

## Remuneration Report 2023

*The Remuneration Report has been prepared based on the legal requirements in the Companies Act and the Swedish Corporate Governance Board's Rules on remuneration of executive management and on 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 2023 Remuneration Report reports on remuneration to the CEO and how Peab has applied the Remuneration Policy, adopted by the Annual General Meeting 2023, and how the total remuneration relates to the policy.*

*Information concerning the work of the Remuneration Committee in 2023 is found on page 163 in the Annual and Sustainability Report for 2023. Information regarding remuneration, employer contributions, pensions and other benefits are reported in note 9 "Employees, personnel costs and remuneration to senior officers" on pages 116-118 in the Annual and Sustainability Report for 2023. 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 116-118 in the Annual and Sustainability Report for 2023.*

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### Important events 2023

The CEO summarizes Peab's overall result in his report on pages 2-4 in the Annual and Sustainability Report for 2023.

### 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 through the basic principles by offering market-based remuneration so that Peab can attract and retain competent executive management, by offering 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 results.

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

The guidelines are found on page 118 in the Annual and Sustainability Report for 2023. 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 2023.

### 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 2019-2023.

Chief Executive Officer (TSEK)	Year	<u>Basic pay</u>		<u>Variable remuneration</u>			Total	Variable percent
		Basic pay	Other benefits / remuneration	STI	LTI program	Pension costs		
Jesper Göransson	2019	7,416	714	3,110	1,754	3,829	16,823	28.9%
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%

### Variable remuneration – one-year incentive program (STI)

From time to time executive management may be offered variable remuneration. A STI program may not exceed 60 percent of basic pay and is based primarily on the Peab Group's profitability and, at the time, other material Group targets. In the current program result measurements are linked to the company's strategic targets regarding profitability, customer satisfaction, the work environment and sustainability.

STI programs are determined for each financial year 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 the STI program for the CEO for the year 2023. (Note that definitions and the numerical outcome of result measurements are not provided due to their business critical content).

Year	2023	2022	2021	2020	2019
Maximum outcome	60%	60%	60%	60%	60%
Outcome	20%	10%	60%	29%	42%

### Variable remuneration – long-term incentive program (LTI)

From time to time, senior officers may be offered to participate in a LTI program. 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.

### **Peab, the CEO and employees (2019 – 2023)**

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

Time period	Outcome	Difference between the years				
	2023	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Peab profit for the year, segment reporting	1,414	-30.6%	-18.7%	-15%	37.9%	1.8%
CEO total remuneration	16,049	7.8%	-25.2%	23.5%	-4.1%	10.0%
Employees average total remuneration	685	3.0%	7.0%	4.3%	5.5%	3.9%

### **Comments on the Remuneration Report**

No comments were received from the Annual General Meeting 2023.

Stockholm, 2024-03-16