

Employees generate success

During 2010 Skanska provided clear evidence of the strength of its employees – by being awarded the contract to create, build and facility-manage the New Karolinska Solna hospital, the Company's biggest-ever assignment.

This success was based on the collective competence of Skanska. A large number of experienced specialists from Sweden, the U.K. and the U.S. worked for about a year and a half towards a common goal. The project team gathered experts in a number of disciplines – everything from design, environment and financing to project development, construction and maintenance.

Employee dedication and commitment, expertise and diversity are important to the Company's continued success and good earnings.

The crucial role of Skanska's employees becomes even clearer in its new business plan, whose goal is profitable growth in all business areas. Meanwhile there will be numerous retirements during the period. To meet growth targets and replace those who will be leaving the Company, a large number of new employees must be hired during the coming five-year period.

Important role for profitable growth

The human resource department of Skanska and its local units play an important role in supporting management's efforts to ensure the expansion of the Company in a profitable way.

Identifying and providing professional development for Skanska's existing talent and recruiting good new employees are thus top-priority tasks in the next few years. It is also a matter of ensuring that new employees are introduced to the Company's way of working and pursuing differentiated initiatives such as Green Construction, good business ethics and the focus on improved workplace health and safety.

To ensure that Skanska can compete for the best potential employees, the Group emphasizes its leading position in Green Construction, good ethics and strong values. Being able to offer opportunities for professional development in a successful global company greatly enhances Skanska's value as an employer.

Global recruitment

A new global recruitment system is being devised to make it easier for business units to attract and recruit the right employees. A Groupwide network and the Skanska Recruitment Toolbox have been available for some time on the Skanska intranet in order to facilitate recruitment work.

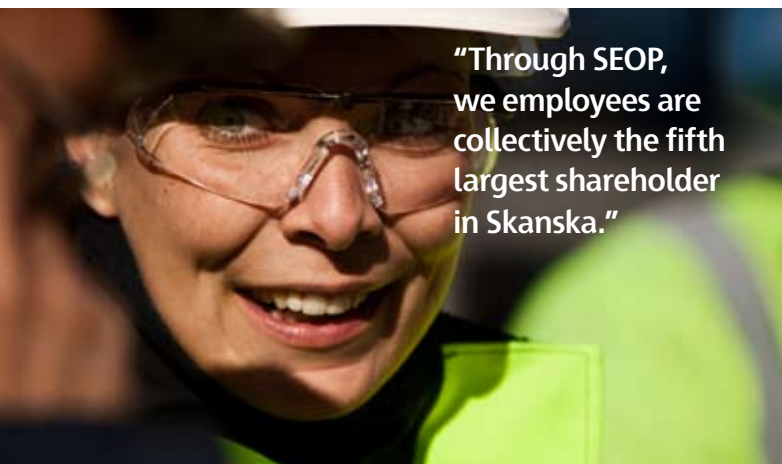
Human resource issues are a high priority for all units and senior executives.

As part of the business plan for 2011–2015, each business unit plans its recruitment needs and sets targets for employee turnover, recruitment, diversity and professional development activities for its personnel. This planning process also includes establishing guidelines on which target groups and schools to prioritize in recruitment efforts.

Developing the Company's existing talent is an investment that is at least equally important for the future, both in order to replace those leaving the Company and to convey Skanska's way of working and fundamental values to a new generation of managers.



Ryan Clayton, Terry Daly and Tony Taddeo of Skanska USA are among the employees honored for outstandingly executed projects. The team was in charge of the successful renovation of the century-old Newark Drawbridge in New Jersey, which was carried out with disrupting the intensive rail traffic over this swing bridge.



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Evaluating managers

To provide a better picture of its management capacity, every year the Group conducts its Talent Review, a major evaluation of all managers and a number of other key individuals in each business unit. The aim is to evaluate individual professional development needs, ensure that a given employee is in the right position and to do succession planning.

The Talent Review will be expanded in order to cover and identify a larger number of in-house talents. The results will then provide the basis for further professional development of individual employees based on their strengths and development needs.

Employees are tracked via the Talent Navigator system, which currently includes some 11,000 employees in all units.

During 2010 the Group started a new round of its Skanska Top Executive Program (STEP). For one year, 40 employees will participate in this training program so that they can make a maximum contribution to profitable growth. The program is provided in collaboration with the IMD strategic and leadership institute in Switzerland.

New development program launched

A new internal development program will be started in 2011. It is aimed at employees with a few years of experience in the Company who are assessed to have great development potential. The program will initially enroll 35–40 people.

In themselves, Skanska's various operations offer an important opportunity for professional and personal development. Mobility and exchanges of experience between different units will thus be stimulated.

The Skanska Unlimited program offers a number of employees the opportunity to learn new tasks in another unit and market. In January 2010 the program began an exchange period for 24 employees. Another 35 employees will be offered this opportunity during 2011.

Increased diversity

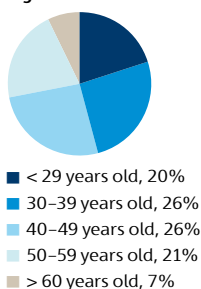
To harmonize with society at large and with its own customer profile, Skanska needs to increase the diversity of its workforce in terms of educational or occupational background, gender and ethnicity.

Female employees at Skanska

%	2010	2009
Skilled workers	3	3
White collar employees	25	26
Skanska AB Board	27	14
Senior executives	11	9
Total	12	11



Age distribution 2010



Diversity also boosts the capacity and innovativeness of the Company. To achieve a more even gender balance, Skanska needs a large number of women at all levels, especially in line positions.

The Skanska Female Mentorship Program provides encouragement, support and professional development for women. Twenty-two women participated in the first such program, with support from an equal number of experienced mentors.

In the United States, various programs support Spanish-speaking groups in the Company. Skanska employees in the U.S. also provide support and training for minority- and women-owned companies active as local sub-contractors.

Targets have been established for how diversity should be increased in Skanska's business units during the coming five-year period and will be followed up.

Employee Ownership Program

To further strengthen Skanska's attractiveness to new and existing employees, a three-year Skanska Employee Ownership Program (SEOP) was introduced in 2008. It was aimed at all permanent employees, for the purpose of attracting and retaining employees and strengthening their affinity with the Company. During the third year of the program, membership increased to 19 percent of Group employees. Through SEOP, employees collectively became the fifth largest shareholder in Skanska.

Skanska's shareholders have approved implementation of a successor program, SEOP 2, during the three-year period 2011–2013.

Measuring satisfaction and performance

As part of its Great Boss concept, Skanska conducts an annual Great Boss Index survey to diagnose organizational issues, working climate and how well business units operate.

For many years, all local business units have carried out employee surveys aimed at measuring job satisfaction and the need for human resource development, as well as how many people are hired and how many leave the Company. A Groupwide measurement standard has been developed in order to provide comparable data.

The global economic downturn led to declining volume and Skanska was thus forced to carry out employee cut-backs in some local markets. In Residential Development, the market situation improved during 2010, enabling Skanska to rehire employees and also hire new ones.



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