

Nomination Committee of Skanska AB (publ)

Statement of work conducted by the Nomination Committee

Composition of the Nomination Committee

In accordance with authorization from the Annual General Meeting, the Chairman of 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 period until the 2018 Annual General Meeting. Information on the names of Nomination Committee members and the shareholders that they represent was published on Skanska's website and in a press release on October 2, 2017.

The Nomination Committee for the Annual General Meeting 2018 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 (AB) (the "Company"). The Chairman of the Nomination Committee has been Helena Stjernholm.

Proposals to the Nomination Committee

On October 2, 2017 information was posted through a press release, and on Skanska's website, concerning how and when shareholders could 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

The Nomination Committee has held a total of four meetings and in between had regular contact. No fee has been paid for the work of the Nomination Committee. For its work, the Nomination Committee has taken part of the evaluation of the Board's work carried out and the Chairman of the Board's report on the board's work and the company's strategy, but also met individual board members.

At the first meeting, the committee formulated plans for its continued work. The Chairman of the Board also made a presentation on the work conducted by the Board of Directors and the process that is applied in Skanska AB (publ) for annual evaluations of the Board and Board members. At a subsequent meeting of the Nomination Committee, the Chairman of the Board presented the results of the evaluations. The Nomination Committee has also been informed of the evaluation of the Chairman.

Furthermore, Skanska AB's former CEO Johan Karlström and former CFO Peter Wallin have attended a meeting for presentation of the Company's operations and strategies. The Nomination Committee has also met Skanska's newly-appointed CEO Anders Danielsson¹.

The Nomination Committee's proposals etc.

Chairman at the Annual General Meeting:

Attorney Dick Lundqvist.

¹ From January 1, 2018

Number of Board members:

Skanska's Articles of Association stipulates that the Board of Directors, 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 is 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 that the Board fees and the fee for the Chairman of the Board are remained unchanged. Furthermore, the Nomination Committee proposes that the remuneration for work in all committees be maintained at the same level as the previous year. This implies that fees are proposed as follows:

Chairman of the Board: SEK 2,040,000 (2017; SEK 2,040,000)

Other Board members, not employed by Skanska: SEK 680,000 (2017; SEK 680,000)

The Audit Committee: SEK 220,000 (2017; SEK 220,000) to its Chairman and SEK 157,500 (2017; SEK 157,500) to the other Committee members.

The Compensation Committee: SEK 110,000 (2017; SEK 110,000) to its Chairman and SEK 105,000 (2017; SEK 105,000) to the other Committee members.

The Project Review Committee: SEK 205,000 kronor (2017; SEK 205,000) to its Chairman and other Committee members.

The Board:

The Nomination Committee proposes re-election of Hans Biörck, Pär Boman, Nina Linander, Fredrik Lundberg, Jayne McGivern, Charlotte Strömberg and Catherine Marcus.

John Carrig has announced that he is not available for re-election.

Chairman of the Board:

The Nomination Committee proposes re-election of Hans Biörck.

Information on proposed Board members

Information on proposed Board members can be found 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. Nina Linander
- d. Fredrik Lundberg
- e. Jayne McGivern

- f. Charlotte Strömberg
- g. Catherine Marcus

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

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

Auditor:

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, the one registered accounting company as auditor with no deputy auditor is elected and that EY is re-elected. EY has informed the Nomination Committee that, if EY is elected, the authorized public accountant Hamish Mabon will be 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.

Motivated statement on the Nomination Committee's proposal to the Board of Directors

At the Annual General Meeting 2017, it was decided that Skanska's Board of Directors should comprise of nine members elected by the Annual General Meeting. The Company's former CEO, Johan Karlström, has since then resigned from the Board. Prior to the election of Board members at the 2018 Annual General Meeting it has been the Nomination Committee's objective to maintain the diversity and breadth of the Board, particularly considering the Company's operation within construction and project development in an international context and with an increased emphasis in the USA.

While applying the rules on the composition of the Board of Directors that are found in the Swedish Corporate Governance Code (the "Code"), including the rule on diversity, the Nomination Committee has paid attention to the Board's requirements pertaining to competency, experience and background, as well as the Board's need for renewal and the time required of Skanska Board members. In its work, the Nomination Committee has had access to evaluations conducted by the Board of Directors and has thus noted that the commitment from the Board members has been significant, with high attendance rate and that the Board's cooperation functions well. The Nomination Committee is of the opinion that each of the proposed Board members can devote sufficient time to the board assignment in Skanska to serve the interest of the Company and the shareholders.

In its work, the Nomination Committee has also taken into account the requirements in the Code relating to Board members' independence.

The Nomination Committee has also discussed the diversity requirement. In this regard the Nomination Committee has decided to apply as its diversity policy Chapter 4.1 of the Code,

which states that Board members are to collectively exhibit diversity and breadth of qualifications, experience and background. A gender balance is also to be aimed for. In addition to the information already provided on the background and experience of the members of the Board, it has been determined that the proposed Board will consist of four women and three men. The gender balance is therefore 57 percent and 43 percent, 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 4.1 of the Code, the Nomination Committee believes that the Board of Directors, with the Nomination Committee's proposal, will have an appropriate composition with respect to the Company's operation, future development and general conditions.

Other matters

All decisions by the Nomination Committee have been unanimous.

The Nomination Committee's proposal concerning the Board has been disclosed by having the information included in the Company's official notification of the Annual General Meeting.

Stockholm March 2018
Nomination Committee in Skanska AB (publ)