

Corporate governance report

Lindab International AB (publ) is a Swedish public limited company which, according to the Articles of Association, develops, manufactures and sells products to the ventilation industry and the construction industry. Lindab is listed on the NASDAQ Nordic Exchange in Stockholm. Lindab applies the Swedish Code of Corporate Governance ('the Code').

A word from the Chairman of the Board

Peter Nilsson, it has been several years now since you were appointed Chairman of the Board for Lindab in May 2016. How would you like to summarize this period?

It has been an eventful, but important time with vital decisions that have brought us to where we are today. Today, we have a Board that works well, a close and constructive dialogue with the management, together with clear and entirely realistic targets to work towards. What we need now is for this structure to settle properly. Then we will be able to continue creating value and making Lindab even bigger and better than it is today.

What do you think of Lindab's development during 2019?

It definitely lived up to our expectations. We have set up a new organisation with three independent business areas and we have introduced a clear performance culture throughout the organisation with a focus on measuring results and delegating responsibility. This has produced fast results, has created energy, creativity and not least pride to be part of a successful company with a strong historical tradition. At the same time we have continued to streamline to make our business operations even more competitive. It is clear that we need different agendas for the different businesses in order to sharpen our performance. Creating the right structure for rainwater products in Sweden, for example, is something quite different from launching a ventilation system to meet pan-European requirements.

What activities are most important for the Board?

All those that relate to the business and drive value in Lindab. Our Board meetings always last for a whole day and we spend a lot of the time on value-driving points. Engaging in dialogue with and listening to different representatives from the business makes us better as a Board. It enables us to take decisions that support the CEO and his team in continuing the positive development.

What have you focused on during the year?

As already mentioned, we now have all the building blocks in place. A well-functioning Board, effective committee work, new management and new organisation, new segment reporting and not least, updated financial targets that will allow us to be even more proactive and grow in the areas where we see the best conditions. We have also picked up the pace on our work to increase safety in Lindab's operations. The key performance indicator in this area has not improved at the rate we would have wanted to, hence we are addressing this issue from all sides – from investment in safer machinery to better communication.



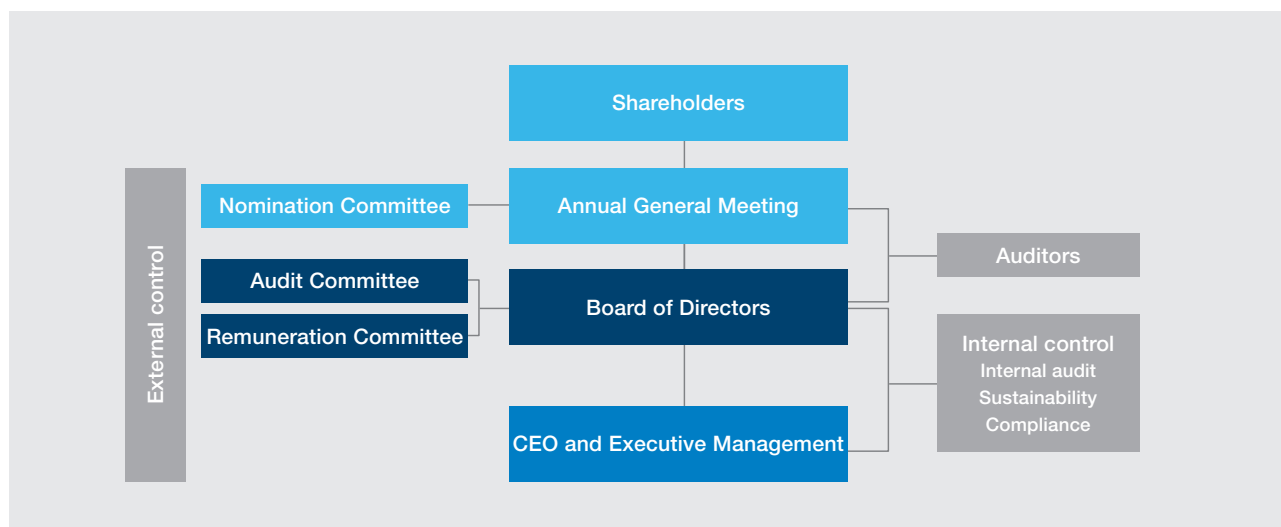
What do you consider are the most important factors for the continued successful development of Lindab?

I realise that the expectations on Lindab as a company have increased since we brought profitability up to a more acceptable level. Now it's about continuing along the path we have paved for ourselves and developing what has been built up. Simply daring to be logical and placing extra sharp focus on business, and always asking ourselves: What are we doing? Why are we doing this? How can we do it better? Such creative questioning, which I see as a kind of vitality, is something I have seen in other companies which have subsequently developed successfully over a longer period. I believe we can make the same journey with Lindab.

Important Board decisions in 2019

- Updated financial targets and new dividend policy
- Investment plan for production and logistics
- Greater focus on a safe working environment

How Lindab is governed



The corporate governance of Lindab is based on the Articles of Association, the Companies Act, the Annual Accounts Act, the Board’s rules of procedure, the regulations of the Stockholm Stock Exchange, the Swedish Code of Corporate Governance (‘the Code’) and other applicable Swedish laws and regulations.

Shareholders

Lindab has 76,331,982 outstanding shares, of one class only, with an equal right to a share of the company’s assets and results. In addition, Lindab has 2,375,838 treasury shares of the same class, bringing the total number of shares to 78,707,820. On December 31, 2019, there were 7,967 (6,400) shareholders in Lindab. The largest shareholders in relation to the number of outstanding shares were Lannebo Fonder 9.3 percent (10.1), Fjärde AP-fonden 8.2 percent (9.8) and AFA Försäkring 5.2 percent (4.0) At the end of the year, the ten largest shareholders held 49.1 percent of the outstanding shares. More information about Lindab’s shareholders and the share’s performance in 2019 can be found on pages 34–35.

Annual General Meeting

Shareholders’ rights to decide on Lindab matters are exercised at the Annual General Meeting or, where appropriate, at the Extraordinary General Meeting, which is Lindab’s highest decision making body. The Annual General Meeting is usually held during April or May in the Municipality of Ängelholm or Båstad, Sweden. The Annual General Meeting decides on matters referred to in the Companies Act and the Code, including matters concerning amendments of the Articles of Association and election of the Board of Directors and auditors.

Annual General Meeting 2019

The Annual General Meeting for the financial year 2018 was held on May 8, 2019 in Norrviken, in the Municipality of Båstad. 105 shareholders, representing 60.8 percent of the capital and votes, were

present. The minutes of the Annual General Meeting have been available on the company’s website since May 17, 2019. In addition to other matters, the 2019 Annual General Meeting adopted resolutions regarding

- re-election of the Board members Peter Nilsson, Per Bertland, Sonat Burman-Olsson, Viveka Ekberg, Anette Frumerie, John Hedberg and Bent Johannesson
- re-election of Peter Nilsson as Chairman of the Board
- re-election of the registered accounting firm Deloitte AB as the company’s auditors
- procedure for the Nomination Committee
- guidelines for remuneration of senior executives
- share option programme for senior executives
- dividend of SEK 1.75 per share
- authorisation for the Board to decide on the transfer of treasury shares.

Annual General Meeting 2020

The Annual General Meeting for the financial year 2019 will be held on April 29, 2020 at 15.00 at Hotel Skansen, in the Municipality of Båstad. In accordance with the Articles of Association, notice to attend the Annual General Meeting will be published in the Official Swedish Gazette (‘Post and Inrikes Tidningar’), as well as on the company’s website. The fact that notice has been given will be published in Dagens Industri. Shareholders wishing to attend the meeting must be entered into the company’s share register five working days before the meeting, i.e. April, 23 2020, and must notify the company as specified in the notice to attend the 2020 Annual General Meeting.

Nomination Committee

The Nomination Committee submits proposals to the Annual General Meeting for the election of the Chairman of the Meeting, Board of Directors, Chairman of the Board, auditors, fees for the Board and auditors, as well as composition of the Nomination Committee prior to the next Annual General Meeting.

At the 2019 Annual General Meeting, it was resolved that the company must have a Nomination Committee consisting of a minimum of four members, one of whom will be the Chairman of the Board. The Chairman of the Nomination Committee should be the member who is appointed by the largest shareholder, unless agreed otherwise by the Nomination Committee. The Nomination Committee's mandate period runs until a new Nomination Committee has been appointed. A Nomination Committee was constituted on October 18, 2019, comprising

- Göran Espelund, representative for Lannebo Fonder (Chairman)
- Per Colléen, representative for Fjärde AP-fonden
- Anders Algotson, representative for AFA Försäkring
- Peter Nilsson, Chairman of Lindab International AB (publ).

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 2020 Annual General Meeting with regard to

- election of the Chairman at the 2020 Annual General Meeting
- election of the Board and Chairman of the Board
- fees for the Board of Directors, any Board committee and auditors
- composition of the Nomination Committee for the 2021 Annual General Meeting.

The Nomination Committee held three minuted meetings in 2019. In 2020, the Nomination Committee held two minuted meetings prior to the 2020 Annual General Meeting.

Shareholders wishing to contact the Nomination Committee may send an e-mail to valberedningen@lindab.com or write to 'Lindab's Nomination Committee, Att: Ola Ranstam, Lindab International AB, 269 82 Båstad'.

Board of Directors

According to the Articles of Association, the Board must consist of no less than three and no more than ten members, with a maximum of ten deputies. Members and deputies are elected at the Annual General Meeting for the period from the date of the Annual General Meeting until the end of the next Annual General Meeting. The employees appoint two employee representatives to the Board and two deputies.

Composition of the Board of Directors in 2019

At the Annual General Meeting on May 8, 2019, it was resolved that the Board of Directors should consist of seven members without deputies. The CEO is presenting for the Board of Directors. The Board meetings are also attended by some members of the Executive Management. The various assignments of the Board members are shown on pages 42–43.

Chairman's responsibilities

The Chairman leads the Board's work, follows its activities in dialogue with the CEO and is responsible for other Board members receiving the information and documentation necessary for carrying out well-informed discussions and resolutions. The Chairman represents the company in matters regarding ownership.

Responsibilities of the Board of Directors

The Board of Directors ensures that the Group's organisation, management and guidelines for the management of the Group's affairs

are appropriate and that the internal control is satisfactory. In addition, the Board of Directors' responsibilities include establishing policies and targets as well as internal control instruments, deciding on key matters, presenting the financial statements as well as evaluating the operational management and ensuring succession planning. The Board of Directors' responsibilities also include supervising the CEO's work through continuous monitoring of operations.

Work of the Board of Directors

The work of the Board of Directors is governed by rules of procedure approved annually. The rules of procedure include the instructions to the company's CEO, the duties of the Chairman, the Board's meeting procedures as well as decision-making procedures together with instructions and policies.

During 2019, the Board of Directors met 11 times. At each ordinary meeting, the financial performance was reported and followed up on. The Board held one meeting with the auditors, without the Executive Management present, to review the cooperation with the Executive Management regarding implementation of the audit process and other related matters. Certain members of the Executive Management were present at all Board meetings.

The work of the Board of Directors and the CEO was evaluated during the financial year. The evaluation showed that the CEO and the Board perform their duties very well.

Remuneration of the Board of Directors

At the Annual General Meeting on May 8, 2019, fees totalling SEK 3,256,000 for standard Board work were resolved and allocated as follows: SEK 856,000 to the Chairman of the Board, SEK 391,250 to each of the other elected Board members and SEK 26,250 to each of the employee representatives. It was resolved that one third of the elected members' net fees would be placed in Lindab shares in accordance with special terms and conditions. It was also resolved that SEK 102,000 should be paid to the Chairman of the Audit Committee and SEK 51,000 to each of the ordinary members of this committee, and SEK 61,000 should be paid to the Chairman of the Remuneration Committee and SEK 31,000 to each of the ordinary member of this committee.

Board's responsibility for financial reporting

The Board of Directors ensures quality of internal financial reporting through instructions to the CEO, and through instructions relating to financial reporting to the Board of Directors. Furthermore, the Board of Directors ensures the quality of external financial reporting through detailed discussions of interim reports, the annual report and the year-end report at Board meetings and during reviews with the auditors.

Key topics at each Board meeting

February 12	Year-end report, dividend, acquisitions. Auditors' report
March 17	Annual Report, notice to attend the Annual General Meeting
April 10	Reverse profit warning
May 7	Interim report, investment schedule
May 8	Constitutional meeting
June 13	Investment schedule
July 17	Interim report
August 26	Property
September 19–20	Investments, divestments
October 23	Interim report
December 10	Budget

The Board of Directors and breakdown of Board fees

Name	Year elected	Company	Ownership	Board fee, incl. Remuneration committee, SEK	Remuneration committee meetings	Audit Committee meetings	Attendance at Board meetings
Peter Nilsson ¹⁾	2016	Independent	Independent	858,081	4/4	-	11/11
Per Bertland	2016	Independent	Independent	395,285	4/4	-	10/11
Sonat Burman Olsson	2011	Independent	Independent	364,289	-	-	10/11
Viveka Ekberg	2016	Independent	Independent	466,289	-	7/7	11/11
Anette Frumerie	2017	Independent	Independent	415,289	-	7/7	11/11
John Hedberg	2017	Independent	Independent ²⁾	415,289	-	7/7	11/11
Bent Johannesson	2016	Independent	Independent	364,289	-	-	11/11
Pontus Andersson ³⁾	1995			26,000	-	-	11/11
Anders Lundberg ³⁾	2016			26,000	-	-	11/11
Total				3,330,811			

1) Chairman.

2) Dependent until 18/9/2019 when Creades AB disposed of all its remaining shares in Lindab.

3) Employee representative who was replaced by alternate employee member during absence.

Audit Committee

The Board has appointed an Audit Committee which is responsible for strengthening and streamlining the Board's supervisory responsibilities in terms of internal control, audit, internal audit, risk management, accounting and financial reporting. The Audit Committee will also prepare matters pertaining to procurement of audit and other audit services and prepare certain accounting and auditing matters to be dealt with by the Board of Directors. From the 2019 Annual General Meeting, the Audit Committee consisted of Chairman Viveka Ekberg, Anette Frumerie and John Hedberg. After the Annual General Meeting, the Audit Committee consisted of Chairman Viveka Ekberg, Anette Frumerie and John Hedberg. The work of the Audit Committee is guided by rules of procedure which are approved by the Board. In 2019, the Committee met on seven occasions. The auditors were present at all occasions. The Committee provides regular verbal and written reports to the Board and submits proposals on matters requiring the Board's consent. A fee of SEK 102,000 is paid to the Chairman of the Audit Committee, and each of the ordinary members receive a fee of SEK 51,000.

Remuneration Committee

The Board has appointed a Remuneration Committee which will present proposals to the Board concerning remuneration matters and continuously monitor and assess remuneration structures and levels for the CEO and other senior executives in the Group's Executive Management. In 2019, the Remuneration Committee consisted of Chairman Peter Nilsson and Per Bertland. In 2019, the Committee met on four occasions. The Committee provides regular verbal reports to the Board and submits proposals on matters requiring the Board's consent. A fee of SEK 61,000 is paid to the Chairman of the Remuneration Committee, and the ordinary member receives a fee of SEK 31,000.

Auditors

Lindab's elected auditors review the company's annual report and accounts, as well as the management of the Board of Directors and the CEO. The auditors work according to an audit plan and report their findings to the Executive Management throughout the year and at least once annually to the Board of Directors. The auditors also attend the Annual General Meeting to present the Auditors' Report and describe the review process and observations made.

At the 2019 Annual General Meeting, the accounting firm Deloitte AB was elected as the company's auditor. Authorised public accountant Hans Warén was appointed as lead auditor. Hans Warén is also appointed by other listed companies, but this does not encroach on the time necessary to carry out his work for Lindab. The accounting firm Deloitte AB does not perform any services that could raise doubts about their independence. Nor have the services performed by the auditors for Lindab, over and above the audit services, altered this opinion.

Auditors' fees

In 2019, the auditors' fees paid to Deloitte AB amounted to SEK 0.4 m for the parent company and SEK 7.8 m for the Group. Fees paid to Deloitte for other services to the Group amounted to SEK 0.4 m.

External control

The external regulations concerning Lindab's corporate governance include the Companies Act, the Annual Accounts Act, rules for issuers of shares on the Nasdaq Stockholm, and the Code.

Internal control

The internal corporate governance includes the Board's adopted rules of procedure together with codes and policies as well as other corporate governance documents such as directives adopted by the Executive Management. Lindab's Corporate Governance Policy and Code of Conduct constitute the two most important general policy documents. Lindab has set up a Corporate Governance Committee whose main task is to ensure good corporate governance within the Group.

Internal audit

Lindab has an internal audit function maintained by an external party. The duties of this function are reported to the Audit Committee at least once a year by the external party and continuously by the CFO, which in turn reports to the Board of Directors. The internal audit is designed to ensure that the Group's targets are met in terms of appropriate and effective processes, and that the financial statements are prepared in accordance with applicable laws and regulations.

Sustainability

An important part of the governance of the Group is Lindab's commitment to sustainability. Among other things, sustainability deals with how Lindab treats its employees and conducts itself in society. Sustainability is also concerned with Lindab's focused work on continuous environmental improvements.

Compliance

Compliance is about ensuring that Lindab complies with laws and other applicable regulations and that company operates according to the highest standards of integrity and ethics. Within this area, Lindab has, among other things, adopted policies to prevent all forms of corruption and anti-competitive behaviour.

CEO and Executive Management

Ola Ringdahl has been President and CEO since June 18, 2018. In 2019, the Executive Management increased from five to eleven members. Chief Financial Officer, Malin Samuelsson, Director of Division Profile Systems, Bengt Andersson, Director of Division Ventilation Systems, Olof Christensson, Director of Group Operations, Karel Kleinmond, Director of Sales Region West Europe, Mette Brøndum, Director of Sales Region North Europe, Joakim Lönnberg, Director of Sales Region Mid Europe, Pascal Gelugne, Director of Sales Region East Europe, Sorin Badea were part of the Executive Management throughout 2019. Director of Legal, M&A and HR, Fredrik Liedholm, was part of the Executive Management until July 31 when he left the company. Head of Building Systems, Pontus Kallén, was part of the Executive Management until May 31 when he left. Stefaan Sonjeau was appointed as Director of Business Area Building Systems and has been part of the Executive Management since September 9. Lars Christensson was appointed as Director of Business Development and M&A and has been part of the Executive Management since November 4.

Policies

Corporate Governance Policy

Lindab has identified three main areas – sustainability, internal control and compliance – as central to its corporate governance and has set up a Corporate Governance Committee, CGC, which is primarily responsible for ensuring good corporate governance within the Group.

Code of Ethics

For Lindab and all its employees, it is important that laws, regulations and ethical values are respected and followed. Lindab ensures this through Lindab's Code of Conduct.

Communication Policy

The policy ensures that the public receives coherent and correct information about Lindab and its business, including financial targets, and that Lindab fulfills the requirements of the stock exchange regarding information to the stock market.

Insider Policy

The policy contains rules to prevent improper trading in shares or other financial instruments in Lindab by individuals who possess information that is not known by the market.

IPR Policy

The policy describes the strategy and guidelines for Lindab's management and protection of intellectual property rights.

IS/IT and Data Protection Policy

The policy contains comprehensive rules for the Group's IT use and management. The aim is to ensure access to the IT structure that is required for the efficient running of the business.

Anti-Corruption Policy

The policy is the regulatory framework for Lindab's business and employees. Lindab has zero tolerance for corruption.

Antitrust Policy

It is important that the Group and its employees observe competition legislation. The adopted Competition Law Policy prevents violations of competition legislation.

Environmental Policy

The Environmental Policy governs Lindab's work on environmental issues and ensures that the company's operations consider the environment

and that the product solutions offered help to make buildings more energy-efficient.

Occupational Health & Safety Policy

The policy has a clear message on responsibility issues and that the key to a safe working environment is prevention.

Treasury Policy

The Treasury Policy defines the framework for Lindab Group's management of financial risks and transactions. These issues are handled centrally by the Group's treasury function in order to minimise costs.

Equal Opportunity Policy

The Policy establishes guidelines to ensure that all Lindab employees receive equal treatment and that no one is discriminated against based on their gender, religion, ethnicity, etc.

Board of Directors



Peter Nilsson, Chairman



Per Bertland



Sonat Burman-Olsson

<i>Born:</i>	1962	1957	1958
<i>Elected:</i>	2016	2016	2011
<i>Status:</i>	Independent	Independent	Independent
<i>Other offices held:</i>	Chairman of the Board of Directors of Adapteo OYJ and Unilode Aviation Solution. Vice Chairman of the Board of Directors of Cramo OYJ.	President and CEO of Beijer Ref AB. Chairman of the Board of Directors of several of Beijer Ref's subsidiaries and AB Dendera Holding. Advisor to Small Cap Partners SCP and member of the Board of Directors of various foundations.	Member of the Board of Directors of NESTE Corporation, Postnord AB and Lanmännen.
<i>Former offices held:</i>	President and CEO of Sanitec and Duni AB. Chairman of the Board of Directors of Duni AB, Securitas Direct AB and Sanitec Holdings Oy. Various management positions within the Swedish Match Group.	CFO and COO of Beijer Ref. CFO of Indra AB and Ötab Sport AB, which is part of the Aritmos Group.	President and CEO of COOP Sverige, Deputy CEO and CFO of ICA Gruppen, Vice President of Electrolux Group responsible for Global Market Strategies. Chairman of Svensk Dagligvaruhandel, Member of the Board of Directors of Svensk Handel, ICC Sverige, Tredje AP fonden, ICA Banken and iZettle.
<i>Main education:</i>	M.Sc. in Business and Economics, Stockholm School of Economics.	M.Sc. in Business and Economics, Lund University.	M.Sc. in Business and Economics, Executive MBA, Strategic Man. Oxford and Harvard.
<i>Holding:</i>	30,000 shares	10,000 shares	539 shares

Board committees

Remuneration Committee

The Remuneration Committee consists of two Board members: Peter Nilsson (Chairman) and Per Bertland.

Audit Committee

The Audit Committee consists of three Board members: Viveka Ekberg (Chairman), Anette Frumerie and John Hedberg.

Auditors

Deloitte AB

Lead auditor:

Hans Warén

Born: 1964

Authorised public accountant, Deloitte AB, Gothenburg, Sweden.

Auditor to Lindab since 2014.

Extensive experience in publicly listed companies.



Viveka Ekberg

Anette Frumerie

John Hedberg

Bent Johannesson

1962

1968

1972

1954

2016

2017

2017

2016

Independent

Independent

Independent¹⁾

Independent

Chairman of the Board of Directors of Apoteket AB's Pension Fund. Member of the Board of Directors of Magnolia Bostad, SPP Pension & Försäkring, Svolder, Dellner, Iver, Centrum för rättvisa etc.

CEO of Besqab AB. Member of the Board of Directors of the Swedish Construction Federation and Svedbergs i Dalstorp AB.

CEO of Creades AB. Chairman of the Board of Directors of StickerApp AB. Member of the Board of Directors of Avanza Pension AB, Stabelo Group AB and LOTS Group, a Scania Group company.

None.

CEO of PP Pension, Nordic Manager of Morgan Stanley Investment Management, Associate Partner at Brummer & Partners, Manager of SEB Institutionell Förvaltning and share analyst at Alfred Berg Fondkommission and Affärsvärlden. Member of the Board of Directors of C.A.G. Group.

Business Unit President of Residential Development Nordic at Skanska (publ), Business Unit Manager of International Property Development & Construction at JM AB (publ) and other positions within the JM Group.

Partner in NC Advisory AB, advisor to Nordic Capitals Fonder, management consultant at McKinsey & Co and various positions at Bonnier and Relacom.

CEO of Ramböll Sverige AB. Regional Director of Scandiaconsult AB. Head of the construction division of Kvaerner Pulping. Self-employed construction consultant. Board engagements within the Ramboll Group. Member of the Board of Directors of Almega, Svenska Teknik and Designföretagen, of which two years as Chairman.

M.Sc. in Business and Economics, Stockholm School of Economics.

M.Sc. in Industrial Engineering, KTH Royal Institute of Technology in Stockholm.

M.Sc. in Business and Economics, Stockholm School of Economics.

M.Sc. in Industrial Engineering, Chalmers University of Technology.

13,000 shares

1,600 shares

1,000 shares

2,000 shares



Pontus Andersson

Born: 1966

Elected: 1995

Employee representative for Unionen. Employed since 1987 and currently works as a development engineer.

Holding: 250 shares



Anders Lundberg

Born: 1962

Elected: 2016

Employee representative for LO (Swedish Trade Union Confederation). Employed since 1997 and currently Chairman of Verkstadsklubben IF Metall.

Holding: 10 shares

¹⁾ Dependent until 18/9/2019 when Creades AB disposed of all its remaining shares in Lindab.

Executive Management

In order to take better advantage of Lindab's international expertise, the Executive Management was increased from five to eleven in 2019, with members in operational management roles from Sweden, Denmark, France, Czech Republic, Luxembourg and Romania. The new Executive Management will make more business related decisions and contribute to enhanced transfer of knowledge between the units.



Ola Ringdahl

Born: 1972

President and CEO

Employed since 2018. Member of the Executive Management since 2018.

Holding: 23,000 shares, 140,000 WT¹⁾

Related party holdings: 1,000 shares

Professional experience: CEO of Nord-Lock Group 2013–2018. Regional Director at Capio Healthcare 2011–2013. From 2003 to 2011, management positions at Crawford, which became part of Assa Abloy Entrance Systems in 2011.

Main education: M.Sc. in Business and Economics, Stockholm School of Economics.



Malin Samuelsson

Born: 1972

CFO

Employed since 2018. Member of the Executive Management since 2018.

Holding: 10,000 shares, 50,000 WT¹⁾

Professional experience: Various positions within the Vestas Group 2008-2018, most recently as VP Financial Planning and previously as Regional CFO Northern Europe. Previous experience includes various roles within controlling and finance at AstraZeneca R&D.

Main education: Master of Business Administration, School of Business and Economics, Växjö.



Bengt Andersson

Born: 1960

Director of Profile Systems Division

Employed since 1991. Member of the Executive Management since 2014.

Holding: 47,100 shares, 35,000 WT¹⁾

Related party holdings: 4,000 shares

Professional experience: Has held various positions within the Lindab Group. Including Executive Vice President of Technology, Research and Product Development, Marketing Manager of Lindab Profil, and Production Manager of Lindab Ventilation.

Main education: Technical college graduate in mechanical engineering.



Olof Christensson

Born: 1966

Director of Ventilation Systems Division

Employed since 2017. Member of the Executive Management since 2017.

Holding: 2,000 shares, 25,000 WT¹⁾

Professional experience: Engineering Services Manager, Semcon Group. Previously CEO of Askö Hushåll AB, Sales and Marketing Manager at Sensel AB and Regional Manager at Stora AB and Stena Technoworld AB.

Main education: M.Sc. in Business and Economics, Karlstad University.



Stefaan Sonjeau

Born: 1968

Director of Building Systems Business Area

Employed since 2019. Member of the Executive Management since 2019.

Holding: 1,000 shares

Professional experience: Vice President Customer Integrated Solutions, Carmeuse Europe. Various roles within Baltimore Aircoil Company, including Director of Sales and Marketing for Europe. Previous experience includes various management roles at Eastman Chemical.

Main education: Master of Business Administration from Vlerick Business School, Leuven (Belgium) and MSc in Chemical Engineering, University College Gent, Belgium.

¹⁾ WT= Warrants 2017/2020 and 2018/2021.



Lars Christensson

Born: 1971

Director of Business Development and M&A

Employed since 2019. Member of the Executive Management since 2019.

Holding: None

Professional experience: Has worked in business development and M&A in a wide range of industries, most recently in the Nord-Lock Group. Previous industry experience includes TV broadcasting, toys and advanced technology.

Main education: M.Sc. in Engineering Physics, Lund University (LTH).



Karel Kleinmond

Born: 1969

Director of Operations, Ventilation Systems Division

Employed since 2007. Member of the Executive Management since 2019.

Holding: 2,400 shares, 10,000 WT¹⁾

Professional experience: Various positions at LEGO 1999–2007, most recently Managing Director of LEGO Production CZ. Previous experience includes various technical roles at General Electric Transportation Systems and Škoda Pilsen, Czech Republic.

Main education: Mechanical Engineering, University of West Bohemia, Czech Republic.



Mette Brøndum

Born: 1963

Director of Sales Region West Europe

Employed since 1997. Member of the Executive Management since 2019.

Holding: 3,800 shares, 15,000 WT¹⁾

Professional experience: Worked as Purchase Manager in the Builders Merchant Group before joining Lindab in 1997. Various positions in Lindab include Sales and Marketing Manager, Product Manager, Business Unit Manager, Business Area Manager and Country Manager for Denmark

Main education: Sales, strategy, business development and leadership.



Joakim Lönnberg

Born: 1966

Director of Sales Region North Europe

Employed since 1991. Member of the Executive Management since 2019.

Holding: 7,085 shares, 15,000 WT¹⁾

Professional experience: Has held positions as Country Manager, Sales Manager and Product Manager in the Lindab Group and was a former pilot for Eastern Air Charter and Chief Flight Instructor at Marlboro Airport, New York, USA.

Main education: Commercial Pilot, Business Administration at IHM Business School in Sweden and Business Administration at Lund University.



Pascal Gelunge

Born: 1964

Director of Sales Region Mid Europe

Employed since 2007. Member of the Executive Management since 2019.

Holding: 3,500 shares

Professional experience: Various positions at Lennox/Outokumpu 2002–2006, most recently as DVP and General Manager of European Operations. Previously VP Business Development in Europe and USA for ABB Flakt Group 1989–2002.

Main education: M.Sc. in Business and Economics, Bethel College, USA.



Sorin Badea

Born: 1974

Director of Sales Region East Europe

Employed since 1998. Member of the Executive Management since 2019.

Holding: None

Professional experience: Various positions in finance and controlling in the Lindab Group, including Regional Business Controller East Europe, Financial Manager in Hungary and Country Manager in Latvia.

Main education: B.Sc. at the University of Craiova, Faculty of Economics and Business Administration, Romania.

1) WT= Warrants 2017/2020 and 2018/2021.

Remuneration of senior executives

Remuneration principles

At the 2019 Annual General Meeting, guidelines for the remuneration of senior executives were established. The guidelines assume remuneration based on the market and the environment in which each of the executives work and remuneration will be competitive, facilitate the recruitment of new executives as well as motivate senior executives to remain with the company. The remuneration should consist of a fixed salary, short- and long-term variable cash salary, pension and other benefits. The fixed salary should be individually determined based on the individual executive's specific responsibilities, experience, expertise and performance. The fixed salary should be reviewed at least every two years.

The short-term variable cash salary should be based on the executive's performance relative to individually established targets. For the CEO the short-term variable cash salary amounts to a maximum of 50 percent of the fixed salary, and for other senior executives a maximum of 40 percent of the fixed salary. The long-term variable cash salary should be linked to financial performance targets that reflect the company's value growth during a three-year period. For the CEO the long-term variable cash salary amounts to a maximum of 70 percent of the fixed salary, and for other senior executives a maximum of 40 percent of the fixed salary. Any profit of the long-term variable cash salary is presumed to be invested in shares or share-related instruments (e.g. warrants) in order to increase the executive's shareholding in Lindab and ensure alignment between the interests of shareholders and senior executives.

The pension must be a defined contribution plan. Senior executives who are not covered by the ITP plan should receive a maximum of 30 percent of their annual fixed salary as an annual contribution-based pension. Other benefits should not constitute a significant part of the total remuneration. In special cases, the Board of Directors has the right to deviate from the guidelines. The Board of Directors did not exercise this mandate in 2019. Remuneration and other benefits for the Executive Management are shown in the table on the right. A further SEK 11.9 m has been recognised relating to social security contributions, including special employers' contributions to pensions.

Remuneration of the CEO

Ola Ringdahls fixed salary for 2019 amounted to SEK 5,607,000. Ola Ringdahl is also entitled to a short- and long-term variable cash salary. In addition, Ola Ringdahl is entitled to a company car and certain other benefits. Remuneration received by Ola Ringdahl in 2019 is shown in a separate table. The notice period for Ola Ringdahl is 12 months on the part of the company and 6 months on the part of Ola Ringdahl. Ola Ringdahl is bound by a non-competition clause for a period of two years from the termination of his employment, during which he is entitled to separate remuneration. The company is entitled to waive the non-competition clause, which will result in no remuneration being paid to Ola Ringdahl.

Remuneration of other members of the Executive Management

President and CEO, Ola Ringdahl, Chief Financial Officer, Malin Samuelsson, Head of Profile Systems, Bengt Andersson, Head of Ventilation Systems, Olof Christensson, Director of Group Oper-

ations, Karel Kleinmond, Director of Sales Region West Europe, Mette Brøndum, Director of Sales Region North Europe, Joakim Lönnberg, Director of Sales Region Mid Europe, Pascal Gelugne, Director of Sales Region East Europe, and Sorin Badea were part of the Executive Management throughout the year. Director of Legal and M&A and HR, Fredrik Liedholm was part of the Executive Management until July 31 and Building Systems Manager, Pontus Kallén until May 31. Building Systems Manager, Stefaan Sonjeau has been part of the Executive Management since September 9 and Director of Business Development and M&A, Lars Christensson, since November 4. The remuneration of the Executive Management follows the guidelines adopted by the Annual General Meeting. The employment contracts of the current Executive Management include notice periods of 12 months on the part of the company and 6 months on the part of the employee. During the notice period, the company may exercise the right to give the employee garden leave, whereby any salary from another employer will be deducted from the salary the employee receives from Lindab during the notice period. The Executive Management is bound by non-competition clauses effective for one year from the termination of employment, during which they are entitled to separate remuneration. The company is entitled to waive the non-competition clause, which will result in no remuneration being paid to the employee.

Evaluation

The Board has monitored and evaluated the company's programmes for variable remuneration of the Executive Management, the application of guidelines for remuneration of senior executives and applicable remuneration structures and levels of remuneration in the company. The variable remuneration of the Executive Management has been found to be appropriate and in accordance with the guidelines adopted by the Annual General Meeting. The application of guidelines for the remuneration of senior executives was also found to be correct and the Board's assessment is that the remuneration of senior executives ensures a good balance between motivating employees and providing competitive compensation. Thus, the remuneration structures and levels within the company are well balanced and in accordance with market practice.

Remuneration and other benefits for the Executive Management in 2019

SEK	Ola Ringdahl ¹⁾	Remuneration of other Executive Management ¹⁾	Total
Fixed salary incl. holiday pay	5,607,000	18,025,496	23,632,496
Variable salary	5,178,508	8,980,150	14,158,658
Pensions	1,628,597	4,692,969	6,321,566
Benefits	118,855	435,549	554,404
Total	12,532,960	32,134,164	44,667,124

1) Excluding social charges and special payroll tax.

The Board of Directors' Report on Internal Control

The Board of Directors' Report on Internal Control for the Financial Year 2019

Lindab's Board of Directors is responsible for the Group's internal control in accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance. Lindab's financial reporting complies with the laws and regulations applicable to companies listed on the Nasdaq Stockholm as well as the local regulations of each of the countries where the company operates. The description in this report is consistent with the Annual Accounts Act and is therefore limited to the internal control of financial reporting. The purpose of the report is to give shareholders and other stakeholders an understanding of how the internal control is organised at Lindab with regards to financial reporting.

The Board of Directors' description of the internal control is based on the structure found in COSO's (Committee of Sponsoring Organisations of the Treadway Commission) framework for internal control. This report has been prepared against this background.

Control environment and control instruments

In order to create and maintain a working control environment, the Board of Directors has established a number of fundamental documents that are important for the financial reporting. These specifically include the Board of Directors' rules of procedure, instructions for the CEO and the committees. The primary responsibility for enforcing the Board's instructions regarding the control environment resides with the CEO. He reports regularly to the Board as part of established routines.

The Board also has an Audit Committee serving as a preparatory forum which considers matters related to the Group's financial statements, internal control, reporting and accounting policies as well as the consequences of potential changes these matters. The Audit Committee has regular contact with the company's external auditors and is also responsible for verifying the auditors' independence and qualifications as well as following the agreed remuneration.

Lindab's internal control structure is based on a management system which is rooted in the Group's organisation and methods for running the business, with clearly defined roles, responsibilities and delegated authority. Guidance documents, such as policies and guidelines, including the adopted Code of Ethics, also play an important role in the control structure. The guidance documents relating to accounting and financial reporting make up the most important parts of the control environment with regard to the financial reporting.

Risk assessment

The Group carries out an ongoing risk assessment to identify material risks. Lindab's risk management consists of identifying, measuring and taking an active position on the identified risks, with a view to either accepting, minimising or eliminating a potential risk based on the adopted strategy. Lindab has a risk management programme, Enterprise Risk Management (ERM), covering all parts of the business, including segments and the Group's individual operating functions. The aim is to work on the prevention of risks in a structured way and support steady improvements.

The main risk associated with the financial statements is considered to be material misstatements in the accounts, e.g. regard-

ing the accounting and valuation of assets, liabilities, income, expenses, assessments of complex and/or changed business relationships, etc. Further risks include fraud and losses as a result of embezzlement. Risk management is built into every process, while various methods are used to evaluate and limit risks, and ensure that the risks to which Lindab is exposed are managed according to established policies, instructions and follow-up procedures. The aim is to minimise material risks and promote accurate accounting, reporting and disclosure of information.

Control activities

Control activities are designed to manage the risks that the Board of Directors and management consider to be significant for the business, the internal control and the financial reporting. Effectiveness and reliable processes are essential to ensuring compliance with applicable rules, regulations and guidelines.

The control structure consists of clear roles within the organisation that allow for efficient division of responsibilities for specific control activities, the aim being to discover and prevent any risk of reporting errors. Such activities may include clear decision-making processes for major decisions such as acquisitions, major investments, divestments, agreements and analytical follow-ups.

Another important task for Lindab's organisation is to implement, develop and maintain the Group's control routines, focusing on critical business issues. Process managers at various levels are responsible for implementing the necessary controls regarding the financial reporting. The accounting and reporting processes include controls pertaining to valuation, accounting policies and estimates. All reporting units have their own controllers/financial managers who are responsible for ensuring accurate financial reporting. Continual analysis of the financial reporting in the individual unit, together with the analysis performed at Group level, is important to ensure that the financial statements are free from material misstatement. The Group's controller organisation plays an important role in the internal financial control process and is responsible for ensuring that the financial reporting for each unit is accurate, complete and timely.

Information and communication

Lindab has internal information and communication channels aimed at promoting completeness and accuracy in the financial statements, for example by means of guidance documents such as internal guidelines, directives and policies. Regular updates and communication concerning changes in accounting policies, reporting requirements or other types of information are made available and known to the employees concerned. The organisation has access to all key documents on internal control and governance via the Group's intranet (Lindnet).

The Board of Directors receives financial reporting on a regular basis. External information and communication is governed by the company's Communication Policy which describes Lindab's general principles for disclosure of information.

Follow-up

The Group's compliance with adopted policies and guidelines is followed up by the Board of Directors and Executive Management. The company's financial situation is discussed at every Board meeting.

The Board's Remuneration Committee and Audit Committee play an important role in matters concerned with remuneration, financial statements and internal control.

Before the publication of interim and annual reports, the Audit Committee and the Board of Directors review the financial statements. Lindab conducts monthly performance follow-ups, analysing deviations from the budget, forecasts and previous years. The findings of the preliminary audit of the Q3 report, the audit of the annual accounts and the examination of the administration of the Board of Directors and the Managing Director are also reported to the Board of Directors by the external auditors. The auditors usually attend two Board meetings per year.

Lindab has identified three main areas (CSR, internal control and compliance) within corporate governance and has set up a Cor-

porate Governance Committee, which is primarily responsible for ensuring good corporate governance within the Group.

Internal audit

Lindab has an internal audit function which is an integral part of the Group's central financial organisation and is maintained by an external party. This function reports to Lindab's Executive Management on an ongoing basis and to the Audit Committee at least once a year. The direction and scope of the internal audit work is determined by the Audit Committee. The internal audit is designed to ensure that the Group's targets are met in terms of appropriate and effective processes, and that the financial statements are prepared in accordance with applicable laws and regulations.

Båstad, March 15, 2020
Board of Lindab International AB (publ)

Auditors' opinion on the Corporate Governance Report

To the Annual General Meeting of Lindab International AB (publ) corporate identification number 556606-5446

Engagement and responsibility

It is the Board of Directors who is responsible for the Corporate Governance report for the financial year 2019 on pages 36–48 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 *Auditor's examination of the corporate governance report*. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International

Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

A corporate governance report has been prepared. Disclosures in accordance with Chapter 6 Section 6, second paragraph, points 2–6 of the Annual Accounts Act and Chapter 7 Section 31, second paragraph of the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg, March 15, 2020
Deloitte AB
Hans Warén
Authorised Public Accountant