

2025

On stable ground



 **PEAB**
THE NORDIC COMMUNITY BUILDER

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65 years of community building

Peab works locally throughout the Nordic region where our customers are and where people live their lives. Every day our 13,000 employees contribute through four collaborating business areas to community building in Sweden, Norway, Finland and Denmark. Together we build everything from homes, schools, retirement homes, hospitals, detention centers, swimming pool facilities, museums and offices to airports and ports. We build and maintain roads, railroads, bridges and parks. We also provide ourselves and others in the construction and civil engineering industry with input goods, vehicles and machines as well as barrack installations and much more.

Peab has contributed to locally produced community building for 65 years. Now the journey continues. Long-lastingly and responsibly we are forging ahead, and improving everyday life where it's lived.

Content



Financial summary

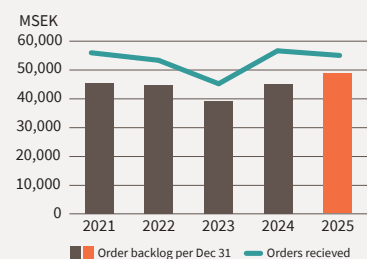
The Group has different accounting principles in segment reporting compared to reporting according to IFRS for our own housing development projects and for IFRS 16 (previously operational leasing contracts).

MSEK	Segment reporting		Reporting according to IFRS	
	2025	2024	2025	2024
Net sales	58,589	58,697	58,581	61,283
Operating profit	2,626	2,763	2,693	3,163
Operating margin, %	4.5	4.7	4.6	5.2
Pre-tax profit	1,674	2,425	1,695	2,780
Profit for the year	1,342	2,080	1,363	2,388
Earnings per share, SEK	4.66	7.25	4.74	8.32
Return on equity, %	8.3	13.3	8.5	15.7
Equity/assets ratio, %	39.4	37.1	37.0	34.6

MSEK	Segment reporting		Reporting according to IFRS	
	2025	2024	2025	2024
Net debt	6,400	9,118	7,969	11,253
Net debt/equity ratio, multiple ¹⁾	0.4	0.5	0.5	0.7
Cash flow before financing	4,119	2,601	4,895	6,744
Dividend per share, SEK ²⁾	3.30	2.75	3.30	2.75
Orders received ³⁾	54,927	56,510	—	—
Order backlog ³⁾	48,544	44,906	—	—
Average number of employees	12,377	12,899	12,377	12,899

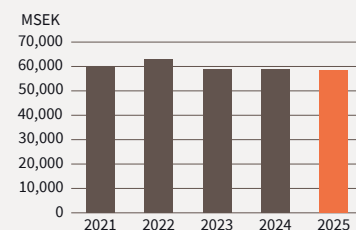
¹⁾ Net debt in relation to equity. ²⁾ For 2025, the Board's proposal to the AGM. ³⁾ According to segment reporting.

Orders received and order backlog*

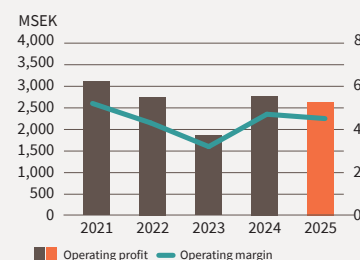


*Refers to segment reporting

Net sales*



Operating profit and operating margin*



Employees:

13,000

Net sales :

SEK 59 billion

2025 in summary



25-02
Peab builds school and health center in Karasjok

25-03
Lambertsson launches ECO-crane in Finland

25-03
Peab issues new green bonds

25-05
Peab moves cultural buildings in Kiruna



25-06
Peab builds transformer plant in Ludvika for Hitachi Energy

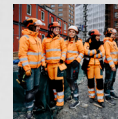
25-06
Peab signs settlement agreement regarding Mall of Scandinavia in Solna

25-06
Peab develops and builds nursing home in Stockholm



25-06
Peab and SSAB sign partnership agreement for the first phase in the production of SSAB's fossil free steel mill in Luleå

25-07
Peab fine grades completely emission free the Meatpacking District in Stockholm



25-09
The Construction Year and trainee program start



25-10
Reconstruction of railroad project Olskroken in Gothenburg ready ahead of time

25-10
Production method set for West Link's stage Haga-Rosenlund for the Swedish Transport Administration



25-11
Peab holds a capital market update

025



Well positioned for the future

Peab continued to build both local communities in the Nordic region and our own business in 2025. While demand for new homes was constrained, investments and activities in civil engineering, paving and public building construction shot up. We entered 2026 with a stable order situation and strong financial position - demonstrating once more that our broad business model creates enduring values for customers, shareholders and society.

2026

The past year was characterized by continued geopolitical uncertainty, at the same time the macro economic situation stabilized. Thanks to our four complementary business areas and strong local Nordic presence we stood firmly with both a balanced mix of customers and project volumes. In total, Group net sales in 2025 remained at SEK 59 billion. Meanwhile new orders continued to flow in at a good pace to various operations. New commissions for the year included a transformer factory in Ludvika and a new campus for Hitachi Energy in Västerås, several jails, new operation and maintenance contracts for Swedish roads as well as continued construction on West Link's stage Haga-Rosenlund for the Swedish Transport Administration. We also signed a partnering contract with SSAB for the first phase of production of the company's fossil free steel mill in Luleå.



Business development

Activity was good in business area Construction in public and commercial construction, where projects like schools, healthcare environments and security-classed buildings as well as industrial facilities represent a growing portion of contracts. This development reflects both the needs of society and Peab's ability to enter a planning project early on and contribute with fitting and sustainable solutions. Housing production continued to remain on a low level, even though there is a rising proportion of housing projects in order backlog.

The good stability and high levels of activity in business area Civil Engineering continued to be supported in 2025 by major public investments in Nordic infrastructure. Added to that are the investments underway in water and sewage systems and power supply as well as those related to the ongoing climate transition. During the year we completed several projects ahead of time and under budget, among them the road and railroad projects Olskroken in Gothenburg and Boden Industrial Park.

Operations in business area Industry developed positively, primarily through greater profitability in the unit Swerock/Asfalt. On the other hand operations in Construction system continued to be affected by the low level of new production in housing.

In business area Project Development we increased the number of sales in our own housing developments and production starts, although from low levels. In 2025 the market for new production of housing stabilized as interest rates fell. However, supply on the second hand market continued to be high and consumers cautious, which affected different Nordic markets in different ways. Markets in Nordic big cities were and are in general better than in other geographies. We worked further on the strategy of – given our financial targets – more production of own

housing developments on our own balance sheet to later on convert them into tenant-owner apartments. The strategy allows us to be flexible and long-range even in a weak market, albeit with more tied-up capital and deferred profit effects.

On the road to our targets

When we summarize the outcome of our nine targets we can conclude that several of them are headed in the right direction. The operating margin was 4.5 percent for the full year 2025, which is lower than our target of more than 6.0 percent. Many of our operations have developed well during the year, even though the weak housing market naturally has impacted us. The net debt/equity ratio improved and

As the Nordic Community Builder with deeply rooted values Peab has a strong foundation to stand on and a unique ability to adjust to shifting circumstances.

was 0.4 (0.5) per December 31, which is in the lower span of the target interval 0.3–0.7. Both customers and employees are satisfied with Peab and the outcome of both the CSI and eNPS exceed target levels. The number of serious accidents was up to the last quarter of the year clearly lower compared to the full year 2024 but unfortunately the number of accidents increased in the final quarter. In the strategic target of Leader in social responsibility our gender equality target and climate target in our own production continue to develop in the right direction while the climate target for input goods and purchased services is more difficult to achieve. Taking into consideration Group profit for 2025, our financial position and fu-

ture capital needs, the Board proposes that Peab's Annual General Meeting decide on a dividend of SEK 3.30 (2.75) per share divided into two payments. This corresponds to 70 percent (38) of profit for the year according to segment reporting, which is higher than our financial target of a dividend of more than 50 percent of profit for the year.

Sustainability is a driving force

Sustainability is and will continue to be a key part of our strategy. Our sustainability work is based on the UN Global Compact, the 17 global goals for sustainable development, Peab's Code of Conduct and our four strategic targets. This year we fully report according to the new requirements in corporate sustainability reporting directive (CSRD). This has entailed, among other things, working intensely to develop our ability to measure and report greenhouse gas emissions where we have made great strides. We are now completely comprehensive in translating our financial operations into emissions data.

We are constantly developing our ECO-offer and during the year we launched ECO-70 in our prefabricated operations. We deepened different kinds of collaboration with our suppliers to drive the transition towards lower emissions in our own production chains and continued work on our circular material flows. We continue to be highly focused on safety in our workplaces - something we never compromise with - nonetheless the number of serious accidents increased at the end of the year. We are analyzing and working actively to turn the negative trend. By investing in talent supply, trainee programs and initiatives to attract more women to construction and civil engineering professions we are strengthening the conditions for a long-term sustainable industry.

A future full of opportunities

Prospects for the Nordic construction markets point to a gradual improvement in the housing market

during 2026. At the same time investments in civil engineering are expected to remain high and demand for public construction stable. Peab's business benefits from customers' climate transition and the volatile world around us which results in investments in the police, correctional services and defense as well as the associated infrastructure projects.

As the Nordic Community Builder with deeply rooted values Peab has a strong foundation to stand on and a unique ability to adjust to shifting circumstances. With our 13,000 skilled employees we are taking advantage of the growing opportunities in our markets. Our broad business model, local roots and strong financial position make us well positioned to meet the future. This is how we will continue to develop, do the groundwork and improve everyday life where it's lived.

I want to heartily thank our knowledgeable and engaged employees. It's their work and vital efforts that daily advance Peab and our communities. I also want to thank our customers and other partners for their confidence in us. Together we are building tomorrow's sustainable communities.

Förlöv in March 2026

Jesper Göransson

President and Chief Executive Officer Peab



Macro outlook and the market

Conditions for construction investments improved during 2025 in the Nordic region as interest rates dropped, inflation slowed and households' economic situation gradually stabilized. Nonetheless recovery continues to be unevenly divided between different construction segments and geographies. The construction market, including housing production, is expected to enter a period of growth, where new production and renovations will increase in the coming years. The civil engineering market is expected to remain strong.

Global slowdown but less trade policy volatility

The global economy is entering 2026 with moderate but stable growth. IMF estimates global BNP growth at slightly more than three percent in 2026, although it varies between different regions.

After several years of geopolitical volatility trade policy tensions subsided somewhat at the end of 2025 with the agreements made by the USA and several of its trading partners. This has diminished uncertainty for the moment. At the same time the risk of new trade barriers, customs decisions or geopolitical

conflicts affect exports, investments and capital markets. The conflict in the Middle East is affecting access to oil and natural gas, and the entire geopolitical uncertainty is driving up energy prices.

During the year Europe moved towards a weak but broad recovery, supported by falling inflation and stabilized interest rate levels. Economic development on the continent continues to be impacted by high energy prices, more stringent monetary policies compared to the low interest rate period before 2022 and less industrial activity in many countries.

The global situation entails both risks and opportunities for Nordic economies. Long supply chains and export dependency make regions sensitive to global slowdowns while contracting interest rates and a recovery in global trade improves the prospects for quickening the rate of construction-related investments in 2026 and onwards.

The Nordic construction markets show signs of stabilizing after several challenging years. A combination of falling interest rates, better economic indicators and major public projects – particularly in civil engineering, defense and public facilities – creates the right conditions for growth. Meanwhile housing construction is expected to grow in all the Nordics, although from a low level.

Climate transition is reforming the industry

Climate transition continues to be one of the most pervasive driving forces in the construction and real estate sector in the Nordic region. The EU Energy Efficiency Directive requiring higher energy efficiency and the target of zero emission buildings no later than 2050 entail considerable changes in both construction processes and investment priorities. In addition, the energy transition, electricity grid expansion and data center investments have become increasingly significant factors in the Nordic construction market, partic-

ularly in Finland and Sweden, where substantial industrial projects continue to emerge.

Meanwhile tech developments are enabling more resource efficient solutions, a higher degree of electrification and better life cycle analyses. Focus on renovation – in both housing and premises – instead of demolition grows stronger when energy efficiency, circularity, fossil free material flows and sustainability demands weigh in more heavily.

Major investments in the Nordic region

Despite a better macro economic situation the Nordic construction sector was marked in 2025 by continued high construction costs and a more stringent financial situation compared to the years before 2022. Material costs have stabilized but they are still on a high level in every country. This means that many projects continue to be sensitive to shifting prices and interest rates and that projects are postponed, including ones for the green transition. At the same time investment needs are substantial in several areas:

- energy and electric grid expansion connected to electrification, industrial transition and data center expansion
- water and sewage, where aging infrastructure requires long-term reinvestments
- healthcare and elderly care linked to demographics
- correctional services and law enforcement agencies
- defense and resilience infrastructure where investments are skyrocketing throughout the Nordic region
- transportation infrastructure, both roads and railroads, where maintenance lags and capacity needs keep driving high activity

The combination of strong public investment plans, structural renovation needs and a gradually improving economy points to growing activity due to these extensive needs, despite cost challenges.

SWEDEN

Lower interest rates benefitted Swedish construction

In Sweden the construction market rebounded in 2025 after a period of decline and broad growth is expected in 2026. The housing market stabilized at the end of 2025. Lower interest rates, relaxation of home loan regulations and a slight incline in prices on the secondhand market will most likely augment demand in 2026, although excess supply on the secondhand market keeps it in check. An increase in new construction of premises is also forecasted, especially in industrial projects, defense investments and new data centers. However, the investment level in public facilities is impacted by struggling municipal finances. Nonetheless the need continues to be significant in healthcare, elderly care and water and sewage systems. The civil engineering market developed significantly in 2025 and is expected to continue to grow in the coming years. The national plan for transport infrastructure 2026–2037 with higher investments in railroads and road maintenance, water and sewage systems and expansion of the electricity grid as well as more investments in defense generate broad growth in the market.

The Swedish Economy

The Swedish Economy Despite geopolitical tensions the macroeconomic situation has stabilized and the Swedish economy is expected to accelerate in 2026. Falling inflation and repeated interest rate cuts have improved household economies while the government has prioritized consumption-driving measures in the budget. GDP is expected to grow by around three percent in 2026 and private consumption is the driving force behind this recovery. Unemployment continues to be high, especially among long-time unemployed, but is expected to stabilize. The export industry benefits from improved global demand but the total investment level is recovering slowly.

NORWAY

An upturn projected for the Norwegian construction market

Building construction investments in Norway contracted in 2025 but the development varied among segments. The Norwegian construction market is believed to have bottomed out and will rebound during 2026 in new construction of homes and premises as well as civil engineering investments. Housing construction is still at a low level but it is expected to grow in 2026 as interest rates fall and households' purchasing power strengthens. New construction of premises is primarily driven by major hospital projects in Oslo and robust development in agricultural and industrial buildings. The market for repairing, rebuilding and expanding premises is expected to continue to grow. Continued growth is also projected for civil engineering construction, particularly regarding investments in roads, energy and defense-related infrastructure. However, railroad investments are contracting in deference to the significant maintenance needs.

The Norwegian Economy

The Norwegian Economy Norwegian mainland economy developed weakly in 2025 due to high interest rates and subdued international demand. At the same time there are clear signs of recovery. Activity in the Norwegian economy is expected to increase somewhat and Norges Bank calculates a 1.5 percent increase in 2026. Norges Bank cut the interest rate twice in the autumn of 2025 to help lower inflation without hurting growth possibilities. Real wage growth and low unemployment are expected to boost purchasing power and benefit development in the construction market.

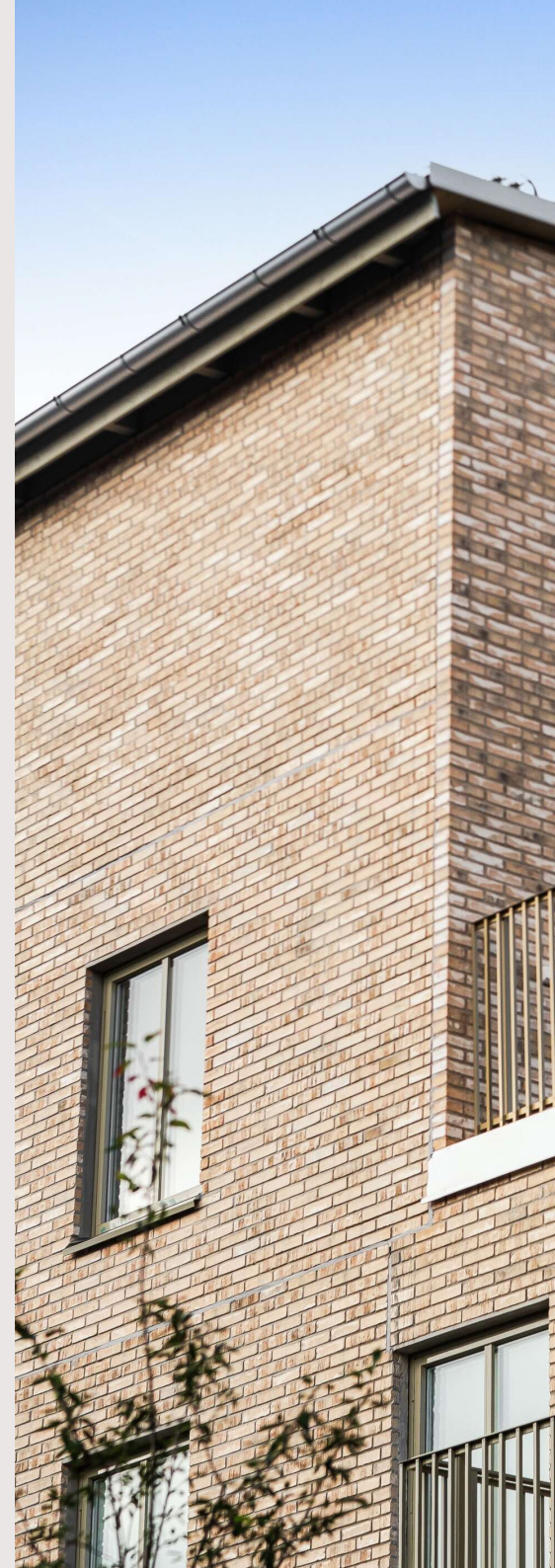
FINLAND

Finnish construction market is recovering

Construction investments in Finland have been on a low level for several years but the country is now expected to leave the weak construction economy behind, albeit slowly. Growth is mainly driven by the public sector, especially in education, defense and care but planned projects in industry, energy and data center construction also factor in. Housing construction is expected to recover in 2026 from a low level although the market is guarded and dampened by excess supply and continued sluggish homes sales. New construction of premises is developing considerably better and has already rebounded in several segments. Major driving forces are office and industry buildings, data centers and particularly defense and infrastructure projects. Civil engineering investments are expected to continue cautiously increasing in 2026, mainly due to higher infrastructure investments. Zero growth is projected for operation and maintenance even though the need is great.

The Finnish Economy

The Finnish Economy The Finnish economy was characterized in 2025 by continued weak growth, rising unemployment and uncertainty among households. GDP is estimated to have increased marginally or stood still but improvement is expected as of 2026 when falling interest rates, real wage growth and stronger export markets support and reinforce consumers' purchasing power in the coming years. Inflation in Finland is projected to remain under two percent going forward. Both public and private investments are expected to increase as financing terms improve. At the same time growth is hampered by global uncertainty and the level of unemployment in the country.



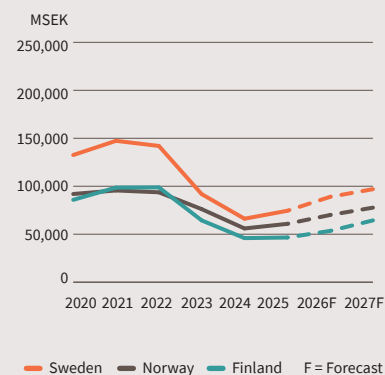
DENMARK

Stable Danish paving market expected in 2026

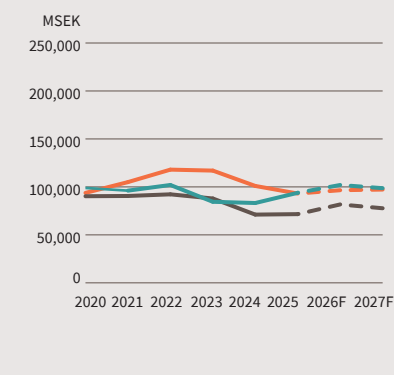
In 2025 the Danish paving market was on the highest level it has been at for many years. This level is expected to be maintained in 2026 but some activity will shift to the east towards Zealand. The government’s investments in road maintenance are projected to increase by around ten percent in 2026 compared to 2025. The infrastructure plan IP 2035 is now in full force and further federal civil engineering projects are expected in 2026, almost all of them in Zealand. In recent years municipalities have kept to the same level of investments and in 2026 they are expected to grow marginally by around two to three percent. The private construction market is expected to develop on the same level as the past few years.



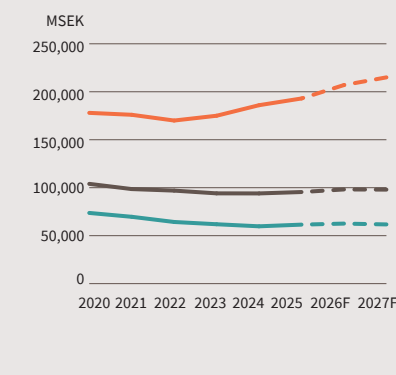
Housing investments
Initiated construction projects, MSEK



Other building construction investments
Initiated construction projects, MSEK



Civil engineering investments
Initiated projects, MSEK



Source of text and graphics: Prognoscentret

We improve everyday life where it's lived

Peab is a community builder throughout the Nordic region. We create value for our customers and stakeholders as well as for local communities by using our strategic strengths and striving for sustainable and profitable growth. This is the foundation of our offer to customers and what makes us attractive to employees.

Our business is built on four business areas. Each of them is independent with its own customer base but the core of our business model is collaboration between the business areas on local markets. This collaboration provides us with unique opportunities through our strategic assets - such as skilled and engaged employees and our own input goods - to have good control over the value chain and thereby meet customers' needs and external expectations. This includes our

sustainable offer in the form of our ECO-products, recycling and reuse as well as local social responsibility in the communities we operate in. With our four business areas we can offer customers a wide range of products and reliability while we increase our productivity and benefit from financial, operational and sustainability-related advantages. This is how we create long-lasting and sustainable values. This is what we mean by locally produced community building.

Mission:

We improve everyday life where it's lived.

Business concept:

Peab is the Nordic community builder with a local presence. Focusing on our own resources and local partners we develop, do the ground-work and build everyday life where it's lived.

Positions:

Locally produced community building and the Nordic Community Builder.

Core values:

Down-to-earth, Developing, Personal and Reliable are Peab's fundamental values.

Peab's collaborating business areas

Peab's business model is made up of four collaborating and specialized business areas structured according to the conditions on each of their markets and organized according to geography and product segments.



BUSINESS AREA CONSTRUCTION

Builds locally close to customers throughout the Nordic region

Net sales	Operating margin	No. of employees
SEK 23.7 bn	2.2 %	4,402

With local roots close to customers business area Construction does contract work for both external and internal customers. Construction projects include everything from new production of housing, public and commercial premises to renovations, extensions and rebuilding as well as construction maintenance. The business area operates throughout the Nordic region, organized in regions in Sweden, Norway and Finland. There are specialized entities in housing production in Stockholm, Gothenburg and the Öresund region.

Peab's position

One of the largest actors in construction in Sweden. Peab has considerable operations in Norway and Finland.



BUSINESS AREA CIVIL ENGINEERING

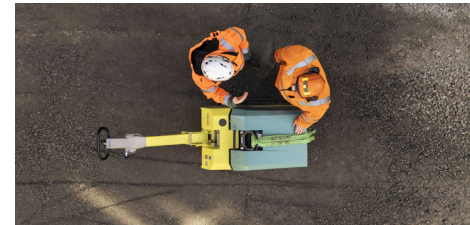
Ties people and communities together

Net sales	Operating margin	No. of employees
SEK 17.6 bn	4.0 %	3,237

Business area Civil Engineering builds and maintains infrastructure such as roads, railroads, bridges, ports as well as pedestrian and bicycle paths. Focused on the local market, operations do landscaping and pipelining, foundation work and various types of construction. Operation and maintenance handles national and municipal highways and street networks as well as tends parks and outdoor property. The business area is organized in geographic regions and specialized product areas.

Peab's position

Leading civil engineering actor in Sweden and among the larger actors in Norway.



BUSINESS AREA INDUSTRY

Climate-focused offerings

Net sales	Operating margin	No. of employees
SEK 20.0 bn	7.4 %	4,584

Business area Industry delivers products and services for a more sustainable and cost-efficient production of construction and civil engineering projects on the Nordic market. With a strong local presence, assignments are undertaken for both external and internal customers. The business area consists of subsidiaries such as Swerock, Peab Asphalt, Lambertsson, Smidmek and Byggelement with trademarked products like ECO-Asfalt, ECO-Betong (ECO-Concrete) ECO-Ballast (ECO-Mineral Aggregates) and ECO-Prefab.

Peab's position

One of the leading actors in all segments in Sweden. Strong position in Finland and operations in Denmark and Norway.



BUSINESS AREA PROJECT DEVELOPMENT

Sustainable homes and properties

Net sales	Operating margin	No. of employees
SEK 4.3 bn	5.5 %	126

Business area Project Development is responsible for the Group's acquisition, development and divestment of housing, commercial property, public service buildings and entire city districts. Project development takes place in wholly owned projects or with other partners in joint ventures. Housing Development develops homes for private homebuyers and investors while Property Development develops commercial property.

Peab's position

One of the largest housing developers in Sweden with significant operations in both Norway and Finland. Peab is a growing actor in commercial property development in Sweden, Norway and Finland.

Peab's business model

Collaboration between business areas in the processing chain and local presence are the two cornerstones in our business model. These are the two cornerstones that generate synergies in our operations and the conditions to reduce our environmental and climate impact and promote positive social development. We achieve our targets across the board by having a highly processed collaborating business.



Our targets areas

Most satisfied customers

We are close to our customers and meet their needs with sustainable offers. Quality permeates our work methods and end results. The right expertise in the right place is key to success.

Best workplace

We are a safe, secure and inclusive workplace rooted in a strong company culture. Leadership takes responsibility and is close to operations. Employees have value-creating and developing work assignments that they complete together.

Most profitable company

We take on the right projects and have the right business mix. Employees work according to quality-ensured work methods that are efficient in every aspect. Through our own resources and internal collaboration we maintain a high degree of value creation. We take advantage of our size and experience.

Leader in social responsibility

As the Nordic community builder we drive developments in our industry in matters concerning the climate and environment, ethics, and equal opportunity and inclusion. We work well together with stakeholders in the world around us and stride every day towards a sustainable value chain. With our extensive local presence we are also an important actor in the local community.

Target outcome after 2025

Our employees are the foundation for our ability to achieve our targets. Their work and efforts are what create value for our customers, other stakeholders and society. We focus on a number of Group strategic areas to develop our operations and reach set targets.

For Peab 2025 has entailed continued close collaboration with customers, focus on internal processing through collaboration between business areas and geographic cooperation, working with profitability on all levels and environmental and social sustainability.

In 2025 we continued to see strong development in civil engineering operations, premise construction and large parts of business area Industry, while the low level of housing construction impacted operations in project development and construction system. However, the market for new housing production stabilized in 2025, although on a low level, and we continued to work with our strategy of starting new housing projects on our own balance sheet.

Nine external targets

We report the performance of our business by monitoring nine external targets, of which three are financial and based on segment reporting and six are non-financial. The non-financial targets comprise our sustainability targets. We particularly highlight the external targets and they are a subset of all our targets and action plans. Both the internal and external targets are categorized under the strategic targets: Most satisfied customers, Best workplace, Most profitable company and Leader in social responsibility. All targets are measured in relationship to the construction and civil engineering industry.

We made important progress this year in our four strategic target areas and when we summarize the

outcome of our nine targets for 2025 we can conclude that several of them are headed in the right direction. Our customers, located all over the Nordic region, are satisfied with Peab. Our target of CSI > 75 (Customer Satisfaction Index) increased to 80 (78) in 2025. The increase refers to all business areas.

Our employees are satisfied and can recommend Peab as an employer. The eNPS value (recommend Peab) increased and exceeded our target level which was quite a bit above the Nordic benchmark. The number of serious accidents was up to the last quarter of the year clearly lower compared to the full year 2024, but unfortunately the number of accidents increased in the final quarter.

The operating margin was 4.5 percent for the full year 2025, which is lower than our target of more than 6.0 percent. Many of our operations have developed well during the year, even though the weak housing market naturally impacted us. The net debt/equity ratio improved and was 0.4 (0.5) per December 31, which is in the lower span of the target interval 0.3–0.7. Peab's Board proposes that AGM decide on a dividend for 2025 of SEK 3.30 (2.75) per share. This corresponds to 70 percent (38) of profit for the year according to segment reporting, which is higher than our financial target of more than 50 percent of profit for the year.

In the target area of Leader in social responsibility our gender equality target continues to improve and the share of women recruited increased. Our climate tar-

get for our own production is developing in the right direction while the climate target for input goods and purchased services is more difficult to achieve.

We still have ways to go before achieving all our targets but we are convinced that our business model and strategy will get us there. When all our various markets function in a normal market we have a good basis to achieve all our nine targets.

Business plan period 2024–2026

Our current business plan is for the period 2024–2026 and our primary areas are customer focus, sustainability and sustainable offers and efficiency. Collaboration amongst our business areas is key to success in all these areas.

We have also established two Group-wise development programs that aid these advances. The first is “Climate Road Map and strategic input goods” which, by breaking down our climate targets into practical action plans and measures, is aimed at ensuring we reach our climate targets and at safeguarding access to critical input goods. The other program is “Quality assured and traceable value chain”, which both supports the first program and contributes to our structured work and Peab's responsibility in our value chains. Within the framework of this program we have made great progress during the year in being able to comprehensively measure greenhouse gas emissions generated by our operations, which this year's report also mirrors.

Target areas	Target	2025	2024	2023
Most satisfied customers	CSI > 75	80	78	80
Best workplace	Contracting trend, serious accidents < 33	49	33	48
	eNPS > benchmark	31	28	26
Most profitable company ¹⁾	Operating margin > 6 %	4.5 %	4.7 %	3.2 %
	Net debt/equity ratio 0.3–0.7	0.4	0.5	0.6
	Dividends > 50 % of profit for the year	70 %	38 %	30 %
Leader in social responsibility	Carbon dioxide intensity for our own production – 60% 2030 (cf. base year 2015)	-58	-50	-49
	Carbon dioxide intensity for input goods and purchased services – 50 % 2030 (cf. base year 2015)	-7	-12	-9
	Equal opportunity > 8.0 % share of women (SW)	13.7	10.6	14.2
	Equal opportunity > 30.0 % share of women (WCW)	43.8	39.1	18.8

¹⁾ Based on segment reporting.

Quality in every aspect

Our customers can be found throughout the Nordic region – from a small village in the north to a coastal town in west to a big city in the south. Each customer project aims to improve everyday life where it's lived. At the same time every project is unique, since customer needs and demands differ. Our job is to make sure quality always comes first, in both project execution and the final result.

From housing to park maintenance

Peab is a complete community builder that offers its customers comprehensive solutions, or partial solutions if they prefer. No matter what the project is our reliability and ability to meet customers' quality and performance requirement is essential for success.

The character of our work varies greatly. We build everything from housing in various ownership forms and public premises to complex infrastructure projects while we also maintain parks and deliver concrete and other input goods to our customers.

This means that Peab has a diversified customer base that stretches over four business areas. Sometimes all four business areas deliver to a customer, sometimes only one business area has a relationship with the customer. We have around 22,000 customers in total.

Business areas Construction and Civil Engineering mainly conduct their operations in the form of con-

struction contract work for both private and public customers. Business area Industry has both construction contract work and sells its products and services to Nordic construction and civil engineering companies. Business area Project Development sells housing to private individuals and commercial properties and community buildings to public and private clients.

Our construction contract work during 2025 included construction of hospitals and nursing homes, schools, swimming pool facilities and sports arenas, different kinds of infrastructure projects, operation contracts for road maintenance and groundwork for both new housing tracts and treatment plants. Defense and security classed projects are a growing segment in the countries where we operate due to security threats and criminality as well as industrial projects linked to the ongoing climate transition. During the year we received a number of major commissions such as developing a new transformer plant in Ludvika and a new campus in Västerås for



Hitachi Energy, building healthcare centers and assisted living in Stockholm and Helsingborg as well as CHP plants and wastewater treatment plants.

In western Sweden we are building part of the West Link's stage Haga-Rosenlund in Gothenburg for the Swedish Transport Administration and a number of ongoing operation contracts for road maintenance

A satisfied customer is a customer that comes back. It is therefore essential that everything we do is always based on the needs of our customers and the local community.

for federal roads were extended this year. Other commissions during the year include building homes in several new projects in Helsinki as well as a new school and health center in Norwegian Karasjok.

Local presence close to customers

It is imperative for a long-term, sustainable relationship that Peab delivers on its obligations to customers. A satisfied customer is a customer that comes back. It is therefore essential that everything we do is always based on the needs of our customers and the local community. Two excellent examples from last year are the railroad project Olskroken in Gothenburg and Boden Industrial Park which we completed ahead of time and under budget. Our knowledgeable and engaged employees, along with good channels for a local supply of input goods, employees and local subcontractors are naturally also key to a successful project.

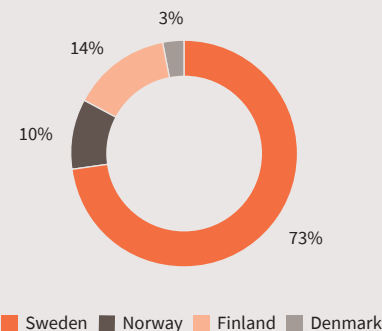
Customers are clearly making higher and higher demands on the projects they order. They want an increasing degree of digitalization in the process from planning to production, and increasingly projects are permeated by specific climate and environmental performance demands. The latter entails everything from requirements for climate calculations and certifications to thresholds for emission reductions as well as material choices and reuse. Above all we see a greater emphasis on how we work to achieve project and sustainability targets and often success requires close collaboration with our customers at an early stage.

We are also pleased to see the growing phenomena of planning contracts, so-called phase 1 contracts, in business areas Construction and Civil Engineering. The planning contracts commission Peab to, together with the customer, work out an optimized product with the right quality and handle risks and uncertainties. The intention is to under the phase 1 contract period sign a final construction contract. At the end of 2025 the potential value of final construction contracts stemming from phase 1 contracts was around SEK 17 billion over the next two years.

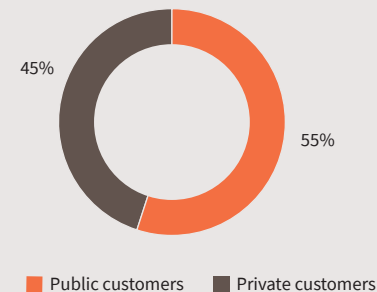
This work method helps us in part sell in Peab's expertise early and in part create the prerequisites for structured partnership forms where the general contractor, consultants, contractors and other key actors can ensure that projects suit their purpose and are successful. Collaboration is often the catalyst to new solutions and innovation in construction and civil engineering operations while benefiting climate and environmental work. Before we begin working with a customer, we make meticulous studies and investigations into all their requirements and our ability to meet them both in material and staffing as well as process all the relevant sustainable aspects. We work through procurement councils to produce correct offers that have been thoroughly vetted and reduce risks for Peab and our customers.



Well spread throughout the Nordic region
Net sales segment reporting, 2025



High share of public customers
Net sales segment reporting, 2025



Historic railroad project finished ahead of time

On October 9, 2025 – after ten years of collaboration – the historic reconstruction of Olskroken in Gothenburg, which is part of the West Link, was inaugurated. This is one of Sweden’s most highly trafficked railroad junctions. Five tracks meet there and more than 650 trains pass through it daily. Despite limited space Peab and the Swedish Transport Administration have completed the project ahead of time, under budget and without any major disruptions in daily traffic.

The reconstruction of Olskroken has separated freight and passenger trains by rebuilding the railroad tracks so that they cross on different levels. This has reduced the number of bottlenecks, improved daily train traffic and created conditions for higher capacity and more sustainable

urban development. All in all six railroad bridges, a pedestrian bridge and about ten kilometers of new tracks were built.

The success of this project is due to a strong culture of collaboration, innovation and sustainability. Early Contractor Involvement formed the basis for a work method with joint planning and clearly defined expectations at an early stage as well as enabled adjustments in an extremely complex environment.

“Olskroken Grade Separation is a good example of what can be achieved when collaboration really works. Together with the Swedish Transport Administration we’ve had well defined goals, a strong driving force and a flexible attitude, and we’ve cooperated throughout the project to transform one of Sweden’s biggest bottlenecks into a future-proofed hub for the entire Western Sweden railroad system,” says Mattias Emanuelsson, Region Manager Peab.

Sustainability has been a common thread throughout construction. Challenging traditional work methods and developing new ones as well as optimizing design and construction solutions reduced climate impact significantly. The project also worked actively to reuse excavated soil and material and used climate improved concrete in pile slabs, pile decks, noise barriers and bridges.



Facts: Olskroken Grade Separation

- 7 bridges (6 railroad bridges and 1 pedestrian bridge)
- 10,000 meters of single tracks, of which 3,800 meters on a bridge/ramp/deck
- 38 switches and 2 track junctions
- 250 kilometers of piles

COMMUNITY
BUILDING
AT ITS BEST 2025



Target:

Most satisfied customers

We are close to our customers and meet their needs with sustainable offers. Quality permeates our work methods and end results. The right expertise in the right place is key to success.

In order to monitor our work and customers' perception of us we carry out annual customer surveys. In 2025 CSI amounted to 80 (78) which is a clear increase compared to last year and bit over our target of at least 75. We are pleased to see that all four business areas have improved their CSI ratings. In connection with the CSI survey we also ask customers how they perceive Peab based on a number of factors. Our personnel receive the top rating which continues to rise while reliability and price-worthiness maintain high ratings.

CSI stands for Customer Satisfaction Index and is a weighted assessment of three questions about 1) expectations, 2) total satisfaction and 3) ideal. The answers are ranged on a ten-degree scale which is calculated into an index between 0 and 100, where ratings between 65 and 75 entail average customer satisfaction. Ratings under 65 percent entail insufficient customer satisfaction and ratings over 75 entail very good customer satisfaction. Peab reports CSI annually. Almost 2,100 customers participated in the autumn survey.



Customer Satisfaction Index (CSI)

CSI stands for Customer Satisfaction Index and rates how satisfied Peab's customers are.

TARGET: >75

OUTCOME 2025: >80



BEST WORKPLACE

We build communities together

Peab is located in large and small places throughout the Nordic region. Our some 13,000 employees make a difference by building the local community where they live and work. Every employee has a big personal responsibility and is met with good working conditions and opportunities to develop as well as safe and inclusive workplaces.

Our employees, with their know-how and engagement, build Peab. Our foundation is our deeply rooted core values – down-to-earth, developing, personal and reliable which help us to form our culture and what we call the Peab Spirit.

Our broad range of operations entail a plethora of professional roles at Peab. At the latest count there were 228 professions, covering everything from geotechnicians and asphalt pavement layers to construction engineers, skilled workers in civil engineering and drivers. Our local focus and strategy for locally produced community building means that Peab has a large share of our own employees, especially compared to other companies in the construction and civil engineering industry. At the end of 2025 the share of skilled workers was 52 percent while the share of white-collar workers was 48 percent. The proportion between women and men in the Peab Group continues to be uneven and is a challenge in our industry. We work actively to both spread knowledge and interest among women for different professional positions in the construction

and civil engineering industry and thereby increase the share of women in our organization.

Down-to-earth spirit

Peab has a flat and decentralized organization and every employee can have an effect on both their workday and how Peab functions as a company. Our size and extensive operations in the Nordic region means we can offer a lot of opportunities regardless of whether someone wants to grow in their existing role, try on new roles and tasks or develop their leadership skills or specialist expertise. They might even want to develop their career in some other place. To display all these opportunities we have produced a career map that employees can access, for example in annual developmental discussions.

By providing good working conditions and benefits we want all our employees to be healthy and happy. Peab offers market level salaries, terms and benefits that promote a balance between work and leisure. At Peab the nature, performance and skills level of an employee's job decide their pay level.

Inclusion is a cornerstone

It is a given that our employees are treated with respect and likewise essential that we as an employer succeed in taking advantage of each employee’s unique skills and perspective. This means having a safe and inclusive work environment. Peab has an equal treatment plan to counteract victimization and discrimination. We work actively with education and support for managers and co-workers to ensure no one is discriminated or victimized at our workplaces. We also have an Ethics Council which ensures that reports of victimization and discrimination are investigated by impartial expertise. Inclusion is also measured in our personnel survey. We explore, for instance, the level of experienced inclusion, psychological security and how strong our civil courage is. The results are encouraging although there is still room for improvement. This year security, including psychological security, was the theme of our annual work environment week.

Leadership is the foundation of our success

Secure and appreciated leaders are vital for our ability to achieve the targets we set and for our employees to flourish in their professions. Continually developing our management through various leadership programs is therefore a constant priority.

Focus on tomorrow’s talent

Being an attractive employer is vital for our ability to continually ensure future talent recruitment and retain competent employees. Because of the significant underlying demand for our services in different sections of society we need to continually recruit new employees with different skills. During the year we have followed the Group’s updated recruitment strategy and carried out a number of local recruitment programs in places where the need for talent in the future is apparent. As part of this work we prioritize collaboration with many different parts of the educational systems in the countries we operate in. This collaboration ranges from internships and

research projects to lectures, mentorship and tutorial help with master theses. Since 2006 we also run independent high schools through the Peab School.

The third round of the trainee program for women, The Construction Year, began in 2025 with 13 new trainees and in the autumn of 2026 a new group of 27 trainees will begin. In addition, 21 college and civil engineers began Peab’s trainee program 2025–2026 in Sweden. We also hired 20 trainees in Finland and twelve in Norway. The trainees, who are spread throughout the Group, will learn more about supervising, participate in a comprehensive leadership course and receive practical experience at various workplaces in the Group. In addition, we had around 350 construction apprentices in the Group in 2025.

It all starts with a safe work environment

Although there are high numbers of injuries in the construction and civil engineering industry we can

never accept that people are injured or get sick because of their job. A safe work environment is fundamental to our business. Everyone at our workplaces should be able to work under safe and secure conditions, despite the fact there are risks involved in the work we do. Every employee, contracted personnel and anyone on site has the explicit right to refuse to do a job if it cannot be done safely.

Accident prevention measures

Accident prevention measures are the core of our work on the work environment. Every remedied risk is one less potential accident. To prevent accidents and incidents at our workplaces Peab continually develops quality-ensured and systematic work methods as well as educate our employees and partners. We hold regular safety inspections at construction sites and remedy identified shortcomings afterwards. We also put great emphasis on learning from work environment reports which are meant to facili-

tate workplaces to work right. We have also developed a work method so that our employees produce work preparations together before they begin a job. The focus in work preparations is on identifying risks and measures that increase safety and reduce accidents and incidents. Safety work is just as important at workplaces affected by passing traffic.

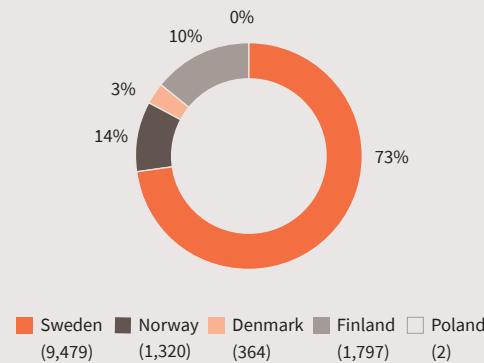
Employees and our partners report risk observations which we learn from and remedy as far as possible. We also learn from actual incidents and accidents.

If, however, an accident does occur Peab has a crisis organization consisting of around 100 employees that has existed for many years. Its purpose is to provide professional care in the case of an accident or crisis to reduce unnecessary suffering and injury for those affected, both employees and third parties.

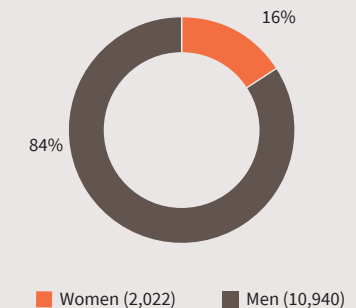
Number of employees – per business area
Per December 31, 2025

Business area	2025	2024
Construction	4,402	4,681
Civil Engineering	3,237	3,365
Industry	4,584	4,581
Project Development	126	145
Group functions	613	611
Group	12,962	13,383

Number of employees – per country
Per December 31, 2025



Number of employees – per gender
Per December 31, 2025



New rescue and emergency care station reinforces preparedness in Kaarina

Peab has built a new, modern rescue and emergency care station in Finnish Kaarina that is now the city's primary fire station. The new station has been designed to meet current and future demands for quick responses, modern technology and robust preparedness.

The building has a floor plan of about 3,500 m² and replaces the old fire station in the middle of the city. Peab has built a two story main building that is supplemented with a carport and storage room – everything designed to efficiently support emergency action and long-term safety. Peab's comprehensive responsibility for the project included Peab Asfalt paving the yard and Swerock

providing the concrete. The new station also houses the rescue department's emergency organization, surveillance function and a workshop for vehicles and equipment. This makes the station even more self-sufficient and effective in a crisis situation. In addition, the contract fire department now has its own facilities to better support operations.

Construction began in February 2024 and was completed according to schedule in August 2025.

“Everything has gone according to plan and the project has handled every challenge, such as those due to the many technical and electrotechnical systems, with high demands on careful coordination and solid engineering. The success of the project is based on our close and trusting collaboration with our customer,” says Tuomas Martikkala, Peab Site Manager.

The station is built with a high purity class and modern technology and is run with geothermal heating, which reduces the climate impact of operation and reinforces the project's sustainability profile. With its strategic location, today the new rescue and emergency care station in Finnish Kaarina is a facility prepared for the future which will promote security throughout the region.



Facts: Rescue and emergency care station

- Customer: The City of Kaarina
- The building is around 3,500 m² and the property is about 13,400 m²
- Purity class P1 and geothermal heating
- Completion: August 2025

COMMUNITY
BUILDING
AT ITS BEST 2025

Target:

Best workplace

We are a safe, secure and inclusive workplace rooted in a strong company culture. Leadership takes responsibility and is close to operations. Employees have value-creating and developing work assignments that they complete together.

Satisfied and engaged employees

Our target is to be able to offer our employees the best workplace in the industry. We measure this through the eNPS value (recommend Peab) which should be above the benchmark for industry and manufacturing.

In the autumn survey the eNPS value was 31 (32 in the spring survey) and continues to be well above the Nordic benchmark which is 17 (18 in the spring survey). The most apparent increase in the eNPS value was among female skilled workers. In the survey employees highlight collaboration with co-workers, community and our core values as some of Peab's foremost strengths. The trend in reverse is workload.

Participation was once again high at 88.6 percent although not the record 90.9 percent participation in the spring survey. This shows the high interest our employees have in contributing to the development of our business.

Continuous focus on reducing workplace accidents

Our vision of zero fatal accidents as well as our target of a contracting trend in serious workplace accidents includes our own employees and everyone else at our workplaces.

The number of serious accidents increased in the final quarter of the year after a period with decidedly fewer accidents. There were 49 for the full year 2025 which can be compared to 33 for the full year 2024. During the last quarter 2025 there were 26 serious accidents, primarily in construction operations, of which 15 involved our own employees and 11 concerned employees of subcontractors. There are investigations and analyses underway to break the negative trend.



eNPS

Stands for employee Net Promoter Score and measures employee engagement.

TARGET: Over benchmark

(reported semi-annually)

OUTCOME 2025: 31

Serious workplace accidents

The target is measured as zero fatal accidents and a contracting trend, rolling 12 months.

TARGET: <33

(reported quarterly)

OUTCOME 2025: 49

Sustainable profit through collaboration

With our engaged employees we ensure productivity, quality and continual improvement. Our local presence, size and mix of operations are the way to achieving our target of becoming the most profitable company in our industry.

Peab has a robust business model. With our four business areas we control a large part of the value chain which enables us to increase the level of processing within our own operations. We use our leverage in the vertical processing chain – from acquiring land to production and operation – through good internal collaboration, our own products, technical solutions and sustainable business concepts.

Roads to profitability

Geographic collaboration is essential to promoting internal processing, as are discussions with existing and potential customers at an early stage. Our categorization in purchasing and our procurement councils are examples of functions that spur our own processing. Conditions for profitability are also improved by our ability to deliver where there is growth, adapt our mix of operations to local conditions and take advantage of our size and experience. An example of this is that while the housing market has been weak, Peab has been able to benefit from investments in other markets.

Meanwhile, we have to continually strive to be more efficient in every aspect of our business. This is particularly important in a market situation where continued high construction costs, although they are not

rising anymore, and uncertainty on the market impact demand. This includes implementing special measures for units that do not achieve the profitability targets set. Our efforts to increase digitalization is yet another component in becoming more efficient.

As we now look forward we can conclude that market prospects have stabilized in the Nordic region, despite continued geopolitical tensions. Besides a stabilization in the housing market, although on a low level, we notice the effects of ongoing infrastructure investments and the fact that the Nordic governments have announced coming major initiatives in investments and maintenance. In general prospects for the Nordic construction and civil engineering markets are positive for 2026. In addition, Peab's business benefits from both customers' climate transition and adaptation and the uncertainty in the world around us that is a factor in current investments in the police, correctional services, security and defense related projects as well as the associated infrastructure.

We therefore find ourselves in a favorable position with our skilled employees that have the ability to take on the growing opportunities in our markets. Our strong cash flow and lower net debt provide us with good room to maneuver.



Peab has a robust business model. With our four business areas we control a large part of the value chain which enables us to increase the level of processing within our own operations.



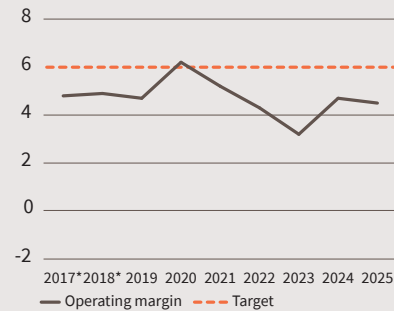
Three financial targets

Within the framework of the strategic target most profitable company, we measure our business through three financial targets that are based on segment reporting and over a normal business cycle. The targets are that the operating margin should exceed six percent, the net debt/equity ratio should be in the interval 0.3–0.7 and that dividends should be more than 50 percent of profit for the year.

The target for the operating margin is based on our structure of four business areas and the operations mix Peab has had since 2020 and that we have cost-efficient support functions. The target entails different benchmarks for the operating margin for each business area, with higher margin demands on the capital intensive business areas Industry and ProjectDevelopment.

Operating margin

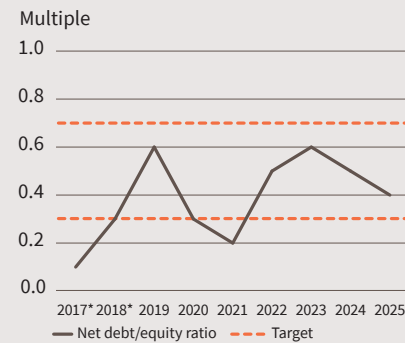
Target: >6% according to segment reporting



* Years 2017–2018 not translated according to changed accounting principles for own housing development projects.

Net debt/equity ratio

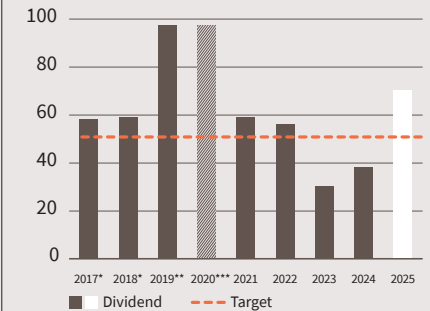
0.3–0.7 according to segment reporting



* Years 2017–2018 not translated according to changed accounting principles for own housing development projects.

Dividends

Target: >50% of profit for the year according to segment reporting



* Years 2017–2018 not translated according to changed accounting principles.
 ** For 2019, no cash dividend has been paid. The value of the distribution of Annehem Fastigheter at the time of the distribution in December 2020 amounted to 97 percent of the profit for the year 2019
 *** The proportion is calculated without the effect of SEK 952 million on profit due to the distribution of Annehem Fastigheter.
 **** For 2025, Board of Directors' proposal to the AGM.

New airport enables development in an entire region

After thorough planning and designing Peab and Avinor, our customer, since the spring of 2024 are working together to build a new airport in Bodø in northern Norway. When it is completed in 2029/2030 Peab will not only have built 800 meters new Norway by clearing the land, we will also have created a foundation for the continued development of the city and the entire region.

Making the New Bodø Airport into a regional hub requires creating a comprehensive, complete entity. The project includes the construction of a new runway, taxiways and parking spaces for aircraft. In addition to preparing new land the work has already comprised everything from removal

of vegetation, and demolition of old infrastructure to other preparatory work such as blasting.

“This is a complex project that requires good coordination and collaboration between all parties involved. Around 350 companies and 3,000 employees will work, in one way or another, with this project. The greatest challenge is to see the whole picture and break it down into manageable parts that follow a well-crafted timetable. We have a fantastic collaboration with Avinor, working together towards the goal of contributing to development and employment in the region,” says Olle Eurenus, Project manager in Peab Civil Engineering in Norway.

The project has a zero vision of injuries and serious incidents. It is likewise characterized by clear environmental consideration, such as work being done to minimize transports and Avinor has implemented a program to help aid the preservation and improvement of the local ecosystem in order to minimize the impact on nature when developing the new airport. The completed airport will also lead to lowering operations-related carbon emissions generated by aircraft in Bodø. The goal is to environmentally certify the construction work according to BREEAM Infrastructure (Excellent).



Facts: New Bodø Airport

- 4.6 million m³ of stones and debris will be moved
- 650,000 m² will be paved
- Opens for operations 2029/2030
- Will have a capacity of 2.3 million passengers annually

COMMUNITY
BUILDING
AT ITS BEST 2025

Target:

Most profitable company

Strong end to the year

Group net sales amounted to SEK 59 billion for 2025 which is on par with last year. Civil engineering operations, premise construction and large sections of business area Industry continued to develop well while the low level of housing construction impacted operations in project development and construction system operations. Peab ended the year by continuing to growth in both net sales and the operating margin in construction contract operations as well as strong development in the operating margin in Swerock/Asfalt. Cash flow before financing was strong during the year and at the end of 2025 net debt was clearly lower than at the end of 2024. Peab is entering the new year with a stable order situation and strong financial position.

The past year once again proved that Peab has a solid foundation and a unique ability to adapt to fluctuating circumstances. With our 13,000 skilled employees we are taking advantage of the growing opportunities in our markets. In other words, with Peab's broad business model, local roots and strong financial position we are well-placed to meet the future.

Regarding our target of an operating margin that over time surpasses six percent, in 2025 the operating margin was 4.5 percent, which is lower than the target of 6.0 percent. Many of our operations have developed well during the year, nonetheless the continued weak housing market has naturally impacted us. In order for us to reach our target of an operating margin that surpasses six percent demand on the housing market

needs to improve while we have to continue to produce efficiently and keep overhead down.

The net debt/equity ratio has improved and was 0.4 (0.5) per December 31, 2025, which is in the lower span of the target interval 0.3–0.7. Tying up capital effectively and optimizing the balance of payments in our construction contract operations lowers net debt and the net debt/equity ratio.

Taking into consideration profit for 2025, our financial position and future capital needs, the Board proposes that Peab's Annual General Meeting decide on a dividend of SEK 3.30 (2.75) per share divided into two payments in 2026. This corresponds to 70 percent (38) of profit for the year according to segment reporting, which is higher than our financial target of a dividend more than 50 percent of profit for the year.



Operating margin

The target is measured according to segment reporting.

TARGET: >6 %

OUTCOME 2025: 4.5 %

Net debt/equity ratio

Net debt in relation to equity. The target is measured according to segment reporting.

TARGET: 0.3–0.7

OUTCOME 2025: 0.4

Dividends

The target is to exceed 50 percent of profit for the year. The target is measured according to segment reporting.

TARGET: >50 %

OUTCOME 2025: 70 %

We drive social development forward

As the Nordic Community Builder with extensive local presence we have a self-evident responsibility for our communities. This responsibility begins with our role as employers and business partners and stretches all the way through our production chain and out into the surrounding neighborhood.

Equal opportunity workplaces in focus

The construction and civil engineering industry has a major task in taking advantage of all the competence community has to offer. The number of women in the industry and in Peab is still far too low. The greatest inequality is found in workers close to production where less than ten percent of job applicants to Peab with a relevant practical education are women. As one of the largest community builders in the Nordic region we want to be at the forefront of changing this. We are willing to do our part and contribute to change but we cannot do it without help from communities and schools. We do our best to bring this matter up in various industry contexts, and in meetings with politicians and the media. We have started the trainee program The Construction Year for young women where they work for a year as skilled workers in a nearby workplace while they also receive a theoretical education. The goal is to achieve greater gender equality in Peab in general, and in production specifically. We are currently preparing for a fourth round of the program.

Ethics are fundamental to community building

Striving for a sustainable supply chain that safeguards and respects business ethics, human rights and the environment is a given cornerstone of our business. Peab's Code of Conduct is our starting point and we also have a specific Suppliers' Code of Conduct that defines our expectations of our partners. As community builders we have a responsibility to run our business with high ethical standards and counteract corruption. This is particularly important in an industry of generally decentralized operations and complex value chains. Peab has made it abundantly clear that we have zero tolerance for any and all forms of corruption, ethical violations are not accepted and that every infringement has consequences.

The fact that our operations, our employees and the majority of our partners are located in the Nordic region is a positive factor for our ability to promote ethical business. Peab works preventively through long-range and systematic measures, in particular by ensuring our employees' knowledge concerning ethics, anti-corruption and competition law. We en-



courage all employees and partners to report any possible illegal acts, violations of our Code of Conduct or any other kind of infringement.

Local community involvement

Our customers often emphasize the importance of working together in shared social responsibility for the local community, especially to form the society of the future. For Peab, with our extensive Nordic presence, this is a positive development and a key part of our business model. Some examples of this are designing safe residential areas, promoting local clubs and the development and education of youths. It includes creating communities and contributing to planning green areas, meeting places and accessibility to service facilities. Through ongoing dialogues and collaboration with municipalities and other local actors, Peab plays an important role in forming a sustainable, vibrant and inclusive society.

When it comes to developing youth, the Peab School is an important example of our commitment. Since 2006 we run our own vocational high schools in Malmö, Gothenburg and Solna. Almost all of our

projects include some kinds of demands regarding social responsibility. In recent years through our concept Peab Life we have created collaborations with partners in various Nordic locations to promote the development of children and youths.

Focus on environmental targets

The construction and civil engineering industry has a significant environmental and climate impact. Peab affects the environment and climate through our own operations and through the impact generated by suppliers and customers. At the same time conditions for our business are affected by environmental and climate changes. We work determinedly and step-by-step to reduce our environmental and climate impact, in line with our set targets.

We have four overarching environmental targets that help us implement practical measures to reduce our environmental and climate impact. These both support and strengthen each other. The most long-term target of Peab's four environmental targets is to be climate neutral no later than 2045, which aligns with the scientifically-based 1.5 degree target in the Paris



Agreement. In addition to this target we have climate targets up to 2030 regarding carbon dioxide intensity reductions, so-called Scope targets.

Peab's second environmental target is to be completely resource efficient by 2040. Here we work to optimize material use and reduce waste for instance. Our third environmental target is to phase out environmentally and health hazardous products no later than 2030. We want to protect people and the environment from toxic exposure in both production and usage. In 2025 Peab's executive management adopted a fourth environmental target concerning biodiversity stating that by 2030 we will protect, preserve and strengthen the ecosystem and biodiversity.

Focus on reducing emissions

According to the Swedish National Board of Housing, Building and Planning, developers and construction

companies generate more than 20 percent of Sweden's carbon emissions. This means we have to move quickly if we are going to reduce emissions at the rate required by the Paris Agreement. Most of the greenhouse gas emissions caused by Peab's operations occur in the manufacture of the materials we use in production like concrete, steel and asphalt.

Two other major sources of carbon emissions in production are energy consumption and transportation. Therefore our emission reduction activities are centered on these areas. We have an advantage in that we can supply our contract construction operations and the projects we develop ourselves with input goods and raw material through our business area Industry, which enhances our ability to steer towards lower carbon emissions.

We also invest in making our factories more energy efficient and the electrification of machines and ve-

hicles to contribute to the ongoing climate transition. As community builders we also have a comprehensive perspective on our climate work and strive to contribute in the usage stage and to local sustainability community building in general. This can entail designing flexible constructions, building solar power plants, wind farms or by building in such a way that people can live more sustainably.

In our work to reduce emissions from input goods our ECO-products are essential and we continuously develop them. We manufacture the slag-based Merit, which can increasingly replace cement in concrete. Cement represents 90 percent of the climate impact of concrete. When we use Merit in the production of our ECO-Betong (ECO-Concrete) we reduce greenhouse gas emissions by up to 70 percent compared to traditional concrete while also reducing the extraction of virgin limestone.



Circular material is tomorrow's resource

Building creates waste. Peab has explicit guidelines on how to handle leftover material from the construction process at construction sites to enable reuse.

We also have a number of initiatives for creating new ways to reuse construction material and recycle waste. Establishing a dialogue and collaboration with material suppliers and reuse actors early on is important so that we can manufacture and use more products with a higher portion of reused material. We also run various R&D projects on circular flows such as excavation soil management aimed at increasing the amount of soil reused in the industry. Creating circular flows is not only good for the environment, it also generates business potential for Peab.

In addition to Merit and ECO-Betong we offer several other ECO-products, for example:



ECO-Prefab: We continually increase the portion of Merit in walls and beams.



ECO-Stomme (ECO-Frame): We offer our concrete elements with a mixture of Merit and recycled steel.



ECO-Ballast (ECO-Mineral aggregates): Produced from 100 percent recycled raw materials and thereby replacing virgin materials.



ECO-Pålar (ECO-Piles): For foundation work in geotechnically demanding conditions where part of the cement in piles is replaced with Merit and the proportion of steel is reduced.



ECO-Asfalt: We replace fossil fuel oil used in drying and heating the mineral aggregates with bio oil.

Ban breaking hub for electrification and sustainable building emerging in northern Sweden

Along the southern side of Skellefteå River ACE Powerhouse is taking form at Campus Skellefteå. Peab is creating a seven story wooden building with 8,300 m² of flexible space that combines innovative architecture with sustainable technology and energy efficient solutions. This is a project that shows how sustainable buildings can be designed for the future. ACE Powerhouse has already made an impression by being named Sustainable Building of the Year 2025 and the first building in the country to attain the level Miljöbyggnad Gold New Building 4.0. It will also be one of the first buildings in northern Sweden to be certified according to NollCO₂.

The wooden construction ties in with the municipality's ambitious wooden building strategy and is combined with advanced energy solutions and digital technology. The project stretches the limits for circular construction through its consistent focus on reuse which includes giving new life to windows, a wrought iron banister and a limestone staircase from Skellefteå Hospital.

The building will be the base for Artic Center of Energy (ACE) – a global competence center that will accelerate the transition to an electrified society. Here companies, scientists, actors in education and students meet in an environment designed to stimulate cooperation, innovation and learning. ACE Powerhouse will also be an active test environment for energy systems of the future with its labs for energy technology, digital twins and cybersecurity.

When ACE Powerhouse is completed in 2027 it will, in other words, be more than a building – it will be a regional powerhouse for sustainable development, innovation and future skills supply in electrification. It will be a catalyst for new knowledge, cutting-edge expertise and collaboration. It will be a key part of northern Sweden's green transition.

“This project illustrates what is possible when sustainability, technology and brave ambitions come together. ACE Powerhouse isn't just a building, it's an accelerator for the energy transition into the future and we're proud to build it,” says Susanne Hellberg, Region Manager Peab.



Facts: ACE Powerhouse

- Built with a CLT frame, ECO-Betong (ECO-Concrete) and reuse as well as a 250 kWh battery store and solar panels
- Certified according to Miljöbyggnad Gold New Building 4.0 and NollCO₂
- Operations will focus on three program areas: mobility, circular industry and connected cities
- Initiator to ACE: Skellefteå Municipality, University in Luleå, Sweden, Skellefteå Kraft and Northvolt
- ACE will be completed in the autumn of 2027

**COMMUNITY
BUILDING
AT ITS BEST 2025**

Target:

Leader in social responsibility

As the Nordic Community Builder we drive development in the industry concerning environmental and climate matters, ethics, equal opportunity and inclusion. We work well together with stakeholders in the world around us and we work daily to attain a sustainable value chain. With our extensive local presence we are also an important actor in local communities.

Equal recruitment over target levels

Our target is that the percentage of women recruited to Peab for our core skills should always be higher than the percentage of women who have graduated with, for us, relevant degrees on the education markets. We are focused on core skills in production (skilled workers) as well as in production management and production support (white-collar workers). At the end of 2025 the percentage of women in new recruitments was 13.7 percent in production and processing compared to our target of at least 8.0 percent. The share for new recruitment in production management and production support rose to 43.8 percent compared to our target of at least 30.0 percent. We are raising our target for 2026 to 32 percent. There have been relatively few recruitments during the past year because of the current market situation. The total share of women in the organization amounted to 15.6 percent (15.2).

Challenges regarding emissions

In 2045 Peab will be climate neutral. Our sub-targets by 2030 are to reduce carbon dioxide intensity by at least 60 percent in our own operations (Scope 1 and 2) and reduce carbon dioxide intensity by at least half for input goods and purchased services (Scope 3). The base year for both targets is 2015.

The outcome for 2025 shows that carbon dioxide intensity in our own operations, pertaining to fuel and energy (Scope 1 and 2), has gone down by 58 percent since 2015. The transition to green energy is a positive factor while the change in Sweden of the reduction obligation has a counterproductive effect. We are now close to achieving our target of 60 percent reduction before 2030.

Carbon dioxide intensity for input goods and purchased services comprises concrete, cement, asphalt/bitumen, steel, waste, transportation and machine services and business trips. In 2025 carbon dioxide intensity had gone down by seven percent. The outcome for the year has been impacted by items affecting comparability that mainly refer to the much higher emission factor for bitumen, and that as of 2025 the target includes more input goods such as the binder for fundamental reinforcement. Peab has a tight dialogue with suppliers, customers and other stakeholders to reduce our carbon footprint in Scope 3.

We have also worked actively to improve the scope and quality of our metrics of greenhouse gases emissions and reported data in 2025 reflects this.

Equal opportunity:

Skilled workers

The target is the percentage of recruited women in production among skilled workers (production and processing) will exceed percentage of women who have graduated with, for us, relevant degrees on the education markets.

TARGET: >8.0 %

OUTCOME 2025: 13.7 %

White-collar workers

The target is the percentage of recruited women in production among white-collar workers (production management and production support) will exceed percentage of women who have graduated with, for us, relevant degrees on the education markets.

TARGET 2030: >30.0 %

OUTCOME 2025 43.8 %

Carbon dioxide intensity:

Climate target for own production

The target refers to lower emissions of greenhouse gases Scope 1+2 (ton CO₂e/MSEK). Base year 2015.

TARGET 2030: -60 %

OUTCOME 2025: -58 %

Climate target for input goods and purchased services

The target refers to lower emissions of greenhouse gases Scope 3 (ton CO₂e/MSEK). Base year 2015.

TARGET 2030: -50 %

OUTCOME 2025: -7 %

Working with the global goals in mind

Peab's executive management regularly reviews the business based on the UN's 17 global goals for sustainable development. The most recent review was in 2023. For the period 2024–2026 nine of the goals were deemed extra prioritized since they are either areas that hold significant potential risk or areas where Peab has the best chance of promoting sustainable development.



5

Goal 5 which concerns gender equality, is important to Peab since we, like the rest of the construction and civil engineering industry, still have a long way to go to achieve equal gender distribution. Since 2021 we have quantitative targets for equality. In 2025 we started up the third round of the trainee program for women The Construction Year in order to attract more female skilled workers to Peab.

7

Goal 7 regarding sustainable energy is important because Peab and the industry has to transition to renewable energy and increase its energy efficiency. We work with a number of measures to increase energy efficiency in both production processes and the finished products.

8

Goal 8 includes working conditions and comprises several of Peab's material sustainability aspects such as a safe work environment, good conditions in our supply chain and the path for youths into the labor force. There is also a great deal of risk associated with this area. During the year we implemented routines in Sweden entailing that no more than two levels of subcontractors can be hired for a project and work at our workplaces.

9

Goal 9 that concerns sustainable industry, innovations and infrastructure is relevant in part because of its connection to our industrial and civil engineering operations and our investments in sustainable innovation. During the year we continued to, for example, develop our ECO-products and launched ECO-Prefab that has 70 percent alternative binder. We also have several research partnerships with universities and colleges.

11

Goal 11 which concerns building sustainable cities and communities that are safe and accessible to all in many ways sums up Peab's core operations. During the year, among other things, we continued to work on building roads, ports and other infrastructure such as hospitals, retirement homes and schools that contribute to sustainable cities and communities.

12

Goal 12 concerning sustainable consumption and production has a clear connection to our environmental target for resource efficiency. In 2025 we continued to promote reuse and circular processes through various projects and collaborations and we currently have contracts with reuse actors that cover some 130 Swedish municipalities.

13

Goal 13 about combatting climate change, is a crucial global issue and Peab, as a major Nordic community builder, has a big responsibility in this. During the year we took several important steps towards climate neutrality through innovation and investments as well as a new collaborations to reduce greenhouse gas emissions. We also continued our work on the Group-wise development initiative The Climate Road Map and strategic input goods.

14

Goal 14 about conserving and sustainably using the oceans, seas and marine resources is relevant for Peab mainly considering the water we use in construction and our port and by-the-sea projects. During the year we have worked to develop our processes in monitoring water consumption at our production sites.

15

Goal 15 concerning ecosystems and biodiversity is reflected in our environmental target for resource efficiency. We will protect, maintain and strengthen ecosystems and biodiversity when exploiting land and natural resources. Peab's operations intrude on nature risking the displacement of species. During 2025 we produced "Road map for biodiversity Peab Group 2030".

More than 65 years of community building

1959

“We can do it, we can use father’s tractor”
Mats and Erik Pauls son, 14 and 16 years old, take on a contract their father said no to – collecting garbage for summer residents on the Bjäre Peninsula.

1963

Peab starts up in civil engineering
The brothers buy their first excavator and begin to develop civil engineering operations with it.

1967

The brothers buy “Otto’s gravel pit”
and the farm that goes with it in Förslöv and turn “the gravel pit” into a real gravel quarry.

1970

Building boom in Sweden – Peab launches construction operations
Construction operations begin when the work shop in Förslöv is built and the brothers buy the construction company building it.

1975

Stenmark creates skiing fever
and the brothers wanted to find a vacation place for their employees. They buy into what will in a couple of years will be called Lindvallen in Sälen AB, better known today as Skistar. It was part of Peab until 1983.

The 80s

Establishment in Malmö
Establishment in Malmö with the renovation of the Börshus and construction of the Saab factory.

The 90s

Expansion during the banking and financial crisis
Peab initiates an acquisition offensive that leads to being listed on the stock market and nation wide coverage.

1993

Peab buys Sweden’s largest construction company, BPA
With its 5,000 employees Peab buys trade union owned BPA that has three times the number of employees.

1994

Norway
Oslo-based Fagbygg A/S (part of BPA) becomes part of Peab Norway and establishes Peab on the Norwegian market.

1999

Finland
Finnish Rakennus OY Leo Heinänen is acquired which puts Peab in the Finnish market.

2006

The Peab School launched
Labor force short ages in the industry and being an ambitious community builder are the factors behind starting the Peab School in 2006. Since its doors opened more than 1,300 students have graduated from it. Today there are schools in Malmö, Gothenburg and Stockholm.

2009

Hyllie
Peab acquires Annehem and becomes part of the journey to develop the completely new borough Hyllie in Malmö.

2015

Refugee crisis
Peab engages in the Swedish Public Employment Service’s program The 100 Club, an initiative that offered immigrants an internship or job. The Peab School starts a language introduction for immigrants.

2020

Acquisition in paving and mineral aggregates
Peab acquires YIT’s Nordic operations in paving and mineral aggregates. Peab gains nearly 2,000 new employees and establishes operations in Denmark.

Distribution of Annehem Fastigheter
Peab distributes and lists the previously wholly owned subsidiary Annehem Fastigheter.

2021

New mission and strategic targets
Peab sets a new mission, revises its financial and non financial targets and establishes the fourth target area “Leader in social responsibility”.

2023

The construction year begins
Apprenticeship program for women who want to try out professions in the construction and civil engineering industry

2025

2025 was the second year in Peab’s business plan period 2024–2026.

2026

Peab is the Nordic Community Builder with 13,000 employees and net sales of SEK 59 billion. With a local presence and focus on our own resources we develop, do the groundwork and build everyday life where it's lived. Company headquarters are in Förslöv on Bjäre Peninsula in southern Sweden. The Peab share is listed on Nasdaq Stockholm.

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