

Lindab For a better climate

Annual Report and Sustainability Report 2022

Energy-efficient
solutions for
healthy indoor
environments



We want to contribute to a better indoor climate. We also want to contribute to a better global climate. For this reason, we are developing energy-efficient solutions for healthy indoor environments.





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The formal annual report covers pages 64-69 and 75-137. The Sustainability Report on pages 144-161 constitutes the Company's and the Group's statutory Sustainability Report as required by the Annual Accounts Act. It is based on the GRI Standards 2021. The Sustainability Report also includes Lindab's TCFD (Task Force on Climate-Related Financial Disclosures) report on pages 70-71 and the EU Taxonomy Regulation on pages 72-74.

This document is a translation of the original, published in Swedish. In cases of any discrepancies between the Swedish and English versions, or in any other context, the Swedish version shall prevail.

Lindab – For a better climate

LINDAB IN BRIEF

A leader in ventilation

LINDAB IS A LEADING European ventilation company with solutions for energy-efficient ventilation and a healthy indoor climate. The products are characterised by high quality, ease of installation and durability. In northern and eastern Europe, Lindab also has an extensive range of roof and wall products, as well as rainwater systems.

12,366

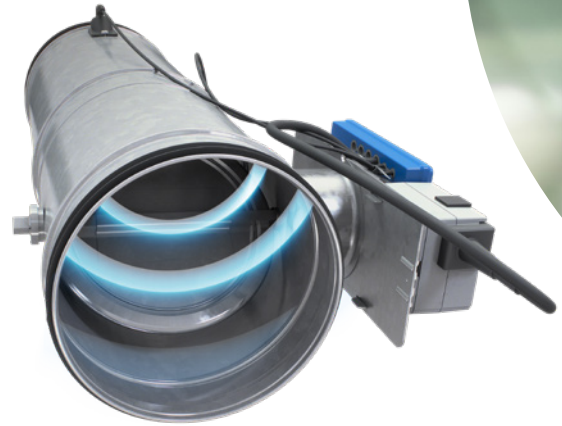
Net sales increased by 28 percent to SEK 12,366 million in 2022.

10.9

The adjusted operating margin amounted 10.9 percent in 2022.

-23

CO₂ emissions per million krona in sales have decreased by 23 percent since 2019.



1959

For over 60 years, Lindab has developed leading solutions with a focus on quality and sustainability.

20

Lindab is established with own operations in 20 European countries.

4,853

At the end of the year, Lindab had 4,853 employees in 170 locations.

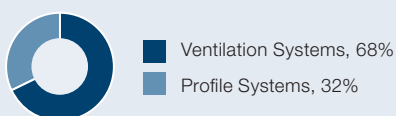


- ➔ **A growing market** driven by increased focus on energy savings and improved indoor climate.
- ➔ **Well-established brands**, high quality and extensive distribution networks.
- ➔ **Investment program** for increased efficiency, automation and safety.
- ➔ **Clear acquisition strategy** with acquisitions of complementary and well-managed companies.
- ➔ **Focus on results** with a decentralised organisation that works close to the customer.



Our vision:
To be the market leading ventilation company in Europe, specialised in air distribution and air diffusion.

Net sales, business area



Net sales, region



80%

80 percent of net sales that is eligible according to the EU taxonomy is classified as sustainable.

DEVELOPMENT IN 2022

High sales growth

OVERALL, 2022 was a strong year for Lindab as all financial targets were met. The 10 percent growth target was exceeded by a good margin. The operating margin exceeded 10 percent, and net debt was 1.6 times EBITDA. The Board of Directors proposes the dividend to be increased by 30 percent to SEK 5.20 per share.

24.3%

Currency-adjusted growth

10.9%

Adjusted operating margin¹⁾

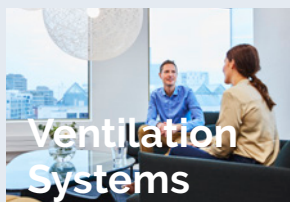
1.6

Net debt/EBITDA

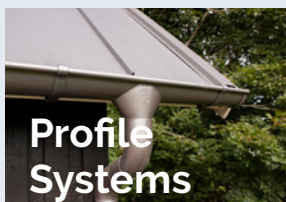
Financial key performance indicators²⁾

	2022	2021	2020	2019	2018 ³⁾
Continuing operations					
Net sales, SEK m	12,366	9,648	9,166	9,872	9,326
Growth, organic, %	10.8	17.4	-6.0	3.1	8.3
Adjusted operating profit ^{1) 4)} , SEK m	1,347	1,266	916	915	634
Operating profit, SEK m	1,325	1,266	846	915	547
Adjusted operating margin ^{1) 4)} , %	10.9	13.1	10.0	9.3	6.8
Earnings per share before dilution, SEK	12.73	12.53	-	-	-
Average number of employees	4,801	4,534	5,271	5,202	5,126
Total operations					
Earnings per share before dilution, SEK	12.73	7.02	7.80	8.89	5.16
Dividend per share, SEK	5.20 ⁵⁾	4.00	3.40	1.75	1.75
Return on shareholders' equity ⁴⁾ , %	15.8	9.9	11.6	14.3	9.1
Return on capital employed ⁴⁾ , %	14.1	11.0	11.5	13.6	9.4
Net debt/EBITDA, excl. one-off items ⁴⁾ , times	1.6	1.0	1.4	1.6	1.6
Cash flow from operating activities, SEK m	691	704	1,129	1,017	593

Business areas



Key performance indicators	2022
Net sales, SEK m	8,444
Share of Group, %	68
Growth, %	32
Adj. operating margin ⁴⁾ , %	10.4



Key performance indicators	2022
Net sales, SEK m	3,922
Share of Group, %	32
Growth, %	20
Adj. operating margin ⁴⁾ , %	13.4

Key performance indicators, sustainability

	2022	2021
Reduction of CO ₂ e emissions (scope 1 and 2), cf. 2019, %	-23	-9
Share of Lindab's suppliers assessed ⁶⁾ , %	51	11
Share of renewable fuels in transport, %	12	-
LTIF, number of workplace accidents per million hours worked	6.5	7.3
Share of employees recommending Lindab as an employer, %	90	91

1) Excluding one-off items and restructuring costs.

2) All key performance indicators 2018–2020 refer to total operations.

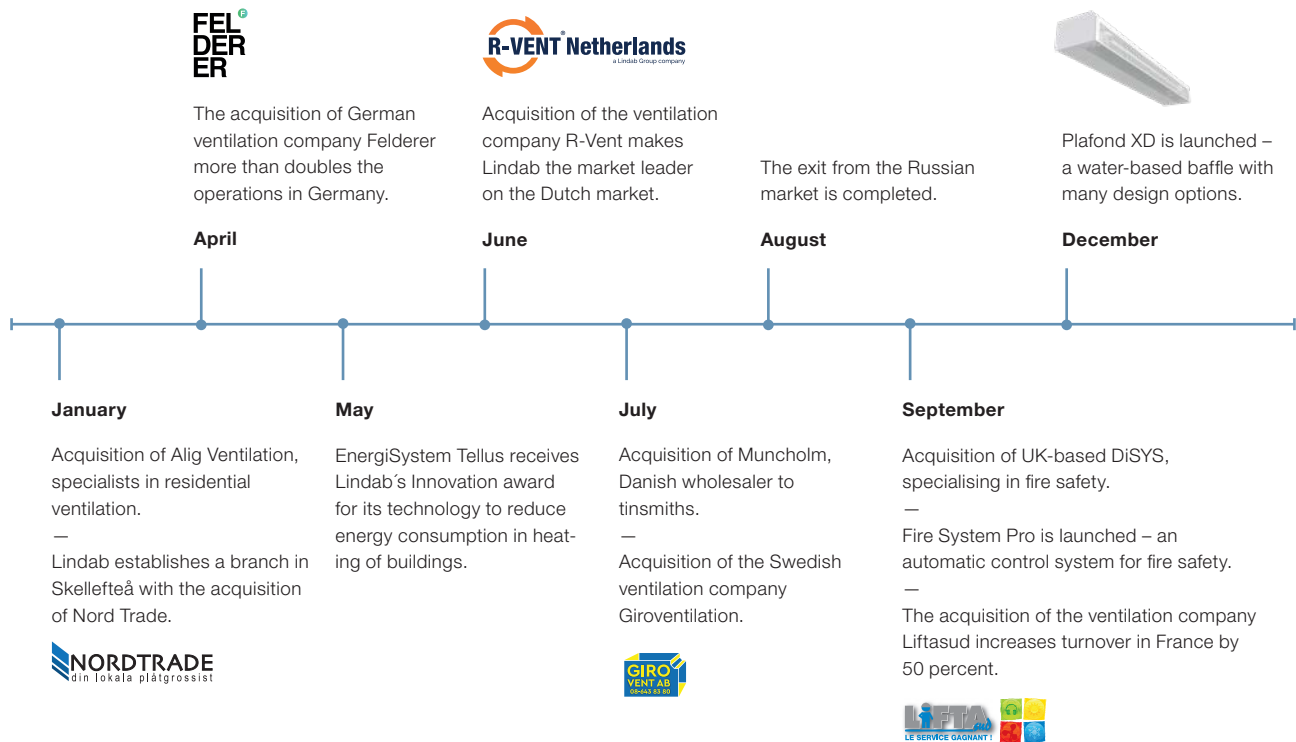
3) Due to changed accounting rules related to IFRS16, the comparative figures in this year are not completely comparable.

4) This key performance indicator is an "alternative key performance indicator" not defined in accordance with IFRS. For the definition, see page 143.

5) Proposed dividend.

6) Suppliers in low and medium-risk countries representing purchases of more than EUR 100 thousand and suppliers in high risk countries representing purchases of at least EUR 25 thousand are covered.

Significant events in 2022



Q1	Q2	Q3	Q4
Lindab started 2022 with another strong quarter. Sales growth was high thanks to a combination of strong demand and price increases.	Lindab reported its best quarter ever in terms of sales and earnings, with quarterly sales exceeding SEK 3 billion for the first time.	Acquisitions contributed to high growth, and Lindab moved forward in strategically important markets such as Germany, France and the Netherlands.	The year ended with high sales growth and improved cash flow. The operating margin was negatively impacted by high inflation and lower gross margin.
Growth: 30% Adj. operating margin: 12.4%	Growth: 27% Adj. operating margin: 12.7%	Growth: 30% Adj. operating margin: 11.1%	Growth: 26% Adj. operating margin: 7.6%

Business areas

Lindab's operations are reported in two business areas – Ventilation Systems and Profile Systems. Ventilation Systems products are offered in all countries where Lindab operates, while Profile Systems products are mainly sold in the Nordics and Eastern Europe.



Offers installers and other clients in the ventilation industry indoor climate solutions for ventilation, cooling and heating as well as air duct systems with accessories.

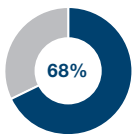
32%

Total growth

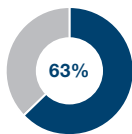
10.4%

Adjusted operating margin

Share of Group

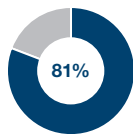


Net sales



Adjusted operating profit

Share of sustainable net sales



Of eligible net sales according to the EU taxonomy

Activities in 2022

- Launch of improved versions of products to prevent the spread of smoke and fire in the ventilation system. Launch of baffles with several design options. Continued launch activities for Ultra BT for demand-controlled ventilation.
- Acquisition of Alig Ventilation (Sweden), Felderer (Germany), R-Vent (Netherlands), Girovent (Sweden), DiSYS Technologies (UK) and Liftasud (France).
- Investments in, for example, the automation of production units in Sweden, the Czech Republic, Poland, the UK and Belgium.



Offers the construction industry products and systems in sheet metal for rainwater systems, cladding for roofs and walls as well as steel profiles for wall, roof and beam constructions.

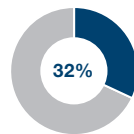
20%

Total growth

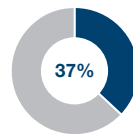
13.4%

Adjusted operating margin

Share of Group

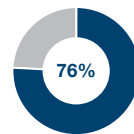


Net sales



Adjusted operating profit

Share of sustainable net sales

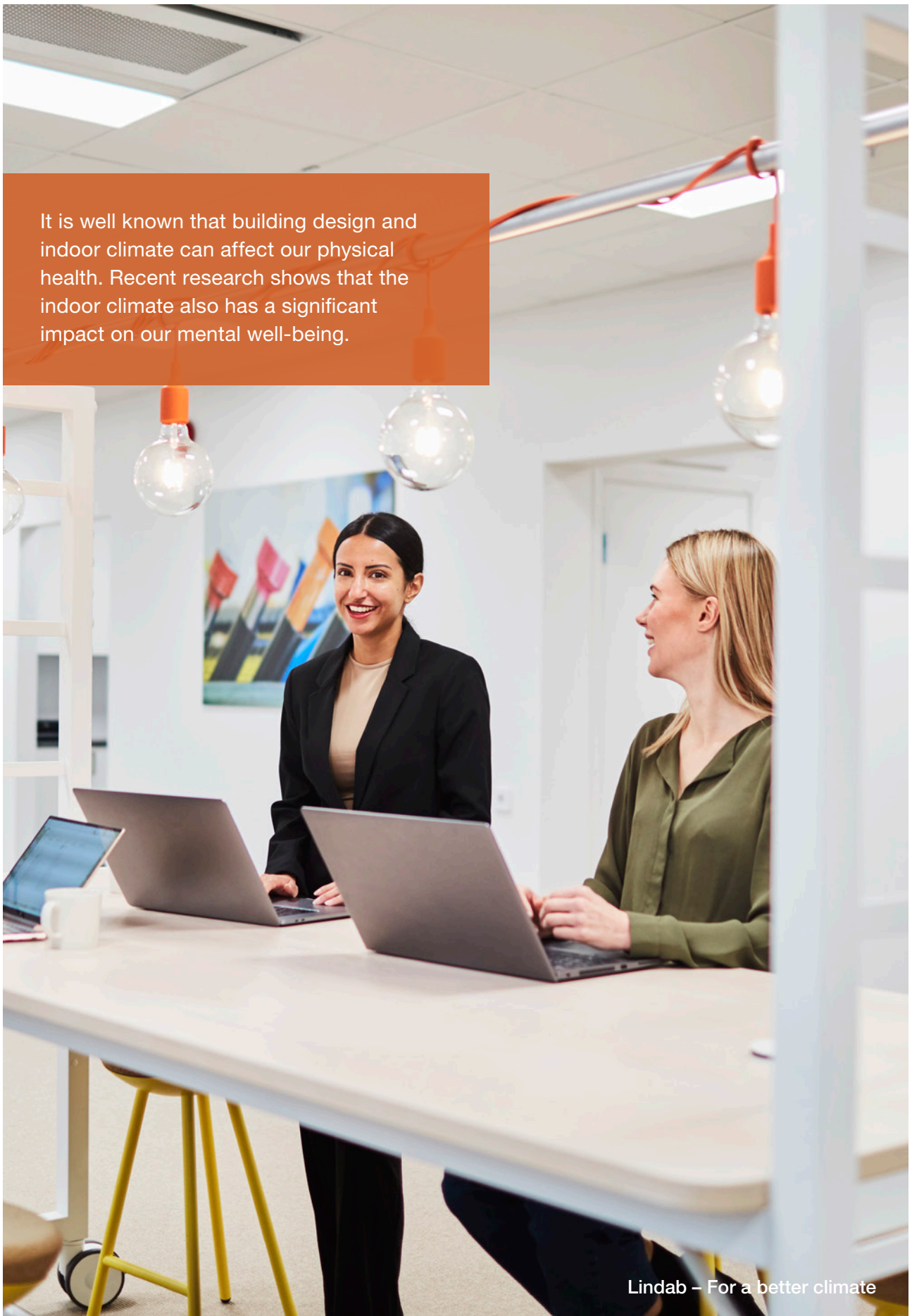


Of eligible net sales according to the EU taxonomy

Activities in 2022

- Improved offering to tinsmiths in Sweden through new recruitment and development of skills, leading to increased service levels.
- Rainwater system products were offered in more colours.
- Acquisitions of Nord Trade (Sweden) and Munchholm (Denmark).
- Investments in, for example, the expansion of a production unit in Sweden, automation of production units in Sweden, Denmark and Hungary and optimisation of logistics centers in Sweden.

It is well known that building design and indoor climate can affect our physical health. Recent research shows that the indoor climate also has a significant impact on our mental well-being.



Lindab – For a better climate

Source: Healthy Homes Barometer 2022

A WORD FROM THE CEO

A larger Lindab with good profitability

THE VENTILATION MARKET has bright prospects. People want a healthy indoor climate and the demand for sustainable buildings is increasing. High energy prices and demands to reduce emissions are leading to a focus on energy savings and renovation of buildings. As a leading ventilation company, Lindab is in the best position to further develop its strong position in this growing market. The plan for how we will reach 20 billion in turnover, with good profitability, is clear and we are well on our way.

Ola Ringdahl, President and CEO

A solid platform to grow from

During my first years as CEO, we took Lindab through a major transformation. Decentralisation brought decisions closer to the customer. Underperforming units were sold off or restructured into profitable subsidiaries. We brought order to the Group and focused the business on the product areas and geographics where we are strongest. This created a reliable company that performed better than ever, despite the challenges of pandemics and raw material shortages.

Focus on profitable growth

Lindab is now in its second phase of change, with a focus on profitable growth. With the stable platform created, we can focus on growing both revenue and earnings. Our financial goals lead to a turnover of 20 billion SEK in 2027, a doubling compared to 2021. The goal is for the operating margin to exceed 10 percent and over time 12-15 percent may be possible. These are ambitious goals, but we have a clear plan to achieve them.



"Our financial goals lead to a turnover of 20 billion SEK in 2027, a doubling compared to 2021."

Successive geographical expansion

We are and will be a market leader with high-quality products. This means that we are growing with Europe as our base, as it is in this market that the demands for energy efficiency and high-quality products are highest.

We will expand into more countries when we have sufficient critical mass to take a leading position, for example through acquisitions. In 2022, we took a market-leading position in the Netherlands through the acquisition of our distributor, giving us an established business to grow from. Gradually, we will consider looking outside of Europe, as demand for high-quality ventilation increases in these markets.

For a better climate

Demand for energy-efficient solutions will be high for a long time to come. Ventilation systems are becoming more advanced and the technological content of our products is increasing rapidly. Demand-controlled ventilation, which uses sensors to detect and control the climate in each individual room, is an example of an area where Lindab has a leading product range that offers many benefits to both property owners and tenants. With higher technology content in the products, the added value for the customer is greater, the differentiation from competitors is even clearer and the profitability potential for the product is higher. The rate of building renovation needs to increase in Europe and we will be there with flexible solutions that make it easy to upgrade existing ventilation systems. We also have a strong position in new construction of energy-efficient buildings, which we will leverage and develop further.

Lindab has a strong sustainability profile. Our overall aim is to create a better indoor climate for people's well-being while reducing energy consumption in the building. This results in a business concept based on sustainability. In addition, increased requirements to ensure good working conditions through the entire supply chain will benefit Lindab as we already have almost all production and sourcing in Europe, a very conscious choice. The demands for sustainable solutions thus both drive customer demand and strengthen Lindab's profile as an attractive partner and employer.

"Our overall aim is to create a better indoor climate for people's well-being while reducing energy consumption in the building. This results in a business concept based on sustainability."



Acquisition of high-quality companies

Acquisitions will continue to play an important role in Lindab's future development. In 2022, we added eight companies to the group, corresponding to SEK 1.9 billion in annual sales. The development of the acquired companies has been strong, thanks to careful integration in line with Lindab's decentralised model. The size of the companies we acquire has gradually increased, a natural evolution as we move positions forward. We are open to making larger acquisitions if the opportunity arises, even though the ventilation market is mostly made up of smaller, local players. Lindab will continue to prioritise acquisitions of companies that complement us in terms of technology, products or distribution.

Investing in efficiency and automation

Another important building block of our strategy is investments. Since 2019, we are implementing the largest investment program in Lindab's history. Increased automation leads to higher production efficiency and a better working environment. Modern production lines enable us to scale up capacity to meet increasing demand. We choose investment projects with a short payback period and clear results. The successful investment program is an important reason why Lindab today has a revenue per employee that is 50 percent higher than it was in 2018.

The financial targets are unchanged

In 2022, we experienced a strong first half year. In the second half, former tailwinds turned into headwinds in the form of high energy prices and rising inflation. Margins were squeezed by

fluctuations in raw material prices. Despite this, full-year sales grew by 28 percent, of which organic growth was 11 percent. The operating margin remained at a comfortable 10.9 percent. All financial targets were met in 2022.

The world has experienced several years of challenging market conditions and 2023 does not look like breaking the trend. We are planning for lower demand in the short term, but at the same time ensuring that we are ready to take advantage of the positive drivers in our market. Lindab has a motivated organisation and an efficient supply chain. Our balance sheet is strong and we have streamlined the business. The investment program is contributing to increased efficiency and the prospects for further acquisitions are good. I look forward with confidence to the next phase with a focus on profitable organic and acquisition-driven growth. The financial targets are set and I and the rest of Lindab are determined to achieve them. In 2023, we will take further steps towards a growing Lindab with good profitability.

Thank you to everyone who has contributed to making 2022 a successful year for Lindab.

Greve, March 2023

Ola Ringdahl
President and CEO

STRATEGIC OBJECTIVES

Long-term targets

LONG-TERM TARGETS create value through investments in priority areas. The financial targets focus on growth, profitability and debt. In addition, Lindab has a clear ambition to distribute at least 40 percent of the net profit to shareholders. Lindab's sustainability plan includes several targets, with five of the sustainability targets getting increased focus, to ensure continuous development in the right direction.

Financial targets¹⁾

Definition	Target	Outcome	Comments
<p>Annual growth</p> <p>The target for annual growth is to be at least 10 percent, combining organic and acquired growth.</p>	>10%	<p>2018 2019 2020 2021 2022</p>	Excluding currency effects, sales grew by 24.3 percent in 2022, exceeding the annual target by a good margin. Organic growth was 11 percent and acquisitions contributed 13 percent. Currency effects had a positive impact of 4 percent.
<p>Operating margin</p> <p>The target for the operating margin, adjusted for one-off items and restructuring costs, is to exceed 10 percent annually.</p>	>10%	<p>2018 2019 2020 2021 2022</p>	The adjusted operating margin for the full year was 10.9 percent, which means that the operating margin exceeded the target for the third consecutive year.
<p>Net debt/EBITDA</p> <p>The target for net debt is that it should not exceed three times EBITDA.</p>	<3.0	<p>2018 2019 2020 2021 2022</p>	Net debt/EBITDA increased to 1.6 in 2022 as a result of major acquisitions. A low debt ratio and a strong balance sheet give Lindab opportunities to finance investments and acquisitions.
<p>Dividend</p> <p>Lindab holds a strong financial position and intends to distribute at least 40 percent of the company's profit after tax. The company's financial position, acquisition opportunities and long-term financial needs shall be taken into account.</p>	40%	<p>2018 2019 2020 2021 2022</p>	Lindab has a high earnings capacity as well as a strong financial position. With this in mind, the Board of Directors proposes a dividend of SEK 5.20 for the fiscal year 2022, an increase of 30 percent compared to the previous year.

¹⁾ For 2021, annual growth and adjusted operating margin are reported, excluding divested businesses, while net debt/EBITDA is reported including divested businesses.

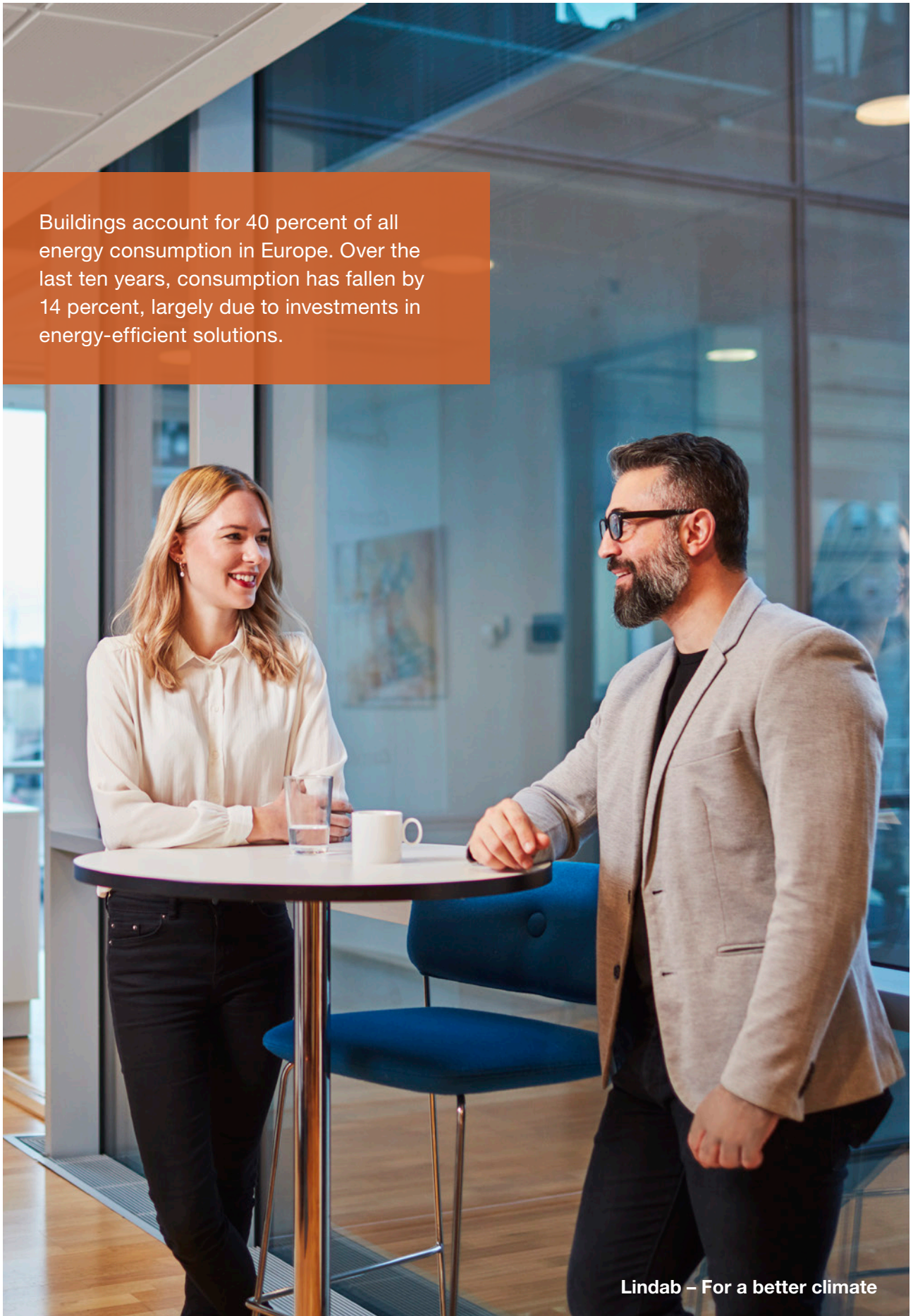
Sustainability targets

Definition	Target	Outcome	Comments												
<p>Lower CO₂e emissions</p> <p>Our target for the Group's CO₂e emissions for scope¹ 1 and 2, is to reduce these by 50 percent in relation to sales, by 2030 compared with 2019.</p>	-50%	<table border="1"> <caption>CO₂e emissions (2019-2022)</caption> <thead> <tr> <th>Year</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>-</td> </tr> <tr> <td>2020</td> <td>-</td> </tr> <tr> <td>2021</td> <td>-</td> </tr> <tr> <td>2022</td> <td>-23%</td> </tr> </tbody> </table>	Year	Change	2019	-	2020	-	2021	-	2022	-23%	<p>Lindab's CO₂e emissions decreased by 23 percent to 1.5 tons per SEK million turnover from 2019 to 2022. The development is mainly due to increased modernisation of Lindab's facilities. In 2022, Lindab has made a more comprehensive analysis of the sustainability data to adapt to updated version of the GRI. Historical figures have therefore been corrected.</p>		
Year	Change														
2019	-														
2020	-														
2021	-														
2022	-23%														
<p>Motivated employees</p> <p>As an employee you should be proud to work for Lindab. We want at least 90 percent of our employees to recommend Lindab as an employer. This is measured in the Lindab Pulse Survey every year.</p>	90%	<table border="1"> <caption>Employee recommendation rates (2020-2022)</caption> <thead> <tr> <th>Year</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>-</td> </tr> <tr> <td>2021</td> <td>-</td> </tr> <tr> <td>2022</td> <td>90%</td> </tr> </tbody> </table>	Year	Rate	2020	-	2021	-	2022	90%	<p>Lindab shall be an employer that is able to attract new talent and retain the right skills. For 2022, we reached 90 percent who would recommend Lindab as an employer, which means that for the third year in a row we achieved our target.</p>				
Year	Rate														
2020	-														
2021	-														
2022	90%														
<p>Fewer work-related injuries</p> <p>We seek to reduce work-related injuries, measured as LTIF (number of workplace accidents per million hours worked) to below 4 by 2026. Our long-term zero-vision for work-related injuries remains unchanged.</p>	<4.0	<table border="1"> <caption>LTIF (2018-2022)</caption> <thead> <tr> <th>Year</th> <th>LTIF</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>-</td> </tr> <tr> <td>2019</td> <td>-</td> </tr> <tr> <td>2020</td> <td>-</td> </tr> <tr> <td>2021</td> <td>-</td> </tr> <tr> <td>2022</td> <td>6.7</td> </tr> </tbody> </table>	Year	LTIF	2018	-	2019	-	2020	-	2021	-	2022	6.7	<p>In 2022, LTIF decreased slightly to 6.7, compared to 7.3 in the previous year. There were no serious accidents. The new incident reporting system has led to more incidents being reported, allowing accidents to be prevented before they happen.</p>
Year	LTIF														
2018	-														
2019	-														
2020	-														
2021	-														
2022	6.7														
<p>Supplier assessment</p> <p>Lindab's suppliers should be certified on a regular basis with regard to sustainability. By 2023, we should have certified all suppliers².</p>	100%	<table border="1"> <caption>Supplier certification rates (2021-2022)</caption> <thead> <tr> <th>Year</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>-</td> </tr> <tr> <td>2022</td> <td>51%</td> </tr> </tbody> </table>	Year	Rate	2021	-	2022	51%	<p>In 2021, Lindab introduced a certification process for the suppliers used on a regular basis. Since then, 51 percent have been certified. From an initial focus on certifying suppliers in the highest risk countries, the focus is now on certifying all suppliers.</p>						
Year	Rate														
2021	-														
2022	51%														
<p>Environmentally friendly transport</p> <p>Our products are transported throughout Europe. We want 100 percent of our transport to use renewable fuel by 2040.</p>	100%		<p>In the area of transport, Lindab has just started the transition. Of Lindab's total transports, 12 percent was done by train, ship or trucks with renewable fuel.</p>												

1) Scope 1, 2 and 3 are classifications of different categories of CO₂e emissions. In simplified terms, scope 1 and 2 can be described as emissions associated with the company's internal operations, such as production facilities and its electricity consumption. Scope 3 are other emissions, where purchased steel and the use of sold products are the largest sources of emissions for Lindab.

2) Suppliers in low and medium-risk countries representing purchases of more than EUR 100 thousand and suppliers in high risk countries representing purchases of at least EUR 25 thousand are covered.

Buildings account for 40 percent of all energy consumption in Europe. Over the last ten years, consumption has fallen by 14 percent, largely due to investments in energy-efficient solutions.



Lindab – For a better climate

Source: Healthy Homes Barometer 2022

STRATEGY

Strategy for profitable growth

WE WANT TO CREATE a better climate. We do this by creating energy-efficient solutions for healthy indoor environments. Our vision is to be the leading player in the area we are strongest – ventilation in Europe. We focus on air distribution and air diffusion, that is, transporting, adjusting and distributing air.

Our purpose – For a better climate

Most of us spend a majority of our time indoors. The air we breathe is crucial for how we feel, our energy levels and whether we stay healthy. By developing energy-efficient ventilation solutions, we contribute to a better indoor climate that promotes human health and to a better climate for our planet.

Our strategy

Our strategy focuses on five areas that set the framework and direction for the operations and that enable us to achieve our vision and targets.



Quality

Lindab's brands are well-known and of high quality. Our customers know that our products are easy to install and can be trusted. Our employees also have the appropriate expertise, making us a knowledgeable speaking partner to whom customers can turn to with their ventilation and construction projects.



Efficient

We uphold a high level of expertise in advanced production methods, enabling us to manufacture high-quality products efficiently. Increased automation is also a way of enhancing both efficiency and safety. We shall benefit from digital channels to the market and from systems support in our operations. Lindab believes in continuous improvement throughout the company.



Local

Lindab should be located close to its customers and offer what is in demand in each market. This means the offer is different in different parts of Europe, depending on what ventilation installers and tinsmiths demand. We believe in local production to reduce transportation and provide the best service.



Trusted

We deliver what we promise, on time. Customers should always feel certain that Lindab has the products they need in stock. Trust in Lindab has been built up over many years through our entrepreneurial spirit, with each employee taking responsibility and resolving problems as they arise. Those who are closest to our customers know best what needs to be done.



Market leader

We should be the best, and preferably the largest, at what we do. Lindab focuses on selected countries in Europe where we are able to build strong customer relationships. We specialise in those parts of our offering in which we have high expertise and extensive experience. Our products shall maintain a superior technical standard and be compatible with other parts of the ventilation system.

Sustainability plan with three clear focus areas




Lindab’s sustainability plan influences how we implement the strategy in all areas. Based on the overall purpose “For a better climate,” we can make a difference on several levels. In the area of “Create Healthy Buildings,” we focus on how we can contribute to a better society. “Reduce the environmental impact from customers” is about how Lindab’s products contribute to higher energy-efficiency. Finally, the area of “Drive a sustainable business” focuses on how our operations and those of our subcontractors can become safer, more socially sustainable and climate-efficient.



Lindab joins Science Based Targets

In January 2023, Lindab committed to Science Based Targets. This means that Lindab will set science-based climate targets in accordance with the Paris Agreement that will then be verified by third parties. Science Based Targets is a collaboration between CDP, the World Resources Institute, WWF and the UN Global Compact.

● Create healthy buildings

Focus area	Target	Page	We primarily contribute to:
Increase awareness about healthy indoor air	Increase public knowledge and awareness regarding good indoor air. Increase demand for a healthy indoor climate when choosing a home, office or other indoor environment.	20	 
Drive standardisation and legislation	Influence and drive regulations and standards in trade associations and other collaborative forums in all our markets. if there is no association present, we will work to establish one.	20	

● Reduce the environmental impact from customers

Focus area	Target	Page	We primarily contribute to:
Sustainable and energy-efficient solutions	Lower customers’ environmental impact through our products. Publish environmental product declarations for global products equivalent for 50 percent of sales from global products by 2025. Launch a green product line 1 ¹ by 2027.	30–31	 
Digital tools and technologies to optimise energy usage	Offer connected products enabling indoor climate optimisation and reduced energy consumption. Develop smart products with the aim of increasing product life span and offer better peripheral services. Expand and improve sustainability information in the webshop and digital product catalogues in 2023.	30–31	
A circular economy with a high degree of reuse.	Design products that can be reused, refurbished or recycled. Collaborate within the industry to create circular flows with a focus on reducing environmental impact. Define measurable target for circularity by 2023.	30–31	

1) Products designed to minimise environmental impact throughout their life cycle: this means renewable energy sources in production, innovative CO₂-reduced materials and 100 percent recyclability.

Matilda Isaksson

Group Sustainability Manager at Lindab






What steps has Lindab taken in its sustainability work over the year?

The sustainability plan is constantly being improved, and we are adding tougher deadlines and more detailed targets. During the year, we've really stepped up our local sustainability work, because the projects that make a real difference happen at the local level. We have also focused on improving the quality of the data we collect so we have the right basis for making decisions about which activities lead to the most change.

What is the focus for 2023?

We did a lot of preparatory work for Science Based Targets before we officially joined in early 2023. Work is in full swing to develop the detailed plans for external verification. Accounting for emissions at all stages is complex and requires knowledge and structure at many levels in the company. At the same time, we are preparing for the comprehensive sustainability legislation that will enter into force in 2024. It is important to streamline reporting so we can focus on activities that improve sustainability, and not just on reporting them.

Drive a sustainable business

Focus area	Target	Page	We primarily contribute to:
Sustainable sourcing	Early adoption of fossil-free steel, in order to reduce our CO ₂ e emissions. Get 100 percent of suppliers ¹⁾ to sign the Code of Conduct by 2022. Certify 100 percent of the suppliers ¹⁾ by 2023. Define a scope 3 target for CO ₂ emissions during 2023.	42–44	 
Sustainable production	Reduce CO ₂ e emissions in scope 1 and 2, calculated in relation to sales, by 50 percent in 2030, compared to 2019. Analyse waste to landfill and define a reduction goal in 2023. Reduce scrap rate with 50 percent by 2030, compared to 2019.	42–44	
Sustainable transport	Use 100 percent renewable fuel or electric vehicles by 2040. Switch to company cars using renewable fuel or electricity, by 2030 Have 100 percent of transport contracts to include environmental requirements by 2025. Collaborate with customers and suppliers to create transport solutions with focus on reducing the environmental impact.	42–44	
Attractive employer	Reduce the number of workplace accidents per million hours worked (LTIF) to 4 or less by 2026. Long-term vision of zero accidents. Have the same percentage of each gender in senior management positions by 2030 as in the Group in total. Have staff turnover of 5–10 percent. Be recommended as an employer by at least 90 percent of the employees.	48–49	
Community involvement	Support community activities linked to Lindab's operations and nearby locations. Create good conditions for engagement in nonprofit work.	48–49	

1) Suppliers in low and medium-risk countries representing purchases of more than EUR 100 k and suppliers in high risk countries representing purchases of at least EUR 25 k are covered.

TRENDS AND DRIVERS

Strong driving forces

WITH INCREASED FOCUS on energy-efficient solutions that create a healthy indoor climate, there are strong, positive drivers in the market where Lindab operates. The EU's Green Deal has increased the focus on sustainable renovation and new construction, with a target of 35 million buildings in Europe to be renovated by 2030.

“Air pollution is the biggest environmental threat to health. The primary cause of air pollution is also a major contributor to climate change.”

WHO
(World Health Organisation)

40%

Buildings account for 40 percent of energy consumption and 36 percent of energy-related greenhouse gas emissions in the EU. Each year, only 1 percent of the buildings are renovated to reduce energy consumption.

2/3

Two thirds of Europe's buildings are not energy-efficient, and many of these are occupied by low-income families. Energy-efficient renovations can reduce household energy costs and at the same time improve quality of life.

95%

Up to 95 percent of existing buildings in the EU are expected to remain in 2050 and account for the overwhelming majority of the real estate stock. To achieve the climate goals, existing buildings need to be made green.

Sources: European Commission: "A European Green Deal" (2019), "Renovation Wave Strategy" (2020), The European Ventilation Industry Association (EVIA)

1

Climate goals set the agenda

Based on the global Paris Agreement, climate targets are being set world-wide. The EU aims to become the world's first climate neutral continent by 2050. Subobjectives and activities are adapted accordingly, with a strong focus on energy-efficiency.

2

A wave of renovation is coming

As Europe's building stock is aged and new construction levels are low, the focus is on energy renovation to reduce climate impact. EU wants to double the rate of renovation, and many countries are launching plans to do just that.

3

The energy issue is a hot topic

Energy-efficiency in buildings contributes to climate neutrality, but also to lower costs. Europe's energy crisis, partly as a result of the war in Ukraine, has increased energy prices, providing further drivers for energy-efficiency.

4

Increased awareness of well-being

The European Commission has highlighted human health and well-being as one of the most important co-benefits of energy-efficiency. And the pandemic has increased understanding of the importance of a good indoor climate.

5

Technology steps up the pace

Connected and smart systems for ventilation, cooling and heating, among other things, are being introduced at an accelerating pace, even in older buildings. The investment pays for itself quickly and the system can be maintained remotely.

Sources: European Commission, 2020, "The European Green Deal Investment Plan and Just Transition Mechanism Explained," European Commission, 2021, "Commission Recommendation on Energy Efficiency First: From Principles to Practice," Healthy Homes Barometer 2022

Lindab's sustainability plan: **Market**



This is what we want to achieve:

- Increase public** knowledge and awareness regarding good indoor air.
- Increase demand** for a healthy indoor climate when choosing a home, office or other indoor environment.
- Influence and drive** regulations and standards in trade associations and other collaboration forums in all our markets.
- If there is no** association present, we will work to establish one.

Examples of activities in 2022:



New requirements for a better climate

The Scandinavian countries are working to introduce legislation for climate declarations of buildings to reduce greenhouse gas emissions from the construction and the building itself. But there are differences in the legislation. Some countries take into account the whole life cycle, while others only look at the raw materials and production. Lindab is actively working to influence legislation as we see a great risk that the goals will not be met if only the manufacture of the product is considered and not the entire life cycle.



For common standards

Lindab is working to develop standardised approaches, formats and methods for calculating the environmental impact of ventilation products over their life cycle. Lindab participates in the task force "Environmental Product Declaration", a special group within Eurovent and CEN/TC 156 Ventilation for Buildings, to ensure a harmonised approach, which simplifies the choice of products for both customers and manufacturers.

Raising climate awareness

Lindab is working to raise awareness of good indoor climate. Materials for school classes have been developed to raise awareness of clean air in a playful way. Lindab also releases films and summaries of scientific articles to raise awareness and drive development.



74%

An active player in a growing number of markets

Lindab aims to build a strong position in each market. This includes involvement in regional and local organisations that help to accelerate the development of sustainable buildings. In 2022, Lindab was involved in more than 50 forums at European level and in 14 of the 20 markets where we operate.

Renovating a building results in reduced carbon dioxide emissions and higher energy savings, but also in improved health and well-being for those who use the building.



Lindab – For a better climate

Source: Healthy Homes Barometer 2022

PRODUCTS

Energy-efficient products

LINDAB'S VENTILATION PRODUCTS aim to improve indoor air quality while reducing energy consumption. In the western world, we spend up to 90 percent of our time indoors, in an environment where indoor air can be as much as five times more polluted than outdoor air. To improve human health, an increased focus on air quality is necessary.

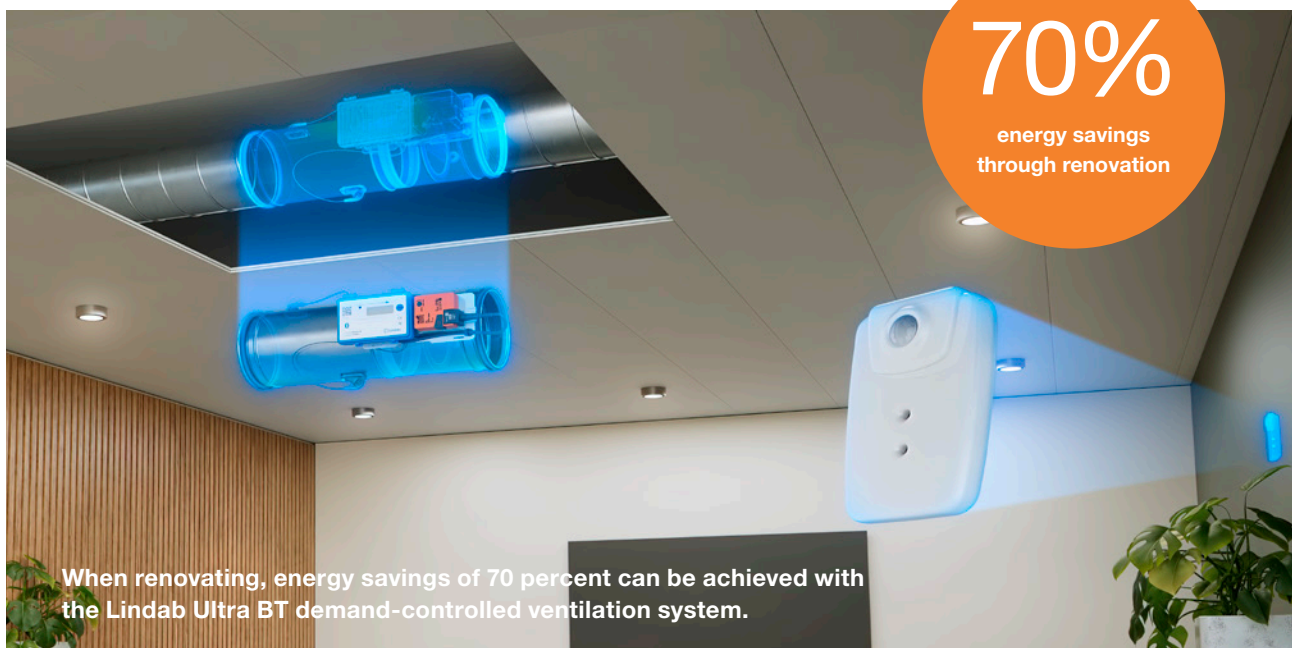
At the same time, it takes a lot of energy to ventilate a building. Buildings account for around 40 percent of energy use in the EU, with heating, cooling and ventilation being the largest single item. Energy-efficient ventilation leading to improved indoor air quality should therefore be a high-priority area.

Renovation

Building renovation is a crucial area to address in order to reduce energy consumption and is motivated by both environmental and economic considerations. The ventilation system is well integrated into the ceiling and walls, so a flexible product is required to minimise the impact on the building. Lindab's Ultra BT room-control system enables installation of a demand-controlled ventilation system in an existing building. Part of the ventilation duct in a ceiling can be replaced with a unit that measures and adapts the air supply depending on the air quality in the room. Ultra BT is controlled by Bluetooth so the installer can optimise and adjust the system through an app. By switching to a demand-controlled ventilation system in an existing building, energy consumption can be reduced by up to 70 percent.

Examples of energy savings in renovation¹⁾

A 5,000 sqm office building with demand-controlled ventilation installed can save about 24 kWh per sqm which corresponds to 120,000 kWh per year. It would mean a reduction of approximately 64,000 kg CO₂e.



¹⁾ The estimates used for the calculation in the example are published at <https://www.lindabgroup.com/energy-savings-example>.

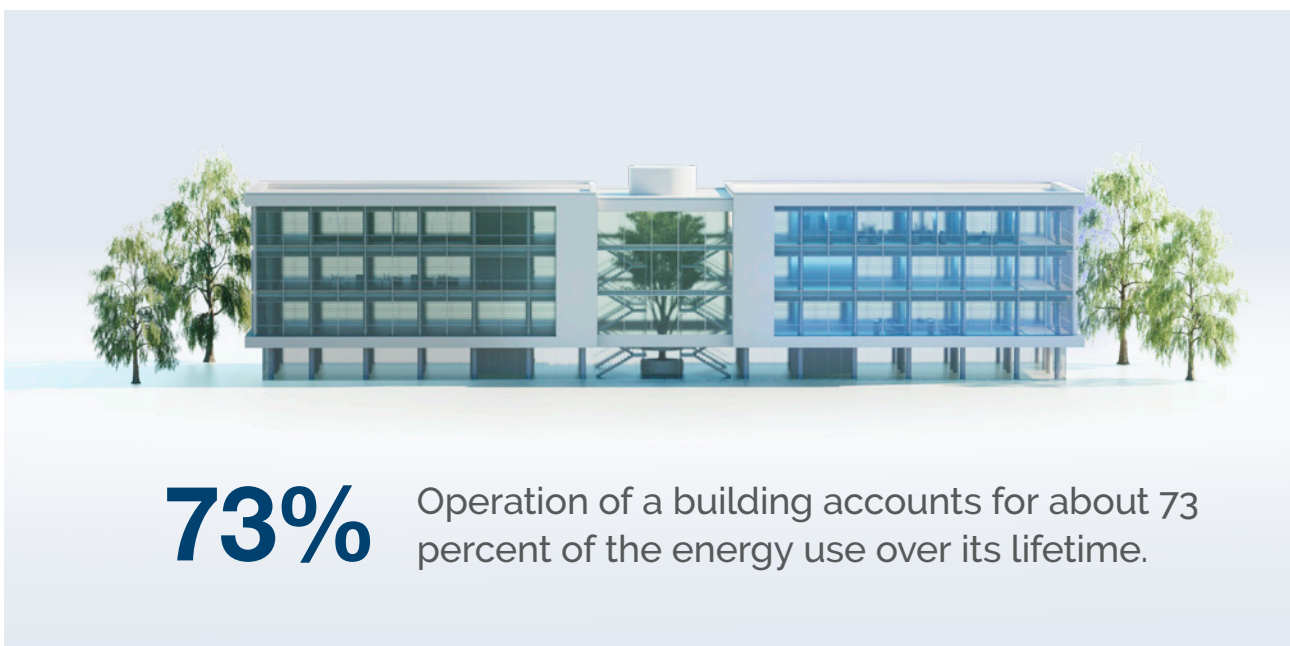
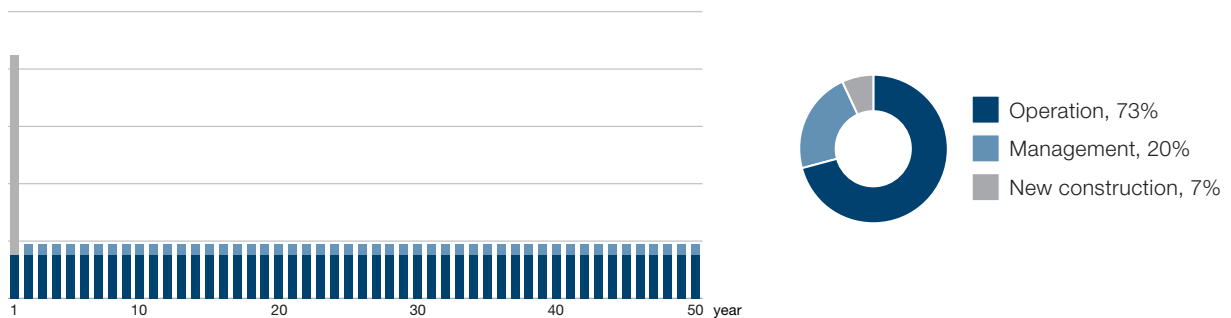
Energy consumption over a building's lifetime

By looking at energy consumption over the lifetime of the building, new buildings can be designed to have a minimal environmental impact. A building's energy consumption and climate impact are mainly influenced by its design, choice of materials and energy efficiency. If a building in Sweden is assumed to have a lifetime of 50 years, 73 percent of the energy is used to operate the building, while only 7 percent is related to the construction of the building. The remaining 20 percent is related to property management ¹⁾. Since cooling, heating and ventilation are the areas that consume the most energy and also account for the greatest cost, the design of the ventilation system is central to

reducing a building's energy use. Despite the significant impact on both the environment and cost, we find that the ventilation system design is still not one of the key issues when designing a building.

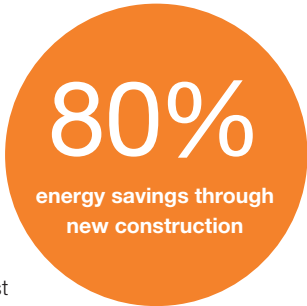
Another aspect that affects the total energy consumption is how easy it is to adapt the use of the building, for example to convert offices into housing, or to convert a commercial property into offices. With a demand-controlled ventilation system in the building, its usage can change without major changes to the system. It adapts to the new use of the property.

Energy use over the lifetime of a building¹⁾



¹⁾ Source: Swedish National Board of Housing, Building and Planning, "Byggnaders inbyggda energi: en livscykelmodell" (KTH) and Lindab's own calculations.

New construction



New buildings in the EU are required to be near zero-energy buildings, which means that almost no energy is added for heating and cooling. A near zero-energy building must therefore be well insulated, and effective ventilation is needed to provide fresh air. Different airtightness classes can be selected for ventilation. Airtightness class D is the highest level and Lindab was the first in the world to have its products certified by Eurovent in this class. Airtightness class D is three times as airtight as level C, which in turn is three times as airtight as class B, and so on. In the Nordic countries, airtightness class D is common in new construction, especially in sustainability-certified buildings. Further south in Europe, the highest airtightness class is not as much in demand because houses do not have the same level of insulation. By choosing a higher airtightness class, energy consumption can be reduced by 8–12 percent. Other factors affecting energy consumption are how the ventilation is installed and whether the ventilation is adapted to the way the building is used. A demand-controlled ventilation system uses sensors to register the air quality and occupancy in different parts of the building and directs fresh air where it is needed. Compared to a constant-flow ventilation system, energy consumption can be reduced by 60–80 percent. DCV One is one of Lindab’s products that does just that. It is installed in the ceiling and distributes as much air as the room needs to achieve a healthy indoor climate.



DCV One has advanced sensors that detect occupancy and air quality in the room and adjust the ventilation accordingly.

Examples of energy savings in new construction¹⁾

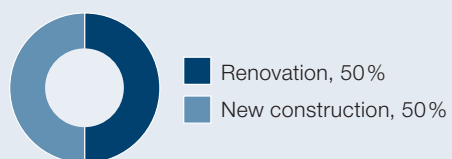
A 5,000 sqm office building is being built. If the developer chooses to install a ventilation system with higher airtightness B and installs a demand-controlled ventilation system, energy consumption can be reduced by 21.2 kWh per sqm or approximately 106 000 kWh per year. It corresponds to approximately 56 500 kg CO₂e emissions.

Building certifications

There are both global and national sustainability certifications for buildings. LEED and BREEAM are two of the most well-known where the building has to meet certain requirements in terms of energy consumption, indoor climate and choice of materials. Lindab has a wide range of ventilation products that meet the high requirements of certifications.



The distribution of sales between new construction and renovation varies depending on the general economy. Viewed over an extended period, each area accounts for about half of sales.



¹⁾ The estimates used for the calculation in the example are published at <https://www.lindabgroup.com/energy-savings-example>

Energy losses during installation

In practice, few ventilation systems live up to the airtightness promised by the products. This is because leakage has occurred during installation. When leakage occurs, the fan has to work harder, and the need for cooling and heating increases. Five percent leakage requires three times more power to increase airflow and results in a 16 percent increase in energy consumption. Lindab's ventilation fittings are designed with a specially designed edge and a rubber gasket that allow them to partially compensate for incorrect installation. It also makes the assembly process faster but still correct. Installing a fully airtight ventilation system is difficult even for a skilled installer. When comparing different tightness classes, the higher tightness class has 10–20 percent lower energy consumption when both the product characteristics and the installation are taken into account.

Examples of correctly installed ventilation in new buildings¹⁾

In our previous example with a newly constructed office building of 5,000 sqm, a correctly installed ventilation system, without leakage, would result in a further reduction of kWh with 3.6 kWh per sqm or approximately 18 500 kWh per year. It corresponds to approximately 9 600 kg CO₂e emissions.



20%

energy savings from
correct installation

Common causes of leaks in ventilation systems:

- the ducts do not fit well enough so there is leakage at the joints
- the products are screwed together and then disassembled, without sealing the old screw holes
- accidental holes in the ducts when other products are installed next to the ventilation

¹⁾ The estimates used for the calculation in the example are published at <https://www.lindabgroup.com/energy-savings-example>

Product offer

Ventilation products for a better climate

Lindab offers the ventilation industry everything from individual components to the most energy-efficient system solutions on the market. This creates an optimal indoor climate with significantly lower energy consumption. Sales of ventilation products account for 68 percent of sales.



Software

Lindab's IT solutions simplify the sizing, quantity calculation and planning of complete, energy-efficient ventilation and indoor climate systems.



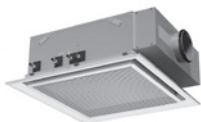
Silencers

The acoustic solutions include a complete range of silencers for a quiet and comfortable indoor climate.



Duct system

Ducts, both circular and rectangular, transport air to different parts of the building.



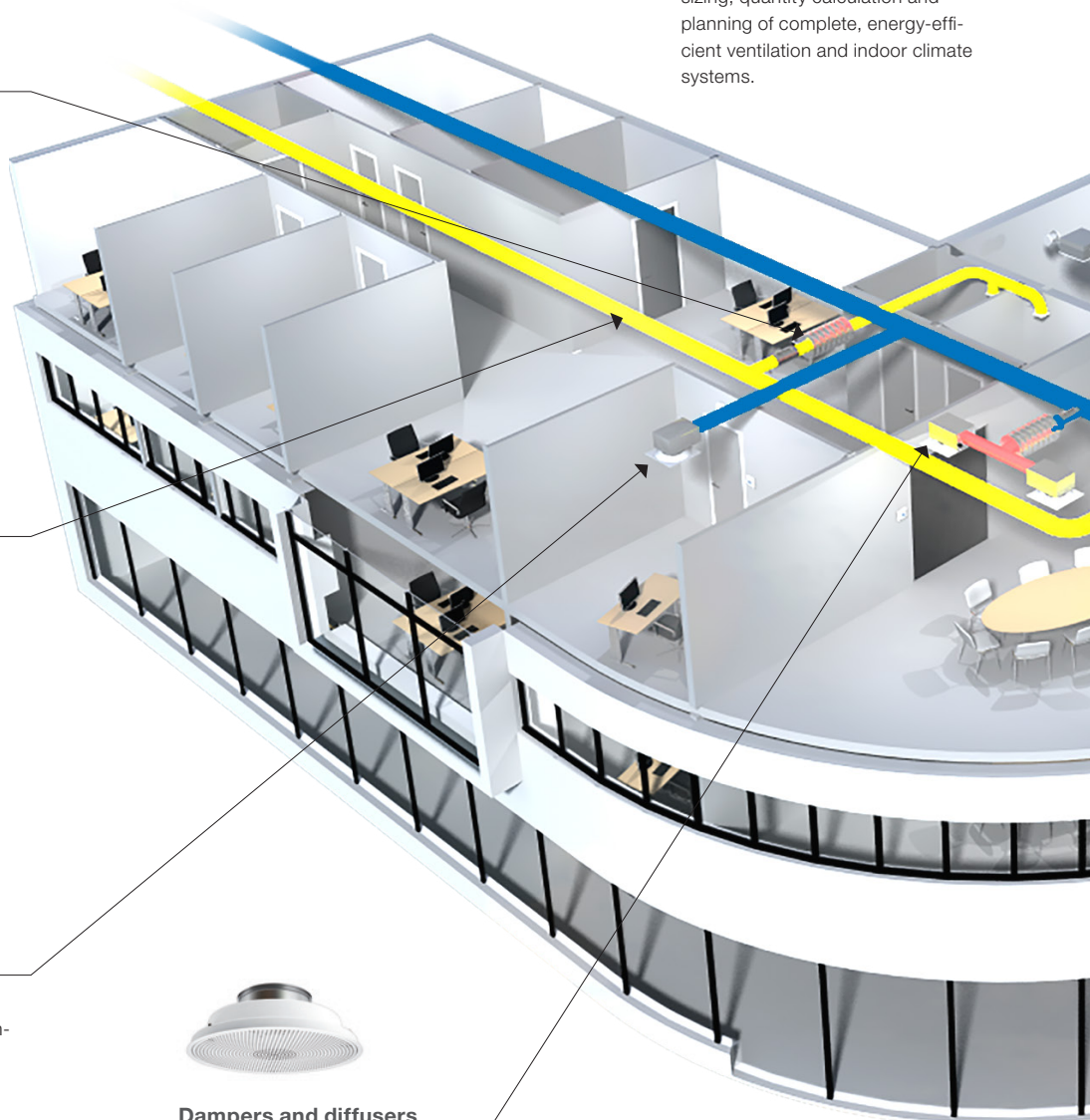
Baffles

Baffles that distribute air in the room. Available in air-only or combined cooling/heating versions.



Dampers and diffusers

Diffusers, grilles and dampers and accessories are used to regulate and control the climate in a room.



Lindab's focus:

Air distribution

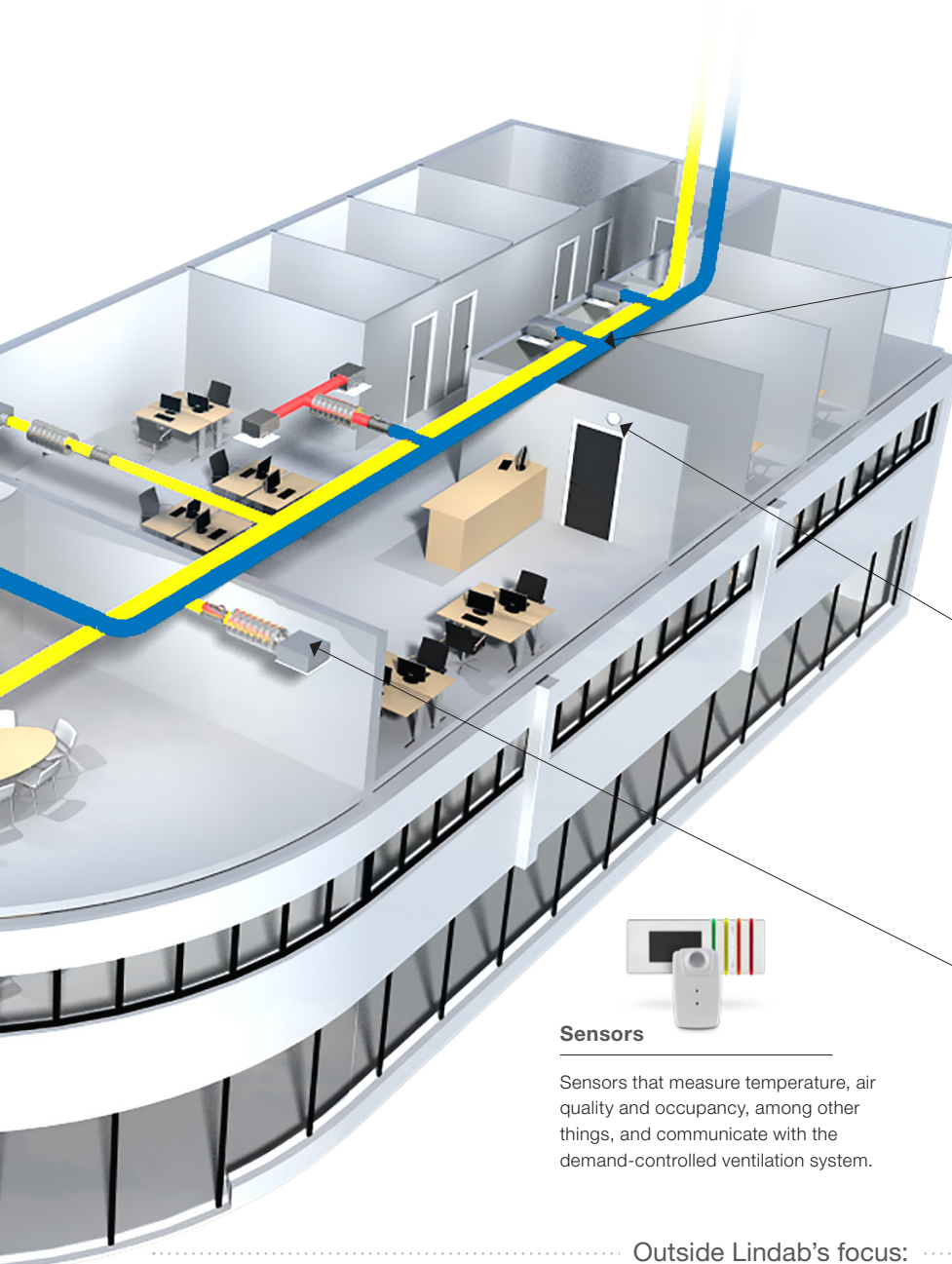
Ventilation ducts, dampers and silencers interact to regulate and transport air to the appropriate part of the building.

Air diffusion

Ceiling and wall-mounted baffles and valves that diffuse and extract air in individual rooms.

Fire and smoke protection

Fire dampers that prevent fire from spreading. Dedicated ventilation ducts to transport smoke away.

**Fire and smoke dampers**

Circular and rectangular fire and smoke dampers that prevent the spread of fire and smoke through the ventilation system.

**Smoke ducts/evacuation**

A smoke evacuation system controls combustion gases and directs them out of the building.

**Demand-controlled ventilation**

Demand-controlled ventilation ensures the right indoor climate by allowing actual demand to control it, which also provides optimal energy consumption.

**Sensors**

Sensors that measure temperature, air quality and occupancy, among other things, and communicate with the demand-controlled ventilation system.

Outside Lindab's focus:

Central air handling units

Take in outdoor air and clean, cool and heat this for onward transport into the building. Lindab does not focus on this part of the ventilation system.

Building Management Systems

Control and monitoring of the building's complete indoor environment. Lindab has products that communicate with the central control, but does not provide a central control system for the entire building.

Product offer

Products that simplify construction

Lindab's steel and sheet metal products include solutions for roofs, walls and profiles. Building products account for 32 percent of sales and are offered mainly in the Nordic countries and parts of Eastern Europe.



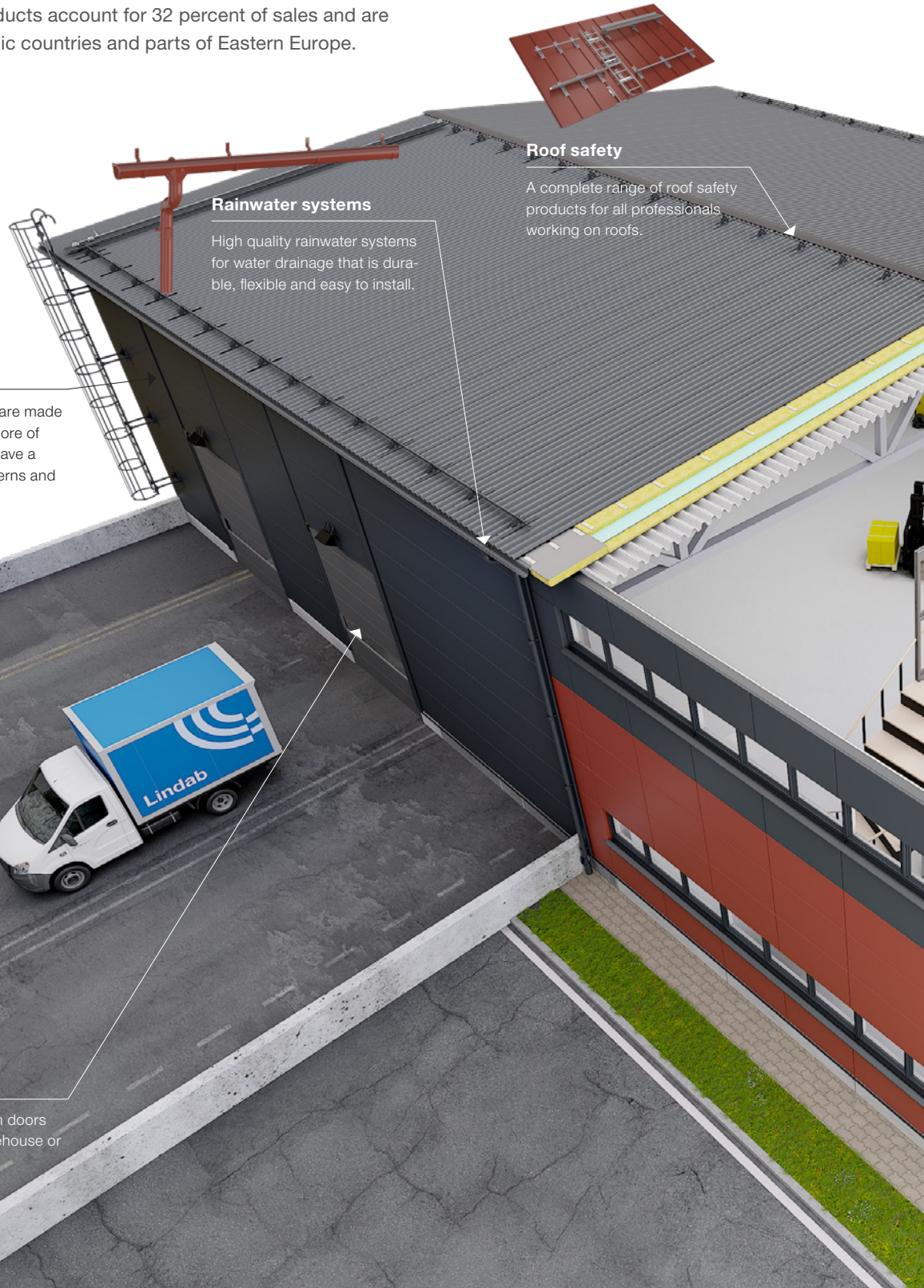
Sandwich panels

Lindab's sandwich panels are made of thin sheet metal with a core of mineral wool. The panels have a wide range of surface patterns and colors.



Industrial doors

Quality steel and aluminum doors suitable for industrial, warehouse or agricultural applications.

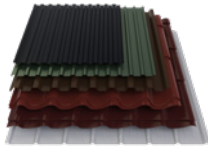


Rainwater systems

High quality rainwater systems for water drainage that is durable, flexible and easy to install.

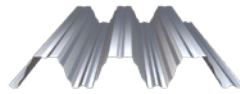
Roof safety

A complete range of roof safety products for all professionals working on roofs.



Profiled sheeting

A wide range of profiled steel sheets for ceilings and/or walls in many different colours and materials.



High profile

High profiles are used as load-bearing structures on roofs with insulation and waterproofing or uninsulated external roofs when larger spans are required.



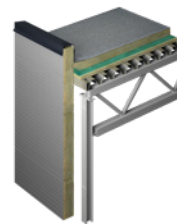
Interior wall profiles

Hot-dip galvanised interior wall profiles that are mold resistant, dimensionally stable, lightweight and easy to assemble.



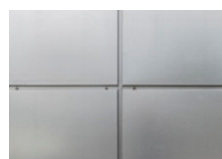
Fasteners

A wide range of fasteners, from farmer's screws to staples and rivets.



Complete hall buildings

Lindab offers complete hall systems for commercial properties.



Facade cassettes

An esthetic solution for wall coverings of halls, office buildings and public buildings.



Lindab's sustainability plan: **Products**



This is what we want to achieve:

Reduce the environmental impact from customers through our products.

Publish environmental declarations for 50 percent of sales from global products by 2025.

Launch a green product line by 2027.

Offer connected products to optimise indoor climate and reduce energy consumption.

Developing smart products with the aim of increasing their lifetime and offering better peripheral services.

Design products that can be reused, refurbished or recycled.

Expand and improve sustainability information in webshop and digital product catalogues in 2023.

Collaborate within the industry to create circular flows with a focus on reducing environmental impact.

Define measurable target for circularity by 2023.

Examples of activities in 2022:

Circularity in focus

We want to increase our and the construction industry's knowledge about the reuse of ventilation products. Lindab is in dialogue with other actors in the industry on how to handle reuse. More knowledge and testing is needed to understand the possibilities. The first pilot project for the reuse of ventilation systems is underway. The aim is to analyse and evaluate the performance of the products after several years of use in a building and to test different methods for reuse.

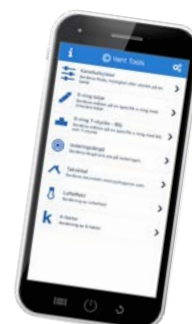


Smart product with wireless control

Lindab has several products that reduce customers' energy consumption. When renovating, energy consumption can be reduced by up to 70 percent when installing the newly launched Ultra BT. This is done with to wireless measuring of air flow, indoor climate and regulation of the air in a room or zone. In a single project, the saving was 14,000 kWh per year, corresponding to 7.5 tons of CO₂, thanks to this product. The potential savings are great given the need for renovation of the existing property stock.

Sustainable IT solutions

Lindab's IT solutions simplify the dimensioning, volume calculation and planning of energy-efficient ventilation systems. During the year, a new webshop platform was launched, which allows for increased sustainability data and product information, to enable customers to make more informed choices.



11

Even more environmental product declarations in place

Lindab has published eleven Environmental Product Declarations (EPDs), which show the total environmental impact of the product during its life cycle. In both of Lindab's business areas, there is strong demand for EPDs, which is further strengthened by the climate declaration legislation in the Scandinavian countries. Five years ago, Lindab published its first EPD.

Examples of activities in 2022:

Energy-saving partnerships

Lindab partners with companies that are leaders in the field of analytical services, to increase the ability to analyse and monitor ventilation systems. Danish Leapcraft is an example of a successful collaboration through which joint solutions have been developed. Data is forwarded to a cloud-based platform where the indoor climate can be analysed and optimised, making it possible to improve the indoor climate while reducing energy consumption.



40–70%

Smart products combined with smart analytics services can reduce energy consumption by as much as 40–70 percent.



Reducing customers' energy consumption

Pascal System Management provides an overview and the possibility to control the indoor climate. The demand-controlled system is connected to Lindab's products around the building. The system can be controlled according to Lindab predefined parameters or use the customer's own settings. A demand-controlled system provides significant energy savings for the customer. Pascal, for example, provides 50 percent lower fan energy consumption. Pascal has been updated and relaunched in late 2022.



Climate impact of products

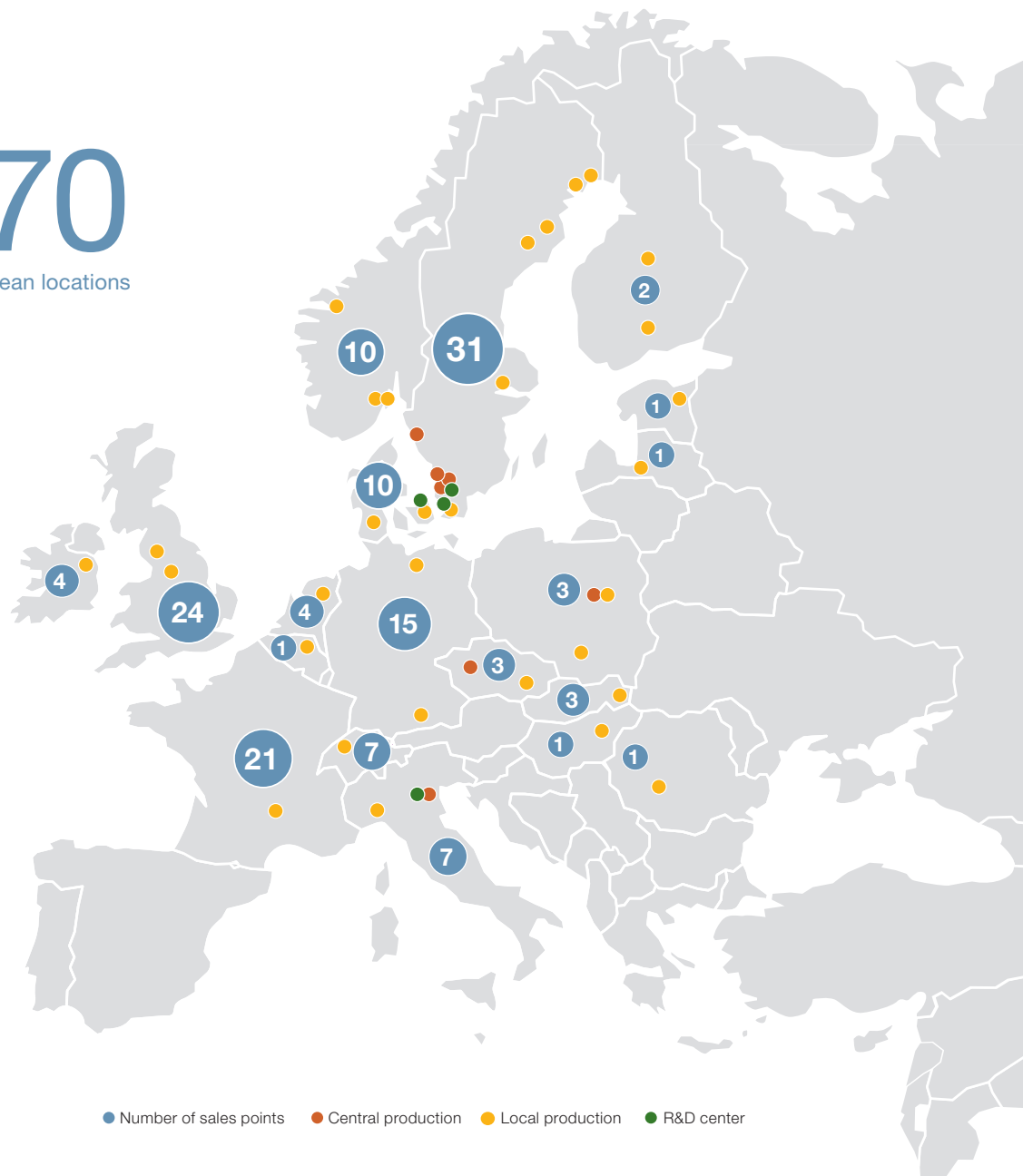
It is important for Lindab as well as for our customers and users to report the climate impact on product level. This involves conducting comprehensive life cycle assessments of existing products. These are then used to develop new and existing products to further reduce their climate impact. Lindab has started to perform life cycle analyses as part of the development process to evaluate design and materials.

CUSTOMERS AND GEOGRAPHY

Europe is our market

WE ARE FOCUSING OUR resources on the countries and product areas in which we are able to build strong positions and achieve profitable growth. Today we are present in 20 countries in Europe from 170 locations, with activities such as sales, manufacturing, logistics, product development and offices.

170
European locations



Nordics region

Western Europe

Central Europe



Share of the Group's net sales ¹⁾	53%	34%	12%
Share of net sales by business area	<ul style="list-style-type: none"> Ventilation Systems 52% Profile Systems 48% 	<ul style="list-style-type: none"> Ventilation Systems 96% Profile Systems 4% 	<ul style="list-style-type: none"> Ventilation Systems 60% Profile Systems 40%
Distinctive for the region	Mature and well-regulated region still primarily dominated by a large number of local suppliers.	Mature region with major local variations and different degrees of regulation, as well as a large number of suppliers.	Region with substantial variation in purchasing power, regulations and preferences, as well as a low degree of consolidation.
Sales channels	Direct sales of ventilation and building products to customers through own pro-shops and distribution centers. A low number of dealers are used.	Direct sales of ventilation products to customers via own distribution centers. A high number of dealers are used.	Direct sales of ventilation and building products to customers via own distribution centers. A low number of dealers are used.
Market position	Market leader in air distribution and among the leading suppliers in air diffusion. Market leader in rainwater systems and among the leading suppliers of metal roofs.	Market leader in air distribution and among the leading suppliers in air diffusion.	Market leader in air distribution and among the leading suppliers in air diffusion. Among the leading suppliers of rain water systems and metal roofs.
Other major players in the region	Fläkt Group, ETS Nord, Swegon, Systemair, Plannja, Rukki, Areco, Arcelor.	Trox, Swegon, Systemair, Aldes, Fläktwoods, Vento, Wavin, Polypipe, Kingspan.	Trox, Systemair, Rukki, Alnor, Kingspan, Arcelor, Pruszynski.
Sales development 2018–2022, SEKm			

1) 1 percent of the Group's sales pertain to Other markets.

Regionally adapted offer



High standards in the Nordics region

With its cold climate and well-insulated houses, building standards and requirements for efficient ventilation are high. Lindab sells both ventilation and building products through its own network of branches.

Stricter regulatory system in the UK

Ventilation regulations have been tightened in recent years. Lindab has large ventilation sales via distribution centers, and also sells rain water systems.

Unique conditions in Germany

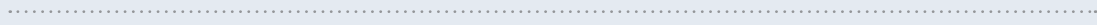
Large customers with a few dealers/wholesalers controlling the terms. Lindab sells ventilation products for projects all over the country.

Rapid market development in Poland

Rapid development over the last decade, but still dominated by many small local players. Lindab offers both ventilation and building products.

Fragmented and lower requirements in France

Fragmented market with lower regulation compared to Northern Europe. Lindab sells ventilation products through its own distribution centers.



Two major customer groups

Every year we meet tens of thousands of customers, from large contractors and regional family businesses to the local craftsmen. We provide them with the products and systems they need to assemble and install. We also provide them with advice and expertise when they need support. And we make sure that our part of the solution always simplifies the process for those responsible for the contract.

Ventilation installers

The customer group we have the closest dialogue with, within ventilation, are those responsible for, and who install, our ventilation and indoor climate products – the ventilation installers.

Usually, a ventilation contractor has the overall responsibility for all aspects of the installation of the ventilation system in the building. They plan, dimension and calculate everything needed for a system – and then use their own installers or subcontractors for installation. Although a ventilation installer may belong to a major company, they often conduct their operations on a smaller scale. The installer prioritises a good workflow with high quality and easy-to-install products that are available on stock when changes are made on short notice in the project.



In addition to installing the products, the daily work of a ventilation installer involves logistics and cooperation with other building contractors.

Tinsmiths

The tinsmith profession is more than a thousand years old. The ability to process sheet metal, with its esthetic, durable and environmental properties, will remain important in future construction.

Tinsmiths often work individually or in small local companies. Lindab acts as a partner in each individual project. A local presence is also of great importance, and Lindab must be present where the work is carried out. Lindab offers sheet metal workers smart aids and tools that make the job easier, faster and less demanding on the body. One of Lindab's most important tasks is to provide tinsmiths with leading-edge products from the perspective of quality and sustainability.



Lödde Plåt in Skåne, Sweden has been successfully engaged in the sheet metal working business for over fifty years and has a strong partnership with Lindab.

PRODUCTION, INVESTMENTS, ACQUISITIONS

How value is created

THE COMBINATION OF CENTRAL efficiency and local flexibility results in competitive, high-quality products that are supplied close to customers via their own pro-shops and distribution centers. Investments in automation and acquisitions of quality companies are additional ways to create value for customers, shareholders and employees.

Lindab's value chain is based on proximity to customers and offering what is demanded in each market. By having its own distribution network and efficient warehousing, the customer can rely on Lindab to deliver on time and with high precision. Lindab's pro-shops and distribution centers are staffed with knowledgeable employees who help customers with product selection and techni-

cal support. Decentralised responsibility close to the customer is combined with centralised steel purchasing to reduce costs and increase efficiency. A few central production units manufacture volume products with a high degree of automation. This provides a cost-effective process while ensuring quality. Local production of bulky products reduces transport and also provides

Our value chain



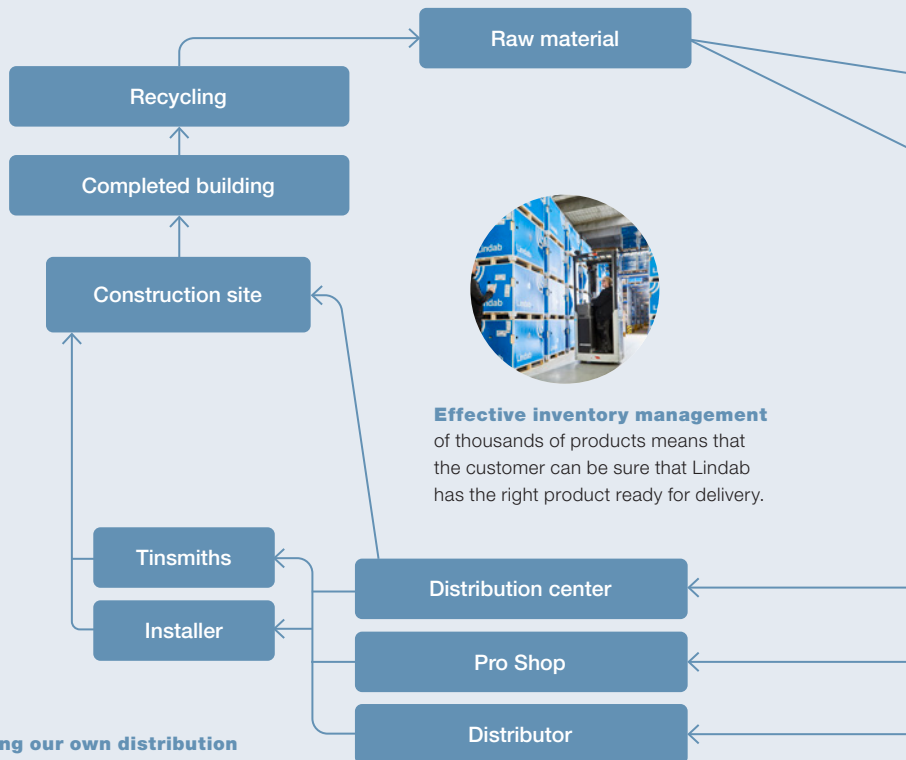
Recycling of steel is efficient, as 100 percent can be recycled without losing its specific properties.



High delivery performance is a crucial factor in delivering to construction projects where time frames and construction conditions can change on short notice.



Maintaining our own distribution network allows us to guarantee good availability through our own shops and distribution centres, where personnel with appropriate skills can assist customers.



Effective inventory management of thousands of products means that the customer can be sure that Lindab has the right product ready for delivery.

better service, as the product is quickly on site. Overall, we offer customers thousands of different products, some of which are customised and delivered directly to the construction site.

Investments have been made in both central and local production to increase the level of automation, reduce energy consumption and increase safety for employees.

Another way to create value is through acquisitions. The geographical presence and product offering has been strengthened with 17 acquisitions since 2020. At the end of the year, Lindab was present in 170 locations around Europe, many of them with production, warehouses and pro-shops.

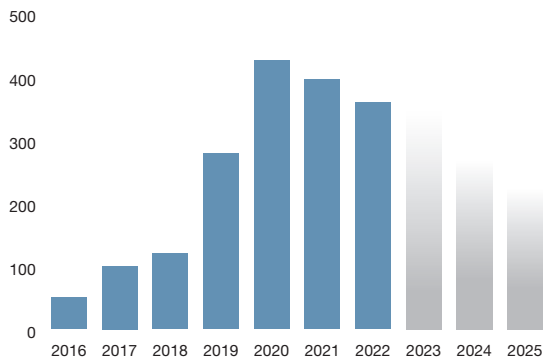
“Lindab's customers especially appreciate our quality, high level of knowledge and the fact that the products are always in stock”

Joakim Lönnberg, Director of Region North Europe



Significant investment

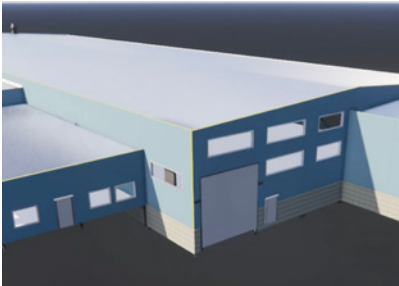
The largest investment program in Lindab's history continues with good results. The focus is on automation, increased capacity and efficiency, while reducing environmental impact and increasing safety. Most of the investment program has now been completed, and investments will be phased out gradually until 2025.



Over SEK 350 million invested in 2022

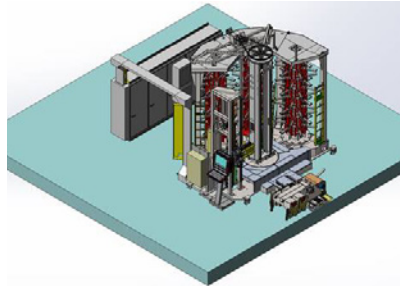
The investment program is rapidly generating a pay-back and currently comprises some 15 large projects at Lindab's facilities around Europe. A total of SEK 1,457 million has been invested since 2019, including SEK 359 million in 2022.

Examples of investments during the year:



30 years more with a larger press factory

Lindab's press factory in Grevie, Sweden, cuts and presses sheet metal for ventilation ducts. The factory was built back in 1988, and through continuous improvements, the number of pressed units has multiplied. But everything has a limit. With annual growth, there is not enough capacity to meet demand, which risks negatively impacting productivity and profitability. Lindab is therefore investing in a major expansion that will ensure continued sheet metal pressing for at least another 30 years.



Automation brings many benefits

Lindab Steel handles central purchase and distribution of steel within the Group. Lindab Steel's steel cutting machine lines are running at full capacity, increasing the risk of breakdowns, which would have serious consequences for all Lindab units. Investments are therefore being made in new equipment and in robotics for automated tool change. This will increase capacity by over 30 percent, but also reduce labor and maintenance costs, and reduce scrap metal.



Rectangular investment

The production of rectangular ducts is often less automated compared to circular ducts. Investments were made during the year, including in Lindab's Belgian operations and in Ductmann's UK facility, to increase productivity, capacity and safety. In Ductmann, a company Lindab acquired in 2019, the investment will lead to doubled capacity and halved delivery time to the customer, while ensuring the highest quality of the rectangular ducts.

Indoor air can be five times more polluted than outdoor air, providing an incentive to invest in better indoor climates in workplaces and schools, where we spend a large part of our time. It is also profitable.

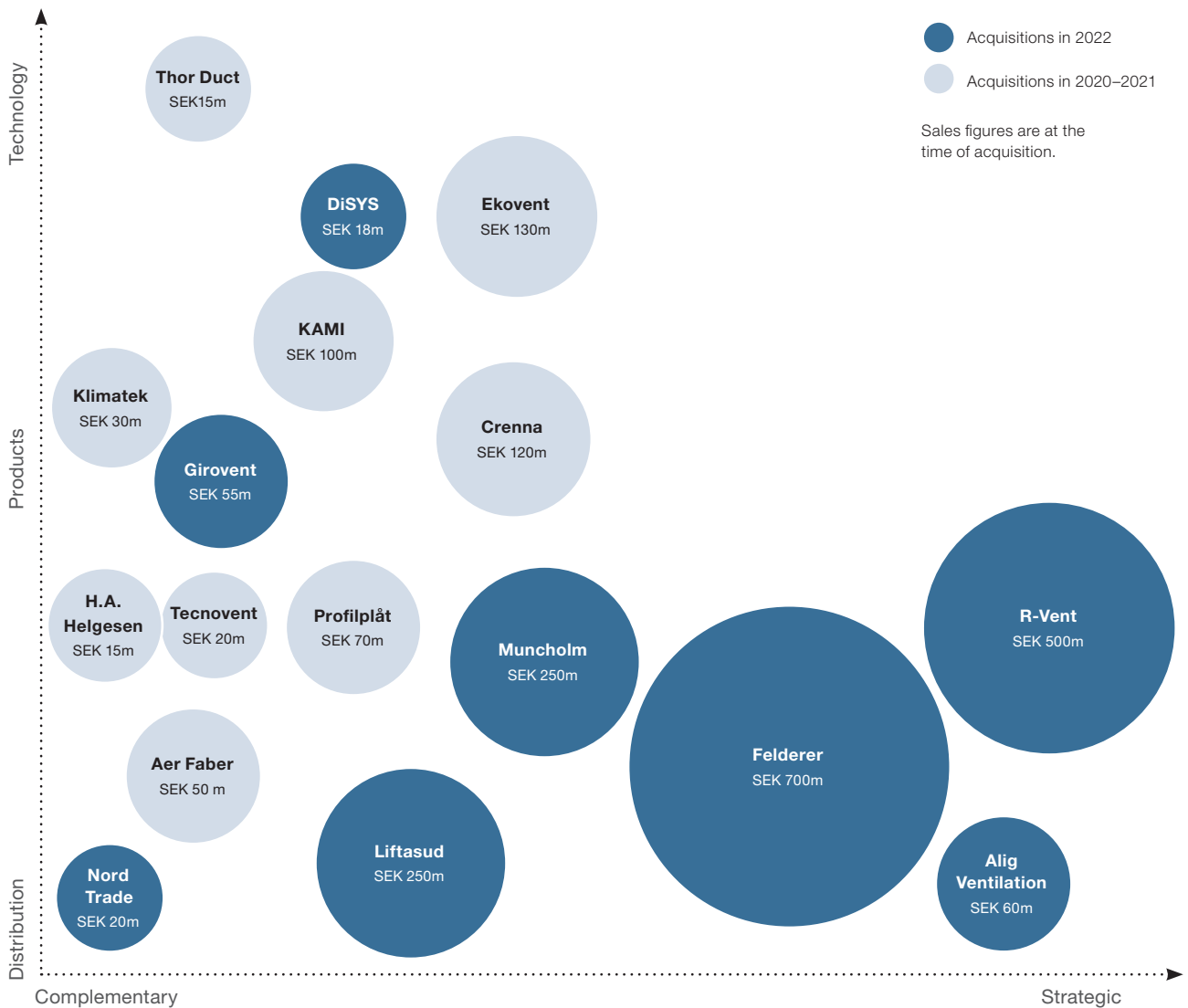


Lindab – For a better climate

Source: <https://phys.org/news/2017-05-air-quality-productivity.html>

Acquisition of well-managed companies

Acquisitions are an important part of Lindab's strategy. The ventilation industry comprises numerous small players, and our objective is to consolidate the industry. The acquired companies are well-managed, successful businesses that complement Lindab in selected product areas or geographic markets. The acquired companies will continue to operate independently under their own brands while benefiting from Lindab's sales network and central resources.



The year's acquisitions

In 2022, eight acquisitions were made: six in ventilation and two in building products. The acquisitions add total annual sales of SEK 1,853 million.



The acquisition of Swedish Alig Ventilation AB complements Lindab's range of products and expertise for ventilation in smaller residential properties. The company handles both renovation and new construction.



Norrland is an expansive region in Sweden with initiatives such as Northvolt and H2 Green Steel. Lindab is strengthening its presence in the region through the acquisition of its distributor of building products in Skellefteå, Nord Trade AB.



Lindab is complementing its UK operations with the acquisition of DiSYS Technologies Ltd. The acquisition gives Lindab access to advanced technology for fire protection in ventilation systems.



With the acquisition of Felderer AG, one of Germany's largest distributors of ventilation products, Lindab more than doubles its turnover in Germany and at the same time gains a stronger position in the whole country.



Lindab is complementing its operations in the Stockholm region in Sweden with the acquisition of Giroventilation AB. With the acquisition, Lindab strengthens both sales and production of rectangular ventilation ducts.



With the acquisition of the ventilation company R-Vent Netherlands BV, Lindab establishes its own operations in the Netherlands and at the same time becomes the market leader. R-Vent is the leading distributor of ventilation products in the country.



Lindab complements its operations in Denmark with the acquisition of Muncholm A/S, Denmark's leading wholesaler for tinsmiths. Muncholm offers durable roofing and facade solutions, and machinery.



With the acquisition of SAS Liftasud, Lindab expands its distribution network in France, strengthens its expertise in acoustic solutions for ventilation systems and increases its turnover in the country by approximately 50 percent.

EKOVENT® - part of Lindab

The ventilation company Ekovent was acquired by Lindab in October 2020. CEO Gabriella Wikander Johansson talks about what this has meant.



What happened immediately after the acquisition?

In the short term, we focused on developing Ekovent using the synergies from Lindab. An important part was support for investments to make us stronger, which also led to an improved work environment.

What do you see as central to being part of Lindab?

That it's all about cooperation, learning from each other, and using each other's strengths. We collaborate on the customer side, using our different sales channels, optimising purchasing and strengthening our product development. In addition, we have gained a better understanding of the importance of sustainability for value creation.

Lindab's sustainability plan: **Procurement, production and transportation**


Drive a sustainable business

This is what we want to achieve:

Be an early adopter of fossil-free steel to reduce our CO₂e emissions.

Get 100 percent of suppliers¹⁾ to sign the Code of Conduct by 2022.

Certify 100 percent of suppliers¹⁾ by 2023.

Reduce CO₂e emissions in scope 1 and 2 by 50 percent by 2030 compared to 2019, calculated in relation to sales.

Define a scope 3 target for CO₂e emissions during 2023.

Analyse waste to landfill and define a reduction target for 2023.

Reduce scrap rate with 50 percent by 2030, compared to 2019.

Use 100 percent renewable fuels or electric vehicles by 2040.

Switch to company cars using renewable fuel or electricity by 2030.

Have 100 percent of transport contracts to include environmental requirements by 2025.

Collaborate with customers and suppliers to create transport solutions with focus on reducing the environmental impact.

Sustainable sourcing | Examples of activities in 2022:

Carbon dioxide tariffs

Lindab is closely following the introduction of the Carbon Border Adjustment Mechanism (CBAM). During 2022, we bought just 5 percent of our steel outside the EU. The introduction of tariffs is beneficial for Lindab, as we already prioritise European steel with a lower environmental impact. The introduction of tariffs will accelerate the transition of the entire steel industry and thus align with our CO₂-reduced steel targets.



Towards fossil-free steel

The transition to fossil-free steel is Lindab's most significant individual action in terms of its effect on the environment. We continue to work with our steel suppliers to become one of the first in Europe to have access to fossil-free steel. During the year, we have visited TATA Steel in the Netherlands and the HYBRIT plant in Luleå to learn more about different processes. Lindab is a volume guarantor for H2 Green Steel and SSAB (HYBRIT) to promote the transition to more environmentally friendly steel.



Certification of suppliers

During the year, Lindab has intensified its efforts to audit and certify its suppliers. For suppliers in high-risk countries, all suppliers with a minimum purchase value of EUR 25,000 are reviewed, and for low and medium-risk countries, the minimum is EUR 100,000. Lindab has also taken the necessary steps to prepare for the EU Directive for Corporate Sustainability Due Diligence (CSDD). Lindab's approach to supplier evaluation follows the due diligence process. In the coming years, the risk classification will be extended to take into account more aspects. By 2022, the target was for all suppliers to have signed the Code of Conduct. At year-end, 86 percent had signed the Code of Conduct and we are working urgently to ensure that all sign the Code of Conduct by 2023.

¹⁾ Suppliers in low and medium-risk countries representing purchases of more than EUR 100 k and suppliers in high risk countries representing purchases of at least EUR 25 k are covered.

Sustainable production | Examples of activities in 2022:



More solar power

Lindab increased the use of fossil-free energy in production, including the installation of solar cells. At the end of the year, Lindab had four production facilities in two countries that received part of their energy supply from their own solar power. Additional facilities will install solar cells in 2023. Many of the investments are replacing fossil fuels such as oil and coal. In total, Lindab's solar cells generated 136 MWh per year.



Use of waste heat

Construction of a new press factory in Grevie, Sweden, is planned, and the project will start during 2023. An innovative system for reusing heat from the machines will be installed. The system will heat Lindab's entire operation in Grevie, which is the largest production facility in the Group. An analysis to find a system to reuse waste heat from the paint line in the Czech Republic is underway. These types of innovative solutions are crucial for Lindab to achieve its emissions targets.



Reduced scrap

An important way to improve resource use is through increased knowledge. During the year, Lindab has involved employees to find ways to reduce metal waste based on best practices. Training on how to reduce scrap throughout the manufacturing process is under development. With better monitoring, production errors and mistakes will be reduced, as will metal waste.

Sustainable transportation | Examples of activities in 2022:



Biogas transportation to Germany

At Lindab, transportation routes are planned on an ongoing basis to limit the number of kilometers driven and reduce the climate impact. A gas-powered truck has been deployed to transport products from Jels in Denmark to northern Germany. With biogas in the tank, CO₂e emissions for this route can be reduced by almost 95 percent.

From truck to train

Lindab is working systematically to shift transportation from trucks to trains, which will significantly reduce CO₂e emissions. The route from Grevie to Boliden, which takes place once a week, is now made with biogas trucks and trains, which has reduced emissions by almost 95 percent. From the panel factory in Luleå, project-specific deliveries, on average twice a week, are made by train instead of truck, which has reduced emissions by 90 percent.

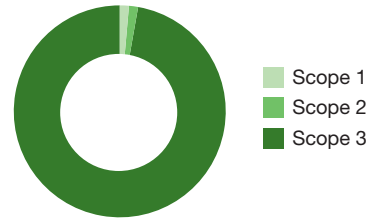
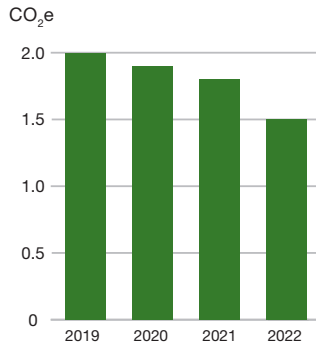


Smarter packing

Shipping of ventilation ducts is bulky and is also governed by hygienic requirements. By packing the ducts in each other, the load capacity per truck is increased. The method is not revolutionary in itself, but in Norway it has been systematised and tailored to individual projects. Properly loaded, this cuts in half the number of transports and reduces plastic waste. Norway has introduced a reduced standard length for circular ducts, which makes it possible to transport large dimensions standing up and smaller ones lying down, thus improving the overall filling rate.

Outcome for Sourcing, Production and Transportation – 2022

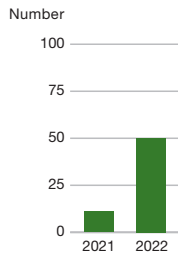
Greenhouse gas emissions



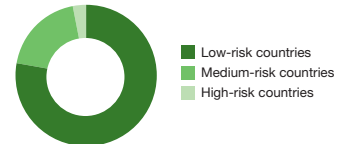
Tones CO ₂ e	2022	2021	2020
Scope 1 ¹⁾	7,792	8,167	8,208
Scope 2 (market-based) ¹⁾	8,402	8,772	8,915
Scope 3 ¹⁾	1,108,361	–	–
Out of scope	643	653	343

Lindab aims to halve carbon dioxide emissions for scope 1 and 2 from 2019 to 2030. By 2022, carbon dioxide emissions have been reduced by 23 percent per million Swedish krona in turnover or by 16 percent in total tons. In 2022, Lindab started to measure carbon emissions also in scope 3 in order to set targets for how to reduce total emissions. Scope 3 constituted more than 98 percent of Lindab's total emissions during the year.

Certified suppliers



The share of certified suppliers increased from 11 percent to 51 percent in 2022. While focus was initially on certifying suppliers in the highest risk countries, the focus is now on certifying all suppliers, with the goal of 100 percent certification by 2023. Lindab has 97 percent of its suppliers in low or medium risk countries.

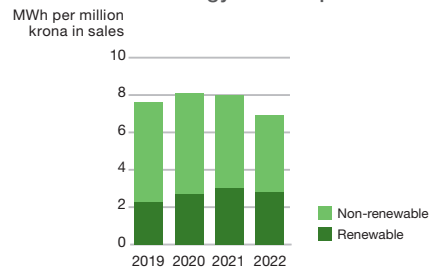


Transport with renewable fuels



Lindab recently started collecting data on the percentage of the Group's transport that is done by train, ship or truck using electricity or renewable fuel. For 2022, that share was 12 percent.

Energy consumption



Lindab's energy consumption per million krona in sales was reduced by 11 percent from 2019 until 2022. The main reason is investment in more modern production technology.

¹⁾ Scope 1, 2 and 3 are classifications of different categories of CO₂e. In simplified terms, scope 1 and 2 can be described as emissions associated with the company's internal operations, such as production facilities and its electricity consumption. Scope 3 refers to others emissions.

Thanks to digitalisation and sensor technology, we can now measure various parameters in indoor air. This allows air quality and energy consumption to be optimised in a far more advanced way than before.

Lindab – For a better climate

EXPERTISE

Commitment and expertise

WE BELIEVE IN DECENTRALISED responsibility where each country can quickly adapt its operations. Since 1959, trust in Lindab has been built up through our entrepreneurial spirit, where each employee can take responsibility and solve problems as they arise. This put focus on implementation and on delivering results.

Malin Blanck

Regional Manager Pro-shop in region West since June 2022

Tell us about the journey that brought you to this role.

Before joining Lindab, I graduated in business administration with a focus on organisation and leadership, and before that I worked as a shop manager in the construction trade. Today I am responsible for four of Lindab’s shops. I run sales, have HR responsibility, structure working methods and develop shop concepts. It is a position where I can take advantage of my previous role as a shop manager, as well as my education in business administration.

What do you value most about working at Lindab?

Entrepreneurship. My role is new at Lindab and has given me great opportunities to help shape it from the ground up. Precisely that – having the opportunity to influence and build an organisation – is something that motivates me a lot.

What advice would you give to other Lindab employees?

Dare to be open and honest about what you want. Tell your manager about your future visions and career ambitions. Talk about how you want to grow and where you see yourself in the future. Make a plan with your boss and start working your way forward, one day at a time. In fact, most things are possible if we work for it.



Lindab’s core values

We believe that customers’ success drives our success. This is realised by leading the development of solutions in our core segments.



We strive for long-lasting relations built on an uncomplicated, humble and trustworthy approach. Efficient and fast decision-making is an important part of this.



Neatness and order throughout impacts efficiency, as well as the company’s general image and contributes to a sense of pride among employees.



Our HR strategy

Lindab's long-term target is to be an attractive employer with skilled and motivated employees. Our HR strategy is linked to Lindab's five overarching strategic areas and sets the framework and direction for us to achieve our vision and targets.



Quality

We offer our employees support, development and a pleasant working environment, with neatness and order, which helps to create motivation and pride in the company.



Efficient

Through modern ways of working, a culture of internal and external collaboration and a down-to-earth way of thinking, we create safer, more enjoyable and more efficient workplaces.



Local

We strive to create local and global partnerships, to increase opportunities for our employees to grow internally within the Lindab Group.



Trusted

Lindab must take responsibility for providing its employees with good leaders and the right conditions for a safe and inclusive workplace that enables growth.



Market leader

By having the most skilled and committed people in the market, we create the right conditions to be part of our customers' success.



Lindab’s sustainability plan: **Employees**



This is what we want to achieve:

Reduce the number of workplace accidents per million hours worked (LTIF) to 4 or less by 2026. Long-term vision of zero accidents.

Have the same percentage of each gender in senior management positions by 2030 as in the Group in total.

Have a staff turnover of 5–10 percent.

Be recommended as an employer by at least 90 percent of the employees.

Support community activities linked to Lindab’s operations and nearby locations.

Create good conditions for engagement in nonprofit work.

Examples of activities in 2022:



“Watch your hands”

In 2022, we ran the “Watch your hands!” campaign, as hand injuries are the most common type of injury at Lindab. The campaign was divided into three phases – the beginning of the year focused on explaining the benefits of protective gloves, followed by practical training, and the end of the year focused on the safety culture surrounding the issue. Extensive materials were produced for all managers, including table signs and fact sheets, supplemented by local materials.

Important conversations

Employee performance and development talks are held with all employees. These are carried out annually for white-collar employees and every two years for blue-collar employees. The aim is to create an opportunity for the manager and the employee to have a conversation that focuses on the employee’s situation, development and goals. The aim is to constantly develop both the employee and the company.



Increased well-being in focus

An already tough economic situation has been increased by higher energy prices, creating anxiety and stress for many employees. Lindab in the UK has therefore chosen to extend the range of benefits offered to include mental health support. Employees already have benefit vouchers they can redeem for various services. These have now been expanded to include therapy sessions. This has led to a more open climate of conversation about mental illness and a greater acceptance that this is an area that needs more focus.

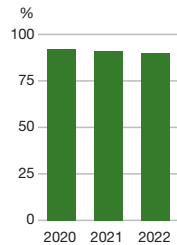


Academy soon in every country

Lindab Academy and its courses have continued to be implemented in more parts of Lindab. Classroom instruction takes place in Farum (Denmark) and Grevie (Sweden). Many units also organise local training for their employees, customers and students. Rollout of the newly upgraded e-learning platform continued in 2022 and now covers 15 countries. The aim is for all countries and employees to have access to the platform’s training by 2023. In addition to general HR training, the platform includes 27 ventilation-related training courses, several training courses on building products and a general safety training course. More courses are added on an ongoing basis.

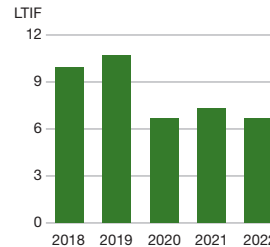
Outcome for Employees – 2022

Attractive employer



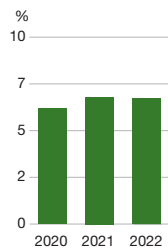
For 2022, we reached 90 percent who would recommend Lindab as an employer, which means that for the third year in a row we achieved the 90 percent target.

Work-related accidents



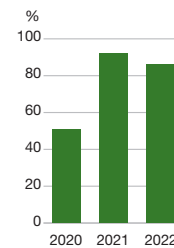
In 2022, LTIF¹⁾ decreased slightly to 6.7 compared to 7.3 in the previous year. There were no serious accidents. The target is to achieve an LTIF of less than 4 by 2026.

Staff turnover



Our objective is to maintain staff turnover of 5–10 percent. In 2022, it was 6.7 percent, which was in line with previous year.

Performance & development



A close dialogue between employees and managers is a prerequisite for a high level of well-being. For 2022, reviews were conducted with 86 percent of white-collar employees. The target is 100 percent.

Proportion of women

22%

The proportion of women in Lindab was 22 percent in 2022, which is 1 percentage point higher than in the previous year.

Proportion of women in local management teams

26%

For Lindab Group, including subsidiaries, women accounted for 26 percent of the management teams. This is slightly higher than the target that the gender balance should be the same as in the company as a whole.

Gender distribution on the Board of Directors

3+4

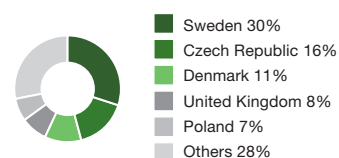
Three out of seven members of Lindab's Board of Directors elected at the Annual General Meeting are women. Lindab's Board of Directors has had an even distribution of men and women since 2016.

Number of employees

4,853

At the end of the year, Lindab had 4,853 employees in 20 countries. The number of employees increased by 304 people in 2022.

Proportion of employees by country



Lindab has its largest production facilities in the two countries with the most employees: Sweden and the Czech Republic.

1) LTIF stands for Lost Time Injury Frequency and measures the number of workplace accidents per million hours worked.

THE SHARE

A challenging stock market year

THE LINDAB SHARE WAS LISTED ON THE Nasdaq Stockholm exchange in December 2006. The share is included in the Industrials sector and is part of Nasdaq's Large Cap segment. In 2022, the share price fell by 60.4 percent to SEK 127.40, giving a market capitalisation of about SEK 10.0 billion at the end of the year.

The decrease in Lindab's share price by 60.4 percent can be compared with the Stockholm Stock Exchange's OMXSPI index, which fell by 25.2 percent over the same period, and the Industrials sector, which fell by 19.9 percent. Over the year, a total of approximately 54 million (49) Lindab shares were traded at a value of approximately SEK 9.9 billion (10.7). The Lindab share is traded on several stock exchanges and trading platforms. Official trading in the share on Nasdaq Stockholm accounted for most of the share's turnover. Remaining trades occurred on unofficial trading platforms, such as BATS Chi-X Europe and Turquoise.

The share and shareholders

Lindab has only a single share class, class A. Each share carries one vote and an equal share in the company's earnings. At the end of the year, there were 14,483 (14,013) shareholders in Lindab. The largest shareholder at the same time was Didner & Gerge Fonder, with 9.6 percent of the shares outstanding. Fjärde AP-fonden was the second-largest shareholder with 9.3 percent of the shares outstanding, followed by Handelsbanken

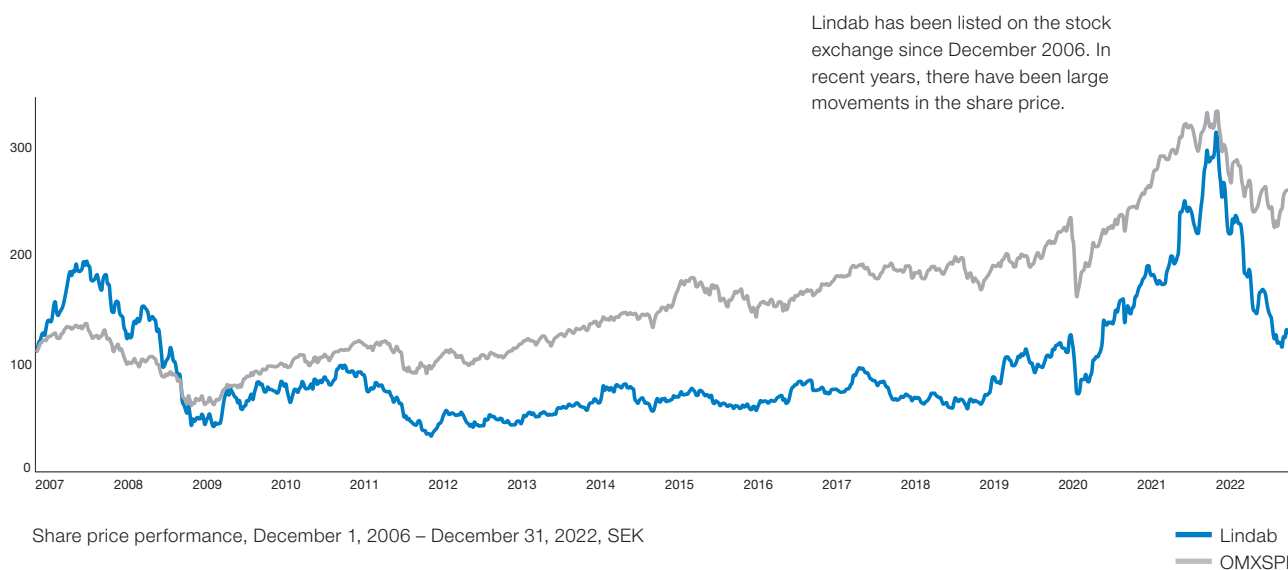
Fonder with 4.7 percent. Combined, the ten largest shareholders accounted for 42.0 percent of the shares outstanding. Foreign ownership amounted to 34.7 percent. At year-end, Lindab held 2,200,838 treasury shares, which do not carry voting rights or dividend rights. The holding corresponds to 2.8 percent of the total number of shares.

In 2022, 175,000 treasury shares were exchanged upon exercise of call options. Options were exercised at an exercise price of SEK 120.00. At the end of the year, excluding related parties' holdings, Lindab's Executive Management held 124,565 shares, and 554,500 call options. Of the outstanding call options, 210,000 have an exercise price of SEK 101.90, 183,950 an exercise price of SEK 222.00 and 238,050 an exercise price of SEK 219.90.

Incentive programs

For more information on remuneration and employee stock option programs, including the above-mentioned call option program, see Note 6 on pages 112–114.

Share price performance since the IPO



Ticker: LIAB
 Exchange: Nasdaq Stockholm
 List: Large Cap
 Sector: Industrials
 Market capitalisation: SEK 10.0 billion

Share price performance in 2022



Share price performance, January 1–December 31, 2022, SEK

— Lindab
 — OMXSPI

- The share price fell by 60.4 percent to SEK 127.40.
- The highest price paid was SEK 325.00 on 3 January, and the lowest price paid was SEK 110.10 on 25 October.
- On average, 215,630 shares (194,731) were traded per day and the turnover rate was 71 percent (62).
- At the end of the year, 5 (4) analysts were monitoring Lindab, of whom 3 (3) had a Buy/Increase recommendation, 2 (1) a Hold recommendation and 0 (0) a Sell/Decrease recommendation.

The strong net profit, combined with Lindab's good financial position, enables a proposal for an increase of the dividend to SEK 5.20 (4.00) for the financial year 2022.

Lindab's largest shareholders

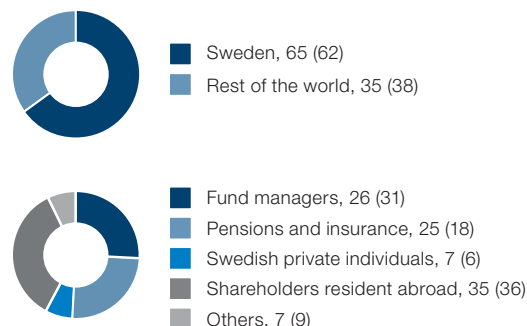
	2022		2021	
	Shares	Capital & votes, %	Capital & votes, %	Capital & votes, %
Didner & Gerge Fonder Aktiebolag	7,382,979	9.6	4.7	4.7
Fjärde AP-fonden	7,140,534	9.3	9.3	9.3
Handelsbanken Fonder	3,597,903	4.7	7.0	7.0
AFA Försäkring	2,896,250	3.8	3.1	3.1
Livförsäkringsbolaget Skandia	2,661,490	3.5	3.6	3.6
Cliens Fonder	2,363,000	3.1	1.2	1.2
Others	50,599,826	66.0	71.1	71.1
Total no. of shares outstanding¹⁾	76,641,982	100.0	100.0	100.0

¹⁾ Total number of shares excl. Lindab's own holding of 2,200,838 shares (2,375,838).

The share capital amounts to SEK 78,842,820 divided between 78,842,820 class A shares. Each share carries one vote. Lindab's holding of its own shares does not entitle the company to any votes or dividends.

Source: Euroclear

Shareholder distribution, %



Per share data

SEK/share, unless otherwise stated	2022	2021	2020	2019	2018	2017	2016	2015	2014
Earnings per share before dilution (continuing operations) ¹⁾	12.73	12.50	7.25	–	–	–	–	–	–
Earnings per share before dilution (total operations) ¹⁾	12.73	7.02	7.80	8.89	5.16	4.54	4.02	3.99	3.71
Earnings per share after dilution (total operations) ¹⁾	12.70	7.00	7.80	8.89	5.16	4.54	4.02	3.99	3.71
Dividend	5.20 ²⁾	4.00 ³⁾	3.40	1.75	1.75	1.55	1.40	1.25	1.10
Yield, % ³⁾	4.08	1.24	1.99	1.46	2.75	2.27	1.90	1.99	1.68
Dividend as % of profit after tax ¹⁾	40.1	57.1	40.3	20.0	34.0	34.1	35.0	31.0	30.0
Share price at end of period	127.40	321.40	170.40	119.60	63.50	68.20	73.05	62.90	65.60
Highest price paid	325.00	325.00	172.90	121.00	74.50	98.00	89.60	78.35	83.70
Lowest price paid	110.10	168.30	64.30	63.80	56.10	64.75	54.50	55.95	52.35
Shareholders' equity, after dilution	88.08	73.89	67.82	65.89	58.49	54.09	50.41	45.98	43.81
Number of shares outstanding	76,641,982	76,466,982	76,356,982	76,331,982	76,331,982	76,331,982	76,331,982	76,331,982	76,331,982

¹⁾ Calculated on the current number shares outstanding at end of year. ²⁾ Proposed dividend. ³⁾ Dividend as a percentage of the quoted price at the end of the period.
 n/a = not applicable.

CORPORATE GOVERNANCE REPORT

A good structure in place

THERE ARE THREE main factors that characterise today's Lindab. A decentralised and clear performance culture, a nearly fully invested operation and a strong focus on having the right person in the right place. This lays a solid foundation and allows us to continue to develop successfully even in a more uncertain economic climate.

Comments by the Chairman of the Board

Rapid adaptation is a key element of a decentralised business model. The organisation has been put to the test a number of times in recent years, but has been able to deal effectively with both the effects of the pandemic, and the impact on energy prices and inflation of the tragic war in Ukraine. It all really comes down to having leaders in the organisation who have a strong focus on the business, then you do what you need to do to maintain profitability. Continued hard work is required as we are likely to face an economic downturn, which may require even tougher decisions.

For us on the Board, it has been good to have this structure in place, which has allowed us to focus fully on setting the long-term agenda for Lindab together with the management. In 2022, this included a large number of acquisitions, several of them significant. We are establishing positions in new markets and strengthening them in existing ones, in order to better exploit synergies in different areas and complement the offering, which in turn contributes to higher margins. Lindab's expanded M&A team works closely with the companies in the various countries, and has been able to be much more aggressive than many others in the market thanks to the Group's low debt and declining investment needs.

An area we also support and drive is the strong discussion around ESG issues. It's present when we make acquisitions, when we invest in production and logistics, and not least when we set our goals. I am pleased to say that in recent years we have moved forward both our positions and ambitions in this area, and through the recruitment of dedicated specialists across the organisation, these topics are present in all contexts and at all levels.



In early 2023, we raised our ambitions further with our announcement to join Science Based Targets, to develop targets and plans that really help reduce global warming and mitigate climate change. It will require some work, but is important, and it also strengthens our market positions.

I am now in my seventh year as Chairman, and I can look back at a fantastic development. From being under-invested and cautious, I and the rest of the Board are now privileged to support a business that is at the forefront in its particular fields, and where there is a clear plan to grow further. The ventilation company Lindab is set to become the European leader in transporting and distributing air, and that journey has really only just begun. Even in a downturn, there will be good opportunities to grow profitably, both organically and through acquisitions. In essence, it's about making the right decisions across the organisation, whatever they are. This is the core of Lindab's business model and will contribute to continued success.

Peter Nilsson
Chairman of the Board

Lindab's corporate governance is based on the Articles of Association, the Companies Act, the Annual Accounts Act, the Rules of procedure of the Board of Directors, the regulations issued by the Stockholm Stock Exchange, the Swedish Code of Corporate Governance (the Code) and other laws and regulations applicable in Sweden.

Shareholders

Lindab has 76,641,982 shares (76,466,982) outstanding of a single series and conveying equal rights to the company's assets and earnings. Lindab also holds 2,200,838 (2,375,838) of its own shares of the same series, bringing the total number of shares to 78,842,820 (78,842,820). As of December 31, 2022, Lindab had 14 483 (14,013) shareholders. The largest shareholders, in relation to the number of shares outstanding, were Didner & Gerge Fonder with 9.6 percent (4.7), Fjärde AP-fonden with 9.3 percent (9.3), Handelsbanken Fonder with 4.7 percent (7.0) and AFA Försäkring with 3.8 percent (3.1). At the end of the year, the ten largest shareholders held 42.0 percent (42.0) of the number of shares outstanding. Additional information on shareholders and performance of the share in 2022 can be found on pages 50–51.

Annual General Meeting

Shareholders exercise their right to influence Lindab's affairs at the Annual General Meeting, or, where applicable, an Extraordinary General Meeting, which is Lindab's highest decision-making body. The Annual General Meeting is usually held in April–May in the Municipality of Båstad, Sweden. The Meeting determines matters specified under the Companies Act and the Code, including matters concerning amendments to the Articles of Association and the election of the Board of Directors and Auditors.

Annual General Meeting 2022

The Annual General Meeting for the financial year 2021 was held on May 12, 2022 at the Lindab Experience Center in Grevie. An opportunity for shareholders to exercise their voting rights by mail prior to the meeting was arranged. At the Annual General Meeting, 271 shareholders were represented, corresponding to 59.5 percent of the capital and votes. The minutes of the Annual General Meeting have been available on the company website since May 24, 2022. The Annual General Meeting 2022 reached resolutions on matters including:

- the re-election of Board members Peter Nilsson, Per Bertland, Sonat Burman-Olsson, Viveka Ekberg and Anette Frumerie, Marcus Hedblom and Staffan Pehrson

- the re-election of Peter Nilsson as Chairman of the Board
- the re-election of auditing company Deloitte AB as the company's auditor
- guidelines for the remuneration of senior executives
- a share option program for senior executives
- a dividend of SEK 4.00 per share with a semi-annual payment of SEK 2.00 per share, with the record date set as May 16, and a second dividend of SEK 2.00 per share, with the record date set as November 7
- the authorisation of the Board of Directors to approve transfers of the company's own shares.

Annual General Meeting 2023

The 2023 Annual General Meeting will be held on May 11, 2023. In accordance with the Articles of Association, the notice to attend the Annual General Meeting shall be posted in Post- och Inrikes Tidningar (Swedish official gazette) and on the company's website. An advertisement stating that the notice has been issued is to be placed in Swedish financial newspaper Dagens Industri. Shareholders wishing to participate in the Meeting by postal voting shall (a) be entered in the company's share register six weekdays prior to the Meeting, that is, by May 3, 2023, and (b) register by casting their postal votes in the manner specified in the notice to attend Annual General Meeting.

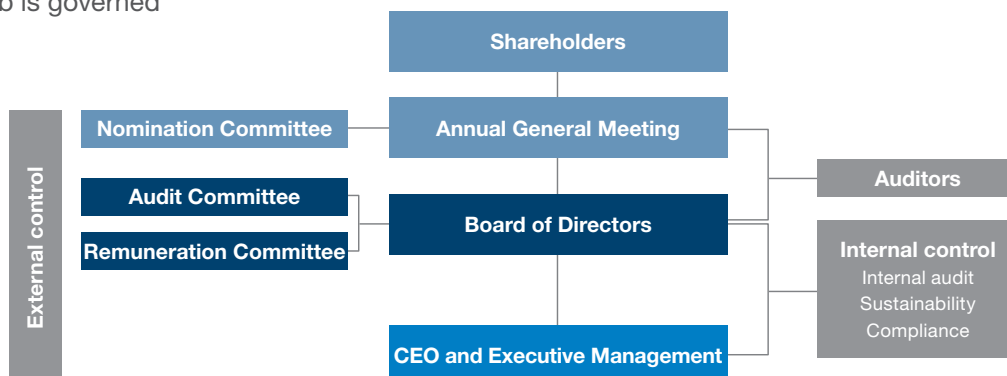
Nomination Committee

The Nomination Committee submits proposals to the Annual General Meeting regarding the election of a chairman for the Meeting, the Board of Directors, the Chairman of the Board and Auditors, as well as regarding fees to the Board and Auditors and regarding the composition of the Nomination Committee ahead of the ensuing Annual General Meeting.

In accordance with instructions adopted by the Annual General Meeting for the Nomination Committee the company is to have a Nomination Committee comprising at least four members, one of whom is to be the Chairman of the Board. The chairman of the Nomination Committee is to be the member appointed by the largest shareholder in the event that the Nomination Committee does not agree otherwise. The Nomination Committee's term of office extends until a new Nomination Committee has been constituted. A Nomination Committee was constituted on October 7, 2022, comprising:

- Thomas Ehlin, appointed by Fjärde AP-fonden (chairman)
- Henrik Didner, appointed by Didner & Gerge Fonder
- Anna Sundberg, appointed by Handelsbanken Fonder
- Peter Nilsson, as Chairman of the Board of Lindab International AB (publ).

How Lindab is governed



In accordance with the resolution by the Annual General Meeting, the Nomination Committee has to assess annually the composition and work of the Board of Directors and prepare proposals for the 2023 Annual General Meeting regarding:

- election of a chairman for the 2023 Annual General Meeting
- election the Board of Directors and the Chairman of the Board
- fees to be paid to the Board of Directors, any committees and the auditors
- composition of the Nomination Committee for the 2024 Annual General Meeting

The Nomination Committee carries out an annual evaluation of the work of the Board, the members and composition of the Board, and of the Chairman's report. The Nomination Committee has noted that the Board and the work of the Board are functioning well.

In order to promote equality and diversity within Lindab, the Board has adopted an equal treatment policy that ensures that no one within Lindab is discriminated against on the basis of gender, religion, ethnicity or other similar grounds. The Nomination Committee's policy is also to achieve diversity and gender balance in the Board and has applied Rule 4.1 of the Swedish Corporate Governance Code (the "Code") as its diversity policy when preparing its proposal for the election of Board members. Of the currently proposed Board members, three are women and four are men (42.9 and 57.1 percent respectively). The Nomination Committee considers it important that the company continues to work actively to promote diversity both in the Board and in the company in general.

The Nomination Committee considers that the composition of the Board of Directors, taking into account the provisions of section 4.1 of the Code, has been appropriate in view of the Company's business, stage of development and other circumstances, and has been characterised by diversity and breadth in terms of the skills, experience and background of the members elected at the General Meeting. Finally, the Nomination Committee has assessed that the Board meets the applicable independence requirements set out in the Code.

In 2022, the Nomination Committee held two minuted meetings. In 2023, the Nomination Committee has held one minuted meeting ahead of the 2023 Annual General Meeting.

Shareholders seeking contact with the Nomination Committee may send an e-mail to valberedningen@lindab.com, or a letter 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 of Directors shall comprise at least three and at most ten members with at most ten deputies. The members and deputies are elected at the Annual General Meeting for the period until the end of the first subsequent Annual General Meeting. The employees appoint two employee representatives to the Board of Directors, with two deputies.

Composition of the Board of Directors in 2022

The Annual General Meeting on May 12, 2022 resolved that the Board of Directors is to comprise seven members with no deputies. The CEO attends Board meetings in a reporting capacity. Parts of the Executive Management participate in Board meet-

ings. The various assignments of the Board members are shown on pages 58-59.

Responsibilities of the Chairman of the Board

The Chairman of the Board leads the work of the Board, monitors the operations in dialogue with the CEO and is responsible for ensuring that other Board members receive the information and documentation required for quality discussions and decision-making. The Chairman of the Board represents the company on matters of ownership.

Responsibilities of the Board of Directors

The Board of Directors is to ensure that the organisation and management of the Group, as well as the guidelines for the administration of its affairs are appropriate and that internal control is satisfactory. The responsibilities of the Board of Directors also include establishing strategies, targets and internal control instruments, resolving particularly important matters, issuing financial reports, as well as assessing the operational management and ensuring that succession planning is in place. The responsibilities of the Board of Directors include supervising the work of the CEO by monitoring the operations on an ongoing basis.

Work of the Board of Directors

The work of the Board of Directors is regulated by rules of procedure adopted annually. Among other things, the rules of procedure stipulate instructions for the company's CEO, the duties of the Chairman of the Board, the agenda of the Board of Directors and a resolutions procedure, as well as other instructions and policies.

In 2022, the Board of Directors held twelve meetings. Financial performance was reported and followed up on at each ordinary meeting. The Board of Directors held one meeting with the Auditor without company management being in attendance. This meeting reviewed the effectiveness of the Auditor's cooperation with company management in conducting the audit and related matters. Members of Executive Management were in attendance at all Board meetings.

The work of the Board of Directors and the CEO was assessed during the financial year. This assessment showed the work of the CEO and the Board of Directors to be effective.

Main topics at Board meetings in 2022

Feb 10	Year-end report, dividend. Report from the auditors
Feb 18	Acquisitions
Mar 25	Annual Report, notice to attend the Annual General Meeting
April 27	Interim report
May 12	Investments
May 12	Statutory meeting
June 12	Acquisitions
June 21	Acquisitions, investments, internal audits and control
July 19	Interim report, investments
Sept 29	Investments, strategy
Oct 24	Interim report
Dec 9	Budget

Board of Directors and breakdown of Board fees

Name	Year elected	Company	Ownership	Board fee incl. committee, SEK	Remuneration Committee meetings	Audit Committee meetings	Attendance at Board meetings
Peter Nilsson ¹⁾	2016	Independent	Independent	1,266,700	6/6	-	12/12
Per Bertland	2016	Independent	Independent	521,700	6/6	-	12/12
Sonat Burman-Olsson	2011	Independent	Independent	468,300	-	-	12/12
Viveka Ekberg	2016	Independent	Independent	651,700	-	7/7	12/12
Anette Frumerie	2017	Independent	Independent	560,000	-	7/7	12/12
Marcus Hedblom	2020	Independent	Independent	560,000	-	7/7	12/12
Staffan Pehrson	2020	Independent	Independent	468,300	-	-	12/12
Pontus Andersson ²⁾	1995			26,300	-	-	12/12
Ulf Jönsson ^{2,4)}	2022			17,500	-	-	5/7
Anders Lundberg ^{2,3)}	2016			8,800	-	-	5/5
Total				4,549,300			

1) Chairman

2) Employee representatives replaced by deputies if unable to attend.

3) Resigned from the Board on May 12. The term of office covers 5 meetings.

4) Elected to the Board on May 12. The term of office covers 7 meetings.

Board remuneration

The Annual General Meeting of May 12, 2022, resolved that fees to the Chairman of the Board and the members elected by the Annual General Meeting should be paid as follows. The fees paid for the regular work of the Board of Directors total SEK 4,292,500, divided between SEK 1,240,000 paid to the Chairman of the Board, SEK 500,000 to each of the other members elected by the Annual General Meeting, and SEK 26,250 to each of the ordinary employee representatives. It was also resolved that SEK 200,000 be paid to the chairman of the Audit Committee and SEK 100,000 to each of this Committee's ordinary members, and that SEK 110,000 be paid to the chairman of the Remuneration Committee and SEK 55,000 to each of this Committee's ordinary members.

Responsibility of the Board of Directors for financial reporting

The quality of the internal financial reporting is ensured partly through the Board's instructions to the CEO, and partly through its instructions on financial reporting to the Board of Directors. The Board of Directors also safeguards the quality of the external financial reporting by carefully examining the interim reports, the annual accounts and the year-end report at Board meetings.

Audit Committee

The Board of Directors has appointed an Audit Committee with the aim of deepening and streamlining the Board's supervisory responsibility with regard to internal control, auditing, internal auditing, risk management, accounting and financial reporting. The Audit Committee shall also prepare matters involving the procurement of auditing and other services from the auditor and shall prepare certain accounting and auditing matters to be addressed by the Board of Directors. During 2022, the Audit Committee comprised Viveka Ekberg (chairman), Anette Frumerie and Marcus Hedblom. The work of the Audit Committee is governed by rules of procedure adopted by the Board of Directors. The Committee met on seven occasions in 2022. The auditors participated in all of the meetings. The Committee continuously submits oral and written reports to the Board of Directors and submits proposals on matters requiring decisions by the Board of Directors. In 2022, the fees paid to the Audit Committee amounted to SEK 200,000 to the chairman of the Committee and SEK 100,000 to each of the Committee's ordinary members.

Remuneration Committee

A Remuneration Committee has been appointed by the Board of Directors to prepare proposals on remuneration matters and to continuously monitor and assess remuneration structures and levels for the CEO and other members of Executive Management. In 2022, the Remuneration Committee comprised Peter Nilsson (Chairman) and Per Bertland. The Committee met on six occasions in 2022. The Committee continuously submits oral reports to the Board of Directors and submits proposals on matters requiring decisions by the Board of Directors. In 2022, the fees paid to the Remuneration Committee amounted to SEK 110,000 to the chairman of the Committee and SEK 55,000 to each of the Committee's ordinary members.

Auditors

Lindab's auditor, elected by the Annual General Meeting, examines the company's Annual Report and accounting, as well as the administration of the company by the Board of Directors and the CEO. The auditor works on the basis of an audit plan and reports his observations to the Audit Committee, to parts of the Executive Management on an ongoing basis over the year, and at least once a year to the Board of Directors. The auditor also attends the Annual General Meeting to present the Auditors' Report and describe the audit process and the observations made.

The 2022 Annual General Meeting elected auditing company Deloitte AB as the company's auditor. Authorised Public Accountant Harald Jagner was appointed as the lead auditor. Although Harald Jagner also performs assignments for other listed companies, this is not to an extent that would prevent the necessary amount of time from being devoted to Lindab. Auditing company Deloitte AB does not accept assignments where their independence could be called into question. Nor do the auditors' other assignments for Lindab, beyond the audit assignment, alter this assessment.

Remuneration of the Auditors

Audit fees paid to Deloitte for 2022 amounted to SEK 0.5 m for the Parent Company and SEK 8.1 m for the Group. Fees paid to Deloitte AB for other assignments for the Group amounted to SEK 0.6 m.

External control

External regulations applicable to Lindab's corporate governance include the Companies Act, the Annual Accounts Act, Nasdaq Stockholm's Rulebook for Issuers, and the Code.

Internal control

Internal corporate governance is determined by the Board of Directors' rules of procedure, as well as the codes, policies adopted by the Board and other corporate governance documents, including directives adopted by the CEO. Lindab's Code of Ethics constitute the most important overarching policy document. Lindab has a Corporate Governance Committee whose main task is to safeguard good corporate governance within the Group.

Internal audit

Lindab has an internal audit function which is maintained by an external party. The function's work is reported on at least once annually by the external party to the Audit Committee, as well as continuously by the CFO. The Audit Committee, reports to the Board of Directors. The internal audit is designed to safeguard the fulfilment of the Group's targets in terms of appropriate and effective processes, and that financial statements are prepared in accordance with applicable laws and regulations.

Sustainability

Lindab's work on sustainability constitutes a key component in the Group's governance. By contributing to healthy buildings, Lindab can indirectly make a difference for many people. Lindab can also influence customers' environmental impact directly through its products and systems. The company's own operations shall hold a leading-edge position from a sustainability perspective, focusing, for example, on a beneficial working environment and continuous environmental improvements.

Compliance

Compliance entails ensuring that Lindab complies with laws and other applicable regulations and that the operations are conducted with ambitious demands in terms of integrity and ethics. In this area, Lindab has, for example, adopted policies to combat all forms of corruption and actions in violation of competition law. Policies are reviewed annually by the Board. Each company is responsible for implementing policies, which includes monitoring the application of the policy and its effectiveness, designing appropriate internal controls and providing adequate training. All Board members, management team members and employees have access to all policies through the intranet. Updates are communicated as news and by e-mail. Scheduled training for employees related to policies is not currently being implemented. Training linked to Lindab's policies will be part of the digital training platform Lindab Academy. During the year, Lindab did not have any significant cases of non-compliance with laws and regulations.

CEO and Executive Management

Ola Ringdahl has been President and CEO since 18 June 2018. Throughout 2022, the Executive Management included: Chief Financial Officer Jonas Arkestad, Director of Operations, Director of Division Ventilation Systems Karel Kleinmond, Director of Business Development and M&A Lars Christensson, Director of Sales Region West Europe Mette Brøndum, Director of Sales Region North Europe Joakim Lönnberg, Director of Sales Region Mid Europe Pascal Gelugne and Director of Sales Region East Europe Sorin Badea. Director of Division Ventilation Systems Olof Christensson was part of the Executive Management until August 31, 2022, when he decided to resign his position at Lindab at his own request. Olof Christensson held his position until he left Lindab on 28 February 2023.

Policies

Anti-Corruption Policy

Constitutes the regulations applicable to Lindab's operations and employees. Lindab applies zero tolerance with regard to corruption.

Antitrust Policy

It is important that the Group and its employees comply with competition legislation. Violations of antitrust legislation are prevented by means of the adopted Antitrust Policy.

Code of Ethics

It is crucial for Lindab and all of its employees that laws and regulations be complied with and that ethical values be respected.

Communication Policy

Ensures that consistent and accurate information about Lindab and its operations, including financial targets, is published externally and that Lindab meets the stock exchange's requirements for stock market information.

Equal Opportunity Policy

Guidelines to ensure that Lindab employees are treated equally and that no one is discriminated against on the basis of gender, religion, ethnicity or similar grounds.

Insider Policy

Includes rules to prevent unfair trading in shares or other financial instruments in Lindab by those with access to information not known to the market.

IPR Policy

Details the strategy and guidelines for Lindab's management and protection of intellectual property rights.

IS/IT and Data Protection Policy

Contains general rules for the Group's use and management of IT. The objective is to safeguard access to the IT structure required for operations to be conducted efficiently.

Occupational Health and Safety Policy

The policy comprises a clear framework and guidelines for a safe working environment, with an emphasis on preventive efforts.

Quality and Environmental Policy

This governs the efforts with regard to quality and environmental matters, ensuring that operations are conducted with consideration for the environment and that product solutions contribute to buildings becoming more energy-efficient.

Remuneration Policy

This policy states the rules and principles applied regarding remunerations to employees within the Lindab Group. The principles for remuneration are based on Lindab's vision, values and market practices, as well as the applicable laws and regulations.

Treasury Policy

This sets out the regulations applicable to the Group's management of financial risks and transactions. These issues are handled centrally by the Group's treasury function to minimise costs.

Remuneration of senior executives

Remuneration principles

The 2022 Annual General Meeting adopted guidelines for the remuneration of senior executives. The guidelines assume that remuneration is to be based on the market and the environment in which each of the executives works, are competitive, facilitate recruitment of new executives while also motivating senior executives to remain at the company. Remuneration may comprise fixed salary, short- and long-term variable cash salary, pensions and other benefits. Fixed salary should be determined individually based on the specific responsibilities, experience, expertise and performance of the individual executive. Fixed salary should be reviewed at least every two years.

Short-term variable cash salary should be based on the executive's performance relative to individually established targets aimed at fostering the company's business strategy and long-term interests. For the CEO, short-term variable cash salary shall not exceed 60 percent of his fixed salary and, for other senior executives, 40 percent of their fixed salary.

Long-term variable cash salary should be linked to financial performance targets reflecting the company's value growth over a three-year period. For the CEO, long-term variable cash salary shall not exceed 70 percent of his fixed salary and, for other senior executives, 40 percent of their fixed salary. It is presumed that any outcome from long-term variable cash salary will be invested in Lindab shares to increase the executive's shareholding in Lindab, linking the interests of shareholders and those of senior executives.

Pension benefits are to be provided in accordance with a defined contribution plan. Senior executives not covered by the ITP plan should receive at most 30 percent of their annual fixed salary as an annual contribution-based pension provision. Other benefits should not constitute a significant portion of the overall remuneration. In specific cases, the Board of Directors may deviate from the guidelines. The Board of Directors did not exercise this mandate in 2022. Remuneration and other benefits for Executive Management are presented in the table on the right. A further SEK 10.7 m has been booked for social security contributions, including a specific payroll tax on pensions.

Remuneration of the CEO

Ola Ringdahl's fixed salary for 2022 amounted to SEK 6,597,411. 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. The remuneration received by Ola Ringdahl in 2022 is shown in a separate table. Ola Ringdahl is subject to a 12-month notice period on dismissal by the company and of six months on resignation. Ola Ringdahl is bound by a non-competition clause for a period of two years from the point at which his employment ceases, during which time he is entitled to separate remuneration. The company is entitled to waive the non-competition clause, resulting in no remuneration being paid to Ola Ringdahl.

Remuneration of other members of the Executive Management

Throughout the year, the Executive Management included: President and CEO Ola Ringdahl, Chief Financial Officer Jonas Arkestad, Director of Product Area Ventilation Systems Karel Kleinmond, Director of Business Development and M&A Lars Christensson, Director of Region West Europe Mette Brøndum, Director of Region North Europe Joakim Lönnerberg, Director of Region Mid Europe Pascal Gelugne and Director of Region East Europe Sorin Badea. Director of Division Ventilation Systems Olof Christensson was part of the Executive Management until August 31, 2022, when he resigned his position at Lindab at his own request. Olof Christensson held his position until he left Lindab on 28 February 2023.

Remuneration for Executive Management adheres to the guidelines adopted by the Annual General Meeting. The employment contracts of the current Executive Management include notice periods of at most 12 months on dismissal by the company and of six months on resignation by 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 other members of the Executive Management is bound by non-competition clauses for one year from the cessation 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 assessed the company's variable remuneration programs for Executive Management, the application of the guidelines for the remuneration of senior executives and applicable remuneration structures and levels within the company. The guidelines and 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 Board's assessment is that the remuneration of senior executives ensures a good balance between motivating employees and providing competitive compensation. The remuneration structures and levels within the company are well balanced and in accordance with market practices.

Remuneration and other benefits to Executive Management in 2022

SEK	Ola Ringdahl	Remuneration other Executive Management ¹⁾	Total
Fixed salary incl. holiday pay	6,597,411	15,333,267	21,930,678
Variable salary	5,922,817	7,753,419	13,676,236
Pensions	1,944,787	3,458,045	5,402,832
Benefits	145,473	423,587	569,060
Total	14,610,488	26,968,318	41,578,806

¹⁾ Remuneration of other Executive Management pertains to 9 (10) individuals. The remuneration is exclusive of payroll overheads and special payroll tax.

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 assignments:</i>	Board member of Creaspac AB, chairman of the Board of Nilfisk A/S.	Chairman of the Boards of Inwido and Dendera Holding. Board member of Beijer Ref, Fortnox and IV Produkt Partner in Small Cap Partners SCP.	Board member of Postnord AB, Lantmännen and Raizen S.A.
<i>Previous assignments:</i>	Deputy Chairman of the Board of Cramo OYJ, CEO of Sanitec and Duni AB. Chairman of the Boards of Duni AB, Securitas Direct AB and Sanitec Holdings Oy. Management positions within the Swedish Match Group. Chairman of the Boards of Adapteo OYJ and Unilode Aviation Solution.	President and CEO of Beijer Ref AB. Management positions within the Aritmos Group.	President and CEO of COOP Sweden, Deputy CEO and CFO of the ICA Group, Vice President of Electrolux Group responsible for Global Market Strategies. Chairman of the Board of the Swedish Food Retailers Federation, Member of the Boards of Directors of the Swedish Trade Federation, NESTE Corporation, ICC Sweden, 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>Holdings at Dec.31, 2022:</i>	127,000 shares	31,000 shares	2,237 shares

Board committees

Remuneration Committee

The Remuneration Committee comprises two Board members: Peter Nilsson (chairman) and Per Bertland.

Audit Committee

The Audit Committee comprises three Board members: Viveka Ekberg (chairman), Anette Frumerie and Marcus Hedblom.

Auditors

Deloitte AB

Principal Auditor:

Harald Jagner

Born: 1971

Authorised Public Accountant, Deloitte AB, Gothenburg.

Auditor for Lindab since 2021.

Extensive experience of public companies.



Viveka Ekberg

1962

2016

Independent

Board member of AutoStore, Apotea, Dellner, SPP Pension & Försäkring, and others.

CEO of PP Pension, Regional Manager Nordics at Morgan Stanley Investment Management, Associate Partner at Brummer & Partners, Head of SEB institutional asset management, equities analyst at Alfred Berg Fondkommission and Affärsvärlden.

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

18,900 shares



Anette Frumerie

1968

2017

Independent

CEO of Rikshem AB.

CEO of Besqab AB. Business Unit President 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.

M.Sc. in Engineering, Royal Institute of Technology.

3,600 shares



Marcus Hedblom

1970

2020

Independent

President and CEO of Ovako. Member of the Board of Directors of the steel industry's special interest organisation Jernkontoret and of the Swedish Association of Industrial Employers, Steel and Metal.

CFO of Ovako. Various senior positions at SAS, including as Deputy CFO SAS Group, CEO of subsidiary Spanair, as well as CFO of SAS Sweden.

M.Sc. in Industrial Economics, Linköping University.

15,000 shares



Staffan Pehrson

1968

2020

Independent

President and CEO of Anticimex Group.

President and CEO of NEFAB Group. Various positions within the Ericsson Group, including as VP Product Related Services, VP Solution Area Media, EVP/General Manager Ericsson Inc, Seattle. Member of the Board of Technology Service Industry Association (TSIA) and the Swedish Chamber of Commerce in Hungary.

M.Sc. in Engineering, Uppsala University, Case Western Reserve, USA, Executive MBA, Stockholm School of Economics.

15,000 shares



Pontus Andersson

Born: 1966

Elected: 1995

Employee representative, Unionen. Employed since 1987 and currently working as a development engineer.

Holding: 250 shares



Ulf Jönsson

Born: 1966

Elected: 2022

Employee representative, IF Metall. Employed since 2003 at Lindab Steel AB and currently working full time as chairman of the IF Metall union branch.

Holding: 0 shares

Executive Management

Its members come from operational management functions in Sweden, Denmark, France, the Czech Republic and Romania. A broad management team reaches decisions more closely aligned with the business and helps strengthen knowledge sharing between different units.



Ola Ringdahl

Born: 1972

President and CEO

Employed since 2018. Member of Executive Management since 2018.

*Holding*¹⁾: 100,000 shares, 300 000 CO²⁾

Professional experience: CEO of Nord-Lock Group, 2013–2018. Regional Director at Capio Healthcare, 2011–2013. Between 2003 and 2011, held senior positions within Crawford, which has been part of Assa Abloy Entrance Systems since 2011.

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



Jonas Arkestad

Born: 1963

CFO

Employed since 2021. Member of Executive Management since 2021. Has resigned and will leave on 30 April 2023.

*Holding*¹⁾: 26,500 CO²⁾

Professional experience: CFO of Blentagruppen 2019-2021.

Extensive experience from leading positions in finance and accounting at international industrial companies. Has worked as CFO at PartnerTech and Copenhagen Malmö Port.

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



Lars Christensson

Born: 1971

Director of Business Development and M&A

Employed since 2019. Member of Executive Management since 2019.

*Holdings*¹⁾: 3,000 shares, 77,000 CO²⁾

Professional experience: Business development and M&A in a wide range of industries, most recently with the Nord-Lock Group. Previous experience includes TV4 and Brio.

Main education: M.Sc. in Engineering Physics, Lund Institute of Technology.



Karel Kleinmond

Born: 1969

Director of Product Area Ventilation Systems

Employed since 2007. Member of Executive Management since 2019.

*Holding*¹⁾: 4,000 shares, 12,000 CO²⁾

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

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

¹⁾ Refers to holdings as at December 31, 2022

²⁾ CO = call options 2020, 2021, 2022 programs



Mette Brøndum

Born: 1963

Director of Region West Europe

Employed since 1997. Member of Executive Management since 2019.

*Holding*¹⁾: 2,300 shares, 50,000 CO²⁾

Professional experience: Purchase Manager at Builders Merchant Group. Various positions at Lindab since 1997, including as Sales and Marketing Manager, Product Manager, Business Unit Manager, Business Area Manager and Country Manager in Denmark.

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



Joakim Lönnberg

Born: 1966

Director of Region North Europe

Employed since 1991. Member of Executive Management since 2019.

*Holding*¹⁾: 9 565 shares, 71 000 CO²⁾

Professional experience: Country Manager, Sales Manager and Product Manager within the Lindab Group. 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 and Business Administration at Lund University.



Pascal Gelugne

Born: 1964

Director of Region Mid Europe

Employed since 2007. Member of Executive Management since 2019.

*Holding*¹⁾: 5,700 shares, 16,000 CO²⁾

Professional experience: Various positions within Lennox/Outokumpu 2002–2006, most recently as SVP and General Manager of European operations. Previous positions including as VP Business Development in Europe and the USA for ABB Fläkt Group 1989–2002.

Main education: MSc in Economics, Bethel College, USA.



Sorin Badea

Born: 1974

Director of Region East Europe

Employed since 1998. Member of Executive Management since 2019.

*Holding*¹⁾: 2,000 CO²⁾

Professional experience: Various positions in finance and control within the Lindab Group, including as 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) Refers to holdings as at December 31, 2022

2) CO = call options 2020, 2021, 2022 programs

The Board of Directors' Report on Internal Control

The Board of Directors' Report on Internal Control for Financial Year 2022

In accordance with the Companies Act and the Swedish Code of Corporate Governance, Lindab's Board of Directors is responsible for the Group's internal control. Lindab's financial reporting complies with the laws and regulations applicable to companies listed on the Nasdaq Stockholm exchange, and with the local regulations in 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 provide shareholders and other stakeholders with an understanding of how internal control at Lindab is organised with regard to financial reporting.

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

Control environment and control instruments

In order to create and maintain a working control environment, the Board of Directors has adopted several documents of fundamental importance for the financial reporting. These include, in particular, the Board of Directors' rules of procedure and its instructions to its committees and to the CEO. The responsibility for upholding the control environment required by the Board of Directors lies primarily with the CEO. He reports regularly to the Board of Directors based on established procedures.

The Board also has an Audit Committee, as a preparatory forum, that addresses matters related to the Group's financial statements, internal control, internal audit, reporting issues and accounting policies, as well as the consequences of potential changes to these. The minutes of the Audit Committee are communicated to the Board on a regular basis and the chairman of the Committee reports regularly at Board meetings. The Audit Committee also maintains ongoing contacts with the company's external auditors and is also responsible for verifying the auditors' independence and qualifications, and for ensuring that fees are paid as agreed.

Lindab's internal control structure is based on a management system which is rooted in the Group's organisation and methods for conducting the operations, with clearly defined roles, responsibilities and delegated authorities. Governance documents, such as policies and guidelines, including the adopted Code of Ethics, also play an important role in the control structure. The governance documents regarding accounting and financial reporting comprise key parts of the control environment with regard to financial reporting.

In 2022, Lindab continued the process of developing, improving and further raising the degree of maturity in the Group's internal control. The company works continuously and proactively with the internal control environment and also conducts reviews aimed at validating the true functionality of the control environment. During the year, Lindab also developed a new self-assessment tool for internal control work, a tool that will be fully implemented in the business in 2023.

Risk assessment

The Group conducts ongoing risk assessment to identify and evaluate material risks. Lindab's risk management consists of identifying, measuring and taking an active position on the risks identified, with a view to accepting, minimising or eliminating a potential risk based on the adopted strategy. Lindab maintains a risk management program, Enterprise Risk Management (ERM), encompassing all parts of the operations, including divisions, regions and Group-wide functions. The aim is to be able to work with risk prevention in a structured manner and to support continuous improvements. Reviews of material risks are conducted with feedback being provided to the Board on an annual basis. Material risks are also reviewed by Executive Management at least twice a year.

The principal risk associated with the financial reporting is considered to be that of material misstatements in the accounts, e.g. regarding 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 all processes, while various methods are used to evaluate and limit risks, and to ensure that the risks to which Lindab is exposed are managed in accordance with established policies, instructions and follow-up procedures. The aim is to mitigate material risks and to foster accurate accounting, reporting and information disclosure.

Control activities

Control activities are designed to effectively manage the risks that the Board of Directors and management deem significant for the operations, the internal control and the financial reporting. Appropriate, effective and reliable processes are essential in ensuring compliance with the relevant laws, regulations and guidelines.

The control structure consists of clear roles within the organisation that enable an effective split of responsibilities for specific control activities, the aim being to reveal risks of reporting errors and to avoid these in time. Such activities may include clear resolution procedures and decision-making processes for major decisions such as acquisitions, larger investments, divestments, agreements and analytical reviews.

Another important task for Lindab's organisation is to implement, develop and maintain the Group's control procedures, focusing on business-critical matters. Process managers at various levels are responsible for implementing the necessary controls regarding the financial reporting. The accounting and reporting processes include controls related 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 in safeguarding 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. These are aimed at ensuring completeness and accuracy in the financial statements through governance documents, such as internal guidelines, directives and policies. Regular updates and memos on amendments to accounting policies, reporting requirements or other communications are communicated to the relevant employees. The organisation has access to all key documents on internal control and governance via the Group intranet (LindNet).

Lindab has a whistle-blower system, WhistleB, in place to enhance all employees' access to channels for anonymously reporting issues/irregularities in the operations. Each year, reminders are distributed to all employees regarding the existence and availability of the whistle-blower system, and all new employees are briefed on the system.

The Board of Directors receives financial reporting on a regular basis. External information and communications are governed by the company's Communication Policy, which details Lindab's general information disclosure principles.

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 addressed at each Board meeting. The Board's Remuneration and Audit Committees play an important role in matters such as remunerations, financial statements and internal control.

Before interim and annual reports are published, the Audit Committee and the Board of Directors review the financial statements. Lindab conducts monthly performance follow-ups, analysing deviations from budgets, forecasts and previous years. The external auditors report their findings from their review of the interim report for the third quarter report, their audit of the annual accounts and their examination of the administration of the Board of Directors and the CEO. The auditors usually attend two Board meetings annually.

Lindab has identified three main areas (sustainability, internal control and compliance) that are central for its corporate governance, and has established a Corporate Governance Committee that is primarily responsible for safeguarding good corporate governance within the Group.

Internal audit

Lindab maintains an internal audit function integrated into the Group's central financial organisation upheld by an external party. The function reports on an ongoing basis to the Group's Chief Financial Officer and directly to the Audit Committee at least once a year. The direction and scope of the work of the internal audit is determined by the Audit Committee. The internal audit is designed to safeguard the fulfilment of the Group's targets in terms of appropriate and effective processes, and that financial statements are prepared in accordance with applicable laws and regulations.

Båstad, March 26, 2023

Board of Directors, Lindab International AB (publ)

Auditor's report on the Corporate Governance Statement

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 statement for the financial year 2022 on pages 52–63 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 standard RevR 16 *Auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement 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.

Opinions

A corporate governance report has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg, March 26, 2023

Deloitte AB

Harald Jagner

Authorised Public Accountant



RISKS

Risk management

RISK EXPOSURE TO a smaller or larger degree is part of business activity. Lindab’s risk management consists in identifying, measuring and trying to prevent material risks from becoming reality and continually making improvements to minimise potential risks. For the Group, risk prevention is principally aimed at preventing potential risks from developing into damage and/or losses. If Lindab does not fully succeed in this, the secondary aim is to mitigate the effects of damage that has already occurred.

The Group's business risks consist of, among other, operational risks, strategic risks and compliance risks. In addition, Lindab also manages financial risks. The probability of each risk and its impact on Lindab’s business is assessed continuously with a subsequent action plan. Reporting, monitoring and control are conducted through formally established procedures and processes.

Operational risks

Risk	Trend	Management
<p>Demand Demand for Lindab’s products is influenced by factors such as the general economic situation, construction trends and demand for a healthy indoor climate.</p>		<p>Lindab’s business is late in the construction cycle, with approximately 80 percent of sales related to the non-residential construction market and a range of products and solutions that are mostly installed at a later stage of the construction process. Generally, over time the construction market follows overall GDP growth, although with greater fluctuation. The market for non-residential construction is often somewhat later in the business cycle than residential construction as the projects involved are generally larger and extend over longer lead times. During normal business cycles, this allows Lindab some flexibility to manage capacity planning. However, in the event of macroeconomic crises, such as the financial crisis of 2008, the opposite generally occurs with rapid and significantly greater fluctuations in construction activity compared with the general economy.</p> <p>In 2022, construction activity gradually weakened, especially in Central Europe. Lindab closely monitors economic trends and adjusts its operations based on estimated demand.</p> <p>Demand for Lindab's products is also affected by changes in customers' investment plans and production levels. Customers' investments can change if the political or economic situation in a country or an industry changes. At the end of 2022, Lindab had operations in 20 countries, balancing the various country specific risks in the construction industry. However, since construction is a cyclical industry, it is not possible to protect against a downturn in the global economy. The current economic climate in Europe is affecting the majority of Lindab's markets and therefore also has an impact on Lindab.</p> <p>A further aspect is changing demand based on energy-efficiency and sustainability. It is clear that customers are increasingly demanding climate-sound and circular solutions, which are fundamental characteristics of Lindab's product development. However, there is a risk of Lindab not maintaining a sufficiently high pace or assessing the demand for individual technologies in a way that does not create competitive products.</p>
<p>Influence of political decisions Lindab’s operations are influenced by political decisions and the introduction of new laws and regulations.</p>		<p>Lindab produces high-quality ventilation systems in the highest airtightness classes. Stricter regulation of building standards usually benefits Lindab’s competitiveness. The EU’s Green Deal and Fit for 55, with its increased investment in building renovation and sharpened requirements for good indoor air, is expected to favorably impact Lindab’s long-term sales. Lindab has launched and is developing several products with the aim of upgrading existing ventilation systems and making them more efficient.</p> <p>Emissions trading and the introduction of carbon tariffs make greenhouse gas emissions more expensive. As the steel industry accounts for a large share of global emissions, this is something that affects Lindab. Lower-emission steel will initially be expensive, but with increased prices for emissions, the gap with traditional steel will narrow. Regulatory requirements such as the Carbon Border Adjustment Mechanism (CBAM) accelerate the transition and have a positive impact for Lindab as the company prioritises lower-emission steel and purchases from European manufacturers.</p>

Cont. Operational risks

Global and regional crises

War, pandemics and other socially pervasive crises can negatively impact demand for Lindab's products, as well as Lindab's and its subcontractors' delivery capacity.



Russia's invasion of Ukraine has created an uncertain global situation, with the risk of the conflict escalating further. Lindab had a low dependency on Russia, Belarus and Ukraine at the outbreak of the war and in 2022 terminated all previous operations in Russia. The conflict has led to longer delivery times and higher prices, especially for energy and raw materials. Lindab's operations are not dependent on gas from Russia and production is not so energy-intensive that higher energy prices would be a serious problem. Lindab already has sufficiently high inventory levels to be able to compensate for longer delivery times and shortage of raw materials.

Lindab's dependence on suppliers outside Europe is low, which was an advantage during the pandemic, although it can be a risk in other crisis scenarios.

Raw material prices

Lindab purchases large quantities of steel, predominantly sheet metal, and is influenced by developments in the market for raw materials.



Lindab purchases large quantities of steel, mainly in the form of sheet metal, and is influenced by the developments in the market for raw materials. The purchasing strategy developed by Lindab is based on long relations with the most important suppliers of steel and sheet metal, enabling the company to purchase directly from steel mills rather than intermediaries. Lindab's close relationship with steel mills has also enabled it to develop certain qualities of steel and specific finishes that are adapted to the company's systems and products.

Lindab only purchases steel to meet stock holding requirements and does not speculate or hedge on future steel prices. Lindab has chosen to coordinate most of its steel purchasing in order to achieve economies of scale, as well as to secure competitive prices and terms with steel mills.

A thorough internal review is also being conducted to enable the Group to react and adapt its prices to customers when price increases arise at the purchasing stage that cannot be absorbed by the organisation through rationalisation. High volatility in the purchase price of steel entails a certain risk to profitability as compensation in the customer price may be delayed and the current stock may have a higher average value than the existing steel price. This was the case in the second half of 2022 and is expected to gradually ease in early 2023. During the year, Lindab implemented price increases to compensate for historically high steel prices, which had a positive effect on sales.

Disruptions

Lindab may be adversely affected by disruptions including equipment failure, strikes or fire.



Lindab may be affected by stoppages due to various reasons such as breakdowns and strikes, as well as other reasons outside the Group's control. With its geographically spread presence, the Group has the ability to move its operations to other locations if any unit would be negatively affected, thereby ensuring that any projects undertaken are completed. Lindab has had stable access to raw materials in recent years, at a time when there was a shortage of steel and other inputs in certain periods. The Group holds global insurance programs to cover significant property damage, stoppages and breakdowns.

One type of disruption that has increased in likelihood is a lack of energy supply. This mainly affects Lindab's central production in southern Sweden. The Swedish Government has warned that the electricity supply may be cut off during periods but no such disruption has yet occurred. Lindab also has central production in the Czech Republic, where the risk of power outages is considered lower in the short term.

Competition

Competition takes place mainly at regional or local level.



Lindab mainly encounters a large number of small local and regional companies. There are also a small number of relatively large national and multinational companies that can be considered as competitors on parts of the offering. The company's competitors include Ruukki Construction, Tata Steel, Arcelor Mittal Construction, Marley, Balex Metal, Budmat, Pruszynski, Fläkt Woods, Swegon, Systemair, Trox and Llentab. None of these competitors have an offering that exactly matches Lindab's, but they are strong in some overlapping areas.

To face the competition, Lindab has opted to use highly automated central production units for volume products. These products can be easily transported. This is combined with smaller, local production units for products that require local adaptation. Local production is also applied for bulky products in order to reduce transport costs and achieve greater sustainability in the process. Through a well developed distribution network, Lindab can stay informed of changes, trends and new demands from customers and lay the foundations for the adaptation of products, systems solutions and services. Lindab's primary raw material is steel, mainly in sheet metal form, and Lindab's competitive strength is partially affected by changes in the price of raw materials. Lindab continuously rationalises production, distribution and organisation to maintain its competitive edge. Steel has many advantages over competing materials such as plastic and concrete. Customer campaigns also have an impact on customers' product choices. Lindab is working towards building long-term relationships with its customers and to provide added value by simplifying construction through the use of Lindab's products and system solutions.

Cont. Operational risks

Customer exposure

Lindab has a large number of customers. Only a few customers spread their purchases over several countries.



Lindab's sales are aimed at a large number of customers, none of which is dominant. This means that the Group has limited exposure to individual bad debt losses. However, there is always a risk that customers' financial position may change, which can negatively impact their ability to pay, which may in turn, result in Lindab not receiving payment for products sold. To minimise the risk of bad debt losses, the Group obtains credit information about customers whenever possible. In addition, a number of companies within the Group have insured receivables against bad debt losses. Lindab's largest individual customer accounts for 1.8 percent (1.9) of the Group's annual sales.

Lindab has been using a valuation method for calculating bad debt loss provisions which is based on expected bad debt losses. In practice, this means that the Group categorises its outstanding accounts receivable in six different levels depending on due date, ranging from accounts receivable that are not due to receivables that are overdue by more than 360 days. The respective levels have an expected rate of credit loss of between 0.5 percent (0.5) and 95.3 percent (95.3). Accounting loss provisions are formed based on these expected rates of credit loss. Rate of credit loss are estimated based on the Group's own experience, but also reflect future expectations of different payment structures given the economic climate and other important conditions. In addition to the model-based provisions for bad debt losses, individual assessments are also made of accounts receivable as soon as there are indications of an increased risk of loss on individual commitments. In this way, the Group works actively on an ongoing basis to reflect known information in total reported provisions for anticipated bad debt losses in the best possible manner. For further information on the valuation of accounts receivable, see Note 2 and Note 25.

Based on the described valuation method, the provision for expected bad debt losses amounted to SEK -106 m (-69) at the end of the financial year. During the year, earnings were affected by costs for expected and actual bad debt losses corresponding to 0.1 percent (0.1) of net sales, see Note 25.

Suppliers

Lindab is dependent on a large number of suppliers. The loss of a key supplier may incur additional costs and production problems. Suppliers failing to adhere to Lindab's Code of Conduct can also cause problems for Lindab.



To reduce its dependence on individual suppliers, Lindab has agreements with a large number of suppliers. For steel, the main raw material in Lindab's products, several suppliers are used in different parts of the world.

Lindab has established a Supplier Code of Conduct addressing, for example, working conditions, business ethics and health and safety. One hundred percent of suppliers should be certified by 2023. Suppliers in high-risk countries are audited every two years. Other audits are planned and conducted, based on risk level. Lindab actively seeks to make purchases from European suppliers and avoid countries with poorer working conditions or non-democratic regimes. For more information on the work with suppliers, see the Sustainability Report on page 144.

Investments

Lindab is implementing a comprehensive investment program.



Since 2019, Lindab has been implementing the company's largest investment program ever. An investment decision has some uncertainty as to whether future benefits will be achieved. Lindab's investment program has shown good results, and as the investments are gradually phased out from 2020 to 2025, the investments risks are also reduced. Future requirements for climate adaptation of operations may lead to new investments using unproven technologies, which could pose a risk of investments not achieving the desired effect.

Acquisitions

Lindab has made 17 acquisitions since 2020.



Lindab made eight acquisitions in 2022 and has made total seventeen acquisitions since 2020. For each acquisition, there is a risk of the acquired company not being sufficiently scrutinised and of unfavorable situations only being discovered during or after integration. No material impact on Lindab or the acquired company's operations has been identified since completion of acquisition. With each acquisition completed, the level of knowledge increases and the risk is therefore expected to decrease over time.

Expertise

Attracting skilled personnel and retaining key individuals is of significance for Lindab's continued success.



The shortage of manpower is becoming increasingly apparent and efforts to be regarded as an attractive employer have therefore become even more important. Lindab applies targeted initiatives to attract critical expertise and to strengthen the employer brand. Through training, coaching and annual development interviews, employees' skills are developed. Salaries and other conditions are to be in-line with the market and linked to the company's business priorities. Lindab strives for good relations with the trade unions. Lindab's investment program is automating certain parts of production which in part counteracts a shortage of labor in manufacturing.

Climate change

Climate change in the form of increased warming, storms, droughts and other climate effects impact Lindab's opportunities to conduct its operations.



More storms and floods increases the risk of damage to Lindab's facilities, as well as of disruptions in the transport of raw materials and finished products. Physical risks are continuously reviewed in the light of increased impacts and the occurrence of extreme weather conditions. This is mainly done locally as the plants have different geographical conditions. Shortages of electricity or higher electricity prices will affect Lindab's ability to produce products on competitive terms. Climate change may also lead to an increased need for good and energy-efficient ventilation and more building repairs, which in turn will affect Lindab's sales of roofs and walls.

Cont. Operational risks

Environmental impact

Lindab has manufacturing operations that affect the environment.



Lindab's Quality and Environmental Policy is a key document that, along with the sustainability plan, forms the basis for the Group's environmental work. Although Lindab's operations in the manufacture of steel products have only a limited direct environmental impact, there is an indirect impact in the form of greenhouse gas emissions from the steel industry. The two greatest efforts that Lindab is making to reduce its environmental impact are starting to use steel with lower environmental impact, as it becomes available, as well as optimising transport and switching to more environmentally friendly transport alternatives. In addition, a shift in the company's own operations is underway, which will be accelerated by Lindab joining Science Based Targets.

In cases where there is a risk of environmental liability, an assessment is made to determine whether a provision is required. No provisions were made for anticipated future environmental liabilities in 2022.

The waste products generated through production consist mainly of scrap metal which is recovered completely and other waste, of which up to 35 percent is recycled. The rest of the waste is sorted and disposed of in accordance with applicable regulations.

To protect the company and third parties in the event of environmental accidents, Lindab holds environmental insurance in several countries. The insurance includes liability for damages that are part of or are the result of environmental damage.

Lindab works together with its suppliers to reduce environmental impact in the value chain as part of the supplier evaluation. The supply chain also has the greatest impact on biodiversity. Read more about Lindab's environmental work on pages 153-157.

Risks to confidence

Events may occur that damage confidence in Lindab. This may, for example, involve employees or suppliers failing to comply with applicable laws and regulations, or with Lindab's values.



Lindab updates its information regarding current regulations and the company's values on an ongoing basis. Lindab's Code of Conduct has been prepared for both employees and suppliers. Lindab has developed procedures for sudden events, such as accidents or injuries in the form of fire, natural disasters and other types of crises.

Business ethics

Unethical conduct or poor management of business ethical risks can harm Lindab's brand and market reputation.



Lindab's reputation is a valuable asset that can be impacted by Lindab's actions as well as by external stakeholders. The Group strives to avoid engaging in conduct that might jeopardize Lindab's good standing. Lindab aims to be a good corporate citizen wherever the Group is active.

A Code of Conduct has been implemented in the Group to ensure that all employees in Lindab's markets follow best business practice. This includes overarching rules regarding how Lindab conducts its business and how company employees should behave towards one another and in business relationships. The Code is reviewed annually to ensure that it remains relevant. The Code includes principles regarding, for example, business ethics, employee relations and respect for human rights and the environment. Employees are encouraged to report violations. A whistleblower system has been established and suspected violations are investigated and handled.

Health and safety

Accidents and inadequate safety at Lindab's facilities could cause injury or death. Health risks also include mental ill-health caused, for example, by harassment, high stress levels and a poor working environment.



The physical safety of our employees is a high-priority area and systematic efforts to prevent accidents are conducted on a daily basis, particularly at Lindab's production facilities, where the risks are at their highest. For several years now, Lindab has been intensifying its efforts regarding a favorable working environment by working on values, behaviors and education. Lindab applies an Occupational Health and Safety Policy with clearly defined responsibilities for both managers and employees. Emphasis is placed on preventive work, which is done in cooperation with Management, employees, the safety organisation and the occupational health organisation. Accidents that resulted in time lost from work of at least one day are monitored and reported as LTIF (Lost Time Injury Frequency). In 2022, LTIF amounted to 6.7 (7.3).

In the event of serious accidents involving a risk of permanent disability, the Group Health and Safety Manager and the President and CEO is informed within 24 hours. Corrective actions are made immediately and preventive actions are made as soon as possible and followed up. In 2022, 0 (3) serious accidents occurred.





Lindab follows up incidents closely to ensure that the people affected receive the best possible support in their return to work. Lindab's investment program, introducing more modern equipment, has had the additional positive effect of increasing safety in the working environment. A good and safe working environment is a strategic issue for the Group. Health and safety is also part of Lindab's supplier evaluation program to protect people in Lindab's value chain.

Cont. Operational risks

<p>Legal risks Lindab may be subject to commercial disputes and other legal proceedings.</p>		<p>Lindab monitors legal developments in relevant areas to safeguard its regulatory compliance. A central function managed by the Group's General Counsel is tasked with monitoring and steering the management of legal risks. During the year, Group companies were only involved in minor disputes that are directly related to the business. Within Ventilation Systems and Profile Systems, provisions are made for disputes that arise and that are deemed to result in a payment liability. Warranty provisions at the end of the financial year amounted to SEK –6 m (–5). For further information, see Note 28.</p> <p>In early 2022, global sanctions were imposed on Russia and Belarus. These sanctions are complex and constantly changing. This increases the risk of misinterpretation and misjudgment and thus of breach of sanctions, with legal and financial implications. As the closure of the Russian operations has been completed, the risk decreased in 2022.</p>
<p>Digitisation Disruptions or errors in critical systems can have a direct impact on production and business processes. Intrusion by unauthorised individuals may cause financial loss or other harm.</p>		<p>Digital development is rapid and creates new situations. New digital solutions enable new services and change customer and investor demand and behavior.</p> <p>Increased digitisation requires connected products and peripheral services that analyse data. Lindab is in close contact with customers and technical partners to ensure that products in demand are developed while Lindab's expertise in the field is steadily increased.</p> <p>Another aspect of digitisation is the demand for more data and reporting from external parties. This includes, for example, financial data, sustainability data and product data. New technology needs to be harnessed to ensure that the demand for data does not lead to inefficient and manual processing and reduce time for value-adding activities.</p>
<p>IT security Disruptions or errors in critical systems can have a direct impact on production and business processes. Intrusion by unauthorised individuals may cause financial loss or other harm.</p>		<p>IT security efforts include continuous risk assessment, introducing preventive measures and applying security technologies. To ensure high availability and disaster preparedness and to minimise the risk of disruptions to critical business systems, IS/IT security solutions have been implemented and the relevant degree of redundancy in IT infrastructure equipment has been established (communication lines, servers, storage and server rooms). Regular risk analyses are conducted of critical IS/IT systems, including identification, analysis and mitigation measures. With an increased degree of digitisation, the risks in this area are expected to gradually increase.</p>
<p>Taxes Tax legislation is becoming increasingly complex, with a risk of mismanagement.</p>		<p>As a responsible taxpayer, Lindab works continuously to ensure that applicable tax laws, rules and regulations are complied with by the companies in the jurisdictions where the Group operates. Lindab's operations generate tax revenues and Lindab's tax compliance follows the Group's operations. Each company in the Group is responsible for complying with national and international tax regulations and reporting to the relevant authorities. From a central perspective, the Group's tax structure is monitored to maintain a structure that is sustainable and in compliance with applicable tax legislation.</p> <p>Lindab conducts operations in many different countries in Europe, and has generally perceived tax legislation and its application to have become more complex. Predictability has decreased and it has become increasingly important to maintain updated and fully functional systems and processes for handling taxes and levies.</p> <p>Within the field of income taxes, focus is also on transfer pricing issues, which relate to the prices agreed in cross-border transactions between related companies. Internal prices impact revenues and costs and thereby taxable profits in the countries where the companies operate. The internationally accepted view is that the conditions should be consistent with what would be agreed between independent parties, known as the arm's length principle. The OECD has issued guidelines for cross-border internal transactions in multinational groups, and Lindab works continuously to ensure that the Group complies both with these guidelines and local tax legislation in each jurisdiction. Lindab is also working to develop and adapt procedures to identify tax risks and manage them effectively. Lindab has regular contact with tax advisers for the interpretation of tax laws and to assess how various issues should be handled.</p> <p>Incorrect handling could impact Lindab through higher operating expenses and tax expenses together with interest and penalties. The Group is not involved in any tax disputes deemed to be capable of having a material negative impact on the Group's result or financial position.</p>

Financial risks

For further details on financial risks, see Note 3.

Risk	Trend	Management
<p>Financing</p> <p>Financing risk refers to the risk that the financing of the Group's capital needs and refinancing of outstanding loans will become more difficult or more expensive.</p>		<p>On December 31, 2022, Lindab's total credit facilities amounted to SEK 3,079 m (2,016). SEK 1,000 m of the credit facilities expire in June 2024, and the remaining credit limits of SEK 2,079 m are valid until June 2025. In 2021, Lindab entered two credit agreements, one with Nordea/Raiffeisen Bank International and one with Raiffeisen Bank International. A third credit agreement was signed with Nordea in 2022. All credit agreements contain a covenant in the form of net debt to EBITDA, a covenant that is monitored on a quarterly basis. On December 31, 2022, Lindab was compliant to the covenant. According to the Group's Treasury Policy, long-term financing must always be in place no later than 12 months before existing financing matures.</p>
<p>Liquidity</p> <p>Liquidity risk is defined as the risk of the Group incurring increased costs due to a lack of liquidity.</p>		<p>All centrally managed loan maturities are planned in relation to the consolidated cash flow. The above-mentioned credit agreements safeguard liquidity needs. Lindab's business is seasonal, which has an effect on cash flow. During the period January-June, cash flow is normally negative, then turning positive in July-December. According to the Group's Treasury Policy, the Group must at all times have available funds, including unutilised credit facilities, to cover the liquidity needs of the operating activities.</p>
<p>Interest</p> <p>Interest rate risk is defined as the risk of changes in current interest rates having a negative effect on the Group.</p>		<p>Surplus liquidity is always used to pay off existing loans. In accordance with the Treasury Policy, the fixed interest rate period is to be 1–12 months. On December 31, 2022 it was 4 months (3). The interest rate, calculated as the Group's interest expense in relation to average liabilities, amounted to 3.3 percent (2.5).</p>
<p>Currency</p> <p>Currency risk is the risk of negative effects on the consolidated statement of comprehensive income, cash flow and statement of financial position as a result of changes in exchange rates. The profit is affected when income and expenses in foreign currencies are translated into Swedish kronor. The statement of financial position is affected when assets and liabilities in foreign currencies are recalculated in Swedish kronor.</p>		<p>To reduce currency exposure in terms of transaction risk, the Group attempts to match inflows and outflows of different currencies by, for example, using the same currency for invoicing as purchasing. Each individual Group company is responsible for identifying its own currency exposure. Some special orders, projects, investments and purchases can be hedged to create certainty of future cash flows.</p> <p>In order to reduce the currency risk in the translation exposure, currency hedging can be decided by the CFO, which is in accordance with the Group's Treasury Policy. Hedging may be arranged for up to 90 percent of the value of the underlying asset.</p>

Climate scenarios

LINDAB HAVE DURING 2022 initiated the work on assessing climate risks and opportunities that may affect the company, with the aim of reporting according to TCFD (Task Force on Climate-Related Financial Disclosures) recommendations next year. In a first step, risks and opportunities for two scenarios are presented, as well as the impact on Lindab's financial results.

The process

Lindab carries out an annual risk evaluation where the risks and opportunities of the business are analysed based on probability and impact. This evaluation has gradually been extended to include climate impact. Only the major risks/opportunities resulting from climate change and the transition to a more sustainable world have been assessed. The Board of Directors is ultimately responsible for the risk assessment and takes note of the company's evidence and verifies that the assessment is reasonable.

Scenario 1 - Today's rate

In the first scenario, greenhouse gases increase at the same rate as today. This leads to rising sea levels, more days of extreme weather, increased number of fires, high energy intensity and high dependence on fossil fuels.

Risks and opportunities

Energy shortage

Increased risk of insufficient electricity and power supply, also leading to higher energy prices and higher operating costs. This makes energy-efficiency measures more profitable, which can increase demand for energy-efficient ventilation.

Weather impact

With more extreme weather, there is increased focus on the indoor environment, benefiting Lindab's indoor air quality solutions. Deteriorating weather will also expose buildings to more wear and tear and increase the need for maintenance. This is a risk to Lindab's own properties but creates opportunities for increased sales of products for roofs and walls.

Competition

Increased energy prices lead to increased costs for the production of steel, where the production of the fossil-free steel uses more energy than other steel. This increases the risk of price competition from players who do not prioritise steel with a lower environmental impact.

Adaptable properties

Increased demands on the indoor environment and changing weather conditions require more adaptable buildings. This can lead to increased requests for demand-controlled ventilation that changes with the use of the property.

Financial impact

- Increased investment in managing the impacts of climate change.
- Sharply increased operation and maintenance costs.
- Volatile or increased energy costs affecting steel prices, which is Lindab's single largest raw material.
- High insurance premiums.
- Increased sales of climate-smart products.

Scenario 2 - The Paris Agreement goals are met

In the second scenario, the Paris Agreement goals are met and greenhouse gas emissions are halved by 2030. New energy-efficient technologies are introduced on a large scale. Regulations and taxes are introduced. Market demands on businesses are changing.

Risks and opportunities

Circular economy

Zero emission requirements in the value chain lead to changes in business models. Circular models for ventilation systems need to be developed where ventilation systems are reused instead of new products being purchased. With steel as the main raw material in ventilation products, the opportunity for reuse is great.

Duties and charges

Regulations, taxes and charges on carbon emissions will lead to higher costs for steel. This creates opportunities for Lindab to position itself with products made from fossil-free steel, but it also increases the cost of raw materials and other operating costs.

Energy-efficient solutions

The shift to energy-efficient solutions may increase demand for renovation and smart ventilation solutions, which is benefiting Lindab. At the same time, it increases the risk of wrong investment in new product development. If steel companies are not successful in switching to fossil-free steel, new materials may need to be evaluated.

Unproven technology

The risk of unprofitable investments increases when unproven technologies need to be used to respond to the climate transition.

Financial effects

- Increased investment in climate transition.
- Increased costs of climate adaptation.
- Increased operation and maintenance costs.
- Increased product development costs.
- Increased sales of climate-smart and sustainable products.

Strategies and objectives to address climate risks and opportunities

- Product development for increased energy-efficiency and optimised indoor climate.
- Development of a circular and more sustainable product offering.
- Scientifically calculated targets for greenhouse gas emission reductions in accordance with Science Based Targets.
- Working with steel suppliers to support the transition to fossil-free steel.
- Comply with and enforce regulations and standards for more sustainable construction.
- Prioritise purchases from European suppliers with sustainable operations.
- Investments in own operations to reduce climate impact.
- Work towards a more digital construction industry.
- Collaborate in the value chain with customers and suppliers to accelerate the transition.

THE EU TAXONOMY

The EU taxonomy

LINDAB'S PRODUCTS ENABLE a sustainable transition and contribute to both energy-efficiency and a healthy indoor climate. Of Lindab's total turnover, 61 percent is eligible according to the taxonomy and 49 percent is aligned with the taxonomy criteria. Lindab strives to ensure that all products that are eligible are also classified as sustainable. Currently, 80 percent of the products eligible according to the taxonomy are classified as aligned according to the taxonomy criteria.

Lindab's activities are affected by criteria for the production of energy-efficient equipment for buildings and electricity generation using photovoltaic technology.

Ventilation

80 percent of sales from the ventilation range are eligible according to the taxonomy. According to Lindab's analysis, 65 percent of turnover is classified as aligned. This means that 81 percent of the products covered by the taxonomy are sustainable according to the taxonomy criteria. The taxonomy is a new regulatory framework and will need to be further developed over time. At present, there are no criteria that cover all the components of ventilation systems, and all products that have a significant impact on the energy-efficiency of buildings are therefore not included. More products with innovative technologies that contribute to significant energy savings should be included. At the same time, the industry needs to work on developing more classification systems for products where this is currently lacking. During the year, Lindab started a collaboration within the industry organisation Svensk Ventilation (Swedish Ventilation Association) with the aim of agreeing on a common interpretation of the criteria for ventilation. Recommendations for the development of the criteria will be shared with the taxonomy expert group. Lindab's classification of turnover follows the new industry-wide interpretation. This has changed the outcome slightly since the first preliminary figures were published last year.

Detailed information

Lindab manufactures products included in energy-efficient ventilation systems in buildings. According to the assessment a large part of the ventilation product range makes a significant contribution to mitigating climate change and also meets the criteria for do no significant harm (DNSH). Lindab also meets the minimum safe guard set out in the delegated acts.

Objective 1 – Climate change mitigation

Smart products that are used for monitoring and controlling ventilation systems lead to significant energy savings and are

therefore covered by the taxonomy's technical screening criteria. Products that can be classified for performance according to European standards or third-party certification are also covered. Air duct systems that transport air in the ventilation system that are classified in the tightness classes C or D are considered sustainable. Accessories such as suspension and support systems for products are also included if considered part of an aligned product. Other products, for example diffusers, waterborne solutions and roof hoods are not covered by specific performance classification and are therefore not covered by the taxonomy.

Lindab refers to the Svensk Ventilation's industry-wide interpretation for a clearer definition per product type.

Part of the range covered is not considered to be aligned with the taxonomy. Examples are air duct systems of tightness class A or B, as well as other products with too low an energy-efficiency class. Products for which data is lacking to determine a significant contribution to climate change mitigation or compliance with DNSH do not fulfill the requirements either.

Objective 2 – Climate change adaptation

The criteria for substantial contribution are not applicable to Lindab's ventilation range. According to Lindab's analysis, there are no major risks affecting the performance of the products. Most of the products are installed indoors and are therefore not directly affected by extreme weather such as wind and rain. For products installed outdoors, the right materials must be chosen and the installation must be adapted to the specific conditions.

Building products

26 percent of sales from the building products range are eligible according to the taxonomy. According to Lindab's analysis, 20 percent of turnover is aligned. This means that 76 percent of the products eligible are classified as sustainable according to the taxonomy criteria. The taxonomy covers only building products that reduce energy consumption such as insulated walls and doors. Traditional sheet metal roofing or sheet metal facades, where the insulation is added at the time of installation, may

therefore not be included. Other product groups such as rain-water systems or roof safety are also not included. This means that a large proportion of Lindab's construction products are not eligible according to the taxonomy today.

Detailed information

According to Lindab's assessment, based on the technical screening criteria, a smaller part of the building products range makes a significant contribution to climate change mitigation and also meets the criteria for doing no significant harm (DNSH). Lindab also meets the minimum safe guards set out in the delegated acts.

Objective 1 – Climate change mitigation

In Lindab's assessment, the following categories are aligned with the sustainability criteria in the taxonomy: doors with a U-value lower than or equal to 1.2 W/m²K, exterior wall systems with a U-value lower than or equal to 0.5 W/m²K, roof systems with a U-value lower than or equal to 0.3 W/m²K, insulation products with a lambda value lower than or equal to 0.06 W/m²K, as well as electricity production using photovoltaic technology.

A small part of the product range is eligible according to the taxonomy but is not considered to be aligned with the requirements for climate change mitigation due to excessive U-values.

Objective 2 – Climate change adaptation

Responsibility for the climate adaptation of the building is shared with the main contractor. Lindab is responsible for designing and delivering products according to customer requirements to ensure energy-efficiency and resilience to climate change.

The sheet metal used by Lindab complies with Eurocode, which is Europe's common structural design rules for load-bearing structures, such as bridges and houses. Lindab chooses suppliers with high-quality products that extend lifetime.

Purchases of taxonomy-related products and services

Operational and capital expenditures are also to be classified based on the established criteria. Expenses for purchases in operations covered by the taxonomy, but that do not directly generate income, are to be reported if they mitigate climate change or are eligible according to the taxonomy by definition.

Capital expenditures

Lindab's reporting of capital expenditures shows the investments made in capitalised intangible assets and tangible fixed assets. Intangible assets and tangible fixed assets added through business acquisitions are also included, with the exception of goodwill, acquisitions and divestments that, during the year, mainly generated indirect capital expenditures for fixed assets in the building products category. In the calculation of capital expenditures in accordance with the taxonomy, adjustments have been made for indirect non-financial activities. For further information regarding capital expenditures, see Notes 5, 18, 19 and 20. The assessment of what is considered to be covered and be compatible with the taxonomy follows the same structure as the analysis for turnover.

Operational expenditures

In accordance with the taxonomy's definition, operational expenditures mainly pertain to the Group's direct costs for research and development activities, building renovations, short-term leases, as well as maintenance and repairs. In the calculation of operational expenditures in accordance with the taxonomy, adjustments have been made for indirect non-financial activities. The assessment of what is considered to be covered and compatible with the taxonomy follows the same structure as the analysis for turnover.

Turnover

ECONOMIC ACTIVITIES (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards	Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category ('transitional activity') (21)		
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Yes/No	Yes/No						Yes/No	Yes/No
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
Ventilation	3.5 i,l,n,m	5,338	43	43	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	43	N/A	Enabling	-
Profile	3.5 b,c,d,e 4.1	773	6	6	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	6	N/A	Enabling	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		6,111	49	49	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	49	N/A	Enabling	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																								
Ventilation	3.5 i,l,n,m	1,244	10																					
Profile	3.5 b,c,d,e 4.1	243	2																					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,487	12																					
Total (A.1+A.2)		7,598	61																		49	N/A		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
Turnover of Taxonomy-non-eligible activities (B)		4,765	39																					
Total (A+B)		12,363	100																					

Capital Expenses

ECONOMIC ACTIVITIES (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards	Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category ('transitional activity') (21)		
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Yes/No	Yes/No						Yes/No	Yes/No
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
Ventilation	3.5 i,l,n,m	144	57	57	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	57	N/A	Enabling	-
Profile	3.5 b,c,d,e 4.1	12	5	5	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5	N/A	Enabling	-
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		156	62	62	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	62	N/A	Enabling	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																								
Ventilation	3.5 i,l,n,m	22	9																					
Profile	3.5 b,c,d,e 4.1	1	0																					
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		23	9																					
Total (A.1+A.2)		179	71																		62	N/A		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
Turnover of Taxonomy-non-eligible activities (B)		73	29																					
Total (A+B)		252	100																					

Operating Expense

ECONOMIC ACTIVITIES (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards	Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category ('transitional activity') (21)		
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Yes/No	Yes/No						Yes/No	Yes/No
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
Ventilation	3.5 i,l,n,m	106	53	53	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	53	N/A	Enabling	-
Profile	3.5 b,c,d,e 4.1	7	4	4	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	4	N/A	Enabling	-
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		113	57	57	N/A							Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	57	N/A	Enabling	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																								
Ventilation	3.5 i,l,n,m	19	9																					
Profile	3.5 b,c,d,e 4.1	5	3																					
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		24	12																					
Total (A.1+A.2)		137	69																		57	N/A		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
Turnover of Taxonomy-non-eligible activities (B)		62	31																					
Total (A+B)		199	100																					

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Materiality analysis

Lindab has a long-term perspective in its operations, and sustainability is integrated into the company and its business model. The sustainability plan presents the most important issues and is developed based on stakeholder dialogues, environmental analysis, market trends and strategic priorities of the company and management. Lindab consider the whole picture to understand the impact of its operations, but also the impact on the company's results. In 2024, Lindab will conduct a double materiality analysis according to the requirements of the Corporate Sustainability Reporting Directive, CSRD.

The methodology for defining our most material topics for 2022 follows the GRI guidelines and involves understanding our context, identifying actual and potential impacts, assessing their significance and finally prioritising. The evaluation has resulted in 32 topics on which Lindab has chosen to focus further. Substantial material topics do not change annually given the nature of the business.

Create healthy buildings	Reduce the environmental impact from customers	Drive a sustainable business
Focus area	Material issues	
1. Increase awareness of healthy indoor air	Healthy indoor air	Ethics Economic performance Anticorruption Tax Human rights Compliance Transparency
2. Drive standardisation and legislation	Healthy indoor air Energy-efficiency	
3. Sustainable and energy-efficient solutions	Environmental impact of products Energy-efficiency Innovation	
4. Digital tools and technologies to optimise usage	Digitalisation Customer data Energy-efficiency	
5. Circular economy with a high degree of reuse.	Sustainable materials Circular design Biodiversity	
6. Sustainable sourcing	Risk management Evaluation	
7. Sustainable production	Use of resources Emissions Scrap Waste Biodiversity	
8. Sustainable transport	Renewable fuels Electrification	
9. Attractive employer	Health and safety Diversity and equal opportunities Education and development Staff turnover Non-discrimination Employee engagement	
10. Community involvement	Community involvement	

Stakeholder dialogue

Lindab has a transparent, ongoing and long-term dialogue with stakeholders, as it is crucial for how we successfully and proactively identify problems, trends and expectations. Our dialogue with stakeholders is both structured and ad hoc, using surveys, web meetings, social media,

face-to-face meetings and spontaneous discussions. Expectations and requests from, e.g., suppliers, customers, employees, investors and society at large contribute to the sustainability agenda.

Suppliers	Lindab receives feedback from suppliers through our responsible sourcing program. We enter long-term partnerships on key strategic issues, and a close daily dialogue is conducted through our local sourcing offices. On-site audits provide feedback on suppliers' quality and sustainability performance and a deeper understanding of common issues.
Customers	Lindab receives feedback from its customers through activities carried out by the sales and marketing organisation, ranging from discussions with key account managers to daily conversations between customers and local account managers. Lindab organises and participates in various network meetings. We also gather data from customer surveys and customer analyses.
Property owners	Closer dialogue has been initiated with property owners to jointly pilot new technologies and innovations. Lindab wishes to develop direct dialogue with property owners in the future, to directly understand the requirements of our products and systems.
Employees	Lindab maintains an ongoing dialogue with representatives from different parts of the company on matters such as the work environment. Lindab's Board of Directors includes employee representatives among its members. We conduct employee surveys and annual employee performance and development talks to drive continuous improvement and develop our sustainability work.
Investors and owners	We communicate the Group's strategy and earnings to existing and potential investors, analysts and the media. Dialogue takes place through various channels such as presentations of quarterly reports, meetings with investors, seminars, Capital Markets Day, the website, analysis reports and press releases.
Community	In the cities where Lindab has its operations, there are important stakeholders which feedback impact our local activities. Interaction involves various activities and initiatives, from business-related activities to volunteer initiatives, charity work and sponsorship. Lindab also works closely with several universities and colleges.
Future generations	Stakeholders who cannot make their voices heard are also taken into account by studying research and analysis of the future, as a way to give future generations a better and safer place to live.
Non-governmental organisations	Lindab is active in several trade associations and collaboration forums, including the UN Global Compact. Locally and internationally on the EU level, we are active in promoting sustainable construction issues. It also gives us early insight into upcoming trends and legislative changes.

External initiatives

Lindab supports the ten principles of the UN Global Compact and has participated since 2009. Reporting is done annually according to the guidelines. In 2023, Lindab will, like other companies, report according to the new more comprehensive format. Lindab's commitment is shown on the UN Global Compact website.

Lindab supports the Paris Agreement and Agenda 2030, the UN's 17 global goals for a sustainable and equitable world. The products and solutions Lindab develop and sell, and the way Lindab work, contribute primarily to twelve of these goals.



In January 2023, Lindab committed to Science Based Targets with the aim of taking the next step in sustainability work. This means that Lindab will set science-based climate targets in line with the Paris Agreement, as well as a long-term net-zero target that is verified and monitored by a third party. Science Based Targets Initiative (SBTi) is a collaboration between CDP, the World Resources Institute, WWF and the UN Global Compact.

Lindab's ambition is to report according to the TCFD, Task-force on Climate Related Financial Disclosure. This year, scenario analyses have been carried out, but more detailed reporting is needed for the financial

impact and for the new risks and opportunities to become part of the other risk work. The TCFD was created by the Financial Stability Board, an international body that seeks to strengthen and protect global financial markets from systemic risks such as climate change. The TCFD recommendations provide guidance on reporting on the economic impacts of climate-related risks and opportunities.

Lindab actively participates in various trade associations and forums on both European and local level with the aim of accelerating and improving sustainable construction with healthy indoor climate requirements. In 2022, Lindab was involved in 56 trade associations and forums in a total of 15 markets. Lindab is a member of the following:

- Eurovent
- Svensk Ventilation and other local ventilation trade associations
- Swedish Institute for Standards – technical committees for ventilation and fasteners
- Tightvent
- The Swedish Institute of Steel Construction and other local steel trade associations
- Solar Energy Research Center (SOLVE) in Sweden
- Passivhaus Trust in the UK
- LFM 30, Gothenburg's Climate Platform and other local initiatives linked to sustainable construction

Governance

Lindab's sustainability work is integrated into the business operations. Sustainability work contributes to increased competitiveness, reduced risks and costs, and it motivates employees, while attracting new talent and investors.

All employees play an important role in helping Lindab achieve its sustainability goals. Governance and monitoring of sustainability work is adapted to the decentralised organisation and follows the same structure as other reporting. For more details, see the Corporate Governance Report on page 52. Lindab's President and CEO has overall responsibility for Lindab's sustainability work. The Board is the decision-making body for strategies, policies and targets. At Group level, sustainability work is led by a Global Sustainability Manager in close cooperation with other departments such as HR, Logistics, Communications and Finance. Lindab has set up a sustainability network that includes regional sustainability specialists. The network is led by the Global Sustainability Manager to coordinate the development, management, governance and monitoring of sustainability efforts. Responsibility for

the implementation of the sustainability plan and targets is delegated to the subsidiaries, which develop adopted local sustainability plans with specific targets.

The result is followed-up on company level and then aggregated on Group level. The companies carry out a self-check, and regional sustainability specialists an additional quality check. The Group's achievement of the targets is monitored by the Global Sustainability Manager. The Audit Committee maintains an ongoing dialogue, with requirements for reporting. Work is underway to include the sustainability report in the internal control process.

Lindab's Code of Conduct, together with other policies for quality and the environment, anticorruption, health and safety and equal treatment, form the basis of our sustainability work. Risks related to the sustainability area are included in Lindab's overall risk management, which is presented on pages 64–71.

About the Sustainability Report

Lindab reports its sustainability work as part of the company's annual report and in accordance with the Swedish Accounting Act based on the Non-Financial Reporting Directive (NFRD). The Sustainability Report has been prepared in a report separate from the Directors' Report to meet the requirements for a statutory Sustainability Report in accordance with the Annual Accounts Act (AAC), Chapter 6, Section 11. The auditor's opinion regarding the statutory Sustainability Report can be found on page 162.

For calendar year 2024, Lindab will report according to the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). Sustainability reporting requirements are now undergoing a major change. As part of the preparations, Lindab this year carried out scenario analysis according to TCFD (Task Force on Climate-Related Financial Disclosures) and reported in accordance with the new GRI standard (Global Reporting Initiatives). Since 2009, Lindab has applied the GRI's guidelines for reporting sustainability information.

Lindab's consolidated performance data reported for the sustainability area includes the parent company Lindab International AB and all subsidiaries. The subsidiaries are included in the accounts for their first full year of activity as part of the Group. The table below shows the companies included in the reporting for 2022.

The emissions and energy reporting is in accordance with the Greenhouse Gas Protocol and Lindab applies the method operational control. This method means that emissions attributed to the reporting organisation are based on its influence of the respective business activity. If exceptions are made, they are described and explained in accordance with the principle of completeness. Acquisitions, divestments and closed units are handled according to the guidelines, which means that figures for historical performance are recalculated. Acquired companies' emissions data are added to the base year, while divested companies are subtracted from the base year. Any closed units are a continuing part of the targets and the base year, according to internationally accepted rules.

This year's sustainability report, which refers to the calendar year 2022, has been prepared in accordance with GRI Standards 2021. The references in the attached GRI index refer to pages in the annual report and for certain material issues, clarifying comments are provided. The report has not been reviewed by a third party.

Company	Domicile	Company	Domicile
Lindab AB ¹⁾	Båstad, Sweden	Spiral Helix Inc. ^{2) 3)}	Chicago, IL, USA
Lindab Sverige AB ^{2) 3)}	Båstad, Sweden	Lindab SRL ^{2) 3)}	Ilföv, Romania
Crenna Plåt AB ^{2) 3)}	Enköping, Sweden	Lindab Kft. ^{2) 3)}	Biatorbagy, Hungary
Borgmästarjorden AB ⁵⁾	Enköping, Sweden	Lindab AS ^{2) 3)}	Oslo, Norway
Ekorent AB ^{2) 3)}	Vellinge, Sweden	Aer Faber AS ^{2) 3)}	Spydeberg, Norway
Fastighetsbolaget EKO1 AB ⁵⁾	Vellinge, Sweden	H.A. Helgesen & Sønner AS ^{2) 3)}	Eidsnes, Norway
Fastighetsbolaget EKO2 AB ⁵⁾	Vellinge, Sweden	Lindab Sp. z o.o. ^{2) 3)}	Wieruchow, Poland
Alig Ventilation AB ^{2) 3)}	Mariestad, Sweden	Lindab S.r.l. ^{2) 3)}	Milan, Italy
Ventilationsbutiken i Mariestad AB ⁶⁾	Mariestad, Sweden	MP3 S.r.l. ^{2) 3)}	Milan, Italy
Lindab Steel AB ^{3) 4)}	Båstad, Sweden	Lindab N.V. ^{2) 3)}	Ghent, Belgium
Lindab Ventilation AB ³⁾	Båstad, Sweden	Lindab A/S ^{2) 3)}	Haderslev, Denmark
Lindab Profil AB ³⁾	Båstad, Sweden	Klimatek Ventilationsmateriel AS ^{2) 3)}	Skive, Denmark
KAMI, Kalix Mekaniska Industrier AB ^{2) 3)}	Kalix, Sweden	Lindab GmbH ^{2) 3)}	Bargteheide, Germany
Profilplåt i Sverige AB ^{2) 3)}	Sundsvall, Sweden	Lindab N.V. ^{2) 3)}	Ghent, Belgium
Lindab s.r.o. ²⁾	Prague, Czech Republic	Lindab AG ^{2) 3)}	Otelfingen, Switzerland
Lindab Sales s.r.o. ³⁾	Prague, Czech Republic	Tecnovent SA ^{2) 3)}	Bioggio, Switzerland
Lindab SRL ^{2) 3)}	Ilföv, Romania	Lindab Ltd ^{2) 3)}	Northampton, UK
U-nite Fasteners Technology AB ^{2) 3) 4)}	Uddevalla, Sweden	Ductmann Ltd ^{2) 3)}	Dudley, UK
Lindab Fastigheter AB ⁵⁾	Båstad, Sweden	Lindab France S.A.S. ^{2) 3)}	Montluel, France
Lindab SIA ²⁾	Rīga, Latvia	Lindab (IRL) Ltd ²⁾	Dublin, Ireland
Lindab AS ^{2) 3)}	Harju Maakond, Estonia	A.C. Manufacturing Ltd ^{2) 3)}	Dublin, Ireland
Oy Lindab Ab ^{2) 3)}	Espoo, Finland	Smofir Trading Ltd. (Thor Duct) ²⁾	Dublin, Ireland
Lindab s.r.o. ²⁾	Prague, Czech Republic	Lindab a.s. ^{2) 3)}	Jamnik, Slovakia
Lindab Sales s.r.o. ³⁾	Prague, Czech Republic		
Spiro International S.A. ^{2) 3)}	Bösingen, Switzerland		
Spiro Sweden AB ⁷⁾	Båstad, Sweden		

- 1) Group functions
- 2) Sales company
- 3) Production company
- 4) Sourcing company
- 5) Property company
- 6) Dormant company
- 7) Development company

GRI content index

Contact: Lindab's Group Sustainability Manager

Statement of use	Lindab has reported in accordance with the GRI Standards for the period 1st of January 2022 to 31st of December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI standard/other source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	32-33, 50-51, 76, not 35, 136			
	2-2 Entities included in the organisation's sustainability reporting	148			
	2-3 Reporting period, frequency and contact point	6, 148			
	2-4 Restatements of information	148			
	2-5 External assurance	162			
	2-6 Activities, value chain and other business relationships	4-5, 22-29, 36-37			
	2-7 Employees	112	Lindab reports the average number of employees (FTE) per country as well as changes in the number of employees adjusted for acquisitions and disposals. Other data points are missing.	Information unavailable/incomplete.	Lindab needs to implement methods for measurement.
	2-8 Workers who are not employees	—	All points.	Information unavailable/incomplete.	Lindab needs to implement methods for measurement.
	2-9 Governance structure and composition	52-63	"Competencies that are relevant to the organisation's impact. Representation of stakeholders."	Information unavailable/incomplete.	Lindab will review the possibilities of reporting this data.
	2-10 Nomination and selection of the highest governance body	53-55			
	2-11 Chair of the highest governance body	58-59			
	2-12 Role of the highest governance body in overseeing the management of impacts	54-56, 147			
	2-13 Delegation of responsibility for managing impacts	147			
	2-14 Role of the highest governance body in sustainability reporting	54-56, 147			
	2-15 Conflicts of interest	53-55, 58-59			
	2-16 Communication of critical concerns	62, 64-71			
	2-17 Collective knowledge of the highest governance body	53-55			
	2-18 Evaluation of the performance of the highest governance body	53-55			
	2-19 Remuneration policies	55, 57			
	2-20 Process to determine remuneration	55, 57			
	2-21 Annual total compensation ratio	112	CEO information is reported at the annual general meeting. Information on Group level linked to other people's salaries is missing.	Information unavailable/incomplete.	Lindab will review the possibilities of reporting this data.
	2-22 Statement on sustainable development strategy	55, 147			
	2-23 Policy commitments	56-57, 147, 158-159			
	2-24 Embedding policy commitments	56			
	2-25 Processes to remediate negative impacts	62-63, 64-67, 158, 159-160			

GRI standard/other source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
	2-26 Mechanisms for seeking advice and raising concerns	56, 62, 159–160			
	2-27 Compliance with laws and regulations	56			
	2-28 Membership associations	147			
	2-29 Approach to stakeholder engagement	145–146			
	2-30 Collective bargaining agreements	159			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	145–146			
	3-2 List of material topics	145			
Human rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	16-17, 42–44, 46–49, 57, 64–71, 146, 148, 158–159			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	42–44, 158–159			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	42–44, 158–159			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	42–44, 158–159			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	42–44, 158–159			
Ethics and compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics	56, 64–71, 146, 148, 158, 161			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	161			
	205-2 Communication and training about anti-corruption policies and procedures	56, 161	Documented training.	Information unavailable/incomplete.	Education in Lindab's policies will become part of the digital education platform Lindab Academy.
	205-3 Confirmed incidents of corruption and actions taken	161			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	161			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	12–13, 53–56, 64–71, 146			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	12–17, 76			
	201-2 Financial implications and other risks and opportunities due to climate change	64–71, 80	"The financial implications of risks and opportunities before action is taken; The costs of actions taken to manage the risk or opportunity."	Information unavailable/incomplete.	Lindab has expanded its risk analysis and included scenarios according to TCFD. Next year, further financial effects will be reported.
GRI 207: Tax 2019	207-1 Approach to tax	68			
	207-2 Tax governance, control, and risk management	68			
	207-4 Country-by-country reporting	68	The reporting is not official but is shared with relevant tax authorities.	Confidentiality constraints.	Lindab will evaluate the possibilities of reporting the information as part of the annual report.

GRI standard/other source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
Focus area 1: Increase awareness of healthy indoor air					
GRI 3: Material Topics 2021	3-3 Management of material topics	16–17, 18–20, 64–71, 146			
Lindab	Increase awareness of healthy indoor air	16–17, 18–20			
Focus area 2: Drive standardisation and legislation					
GRI 3: Material Topics 2021	3-3 Management of material topics	16–17, 20, 64–71, 146–148			
Lindab	Presence in associations and forums	20, 147			
Focus area 3: Sustainable and energy-efficient solutions					
GRI 3: Material Topics 2021	3-3 Management of material topics	16–19, 22–27, 30–31, 64–71, 146			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	22–27, 30–31, 36–37			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	161			
Lindab	Environmental Product Declarations	20, 30–31			
Focus area 4: Digital tools and technologies to optimise energy usage					
GRI 3: Material Topics 2021	3-3 Management of material topics	56, 64–71, 68, 146, 161			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	161			
Lindab	Digitalise sustainability information for products	16–17, 30–31			
Focus area 5: Circular economy with a high degree of reuse					
GRI 3: Material Topics 2021	3-3 Management of material topics	16–17, 30–31, 64–71, 146, 156–157			
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	—	Target for circularity.	Information unavailable/incomplete.	Lindab will define a circularity target I in 2023.
Focus area 6: Sustainable sourcing					
GRI 3: Material Topics 2021	3-3 Management of material topics	13, 16–17, 42–44, 56, 64–71, 146, 148, 158			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	136, 158			
Lindab	Share of suppliers that have been evaluated and reviewed based on environmental and social criteria	44, 158			
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	44, 158			
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	44, 158			
Focus area 7: Sustainable production					
GRI 3: Material Topics 2021	3-3 Management of material topics	13, 16–17, 42–44, 56, 64–71, 146, 148, 154–157			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	156–157			
	301-2 Recycled input materials used	156–157	Lindab currently measures the recycled amount for metals, but not for other types of material.	Information unavailable/incomplete.	Metals are the most common material in production. Lindab will review the possibility of measure recycled material for other types of materials in the future.

GRI standard/other source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	44, 154–155			
	302-2 Energy consumption outside of the organisation	44, 154–155			
	302-3 Energy intensity	44, 154–155			
	302-4 Reduction of energy consumption	44, 154–155			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	67, 148, 157			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	44, 154–155			
	305-2 Energy indirect (Scope 2) GHG emissions	44, 154–155			
	305-3 Other indirect (Scope 3) GHG emissions	44, 154–155			
	305-4 GHG emissions intensity	44, 154–155			
	305-5 Reduction of GHG emissions	44, 154–155			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	43, 156			
	306-2 Management of significant waste-related impacts	156	Target for circularity.	Information unavailable/incomplete.	Lindab will define a circularity target I in 2023.
	306-3 Waste generated	148, 156			
	306-4 Waste diverted from disposal	156			
	306-5 Waste directed to disposal	156			
Lindab	Significant spills	156			
Focus area 8: Sustainable transportation					
GRI 3: Material Topics 2021	3-3 Management of material topics	13, 16–17, 42–44, 56, 64–71, 146, 148, 157			
Lindab	Forklifts	157			
Lindab	Company cars	157			
Lindab	Environmental requirements for transport	—	All points.	Information unavailable/incomplete.	Environmental requirements will be published in 2023. Some of the companies have local requirements today.
Lindab	Own transports	157			
Lindab	External transports	157			
Focus area 9: Attractive employer					
GRI 3: Material Topics 2021	3-3 Management of material topics	13, 16–17, 46–49, 56, 64–71, 146, 148, 159–161			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48–49, 148, 159	Lindab reports staff turnover per gender. Staff turnover per age group is missing.	Information unavailable/incomplete.	Lindab needs to define methods to measure staff turnover per age group.
	401-3 Parental leave	46–49, 56	All points.	Information unavailable/incomplete.	Measured today as part of temporary absence. Lindab needs to define methods to separate out data for parental leave.
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	159			

GRI standard/other source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	160–161			
	403-2 Hazard identification, risk assessment, and incident investigation	160–161			
	403-3 Occupational health services	160–161			
	403-4 Worker participation, consultation, and communication on occupational health and safety	160–161	The work of formal committees.	Information unavailable/incomplete.	The work is documented at the local level. Lindab needs to implement methods for measurement.
	403-5 Worker training on occupational health and safety	48, 160–161	Employee training is not measured at Group level.	Information unavailable/incomplete.	Education is documented at the local level. Lindab needs to implement methods for measurement.
	403-6 Promotion of worker health	160–161			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	160–161			
	403-9 Work-related injuries	49, 160–161	Split result between employed and hired staff.	Information unavailable/incomplete.	Lindab will review the possibilities of reporting a more detailed result.
	GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	46–48, 159		
Lindab	Competence development	46–48, 159			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	49,112, 159			
	405-2 Ratio of basic salary and remuneration of women to men	—	All points.	Information unavailable/incomplete.	Lindab needs to implement methods for measurement.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	159			
	Lindab	Motivated employees	49, 159		
Focus area 10: Community involvement					
GRI 3: Material issues for 2021	3-3 Handling of material issues	16–17, 46–49, 56, 64–71, 146, 148			
Lindab	Community involvement	161			

Climate and environment

Lindab works actively to minimise the environmental impact from the Group's operations and products. As part of this effort, Lindab's major production units are certified according to the ISO 9001 quality management system and the ISO 14001 environmental management system. Twenty companies are certified according to the ISO 9001 Quality management system, which represents 65.1 percent of sales. Twelve companies are certified under the ISO 14001 Environmental management system, representing 53.4 percent of sales.

Lindab reports emissions and energy consumption in accordance with the Greenhouse Gas Protocol. Scope 3 accounts for more than 98 percent of Lindab's total emissions, which means that Lindab has the greatest impact on the surrounding world via its business relationships. Purchased goods are the category that accounts for the largest share of emissions, with steel contributing the most. Read more about Lindab's cooperation with steel suppliers on page 42. Also category 3.11 Use of sold products accounts for a large part of the emissions. The venti-

lation industry, like many other industries, has started a digital journey with smarter and connected products to improve energy-efficiency and the indoor climate. These products also require energy to function; however it is a very small amount in relation to the savings, read more about how Lindab's products contribute to energy-efficiency on pages 22–27. Fans, units and air conditioning that Lindab purchase and resells account for the largest share of emissions in category 3.11. The Greenhouse Gas Protocol only includes the emissions from the products, and it is therefore not possible for Lindab to report energy savings as part of scope 3. Lindab's current emission target cover scope 1 and 2, with the base year 2019. When the targets were adopted in 2021, 2020 was chosen as the base year for due to the pandemic. The base year will be adjusted and include also scope 3 when Lindab adopts verified targets according to SBTi. The table on the next page shows a first result of Lindab's scope 3 emissions, calculations will be reviewed by third parties and improved in the coming years to be more detailed and specific.

Cont. Climate and environment

Lindab reports according to operational control, which means that some emissions and energy previously included in calculations are now excluded. A recalculation of Scope 2 emissions has been made based on new information on origin-certified electricity, resulting in higher emissions for historical years. In addition, some inputs have been adjusted due to inaccuracies in previous reporting. Emissions data and resource consumption of newly acquired companies have also been added for previous years, and divested companies have been removed. More

information on acquisitions and divestments can be found on page 40–41. Emission factors used in the calculations have been taken from external and recognised sources such as GaBi, Ecoinvent, Association of Issuing Bodies, Swedish Environmental Protection Agency, DEFRA, Energiföretagen, and Network for Transport Measures (NTM). In some cases, supplier-specific data has been used from certificates or Environmental Product Declarations (EPDs).

Greenhouse gas emissions and energy consumption

(GRI 305-1, 305-2, 305-3, 305-4, 305-5, 302-1, 302-3, 302-4)

Scope 1, 2 and 3. Absolute emissions are given in tons of CO ₂ e and intensity in tons CO ₂ e per million krona in sales	2022		2021		2020		2019	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Scope 1								
Includes energy combustion, refrigerants, fuel for company cars and other vehicles owned or controlled								
Direct emissions*	7,792	0.7	8,167	0.9	8,208	0.9	10,063	1.0
Biogenic emissions	643	0.1	653	0.1	343	0.04	347	0.04
Scope 2								
Includes electricity and district heating								
Market-based method	8,402	0.8	8,772	0.9	8,915	1.0	9,283	0.9
Location-based method	5,638	0.5	5,917	0.6	6,532	0.7	6,844	0.7
Scope 1+2 (market-based)	16,195	1.5	16,939	1.8	17,123	1.9	19,346	2.0
Scope 1+2 (location-based)	13,431	1.2	14,084	1.5	14,740	1.6	16,907	1.7
Scope 3								
Includes all other indirect emissions								
1. Purchased goods and services	666,855	62						
2. Capital goods	2,125	0.2						
3. Fuel and energy-related activities	17,401	2						
4. Upstream transportation and distribution	3,302	0.3						
5. Waste generated from own operations	1,870	0.2						
6. Business travel	3,652	0.3						
7. Employee commuting	2,420	0.2						
8. Upstream leased assets	Not relevant							
9. Downstream transportation and distribution	4,661	0.4						
10. Processing of sold product	41,159	4						
11. Use of sold product	361,418	34						
12. End of life treatment of sold products	3,497	34						
13. Leased assets	Not relevant							
14. Franchise	Not relevant							
15. Investments	Not relevant							
Scope 3	1,108,361	103						
Scope 1+2+3 (market-based)	1,124,556	105						
Scope 1+2+3 (location-based)	1,121,792	104						

* Emissions from owned or fully controlled trucks for 2019 and 2020 are assumed to be the same as for 2021 due to the lack of data. Direct emissions for 2022 under the old calculation method, which excluded other owned or controlled vehicles, total 0,496 kg CO₂e/SEK million compared to 0,825 kg CO₂e/SEK million.

Scope 1 and 2 change, %	2022		2021		2020	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Scope 1						
Compared to 2019	-23	-29	-19	-15	-18	-11
Compared to previous year	-5	-16	-1	-5	-18	-11
Scope 2 (market-based)						
Compared to 2019	-9	-17	-6	-1	-4	4
Compared to previous year	-4	-16	-2	-6	-4	4
Scope 1+2 (market-based)						
Compared to 2019	-16	-23	-12	-9	-11	-4
Compared to previous year	-4	-16	-1	-5	-11	-4

Scope 1: direct emissions that occur in the own operations.

Scope 2: indirect emissions from the production of purchased electricity, steam, heat and cooling consumed by the company.

Scope 3: all other indirect emissions that occur in a company's value chain but which the company does not own or control.

Cont. Climate and environment

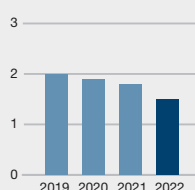
Direct and indirect energy. Absolute values are given in MWh, and intensity, in MWh per million krona in sales. Includes energy consumption at Lindab's sites. Operational control is not applied.

	2022		2021		2020		2019	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Direct energy								
Natural gas	15,322	1.4	17,804	1,9	17,863	2.0	19,164	1.9
Diesel ¹⁾	2,136	0.2	2,939	0,3	2,939	0.3	2,939	0.3
Gasoline ¹⁾	10	0.001	498	0,1	498	0.1	498	0.1
LPG	229	0.02	414	0,04	562	0.1	1,790	0.2
Fuel oil	271	0.03	542	0,1	414	0.05	1,237	0.1
Biogas	2,991	0.3	3,197	0,3	1,724	0.2	1,744	0.2
Biodiesel	20	0.002	20	0,002	0	0	0	0
Renewable	3,011	0.3	3,217	0,3	1,724	0.2	1,744	0.2
Non-renewable	17,967	1.7	22,198	2,3	22,278	2.5	25,629	2.6
Total direct energy	20,978	1.9	25,415	2,7	24,002	2.6	27,373	2.8
Indirect energy								
Electricity renewable	20,421	1.9	20,226	2.1	18,001	2.0	17,156	1.7
Electricity non-renewable	21,942	2.0	22,349	2.4	23,464	2.6	2,4055	2.4
District heating renewable	6,279	0.6	5,041	0.5	4,516	0.5	4,213	0.4
District heating non-renewable	3,746	0.3	2,748	0.3	2,868	0.3	2,836	0.3
Renewable	26,700	2.5	25,267	2.7	22,517	2.5	21,368	2.2
Non-renewable	25,688	2.4	25,097	2.7	26,332	2.9	26,891	2.7
Total indirect energy	52,387	4.9	50,364	5.3	48,850	5.4	48,259	4.9
Total energy consumption (direct + indirect)	73,365	6.8	75,780	8.0	72,852	8.0	75,632	7.7

1) Figures for diesel and gasoline in 2020 and 2019 also include consumption by company cars. As the data cannot be separated, the same values have been assumed as for 2021.

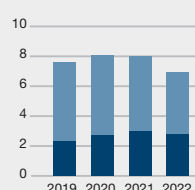
	2022		2021		2020	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Direct and indirect energy change, %						
Direct energy						
Direct energy: renewable						
Compared to 2019	73	58	84	93	-1	8
Compared to previous year	-6 ²⁾	-18 ²⁾	87	79	-1	8
Direct energy: Non-renewable						
Compared to 2019	-30	-36	-13	-10	-13	-5
Compared to previous year	-19	-29	0	-4	-13	-5
Direct energy						
Compared to 2019	-23	-30	-7	-3	-12	-5
Compared to previous year	-17	-27	6	2	-12	-5
Indirect energy						
Indirect energy: Renewable						
Compared to 2019	25	15	18	23	5	15
Compared to previous year	6	-7	12	8	5	15
Indirect energy: Non-renewable						
Compared to 2019	-4	-12	-7	-3	-2	7
Compared to previous year	2	-10	-5	-9	-2	7
Indirect energy						
Compared to 2019	9	0	9	9	1	10
Compared to previous year	4	-9	3	-1	1	10
Total energy consumption (direct + indirect)						
Compared to 2019	-3	-11	0	5	-4	5
Compared to previous year	-3	-15	4	0	-4	5

2) The units using renewable energy were the ones that made the greatest energy savings in 2022, hence a reduction compared to 2021.

CO₂e emissions

Lindab's CO₂e emissions decreased by 23 percent to 1.5 tonnes per million krona in sales from 2019 to 2022.

Energy consumption



Lindab's energy consumption decreased by 11 percent per million krona in sales from 2019 to 2022.

Scrap and waste

(GRI 306-1, 306-2, 306-3, 306-4, 306-5)

Lindab works actively to reduce all types of waste, with a special focus on scrap, hazardous waste and landfill. Waste must be seen as a valuable resource in terms of natural resources and biodiversity. In Lindab's operations, most scrap and waste is generated during the processing of steel in the production.

The majority of Lindab's products generate little or no waste during the installation phase. Part of Lindab's supplier evaluation concerns waste management to ensure that resources are used in the best possible

way throughout the value chain. Read more about Lindab's work for a more circular value chain on page 36-37.

Lindab measure and calculate emissions for waste according to the Greenhouse Gas Protocol and the Waste-Type-Specific method in the following categories: reuse, recycling, incineration with energy recovery, landfill, hazardous waste and composting. The data is shared by the suppliers that manage and dispose Lindab's waste, which also ensures that the waste is handled correctly. Lindab works closely with waste suppliers to reduce waste and improve sorting and management.

Metal scrap. Absolute values are given in tons, and intensity, in tons per million krona in sales

	2022		2021		2020		2019	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Scrap from own operations	15,223	1.4	17,054	1.8	17,099	1.9	17,478	1.8

Metal scrap change in scrap, %

	2022		2021		2020	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Compared to 2019	-13	-20	-2	2	-2	6
Compared to previous year	-11	-22	-0.3	-4	-	-

Waste. Absolute values in tons

	2022	2021	2020
Reuse	1,288	1,439	1,243
Recycling	1,675	1,687	1,550
Incineration (energy recovery)	1,544	1,597	1,617
Landfill	1,532	1,761	1,689
Hazardous waste	574	545	639
of which recycling	174		
of which electronics	10		
Composting	57	83	38
Waste from own operations	5,382	5,673	5,532

During the reporting period, there were no spills of hazardous substances that could harm people, land, water or biodiversity.

Lindab works in many different ways to reduce waste. Lindab's factories actively work with substitution, where substances and materials that generate hazardous waste are replaced with better alternatives. In 2022, Lindab in the UK, among others, switched to a biologically degradable cutting fluid. Lindab's sandwich panel factory in Luleå is currently evaluating a take-back system with the insulation supplier. Mineral wool shavings are sent back to the supplier to become new insulation; a first test delivery has been sent. KAMI and the paint supplier Beckers Sweden have jointly developed a circular system for residual paint. The residual paint is returned to Becker's lab, where the color and consistency are adjusted and preserved for the next batch that KAMI orders. A batch of 5,000 liters of paint contains approximately 1,000 liters of recycled residual paint.

Use of materials

(301-1, 302-1, 303-1)

The table lists Lindab's most common raw and packaging materials purchased from external suppliers and used to produce and deliver products. The values are based on both assumptions and direct measurements. Assumptions are based on averages from other direct mea-

asures or sales and sourcing statistics. In addition to the above, Lindab also source components that are included in the products, as well as finished products that are further distributed. For emissions related to purchased goods and services, see page 154.

Raw material. Absolute values in tons

	2022	2021
Metal, tons	158,656	142,197
Insulation, ton	11,355	9,968
Rubber, tons	1,088	1,298
Plastic, tons	273	
Oils, tons	7	7
Paints, tons	86	81
Solvents, tons	14	14
Raw material consumption in own operations	171,479	153,565

Packaging material. Absolute values in tons

	2022	2021
Cardboard, paper	3,048	3,434
Plastic	612	746
Wood	10,562	13,223
Metal	312	449
Consumption of packaging materials in own operations	14,534	17,852

The cardboard boxes that Lindab uses to package products are either reused or made of recycled material.

Lindab works to increase the proportion of recycled raw materials in different material types. Requirements per material type will be defined in Lindab's upcoming material guide. The average share of scrap per metal type is presented below. Scrap is a shortage on the market and is therefore only available in limited quantities. Studies show that steel consumption in 2050 will originate from 50 percent scrap and 50 percent virgin material. Lindab work with suppliers to increase the amount of scrap in purchased steel. From 2023, Lindab will offer products in decarbonised steel with approximately 70 percent lower climate impact

than traditionally manufactured steel. The material consists mostly of recycled steel, at least 75 percent, and is produced with 100 percent renewable energy.

Recycled material in steel, share, %	Market average	Purchased material mix
Steel: painted, galvanised, zinc-magnesium, etc.	20	98
Aluminum	60	2
Stainless	75	1
Copper	97	0.1

Biodiversity

(GRI 304-1)

Biodiversity plays a crucial role in the fundamentals of nature, such as pollination and purification of air and water. Lindab strives to limit the impact of its products throughout their life cycle. The phase in the value chain that affect the most is the development and design phase. Lindab's forthcoming materials guide will set out more detailed and stringent requirements for all materials and components that Lindab works with.

Lindab has a relatively small impact on biodiversity in terms of direct operations. The majority of Lindab's production units do not normally fall under specific environmental regulations or permits. The companies report to the regulatory bodies in each country in accordance with local regulations. In Sweden, environmental permit is required for the production unit in Grevie. The permit relates to the facility where metalworking is performed mechanically and where the total tank volume for oils in the metalworking machines is greater than 20 m³. On the other hand, there are major biodiversity impacts in the value chain, with the mining industry being a contributing factor. Lindab therefore welcomes and supports initiatives such as Mining with Nature, a roadmap for biodiversity developed by LKAB, SweMin and Boliden, among others. Companies in the Swedish mining industry must make a net-positive contribution to biodiversity by 2030 in all areas where they operate.

Lindab identifies whether activities are carried out in the vicinity of protected areas. Lindab has operations in 20 countries and 170 locations, two of which are close to protected areas. The factory in Hungary is located near the Érd-Tétényi plateau. In Uppsala, one of the operations is located near the Gullmarsfjorden and Bredmossen. Both sites have manufacturing operations that are considered to have a low risk of adversely affecting the surroundings. Environmental impact assessments have been carried out, and the necessary measures have been taken to minimise the risk of impact. Lindab conducts operations where there are traces of soil contamination. There is most likely an area under the former production hall in Grevie that is contaminated, but the levels found do not require any measures with the current operations. The company follows a control program for monitoring the contamination.

Transportation

Lindab is working to convert both its own fleet and external upstream and downstream transportation. Upstream transportation refers to transport from the supplier to Lindab and between Lindab's different operations. Downstream transport refers to transport from Lindab to the customer.

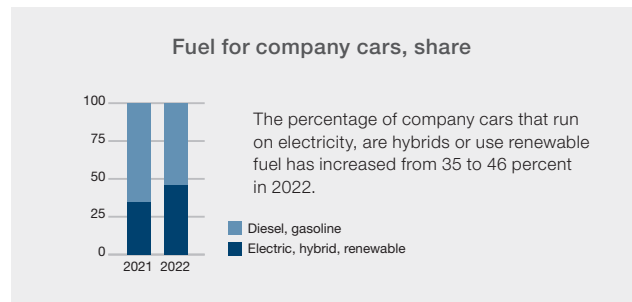
Company cars are to run on electricity or renewable fuel by 2030, and other transport in the value chain by 2040. Bulky products are being moved from central to regional units to be closer to the customer and reduce the need for transport.

Transportation is one of Lindab's largest sources of emissions. It is challenging to collect specific data on transports. In 2021 and 2022, data was collected for Lindab's own or fully controlled trucks and external upstream and downstream transportation. For 2022, more data has been collected from all companies, making it difficult to compare the results with the previous year.

Fuel consumption and emissions for 2022 are based on both assumptions and direct measurements. Assumptions are based on averages from other direct measures or sales and sourcing statistics. Where specific data are lacking, non-renewables are assumed on a precautionary basis. In 2022, 1 percent renewable fuel or electricity was used in Lindab's own or fully controlled trucks. For external upstream and downstream transport, the share of km transported by train, boat or truck using renewable fuel is 12 percent.

Part of Lindab's upcoming environmental requirements for carriers will both clarify how we will work together to reduce emissions and specify more clearly the type of data that needs to be reported. Many suppliers are already leaders in this field, while others have some way to go. An adapted self-assessment questionnaire for the supplier evaluation of carriers was developed during the year, to further enable cooperation.

Forklifts and company cars, share, %	2022	2021
Forklifts that run on electricity or renewable fuels	90	90
Company cars that run on electricity, are hybrids, or use renewable fuel	46	35



Sustainable sourcing

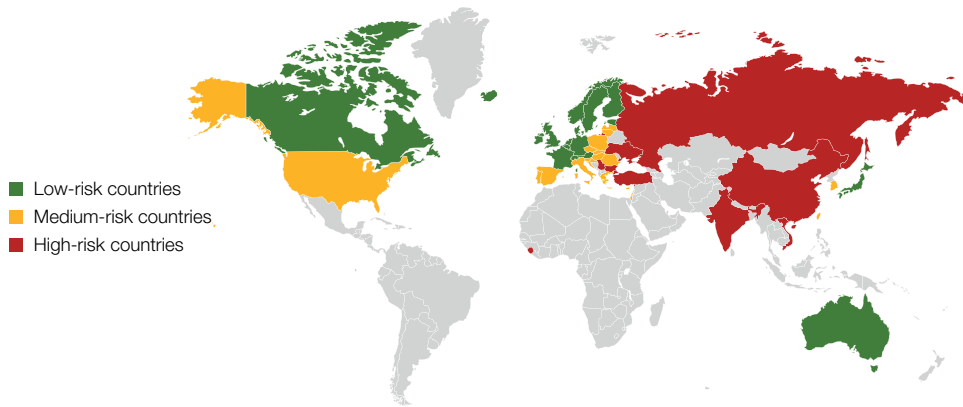
(GRI 204-1, 308-2, 403-7, 407-1, 408-1, 409-1, 411-1, 414-2)

Lindab’s supplier evaluation method follows the due diligence process and consists of three steps: 1. signing of the Lindab supplier principles, 2. self-assessment form and 3. on-site audit if the supplier is located in a high-risk country. The evaluation is adapted according to the risk classification of the supplier. Areas considered in the evaluation are quality, environment, safety and health, business ethics, anticorruption, human rights such as forced labor, freedom of association and child labor. For suppliers in high-risk countries, all suppliers with a minimum sourcing.

value of EUR 25,000 are reviewed, and for low and medium-risk countries, the minimum is EUR 100,000. In addition, strategic suppliers are reviewed even if they have a lower sourcing value.

Lindab uses The Corruption Perceptions Index (CPI) to determine risk. More aspects will be added to the risk classification in the future, such as more indexes but also type of industry. This is to determine where a deeper analysis than first tier suppliers is needed.

Risk assessment of the countries where Lindab has suppliers.



In order to be classified as certified, the supplier must have passed all steps of the evaluation. As part of the evaluation, Lindab shares a corrective action plan to assist suppliers with information on how to improve their quality and sustainability work. No certified supplier has major risks remaining.

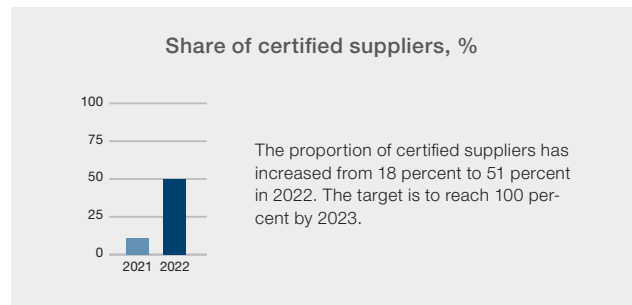
there have been no incidents that have offended indigenous people. Two findings have led to actions beyond the corrective action plan in 2022. A supplier in a high-risk country has not accepted an on-site audit by either Lindab or an independent third party. This means that Lindab cannot ensure that the supplier is compliant with the requirements of the Code of Conduct despite high scores in the first part of the evaluation. Lindab is now looking at how to replace the supplier as soon as possible. Another supplier is not willing to sign the Lindab Supplier Principles and cannot present its own Code of Conduct that meets Lindab’s requirements. Discussions are ongoing with the supplier to find a solution, as they received good results in the first part of the evaluation.

Share of local purchases in relation to total sourcing volume, %	2022
Local sourcing	88
Other sourcing	12
Total	100

Local sourcing refers to purchases from suppliers in countries where Lindab has operations.

Risk distribution for purchase volume, %	2022	2021
Low-risk countries	78	75
Medium-risk countries	19	22
High-risk countries	3	3
Total	100	100

Lindab works to reduce the risk of negative impacts. The biggest risk lies in the supply chain. When incidents are detected, they are communicated to an advisory group, which is responsible for deciding on direct action and remediation. No other findings have been found that have required Lindab to take any action other than submitting a corrective action plan, which has since been approved. To Lindab’s knowledge,



Certified suppliers as a percentage of purchasing volume, %	2022				2021			
	Low risk	Medium risk	High risk	Total	Low risk	Medium risk	High risk	Total
Suppliers who have adopted the Lindab Supplier Principles or with a code of conduct approved by Lindab	89	76	84	86	13	22	44	16
Certified suppliers	55	36	26	51	7	21	26	11

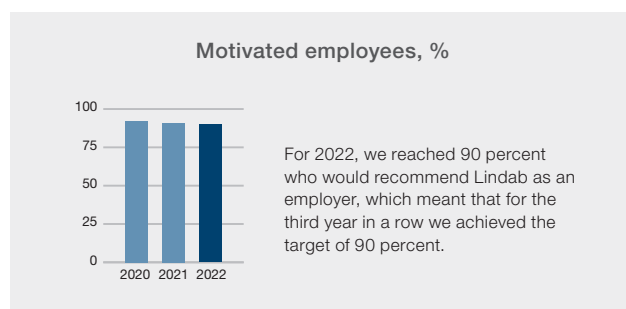
76 percent of total purchasing volume falls within the scope of the supplier evaluation.

Attractive employer

Lindab is dependent on being able to attract, develop and retain competent employees. Lindab strives to offer a modern and flexible workplace that also is fair, safe and inclusive. Read more about Lindab's efforts to be an attractive employer on page 48.

To measure how attractive Lindab is as an employer, regular pulse surveys are carried out. The survey increases the opportunities to make Lindab even better as an employer and as a business. Lindab's Pulse Survey was conducted twice in 2022. All subsidiaries carried out a measurement in the autumn and could also choose to carry out an additional measurement in the spring. The survey is voluntary and anonymous. The response rate was slightly lower in 2022 compared to 2021, but the number of employees who are very satisfied is higher than in previous years.

Motivated employees, share, %	2022	2021	2020
Response rate pulse measurement	47	55	41
Motivated employees	90	91	92



Human rights

(GRI 407-1, 408-1, 409-1, 411-1)

Lindab has no operations of its own in high-risk countries according to the risk assessment applied to suppliers; see page 158. Lindab operates in countries where collective agreements are not permitted, but by applying the OECD Guidelines for Multinational Enterprises and the UN's Ten Guiding Principles in all our operations, we work for the rights of all employees. In the coming years, Lindab will evaluate all of its own operations in accordance with the requirements of Corporate Sustainability Due Diligence, CSDD. During the year, zero human rights violations were reported in Lindab's own operations.

Competence development

(GRI 404-2, 404-3)

Lindab strives to offer every employee the opportunity to develop to their full potential. White-collars are offered annual employee reviews to discuss performance and job satisfaction, define areas for improvement and personal goals. For blue-collars, performance and development reviews are offered every two years. Training and career development is an important part of these reviews, where needs are identified based on the wishes of the individual and the company in order to meet future challenges in the best possible way. All new employees are offered introductory training and must have a personal introduction plan. Lindab offers summer jobs in offices and industrial plants, which provides a good and important base for Lindab's supply of skilled employees, while offering young people work experience.

Percentage of employees who have had a performance and development review, %

	2022	2021	2020
White-collar	86	92	51
Blue-collar	29	39	50

Staff turnover

(GRI 401-1, 401-2, 401-3, 402-1)

Staff turnover	2022	2021	2020
Number who left during the year:			
Retirement	17	51	64
Termination	98	244	220
Voluntary	296	170	305
Total	411	465	589
Staff turnover, %	9.3	14.4	12.1
Staff turnover, voluntary, %	6.7	6.8	6.2

About 50 percent of employees are covered by collective agreements. Conditions for employees not covered by collective agreement are determined by local legislation and formulated in the employment contract.

Information on significant organisational changes is usually communicated in good time to representatives or directly to the employee whose employment is significantly affected. Lindab complies with local legislation and/or collective agreements.

Diversity and equal opportunities

(GRI 405-1, 406-1)

Lindab strives to offer modern and flexible workplaces that are fair, safe and inclusive. Lindab aims to have the same percentage of women and men in senior management positions as in the company as a whole by 2030.

Gender distribution, %	2022		2021		2020	
	Women	Men	Women	Men	Women	Men
Group	22	78	21	79	24	76
Managerial responsibility	19	81	18	82	19	81
Local management groups	26	74	22	78	—	—
Group management team	13	87	11	89	20	80
Board of Directors, elected by the General Meeting	43	57	43	57	43	57
Board of Directors, employee representatives	0	100	0	100	0	100

Figures in the table above are based on Note 6. For the breakdown of women and men by country, see Note 6.

Lindab has zero tolerance for all forms of harassment and discrimination. The Code of Conduct and the Equal Treatment Policy set out how Lindab address these issues. Each company is responsible for preventing discrimination and harassment. They are also responsible for addressing the situations that arise. None of the cases reported to the whistleblowing system were tied to discrimination.

Whistleblower system

Lindab's long-term success is based on doing business fairly and ethically. This is described in our Code of Conduct and other Lindab policies. Lindab has a whistleblower system, WhistleB, in place to increase

Cont. Attractive employer

accessibility for all employees to be able to anonymously report issues/irregularities in the operations. The system allows anonymous messages and dialogues and can be accessed from any device. Each year, employees are reminded of the existence and availability of the whistleblower system, and all new employees are briefed on the system.

Only the persons in charge of the whistleblower system, i.e., the respective company's chairman of the board and an external lawyer, have access to messages received through the whistleblower channel. Their activities are logged and the handling is confidential. If necessary, people who bring expertise can be included in the investigation. These persons will have access to the relevant data and commit themselves to confidentiality. The guidelines and the system comply with applicable directives and local legislation.

Reports received:	12
Reports that meet the whistleblower guidelines:	2
Reports leading to disciplinary action:	1
Disciplinary measure:	mutual termination

Health and safety

(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-9)

Lindab has a zero vision for occupational injuries and has a policy for health and safety. Involving employees creates a working environment that promotes safety, fosters positive cooperation and encourages job satisfaction. The work is led by the Group Health and Safety Manager together with the relevant managers from each subsidiary.

All operations have implemented reporting systems for health and safety that covers all employees. Incident and accident reporting is fundamental to Lindab's work and should be seen as part of daily operations. Two companies, Lindab Romania and AC Manufacturing in Ireland, have certified management systems. Several companies now have their own

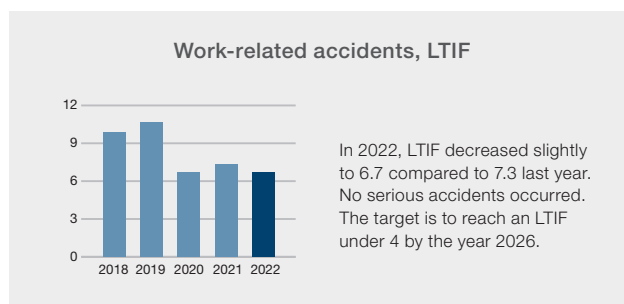
management systems and are preparing for certification. Lindab has no certification requirement for companies, but sees good effects and results from the work being carried out today.

All companies work according to the principle: Plan-Do-Check-Act, identifying hazards and assessing health and safety risks in the workplace on an ongoing basis. Responsible persons in the companies have been trained in how risk assessments are carried out and how identified risks are to be dealt with according to the method Hierarchy of controls. Identified risks should be eliminated in the first place, if it is not possible other options such as reducing the risk, introducing controls and the use of protective equipment are possible. The severity of a risk is determined using a matrix developed to take into account probability and severity. All employees have the right to interrupt their work if they consider the situation to be too dangerous. In addition, it is each employee's responsibility to follow instructions and identify risks to minimise workplace accidents. All machinery in the company will be systematically risk assessed in 2023/2024. In 2022, 29 percent of all machines had been risk assessed.

Lindab uses an incident and accident reporting system. All employees have a responsibility to report when something is unsafe or when an accident occurs. By working proactively to identify and manage unsafe situations, accidents can be prevented. All companies have specific targets for incident reporting. Reported incidents are handled similar to risks according to the Hierarchy of controls. The risk management system can be used for safety inspections and risk assessments. Each manager is responsible for having up-to-date risk assessments and safety inspections in their department. Safety representatives or other relevant employees are involved in the work. The countries with the most work-related accidents in relation to the number of hours worked are the Netherlands and Hungary. Denmark and the Czech Republic have the highest number of work-related accidents.

Work accidents, employed and temporary staff

	2022		2021	
	Number	Frequency	Number	Frequency
Number of incidents reported	8,702	–	7,218	–
Work-related accidents resulting in death	0	0	0	0
High-consequence work-related accidents (excluding fatalities)	0	0	0	0
Recorded workplace accidents with medical treatment NLTA (No Lost Time Accident) + LTA (Lost Time Accident)	114	13.2	125	14.7
Work-related lost work time accidents: number = LTA (Lost Time Accident), frequency = LTIF (Lost Time Injury Frequency Rate)	58	6.7	62	7.3
Number of hours worked	8,665,559	–	8,527,623	–



Cut injuries are the most common accident for both employed and temporary staff. There were no accidents linked to transport coordinated by Lindab for employees during the year.

All companies in the Group have implemented incident and accident reporting systems. No accidents resulting in more than 6 months of absence were reported in 2021 and 2022.

Lindab has an ongoing investment program where several improvements have been made in production to increase safety. Old machines have been replaced and dangerous tasks, and repetitive work have been automated. Lindab works with continuous information campaigns to increase awareness and knowledge among employees. Read more about examples of investments on page 38. All new employees receive a general introduction and safety briefing, as well as additional training related to their specific tasks. When processes change, new training sessions are held with all those concerned. Training is documented to

enable follow-up. In 2023, safety training will be included in the Lindab Academy, that the subsidiaries can access.

Lindab works to strengthen the conditions for health from three perspectives: promote, prevent and remedy/rehabilitate. Health care is offered to employees to inspire them to maintain, change and/or improve their personal health, to show the importance of balance in life and to underscore the employee's own responsibility for their health. Each subsidiary is responsible for providing wellness services to its employees. In Sweden, where Lindab has the largest share of employees, Lindab is working with Falck. They offer services for sick leave and advice from trained medical personnel, and permanent employees are offered a health and fitness allowance. If harm has already occurred, a rehabilitation plan is drawn up and adapted to each case.

Anti-corruption and antitrust

GRI 205-1, 205-2, 205-3

Lindab has zero tolerance for corruption in any form and is strongly committed to fair competition. Lindab will not act in a way that may inappropriately affect our markets. Read more about how Lindab works with policies on page 56. The anti-corruption and antitrust policy has been communicated to all companies through an established routine. Local management teams are responsible for implementing the anti-corruption and antitrust policy in their organisations. Each company is responsible for how the policy is communicated to employees. All Lindab's operations and employees must comply with applicable competition law when dealing with customers and suppliers in the value chain, as well as with competitors. If Lindab has more than a 40 percent share in a specific market, our market position must also be taken into account. Suppliers are informed and trained in anti-corruption through Lindab's supplier program.

According to Lindab's risk assessment, the risk related to competition law violations is higher than corruption, due to our leading position in several markets. Lindab uses The Corruption Perceptions Index (CPI) to assess the risk of corruption in our various businesses. Lindab currently has operations in countries classified as low or medium risk. Newly acquired companies are reviewed during the due diligence process to ensure that there are no or have been no problems with corruption or competition. Lindab carries out annual internal audits where corruption and competition are two areas that are reviewed.

Lindab has not initiated or participated in any pending or concluded legal actions regarding anti-competitive behavior and violations of antitrust and monopoly laws. For each acquisition, due diligence, or a business review, of the company is carried out.

No incidents related to corruption have occurred during the year.

Community involvement

Lindab prioritises community involvement with a clear link to Lindab's values, strategic priorities, skills, operations and geographical presence. Sustainable development is supported mainly through initiatives aimed at children and young people. In Sweden, Lindab has for several years, been part of the "Grönvit Hållbarhet" initiative in partnership with the Rögle ice hockey club in Ängelholm, Sweden, with the aim of generating employment, physical activity and inclusion for children and adults in the region. In addition, local clubs in Båstad and Ängelholm municipalities are offered to apply for sponsorship money annually to further develop their activities. Lindab in Denmark and the UK offers employees a paid day off to engage in voluntary charity work. In Denmark, eight employees used this in 2022. During the year, Lindab collected both money and supplies for Ukraine. The Polish operation has been working closely with local aid organisations to get supplies to those who need them most. In Romania, roofing products have been donated to charity projects aimed at building homes for people living in extreme poverty or renovating schools. Employees have helped to install the products.

Safe products

(GRI 403-7, 417-1)

Lindab manufactures products that are easy to install leading to efficient construction but also safer workplaces. All products comply with relevant legislation. Lindab provides the necessary documentation to enable efficient and sustainable construction. The Building Product Declarations sets out the contents of the products and guidelines for dismantling and end-of-life management of the products. Lindab reports products containing substances of very high concern to the SCIP database. Other documentation available includes data sheets, operation and maintenance, declarations according to CE marking requirements, and Environmental Product Declarations.

The forthcoming update of the EU directive Ecodesign for Sustainable Product Regulation (ESPR) includes proposals for a digital product passport. This passport covers all stages of the value chain and will be continuously updated to follow the product throughout its life cycle. Relevant, accurate and transparent information is needed to meet both legal and market demands and to ensure the sustainable management of products.

Customer data management

(GRI 418-1)

Lindab handles private customer data in accordance with current legislation and GDPR. The IS/IT and data protection policy sets out how this will be handled. No incidents related to customer data occurred during the year.

Auditor's report on the statutory Sustainability 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 statutory sustainability report for 2022 and that it has been prepared in accordance with the Annual Accounts Act. The company have defined the statutory sustainability reports extent on page 162.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and 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 opinion.

Opinion

A statutory sustainability report has been prepared.

Gothenburg, 26 March 2023

Deloitte AB

Harald Jagner

Authorised Public Accountant

Page index for Lindab's Sustainability Report in accordance with the Annual Accounts Act (1995:1554)

Subject	Policy (incl. review procedures)	Policy result	Risks and risk management	Result indicators
Environmental issues	56, 153–157	44, 153–157	64–71	13, 44, 153–157
Employees	56, 159–161	46–49, 159–161	64–71	13, 44, 153–157
Social conditions	56, 158–161	158–161	64–71	158–161
Human rights	56, 147, 158–159	56, 147, 158–159	64–71	147, 158–159
Anti-corruption	56, 161	56, 67, 161	64–71	161

For a description of Lindab's business model, see page 36–37 and 76.

ANNUAL GENERAL MEETING

Annual General Meeting

Annual General Meeting 2023

The Annual General Meeting 2023 of Lindab International AB (publ) will be held on Thursday, 11 May, 2023 at 3 p.m. at the Experience Center in Grevie, Båstad Municipality.

Registration

Shareholders wishing to attend the Annual General Meeting must be registered in the register of shareholders maintained by Euroclear Sweden AB no later than Wednesday, 3 May 2023, and must notify Lindab International AB (publ) of their intention to attend the Meeting no later than Friday, 5 May 2023.

Shareholders can register in one of the following ways:

- via the website, www.lindabgroup.com
- by calling Lindab on +46 431-850 00, or
- by post to Lindab International AB (publ),
“Annual General Meeting”, SE-269 82 Båstad, Sweden

Shareholders wishing to participate in the Meeting by postal voting must (a) be entered in the share register maintained by Euroclear Sweden AB no later than Wednesday, 3 May 2023, and (b) have registered by casting their postal votes in the manner specified in the notice to attend Annual General Meeting.

In order to attend the Meeting and exercise their voting rights, shareholders with nominee-registered shares through a bank or other nominee must request temporary registration under their own name in the share register maintained by Euroclear Sweden AB. Such registration must be completed at Euroclear Sweden AB no later than Wednesday, 3 May 2023. Shareholders must notify their bank or other trustee well in advance of this date. Only voting rights registration requested by shareholders in sufficient

time for their nominee to have completed the registration by Friday, 5 May 2023, will be taken into account in the production of the share register.

Shareholders registering their postal votes through a proxy must issue a written, dated power of attorney for that proxy. A proxy form is available on the company's website, lindabgroup.com. A power of attorney issued by a legal entity must be accompanied by a copy of the certificate of registration for that legal entity.

Reports

Reports are available in digital format and can be downloaded from our website, lindabgroup.com.

Nomination Committee

The Nomination Committee proposes the election of Board members, auditors, a chairman for the Annual General Meeting, Board fees and the composition of the Nomination Committee ahead of the 2023 Annual General Meeting.

Ahead of the 2023 Annual General Meeting, the Nomination Committee consists of:

- Thomas Ehlin, Fourth AP fund, Chairman of the Nomination Committee
- Henrik Didner, Didner & Gerge Fonder
- Anna Sundberg, Handelsbanken Fonder
- Peter Nilsson, Chairman of the Board of Lindab International AB (publ)

Financial reports during the 2023 financial year

Interim Report January–March, Q1	3 May 2023
Interim Report January–June, Q2	21 July 2023
Interim Report January–September, Q3	26 October 2023
Full-year report January–December, Q4	February 2024
Annual Report 2023	March/April 2024



Most of us spend most of our time indoors. The indoor climate is crucial for how we feel, our energy levels and whether we stay healthy.

We at Lindab have therefore made it our top priority to contribute to an indoor climate that improves people's lives. We do this by developing energy-efficient ventilation solutions and sustainable building products. We also want to contribute to a better global climate by working in a way that is sustainable for both people and the environment.

[Lindab | For a better climate](#)