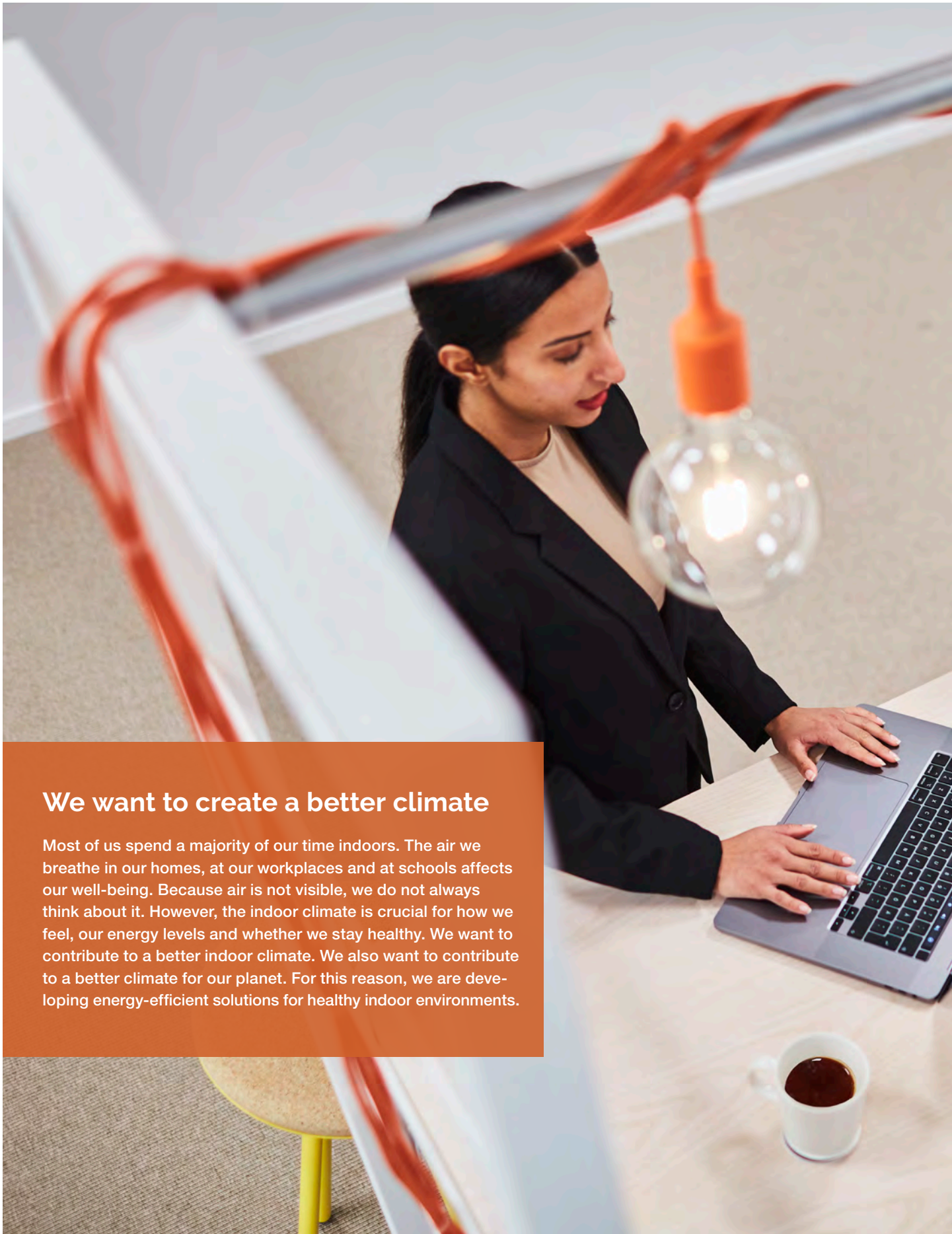


# Lindab For a better climate™

Annual Report and Sustainability Report 2021

Energy-efficient  
solutions for  
healthy indoor  
environments

 Lindab®



## We want to create a better climate

Most of us spend a majority of our time indoors. The air we breathe in our homes, at our workplaces and at schools affects our well-being. Because air is not visible, we do not always think about it. However, the indoor climate is crucial for how we feel, our energy levels and whether we stay healthy. We want to contribute to a better indoor climate. We also want to contribute to a better climate for our planet. For this reason, we are developing energy-efficient solutions for healthy indoor environments.



Lindab – For a better climate

## CONTENT

Lindab in brief	4
Development in 2021	6
A word from the CEO	8
Strategic objectives	10
Strategy	12
Market	16
Products	20
Customers and geography	26
Value chain	30
Investments	36
Acquisitions	38
Expertise	40
The share	44
Corporate governance report	47
Risks	60
The EU taxonomy	63
Financial statements	65–134
Sustainability data, GRI Index	135
Annual General Meeting	139

Unless otherwise stated, figures and comparisons in this Annual Report refer to continuing operations within Lindab, that is, excluding business area Building Systems, which was divested at the end of 2021.

*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 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 their high quality, ease of installation and environmental consideration. In northern and eastern Europe, Lindab also has an extensive range of roof and wall products, as well as rainwater systems.

## 9,648

Net sales reached SEK 9,648 m 2021.

## 1,266

Operating profit for 2021 was record high, SEK 1,266 m.

## 13.1

The adjusted operating margin increased to 13.1 percent in 2021.

About two thirds of Lindab's sales involve ventilation. We are leading the development of air-tight duct systems and were the first supplier to offer duct systems of the highest air-tightness, class D.



## 1959

For more than 60 years, Lindab has developed leading solutions that have simplified construction.

## 20

The company currently has subsidiaries in 20 countries in Europe.

## 4,549

At the end of the year, we had more than 4,500 employees in some 140 locations.



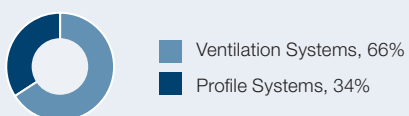
- ➔ **Growing market** driven by green transformation and an increased focus on the indoor climate.
- ➔ **Well-established brands**, high quality and extensive distribution networks.
- ➔ **Ongoing investment programs** to increase efficiency, capacity and safety.
- ➔ **Clear acquisition strategy** with acquisitions of complementary, well-managed companies.
- ➔ **Focus on results** with a decentralised organisation that works close to the customer.

#### The EU taxonomy

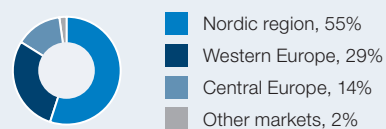
# 66%

Of Lindab's total sales, 73 percent is eligible according to the EU taxonomy, and 66 percent is aligned with the sustainability criterias for goal 1 "climate change mitigation".

#### Net sales, business area



#### Net sales, region



## DEVELOPMENT IN 2021

# Continued strong development

**DEMAND FOR LINDAB'S** products remained high during 2021 and sales increased significantly compared with the previous year. Both Ventilation Systems and Profile Systems reported high organic sales growth and improved profitability. At the end of the year, business area Building Systems was divested, as part of Lindab's strategy to focus on the core business.

## 19.6%

Currency adjusted growth

## 13.1%

Adjusted operating margin<sup>1)</sup>

## 1.0

Net debt/EBITDA

### Financial key performance indicators<sup>2)</sup>

	2021	2020	2019	2018 <sup>3)</sup>	2017 <sup>3)</sup>
<b>Continuing operations</b>					
Net sales, SEK m	9,648	9,166	9,872	9,326	8,242
Growth, organic, %	17.0	-6.0	3.1	8.3	3.7
Adjusted operating profit <sup>1) 4)</sup> , SEK m	1,266	916	915	634	511
Operating profit, SEK m	1,266	846	915	547	492
Adjusted operating margin <sup>1) 4)</sup> , %	13.1	10.0	9.3	6.8	6.2
Earnings per share before dilution, SEK	12.5	-	-	-	-
Average number of employees	4,534	5,271	5,202	5,126	5,143
<b>Total operations</b>					
Earnings per share before dilution, SEK	7.02	7.80	8.89	5.16	4.54
Dividend per share, SEK	4.00 <sup>5)</sup>	3.40	1.75	1.75	1.55
Return on shareholders' equity <sup>3)</sup> , %	9.9	11.6	14.3	9.1	8.8
Return on capital employed <sup>3)</sup> , %	11.0	11.5	13.6	9.4	8.8
Net debt/EBITDA, excl. one-off items <sup>4)</sup> , times	1.0	1.4	1.6	1.6	2.2
Cash flow from operating activities, SEK m	704	1,129	1,017	593	410

### Business areas (Continuing operations)



Key performance indicators	2021
Net sales, SEK m	6,391
Share of Group, %	66
Growth, organic, %	14
Adj. operating margin <sup>4)</sup> , %	12.9



Key performance indicators	2021
Net sales, SEK m	3,257
Share of Group, %	34
Growth, organic, %	26
Adj. operating margin <sup>4)</sup> , %	15.5

### Key performance indicators, sustainability

	2021	2020
Reduction of CO <sub>2</sub> emissions (scope 1 and 2), cf. 2019, %	-28	-5
Share of regular suppliers assessed, %	18	-
Share of renewable fuel used by Lindab's transport vehicles, %	2	-
LTIF, number of workplace accidents per m hours worked.	7.3	6.7
Share of employees recommending Lindab as an employer, %	91	90

1) Excluding one-off items and restructuring costs.

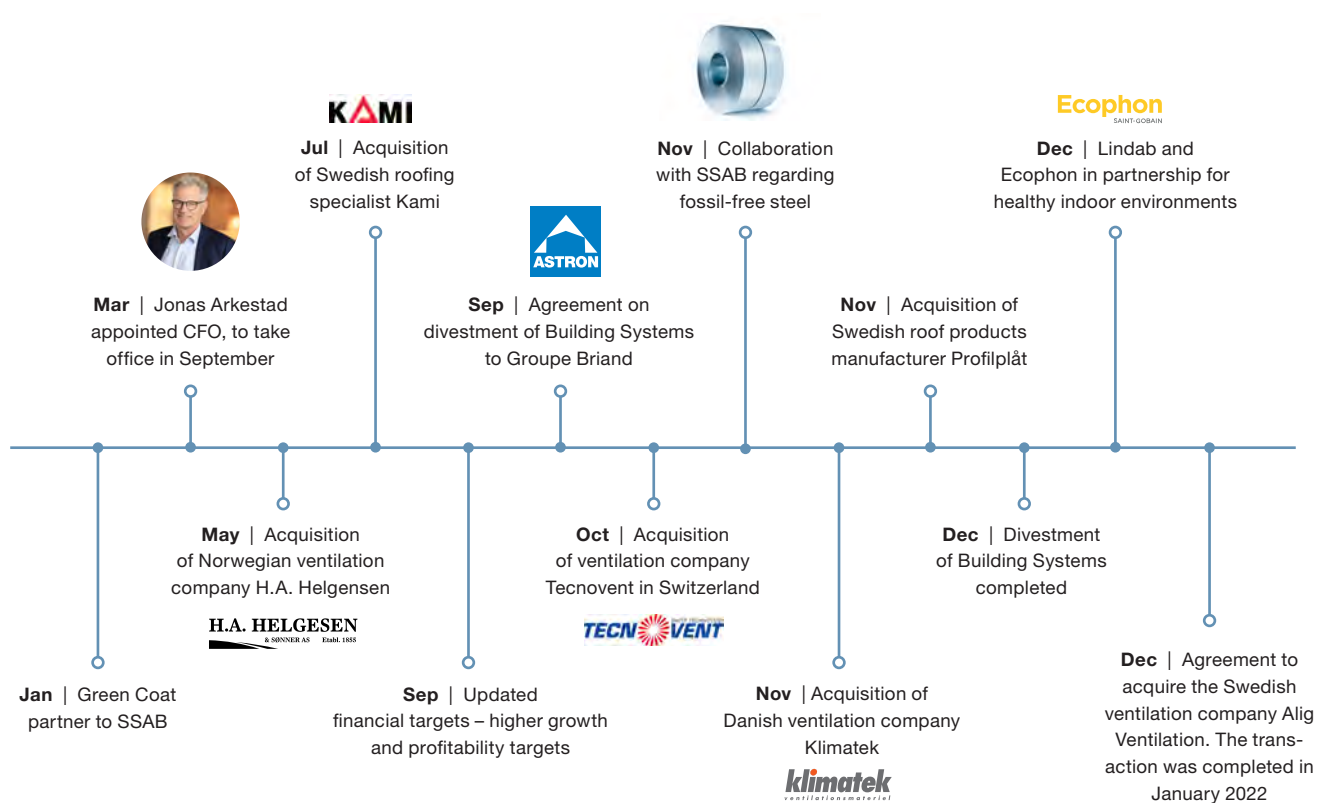
2) All key performance indicators 2017-2020 refer to total operations.

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

4) This key performance indicator is an "alternative key performance indicator" not defined in accordance with IFRS. For definition, see page 132.

5) Proposed dividend.

## Significant events in 2021



### Continuing operations:

#### Q1

The positive trends observed at the end of the previous year continued into the new year. The operating margin was the highest to date for a first quarter.

Organic growth: 3%  
Operating margin: 9.9%

#### Q2

Continued strong development with high demand in all European markets. The operating margin was the highest to date for any individual quarter.

Organic growth: 28%  
Operating margin: 13.8%

#### Q3

Demand for Lindab's products remained high and sales increased significantly. Profitability strengthened further to a new record level.

Organic growth: 19%  
Operating margin: 16.2%

#### Q4

Sales remained high during the fourth quarter of the year, reaching a new record level. Profitability also continued to improve.

Organic growth: 20%  
Operating margin: 12.1%

## A WORD FROM THE CEO

# Record profit for a transformed Lindab

## Ola Ringdahl, President and CEO

Lindab demonstrated its strength over the year, with high sales growth and strong profitability. The strategic transformation concluded with the divestment of Astron. Lindab now enters a new phase, focusing on profitable growth in the core business.

Lindab is benefiting from an increased interest in solutions that create healthy indoor environments and reduce energy consumption. Demand for Lindab's products is strong and customers have appreciated our delivery performance, especially in times when there have been shortages of steel and other materials. Thanks to Lindab's proactive pricing, the high prices for raw materials have contributed to the year's high sales figures.



*“Lindab has increased its adjusted operating margin significantly in recent years, from 6.8 percent in 2018 to 13.1 percent in 2021.”*

### Focus on the core business increases profitability

The divestment of Astron in December 2021 was an important step in a three-year strategic transformation process. In 2020, we divested IMP Klima, a manufacturer of air handling units. We have also streamlined our product portfolio and focused on fewer markets. These actions have enabled Lindab to increase our adjusted operating margin significantly in recent years, from 6.8 percent in 2018 to 13.1 percent in 2021.

### Profitable growth

The strategic transformation of the business has now been completed and Lindab is entering a new phase focused on organic and acquisition-driven growth. In September 2021, Lindab's Board of Directors decided to raise Lindab's growth target to at least 10 percent annually, combining organic and acquired growth. The adjusted operating margin should exceed 10 percent annually. Lindab is thus raising the ambition level for profitable growth.

### Focus on ventilation in Europe

Lindab's main focus is on ventilation, our largest business. We shall be the leading ventilation company in Europe, specialising in air distribution and air diffusion for all kinds of indoor environments. Today, Lindab is a market leader in ventilation ducts and sets the standard for air-tight duct systems with associated air diffusers. This constitutes a strong base for continued growth in our focused markets. Locally, we are also strong in other systems for the construction industry, particularly in Scandinavia. Lindab is concentrating its operations to selected European countries where we can reach leading positions and earnings growth.

### Acquisitions of quality companies

Acquisitions are an important part of Lindab's growth strategy. The companies we acquire might add products well suited to our range, or cover a geographic market in which we seek to be stronger. In 2021, Lindab acquired five well-managed companies with strong customer relationships.

We believe in a decentralised organisation that works close to the customer. The same philosophy applies to the acquired companies. We integrate them carefully, focusing on positive synergies and on maintaining the entrepreneurship that has made these companies successful.





### Investment strengthens Lindab

Lindab is highly knowledgeable in advanced production methods and we have, since 2019, been pursuing an ambitious investment program that will continue for another three years. Increased automation ensures higher capacity, more efficient production and smarter logistics. This contributes to strengthened competitiveness and the opportunity to grow organically with good profitability. The investments also contribute to a safer work environment. The payback period on our investments is short and we are already observing clear efficiency gains that are helping to strengthen our profitability.

### Lindab – for a better climate

Sustainability is a core component in Lindab's strategy, pushing our operations to the next level. Modern ventilation systems are essential in reducing energy consumption and CO<sub>2</sub> emissions in buildings to the levels adopted by the EU. Property owners will need to focus on energy efficiency for many years to come, in connection with both new construction and with renovation. European governments will be investing heavily to speed up the transformation, and the incentives will be even stronger as energy prices rise.

A good ventilation system also improves the indoor climate for those who are using the building. People are becoming increasingly aware that air quality affects their health and well-being. This has attracted even greater attention during the corona pandemic.

In our own operations, we continuously strive to reduce our climate footprint and we can see that our investment programme brings clear improvements. To reduce the indirect emissions, Lindab signed up in 2021 as a partner for SSAB and H2 Green Steel, securing our access to fossil-free steel starting in 2026.

### Well positioned for the future

In February, Russia invaded Ukraine in an attack on democracy and freedom in the world. We stand with the people of Ukraine and condemn the aggression of the Russian regime. Over the past three years, we have divested or discontinued most of the operations in Russia and Belarus. At the beginning of 2022, Russia, Belarus and Ukraine accounted for 0.5 percent of our sales. The remaining operations in Russia are now being phased out. Around Lindab, activities are being carried out and dona-

tions collected to support Ukraine and those fleeing the war. The situation engages many at Lindab and we want to help reduce the suffering to the best of our abilities.

Despite the uncertain situation in the world, Lindab stands well equipped for the future. We have made key advances in recent years. Long-term demand for Lindab's products benefits from strong underlying macro trends in, for example, energy efficiency, green buildings and a healthy indoor environment.

Lindab has a motivated organisation and a robust supply chain. Our balance sheet is strong and we have streamlined our operations. Our investment program is increasing both our efficiency and our capacity. I look forward, with confidence, to the next phase, focused on profitable organic and acquisition-driven growth.

My sincere thanks to everyone who helped make 2021 a successful year for Lindab.

Greivie, March 2022

Ola Ringdahl  
President and CEO

## STRATEGIC OBJECTIVES

# Strategic objectives

**DURING 2021**, we revised both our financial and sustainability targets. The financial targets have changed to annual ambitions, focusing even more on profitable growth than previously. The long-term sustainability targets have been revised and clarified, with new targets being added, in line with our high aspirations in this area.

## Financial targets<sup>1)</sup>

Definition	Target	Outcome in 2021	Comment												
<p><b>Annual growth</b></p> <p>The updated target is for annual growth to be at least 10 percent, combining organic and acquired growth. The target was previously 5–8 percent annual growth.</p>	>10%	<table border="1"> <caption>Annual Growth (%)</caption> <thead> <tr> <th>Year</th> <th>Growth (%)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>~5.0</td> </tr> <tr> <td>2018</td> <td>~7.0</td> </tr> <tr> <td>2019</td> <td>~5.0</td> </tr> <tr> <td>2020</td> <td>~2.0</td> </tr> <tr> <td>2021</td> <td>19.6</td> </tr> </tbody> </table>	Year	Growth (%)	2017	~5.0	2018	~7.0	2019	~5.0	2020	~2.0	2021	19.6	Excluding currency effects, sales grew by 19.6 percent in 2021, exceeding the annual target by a good margin. Organic growth was 17 percent and acquisitions contributed 2 percent. Currency effects had a negative impact of 2 percent.
Year	Growth (%)														
2017	~5.0														
2018	~7.0														
2019	~5.0														
2020	~2.0														
2021	19.6														
<p><b>Operating margin</b></p> <p>The updated target is for the operating margin, adjusted for one-off items and restructuring costs, to exceed 10 percent annually and not, as previously, over a business cycle.</p>	>10%	<table border="1"> <caption>Operating Margin (%)</caption> <thead> <tr> <th>Year</th> <th>Margin (%)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>~10.0</td> </tr> <tr> <td>2018</td> <td>~10.0</td> </tr> <tr> <td>2019</td> <td>~11.0</td> </tr> <tr> <td>2020</td> <td>~11.0</td> </tr> <tr> <td>2021</td> <td>13.1</td> </tr> </tbody> </table>	Year	Margin (%)	2017	~10.0	2018	~10.0	2019	~11.0	2020	~11.0	2021	13.1	The adjusted operating margin for the full year was 13.1 percent, exceeding the target by a good margin.
Year	Margin (%)														
2017	~10.0														
2018	~10.0														
2019	~11.0														
2020	~11.0														
2021	13.1														
<p><b>Net debt/EBITDA</b></p> <p>The target for net debt remains unchanged, that it should not exceed three times EBITDA.</p>	<3.0	<table border="1"> <caption>Net debt/EBITDA Ratio</caption> <thead> <tr> <th>Year</th> <th>Ratio</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>~2.5</td> </tr> <tr> <td>2018</td> <td>~2.0</td> </tr> <tr> <td>2019</td> <td>~2.0</td> </tr> <tr> <td>2020</td> <td>~1.5</td> </tr> <tr> <td>2021</td> <td>1.0</td> </tr> </tbody> </table>	Year	Ratio	2017	~2.5	2018	~2.0	2019	~2.0	2020	~1.5	2021	1.0	Net debt/EBITDA has gradually decreased, falling to 1.0 for 2021. A low debt ratio and a strong balance sheet give Lindab opportunities to finance investments and acquisitions.
Year	Ratio														
2017	~2.5														
2018	~2.0														
2019	~2.0														
2020	~1.5														
2021	1.0														


<sup>1)</sup> Values 2017–2020 in graph for Annual Growth and Operating Margin refer to total operations. Net debt / EBITDA is calculated on the basis of total operations throughout.

<p><b>Dividend</b></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%	<table border="1"> <caption>Dividend per share (SEK)</caption> <thead> <tr> <th>Year</th> <th>Dividend (SEK)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>~1.0</td> </tr> <tr> <td>2018</td> <td>~1.0</td> </tr> <tr> <td>2019</td> <td>~1.0</td> </tr> <tr> <td>2020</td> <td>~2.0</td> </tr> <tr> <td>2021</td> <td>4.00</td> </tr> </tbody> </table>	Year	Dividend (SEK)	2017	~1.0	2018	~1.0	2019	~1.0	2020	~2.0	2021	4.00	Lindab has a high earnings capacity as well as a strong financial position. With that in mind, the Board of Directors proposes a dividend of SEK 4.00 for financial year 2021. The dividend is to be divided between two payments, one in May and one in November.
Year	Dividend (SEK)														
2017	~1.0														
2018	~1.0														
2019	~1.0														
2020	~2.0														
2021	4.00														

## Sustainability targets

Lindab's sustainability plan includes objectives and activities in three areas. *Drive a sustainable business* is the area with the clearest, most measurable key performance indicators. Selected key performance indicators are presented below. The area of *Create healthy buildings* is about Lindab increasing awareness of the importance of a healthy indoor climate and further develop-

ment of building standards. Examples of activities in this area are described on page 18. In the area *Reduce the environmental impact from our customers*, Lindab contributes to reducing the environmental impact from customers by offering energy-efficient products for renovation and new construction. Examples of activities are described on pages 20–23.

Definition	Target	Outcome in 2021	Comment
<p><b>Lower CO<sub>2</sub> emissions</b></p> <p>Our target for the Group's CO<sub>2</sub> emissions for scope 1 and 2, is to reduce these by 50 percent in relation to sales by 2030, compared with 2019.</p>	-50%	 <p>2019 2020 2021</p>	Lindab's CO <sub>2</sub> emissions decreased by 28 percent to SEK 1.70 per m SEK in sales from 2019 to 2021 (Scopes 1 and 2). This corresponds to a reduction from 23.3 kilotonnes to 16.4 kilotonnes. This development was mainly attributable to the increased modernisation of Lindab's facilities.
<p><b>Motivated employees</b></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, which is measured with the Lindab Pulse Survey.</p>	90%	 <p>2020 2021</p>	Lindab shall be an employer that is able to attract new talent and retain the right skills. For 2021, we reached 91 percent who would recommend Lindab as an employer—a small increase compared with the previous year.
<p><b>Fewer work-related injuries</b></p> <p>We seek to reduce work-related injuries, measured as LTIF (number of workplace accidents per m hours worked) to below 4 by 2026. Our long-term zero-vision for work-related injuries remains unchanged.</p>	<4.0	 <p>2017 2018 2019 2020 2021</p>	In 2021, LTIF increased slightly to 7.3 compared with 6.7 the previous year. The number of serious accidents decreased. During the year, an incident reporting system was introduced as a way of preventing accidents before they occur.
<p><b>Supplier assessment</b></p> <p>Suppliers we use frequently must be certified on a regular basis with regard to sustainability. By 2023, we shall have reviewed all suppliers.</p>	100%	 <p>18%</p>	In 2021, Lindab introduced a certification process for suppliers used on a regular basis. In 2021, 18 percent were certified. The focus has been on certifying suppliers in countries with the highest risk.
<p><b>Environmentally friendly transport</b></p> <p>Our products are transported throughout Europe. We want 100 percent of our own trucks to use renewable fuel by 2040.</p>	100%	 <p>2%</p>	In transport, Lindab has just started the transition. In 2021, 2 percent of all kilometers transported by Lindab trucks used renewable fuel. Of Lindab's total transports, 16 percent was made by train, ship or trucks with renewable fuel.

1) Scope 1, 2 and 3 are classifications of different categories of CO<sub>2</sub> 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 comprises emissions generated through the suppliers engaged, where purchased steel represents the largest source of emissions for Lindab.

STRATEGY

# A profitable strategy



**OUR VISION IS** to be the leading player in the area in which we are strongest – ventilation in Europe. We focus on air distribution and air diffusion. Since we offer high-quality products, we focus on Europe where demand for good ventilation is high and we can offer superior availability. We specialise in those parts of the ventilation system where we are the strongest. We adapt our offering to the local market, with our core ventilation offering as the clear common denominator in all markets.

## 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 that 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. In some countries in the Nordics and Central Europe, we have solid operations for sheet metal roofs, rainwater systems and wall elements, which are integrated well with the ventilation business.



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 ventilation system.

40

Investing in clean air pays off. Research shows that an investment of USD 40 per person per year in better indoor air quality increases productivity by up to USD 6,500.



Lindab – For a better climate

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

## With a sustainable agenda

Sustainability is a way of thinking and of working. It affects how Lindab implement our strategy in all areas. Based on our overall purpose, “For a better climate”, we can make a difference on several levels. By influencing the indoor climate in buildings, we are able to help enhance productivity and health for all who spend time indoors. With products and systems that reduce energy consumption, we can help our customers decrease their climate impact. Finally, our own operations shall hold a leading edge position from the perspective of sustainability. We base our work on a sustainability plan including targets and activities in three main areas. Each area includes a number of sub-targets that are continuously monitored.



### Create healthy buildings

Focus area	Target	Page	We primarily contribute to:
Increase awareness of healthy indoor air	<ul style="list-style-type: none"> <li>• Increase public knowledge and awareness regarding good indoor air.</li> <li>• Increase demand for a healthy indoor climate when choosing a home, office or other indoor environments.</li> </ul>	18	
Drive standardisation and legislation	<ul style="list-style-type: none"> <li>• Influence and drive regulations and standards in trade associations in all our markets.</li> <li>• If there is no association present, we will work to establish one.</li> </ul>	18	

### Reduce the environmental impact from customers

Focus area	Target	Page	We primarily contribute to:
Sustainable and energy-efficient solutions	<ul style="list-style-type: none"> <li>• Lower customers' environmental impact through our products.</li> <li>• Offer the most recognised and preferred products for sustainability</li> </ul>	23	
Digital tools and technologies to optimise energy usage	<ul style="list-style-type: none"> <li>• Offer support for calculations so that different solutions can be compared.</li> <li>• Offer digital tools to allow the customer to choose the most energy-efficient design and system.</li> <li>• Offer connected products enabling indoor climate optimisation and reduced energy consumption.</li> <li>• Develop smart products with the aim of increasing product life span and offering better services.</li> </ul>	23	
A circular economy with a high degree of reuse.	<ul style="list-style-type: none"> <li>• Use sustainable materials in our products.</li> <li>• Design our products for reuse or recycling, to thereby minimise their impact on the environment during their life cycle.</li> </ul>	23	

## Matilda Isaksson

### Group Sustainability at Lindab

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




In 2020, we developed our new sustainability plan, setting our long-term direction. Over the past year, we further refined our targets and level of ambition. We added specific target years and concrete measures of the improvements we are to attain. The overall plan has in turn been broken down into local plans at our subsidiaries because that is where the real changes take place. We have also worked to introduce a structure for the reporting of key performance indicators, allowing us to monitor development both locally and globally.

#### Which activities will be in focus in the future?

We now have clear and effective tools in place, applicable throughout Lindab, for monitoring and analysing sustainability work. This makes it easier for us to pursue improvements where they are most needed. We have also started working with Science Based Targets to be able to present a plan in 2022 for how we will achieve the climate targets in line with the Paris Agreement.



## Drive a sustainable business

Focus area	Target	Page	We primarily contribute to:
Sustainable purchasing	<ul style="list-style-type: none"> <li>Be an early adopter of fossil free steel, in order to reduce our CO<sub>2</sub> emissions.</li> <li>Get 100% of the recurring suppliers to sign the code of conduct by 2022.</li> <li>Have 100% of the recurring suppliers certified by 2023</li> <li>Define a scope 3 CO<sub>2</sub> emission target during 2022.</li> </ul>	32, 34	 
Sustainable production	<ul style="list-style-type: none"> <li>Reduce CO<sub>2</sub> emissions in scope 1 and 2, calculated in relation to the sales, with 50% in 2030 compared with 2019.</li> <li>Analyse waste to landfill and define a reduction goal in 2023.</li> <li>Reduce scrap rate with 50% by 2030, compared with 2019.</li> </ul>	32, 34	
Sustainable transports	<ul style="list-style-type: none"> <li>Use 100% renewable fuel in leased or subscribed trucks by 2040.</li> <li>Switch to company cars using renewable fuel by 2030.</li> <li>Have 100% of transport contracts to include environmental requirements by 2025.</li> <li>Collaborate with customers and suppliers to create transport solutions with focus on reducing the environmental impact.</li> </ul>	33, 34	
Attractive employer	<ul style="list-style-type: none"> <li>Reduce the number of workplace accidents per m hours worked (LTIF) to 4 or lower by 2026. Long-term vision of zero accidents.</li> <li>Have the same percentage of each gender in senior management positions by 2030 as in the Group in total.</li> <li>Have a staff turnover of 5-10%.</li> <li>Be recommended as an employer by at least 90 percent of the employees.</li> </ul>	42, 43	
Community involvement	<ul style="list-style-type: none"> <li>Support community activities linked to Lindab's operations and nearby surroundings.</li> <li>Create good conditions for engagement in non-profit work.</li> </ul>	42	

## MARKET

# Strong driving forces

**WITH INCREASED FOCUS** on health and well-being, demand for a good indoor climate is increasing. We are spending more and more time indoors and our knowledge about the effects of bad indoor air have increased. Demand is increasing for smart ventilation solutions to reduce energy consumption in buildings. The EU's Green Deal has accelerated initiatives in sustainable construction and renovation with the target of 35 m buildings being renovated by 2030. Today, only about 1 percent of current European building stocks is renovated each year. The pace must increase to meet demand for both better ventilation and reduced climate impact. This means increased demand for Lindab's leading products.

## 2050

In line with the Paris Agreement, the EU is to achieve climate neutrality by 2050. To reach this target, the EU has raised its ambition of reducing emissions by 40 percent by 2030 to a net reduction of 55 percent between 1990 and 2030.



Buildings account for about 40 percent of the EU's total energy consumption and 36 percent of the EU's total greenhouse gas emissions. Being able to efficiently recycle indoor air without compromising its quality will help the EU achieve its environmental targets.

## Zero

As of 2022, all new buildings in the EU will be "nearly zero-energy buildings". New EU directives have also been adopted recently sharpening the requirements for energy efficiency in existing buildings. This will increase the pace of renovation.

## 70%

Since some 70 percent of all buildings that will be in use in the EU in 2050 have already been constructed, particular focus must be placed on renovating existing buildings to enable improvements in air quality while reducing the environmental impact.



## The need for better air

About 90 percent of the global population breathes poor air every day. Poor air quality raises the risk of serious diseases and shortens the life expectancy. During the autumn of 2021, the WHO highlighted the seriousness of the situation, describing air pollution as a threat to human health, equal to climate change. Stricter new limits for what constitutes good air quality were presented.

A common misconception is that outdoor air is more polluted due to emissions, smog and harmful chemicals. In fact, indoor air in homes, schools, offices and factories can be as much as five times more polluted. We nonetheless spend most of our lives indoors.

The most common causes of indoor air pollution are mould, chemicals in, for example, furniture and building materials, dust, radon and cigarette smoke but, above all, airborne particles from combustion and industrial processes, which are so small they can enter the human bloodstream via the respiratory system.

Today, air pollution is a risk factor in several of the world's most common causes of death, including heart disease, pneumonia, stroke, diabetes and lung cancer. In fact, bad air shortens the lifespan of the earth's population by an average of two years per person. Today, some 7 m people around the world die from bad air each year, twice as many as those who die from alcohol and seven times as many as those who die in traffic. Air pollution, indoors and outdoors, is the fourth most common cause of death, after high blood pressure, smoking and high blood sugar.

### 5x

Indoor air can be up to five times more polluted than the air outdoors.

### PM2.5

Tiny health-hazardous particles, of less than 2.5 micrometres, are inhaled.

### 7 m

Currently, some 7 m people around the world die from poor air quality every year.

*“Everyone on the planet has a fundamental right to breathe clean air.”*

Hans Kluge, WHO, 22 September 2021

Sources: World Health Organisation (WHO), European Environment Agency (EPA)



### A growing number of people live in cities

Over the long term, urbanisation is accelerating. With almost four out of five Europeans living in cities, this is where solutions to reduce climate change and the sustainable use of resources must be focused.



### High risk of air pollution

Air pollution levels remain too high in most European countries. This is confirmed by the European Environment Agency (EEA) following analyses of data from more than 4,500 environmental stations in 40 countries during 2021.



### Increased health awareness

Increased awareness of the importance of good health and what impacts it means that people and companies are placing increasing demands on, for example, their choices of where to live and work.



### Green transition

Many countries and businesses have begun to transition to a circular and fossil-free economy. This is an essential shift that, in Europe, is being accelerated by, for example, the EU's Green Deal.



### Development of the construction market

Construction is increasingly driven by the sustainable use of materials, energy and recycling use, as well as by a wide-ranging and necessary wave of renovation to achieve the sustainability targets.



### Tougher regulations

Supranational and national rules and directives on, for example, building performance and greenhouse gas emissions impose increasingly strict standards on both new construction and renovation.

## Create healthy buildings

Indoor environments are very important for our lives as we spend about 90 percent of our time indoors. We contribute to healthy buildings by working with solutions that improve well-being and increase productivity. By raising awareness, we can accelerate the development.

## Lindab Innovation Hub

### Organisation with an important mission

Lindab Innovation Hub is an independent organisation for research and development, which supports Lindab in its aspiration to offer a better and healthier indoor environment for all. Since 2018, the Hub has been working to increase knowledge about better air, and to drive demand for this through several different initiatives. Among other things, the assignment entails increasing awareness through campaigns and information about the importance of good indoor air. In addition, new technologies, products and business models are being explored with the aim of identifying sustainable, cutting-edge solutions that promote human health, performance and productivity.

### Advocating better air in European buildings

As a European market leader in ventilation, we take responsibility for improving the standard set for indoor climate and making this mandatory for all buildings. This is achieved by influencing industry organisations and standardisation bodies, focusing on ventilation and sustainability. We are active in various industry initiatives, such as Byggmaterialindustrierna, Committee European Norm (CEN), Eurovent, REHVA, TightVent Europe and local industry organisations in the area of ventilation.



### Initiative for increased awareness

We want to increase awareness about the effects of indoor climate on our health. During the year, we have, among other things, produced a number of short, animated films that explain, in simple terms, the ventilation challenges that various everyday situations pose. The films help increase knowledge on the importance of air for human health and productivity. We are also focusing on projects to build the next generation's knowledge about air. Together with the Vattenhallen Science Center in Lund, Sweden, we have produced a show around experimentation with air that we bring to schools, to inspire and increase awareness regarding air, health and ventilation.



### Sensors increase our knowledge about the air we breathe

To understand the importance of clean air, one must first understand the quality of the air. Sensors that measure CO<sub>2</sub> levels, airflow, humidity, presence and temperature inform people about what makes them thrive and able to perform better. Lindab's partly-owned Danish partner Leapcraft offers a sensor for private use, AirBird, which measures air quality in an innovative manner. This allows those living and working in a building to have a dialogue with the property owner to introduce improvements for better air.

### 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 environments.
- Influence and drive regulations and standards in trade associations in all our markets.
- If there is no association present, we will work to establish one.

50

Poor indoor air causes health problems, including headaches and irritation of eyes, throat and skin. With a better indoor climate, sick leave among employees can be reduced by up to 50 percent.



Lindab – For a better climate

Source: <https://pubmed.ncbi.nlm.nih.gov/11089326/>

## PRODUCTS

# A leading offering

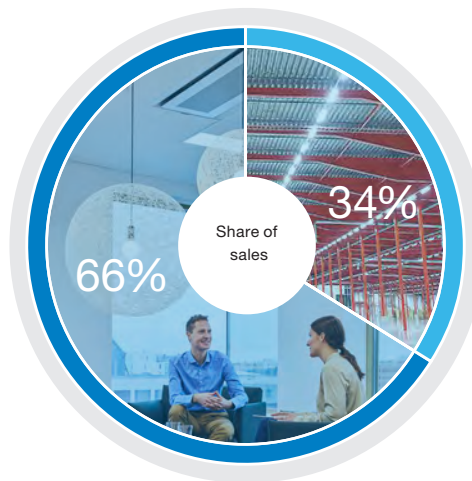
# 10,000

**LINDAB OFFERS MORE THAN** 10,000 products and systems solutions for energy-efficient ventilation and sustainable construction. The offering is based on two product areas that also constitute our business areas. The main business consists of leading products and solutions for ventilation systems in Europe. In a number of markets, we offer building products in areas such as roof and wall products, as well as rainwater systems.

## ● Ventilation Systems

Offers ventilation installers and other customers duct systems with accessories, and indoor climate solutions for ventilation, cooling and heating.

Read more on page 24.



## ● Profile Systems

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.

Read more on page 25.

### Products with many advantages

**High quality** – The high quality of Lindab's products is an aspect often highlighted by customers. Our products have a very long life expectancy, which also results in sustainable buildings.

**Easy installation** – For Lindab, simplifying for customers has always been in focus. Lindab products should be easy to install, which saves time for customers.

**Best availability** – We prioritise being close to our customers, and always having the requested products in stock.

**Highest air-tightness class** – We are leading the development of air-tight duct systems and were, for example, the first supplier to offer duct systems of the highest air-tightness, class D.



Lindab's duct systems Safe and Safe Click were certified in accordance with the highest air-tightness class by the Eurovent organisation.

### Significant energy savings make it profitable to invest in ventilation

- A newly built energy-efficient building with air-tight insulation and efficient ventilation can achieve energy savings of 20–40 percent. The indoor climate is also improved as good ventilation prevents pollution.
- Using a duct system with air-tightness class D minimises leakage and saves about 15–20 percent in energy compared with a duct system with air-tightness class C.
- Demand-controlled ventilation that senses where the air needs to be improved can reduce energy consumption by up to 70 percent compared with traditional systems.

# 68%

Our latest study showed an energy saving of 68 percent for our new, Lindab Ultra BT demand-controlled ventilation system.

# Energy-efficient ventilation

Lindab's focus:

## Air distribution

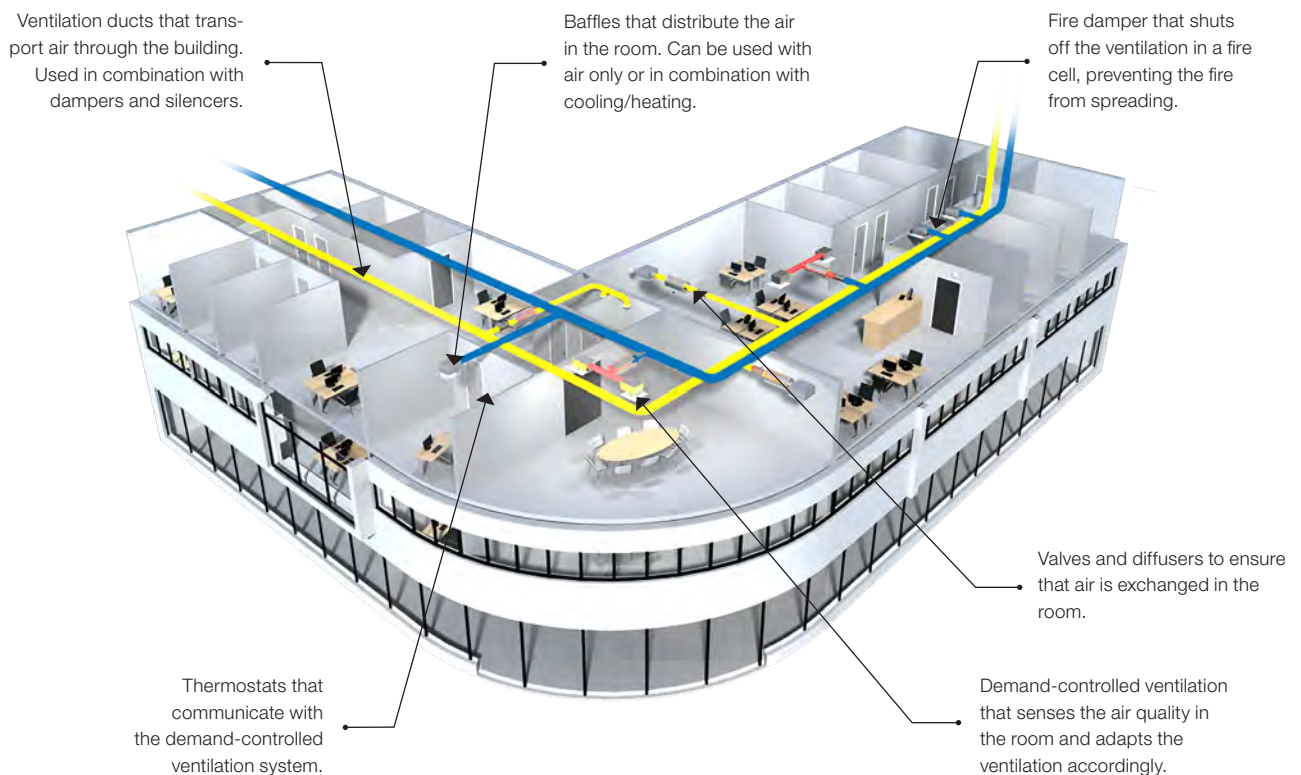
Ventilation ducts, dampers and silencers interact to regulate and transport air to the appropriate part of the building. Lindab is considered to hold a leading market position in Europe.

## Air diffusion

Ceiling and wall-mounted baffles and valves that diffuse and extract air in individual rooms. Lindab's market position is considered among the top-three in the Nordic region. Large local variations outside the Nordics.

## Fire and smoke protection

Fire dampers that prevent fire from spreading. Dedicated ventilation ducts to extract smoke. Lindab's market position varies from country to country.



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. Achieved both with sensors and pressure sensitivity in the duct system. Lindab does not focus on this part of the ventilation system.



## Solutions for new construction and renovation

Lindab's products are suitable for both new construction and renovation of existing buildings. The revenue split between new construction and renovation varies depending on the general economy. Viewed over an extended period, each area accounts for about half of sales.

### New construction of near-zero energy buildings

In the EU, all newly-constructed buildings must be so-called near-zero energy buildings as of 2022. In addition, buildings are increasingly being constructed in accordance with different environmental certifications, including BREEAM and LEED, imposing even higher demands on energy efficiency. An energy-efficient building needs to be as airtight as possible and have a high degree of insulation. An airtight building consumes little energy, although this in turn requires efficient ventilation for the building to be able to breathe.

Lindab's products are of the highest air-tightness class, which makes them suitable for buildings with high demands on efficient ventilation. With the help of demand-controlled ventilation, the air can be directed to where it is needed most, providing high-quality indoor air while reducing energy consumption. Another important aspect is the noise level in the room. High-quality silencers are important in creating an optimal indoor environment, which Lindab also offers.



DCV One distributes the air through the ceiling. It senses how the room is used and controls how much air that should flow through the system for optimal air quality.



### Renovation offers considerable energy gains

Properties account for about 40 percent of energy consumption in the EU. Consequently, building renovation is a crucial area to focus on to reduce energy consumption. Heating, cooling and ventilating of a building account for a significant proportion of its costs and energy consumption. For this reason it makes good environmental and financial sense to renovate existing buildings.

The ventilation system is well integrated in the ceiling and walls and replacing the entire system is often not an option. Instead, more intelligent products can be inserted into an existing system. Part of the ventilation duct in a ceiling can for example be replaced with a unit that measures and adapts the air supply depending on the air quality in the room. The impact on the building is minimal, but the effect on energy consumption is considerable.

Lindab's new room control system, Ultra BT, offers a new and easy way of optimising existing ventilation systems. With fully-integrated Bluetooth technology, operation is controlled wirelessly using Lindab's OneLink app.

## Reduce the environmental impact from customers

Buildings account for 40 percent of all energy consumption. By offering products that reduce energy consumption while improving the indoor climate, we can reduce climate impact together with our customers.

### Successful demand-controlled ventilation in connection with renovation

Lindab has developed a demand-controlled ventilation system (DCV) that can be installed in one room at a time and does not require any construction work or long-term office closures. To assess the effectiveness of the new system, we conducted a case study in a combined warehouse and office building in Bargteheide, Germany. The owner of the property wanted to reuse the existing duct system to ensure a short repayment period. After one year, the results were clear. Besides those spending time on the premises experiencing a significant improvement in the indoor climate, the system resulted in a 73 percent reduction in ventilation costs, a 68 percent energy saving and a payback period of only 4.5 years. Lindab is now developing more intelligent and energy-efficient ventilation systems that will reach the markets in the next few years.



### Steel provides products with a long service life

Steel has many advantages over other materials – it has a very long service life, is non-combustible and meets hygiene requirements. It is also 100 percent recyclable, meaning that nothing is lost when it is recycled. We prioritise cooperation with steel suppliers driving development towards fossil-free steel and whose carbon dioxide intensity values are good. The steel we use must be free of particularly hazardous substances. Through our collaboration with SSAB and H2 Green Steel, we will also be among the first in Europe to have access to fossil-free steel in 2026. When it becomes available, we will make use of it in a green product line.



### Leading software to reduce energy consumption

Lindab's offering of software, plugins and apps simplifies the calculation, dimensioning and planning of buildings, as well as of complete, energy-efficient ventilation and indoor climate systems. Products like TEKNOsim allow customers to simulate the indoor climate and optimise energy

consumption. Customers can then obtain assistance in selecting the appropriate products from the range matching the simulation. During 2021, product integrations were improved and greater focus was placed on 3D simulation.

### For the lowest possible environmental impact

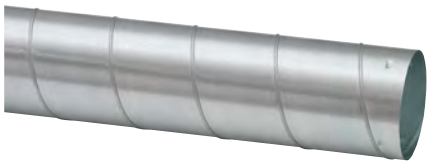
Climate calculations to ensure minimum-possible impact represent an important element in creating sustainable buildings. Environmental Product Declarations (EPD) help customers choose the most environmentally friendly products from a life cycle perspective. Many of our building products already bear EPDs. In 2021, we were the driving force in establishing a new standard for EPDs for ventilation systems.



#### This is what we want to achieve:

- Lower customers' environmental impact through our products.
- Offer the most recognised and preferred products for sustainability
- Offer support for calculations so that different solutions can be compared.
- Offer digital tools to allow the customer to choose the most energy-efficient design and system.
- Offer connected products, enabling indoor climate optimisation and reduced energy consumption.
- Develop smart products with the aim of increasing product life span and offering better services.
- Use sustainable materials in our products.
- Design our products for reuse or recycling, to thereby minimize their impact on the environment during their life cycle.

# Ventilation Systems



## Air distribution – transporting air

Duct systems are used to transport air. We offer both circular and rectangular systems and these are often combined within the same ventilation system. This product group also includes, for example, silencers and dampers that are mounted as part of the duct system.



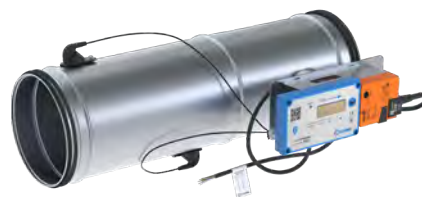
## Air diffusion – distribution of air

Ventilation systems control the climate in the room by regulating the air flow. This product category includes airborne room products, such as valves, diffusers and grilles, as well as waterborne room products that control, among other things, room temperature.



## Fire and smoke protection

To prevent fire and smoke from spreading through the ventilation system, safe and reliable fire protection systems are needed. This product group includes certified products, such as fire dampers, control systems, fans and duct systems able to withstand very high temperatures. We also offer complete fireproof system solutions for all types of buildings.



## Demand-controlled ventilation

For a ventilation system to provide a comfortable indoor climate while also being energy efficient, smart control of the air flow is required, based on how the room is used. In this product category, Lindab offers adjustable dampers and intelligent measuring devices to safeguard the desired air flow.

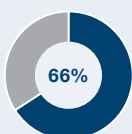
**13%**

Total growth

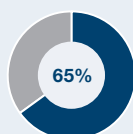
**12.9%**

Adjusted operating margin

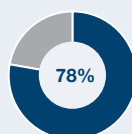
### Share of Group



Net sales



Adjusted operating profit



Number of employees

### Activities in 2021

- Completed three acquisitions, Norwegian H.A. Helgesen, Danish Klimatek Ventilationsmateriel and Swiss Tecnovent.
- Launched new products for demand-controlled ventilation for new construction and renovation.
- Entered into a partnership for healthy and sustainable indoor environments with Ecophon Group.
- Invested in automation and increased capacity at several ventilation factories.
- Opened a new Experience Center in Grevie, Sweden, to display the indoor climate of the future.

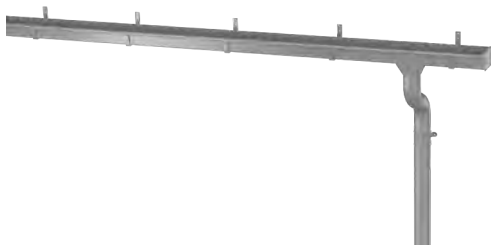


## Profile Systems



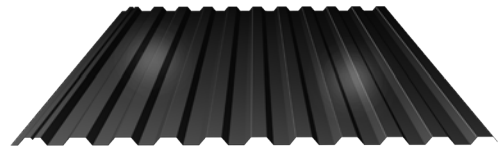
### Roof products

Lindab offers a wide range of sheet metal roofs in numerous colours and designs. We also offer the award-winning SolarRoof product with very thin, integrated solar cells. The product group also includes roof safety products, such as ladders and snow fence.



### Rainwater systems

A high-quality roof needs rain water drainage. Lindab offers a complete system with gutters, downpipes and accessories in various colours, materials and designs.



### Wall and façade products

Steel wall and façade products in sheet metal, sandwich panels with insulation and façade cassettes in a wide selection of profiles and colours.



### Complete structures

Lindab offers complete structures as building kits containing standardised building components. These are complete, ready-to-assemble systems for commercial properties, such as sports halls, warehouses and distribution centres.

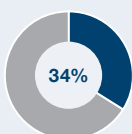
# 27%

Total growth

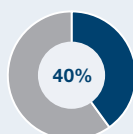
# 15.5%

Adjusted operating margin

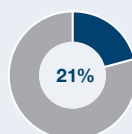
### Share of Group



Net sales



Adjusted operating profit



Number of employees

### Activities in 2021

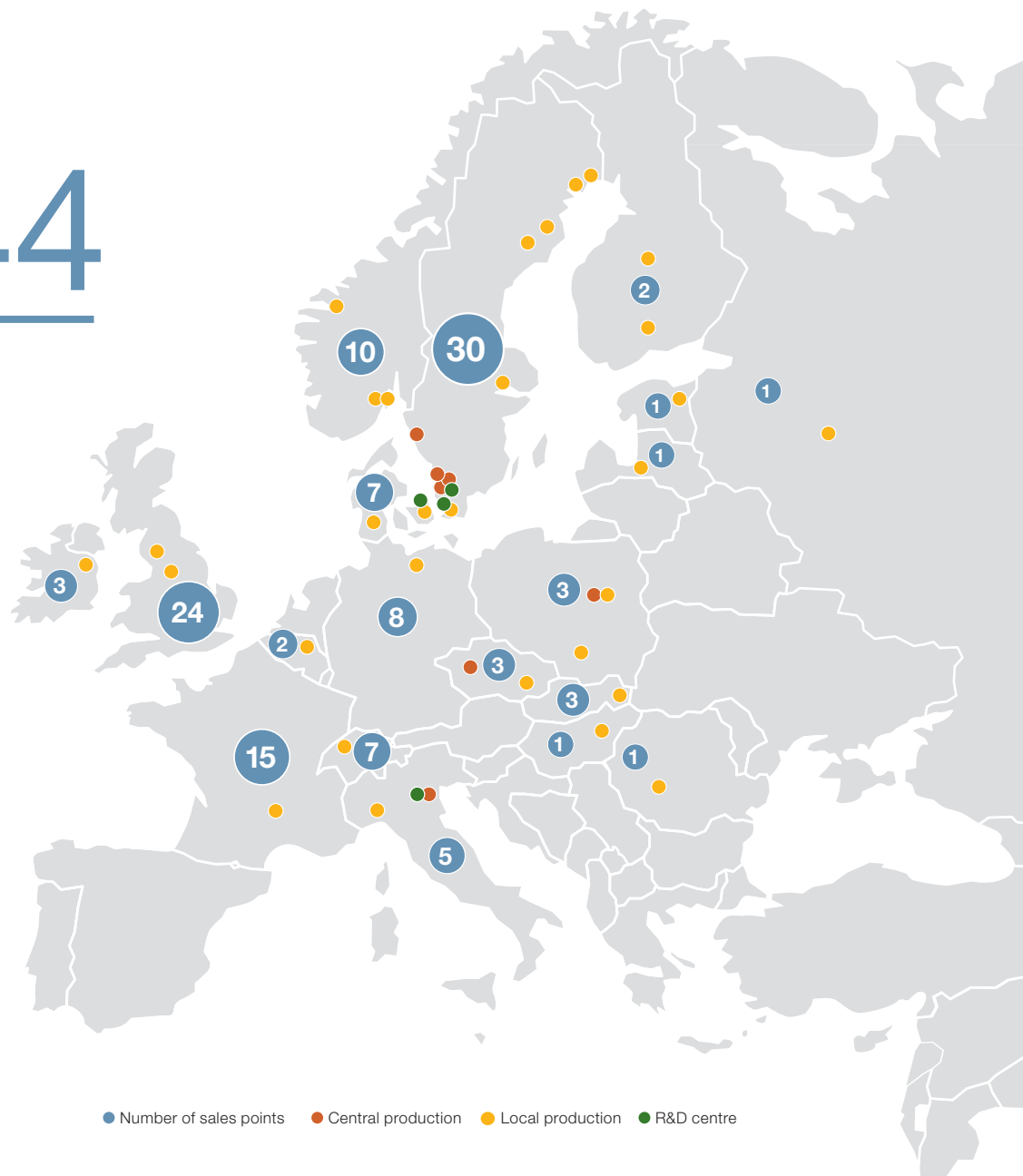
- Completed two acquisitions, Swedish roofing companies KAMI and Profilplåt.
- Named as a GreenCoat® Partner by SSAB. This means that Lindab is certified to use SSAB's sustainable steel solutions for roofs, walls and rainwater systems.
- Completed a new logistics centre and increased automation at the production facility in Förslöv, Sweden.
- Significant deliveries of industrial construction projects and prefabricated halls.

## 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. We are currently present in 20 European countries, with 144 locations, including offices, production and logistics units, points of sale and R&D centres.

# 144



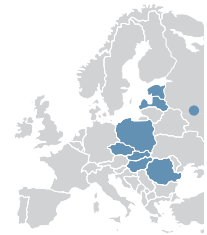
## Nordic region



## Western Europe



## Central Europe



Share of the Group's net sales <sup>1)</sup>	<b>55%</b>	<b>29%</b>	<b>14%</b>																																				
Share of net sales by business area	<ul style="list-style-type: none"> <li>■ Ventilation Systems 53%</li> <li>■ Profile Systems 47%</li> </ul>	<ul style="list-style-type: none"> <li>■ Ventilation Systems 94%</li> <li>■ Profile Systems 6%</li> </ul>	<ul style="list-style-type: none"> <li>■ Ventilation Systems 56%</li> <li>■ Profile Systems 44%</li> </ul>																																				
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 delivery to customers or distribution through 49 Lindab branches and a number of resellers	Direct delivery to customers or distribution through 64 Lindab branches and a number of resellers	Direct delivery to customers or distribution through 14 Lindab branches and a number of resellers																																				
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 2017–2021, SEK m	<table border="1"> <thead> <tr><th>Year</th><th>2017</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th></tr> </thead> <tbody> <tr><td>Sales (SEK m)</td><td>3,741</td><td>4,196</td><td>4,225</td><td>4,380</td><td>5,296</td></tr> </tbody> </table>	Year	2017	2018	2019	2020	2021	Sales (SEK m)	3,741	4,196	4,225	4,380	5,296	<table border="1"> <thead> <tr><th>Year</th><th>2017</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th></tr> </thead> <tbody> <tr><td>Sales (SEK m)</td><td>2,368</td><td>2,646</td><td>2,753</td><td>2,530</td><td>2,842</td></tr> </tbody> </table>	Year	2017	2018	2019	2020	2021	Sales (SEK m)	2,368	2,646	2,753	2,530	2,842	<table border="1"> <thead> <tr><th>Year</th><th>2017</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th></tr> </thead> <tbody> <tr><td>Sales (SEK m)</td><td>1,081</td><td>1,266</td><td>1,387</td><td>1,179</td><td>1,351</td></tr> </tbody> </table>	Year	2017	2018	2019	2020	2021	Sales (SEK m)	1,081	1,266	1,387	1,179	1,351
Year	2017	2018	2019	2020	2021																																		
Sales (SEK m)	3,741	4,196	4,225	4,380	5,296																																		
Year	2017	2018	2019	2020	2021																																		
Sales (SEK m)	2,368	2,646	2,753	2,530	2,842																																		
Year	2017	2018	2019	2020	2021																																		
Sales (SEK m)	1,081	1,266	1,387	1,179	1,351																																		
Comment on development in 2021	In the Nordic region, all markets reported good organic growth. Sales in Lindab's largest market, Sweden, were particularly strong, while development in Denmark was somewhat subdued.	The markets in Western Europe reported a clear sales recovery after the restrictions was gradually removed. Sales growth was particularly strong in Italy, Ireland, France and the UK.	In Central Europe, sales increased due to strong demand in all markets. Because of covid-19 construction market was subject to extensive restrictions in most of the markets in 2020.																																				

1) 2% of the Group's sales pertain to Other markets.

## Our two largest customer groups

Every year, we meet tens of thousands of customers, from major ventilation contractors, family businesses to local tinsmiths. We provide them with everything they need for assembly and installation, and we make sure that our part of the solution always simplifies the process for those responsible for the building contract or system.



### 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. These are generally ventilation contractors who bear the overall responsibility for all of the elements involved in installing the system in a building. They plan, dimension and calculate everything needed for a system – and then use their own installers or subcontractors for installation. Lindab maintains framework agreements with large ventilation contractors and dedicated customer managers to assist them in their projects. Although a ventilation installer may belong to a major company, they often conduct their operations on a smaller scale. Regardless of the project, the challenge is to achieve a good flow in the process so that lead times are as short as possible. The greatest cost efficiency is achieved in projects using quality products and where assembly times, availability and flexibility among suppliers are key factors. Lindab meets these demands and needs at the same time as our products and systems solutions are among the most energy-efficient in the market and contribute to a healthy indoor climate.



### Tinsmiths

The tinsmith profession is more than a thousand years old. Skills in working sheet metal, with its aesthetic, sustainable and environmental properties, will continue to play an important role in the construction industry. Unlike the ventilation industry, there are currently few larger tinsmith companies. Tinsmiths often work individually or in small local companies. Lindab shall act as a partner in each individual project. A local presence is also of great importance, Lindab must be present where the work is carried out. Secure and simple guarantees are another important factor for collaborations to function. As a stage in further simplifying construction, Lindab offers smart tools and aids for tinsmiths, easing and accelerating their work and making it less demanding on the body. These include everything from traditional hand tools to measuring equipment and innovative fastening solutions. One of Lindab's most important tasks is to provide tinsmiths with leading-edge products from the perspective of sustainability.

## There is considerable variation in our market, which is why we adapt our offering locally

### High standards in the Nordic region

With its cold climate and well-insulated houses, building standards and requirements for efficient ventilation are high. Although there are several major players, among whom Lindab is a leader, the market remains fragmented with numerous local players. Distribution is dominated by major broad or specialised distributors. Ventilation installers have considerable influence on the choice of supplier.

*Lindab sells both ventilation and building products with its own network of branches and extensive in-house production.*

### Stricter regulatory system in the UK

The UK ventilation market is a stable and relatively mature market which is still dominated by a large number of local players. The market is distribution-driven, with certain strong well-established players dominating. Regulations concerning construction and ventilation have been tightened in recent years, partly as a result of the tragic 2017 fire at Greenfell Tower in London.

*Lindab has extensive ventilation operations with its own network of branches, and sells rainwater systems via retailers.*

### Rapidly growing market in Poland

The Polish ventilation market has developed rapidly over the past decade, but is still dominated by numerous smaller, local players that sell directly to projects. Lindab is one of the major players. Distribution is characterised by smaller specialist chains that also manufacture their own products. Prescribers of systems to building projects represent an important customer group.

*Lindab sells both ventilation and building products, and has several production units in the country.*

### Unique conditions in Germany

Europe's largest ventilation market remains dominated by a large number of smaller local players, although some large domestic players hold strong positions. A unique aspect is that customers are often very large, with a couple of retailers/wholesalers determining the terms. The regulations on construction and indoor environments are also undergoing rapid development in the country.

*Lindab sells ventilation products, mainly its various duct systems, for projects nationwide.*

### Stable but fragmented in France

The French ventilation market is relatively fragmented. A handful of players, of whom Lindab is one, account for about half of the market, while the remainder is dominated by a large number of smaller local manufacturers. On the distribution side, a number of large, well-established players dominate. Prescribers to projects, such as architects, play an important role. Various standards are undergoing rapid development.

*Lindab sells ventilation products through its own branches and from its own, recently expanded production in the country.*

### Strong domestic brands in Italy

Although some consolidation has taken place, the Italian ventilation market remains dominated by strong domestic brands focused primarily on domestic needs. The market is not as distribution-driven as other large European countries. Extensive central government debt is inhibiting investment in public buildings, such as hospitals, although regulation of the indoor environment and fire safety is increasing.

*Lindab sells ventilation products, mainly duct systems and fire and smoke products.*



VALUE CHAIN

# How we generate value



**LINDAB'S STRATEGY FORMS** the basis of the value chain. The combination of central efficiency and local flexibility results in competitive, high-quality products that are offered in close proximity to customers. The properties of steel means that our products have a long service life and, when they are eventually recycled, the steel can be reused to 100 percent.

## Our value chain



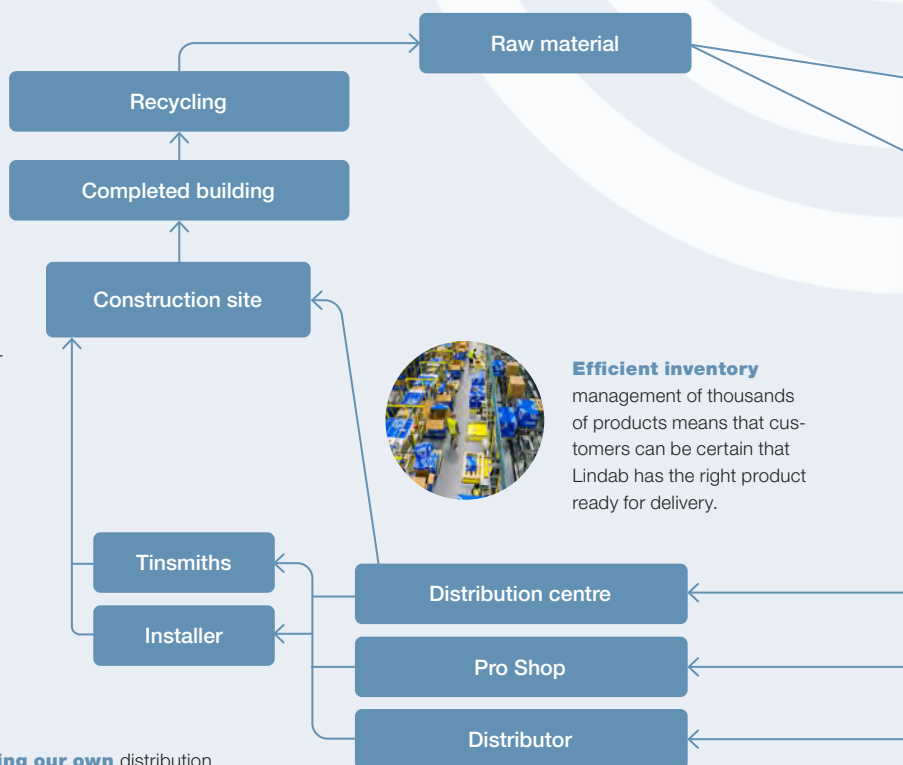
**The recycling** of steel is efficient, as 100 percent of the metal can be recycled without losing its specific properties.



**High delivery** performance is a crucial factor when delivering to construction projects where deadlines and construction conditions can change at short notice.



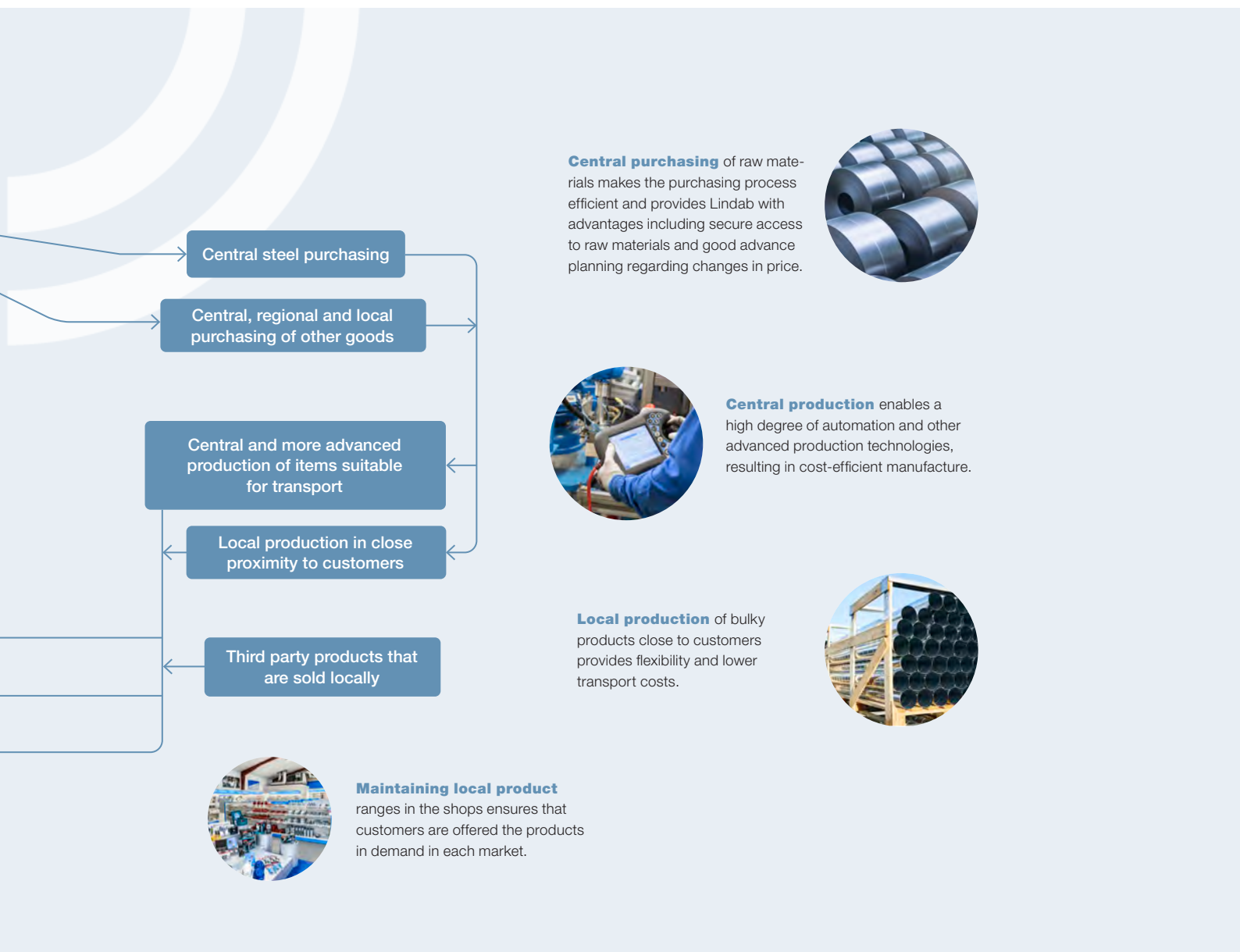
**Maintaining our own** distribution network allows us to guarantee good availability through our own shops and distribution centres, where personnel with appropriate skills can assist customers.



**Efficient inventory** management of thousands of products means that customers can be certain that Lindab has the right product ready for delivery.

*“At Lindab, we have been refining our production technology for many years, and we have a number of production lines that we have designed completely from scratch”.*

Pål Abrahamsson, Development Manager, production development



## Drive a sustainable business

To be able to offer our customers sustainable solutions, all parts of our value chain – purchasing, manufacturing and transports – must reduce the resources used and thus lower the carbon dioxide emissions.

### Sustainable purchasing

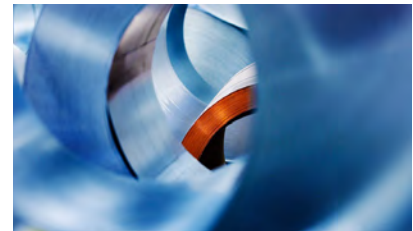
Sustainable purchasing involves multiple factors when selecting a supplier: social conditions, health and safety, ethical stance and environmental management. Lindab applies zero tolerance of corruption and human rights violations. Suppliers of raw materials, such as steel, are responsible for the greatest environmental impact. Accordingly, it is important to prioritise cooperation with steel suppliers driving development towards fossil-free steel and whose carbon dioxide intensity values are favourable.

#### Certified suppliers

Lindab has during 2021 developed a certification process for recurring suppliers. The first step, requires them to adopt our supplier principles. An assessment and audit is performed, the scope of which is adapted to the risk classification of the country in which the supplier is located. For suppliers operating in higher-risk countries, the audit is performed on site. The objective is to work only with certified suppliers classified with a low or medium level of risk.

# 18%

Proportion of suppliers certified in 2021. The remaining suppliers are to be certified by 2023.



#### Fossil-free steel

The steel industry is currently one of the leading sources of carbon dioxide emissions, accounting for 7 percent of all CO<sub>2</sub> emissions globally. The use of steel in Lindab's products is what contributes most to Lindab's CO<sub>2</sub> emissions. The transition to fossil-free steel is Lindab's most significant individual action in terms of its effect on the environment. Through our collaboration with fossil-free steel producers, such as SSAB and H2 Green Steel, we will be among the first in Europe with access to fossil-free steel in 2026.

### Sustainable production

Lindab has more than 50 production units in Europe. The smaller ones are often connected to a shop or warehouse located close to customers, for shorter transport routes and cost-efficient production of bulky products. Lindab's ongoing investment program increases the level of automation, efficiency and capacity and improves safety. Other focus areas are increasing the use of renewable energy, reducing overall energy consumption, reducing waste materials, smarter packaging and converting waste into resources.

# -28%

Reduction in CO<sub>2</sub> emissions (Scopes 1 and 2)<sup>1)</sup> by Lindab between 2019 and 2021.

#### Reduced CO<sub>2</sub> from production

One of Lindab's most important objectives is to reduce CO<sub>2</sub> emissions. Emissions in scope 1 and 2<sup>1)</sup> have decreased by 28 percent from 2019 to 2021 per m SEK in sales. Data collection has been refined to provide a better indication of where measures need to be taken. Lindab's largest source of emissions derives from Scope 3<sup>1)</sup>. Data collection for scope 3 has started and a target will be set in 2022 for how these emissions are to be reduced.

#### Less scrap metal

Although metal is recyclable, more energy is used in recycling it than if the proportion of scrap metal in production were reduced. To optimise production, Lindab has designed several of its production machines in-house. In 2021, scrap metal, measured in tonnes, decreased by 9 percent compared with the previous year. This generates both financial and environmental gains.



<sup>1)</sup> Scope 1, 2 and 3 are classifications of different categories of CO<sub>2</sub> 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 comprises emissions generated through the suppliers engaged, where purchased steel represents the largest source of emissions for Lindab.



## Sustainable transport

Transport represents one of Lindab's largest sources of emissions. Emissions can be reduced by choosing low-emission transport options and by changing how we transport goods. Many products are light, but bulky. All transport contracts are subject to environmental requirements and routes are adjusted to reduce the environmental impact. Where possible, fossil-free alternatives such as HVO<sup>1)</sup> or electric vehicles will be used. Production of bulky products will be moved from central to regional units to be closer to customers.

# 16%

Proportion of kilometres transported by train, ship or trucks with renewable fuel in 2021.

### More renewable

Demand for sustainable transport is increasing, driven by an increasing number of customers making this a requirement when selecting a supplier. Lindab delivered building materials to a large construction site in northern Sweden using only electric vehicles. This would not have been possible a few years ago, but worked very well now.

### Optimal logistics

Lindab also works to optimise existing transports. In the UK, an analysis of domestic transports was carried out. Many of the trucks were driven half empty and there was insufficient coordination between locations. By introducing a planning system, deliveries could be optimised. Trucks could be fully loaded and double trips could be avoided. This saved time and money, while being better for the environment.

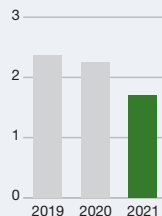


### This is what we want to achieve:

- Be an early adopter of fossil free steel, in order to reduce our CO<sub>2</sub> emissions.
- Get 100% of the recurring suppliers to sign the code of conduct by 2022.
- Have 100% of the recurring suppliers certified by 2023
- Reduce CO<sub>2</sub> emissions in scope 1 and 2, calculated in relation to the sales, with 50% in 2030 compared with 2019.
- Define a scope 3 CO<sub>2</sub> emission target during 2022.
- Analyse waste to landfill and define a reduction goal in 2023.
- Reduce scrap rate with 50% by 2030, compared with 2019.
- Use 100% renewable fuel in leased or subscribed trucks by 2040.
- Switch to company cars using renewable fuel by 2030.
- Have 100% 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.

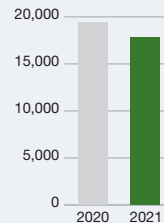
1) HVO = Hydrotreated Vegetable Oil

## Outcome Purchasing, Production and Transport – 2021



**CO<sub>2</sub> emissions**

Lindab's CO<sub>2</sub> emissions decreased by 28 percent to SEK 1.70 per m SEK in sales from 2019 to 2021 (scope 1 and 2)<sup>1)</sup>. This corresponds to a total reduction from 23.3 tonnes to 16.4 tonnes. This was mainly attributable to the increased modernisation of Lindab's facilities. During 2022, we will also collect data for scope 3<sup>1)</sup> emissions and set targets for how these are to be reduced. Scope 3 accounts for most of Lindab's total CO<sub>2</sub> emissions.



**Scrap metal**

Although scrap metal not used in production can be recycled, more energy is used in recycling than if production were optimised from the beginning. In 2021 scrap metal decreased by 9 percent to 17.8 tonnes.

In 2021, a more detailed sustainability plan was prepared. Additional key performance indicators were developed and there are therefore few historical values to compare with.

**71%**

**Recycled waste**

The objective is for all waste to be recycled. In 2021, a 71 percent recycling rate was achieved. In 2022, a target will be set for when 100 percent of waste is to be recycled.

**7.95**

**Energy consumption**

In 2021, energy consumption decreased by 19 percent to 7.95 MWh per m SEK in sales. At the same time, the proportion of renewable energy used increased from 21 to 24 percent.

**16%**

**Proportion environmentally friendly transports**

16 percent of total transported kilometres was conducted via rail services, boat or by trucks using renewable fuels.

**2%**

**Proportion of renewable fuel**

The objective is for 100 percent of our own trucks to use renewable fuel by the year 2040. We are only at the beginning of this transition. In 2021, we achieved 2 percent.

**31%**

**Transport contracts with environmental requirements**

All transport contracts must contain environmental requirements by the year 2025. For 2021, we achieved 31 percent. Multi-year contracts are renegotiated as soon as they expire.

**35%**

**Corporate cars with renewable fuels**

In 2021, 35 percent of all company cars were hybrid or electric cars. For Lindab Sweden, the corresponding figure is 87 percent. By 2030, we will reach 100 percent for Lindab as a whole.

**99%**

**Suppliers in low- and medium-risk countries**

In 2021, Lindab had 1 percent of its suppliers in countries with a high risk classification, defined in accordance with the Corruption Perception Index (CPI).

**29%**

**Suppliers with Code of Conduct**

In 2021, 29 percent of the recurring suppliers have signed Lindab's Code of Conduct. The remaining suppliers will be covered in 2022.

**18%**

**Certified suppliers**

For recurring suppliers, a certification process has been introduced. In 2021, 18 percent were certified. The focus has been on suppliers in countries with the highest risk.

1) Scope 1, 2 and 3 are classifications of different categories of CO<sub>2</sub> 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 comprises emissions generated through contracted suppliers, where purchased steel represents the largest source of emissions.

## Key dialogue with stakeholders

As a European leader in ventilation, Lindab is in constant dialogue with its stakeholders to develop the market's best solutions for a better indoor climate.



### **GREENCOAT®** COLORFUL STEEL

We are collaborating with SSAB regarding coated steel subject to strict environmental and quality requirements.

### Suppliers

We receive feedback from suppliers through our responsible purchasing program. We enter long-term partnerships on key strategic issues, and a close daily dialogue is conducted through our local purchasing offices. On-site audits provide feedback on the suppliers' quality and sustainability work.



Our shops keep us in direct dialogue with customers.

### Customers

Lindab receives feedback from customers through the activities of the Group's sales and marketing organisation, ranging from discussions with key account managers to daily conversations between customers and local account managers. We also gather data from customer surveys and customer analyses.



LindNet and Yammer are examples of channels for promoting internal dialogue.

### Employees

We maintain an ongoing dialogue with representatives from different parts of the company on matters such as the working environment. Lindab's Board of Directors includes employee representatives among its members. We conduct employee surveys and annual employee interviews to pursue continuous improvement.



Increasing numbers of inquiries are received from investors.

### Investors

We communicate the Group's strategy and earnings to existing and potential investors, analysts and the media. A dialogue is conducted through various channels, including presentations of interim reports, investor meetings, seminars, the website and press releases.



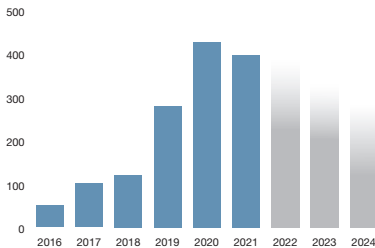
We collaborate with Røgle BK for a greener and socially stronger community.

### Community

Key stakeholders in the company live and work in the communities where Lindab has its operation and their feedback shapes our local activities. Interaction involves various activities and initiatives, from business-related activities to volunteer initiatives, charity work and sponsorship.

## INVESTMENTS

# Significant investment



The pace of investment remains high, and will be gradually lowered until 2025.

**THE LARGEST INVESTMENT PROGRAM** in Lindab's history is currently being implemented. The focus is on automation, capacity and efficiency, while reducing our environmental impact and improving our employees' safety. The investment program is rapidly generating a pay-back and currently comprises some 50 projects at Lindab's facilities around Europe. In 2021, investments amounted to SEK 395 m. The investments will be gradually lowered until 2025. Our objective is to establish first-class, energy-efficient production facilities that will continue to provide our customers with ventilation and building products of the very highest quality.



## French logistics initiative brings robust improvements

In Montluel, outside Lyon, France, we have doubled our warehousing and production capacity to 14,000 m<sup>2</sup>. The project offloads other facilities and moves production closer to end customers, reducing costs and environmental impact. We are consolidating our production facilities in the country and increase efficiency and reduce costs through additional automation. The investment means that we gain a distribution centre that significantly will increase the efficiency of our logistics to our customers in France. Connected to the centre is a new pro shop that customers can visit to make purchases, seek advice and gain inspiration.

## Automated production in Poland provides a better working environment

In 2021, three automated production lines for ventilation components were completed in Wieruchów, Poland. The investments provide higher efficiency, increase capacity and reduce manual labour. Decreasing the manual tasks was important as recruiting staff is difficult. For those working in production, automation brings a significantly improved working environment, a crucial argument behind each investment. Getting the production lines in place involved a close dialogue with the central production units in Sweden and the Czech Republic, from which knowledge and concepts were taken and adapted to local circumstances. An investment is also being made in autonomous forklift trucks for transport between production and warehouse.



## Fully-automated, safe and efficient sheet metal processing in Sweden.

A new sheet metal processing centre is the latest addition to our building products production facility in Förslöv, Sweden. It is fully-automated and can operate around the clock. The machines previously used were inefficient and gave rise to considerable amounts of scrap metal, and certain steps performed manually entailed a high risk of injury. The new equipment provides flexible production with a high level of productivity. The proportion of scrap metal and the risk of injury are also minimised. Lindab can thus increase its competitiveness while the working environment of its employees becomes much more pleasant and safe.

# 22

Temperature perception is individual. It depends on factors including age, weight, fitness, clothing, activity or daily form. Most people experience greatest comfort at 22°C.



Lindab – For a better climate

Source: [https://www.newworldencyclopedia.org/entry/Room\\_temperature](https://www.newworldencyclopedia.org/entry/Room_temperature)

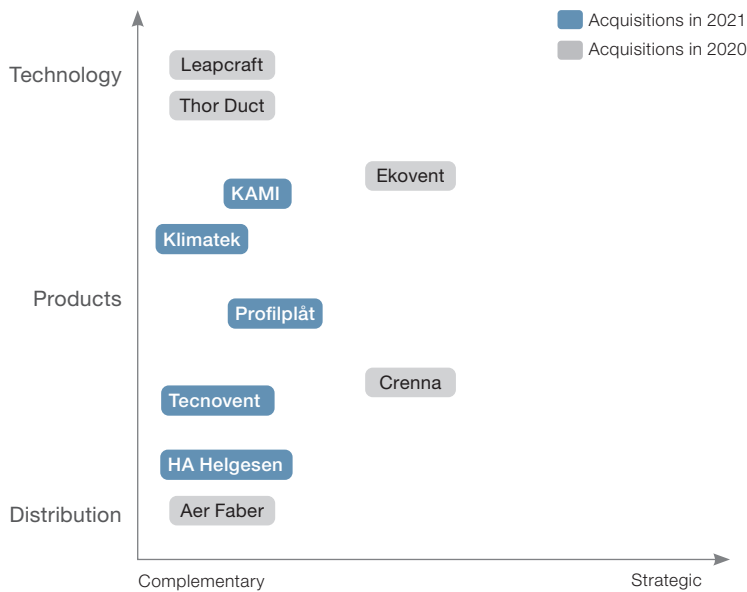
ACQUISITION

# New supplementary acquisitions



**ACQUISITIONS ARE AN IMPORTANT** part of Lindab’s strategy. With the ventilation industry comprising numerous small players, our objective is to consolidate the industry. We shall acquire well-managed, successful companies that complement our offering in selected regions and product areas. This is made possible by our strong cash flow and low debt ratio. The acquired companies are allowed to continue operating independently under their own brands, while, at the same time, benefiting from Lindab’s sales network and central resources at their chosen pace. In 2021, we completed five acquisitions, two in Sweden, one in Norway, one in Denmark and one in Switzerland. We also divested business area Building Systems.

What kind of acquisitions have we made?



Companies acquired and divested in 2021		
Acquired	Annual sales, SEK m	Profitability compared with Lindab
HA Helgesen	SEK 15 m	Higher
Kami	SEK 100 m	Higher
Tecnovent	SEK 20 m	Lower
Klimatek	SEK 30 m	Lower
Profilplåt	SEK 70 m	Higher
Divested		
Building Systems	SEK 971 m	Lower

*“Lindab continues to acquire well-managed and profitable companies with high-quality products, good customer relations and high expertise.”*

Lars Christensson, Director of Business Development and M&A at Lindab

## The year's acquisitions

In 2021, five acquisitions were made, three of which were in ventilation and two for building products. The acquisitions add a total annual turnover of SEK 235 m.

### H.A. HELGESEN

& SØNNER AS Etabl. 1855

Norwegian H.A. Helgesen is primarily a manufacturer of rectangular ventilation ducts and has an extensive logistics network in western Norway. The acquisition geographically complements Lindab's operations in Norway, in terms of both rectangular ventilation duct production and distribution networks.

### KAMI

With the acquisition of Swedish roofing specialist KAMI, Lindab has added to its building products business and strengthened its market position in northern Sweden and in Norway. KAMI manufactures and sells premium sheet metal roofs and has developed its own unique pressing technique for sheet metal roofs.



Lindab has extended its operations in Switzerland with the acquisition of Tecnovent, which sells and produces ventilation grilles, roof hoods and rectangular ventilation ducts. Tecnovent was previously a distributor of Lindab's products in the Swiss market.



Danish Klimatek manufactures both standardised and customised components for ventilation systems, such as valves, grilles and dampers. The offering adds to Lindab's range of standardised ventilation products and also strengthens Lindab's marine operations.



Lindab has strengthened its market position in northern Sweden with the acquisition of Profilplåt, which primarily manufactures and sells sheet metal roofs and sheet metal wall cladding. The company expanded Lindab's current production with its high-quality products in the same area.



## Divestment of Building Systems to French Groupe Briand

Building Systems was Lindab's business area for steel buildings under the Astron brand. The company was acquired in 2005 and has since operated as an independent business area within Lindab. Astron's customised steel buildings were not suited to Lindab's strategy. The synergies were also small, as Astron's business is project-based with a high degree of customer-unique solutions. The new owner, Groupe Briand, has extensive experience of similar businesses and is the right owner to take Astron to the next level.

## EXPERTISE

# Local responsibility drives commitment

## 1959

**WE BELIEVE IN DECENTRALISED** responsibilities where each country organisation can quickly adapt its operations. Since 1959 and onwards, trust in Lindab has been built up through our entrepreneurial spirit, with each employee taking responsibility and resolve problems as they arise. This put focus on implementation and delivering results. During the pandemic, this became particularly evident, with the organisation adapting its operations to meet customer demand for efficient deliveries and solutions.

### John Gauffin

**New Managing Director of Lindab Sweden from May 2021**

As a recent addition to the Lindab team, what has surprised you most?

The high degree of delegated authority and responsibility at different levels within the organisation, providing both the scope and the incentive to act. The fact that all units are continuously encouraged to question the status quo and challenge existing structures, while also having the authority to act and make decisions, results in a more flexible and dynamic reality than I believe is the case in many large international organisations. I am also impressed by the speed which decisions are made, and how close to the operations they are made, despite us being a large group with many units.

What do you consider most important in your role?

Facilitating for the organisation to pursue profitable growth and further strengthen Lindab's position in its home market. The main part of this work is how we, on a broader scale, can generate sustainable value for our customers and create conditions for the organisation to further increase its customer focus.



### Our 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.





## Lindab – a changing workplace

Lindab is supporting the development of tomorrow's indoor climate, which will affect people's well-being and productivity. This is an area undergoing an extensive transformation with increased demand for healthy indoor environments. That brings with it the need to continuously secure key expertise and to further develop all employees so that they will have the courage to take responsibility, always learn more and work together to resolve customers' problems.



**Responsibility for purchasing of considerable volumes of sustainable materials.**

Lindab purchases more than hundreds of thousands of tonnes of steel annual, making it the second-largest purchaser in the Nordics. Those working with strategic steel purchasing and steel logistics are not only responsible for addressing significant price fluctuations but also for pursuing the development of fossil-free steel in partnership with the producers.

An extensive realignment of Lindab's over 50 production units is in progress, in which engineers are developing optimal production processes. This future-proofs the company's competitiveness and makes the operations even more sustainable.

**Responsibility for cutting edge production, close to customers.**



**Responsibility for one of the industry's most complete logistics networks.**

3,000 transports of thousands of different products, every day. Wide-ranging and complex logistics of this kind, where the focus is on fill rate, delivery precision and low environmental impact, is handled by logistics experts and transport planners, centrally as well as locally.

Lindab has more than 120 pro shops around Europe. Customers can bring their drawings to the shop and receive assistance in identifying appropriate solutions. Lindab also has project salespeople ready to tackle all manner of complex problems.

**Responsibility for solving complex challenges together with customers.**



**Responsibility for future innovations to improve air quality.**

New technologies enable increasingly intelligent ventilation systems to adapt to how the building is being used. Lindab's development engineers develop new products, improve existing ones and keep up to date on how healthy indoor environments are best created.

## Drive a sustainable business

Lindab should be a workplace that employees are proud of. We strive to be a modern and flexible workplace that is fair, safe and inclusive. Lindab shall also support sustainable development in the local communities in which we do business.

### An attractive workplace for all

The Career Companies present awards to Swedish employers offering unique career and development opportunities, both for recent graduates and young employees having worked for a few years. During the year, Lindab received Career Companies 2022 award with the motivation emphasising, among other things, the company's strong corporate culture and all of the career choices available throughout the company. In Denmark, Lindab was, for the fourth consecutive year, named as one of the country's best workplaces according to Great Place to Work. What was new this time was that we were also named as the best workplace for seniors in Denmark. Behind the award is Lindab's view that diversity brings a favourable and dynamic culture, and that the company is happy to employ older people with additional experience.

Great Place To Work®



### A safe working environment

Lindab strives systematically to improve the working environment. During the year, we introduced our working environment system at 37 Lindab companies, which has resulted in an increase in the reporting of risks. We have thus gained an efficient process for handling incidents and accidents, increasing the quality of our working environment efforts. Over the year, we saw the number of serious accidents decrease, although the number of accidents per m hours worked increased slightly over the same period.

### More women in male-dominated roles

Lindab in Denmark is assessing different ways of making heavy tasks in the working environment lighter. One measure is the introduction of cobots—collaborative robots that, for example, assist with lifts that are difficult to automate. While improving the working environment for all, this is also a way of attracting more women to roles in which we currently mostly have men employed.



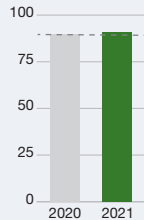
### Community activities aimed at children and young people

Lindab shall support sustainable development in the local communities in which we do business. This is primarily achieved through initiatives aimed at children and young people. The Christmas Charity Championship is a UK campaign carried out for the second consecutive year, in which customers can participate and vote for the initiatives to be supported. In 2021, the Lennox Children's cancer fund received a financial contribution. 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.

### This is what we want to achieve:

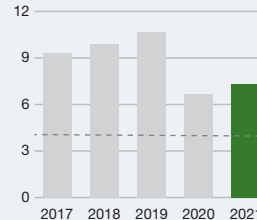
- Reduce the number of workplace accidents per m hours worked (LTIF) to 4 or lower by 2026. Long-term vision of zero accidents.
- Have the same percentage of each gender in senior management positions by 2030 as in the Group in total.
- Have a staff turnover of 5-10%.
- Be recommended as an employer by at least 90 percent of the employees.
- Support community activities linked to Lindab's operations and nearby surroundings.
- Create good conditions for engagement in non-profit work.

## Outcome Personnel – 2021



### Attractive employer

Lindab shall be an employer that is able to attract new talent and retain the right skills. The target is for 90 percent to recommend Lindab as an employer. In 2021, we reached 91 percent.



### Work-related accidents

In monitoring the number of work-related accidents, Lindab applies the key figure LTIF, representing the number of accidents per m hours worked. In 2021, LTIF increased slightly to 7.3, compared with 6.7 the previous year. The number of serious accidents decreased. The target is an LTIF of less than 4 by 2026.

**8,962**

### Incident reporting

In 2021, we began reporting situations that could have resulted in accidents. This leads to fewer accidents in the longer term because preventive measures can be implemented early.

**6%**

### Staff turnover

Our objective is to maintain a staff turnover of 5-10 percent. In 2021, it was 6 percent, which was in line with the previous year. Temporary staff are not included.

**91%**

### Performance & Development

A close dialogue between employees and managers is a prerequisite for a high level of well-being. In 2021, performance and development talks were conducted with 91 percent of employees. The target is 100 percent.

**22%**

### Proportion of women

In 2021, 22 percent of Lindab's employees were women, which was three percentage lower than in the preceding year. During the year, Building Systems was divested, which affects the comparative figures.

**22%**

### Senior female managers

For Lindab as a whole, including subsidiaries, women account for 22 percent of the members of management teams. This is in line with the objective of gender distribution being the same as in the company as a whole.

**3+4**

### Gender distribution on the Board of Directors

Three of the seven elected members of Lindab's Board of Directors, are women. Lindab's Board of Directors has had an even distribution of men and women since 2016.

**4,534**

### Average number of employees

The average number of employees decreased by 737 people in 2021. This was mainly due to business area Building Systems being divested.



### Proportion of employees by country

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

## RISKS

# Effective risk management




Operational risks

Financial risks




**UNCERTAINTY REGARDING FUTURE** events is a natural element of any business. The capacity to identify, assess, manage and review risks plays a central role in Lindab's management. The objective is to implement the Group's strategy with a well-considered and well-balanced level of risk.

Many of the factors or events described could affect the company both positively and negatively.

## Operational risks

Risk	Trend	Management
<p><b>Demand</b> 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 has few competitors with operations in several countries or regions. Lindab has an advantaged with the large scale of its operations and its well-developed distribution network. 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 that are mostly installed at a later stage of the construction process. 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><b>Influence of political decisions</b> 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 air-tightness classes. Stricter regulation of building standards usually benefits Lindab's competitiveness. The EU's Green Deal, with its increased investment in building renovation and sharpened requirements for good indoor air, is expected to favourably impact Lindab's long-term sales.</p> <p>The UK's withdrawal from the EU has had a certain negative impact on Lindab's sales volumes in the UK. Lindab has worked purposefully to safeguard access to products, maintaining appropriate inventory levels and developing contingencies based on the import barriers indicated in connection with Brexit.</p>
<p><b>Global and regional crises</b> Pandemics and other socially pervasive crises can negatively impact demand for Lindab's products, as well as Lindab's and its subcontractors' delivery capacity.</p>		<p>Covid-19 also affected Lindab's sales volumes in 2021, although only to a limited extent. When construction activity is limited due to restrictions, construction projects are delayed or postponed. Lindab's customers value high availability and delivery performance, and Lindab's extensive distribution network and high degree of local production have been a strength. At Lindab's facilities, routines have been introduced to prevent the spread of infections and to increase the safety of employees. Where Covid-19 cases have been confirmed among Lindab's employees, measures have been taken to prevent further spread of the infection. Protective equipment has been put on stock to secure future availability.</p> <p>Russia's invasion of Ukraine has created an uncertain situation in the world, with the risk that the conflict will escalate further. Lindab has a low dependence on Russia, Belarus and Ukraine. These three countries represent 0.5 percent of Lindab's sales. There are no operations in Ukraine or Belarus. At the beginning of 2022, 16 people were employed by a sales company in Moscow, which is being phased out. A lengthy conflict entails a risk of 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 high inventory levels to be able to compensate for longer delivery times and shortage of raw materials.</p> <p>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.</p>

## Cont. Operational risks





<p><b>Raw material prices</b> Lindab purchases large quantities of steel, predominantly sheet metal, and is influenced by developments in the market for raw materials.</p>		<p>Lindab has central purchasing of steel to build long-term relationships, benefit from competitive prices and to obtain transparency regarding future price adjustments. Lindab only purchase steel based on its needs and does not speculate on or hedge future steel prices. Steel is purchased 3–6 months in advance which reduce risk, as it gives Lindab room for adjusting prices. High volatility in purchase prices entails a certain profitability risk as the change in prices charged to customers takes effect with a certain delay.</p>
<p><b>Operational disruptions</b> Lindab may be adversely affected by operational disruptions including equipment failure, strikes or fire.</p>		<p>With a presence in several European locations, operations can be redirected in the event of operational disruptions. Lindab's global insurance programs cover property damage, stoppages and breakdowns.</p>
<p><b>Customer exposure</b> Lindab has a large number of customers. Only a few customers spread their purchases over several countries.</p>		<p>With its large number of customers, Lindab's exposure to individual customer losses is limited. A number of Group companies are insured against customer losses. Lindab's largest individual customer accounts for 1.9 percent (1.9) of the Group's annual sales.</p>
<p><b>Suppliers</b> 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.</p>		<p>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.</p> <p>Lindab has established a Supplier Code of Conduct addressing, for example, working conditions, health and safety and business ethics. Suppliers in high-risk countries will be audited every two years. Other audits are planned and conducted, based on risk level.</p>
<p><b>Environmental impact</b> Lindab has production facilities that affect the environment.</p>		<p>Lindab's Quality and Environmental Policy is a key document that 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 CO<sub>2</sub> emissions from the original production of the steel. The two greatest efforts that Lindab is making to reduce its environmental impact are gradually starting to use steel with lower CO<sub>2</sub> emissions, as it becomes available, as well as optimising transport and switching to more environmentally friendly transport alternatives.</p> <p>The waste products generated through production consist mainly of scrap metal which is recovered completely and other waste, of which up to 90 percent is recycled. Anything not used is sorted and disposed of in accordance with applicable regulations.</p> <p>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.</p>
<p><b>Climate change</b> Climate change in the form of increased warming, storms, droughts and other climate effects impact Lindab's opportunities to conduct its operations.</p>		<p>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. Electricity shortages or higher electricity prices will affect Lindab's ability to produce competitive products.</p>
<p><b>Business ethics</b> Unethical conduct or poor management of business ethical risks can harm Lindab's brand and market reputation.</p>		<p>A Code of Ethics 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 whistle-blower system has been established and suspected violations are investigated and handled.</p>
<p><b>Risks of confidence</b> 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.</p>		<p>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.</p>
<p><b>Health and safety</b> Accidents and inadequate safety at Lindab's facilities could cause injury or death. Health risks also include mental illness caused, for example, by harassment, high stress levels and a poor working environment.</p>		<p>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 favourable working environment by working on values, behaviours and education. Lindab's investment program, introducing more modern equipment, has had the additional positive effect of increasing safety in the working environment.</p>

## Cont. Operational risks

<b>Expertise</b> Attracting competent personnel and retaining key individuals is of significance for Lindab's continued success.		<p>The shortage of manpower is becoming increasingly apparent and efforts to be regarded as an attractive employer have therefore become 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 seeks to maintain favourable relations with the trade unions.</p> <p>Lindab's investment program is automating certain parts of production, counteracting a shortage of labour in manufacturing.</p>
<b>Legal risks</b> Lindab may be subject to commercial disputes and other legal proceedings.		<p>Lindab monitors legal developments in relevant areas to safeguard its regulatory compliance. A central function headed 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 -5 m (-21). For further information, see Note 28.</p>
<b>IT security</b> 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>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). With an increased degree of digitalisation, the risks in this area are expected to gradually increase.</p>

## Financial risks

For further details regarding financial risks, see Note 3.

Risk	Trend	Management
<b>Financing</b> 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>On December 31, 2020, Lindab's total credit limits amounted to SEK 1,902 m (1,922). The credit limits expire in July 2022. Lindab's credit agreements with Nordea/Danske Bank and Raiffeisen Bank International include two covenants in the form of the net debt to EBITDA ratio and the interest coverage ratio, which are followed up quarterly. As of 31 December 2020, Lindab complies with the covenants. According to the Group's Treasury Policy, long term financing should always be in place 12 months before existing financing expires.</p>
<b>Liquidity</b> Liquidity risk is defined as the risk that the Group would incur increased costs due to a lack of liquidity.		<p>All centrally managed loan maturities are planned in relation to the consolidated cash flow. Lindab's credit agreements safeguard liquidity needs. Lindab's business is seasonal, which has an effect on the cash flow. During the period January-June, cash flow is normally negative, to then become 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>
<b>Interest</b> Interest rate risk is defined as the risk that changes in current interest rates will have a negative effect on the Group.		<p>Surplus liquidity is always used to amortise existing loans. In accordance with the Treasury Policy, the fixed interest rate period will be 1-12 months. On 31 December 2020 it was three months (three). The interest rate, calculated as the Group's interest expense in relation to average liabilities amounted to 2.6 percent (2.3).</p>
<b>Currency</b> 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>To reduce currency exposure, 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. With the divestment of Building Systems, exposure to the Russian rouble has decreased.</p> <p>Currency hedging of the Group's translation exposure is determined 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>

## THE EU TAXONOMY

# The EU taxonomy

As of 1 January 2022, companies such as Lindab are to report according to EU's taxonomy and classify sales and expenses. In the initial stage only the share that is covered by the taxonomy must be reported. In the next stage, the share classified as sustainable, in accordance with the taxonomy, must also be stated. This year, Lindab has already chosen to report not only the share that is eligible, but also the share of sales that are aligned with the sustainability criteria for the taxonomy's first objective.

Of Lindab's sales, ventilation systems account for about two thirds. This is a type of product that the taxonomy seeks to highlight, as efficient ventilation reduces energy consumption. This means that 98 percent of sales from the ventilation range are classified as eligible according to the taxonomy. In a further analysis of what share that is to be considered aligned with the sustainability criteria for the first objective (climate change mitigation), 89 percent of sales have been classified as sustainable. Some ventilation products in the lower air-tightness classes are not considered to be aligned with the first objective. The first objective is particularly relevant for Lindab's type of products.

Building products account for a third of Lindab's sales. According to the taxonomy, only building products that reduce energy consumption are eligible, such as insulated walls and gates. Traditional sheet metal roofing, where the insulation is added when laying the roof, may not be included. In Lindab's assessment, 26 percent of sales are eligible according to the taxonomy. For the first objective, the assessment is that 22 percent of sales is also aligned with the sustainable criteria.

For the second objective (climate change adaptation), the taxonomy is inexplicit in several places and there is a great deal of uncertainty about the classification. Lindab has therefore chosen not to communicate any numbers for the second objective.

In total, 73 percent of Lindab's sales are eligible according to the taxonomy. For the first objective, 66 percent of sales are assessed to be aligned with the sustainability criteria.

## About the EU's green taxonomy

To achieve the EU's climate targets and the objectives of the EU's Green Deal, investment must, to a greater extent, be steered towards sustainable projects and operations. The establishment of a classification system for environmentally sustainable operations, a green taxonomy, is therefore a key activity within EU's action plan for financing sustainable growth.

For a certain economic activity to be classified as environmentally sustainable, it must contribute significantly to one or more of six predetermined environmental targets, do no significant harm to any of the other targets, and meet certain minimum requirements in the area of sustainability. At the initial stage, the two first climate-related targets in the taxonomy are to be reported on.

### Objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

	Total (SEK thousands)	Share of economic activities eligible for the taxonomy (%)	Share of economic activities not eligible for the taxonomy (%)
Sales	9,648	73	27
Operational expenditures	161	0	100
Capital expenditures	408	54	46

## Comments on the analysis performed

### Sales, ventilation products

#### Objective 1

According to Lindab's assessment, based on the technical screening criteria, a large part of the ventilation products makes a significant contribution to mitigating climate change and also meets the criteria for not doing any significant harm (DNSH). Lindab also meets the minimum guarantees set out in the delegated acts. Lindab manufactures products that are part of a highly energy-efficient ventilation system in buildings. Air duct systems that transport air in the ventilation system that are classified in the tightness classes C or D are considered aligned with the sustainability criteria in the taxonomy. Other products without a specific energy efficiency rating are included if considered part of the energy-efficient ventilation system, including roof hoods, mountings and support systems and various room products, including thermostats and water-borne solutions. Residential fans and air handling units with energy label A or B, in accordance with the Ecodesign Directive, are included. For industrial solutions, for which no energy label is available, European requirements on ErP (Energy related Products) have been followed. Also considered to be included are machines manufactured by Lindab for the production of air duct system parts meeting tightness class C or D.

Part of the product range is not considered to be aligned with the requirements for climate change mitigation. Examples are air duct systems with tightness class A or B, as well as products for which data is lacking to determine a significant contribution to climate change mitigation or compliance with DNSH.

### Sales, building products

#### Objective 1

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 not doing any significant harm (DNSH). Lindab also meets the minimum guarantees set out in the delegated acts

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/m<sup>2</sup>K, exterior wall systems with a U-value lower than or equal to 0.5 W/m<sup>2</sup>K, roof systems with a U-value lower than or equal to 0.3 W/m<sup>2</sup>K, insulation products with a lambda value lower than or equal to 0.06 W/mK, electricity production using solar cell technology.

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

Most sales are not considered to be eligible according to the taxonomy, such as rainwater systems, metal roofs and roof safety systems.

### 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 help limit the impact on the climate or are covered by the taxonomy by definition.

#### Capital expenditures

Lindab's reporting of capital expenditures shows the investments made in capitalized intangible assets and tangible fixed assets, respectively. Intangible assets and tangible fixed assets added through business acquisitions are also included, with the exception of goodwill and acquisitions 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 also been made for discontinued operations and indirect non-financial activities. For further information regarding capital expenditures, see Notes 5, 18, 19 and 20.

#### Operational expenditures

In accordance with the taxonomy's definition, operational expenditures, mainly pertain to the Group's direct costs for certain research and development activities, excluding depreciation, building renovations, short-term leases, as well as maintenance and repairs. Based on a general conservative analysis, the operational expenditures defined are not considered directly associated with the financial activity covered by the taxonomy. Adjustments have been made for discontinued operations.



# Sustainability data and GRI-Index

The most material sustainability issues for Lindab have been selected on the basis of internal analyses of strategic issues and driving forces in society, as well as on the results of stakeholder dialogues.

The method for defining material issues adheres to the GRI Standards guidelines and involves identification, prioritisation and validation. The process has resulted in 13 issues on which Lindab has chosen to direct additional focus. These have been further divided based on their financial, environmental and social impact, in line with GRI Standard's reporting definitions. Lindab encourages a transparent, ongoing and long-term dialogue with its stakeholders. Expectations and inquiries from suppliers, customers, employees, investors and society at large help set the agenda for the company's sustainability work.

## Economic impact

Financial stability  
Anti-corruption  
Fair competition

## Environmental impact

Use of materials in production  
Energy consumption  
Emissions of greenhouse gases  
Waste  
Supplier requirements  
Environmental impacts of products and services

## Social dimension

Employee health and safety  
Diversity and equal opportunities  
Content-labelled products  
Customer health and safety

## Environmental key figures<sup>1)</sup>

Consumption of raw material	2021	2020	2019
Metal, tonnes	165,680	210,129	232,442
Oils, m <sup>3</sup>	35	91	70
Paints, tonnes	80	433	442
Solvents, m <sup>3</sup>	8	17	19
Rubber, tonnes	1,735	1,745	1,930

Waste & scrap metal	2021	2020	2019
Scrap metal, tonnes	17,494	19,458	20,114
Hazardous waste, tonnes	1,151	707	744
Total other waste, tonnes	8,882	6,921	6,868
Recovery efficiency, %	93	88	88

Greenhouse gas emissions	2021	2020	2019
In total, tonnes	48,466	66,734	70,852
Scope 1	8,070	6,667 <sup>2)</sup>	8,887 <sup>2)</sup>
Scope 2 (market based)	8,310	13,993 <sup>3)</sup>	14,414 <sup>3)</sup>

Consumption of packaging materials	2021	2020	2019
Corrugated board, tonnes	3,394	3,587	4,125
Plastic, tonnes	740	1,273	1,382
Wood, tonnes	13,001	12,257	13,125

1) For 2021, the outcome reported is based on continuing operations, that is, excluding the Building Systems business area.

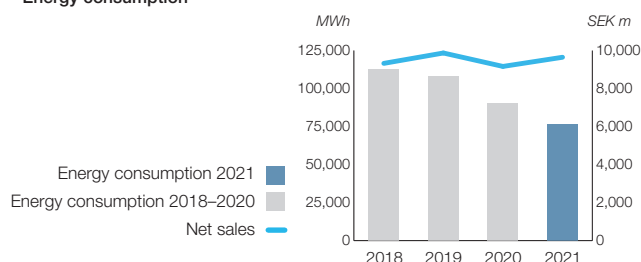
2) Recalculated from previous years' in-house defined Scope 1.

3) Calculated in accordance with "market-based-method" (origin marking/residual mix). If the "location-based-method" (the entire mix) were used instead, CO<sub>2</sub> emissions for 2020 would have amounted to 12,273 tonnes and for 2019 to 11,542 tonnes.

Energy	2021	2020	2019
Total, MWh	76,672	90,069	108,387
Direct energy, MWh	29,306	31,614	45,028
Indirect energy, MWh	47,366	58,455	63,359

1 MWh=0.0036 TJ

## Energy consumption



Lindab's energy consumption decreased by 15 percent in 2021. Emissions of greenhouse gases decreased by 27 percent. A large part of the reduction is due to the fact that Building Systems is not included. The reduction in continuing operations is also higher than in previous years, which is mainly due to increased modernization in Lindab's facilities. Measured as a share of sales, emissions decreased by 28 percent since 2019. Read more on page 11.

# GRI-Index

Key issues	Reported indicators
Financial stability	201-1
Anti-corruption	205-1, 205-2, 205-3
Anti-competitive behaviour	206-1
Materials used in production	301-1, 301-2
Energy consumption	302-1, 302-2, 302-4
Greenhouse gas emissions	305-1, 305-2, 305-4
Waste	306-2
Supplier requirements	308-1, 308-2, 414-1, 414-2
Employee health and safety	403-2
Diversity and equal opportunities	405-1
Environmental impacts of products and services	416-2
Customer health and safety	416-2
Product and service labelling	417-1

## About the Sustainability Report

Lindab reports its sustainability work as part of the company's Annual Report. The sustainability data reporting guidelines issued by the international organisation Global Reporting Initiatives (GRI) have been applied since 2009. GRI is the world's most frequently used framework for sustainability reporting and facilitates comparable and structured reporting. This year's Sustainability Report, which pertains to calendar year 2021, has been prepared in accordance with GRI Standards, Core level. The overview to the left lists the GRI indicators that have been applied to reflect the issues judged most important for Lindab and that are described on page 135. The references in the attached GRI Index indicate the relevant pages in the Annual Report, with clarifications being provided for certain indicators. The report has not been reviewed by a third party. The preceding report was published together with Lindab's 2020 Annual Report on 22 March 2021.

Contact: Lindab Group Sustainability

GRI standard	Disclosures	Page reference	Comment
GRI 101:	FOUNDATION 2016		
GRI 102:	GENERAL DISCLOSURES 2016		
<b>Organisation profile</b>			
102-1	Name of organisation	66	
102-2	Activities, trademarks, products and services	20–25, 66	
102-3	Location of head office	66	
102-4	Location of operations	66, 127	
102-5	Ownership and company form	44–45	
102-6	Markets in which the organisation operates	26–27	
102-7	Size of the organisation	66, 76–809	
102-8	Information about employees and other personnel	43, 102	Employees by category and degree of employment are not reported due to technical data-collection limitations.
102-9	Supply chain	30–31	
102-10	Significant changes to the organisation and supply chain	-	
102-11	Precautionary principle	-	The precautionary principle is applied in accordance with the Rio Declaration.
102-12	External sustainability initiatives that the organisation supports/is covered by	14–15	
102-13	Membership of organisations	18	
<b>Strategy</b>			
102-14	Statement from the CEO	6-7	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards and ethical guidelines	25, 64–65	
<b>Governance</b>			
102-18	Corporate governance	46–57	
<b>Stakeholder dialogue</b>			
102-40	List of stakeholder groups	35, 135	
102-41	Collective agreements		Lindab operates in countries where collective agreements are not permitted. Slightly more than 45 percent of Lindab's employees are covered by collective agreements, all of whom are employed in the Nordic countries.
102-42	Identification and selection of stakeholders	35, 135	
102-43	Stakeholder dialogue approach	35, 135	
102-44	Key issues raised in stakeholder dialogue	35, 135	
<b>About the report</b>			
102-45	Units included in the financial accounts	127	
102-46	Process for defining report content and demarcation of sustainability areas	135–136	
102-47	List of key issues	135	
102-48	Adjustments to previous disclosures	-	
102-49	Changes to the report	136	
102-50	Reporting period	136	
102-51	Date of publication of preceding report	136	
102-52	Reporting cycle	136	
102-53	Contact person for reports	136	
102-54	Reporting in accordance with GRI Standards	136	
102-55	GRI Index	136-138	
102-56	External verification	138	

## Key areas

ECONOMIC STANDARDS			
<b>Economic performance</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	10-15, 135	
<b>GRI 201: Economic Performance 2016</b>			
201-1	Direct economic value generated and delivered	10-15, 66	
<b>Anti-corruption</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	34, 51, 61	
<b>GRI 205 Anti-corruption 2016</b>			
205-1	Operations assessed for corruption-related risks	51, 61	
205-2	Communication on, and training in, anti-corruption policies and procedures	51, 61	
205-3	Confirmed cases of corruption and actions taken	-	No cases of corruption were confirmed during the year.
<b>Competition</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	51, 60-61	
<b>GRI 206: Anti-competitive behaviour 2016</b>			
206-1	Number of legal measures relating to competition-restricting and monopoly-fostering behaviours, and outcome	-	Lindab has not needed to take any legal measures relating to competition-restricting/monopoly-fostering behaviours.
ENVIRONMENTAL STANDARDS			
<b>Materials</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 301: Materials 2016</b>			
301-1	Use of materials	32, 34, 135	
301-2	Percentage of recycled materials	32, 34, 135	
<b>Energy</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 302: Energy 2016</b>			
302-1	Energy consumption within the organisation	32, 34, 135	
302-2	Intensity of energy consumption	32, 34, 135	
302-4	Reduction of energy consumption	32, 34, 135	
<b>Emissions</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 305: Emissions 2016</b>			
305-1	Direct emissions of greenhouse gases (Scope 1)	11, 32, 34, 135	
305-2	Indirect emissions of greenhouse gases (Scope 2)	11, 32, 34, 135	
305-4	Intensity of greenhouse gas emissions	34, 135	
<b>Waste and effluents</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 306: Effluents and Waste 2016</b>			
306-2	Volume of waste per type and management method	32, 34, 135	
<b>Supplier Environmental Assessment</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
308-1	New suppliers analysed using environmental criteria	11, 34	
308-2	Negative environmental impact in the supply chain and measures taken	11, 34	Lindab has not experienced any incidents involving environmental conditions in the supply chain resulting in measures being taken.
SOCIAL STANDARDS			
<b>Occupational health and safety</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 403: Occupational Health and Safety 2018</b>			
403-2	Identification, risk assessment and investigation of incidents	11, 42-43	
<b>Diversity and equal opportunities</b>			
<b>GRI 103: Management Approach 2016</b>			
103-1-3	Description of key area, its boundaries and governance	14-15, 135	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity in governing bodies and among employees	42-43	

Supplier social assessment				
<b>GRI 103: Management Approach 2016</b>				
103-1-3	Description of key area, its boundaries and governance		14–15, 135	
<b>GRI 414: Supplier Social Assessment 2016</b>				
414-1	New suppliers reviewed regarding social impact		34	
414-2	Negative social impact in the supply chain and measures taken		-	Lindab has not experienced any incidents involving working conditions in the supply chain resulting in measures being taken.
Customer health and safety				
<b>GRI 103: Management Approach 2016</b>				
103-1-3	Description of key area, its boundaries and governance		14–15, 135	
<b>GRI 416: Customer health and safety 2016</b>				
416-2	Compliance regarding impacts of products and services on health and safety		23	
Marketing and labelling				
<b>GRI 103: Management Approach 2016</b>				
103-1-3	Description of key area, its boundaries and governance		14–15, 135	
<b>GRI 417: Marketing and labelling 2016</b>				
417-1	Labelling and information requirements of products and services		-	Product information required by the company's product labelling procedures for each product is available at lindab.com.

#### Page index for Lindab's statutory 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	51, 69	34, 135	60–62	11, 34, 135
Employees	51, 69	40–43	60–62	11, 43, 102
Social conditions	51, 69	40–43	60–62	11, 43, 102
Human rights	14–15	14–15, 18	60–62	18,41
Anti-corruption	51, 72	34, 61	60–62	137

For further description, see page 30–31 and 66.

## 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 2021 and that it has been prepared in accordance with the Annual Accounts Act. The company have defined the statutory sustainability report scope on page 138.

#### 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, 25 March 2022

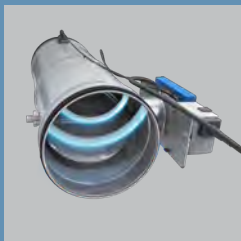
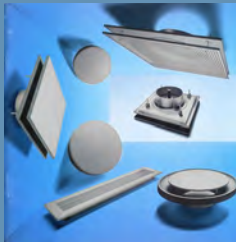
Deloitte AB

Harald Jagner

Authorised Public Accountant



A  
company  
built on  
quality



**Lindab has a long history. The company was established as far back as 1959, in the small community of Grevie on the Bjäre Peninsula, in southern Sweden.**

The business had, however, been started a few years earlier by partners Lage Lindh and Valter Persson in a small sheet metal workshop in Lidhult, Småland. With employees skilled in sheet metal processing, the range comprised aluminium profiles and window sills, and was then expanded to include ventilation ducts in sheet metal. The range was gradually expanded to encompass complete system solutions for the construction and ventilation industries and the business expanded across Europe. Qualities such as customer focus, entrepreneurship, neatness and caring for their employees enabled Lage and Valter to transform a local sheet metal workshop into an international business.

Lindab International AB (publ)  
SE-269 82 Båstad  
Tel: +46 (0) 431 850 00  
[www.lindabgroup.com](http://www.lindabgroup.com)

