

The Board of Directors' report on the Compensation Committee's evaluation of compensation to senior executives according to sections 10.3 of the Swedish Code of Corporate Governance (“Code”)

The Board of Directors of Projektengagemang Sweden AB (publ) has established a Compensation Committee consisting of Carina Malmgren Heander, Per Göransson and Öystein Engebretsen, with Carina Malmgren Heander as Chairman.

The Compensation Committee's task is, among other things, to monitor and evaluate all of the Company's variable compensation programs for the CEO and other senior executives. The Compensation Committee is also tasked with monitoring and evaluating the application of the guidelines for compensation of senior executives adopted by the Annual General Meeting and to monitor and evaluate applicable compensation structures and compensation levels, as well as report the results of the evaluation to the Board.

The Board of Directors hereby submits its report on the Compensation Committee's evaluation according to clause 9.1 section 2 and 3 of the Code.

According to the adopted guidelines for compensation to the CEO and other senior executives, the compensation shall consist of the following parts: fixed salary, possible variable salary, possibly long-term incentive programs, pension and other benefits.

According to the guidelines, variable cash compensation can be paid with a maximum of 50 percent of the annual fixed salary for the CEO and other members of the Group management. The Compensation Committee has monitored and evaluated the Company's variable salary program in 2019. The assessment is that the program fulfils its function and follows the applicable guidelines.

The 2019 Annual General Meeting resolved to introduce a performance-based Share Savings Scheme 2019 that runs for three years. The purpose was to introduce a long-term share-based incentive program to motivate the Company's key personnel and strengthen the Company's ability to retain and recruit key personnel. The Share Savings Scheme in 2019 included 252,000 Class B shares and were offered to about 30 persons with the possibility of investing no later than July 31, 2019. If the acquired shares are retained for a three-year vesting period and that the holder remains an employee, the holding qualifies for matching shares and additional performance shares, given meeting certain performance criteria calculated on an annual basis. Although the Share Savings Scheme 2019 runs for three years, the Compensation Committee has evaluated this before the 2020 Annual General Meeting and considers that the purpose of the Share Savings Scheme 2019 has so far been fulfilled and considers it important and in the shareholders' interests that key people in the Group have a long-term interest in a good value development in the company. The Compensation Committee has therefore recommended to the Board to propose that the Annual General Meeting 2020 resolves on another long-term share-based incentive program, the Share Savings Scheme 2020, which is essentially in line with the Share Savings Scheme 2019.

The Compensation Committee has also monitored and evaluated the application of adopted guidelines for compensation to senior executives and has established that the guidelines have been adhered to and that they are appropriate to the purpose. The Compensation Committee has furthermore assessed that existing structures and

levels for such compensation provide the conditions for a total compensation that is reasonable and market-based.

The Board of Directors believes that the application of the guidelines for compensation to senior executives decided by the Annual General Meeting 2019 has been accurate and well-balanced and that the outcome of variable compensation is in accordance with goals achieved. The proposed compensation guidelines for the 2020 Annual General Meeting have been updated to reflect the new rules that follow from the law and are essentially in line with the guidelines adopted by the 2019 Annual General Meeting.

Stockholm in April 2020
Projektengagemang Sweden AB (publ)
The Board of Directors

This is a translation of the Swedish original wording. In case of discrepancies, the Swedish version shall prevail.