

Corporate governance

Corporate governance report

Good corporate governance ensures that Skanska is managed responsibly, efficiently and in a sustainable way on behalf of all of our stakeholders including but not limited to shareholders, customers, suppliers, society and employees. Furthermore, good corporate governance supports our strategy and competitiveness, ensures oversight across the organization by the Board of Directors (the Board), the President and CEO and the Group Leadership Team, guides our employees in good business conduct, and ensures a sound risk culture, robust risk management to effectively identify and control risks, and effective decision-making with clear accountability at all levels.

This corporate governance report for 2023 forms part of the Board's report for Skanska's Annual and Sustainability Report 2023. The report has been prepared in accordance with Chapter 6, Section 6 of the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the Code), and has been reviewed by the company's external auditors.

Corporate governance principles

Skanska is one of the world's largest project development and construction companies. We operate across select markets in the Nordics, Europe and the USA. Supported by strong trends in urbanization and demographics, and by aiming to be at the forefront of sustainability, we offer competitive solutions. With our purpose and values, strategy, talented employees and trusted brand, we have a solid foundation to continue contributing to creating a sustainable future for customers and communities as well as creating long-term value for shareholders. The parent company of the Group is Skanska AB (the Company), with a registered office in Stockholm, Sweden.

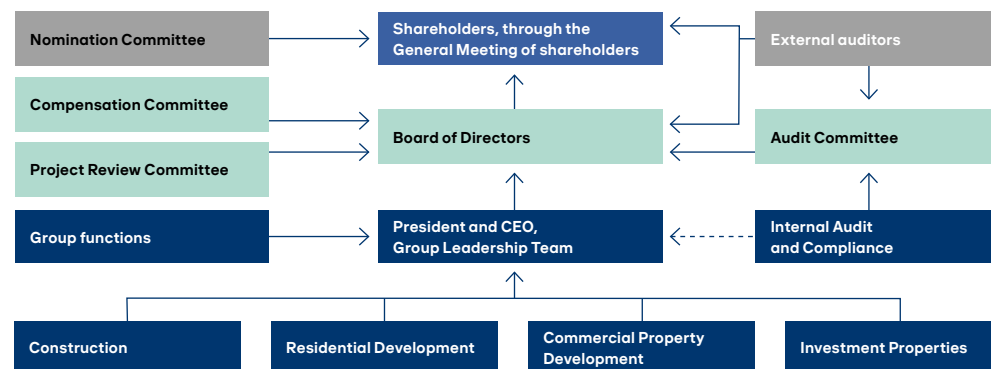
As a Swedish public limited liability company with shares listed on Nasdaq Stockholm, Skanska is subject to a variety of external

laws, rules and regulations that affect our governance. In addition, to govern the Group and to ensure compliance with applicable legal and regulatory requirements by all business units and functions in the Group, we have adopted a range of internal rules and processes. Sustainability and ethics are integral parts of our strategy and the Group's business.

Skanska has no deviations from the Code to report for the financial year 2023. Nor has Skanska been subject to any rulings by Nasdaq Stockholm's Disciplinary Committee or decisions on breach of good practices in the stock market by the Swedish Securities Council in 2023.

Further information on our corporate governance is available on the Group website: group.skanska.com/corporate-governance/.

Governance structure



Key external governing documents

- Swedish Companies Act
- Nasdaq Nordic Main Market Rulebook for Issuers of Shares
- Swedish Corporate Governance Code
- Swedish Annual Accounts Act
- Swedish Securities Market Act
- Applicable EU legislation
- International Financial Reporting Standards (IFRS) and other accounting rules
- Global Reporting Initiative (GRI) Standards

Key internal governing documents

- Articles of Association, which are available on the Group website
- Procedural Rules for the Board and its Committees
- Instructions for the President and CEO
- Group steering documents, including Group policies, standards and procedures, guidelines, and business processes for approval, control and risk management
- The Skanska Code of Conduct, which is available on the Group website

Shares and shareholders

Skanska's Class B shares are listed on Nasdaq Stockholm in the Large Cap segment. The share capital at the end of 2023 amounted to SEK 1,259,709,216 consisting of a total of 419,903,072 shares, of which 19,619,942 were Class A shares and 400,283,130 were Class B shares. Class A shares entitle the holder to 10 votes per share and Class B shares entitle the holder to one vote per share. There are no other restrictions in the Articles of Association on the number of votes each shareholder may cast at a General Meeting. Class A shares and Class B shares entitle the holder to the same dividend.

At the end of 2023, Skanska had a total of 117,706 shareholders, according to statistics from Euroclear Sweden AB. The 10 largest shareholders held 58.5 percent of the votes and 42.9 percent of the capital. AB Industrivärden's holding amounted to 24.5 percent of the votes, Lundberg Group's holding to 13.2 percent of the votes and AMF Tjänstepension & AMF Fonder's holding to 5.6 percent of the votes. Further information on the Skanska share and shareholders, including the Company's holdings of Class B treasury shares, is available on pages 221–222.

General Meetings of shareholders

The General Meeting is Skanska's highest decision-making body and it is where shareholders exercise their decision-making rights. At the Annual General Meeting (AGM), the shareholders decide on key issues, such as adoption of income statements and balance sheets, the dividend, the composition of the Board, discharging the members of the Board and the President and CEO from liability, board fees and auditor fees, and election of external auditors. Guidelines for

salary and other remuneration to senior executives are adopted by the AGM at least every four years, while the Board's remuneration report is submitted to the AGM yearly for approval.

Skanska's financial year is from January 1 to December 31, and the AGM is to be held within six months of the end of the financial year. The date and venue for the AGM are communicated on the Group website no later than in conjunction with the publishing of the third-quarter interim report. The notice convening the AGM is published in Post- och Inrikes Tidningar (the Official Swedish Gazette) and on the Group website. An announcement of the notice convening the meeting is published in Dagens Nyheter and in at least one more Swedish daily newspaper. All documents relating to the AGM are published on the Group website in both Swedish and English. Shareholders listed in the register of shareholders on the record date and who notify the Company of their intention to participate in the meeting are entitled to attend it either personally or by proxy through a representative. According to the Articles of Association, the Board may decide that shareholders shall be entitled to exercise their voting rights by post before the AGM. Shareholders have the right to have matters addressed at the AGM if they have submitted a request to the Board no later than seven weeks before the AGM.

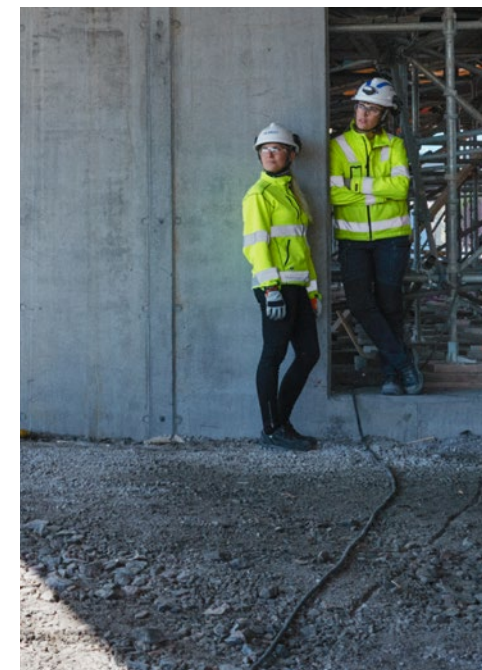
Annual General Meeting 2023

The AGM 2023 was held on March 29, 2023, in Stockholm. A total of 1,051 shareholders, representing approximately 64.9 percent of the total number of votes, were represented at the AGM. The shareholders also had the opportunity to exercise their voting rights

at the AGM by voting in advance, so-called postal voting. At the AGM, the following resolutions were made, among others:

- Payment of a dividend of SEK 7.50 per share
- Re-election of Hans Biörck, Pär Boman, Jan Gurander, Mats Hederos, Fredrik Lundberg, Catherine Marcus, Ann E. Massey and Åsa Söderström Winberg as members of the Board
- Re-election of Hans Biörck as Chairman of the Board
- Re-election of Ernst & Young AB as external auditor
- Approval of the Board's remuneration report for 2022
- Adoption of guidelines for salary and other remuneration to senior executives
- Authorizations for the Board to, during the period until the AGM 2024, (i) resolve on acquisitions of not more than 3,500,000 own Class B shares on Nasdaq Stockholm to secure delivery of shares to participants in the Skanska employee ownership program for the financial years 2023, 2024 and 2025 resolved by the AGM 2022 (Seop 6); and (ii) resolve on acquisitions of such number of own Class B shares on Nasdaq Stockholm that the Company's holding of own shares after each acquisition amounts to a maximum of one-tenth of the total number of shares in the Company to give the Board increased freedom of action to be able to adapt the Company's capital structure and thereby contribute to increased shareholder value

Complete information on the AGM 2023 and the minutes of the meeting are available on the Group website: group.skanska.com/corporate-governance/shareholders-meeting/agm-2023/.



Annual General Meeting 2024

Skanska's AGM 2024 will be held on Wednesday March 27, 2024 at 10.00 a.m. CET in Stockholm, Sweden at Stockholm Waterfront Congress Centre, Nils Ericsons Plan 4. Shareholders will also have the opportunity to exercise their voting rights by postal voting prior to the AGM. Further information is available on page 223 and on the Group website: group.skanska.com/corporate-governance/shareholders-meeting/agm-2024/.

The Nomination Committee

The AGM 2018 gave the Chairman of the Board a mandate to, prior to each AGM, ask the four largest shareholders in terms of voting rights, that wish to participate in the Nomination Committee, to appoint one representative each to serve together with the Chairman as the Nomination Committee. In determining which are deemed to be the largest shareholders in terms of voting rights, the list of shareholders registered with and categorized by Euroclear Sweden AB as of the last banking day in August each year is to be used. The member of the Nomination Committee representing the largest shareholder in terms of voting rights is to be appointed as Chairman of the Nomination Committee.

The Nomination Committee's tasks include:

- Evaluating the composition of the Board and its work
- Preparing proposals to submit to the AGM regarding the election of board members and the Chairman of the Board
- Working with the Board's Audit Committee to prepare proposals to submit to the AGM regarding the election of auditors
- Preparing a proposal to submit to the AGM on fees to the Chairman of the Board and to the other AGM-elected board members for board work and for work in the committees of the Board, as well as fees to the auditors
- Preparing a proposal to submit to the AGM regarding a Chairman of the AGM
- When applicable, preparing a proposal on changes to the principles for appointing the next Nomination Committee

The applicable instruction to the Nomination Committee is available on the Group website: group.skanska.com/corporate-governance/shareholders-meeting/nomination-committee/.

Nomination Committee for the AGM 2024

The Nomination Committee for the AGM 2024 has the following composition:

- Helena Stjernholm, AB Industrivärden (24.5 percent of the votes¹), Chairman of the Nomination Committee
- Katarina Martinson, Lundberg Group (13.2 percent of the votes¹)
- Dick Bergqvist, AMF Tjänstepension & AMF Fonder (5.6 percent of the votes¹)
- Malin Björkmo, Handelsbanken Funds (1.9 percent of the votes¹)
- Hans Biörck, Chairman of the Board, Skanska AB

The composition of the Nomination Committee and information on how shareholders can submit proposals to the Nomination Committee ahead of the AGM 2024 was published on the Group website and announced in a press release on September 25, 2023. According to the Code, the majority of the Nomination Committee's members are to be independent in relation to the Company and its senior executives and at least one member is also to be independent in relation to the largest shareholders in the Company in terms of voting rights. All of the appointed members are independent in relation to the Company and its senior executives and three are independent in relation to the largest shareholders in the Company in terms of voting rights.

In preparation for the AGM 2024, the Nomination Committee has held four meetings at which minutes were kept. No fee has been paid for the work of the Nomination Committee. In its work ahead of the AGM 2024, the Nomination Committee was, among other things, presented with the result of the evaluation of the Board's work and the Chairman of the Board's report on the Board's work. The Nomination Committee has also interviewed two members of the Board. Furthermore, Skanska's President and CEO and CFO have attended a meeting of the Nomination Committee for a presentation of the Company's operations.

Diversity policy

In its work ahead of the AGM 2024, the Nomination Committee has assessed the composition and size of the current Board as well as Skanska's operations. It has been the Nomination Committee's objective to maintain the diversity and breadth of the Board, particularly considering Skanska's operations within project development and construction in an international context and Skanska's focus on sustainability matters. The Nomination Committee has further considered that it would benefit the Board to include a person with experience from the UK or US construction industry, and a person with operational experience from a large Swedish listed company and competence in industrial processes, quality work and sustainability matters.

For the composition of the Board, the Nomination Committee has applied the rules on the composition of the Board that are found in the Code. The Nomination

Committee has applied rule 4.1 of the Code as diversity policy. The objectives of the diversity policy are that the Board is to have a composition appropriate to the Company's operations, phase of development and other relevant circumstances, that the board members elected by the General Meeting are collectively to exhibit diversity and breadth of qualifications, experience, background and need for renewal, and that a gender balance on the Board is to be strived for. The Nomination Committee considers that such diversity and breadth is represented among the proposed board members. Three out of nine of the proposed board members are women. The gender balance is therefore 33 percent women and 67 percent men. The Nomination Committee further assesses that those fields of competence and experience considered important to Skanska are well represented in the proposed Board and that the composition and size of the proposed Board is appropriate to meet Skanska's needs. The Nomination Committee has also assessed that the proposed board members will be able to devote the necessary time required to fulfill their tasks as board members in Skanska. The Nomination Committee has assessed that the proposed Board meets the requirements in the Code relating to board members' independence.

The Nomination Committee's complete proposals to the AGM 2024, its report on its work and motivated statement ahead of the AGM 2024, and information on proposed board members, are available on the Group website: group.skanska.com/corporate-governance/shareholders-meeting/ags-2024/.

¹ Based on shareholding as of August 31, 2023.

Board of Directors

According to the Articles of Association, the Board, with regard to members elected by shareholders at a General Meeting, shall consist of not fewer than five and not more than 10 members. The Articles of Association contain no provisions regarding appointment or dismissal of board members or amendments to the Articles of Association.

The Board has overall responsibility for Skanska's organizational structure and management, and the Board's main duty is to safeguard the interests of the Company and shareholders. The Board makes decisions regarding the Group's strategy, interim and

annual reports, major construction projects, investments and divestments, appointment of the President and CEO, and matters concerning the organizational structure of the Group. The Chairman leads the Board in its work and has regular contact with the President and CEO in order to stay informed about the Group's activities and development.

The current Board consists of eight members elected by the shareholders at the AGM 2023 for the period until the end of the AGM 2024, and three members and three deputy members appointed by the trade unions. According to the Code, the majority of the Board's AGM-elected members are to be

independent in relation to the Company and its senior executives, and at least two members are to also be independent in relation to the major shareholders in the Company. All of the board members elected by the AGM 2023 are independent in relation to the Company and its senior executives. Of these, six members are also independent in relation to the Company's major shareholders.

The composition of the Board as of December 31, 2023, and an assessment of the independence of each member are presented in the table below and on pages 90–91.

The work of the Board in 2023

The work of the Board follows an annual agenda established in the Board's Procedural Rules, which are reviewed and approved by the Board each year at the statutory board meeting. Among other things, the Procedural Rules outline rules for the distribution of tasks among the Board, the committees of the Board and the President and CEO. The Board's work is mainly performed within the framework of formal board meetings and through meetings in the Board's committees. To ensure that the Board has the relevant information and documentation on which to base decisions, the Board receives, in preparation for each board meeting, reports and documentation compiled according to established procedures.

In 2023, the Board held seven ordinary meetings, including its statutory meeting, and one extra meeting per capsulam (by unanimous written consent). For attendance at board meetings and committee meetings, see the table on page 84. The more important issues dealt with by the Board during the year included monitoring operations, review and approval of the interim reports and year-end report, strategic review of Skanska, as well as cybersecurity, internal control, risk management, compliance, and sustainability matters, including climate, ethics and health and safety. The Board received regular updates on the impact of the war in Ukraine and macroeconomic developments on the Group's business and the markets where Skanska is active.

Members and deputy members of the Board as of December 31, 2023

Member	Position	Elected, year	Audit Committee	Compensation Committee	Project Review Committee	Independent in relation to the Company and its senior executives	Independent in relation to the Company's major shareholders
Hans Biörck ¹	Chairman	2016	■	■	■	Yes	Yes
Pär Boman ¹	Member	2015	■	■	■	Yes	No
Jan Gurander ¹	Member	2019	■	■	■	Yes	Yes
Mats Hederos ¹	Member	2022			■	Yes	Yes
Fredrik Lundberg ¹	Member	2011			■	Yes	No
Catherine Marcus ¹	Member	2017			■	Yes	Yes
Ann E. Massey ¹	Member	2022			■	Yes	Yes
Åsa Söderström Winberg ¹	Member	2020	■		■	Yes	Yes
Ola Fält ²	Employee Representative	2018				–	–
Richard Hörstedt ^{2,3}	Employee Representative	2007			■	–	–
Yvonne Stenman ²	Employee Representative	2018				–	–
Goran Pajnic ^{2,4}	Employee Representative (Deputy)	2022				–	–
Hans Reinholdsson ²	Employee Representative (Deputy)	2020				–	–
Anders Rättgård ²	Employee Representative (Deputy)	2017			■	–	–

■ = Chairman ■ = Member

¹ Nominated by the Nomination Committee for the AGM 2023 and elected by the shareholders at the AGM 2023 for the period until the end of the AGM 2024.

² Nominated and appointed by the trade unions.

³ Deputy member of the Project Review Committee for Anders Rättgård.

⁴ Until January 31, 2024. Was succeeded by Fredrik Norrman as deputy board member (employee representative) from February 1, 2024 in accordance with a decision by the trade union (see page 91).

Evaluation of the work of the Board

The work of the Board is evaluated annually through a structured process aimed at improving work processes, efficiency and collective expertise, and to assess any need for change. The Chairman of the Board is responsible for the evaluation and for presenting the result of the evaluation to the Board and the Nomination Committee.

In 2023, an evaluation was carried out in the form of a questionnaire and individual conversations between the Chairman and each member of the Board, as well as through discussion at board meetings. The Chairman was also evaluated through a written questionnaire and discussion with the Board without the Chairman present; the board meeting on this occasion was chaired

by another board member appointed for the purpose. The outcome of the 2023 evaluation was that the work of the Board was deemed to be functioning well.

Board fees

The AGM 2023 resolved, in accordance with the Nomination Committee's proposal, on fees to the Chairman of the Board and to the other AGM-elected board members not employed by Skanska as follows: SEK 2,325,000 to the Chairman of the Board; SEK 775,000 each to the other board members; SEK 280,000 to the Chairman of the Audit Committee and SEK 195,000 each to the other members of the committee; SEK 115,000 to the Chairman of the Compensation Committee and SEK 110,000 each to the other members of the committee; SEK 225,000 each to the

Chairman of the Project Review Committee and the other members of the committee. Further information is available in Note 37 on pages 181–186.

The Board's committees

The Board is ultimately responsible for the organization and management of Skanska's operations. The overall responsibility of the Board cannot be delegated, but the Board may appoint committees to do preparatory work and explore certain issues in preparation for decisions by the Board.

The Board has formed three committees to provide structure, improve efficiency and ensure the quality of its work: (i) Audit Committee, (ii) Compensation Committee and (iii) Project Review Committee. The members of the committees are appointed annually at the statutory meeting of the Board. The Board's Procedural Rules specify which duties and decision-making powers have been delegated to the committees. The Chairman of each committee reports orally to the Board at each board meeting and all minutes from the committee meetings are submitted to the Board.

Audit Committee

The main task of the Audit Committee is to assist the Board in overseeing the accounting and financial reporting processes of the Group and the audits of the financial statements of the Group, as well as other matters under applicable legislation. Among other things, the committee monitors the quality and integrity of the Group's financial reporting, and the effectiveness of the Group's internal control, internal audit and risk management. The committee also oversees the Group's compliance with legal and

regulatory requirements having a material impact on the financial statements, and the reports from and relationship with the external auditors, including the safeguarding of their impartiality and independence. Furthermore, the committee reviews and discusses with the external auditors the yearly audit procedures and the major findings during the audit, and establishes guidelines regarding the non-audit services provided by the external auditors. At least once a year the committee meets the external auditors without senior executives being present.

In 2023, the Audit Committee consisted of Pär Boman (Chairman), Hans Biörck, Jan Gurander and Åsa Söderström Winberg. The composition of the committee meets the requirements in the Code relating to audit committee members' independence. All members have accounting or auditing skills.

The committee held six meetings in 2023. Important matters addressed during the year included capital allocation, financing, pension reporting, external reporting, impairment testing, valuation of construction and project development projects, larger disputes, review of the interim reports and year-end report, internal control, risk management and compliance matters.

Compensation Committee

The main tasks of the Compensation Committee include preparing recommendations for decisions by the Board on the Skanska employee ownership programs, the appointment or dismissal of the President and CEO or any of the other members of the Group Leadership Team, and the salary and other remuneration for the President and CEO.

Attendance at board and committee meetings in 2023

	Board	Audit Committee	Compensation Committee	Project Review Committee
Number of meetings	8 ¹	6	6 ¹	12
Member				
Hans Biörck	8	6	6	12
Pär Boman	8	6	5	12
Jan Gurander	8	6	6	12
Mats Hederos	8			12
Fredrik Lundberg	7			10
Catherine Marcus	8			12
Ann E. Massey	8			12
Åsa Söderström Winberg	8	6		12
Ola Fält	8			
Richard Hörstedt ²⁾	8			
Yvonne Stenman	8			
Goran Pajnic	3			
Hans Reinholdsson	7			
Anders Rättgård	7			12

1 Of which one meeting was an extra meeting held per capsulam (by unanimous written consent).

2 Deputy member of the Project Review Committee for Anders Rättgård.

The committee resolves on salary and other remuneration for the other members of the Group Leadership Team based on a proposal from the President and CEO. The committee also examines the outcomes of variable remuneration components.

In 2023, the Compensation Committee consisted of Hans Biörck (Chairman), Pär Boman and Jan Gurander. The Code requirements regarding independence, according to which the Chairman of the Board may be the Chairman of the Compensation Committee and other AGM-elected members are to be independent in relation to the Company and its senior executives, have therefore been met.

The committee held five ordinary meetings in 2023 and one extra meeting per capsulam. Important matters addressed during the year were review of Skanska’s variable

remuneration programs for the senior executives, review and evaluation of the application of the guidelines for salary and other remuneration to senior executives adopted by the AGM 2020 and revised by the AGM 2023 as well as the existing remuneration structures and levels in the Company, and review of senior executives’ other assignments. The committee also reviewed and prepared, for resolution by the Board and subsequent referral to the AGM 2024 for adoption, a remuneration report for 2023, detailing paid and outstanding remuneration that is covered under the remuneration guidelines. Furthermore, in relation to review of Seop 6, the committee discussed the outcome for 2023 of the Seop 6 specific performance targets set by the Board. Seop 6 is the first Skanska employee ownership program that supplements the growth in Earnings Per Share target at Group level with a climate target at Group level

linked to the Group’s reduction of carbon emissions within scope 1 and scope 2. Further information on Seop 6, including the conditions on which the outcome depends, is available on the Group website: group.skanska.com/corporate-governance/remuneration/incentive-programs/.

Project Review Committee

The Project Review Committee takes decisions on individual projects within the Construction, Residential Development, Commercial Property Development and Investment Properties business streams, that require the Board’s approval, and on certain project financing packages. Projects that involve especially high or unusual risks or other special circumstances may be referred to the Board for a decision, and such referrals are to include a recommendation from the committee.

In 2023, the committee consisted of all AGM-elected board members and employee representative Anders Rättgård. The committee held 12 meetings in 2023.

External auditors

At the AGM 2023, the registered accounting firm Ernst & Young AB was re-elected as the Company’s external auditor for the period until the end of the AGM 2024. Authorized Public Accountant Rickard Andersson is the auditor in charge. The external auditors have attended two board meetings to report on the auditing process of Ernst & Young AB for Skanska and to provide the members of the Board with an opportunity to ask questions without senior executives being present. The external auditors have also attended five meetings of the Audit Committee. Information on fees and other remuneration to the external auditors for audit-related and other services is set out in Note 38 on page 186.

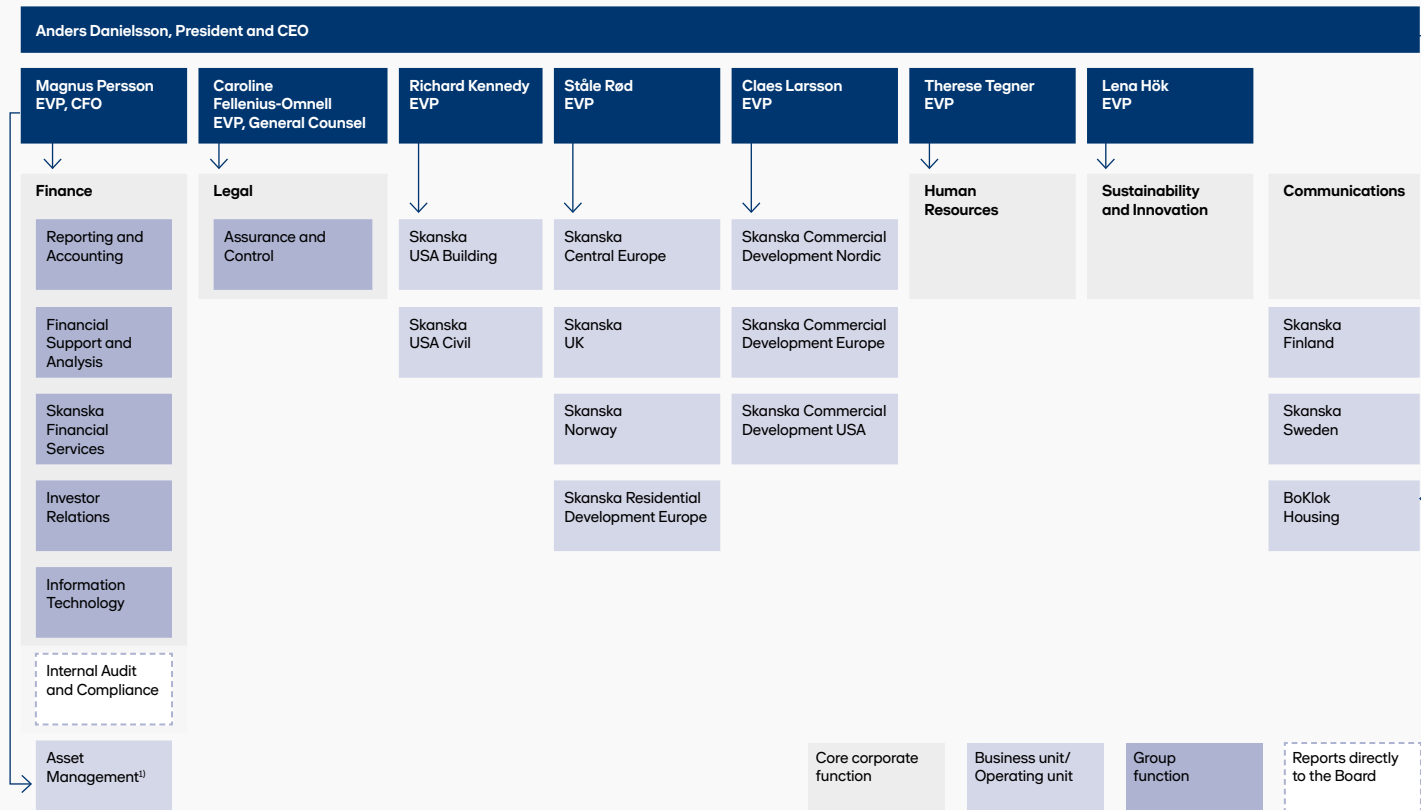
Skanska’s reporting structure

Operating units	Business Streams							
	Construction		Residential Development		Commercial Property Development		Investment Properties	
	Operating unit	External reporting	Operating unit	External reporting	Operating unit	External reporting	Operating unit	External reporting
Sweden	■	□	■	□	■	□		
Norway	■	□	■	□	■	□		
Finland	■	□	■	□	■	□		
Commercial Development Nordic					■	□	■	□
Central Europe	■	□						
United Kingdom	■	□						
Commercial Development Europe					■	□		
Residential Development Europe			■	□				
USA Civil	■	□						
USA Building	■	□						
Commercial Development USA					■	□		
BoKlok ¹			■					

■ = Operating unit □ = External reporting

¹ BoKlok has operations in Sweden and the UK. In the external reporting BoKlok is divided and included in the Nordic cluster, with a specific entry for Sweden, and Europe.

Skanska's management structure
Group Leadership Team



1 Portfolio of PPP assets.

Operational management and internal governance

We operate with a decentralized governance model that recognizes the local characteristics of the construction and development markets, empowering the business units to develop their business and deliver according to plan, while retaining the profit and loss responsibility.

Our strategy and targets are set at Group level to ensure effective financial capacity and conduct proper follow-up on business unit performance and compliance. In the decentralized governance structure, requirements are established at Group level, while the business units are responsible for how requirements are met.

Each business unit is headed by a president and has its own administrative functions and other resources to conduct its operations effectively. Aside from day-to-day operations managing projects, the business units deal with matters such as their strategic development, business plans, investments, divestments and organization.

Information on our strategy, business model and business streams is available on pages 15–16 and 22–38.

The President and CEO and the Group Leadership Team

The President and CEO is appointed by the Board and runs the Company and the Group in accordance with the instructions adopted by the Board. The President and CEO is responsible for the day-to-day management of the operations of the Company and the Group, and is supported by the other members of the Group Leadership Team.

The work of the President and CEO is evaluated at one board meeting each year at which no senior executives are present. The President and CEO has no business dealings of any significance with the Company or its Group companies.

Information on the President and CEO and the other members of the Group Leadership Team can be found on pages 92–93.

Core corporate functions and group functions

Core corporate functions and group functions are based at Skanska's headquarters in Stockholm. The core corporate functions and group functions assist the President and CEO and the Group Leadership Team on matters relating to group-wide functions, coordination and oversight. They also provide support to the business units. The head of each group function reports directly to a member of the Group Leadership Team. The head of group function Internal Audit and Compliance reports directly to the Board by way of the Audit Committee. A presentation of the core corporate functions and group functions can be found on page 86.

Remuneration to senior executives

Guidelines for salary and other remuneration to senior executives shall be adopted by the AGM at least every four years based on a proposal from the Board. The applicable remuneration guidelines were adopted by the AGM 2023. The guidelines and information about salary and other remuneration to senior executives, as well as outstanding share award and share-related incentive programs, are found in Note 37 on pages 181–186. Senior executives include the President and CEO and the other members of the

Group Leadership Team. Information on remuneration to the President and CEO is also set out in the Board's remuneration report for 2023 available on pages 94–98.

Purpose and values

Together with our customers and partners, we are building for a better society, creating innovative and sustainable solutions that support living beyond our lifetime. And as we do so, we build long-term value for our shareholders and society at large.

The way we conduct business, and our strategy, remains firmly grounded in our values: Care for life, Act ethically and transparently, Be better together, and Commit to customers. We harness our strengths and assets into long-term, sustainable business opportunities that generate growth, customer success and shareholder value. Further information on our values is available on the Group website: group.skanska.com/about-us/who-we-are/our-purpose-and-values/.

Code of Conduct

The Code of Conduct is based on our values and sets the standard for the daily behavior of employees and the way we do business. It is reviewed regularly by the Group Leadership Team and updates are approved by the Board. It defines our commitments in the workplace, in the market and to society. It covers topics

Group policies

Core mandatory operating rules of the Group, addressing risks, goals and where corporate governance is required.

such as health and safety, diversity and inclusion, data protection, environment, confidentiality, conflicts of interest, fraud, fair competition, anti-bribery and corruption, and insider information and market abuse. Employees are required to uphold the principles and requirements contained in the Code of Conduct. All employees are required to complete Code of Conduct training every two years, and new employees within one month of starting work.

The Code of Conduct is supplemented by the Supplier Code of Conduct, which must be adhered to by subcontractors, suppliers, consultants, intermediaries and agents. It is included in agreements with these parties and outlines our expectations on those we do business with. The Supplier Code of Conduct covers topics such as environment, health and safety, fair working conditions, discrimination and harassment, anti-bribery and corruption, sanctions and fair competition.

The Code of Conduct and the Supplier Code of Conduct can be found on the Group website: group.skanska.com/corporate-governance/our-code-of-conduct/.

The Code of Conduct Hotline provides a mechanism for employees, suppliers' employees and other third parties to anonymously report on breaches or suspected breaches of the

Group procedures and standards

Mandatory. Procedures are generally detailed step-by-step instructions to achieve a given goal, while standards indicate expected behavior or a minimum level of quality or a minimum standard.

Code of Conduct. The hotline is managed by an independent third-party service provider and is a supplement to the numerous speak-up options within the Group which employees and third parties are encouraged to use.

Governance framework

The Group governance framework is set at Group level. The Group Leadership Team and the core corporate functions and group functions are responsible for following up on its implementation and operation in the business units. The Group governance framework consists of three categories of steering documents: Group policies and Group procedures and standards, which are mandatory, as well as non-mandatory guidelines for the Group.

A clear framework of policies, procedures and standards reduces risks and increases effectiveness. It also makes it easier to live by the Code of Conduct and the Skanska values. The Group steering documents define how our operations are run, controlled and organized, which standards and processes to work according to, how to manage risks, at what levels decisions are made and what is mandatory for the business units. The governance framework is applicable to the Company, all business units and all employees. If not followed, there may be consequences, up to and including dismissal.

Group guidelines

A non-binding document containing guidance for the organization.

The business units are required to establish and maintain a robust and well-functioning system of governance within their operations. Business units' governance systems, such as policies and management systems, should complement and add local, practical detail to the steering documents in the Group governance framework. The Business Unit President is responsible for implementation of the Group governance framework in each respective business unit.

The Board's Procedural Rules state which items of business will be decided upon by the Board, by the President and CEO, by the Group Leadership Team, or at the business unit level. In addition to the Board's Procedural Rules, and Skanska's Code of Conduct and Supplier Code of Conduct, Group policies include:

- Anti-Corruption Policy
- Claims Management Policy
- Enterprise Risk Management Policy
- Finance Policy
- Human Resources Policy
- Information Policy
- Innovation Policy
- Insider Policy
- IT Policy
- Personal Data Protection Policy
- Sustainability Policy
- Tax Policy

Sustainability

Sustainability is an enabler for our business strategy, a key component for success for us and our customers. Our sustainability strategy focuses on the areas of Responsibility, Climate and Resilience. The Board is informed quarterly of our sustainability performance within climate and health and safety. Our risk assessment on pages 99–105 and disclosure according to the Task force on Climate-related Financial Disclosures (TCFD) on pages 76–77, assesses sustainability related risks for the organization. Further information on our sustainability work is available in the sustainability report on pages 40–78. Information on our climate targets is available on page 11.

To further integrate carbon emission reductions into the business, the AGM 2022 resolved, in accordance with the Board's proposal, to include an emission reduction target in our own operations (scope 1 and 2) in Seop 6. For the top 400 leaders, up to 15 percent of performance shares in Seop 6 is linked to how well the annual climate target of a 7 percent carbon emission reduction in our own operations is achieved at Group level. In addition, for 2023, the Group Leadership Team has set activity-based sustainability targets, including climate, as part of the short-term incentive programs for all Business Unit Presidents. Activity-based targets in the short-term incentive program for the President and CEO include, for 2023, targets related to Skanska's climate target. Further information on the application of performance criteria for the President and CEO's variable remuneration is available in the Board's remuneration report on page 97.

Internal control

This section includes the most important elements of our internal control and risk management systems in connection with financial and sustainability reporting. A description of our sustainability reporting principles is set out on page 78.

Control environment

The Board has overall responsibility for ensuring that Skanska has effective and adequate risk management and internal controls. The purpose is to provide a reasonable assurance that the operations are run appropriately and efficiently, that external reporting is reliable, and that laws and regulations and internal rules are complied with.

The Board's Procedural Rules ensure a clear division of roles and responsibilities for the purpose of ensuring effective management of business risks. The Board and the Group Leadership Team have also adopted a number of fundamental rules of importance for internal control work, such as the Group's Enterprise Risk Management Policy and the Group's Governance Procedure. The Group Leadership Team reports regularly to the Board according to established routines. The Audit Committee also presents reports on its work. The Group Leadership Team is responsible for the system of internal controls required to manage material operational risk. This includes a clear decision-making structure and the Group framework of policies, standards and procedures, and guidelines. Group function Assurance and Control supports the Group Leadership Team in drafting and monitoring the system of internal control.

Risk assessment and control activities

We have at Group level identified the material risks in our operations that could, if not managed correctly, lead to errors in financial and sustainability reporting and/or have an impact on the Group's performance results. We have subsequently at Group level ensured that the Group has rules in place to guarantee that these risks are managed. The Group Leadership Team and the core corporate functions and group functions are responsible for managing general risks relating to strategy, macroeconomics and regulatory frameworks, while the main tasks relating to operational risk and opportunities are carried out at the local level within the business units. A detailed description of the identified enterprise risks and how they are managed is found on pages 99–105.

We use a Group-wide procedure for identifying and managing risks associated with construction contracts and project development. A specialized group unit, the Skanska Risk Team, examines and analyzes proposals for tenders in construction and land investments, project starts as well as divestments in Project Development above a certain size. Based on the identified risks and opportunities, the Skanska Risk Team then issues a recommendation on how to proceed. The final decision is made by the Skanska Tender Board, which consists of the Group Leadership Team, and, in certain cases, the Project Review Committee, which consists of board members.

Risks and opportunities for improvement are both greatest during the actual execution phase of the projects, and the work focuses heavily on this phase. Since almost every project is unique, risks and opportunities must be analyzed with respect to project type, location, execution phase, contract type and customer. During execution, projects over a set threshold must adhere to the Skanska Project Reporting and Review Procedure to ensure consistent project reviews, including a process to make sure that deviations from planned performance are detected and acted upon early. All business units employ common valuation principles and terminology to ensure conservative project valuation and a high level of performance transparency.

Information and communication

Significant accounting principles, manuals and other documents of importance in financial and sustainability reporting are updated and information on them is communicated regularly. There are several information channels to the Group Leadership Team and the Board for important information. For our external communication, we have a Group Information Policy to ensure that we comply with existing regulations on providing the market with accurate information.

Monitoring

The Board continually evaluates the information provided by the Group Leadership Team and the Audit Committee. Of particular importance is the result of the Audit Committee's work on monitoring the effectiveness of the Group Leadership Team's internal control processes. This includes ensuring that steps are taken to

address the shortcomings revealed in internal and external audits and to implement the proposed actions.

Internal Audit and Compliance

Group function Internal Audit and Compliance is responsible for monitoring and evaluating how risk management and internal control processes have been carried out. The work is planned in consultation with the Audit Committee and reporting takes place directly to the Board through the committee. Matters relating to internal audit are also communicated on an ongoing basis to the external auditors.

In 2023, Internal Audit and Compliance focused on reviewing the risks identified relating to the Group's projects, business-critical processes and key corporate functions. A total of 76 audits were conducted during the year within all business units. There was a particular focus on the business operations of commercial development investments and supply chain resilience for the construction units. The business units' and core corporate function Sustainability and Innovation's management, processes and reporting within the area of climate were also reviewed. The audits were performed in accordance with a uniform audit method.



Board of Directors

Board members elected by the AGM 2023



Hans Biörck



Pär Boman



Jan Gurander



Mats Hederos



Fredrik Lundberg

Position	Chairman	Board member	Board member	Board member	Board member
Born	Sweden, 1951	Sweden, 1961	Sweden, 1961	Sweden, 1957	Sweden, 1951
Elected	2016	2015	2019	2022	2011
Shareholding in Skanska, December 31, 2023	25,000 Class B shares through privately owned company	1,000 Class B shares	5,000 Class B shares	2,000 Class B shares	6,032,000 Class A shares and 16,350,000 Class B shares through L E Lundbergföretagen AB, 1,150,000 Class B shares through privately owned company, 5,376 Class A shares and 1,100,000 Class B shares privately
Other board assignments	– Board member, Handelsbanken AB	– Chairman, Handelsbanken AB – Chairman, Essity AB – Chairman, Svenska Cellulosa Aktiebolaget SCA – Vice Chairman, AB Industrivärden	– Board member, Essity AB	– Chairman, Qarlbo Property AB – Board member, Antilooppi Oy – Board member, Cirkus Venues AB – Board member, Silver Life AB	– Chairman, AB Industrivärden – Chairman, Holmen AB – Chairman, Hufvudstaden AB – Vice Chairman, Handelsbanken AB – Board member, L E Lundbergföretagen AB
Education	– Master of Science in Business and Economics, Stockholm School of Economics	– Engineering and Business/Economics degree, Honorary Ph.D. in Economics	– Master of Science in Business and Economics, Stockholm School of Economics	– Master of Science, Royal Institute of Technology, Stockholm – Executive Programme in Resilience Thinking, Stockholm Resilience Center, Stockholm University	– M.Sc. Engineering, Royal Institute of Technology, Stockholm – Master of Business Administration (M.B.A), Stockholm School of Economics – Dr. (Econ.) h.c., Stockholm School of Economics – Dr. (Eng.) h.c., Linköping University – Dr. (Med.) h.c., Karolinska Institutet
Work experience	– CFO, Skanska AB – CFO, Autoliv AB – CFO, Esselte AB	– President and CEO, Handelsbanken AB	– Deputy CEO, AB Volvo – Deputy CEO and CFO, AB Volvo – CFO and Senior Vice President Finance, Volvo Car Group – CFO, MAN Diesel & Turbo SE – Group Vice President and CFO, Scania AB	– CEO, AMF Fastigheter – Head of Property, AMF Pension – Transaction Manager, AP Fastigheter (today Vasakronan) – Investment Banker, Enskilda Securities, SEB	– President and CEO, L E Lundbergföretagen AB (since 1981)
Dependency relationship in accordance with the Swedish Corporate Governance Code	– Independent in relation to the Company and its executive management – Independent in relation to major shareholders	– Independent in relation to the Company and its executive management – Dependent in relation to major shareholders	– Independent in relation to the Company and its executive management – Independent in relation to major shareholders	– Independent in relation to the Company and its executive management – Independent in relation to major shareholders	– Independent in relation to the Company and its executive management – Dependent in relation to major shareholders

**Catherine Marcus**

Position	Board member	Board member	Board member
Born	USA, 1965	USA, 1954	Sweden, 1957
Elected	2017	2022	2020
Shareholding in Skanska, December 31, 2023	0 shares	0 shares	2,500 Class B shares privately, 3,000 Class B shares through privately owned company, 2,500 Class B shares through related person
Other board assignments	<ul style="list-style-type: none"> – Board member, PREA – Board member, Interface Inc. 	<ul style="list-style-type: none"> – Board member, Kleinfelder Inc. – Board member, Wood Programs – Board member, Gresham Smith 	<ul style="list-style-type: none"> – Board member, OEM International AB – Board member, Fibo AS – Board member, Currentum Group AB
Education	<ul style="list-style-type: none"> – M.S., Real Estate Investment and Development, New York University – B.S.E. Real Estate Finance and Entrepreneurial Management, Wharton School, University of Pennsylvania 	<ul style="list-style-type: none"> – M.B.A., Business Administration, Tennessee Technological University – B.S., Geology, Tennessee Technological University – NACD Directorship Certified™ 	<ul style="list-style-type: none"> – Master of Science in Business and Economics, Stockholm University
Work experience	<ul style="list-style-type: none"> – Co-CEO and Global COO, PGIM Real Estate (since 2023) – Global COO and Head of U.S. Equity, PGIM Real Estate – MBL Life Assurance Corporation 	<ul style="list-style-type: none"> – CEO and President, Environment & Infrastructure Solutions, Wood Group – President, Environment & Infrastructure Inc., AMEC Foster Wheeler – CEO and President, MACTEC Environmental Services, Inc. 	<ul style="list-style-type: none"> – CEO, Sweco Theorells AB – CEO, Ballast Väst AB – Marketing Manager, NCC Industry – Communications Manager, NCC Bygg AB
Dependency relationship in accordance with the Swedish Corporate Governance Code	<ul style="list-style-type: none"> – Independent in relation to the Company and its executive management – Independent in relation to major shareholders 	<ul style="list-style-type: none"> – Independent in relation to the Company and its executive management – Independent in relation to major shareholders 	<ul style="list-style-type: none"> – Independent in relation to the Company and its executive management – Independent in relation to major shareholders

**Ann E. Massey****Åsa Söderström Winberg****Board members and deputies appointed by the trade unions¹****Ola Fält**

Born: Sweden, 1966
Skanska Industrial Solutions; appointed by SEKO in 2018
Board member
Shareholding in Skanska: 1,873 Class B shares

**Richard Hörstedt**

Born: Sweden, 1963
Region Hus Syd; appointed by Byggnads in 2007
Board member
Shareholding in Skanska: 0 shares

**Yvonne Stenman**

Born: Sweden, 1959
Region Hus Stockholm Nord; appointed by Ledarna in 2018
Board member
Shareholding in Skanska: 0 shares

**Fredrik Norrman**

Born: Sweden, 1967
Skanska Sweden AB; appointed by SACO/Sveriges Ingenjörers Akademikerförening in 2023²
Deputy board member
Shareholding in Skanska: 1,113 Class B shares

**Hans Reinholdsson**

Born: Sweden, 1972
Region Hus Göteborg; appointed by Byggnads in 2020
Deputy board member
Shareholding in Skanska: 1,257 Class B shares

**Anders Rättgård**

Born: Sweden, 1961
Region Hus Göteborg; appointed by Unionen in 2017
Deputy Board member
Shareholding in Skanska: 4,954 Class B shares

Auditors

Ernst & Young AB
Auditor in charge since 2023:
Rickard Andersson, Stockholm, born 1973, Authorized public accountant.

¹ Shareholding in Skanska as of December 31, 2023.

² Effective from February 1, 2024.

Group Leadership Team



Anders Danielsson



Caroline Fellenius-Omnell



Lena Hök



Richard Kennedy



Claes Larsson

Position	President and Chief Executive Officer (since 2018) Responsible for business units/core corporate function – Skanska Finland – Skanska Sweden – BoKlok Housing – Communications	Executive Vice President, General Counsel (since 2017) Responsible for core corporate function/ group function – Legal – Assurance and Control	Executive Vice President (since 2021) Responsible for core corporate function – Sustainability and Innovation	Executive Vice President (since 2018) Responsible for business units – Skanska USA Building – Skanska USA Civil	Executive Vice President (since 2006) Responsible for business units – Skanska Commercial Development Nordic – Skanska Commercial Development Europe – Skanska Commercial Development USA
Born	1966	1968	1972	1966	1965
Joined Skanska in	1991	2017	2017	2004	1990
Shareholding in Skanska, December 31, 2023	246,166 Class B shares ¹	45,692 Class B shares	16,953 Class B shares	113,003 Class B shares	262,541 Class B shares
Awarded but unvested share awards under Skanska's long-term share saving program (Seop), December 31, 2023²	87,339 Class B shares	28,926 Class B shares	17,705 Class B shares	69,907 Class B shares	43,926 Class B shares
Board assignments	–	– Board member, The Swedish Association of Listed Companies	– Chair of the Swedish Sustainability Committee, International Chamber of Commerce (ICC) – Member of the Build Environment Board at World Business Council for Sustainable Development	–	–
Education	– M.Sc. Engineering, KTH Royal Institute of Technology, Stockholm – Advanced Management Program, Harvard, Boston MA, USA	– Master of Laws, Stockholm University – Master of Laws, College of Europe, Bruges	– Master of Social Science, Uppsala University – GEM Management Program, Stockholm School of Economics Executive Education	– Bachelor of Arts, Rutgers College, Rutgers University – Juris Doctor, Seton Hall University School of Law – Master of Laws, London School of Economics and Political Science	– M.Sc. Engineering, Chalmers University of Technology, Gothenburg – MBA, Chalmers University of Technology and University of Gothenburg
Work experience	– Executive Vice President, Skanska AB – President, Skanska Sweden – President, Skanska Norway	– Group General Counsel, Tele2 AB – Group General Counsel, Sidel – General Counsel Europe, Tetra Pak AB – Corporate Counsel, AB Electrolux	– Senior Vice President, Sustainability, Skanska AB – Head of Sustainability, Skandia Group – Head of Skandia foundation Ideas for life, Skandia Group – Head of Communication, Skandiabanken and Skandia	– President, Skanska USA Building – Chief Operating Officer, Skanska USA Building – General Counsel, Skanska USA Building	– President, Skanska Commercial Development Nordic – President, Skanska Fastigheter Göteborg

¹ The number of shares includes holdings by related persons.

² Share awards awarded during 2021–2023. In order for the shares to vest, an additional three years of service from each award date are required. Share awards for 2023 are preliminary. The Board will determine the outcome for 2023 after reviewing the operational performance in the first quarter of 2024.

**Magnus Persson****Ståle Rød****Therese Tegner**

Position	Executive Vice President, Chief Financial Officer (since 2018) Responsible for core corporate function/group functions/operating unit – Finance – Reporting and Accounting – Financial Support and Analysis – Skanska Financial Services – Investor Relations – Information Technology – Asset Management – Internal Audit and Compliance (reports directly to the Board through the Audit Committee)	Executive Vice President (since 2023) Responsible for business units – Skanska Norway – Skanska Central Europe – Skanska UK – Skanska Residential Development Europe	Executive Vice President (since 2022) Responsible for core corporate function – Human Resources
Born	1976	1972	1968
Joined Skanska in	2006	1997	2005
Shareholding in Skanska, December 31, 2023	62,736 Class B shares	33,207 Class B shares	35,926 Class B shares
Awarded but unvested share awards under Skanska's long-term share saving program (Seop), December 31, 2023¹	35,319 Class B shares	19,169 Class B shares	18,478 Class B shares
Board assignments	– Board member, Solar Power Accelerator	– Board member, Confederation of Norwegian Enterprise (NHO)	– Board member, Agne Sandberg Foundation
Education	– Ph.D. in Business Economics, Uppsala University – Master of Science in Business Economics, Uppsala University	– B.Sc. Civil Engineering, Western Norway University of Applied Sciences – Officers School, Norwegian Army – Advanced Management Program, Harvard Business School	– Master of Laws, Lund University
Work experience	– Chief Financial Officer, Skanska Sweden – Senior Vice President, Investor Relations, Skanska AB – Group Manager, Corporate Finance, Skanska AB – Head of Research and Analysis, Skanska Financial Services	– Business Unit President, Skanska Norway – Executive Vice President, Skanska Norway – Regional Director, Skanska Norway – Project Director, Skanska Norway	– Senior Vice President, Skanska Financial Services – Head of Project Advisory, Skanska Financial Services – Head of Guarantees and Insurances, Skanska Financial Services – Senior Associate, Archibald Lawfirm

¹ Share awards awarded during 2021–2023. In order for the shares to vest, an additional three years of service from each award date are required. Share awards for 2023 are preliminary. The Board will determine the outcome for 2023 after reviewing the operational performance in the first quarter of 2024.

Business Unit Presidents

Magnus Persson, Skanska Sweden
Stein Ivar Hellestad¹, Skanska Norway
Tuomas Särkilähti, Skanska Finland
Michal Jurka, Skanska Central Europe
Gregor Craig², Skanska UK
Katy Dowding³, Skanska UK
Paul Hewins, Skanska USA Building
Don Fusco, Skanska USA Civil
Lars Jonson, BoKlok Housing
Björn Mattsson, Skanska Residential Development Europe
Jan Odelstam, Skanska Commercial Development Nordic
Katarzyna Zawodna-Bijoch, Skanska Commercial Development Europe
Murphy McCullough, Skanska Commercial Development USA

Senior Vice Presidents, Group Functions

Katarina Bylund, Reporting and Accounting
Karolina Cederhage, Communications
Anders Göransson, Internal Audit and Compliance
Mark Lemon, Assurance and Control
Antonia Junelind, Investor Relations
Louise Hallqvist, Skanska Financial Services
Anders Candell, Information Technology (IT)
Sanna-Mari Pöyhtäri, Financial Support and Analysis

¹ From April 11, 2023. Served as Acting Business Unit President during the period from January 1, 2023 until April 10, 2023.

² Until May 1, 2023.

³ From May 2, 2023.

Auditor's report

This is a translation from the Swedish original. To the general meeting of the shareholders of Skanska AB (Publ), corporate identity number 556000-4615

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Skanska AB (publ) for the year 2023 except for the statutory sustainability report on pages 16, 48, 61 and 63–78. The annual accounts and consolidated accounts of the company are included on pages 16, 48, 61, 63–93 and 99–208 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31st, 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31st, 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. A corporate governance statement has been prepared. Our opinions do not cover the statutory sustainability report on pages 16, 48, 61 and 63–78.

The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts, and the corporate governance statement is in accordance with the Annual Accounts Act.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the income statement and the statement of financial position of the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This

includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition over time in Construction contracts

Description

The main portion of the company's income relates to construction contracts. For 2023 the revenues from construction contracts amount to MSEK 160,636. Usually a performance obligation is satisfied over time, which means that revenue should be recognized over time by measuring the progress towards complete satisfaction of that performance obligation. Revenue is recognized on the basis of the company's efforts to the satisfaction of a performance obligation relative to the total expected efforts. This requires the entity to be able to measure its progress towards complete satisfaction of the performance obligation and determine the transaction price. This in turn requires that the Group has effective, coordinated systems for cost estimation, forecasting and revenue/expense reporting. Also, a consistent process is required to assess the final outcome of the project, including analysis of differences compared with earlier assessment dates. This critical judgment is performed at least once per quarter.

How our audit addressed this key audit matter

Our audit procedures include, among others, analytical procedures of revenue and margins of material projects and data analytics of transactions. We have audited samples of revenue and costs in selected projects, which are of material size or represents a significant risk to the company. We have also had discussions with the company's controllers and responsible project managers about assessments, assumptions and estimates related to revenue recognition, profit margin and cost allocation.

We have also audited material contracts to identify potential risks for penalties due to any delays in the projects, and we also have continuous meetings with the Company's internal legal representatives. We have audited provisions and other reserves related to projects within Construction based on underlying support and the Company's assessments.

We have continuous meetings and discussions with responsible auditors in each country to identify and cover country-specific risks.

We have assessed the historical accuracy of the company's estimates of the final outcomes of projects through discussions with Group Leadership Team and Audit Committee regarding the actual outcome.

In addition, we have evaluated whether the valuation of revenue in the Company's accounting principles is reasonable and assessed the completeness of the disclosure requirements, which are found in Note 4 "Operating Segments" and Note 9 "Contract assets and contract liabilities".

Valuation of investments in project development*Description*

The book value of investments in project development, which constitute current asset properties, amounts to MSEK 58,660 as shown in Note 22 "Current-asset properties/Project development". As shown in Note 22 the current-asset properties are carried at cost or net realizable value, whichever is lower. The company therefore makes calculations of the net realizable value. Potential impairment in development projects under construction and completed projects could have significant impact on the company's net income. Changes in the supply of similar projects, as well as changes in demand may materially affect both estimated market values and carrying amounts for each project. These projects vary in size and the investment cycle could be either short or long.

How our audit addressed this key audit matter

Our audit procedures include assessing budgets and financial projections and reviewing other financial input used to determine the value in use models. We have also audited work performed by external appraisers. We specifically focused on the sensitivity in the difference between the net realizable value/estimated value and book values of the projects, where a reasonably possible change in assumptions could cause the carrying amount to exceed its estimated present value. We also assessed the historical accuracy of the company's estimates of the final outcomes of valuation through discussions with Group Leadership Team and the Audit Committee regarding the actual outcome.

Finally, we evaluated the adequacy of the Company's disclosures included in Note 22.

Litigations and legal matters*Description*

The provision for legal disputes amounts to MSEK 2,597. As outlined in Note 29 "Provisions" of the Annual Report, the Company is exposed to potential legal matters and disputes in the Construction business stream for contracts that have been completed. Legal matters and disputes including any provisions is a key audit matter to our audit because management judgement is required. The assessment process is complex and entails assessing future developments. In addition, some of the matters are in countries where the legal proceedings can stretch out over an extended period of time.

How our audit addressed this key audit matter

We have gained an understanding of the litigations and legal matters through discussions with the responsible persons within the Company, the Group Leadership Team and the Audit Committee. We have read the internal position papers prepared by the Company. We also obtained lawyers' letters to the extent considered necessary for our audit. For all potentially material legal matters we tested the underlying facts and circumstances considered relevant for the legal advisors to reach their conclusions and assessed the best estimate of outflows and associated provisions as determined by the Company.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–15, 17–47, 49–60, 62, 94–98 and 215–224. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Skanska AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Skanska AB (publ) for the financial year 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the *Auditors' responsibility* section. We are independent of Skanska AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 16, 48, 61, 63–78, 99–105 and 130–133 and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of Skanska AB by the general meeting of the shareholders on March 29, 2023 and has been the company's auditor since the 2016.

Stockholm March 5, 2024
Ernst & Young AB

Rickard Andersson
Authorized Public Accountant