

Nomination Committee's motivation statement regarding nominations to the Board of Directors of Peab AB to the AGM on May 4, 2023, including a report on the work of the Nomination Committee

Nomination Committee's composition

According to the Principles for the Nomination Committee's appointment and instructions for the Nomination Committee in Peab (publ), which were adopted by the Annual General Meeting (AGM) 2022, the Nomination Committee will consist of four members, a representative for each of the three largest shareholders per the final banking day in September that want to appoint a member of the Nomination Committee as well as the Chairman of the Board. If one or more of the three largest shareholders decline to appoint a member of the Nomination Committee the Chairman of the Board will offer other major shareholders the opportunity to appoint a member of the Nomination Committee. If such an offer is made it must be given according to the order of the largest shareholders (i.e. first to the fourth largest shareholder, then to the fifth largest shareholder and so on.) This process will be continued until the Nomination Committee consists of four members including the Chairman of the Board.

The largest shareholders in Peab per the final banking day in September 2022 were in descending order:

Ekhaga Utveckling AB
AB Axel Granlund
Mats Paulsson with family
Peab's Profit Share Foundation
State Trust Bank and Trust CO, W9
Kamprad Family Foundation
Handelsbanken Funds

Mats Paulsson with family, Peab's Profit Share Foundation and Kamprad Family Foundation have given notice that they do not wish to participate in the Nomination Committee for the 2023 AGM. State Trust Bank and Trust CO, W9 have not responded to a request from the Nomination Committee.

The shareholders which according to the above named principles may appoint a member to the Nomination Committee at the 2023 AGM have appointed the following persons to represent them:

- Ekhaga Utveckling AB - Anders Sundström
- AB Axel Granlund - Ulf Liljedahl
- Handelsbanken Funds - Suzanne Sandler

The above named persons together with Anders Runevad, Chairman of the Board of Peab, constitute Peab's Nomination Committee for the 2023 AGM.

Statement and report

At its constitutional meeting the Nomination Committee chose Ulf Liljedahl to be its chairman. The Nomination Committee is primarily tasked with providing proposals regarding Board members, Chairman of the Board and remuneration to Board and committee members. The Nomination Committee is also tasked with providing proposals regarding an accountant and remuneration thereto, the chairman of the AGM and, if need be, changes in instructions for the Nomination Committee.

In preparation for the 2023 AGM the Nomination Committee has held four recorded meetings. Work on the Nomination Committee is not recompensed. The Nomination Committee proposals in full are presented in the Summons to Attend the AGM 2023.

Shareholders have been given the opportunity to present nominations to the Nomination Committee. It has not received any such nominations.

In connection with this year's nominations all current Board members have announced that they are available for reelection.

In producing its proposal for nominations to the Board, the Nomination Committee has had access to the Board evaluation carried out regarding the financial year 2022. According to the evaluation, Board work has functioned well and the Board feels it has the necessary knowledge and experience for its mission and that its composition is well-balanced. The Nomination Committee is of the same opinion and believes the Board has functioned well and that its size and composition have been appropriate in regards to the company's business and development. The Nomination Committee further believes that the members elected by the AGM make the Board diverse and give it a broad background with all round experience and competence. Gender diversity of the members of the Board elected by the AGM is 50/50.

The Nomination Committee has taken the standards set by the Swedish Corporate Governance Code concerning the independence of Board members in its work.

Considering the above, the Nomination Committee proposes that all current Board members be reelected as well as the current Chairman of Board. Because the proposed Chairman of Board cannot attend the AGM the Nomination Committee proposes Göran Grosskopf be elected chairman of the AGM.

Regarding remuneration to the Board and committee members it is the Nomination Committee's opinion that this must be competitive, entailing that it contributes to making it possible to recruit and keep members with the best expertise suited to the needs of the company. At the 2022 AGM the Nomination Committee proposed an increase in remuneration to Board members, including the Chairman of Board, and committee members.

A comparison of compensation levels in companies of similar size and complexity has shown that to remain competitive raising remuneration levels should be considered but in light of the current economic situation the Nomination Committee has decided to propose unchanged remuneration to Board members, including the Chairman of Board, and committee members this year.

Regarding election of an accountant the Audit Committee has stated that in their opinion the current accountant functions well. The Nomination Committee concurs and therefore proposes re-election of the accountant.

The Nomination Committee proposes a change in points 1.1, 1.2 and 1.3 in the document "Principles for the Nomination Committee's appointment and instructions for the Nomination Committee in Peab AB", from "the final banking day in September" to "the final banking day in August" regarding information on ownership relations/ownership groupings as the basis for determining which shareholders have the right to appoint a member of the Nomination Committee. The change is proposed so that the Nomination Committee can start their work earlier and extend the period for completing their annual task. The principles are proposed to then apply until otherwise decided by Peab's AGM.

The Nomination Committee has applied the rule in point 4.1 of the Swedish Code of Corporate Governance about having a policy of diversity when preparing its Board proposal.

Förslöv in March 2023

The Nomination Committee of Peab AB (publ)