SKANSKA

# Item 19 - Resolutions on a long-term share saving program and acquisitions and transfers of shares under the program

## Background and reasons

Since 2007 the Annual General Meeting of Skanska AB (publ) (the "Company") has every third year resolved on long-term share saving programs for permanent employees in the Skanska group (Skanska employee ownership programs, "Seop"). The long-term share saving program for the financial years 2026, 2027 and 2028 ("Seop 7") proposed by the Board of Directors (the "Board") is based on similar principles as the previous long-term share saving program resolved by the Annual General Meeting 2022 ("Seop 6"), although certain changes have been made as further outlined below under the heading *Main changes compared to Seop 6*.

The proposed Seop 7 gives current and future employees the opportunity of becoming shareholders of Skanska. The purpose of Seop 7 is to create shareholder value and increase the alignment of interests between the participants of Seop 7 and the other shareholders. Seop 7 is further deemed to increase the prospects for retaining and recruiting qualified employees and the employees' interest and involvement in the group's business and development. In light of this, the Board makes the assessment that Seop 7 will have a positive effect on the group's future development and therefore be advantageous both to the shareholders and the employees.

## Main changes compared to Seop 6

To further emphasize the Company's sustainability focus, the growth in earnings per share ("EPS") target at group level was in Seop 6 supplemented with a climate target at group level linked to the group's reduction of carbon emissions within scopes 1 and 2. The Board proposes that the climate target at group level in Seop 7 is divided into two parts, one intensity-based target covering own emissions (scopes 1 and 2) and one target covering energy use of buildings (relating to scope 3, category 11), together accounting for 15 percent of the total weighting of the performance targets, of which 10 percentage points are allocated to the own emissions target (scopes 1 and 2).

## Preparation of the proposals

The Board's proposals to the Annual General Meeting 2025 (the "Meeting") regarding Seop 7 have been prepared by the Board's compensation committee (the "Compensation Committee"). The Board has, upon recommendation from the Compensation Committee, resolved to propose Seop 7 to the Meeting for resolution in accordance with the proposals set out below.

## Outline of Seop 7

Seop 7 is proposed to be open to current and future permanent employees in the group. Provided a personal investment in Class B shares ("Saving shares"), normally by way of monthly savings, the employees shall be offered the possibility of being allotted Class B shares free of charge after the expiration of a three-year lock-up period. Employees (as defined in item A. below) and Key employees (as defined in item A. below) may be allotted shares conditional on continuous employment and retention of the initial investment in Saving shares ("Matching shares[1]") as well as be allotted shares conditional also on satisfaction of additional performance conditions ("Performance shares"). Executives (as defined in item A. below) may only be allotted Performance shares. The level of the performance conditions shall be set by the Board and be based on the Seop 7 performance targets. At group level, the Seop 7 performance targets are proposed to consist of one financial target and two non-financial targets. The financial target applicable at group level is growth in EPS and requires a long-term growth rate of 3 percent per year during the three-year program period, meaning an EPS growth of just over 9 percent over the period 2026-2028. The non-financial targets applicable at group level are annual carbon intensity reduction (scopes 1 and 2) over the three-year program period 2026-2028 and energy use of buildings[2] against relevant external benchmark (relating to scope 3, category 11).

Seop 7 is proposed to be divided into three annual programs (each an "Annual program"), running during the financial years 2026, 2027 and 2028, respectively. The total costs, including social security contributions, for each Annual program (excluding administrative costs) may not exceed the lower of a maximum of MSEK 1,005 (excluding adjustment for inflation) and 15 percent of the group's earnings before interest and taxes ("EBIT"). Seop 7 shall in total comprise no more than 12,000,000 Class B shares, corresponding to approximately 2.9 percent of all issued shares. Each Annual program shall comprise no more than 4,000,000 Class B shares.

## Transfer of shares under Seop 7

The Board has considered various methods for transfer of shares under Seop 7 in order to implement Seop 7 in a cost-effective and flexible manner. The Board has found the most cost-effective alternative to be, and thus proposes that the Meeting, as the main alternative, resolve to authorize the Board to resolve on acquisitions of own Class B shares, which may later be transferred to participants in Seop 7. For this purpose, the Board further proposes that the Meeting resolves on transfers of Class B shares free of charge to participants in Seop 7 and that transfers of Class B shares may be made free of charge to the Company's subsidiaries in order to secure the obligations to deliver Class B shares to participants in Seop 7.

Should the required majority for approval under item B. below not be reached, the Board proposes that the Company shall be able to enter into an equity swap agreement with a third party in accordance with item C. below.

## The Board's proposals for resolution

The Board proposes, in accordance with the recommendation by the Compensation Committee, that the Meeting resolves (i) on a long-term share saving program for the financial years 2026, 2027 and 2028 (Seop 7) in accordance with the terms in item A. below, and (ii) to authorize the Board to resolve on acquisitions of own Class B shares and that acquired Class B shares may be transferred free of charge to participants in Seop 7, in accordance with the terms in item B. below. Should the required majority for approval under item B. below not be reached, the Board proposes

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1 Provided that the total cost, including social security contributions, for each Annual program does not exceed the cost limits to the extent that the allotment of the Matching shares needs to be reduced. The cost limits are related to the group's EBIT (earnings before interest and taxes) and the extent to which the financial targets at group level (i.e. EPS) have been satisfied (as defined in item A. below). Should any of the cost limits be exceeded, the allotment of Matching shares and/or Performance shares is reduced proportionally.

2 Within the group's project development business streams.

that the Meeting resolves that the Company shall be entitled to enter into an equity swap agreement with a third party in accordance with the terms in item C. below.

### *A. Resolution on a long-term share saving program for the financial years 2026, 2027 and 2028 (Seop 7)*

The Board proposes that the Meeting resolves on Seop 7 principally based on the terms and conditions set out below.

a) Seop 7 is open to current and future (i) permanent employees (“Employees”), currently comprising of approximately 22,000 employees, (ii) key employees (“Key employees”), currently comprising of approximately 2,000 employees, and (iii) executives (“Executives”), currently comprising of approximately 300 employees. The Executives category is split into three sub-categories: “Executives A” (consisting of all members of the Group Leadership Team, currently comprising of 8 employees), “Executives B” (consisting of Business Unit Presidents and group Senior Vice Presidents, currently comprising of 17 employees) and “Executives C” (consisting of other senior executives, currently comprising of approximately 280 employees).

b) Seop 7 means that Employees, Key employees and Executives are offered the possibility to, provided a personal investment in Class B shares (Saving shares) during a certain financial year (“Acquisition period”), be allotted Class B shares free of charge from the Company or from another group company, or from a designated third party. For each 4 Saving shares, Employees and Key employees participating in Seop 7 will, after a three-year lock-up period (“Lock-up period”), have the possibility to be allotted 1 Class B share (Matching share)[3]. No Matching shares will be allotted to Executives. Moreover, all employees participating in Seop 7 will, depending on satisfaction of additional performance conditions during the Acquisition period, which are based on the Seop 7 performance targets set by the Board (see section *Performance conditions* below), after the Lock-up period have the possibility to be allotted additional Class B shares free of charge (Performance shares). Employees may be allotted no more than 3 Performance shares, Key employees no more than 7 Performance shares, Executives C no more than 16 Performance shares, Executives B no more than 20 Performance shares and Executives A no more than 24 Performance shares, for each 4 Saving shares.

c) Seop 7 is divided into three annual programs (“Annual program 2026”, “Annual program 2027” and “Annual program 2028”). The Acquisition period comprises the same financial year as the year of the respective Annual program. The Lock-up period runs for three years from the day of the investment in Saving shares.

d) The maximum number of Saving shares that each employee participating in Seop 7 may invest in, normally by way of monthly savings, depends on the employee’s salary and if the employee participates in Seop 7 as an Employee, a Key employee or an Executive. Saving shares may be acquired by Employees for an amount corresponding to no more than 5 percent of the annual fixed gross salary, by Key employees for an amount corresponding to no

[3] Provided that the total cost, including social security contributions, for each Annual program does not exceed the cost limits to the extent that the allotment of the Matching shares needs to be reduced. The cost limits are related to the group's EBIT and the extent to which the financial targets at group level (i.e. EPS) have been satisfied (as defined below). Should any of the cost limits be exceeded, the allotment of Matching shares and/or Performance shares is reduced proportionally.

more than 7.5 percent of the annual fixed gross salary, and by Executives for an amount corresponding to no more than 10 percent of the annual fixed gross salary.

e) In order for an employee to be eligible to be allotted Matching shares and/or Performance shares in each Annual program, it is a condition that, with certain specific exemptions, the employee is permanently employed within the group for the duration of the whole Lock-up period and that the employee, throughout this Lock-up period, has retained the Saving shares acquired within the respective Annual program. Saving shares that have been disposed of prior to the expiration of a Lock-up period will therefore not be included in the calculation for determining any allotment of Matching shares and/or Performance shares.

f) Seop 7 includes two cost limits; one depending on the extent to which the financial targets at group level (i.e., EPS) for Seop 7 (see Appendix 2, section 1) have been satisfied (“Cost limit 1”) and one which is related to the group’s EBIT (“Cost limit 2”). In respect of Cost limit 1, should the outperform target (as set out in Appendix 2, section 1) be satisfied, the total costs, including social security contributions, for each Annual program may not exceed MSEK 1,005, whereas should the starting point (as set out in Appendix 2, section 1) not be satisfied or be satisfied but not exceeded, the total costs, including social security contributions, for each Annual program may not exceed MSEK 275. The applicable cost limits between the starting point and the outperform target are set out in Appendix 1. Adjustments for inflation, as from December 31, 2024, shall apply when calculating Cost limit 1 for each Annual program. Cost limit 2 means that the total costs, including social security contributions, for each Annual program may not exceed 15 percent of the group’s EBIT for the applicable Acquisition period. The actual cost limit is therefore the lower of Cost limit 1 and Cost limit 2. Administrative costs for Seop 7 shall not be considered when calculating whether the total costs amount to Cost limit 1 or Cost limit 2.

   Should the number of participants and the outcome of the allotment of Matching shares and Performance shares to the participants in Seop 7 result in a total cost exceeding any of the applicable cost limits for any of the Annual programs, the allotment rate will be reduced proportionally.

g) Matching shares and Performance shares may normally be allotted only after the Lock-up period for each Annual program, which comprises three years. Allotment of Matching shares and Performance shares to participants within each Annual program is estimated to occur monthly three years after the investment in each Saving share, meaning that allotment of Matching shares and Performance shares is estimated to occur monthly during the financial year 2029 in respect of the Annual program 2026, during the financial year 2030 in respect of the Annual program 2027, and during the financial year 2031 in respect of the Annual program 2028.

h) Should the participants' savings for investment in Saving shares be made in another currency than in the Swedish krona, the acquired Saving shares will, after the expiration of the Lock-up period, be valued at a fixed exchange rate between the relevant currency and the Swedish krona, provided that the participant has retained the Saving shares and has been permanently employed within the group throughout the whole Lock-up period. Any potential difference in the value of the Saving shares in the relevant currency, due to exchange rate fluctuations during the Lock-up period, calculated on the exchange rate on the first day during the Lock-up period compared to the current exchange rate the day after the expiration of the Lock-up period, will be settled by the number of allotted Matching shares and/or Performance shares being increased or decreased, as relevant.

i) The Board or the Compensation Committee shall be entitled to establish the detailed terms and conditions for Seop 7 on the basis of the main terms and conditions for Seop 7 stipulated in the decision by the Meeting. The Board or the Compensation Committee may, in that regard, make necessary adjustments to satisfy certain local regulations or established market conditions outside of Sweden.

j) If significant changes in the group or in the market occur which, in the opinion of the Board, would result in a situation where the conditions for allotment of Matching shares and/or Performance shares under Seop 7 become unreasonable, the Board shall also be entitled to resolve on a reduced allotment of Matching shares and/or Performance shares, or that no Matching shares and/or Performance shares shall be allotted at all, for a certain Annual program or for participants in Seop 7 active within a certain business unit. The Board shall further have the option to, wholly or partially, cancel Annual programs which have not commenced and have the option to, wholly or partially, cancel Seop 7 should any of the Annual General Meetings 2026-2028 not resolve on necessary acquisitions of own Class B shares.

k) Participation in Seop 7 presupposes that such participation is legally possible in the various jurisdictions concerned and that the administrative costs and financial efforts are reasonable in the opinion of the Board.

l) Seop 7 shall in total comprise no more than 12,000,000 Class B shares, corresponding to approximately 2.9 percent of all issued shares in the Company. Each Annual program shall comprise no more than 4,000,000 Class B shares. This means that the Board may resolve on a proportionally reduced allotment of Matching shares and/or Performance shares if price movements in the Class B shares during the Acquisition period result in that the number of Matching shares and Performance shares exceeds 4,000,000 for an Annual program.

m) The number of Matching shares and Performance shares will be subject to recalculation as a result of any intervening bonus issue, split, rights issue and/or other similar corporate events.

***Performance conditions***

Allotment of Performance shares is conditional upon satisfaction of a number of performance conditions during the Acquisition period for each Annual program. The conditions are based on the Seop 7 performance targets set by the Board which consist of targets at group, business unit and/or business unit cluster level. At group level, there is one financial target and two non-financial targets (which in Seop 7 consist of sustainability targets). At business unit and/or business unit cluster level, there are only financial targets. The costs for Seop 7 will be charged to the group and each business unit when calculating whether the financial targets have been satisfied.

The financial target applicable at group level is growth in EPS, as set out in Appendix 2, section 1, and requires a long-term growth rate of 3 percent per year during the three-year program period, meaning an EPS growth of just over 9 percent over the period 2026-2028. The non-financial targets applicable at group level are annual carbon intensity reduction (scopes 1 and 2) over the three-year program period 2026-2028 and energy use of buildings[4] against relevant external benchmark (relating to scope 3, category 11), as set out in Appendix 2, sections 2 and 3. The targets applicable at business unit and/or business unit cluster level vary depending on which business stream the relevant business unit or business unit cluster belongs to, as set out in Appendix 2, section 4. The targets apply differently depending on the employee's position. How the targets apply in relation to each participant category is set out in Appendix 2, section 5.

Allotment of Performance shares shall be based on the weighted outcome of the performance conditions for each participant category as set out in Appendix 2. Should the weighted outcome of the performance conditions fall between 0 percent and 100 percent, a proportional allotment of Performance shares will be made. The following examples illustrate how allotment of Matching shares and Performance shares shall be calculated for the category Employees:

- Should the weighted outcome of the performance conditions amount to 0 percent, the employee will be allotted 1 Matching share for each 4 Saving shares[5]. No allotment of Performance shares (which may at most amount to 3 Performance shares) will occur.
- Should the weighted outcome of the performance conditions amount to 0 percent and the cost limits be exceeded to the extent that the allotment of the Matching shares needs to be reduced, the allotment of Matching shares will be reduced proportionally. No allotment of Performance shares (which may at most amount to 3 Performance shares) will occur.
- Should the weighted outcome of the performance conditions amount to 50 percent, the employee will be allotted 1 Matching share for each 4 Saving shares[5]. The allotment of the number of Performance shares (which may at most amount to 3 Performance shares) is reduced by 50 percent, which means a total allotment of 2.5 Class B shares (i.e. 1 Matching share and 1.5 Performance shares) for each 4 Saving shares.
- Should the weighted outcome of the performance conditions amount to 100 percent, the employee will be allotted 1 Matching share for each 4 Saving shares[5]. Maximum allotment of Performance shares (which may at most amount to 3 Performance shares) will occur, which means a total allotment of 4 Class B shares (i.e. 1 Matching share and 3 Performance shares) for each 4 Saving shares.
- Should the weighted outcome of the performance conditions amount to between 0 percent and 100 percent and any of the cost limits be exceeded, the allotment of the Matching shares and/or Performance shares will be reduced proportionally.

A corresponding calculation for allotment of Matching shares and/or Performance shares shall be made in respect of Key employees and Executives. However, as mentioned above, Key employees may be allotted a maximum of 7 Performance shares and Executives may be allotted a

[4] Within the group's project development business streams.

[5] Provided that the total cost, including social security contributions, for each Annual program, does not exceed the cost limits to the extent that the allotment of the Matching shares needs to be reduced and that the other conditions according to Seop 7 for receiving Matching shares are met. Should any of the cost limits be exceeded, the allotment of Matching shares and/or Performance shares is reduced proportionally.

maximum of 16 to 24 Performance shares (depending on sub-category) for each 4 Saving shares. Executives may not be allotted any Matching shares.

The number of Performance shares that may be allotted will be established after the expiration of the first quarter after the financial year of the respective Annual program.

The performance conditions, and the preliminary outcome of the performance conditions, for each Annual program will be disclosed by the Company in connection with the annual and sustainability report for the financial year of the respective Annual program.

***B. Resolution on authorization for the Board to resolve on acquisitions of own Class B shares and on transfers of acquired Class B shares to participants in Seop 7***

*1) Resolution on authorization for the Board to resolve on acquisitions of own Class B shares*

To secure delivery of Class B shares to participants in Seop 7, the Board proposes that the Meeting resolves to authorize the Board to resolve on acquisitions of own Class B shares on the following terms and conditions.

a) Acquisitions of Class B shares may only be effected on Nasdaq Stockholm.
b) The authorization may be exercised on one or several occasions, however at the latest until the Annual General Meeting 2026.
c) No more than 1,000,000 Class B shares may be acquired to secure delivery of shares to participants in Seop 7.
d) Acquisitions of Class B shares on Nasdaq Stockholm may only be made at a price within the from time to time applicable range of prices (spread) on Nasdaq Stockholm, meaning the interval between the highest purchase price and the lowest selling price.

The Board has issued a statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

The Board intends to revert to the Annual General Meetings 2026, 2027 and 2028 with proposals to authorize the Board to resolve on additional acquisitions of Class B shares, for transfers to participants in Seop 7.

*2) Resolution on transfers of acquired Class B shares to participants in Seop 7*

The Board proposes that the Meeting resolves that transfers of acquired Class B shares may be made on the following terms and conditions.

a) No more than 12,000,000 Class B shares may be transferred free of charge to participants in Seop 7.
b) The right to acquire Class B shares free of charge shall, with deviation from the shareholders' preferential rights, be granted to such persons within the group who participate in Seop 7. Further, the Company's subsidiaries shall, with deviation from the shareholders' preferential rights, be entitled to acquire Class B shares free of charge, whereby such subsidiary shall be obliged to, in accordance with the terms and conditions of Seop 7, immediately transfer the shares to such persons within the group who participate in Seop 7.

c) Transfers of Class B shares shall be made free of charge at the time and on the other terms and conditions that participants in Seop 7 are entitled to acquire shares, i.e., normally monthly consecutively during the financial years 2029, 2030 and 2031.
d) The number of Class B shares that may be transferred under Seop 7 will be subject to recalculation as a result of any intervening bonus issue, split, rights issue and/or other similar corporate events.
e) Transfers may be made of Class B shares (i) which have previously been acquired to secure the Company's obligations under earlier long-term share saving programs but which are no longer required for such purpose, (ii) which have been acquired in accordance with item B. 1) above, and (iii) which are acquired under future authorizations to acquire Class B shares.

***C. Resolution on equity swap agreement with third party in relation to Seop 7***

In the event the required majority for approval under item B. above is not reached, the Board proposes that the Meeting resolves that the financial exposure of Seop 7 may be hedged by the Company being able to enter into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party, in its own name, shall be entitled to acquire and transfer Class B shares to employees that participate in Seop 7.

## Conditions

The Meeting's resolution on Seop 7 according to item A. above is conditional upon the Meeting either resolving in accordance with the Board's proposal under item B. above or in accordance with the Board's proposal under item C. above.

## Majority requirements

The Meeting's resolution according to the Board's proposals under item A. and C. above requires a simple majority of the votes cast at the Meeting. The Meeting's resolution according to the Board's proposal under item B. above requires that shareholders representing at least nine-tenths of the votes cast as well as of the shares represented at the Meeting approve the resolution.

## The reason for the deviation from the shareholders' preferential rights

The transfers of Class B shares form part of the accomplishment of the proposed Seop 7. Therefore, and in light of the above, the Board considers it to be advantageous for the group and the shareholders that the participants in Seop 7 are offered the possibility to become shareholders of Skanska.

## Miscellaneous

For a description of the Company's other long-term share saving programs and information on costs of the programs, reference is made to note 37 in Skanska's annual and sustainability report for the financial year 2024 and to the Company's website www.group.skanska.com/, under the heading "Corporate Governance/Remuneration/Incentive programs".

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Stockholm, March 2025
Skanska AB (publ)
The Board of Directors

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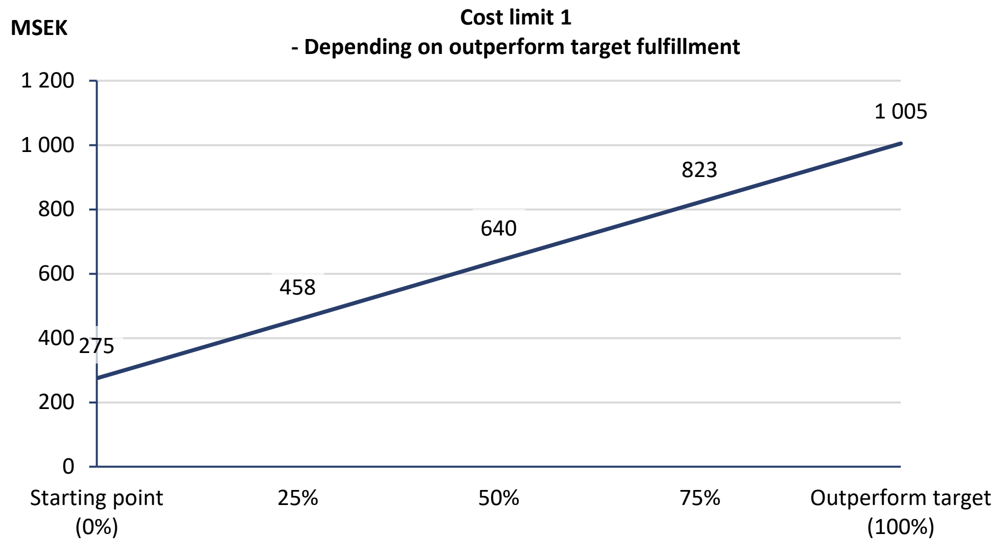
**Appendix 1**

## Cost limits in Seop 7 (excluding adjustment for inflation)

*Cost limit 1*

Depending on the fulfilment of the financial targets at group level (growth in earnings per share (EPS)[6]).




*Cost limit 2*

The group's total costs, including social security contributions, for each Annual program may not exceed 15 percent of the group's EBIT for the applicable Acquisition period.

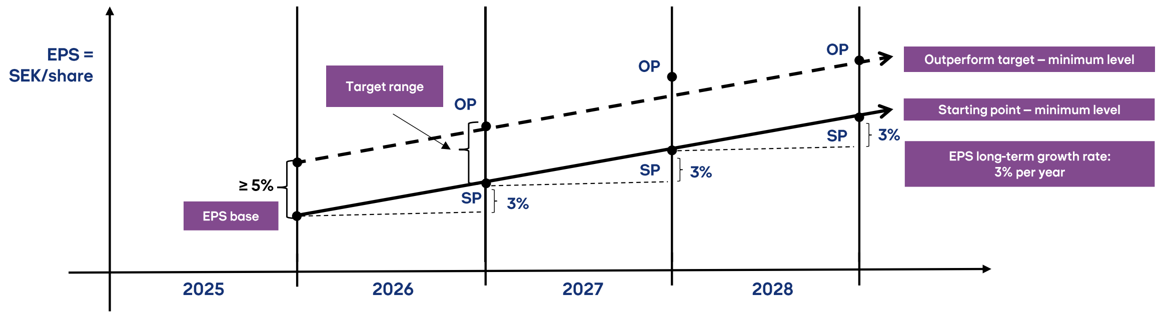
The actual cost limit for each Annual program is the lower of Cost limit 1 and Cost limit 2.

[6] After dilution.

**Appendix 2**

## Overview of Seop 7 performance targets

1. *Financial targets at group level (growth in earnings per share (EPS)*)*




OP = Outperform target
SP = Starting point

} Target range

* Earnings per share (EPS) is calculated by dividing the reported net profit for the group by the average number of shares outstanding after dilution[7] during the period.

a) The Board will set an EPS base as per January 1, 2026, based on the EPS outcome 2025, adjusted for any larger one-off items, as the initial reference point for Seop 7 (the “EPS Base”). After the expiration of the financial years 2025, 2026 and 2027, respectively, the Board will set a Target range for the respective Annual program.

b) The starting point will be set by the Board at a level not falling below the EPS Base increased by the EPS long-term growth rate of 3 percent per year for each Annual program.

c) The outperform target will be set by the Board at a level at least 5 percent above the starting point’s minimum level for each Annual program. There will be no cap on the level at which the outperform target may be set.

d) In order for any allotment related to growth in EPS to occur, the starting point must be exceeded and in order for maximum allotment related to growth in EPS to occur, the outperform target must be reached. If the outcome is between the starting point and the outperform target, a proportional allotment is made related to growth in EPS.

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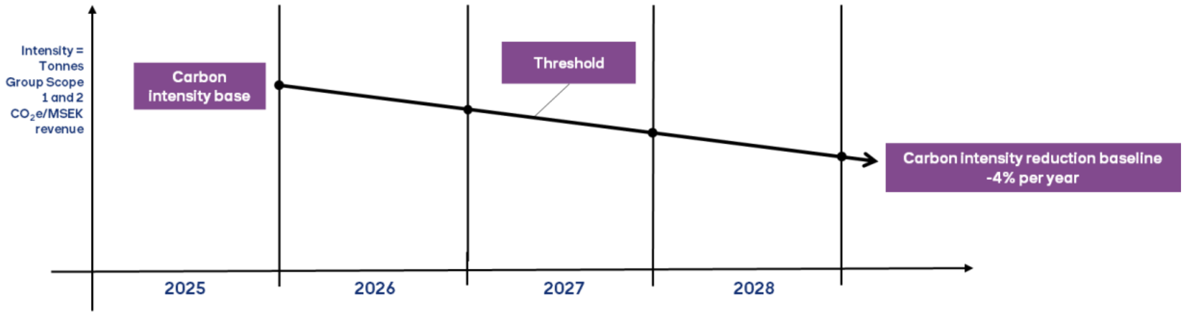
[7] Dilution refers to a reduction in earnings per share or an increase in loss per share resulting from any conversion of convertible instruments, exercise of options or warrants, or issue of ordinary shares upon the satisfaction of specified conditions. Dilution also includes a reduction in earnings per share or an increase in loss per share resulting from shares held by the Company in own custody being allotted to the Seop-participants upon the satisfaction of specified conditions. The number of shares outstanding increases by the allotted shares, i.e. the allotted shares are included in the number of shares outstanding after dilution.

2. *Non-financial targets at group level (the group's reduction of carbon intensity (tonnes $CO_2e$[8]/MSEK revenue) ("Carbon intensity"))*




a) The carbon intensity base as per January 1, 2026 corresponds to the Carbon intensity outcome for 2025 and is the initial reference point for Seop 7 (the "Carbon intensity base").

b) The Carbon intensity target is structured as a threshold for each Annual program. The threshold equals (i) in respect of the Annual program 2026 the Carbon intensity base reduced by 4 percent (the "2026 Threshold"), (ii) in respect of the Annual program 2027 the 2026 Threshold reduced by 4 percent (the "2027 Threshold"), and (iii) in respect of the Annual program 2028 the 2027 Threshold reduced by 4 percent. If the Carbon intensity is equal to or lower than the applicable threshold, the target fulfilment for the Annual program in question is 100 percent. If the Carbon intensity is higher than the applicable threshold, the target fulfilment for the Annual program in question is 0 percent.

[8] $CO_2e$ refers to the group's carbon dioxide equivalent emissions, also referred to as carbon emissions, within scope 1 and scope 2 reported by the Company in accordance with the Greenhouse Gas Protocol, Skanska Group Sustainability Policy and Skanska Group Sustainability Reporting Procedure. More information can be found in Skanska's annual and sustainability report for the financial year 2024.

3. *Non-financial targets at group level (energy use of buildings)*

The target measures the average energy efficiency of projects communicated to the market in a Group press release[9] for project start each respective year during 2026-2028 within the group's Commercial Property Development and Residential Development business streams.

Energy efficiency is evaluated against the industry-recognized external benchmarks Nearly Zero Energy Buildings[10], ASHRAE standard 90.1 or other similar benchmarks. The annual average energy efficiency is calculated as the weighted average of all buildings' energy efficiencies, based on each building's area in square meters.

The target consists of a threshold. The threshold for each Annual program is 5 percent outperformance against the relevant external benchmark, i.e. 5 percent better than the external benchmark. If the annual average energy efficiency is equal to or lower than the annual threshold, the target fulfillment is 100 percent. If the average energy efficiency is higher than the annual threshold, the target fulfillment is 0 percent.

[9] In accordance with Skanska Group Press Release Procedure.

[10] In line with the EU Energy Performance of Buildings Directive (EPBD).

4. *Financial targets for business units and/or business unit clusters per business stream*

| Construction | Residential Development | Commercial Property Development | Investment Properties |
|---|---|---|---|
| EBIT (100 percent) | EBIT (50 percent) | EBIT (75 percent) | EBIT (100 percent) |
| - | ROCE[11] (50 percent) | Leasing[12] (25 percent) | - |

The Target ranges, structured with a starting point and an outperform target, for the targets applicable at the business unit and/or business unit cluster level will be set by the Board or the Compensation Committee with the aim of supporting the group target for growth in EPS (section 1). The percentage weighting between the different targets varies between business streams as set out in the table above.

[11] Return on capital employed.

[12] Leasing square meters/square feet.

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5. *Applicable performance targets for each participant category*

| Category | Applicable performance targets | Weighting |
|---|---|---|
| **Executives A (Group Leadership Team) and Executives B (Business Unit Presidents and group Senior Vice Presidents)** | Growth in EPS (section 1)<br>Carbon intensity (section 2)<br>Energy use of buildings (section 3) | 85 percent<br>10 percent<br>5 percent |
| **Executives C (Other senior executives)** | Growth in EPS (section 1)<br>Carbon intensity (section 2)<br>Energy use of buildings (section 3)<br>Business unit and/or business unit cluster (section 4) | 42.5 percent<br>5 percent<br>2.5 percent<br>50 percent |
| **Key employees and Employees[13]** | Business unit and/or business unit cluster (section 4) | 100 percent |

[13] For certain Employees and Key employees in group-wide functions, the group targets (section 1, 2 and 3) will apply.