

## **Nomination Committee of Skanska AB (publ)**

### **Statement of work conducted by the Nomination Committee**

#### **Composition of the Nomination Committee**

In accordance with the authorization given by the 2018 Annual General Meeting, the Chairman of the Board of Directors (the "Board"), Hans Biörck, asked the four largest owners in terms of voting rights to appoint one representative each to serve together with him as the Nomination Committee for the 2019 Annual General Meeting. The composition of the Nomination Committee was made public on Skanska's website and in a press release on September 27, 2018.

The Nomination Committee for the 2019 Annual General Meeting consists of Helena Stjernholm, AB Industrivärden, Mats Guldbrand, L E Lundbergföretagen AB, Bo Selling, Alecta, Lars-Åke Bokenberger, AMF and Hans Biörck, Chairman of the Board of Skanska AB (publ) (the "Company"). The Chairman of the Nomination Committee has been Helena Stjernholm.

#### **Proposals to the Nomination Committee**

On September 27, 2018, information was published by way of a press release and on Skanska's website concerning how and when shareholders should submit proposals to the Nomination Committee to ensure that the proposals could be considered by the Nomination Committee in a constructive way. No proposals have been submitted to the Nomination Committee.

#### **Meetings and evaluations**

Ahead of the 2019 Annual General Meeting, the Nomination Committee has held seven minuted meetings. No fee has been paid for the work of the Nomination Committee. In its nomination work for the 2019 Annual General Meeting, the Nomination Committee has, inter alia, taken part of the result of the evaluation of the Board work as well as the Chairman of the Board's report on the Board's work. The Nomination Committee has also interviewed an additional Board member.

At the first meeting, the Nomination Committee planned its continued work. The Chairman of the Board also made a presentation on the work conducted by the Board and the process applied in the Company for the annual evaluation of the Board and the Board members. At a subsequent meeting of the Nomination Committee, the Chairman of the Board presented the result of the Board evaluation. The Nomination Committee has also been informed about the result of the evaluation of the Chairman of the Board.

Furthermore, Skanska AB's CEO Anders Danielsson and CFO Magnus Persson have attended a meeting for presentation of the Company's operations and strategies.

Prior to the proposal for election of a new Board member, the Nomination Committee drafted a profile, discussed a number of candidates and interviewed Jan Gurander.

## **The Nomination Committee's proposals to the 2019 Annual General Meeting**

### **Chairman of the Annual General Meeting**

The Nomination Committee proposes that Attorney Eva Hägg be appointed Chairman of the Annual General Meeting.

### **Number of Board members and deputy members**

According to the Articles of Association, the Board, with regard to members elected by shareholders at the Annual General Meeting, shall consist of not fewer than five and not more than ten members, with not more than three deputies. The Nomination Committee proposes that the number of Board members elected by the Annual General Meeting shall be seven with no deputy members.

### **Board fees**

The Nomination Committee is commissioned to submit proposals concerning director fees paid to the members of the Board and its committees. The Nomination Committee proposes an increase of the fee to the Board members and the fee to the Chairman of the Board. Furthermore, the Nomination Committee proposes an increase of the remuneration for work in all committees of the Board, except the Compensation Committee. This implies that fees for Board and committee work are proposed as follows:

- SEK 2,100,000 (2018; SEK 2,040,000) to the Chairman of the Board;
- SEK 700,000 (2018; SEK 680,000) each to the other Board members elected by the Annual General Meeting not employed by Skanska;
- SEK 230,000 (2018; SEK 220,000) to the Chairman of the Audit Committee and SEK 165,000 (2018; SEK 157,500) each to the other members of the committee;
- SEK 110,000 (2018; SEK 110,000) to the Chairman of the Compensation Committee and SEK 105,000 (2018; SEK 105,000) each to the other members of the committee; and
- SEK 210,000 (2018; SEK 205,000) each to the Chairman of the Project Review Committee and the other members of the committee.

This implies an increase of the total remuneration of 2.9%.

### **Board members**

The Nomination Committee proposes re-election of Hans Biörck, Pär Boman, Fredrik Lundberg, Catherine Marcus, Jayne McGivern and Charlotte Strömberg as Board members for a term of office until the next Annual General Meeting.

Nina Linander has announced that she is not available for re-election.

The Nomination Committee proposes that Jan Gurander be elected as new Board member.

### **Chairman of the Board**

The Nomination Committee proposes re-election of Hans Biörck as the Chairman of the Board.

### **Information on proposed Board members**

Information on the proposed Board members is presented in **Appendix 1**.

### **Independence of Board members**

The Nomination Committee has made the following assessments in terms of applicable Swedish independence requirements.

The Nomination Committee considers that the following Board members are independent of the Company and its senior executives:

- a. Hans Biörck
- b. Pär Boman
- c. Jan Gurander
- d. Fredrik Lundberg
- e. Catherine Marcus
- f. Jayne McGivern
- g. Charlotte Strömberg

The Nomination Committee considers that the following Board members are independent of the Company's major shareholders:

- a. Hans Biörck
- b. Jan Gurander
- c. Catherine Marcus
- d. Jayne McGivern
- e. Charlotte Strömberg

### **Auditor**

The Nomination Committee proposes, in accordance with the recommendation by the Audit Committee, re-election of the registered accounting firm Ernst & Young AB ("EY") as the Company's external auditor for the period until the end of the 2020 Annual General Meeting. EY has informed the Nomination Committee that, if EY is re-elected, the authorized public accountant Hamish Mabon will be the auditor in charge.

### **Auditor fees**

The Nomination Committee proposes, like previous years, that the auditor fees shall be paid against approved account.

The Nomination Committee has been assisted by the Audit Committee in developing proposals concerning appointment of auditor and auditor fees.

### **The Nomination Committee's motivated statement regarding its proposal for election of Board of Directors**

Skanska's Board consist of seven members elected by the Annual General Meeting. Since Nina Linander has informed the Nomination Committee that she is not available for re-election, the Nomination Committee has resolved to propose a new candidate for the election of Board members at the 2019 Annual General Meeting. In the nomination work for the 2019 Annual General Meeting, the Nomination Committee has made an assessment of the composition and size of the current Board as well as Skanska's operations. It has been the Nomination Committee's objective to maintain the diversity and breadth of the Board,

particularly considering Skanska's operation within construction and project development in an international context. The Nomination Committee has further taken into account that it would benefit the Board to include a person with documented financial experience, and with for example a CFO background, as well as international experience.

The Nomination Committee has discussed a number of candidates that meet the above-mentioned criteria. Of these, Jan Gurander has been deemed to be the one most suitable for the position as Board member. Each of the members of the Nomination Committee has interviewed Jan Gurander. Jan Gurander has announced that he is available for the assignment.

Jan Gurander is since 2018 Deputy CEO of AB Volvo, where he previously was CFO during 2014-2018. Jan Gurander has further previously held the position as CFO of, inter alia, Scania, MAN, and Volvo Cars.

For further information on Jan Gurander see [Appendix 1](#).

It is the Nomination Committee's assessment that Jan Gurander's extensive experience as CFO, but also in strategic and operational matters, in an international organization, is a relevant and valuable complement to the Board's competence.

As a part of its evaluation, the Nomination Committee has reviewed the results of the evaluation of the Board work and been informed about how the Board work functions. The Nomination Committee has noted that the commitment from the Board members has been significant with high attendance rate and that the Board's cooperation works well.

In the composition of the Board, the Nomination Committee has applied the rules on the composition of the Board that are found in the Swedish Corporate Governance Code (the "Code"), including the rule on diversity, and has paid attention to the Board's requirements in relation to competence, experience and background as well as the Board's need for renewal. The Nomination Committee considers that those different fields of competence and experience considered important to Skanska are well represented on the proposed Board and that the composition and the size of the proposed Board is appropriate to meet Skanska's needs. The Nomination Committee has also assessed that the proposed Board members will be able to devote the necessary time required to fulfil their tasks as Board members in Skanska.

The Nomination Committee has found that the proposed Board complies with the requirements in the Code as regards independence.

The Nomination Committee has applied rule 4.1 of the Code as diversity policy in its nomination work. The objectives of the diversity policy is that the Board is to have a composition appropriate to the Company's operations, development phase and other relevant circumstances, that the Board members are to collectively exhibit diversity and breadth of competence, experience and background and that a gender balance on the Board is to be strived for. The Nomination Committee considers that a diversity and breadth as regards age, nationality, background, gender, experience, competence and period of time they have held the assignment in Skanska's Board is represented among the proposed Board members. Three out of seven of the proposed Board members are women. The

gender balance is therefore 43% women and 57% men, which, in the opinion of the Nomination Committee, is consistent with the gender balance requirement.

Based on the above and taking into account what is stipulated in rule 4.1 of the Code, the Nomination Committee believes that the Board, with the Nomination Committee's proposal, will have an appropriate composition with respect to Skanska's operation, future development and general conditions.

**Other matters**

All decisions by the Nomination Committee have been unanimous.

The Nomination Committee's proposal regarding election of Board members has been disclosed by having the information included in the Company's notice convening the 2019 Annual General Meeting.

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Stockholm February 2019  
Nomination Committee of Skanska AB (publ)