of the Board and has been discussed at Board meetings during the spring 2020.

#### **7. Other incentive plans in Lindab**

Lindab has three previous outstanding option-based incentive programs decided at the Annual General Meetings 2018 and 2019. Further information is available in the Lindab Annual Reports of 2018 and 2019 and on Lindab's homepage [www.lindabgroup.com](http://www.lindabgroup.com). Long-term variable remuneration in cash in Lindab follows from the proposal regarding guidelines for remuneration to senior executives.

#### **8. Special authorization for the CEO**

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The CEO of Lindab is authorized to make such minor adjustments to the resolution by the Annual General Meeting that may be required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

### **9. The Board's proposed resolution**

Referring to the description above, the Board proposes that the Annual General Meeting resolves on the Call Option Plan.

### **10. Majority requirements**

A resolution on the Call Option Plan in accordance with the Board's proposal is valid if it is supported by shareholders holding more than nine tenths of the votes cast and the shares represented at the Annual General Meeting.

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Båstad, March 2020  
Lindab International AB (publ)  
*The Board of Directors*

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