

Remuneration Report 2024

The Remuneration Report has been prepared based on the legal requirements in the Companies Act and The Swedish Stock Market Self-Regulatory Committee's Rules on remuneration to senior executives and incentive programs.

In accordance with the Companies Act chapter 8, Section 53 a, the Board of Directors must prepare a report annually on paid and outstanding remuneration regulated by Peab's current Remuneration Policy at that time. The 2024 Remuneration Report reports on remuneration to the CEO and how Peab has applied the Remuneration Policy, adopted by the Annual General Meeting 2024, and how the total remuneration relates to the policy.

Information concerning the work of the Remuneration Committee in 2024 is found on page 217 in the Annual and Sustainability Report for 2024. Information regarding remuneration, employer contributions, pensions and other benefits are reported in note 9 "Employees, personnel costs and remuneration to senior officers" on pages 155-158 in the Annual and Sustainability Report for 2024. Remuneration to members of the Board of Directors is not included in this report. This remuneration is decided annually by the Annual General Meeting and is reported in note 9 "Employees, personnel costs and remuneration to senior officers" on pages 155-158 in the Annual and Sustainability Report for 2024.

Important events 2024

The CEO summarizes Peab's overall result in his report on pages 6-7 in the Annual and Sustainability Report for 2024.

Remuneration Policy and the current decision-making process

The Remuneration Policy will contribute to the company's business strategy, long-term value growth and sustainability. This is ensured by offering market-based remuneration to attract and retain a competent executive management, provide long-term incentive programs and bonus programs focused on the company's business strategy, long-term goals and sustainability and by annually reviewing individual performances and goal achievement in relation to the company's financial and non-financial results.

According to the Remuneration Policy remuneration to senior officers should consist of the following remuneration components: basic pay, short-term incentives (STI), long-term incentive programs (LTI), pensions as well as company cars and other non-monetary benefits.

The guidelines are found on page 157 in the Annual and Sustainability Report for 2024. No deviations have been made from the decision-making process that according to the guidelines should be applied to determine remuneration. No remuneration has been recalled. There have been no deviations from the Remuneration Policy during the financial

year 2024. The auditor's statement on Peab's compliance with the guidelines is available at the company's website, www.peab.com, under Start - Annual General Meeting 2024.

Total remuneration to the CEO

The total remuneration to the CEO consists of basic pay, annual short-term incentives on an individual basis (STI), long-term incentive programs (LTI), defined contribution pensions according to the ITP plan as well as a company car and other non-monetary benefits. The total remuneration to the CEO complies with the basic principles in the Remuneration Policy and is within the stipulated parameters. The percent of variable remuneration follows market praxis for equivalent companies. The table below shows the total remuneration for the CEO for the time period 2020-2024.

Chief Executive Officer (TSEK)	Year	<i>Basic pay</i>		<i>Variable remuneration</i>			Total remuneration	Variable percent
		Basic pay	Other benefits / remuneration	STI	LTI program	Pension costs		
Jesper Göransson	2020	7,944	498	2,320	1,205	4,158	16,125	21.9%
Jesper Göransson	2021	7,968	485	4,781	2,435	4,240	19,909	36.2%
Jesper Göransson	2022	8,760	558	876	-	4,691	14,885	5.9%
Jesper Göransson	2023	9,041	269	1,808	-	4,931	16,049	11.3%
Jesper Göransson	2024	9,900	572	6,930	-	5,498	22,900	30.3%

*The figures shown in the table are based on what has been approved and will be paid for 2024.

Variable remuneration – one-year incentive program (STI)

From time to time executive management may be offered variable remuneration. A STI program may not exceed 70 percent of basic pay for the CEO and 60 percent for the other members of executive management and is based primarily on the Peab Group's profitability as well as, at the time, other material Group targets. In the current program result metrics are linked to the company's strategy regarding profitability, the work environment and sustainability. The profitability metric is calculated as a target regarding Group profit after tax according to segment reporting. The sustainability metric is defined as a weighted outcome of the business areas' performance regarding reducing carbon emissions, including promoting climate-improved products and reuse. The work environment metric is a contracting trend of serious workplace accidents. These metrics underline our commitment to being a leader in social responsibility.

STI programs, including target levels, are determined for each financial year by the Remuneration Committee and are settled the year after being earned. They may either be paid out as salary or be invested as a pension savings in financial instruments connected to the Peab share.

The table below shows how the criteria for payment of the STI program for the CEO have been applied for the financial year.

Executive's name	Description of performance criteria	Relative weighting of performance criteria	a) Achieved performance b) Outcome remuneration (TSEK)
Jesper Göransson	Group profit after tax according to segment reporting	46 %	a) 46 % b) 4,554
	ECO-products/reuse	12 %	a) 12 % b) 1,188

	contracting trend of serious workplace accidents	12 %	a) 12 % b) 1,188
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Variable remuneration – long-term incentive program (LTI)

Peab currently has an ongoing LTI program for the period 2024-2026 as well as a program for the period 2021-2023 which ended during the year.

Incentive program 2021-2023

A LTI program was launched for the business plan period 2021-2023 with annual reconciliation with operating margin targets for the Group. In order for an employee to receive their share of the result of the LTI program the employee had to still be working for Peab on December 31, 2023. For senior officers and the CEO the upper limit (excluding social security) was 40 percent of their basic pay. The outcome of the LTI program is placed in a pension savings connected to the Peab share. Payment of the outcome for the period 2021-2023 was conditioned on the CEO maintaining his position at Peab throughout the entire period. If the period of employment had been shorter than the terms of the incentive program stipulate no variable remuneration will be paid even though provisions had already been booked.

Incentive program 2024-2026

The 2024 Annual General Meeting decided in on a long-term share-related program that comprises the CEO, other members of executive management and around 600 people who are either in senior managers or have a specialist position in the Peab Group. The program is intended to promote achievement of Peab's strategic targets and long-term value creation.

The participants have the opportunity to receive a maximum of 2,785,324 Peab shares. Each participant is allocated a number of share rights corresponding to between 15 and 50 percent of their basic pay depending on their participant category. The CEO received 71,377 share rights corresponding to 50 percent of his basic pay. Performance shares are allocated during a vesting period of three years from the time the participant received their share rights. The right to receive performance shares requires, with limited exceptions, that the participant has not resigned nor had their employment in the Peab Group terminated during the vesting period.

Allocation of performance shares is contingent on achievement of the target levels set by the Board for the financial years 2024-2026 regarding earnings per share (EPS) according to segment reporting and reduced carbon dioxide emissions. If the minimum level in the interval for performance target EPS is not achieved the share rights do not entitle allocation of performance shares while every share right entitles to (1) one performance share if the maximum level is achieved. Performance shares are allocated linearly between the minimum and maximum levels. The performance target of reduced carbon dioxide emissions requires that a predetermined reduction must be achieved.

The outcome of the Performance Share Program 2024-2026 cannot be determined yet since the measurement period is ongoing.

Performance target	Formula for calculation of outcome	Weighting
EPS according to segment reporting 2024-2026	Minimum level: SEK 13.50, maximum level SEK 20, linear allocation in between	90 %
Carbon dioxide emissions (CO ₂ e)	Less than 155,000 tons CO ₂ e, calculated on direct (Scope 1) and indirect emissions (Scope 2) based on the calculation principles of the GHC Protocol	10 %

Further information about the Performance Share Program can be found in note 9 on page 157 in the Annual and Sustainability Report for 2024.

Remuneration to the CEO in the form of shares

Performance criteria for the CEO's variable remuneration are intended to promote achievement of Peab's strategic targets and long-term value creation. For the year 2024 TSEK 938 has been expensed for remuneration related to LTI programs for the CEO.

<u>Principle terms</u>					<u>Information about the reported financial year</u>				
Name	Program name	Vesting period	Allocation date	Earning date	Opening balance	Change during the year		Closing balance	
					Number of share rights at the beginning of the year	Number of allocated share rights	Number of earned performance shares	Number of share rights subject to performance criteria	Number of allocated performance shares
Jesper Göransson	Performance Share Program 2024	2024-05-16 - 2027-05-16	2024-05-16	2027-05-16	-	71,377	-	71,377	-

Comparison of changes in remuneration and the company profit

The table below shows Peab's financial profit (MSEK), the annual total remuneration (TSEK) to the CEO and the average total remuneration for all other employees.

Time period	Outcome	Difference between the years				
	2024	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Profit for the year, segment reporting	2,080	47.1 %	-30.6 %	-18.7 %	-15 %	37.9 %
CEO total remuneration	22,900	42.7 %	7.8 %	-25.2 %	23.5 %	-4.1 %
Average remuneration based on the number of fulltime equivalents employees	730	6.6 %	3.0 %	7.0 %	4.3 %	5.5 %

Comments on the Remuneration Report

No comments were received from the Annual General Meeting 2024.

Förslöv, March 20, 2025