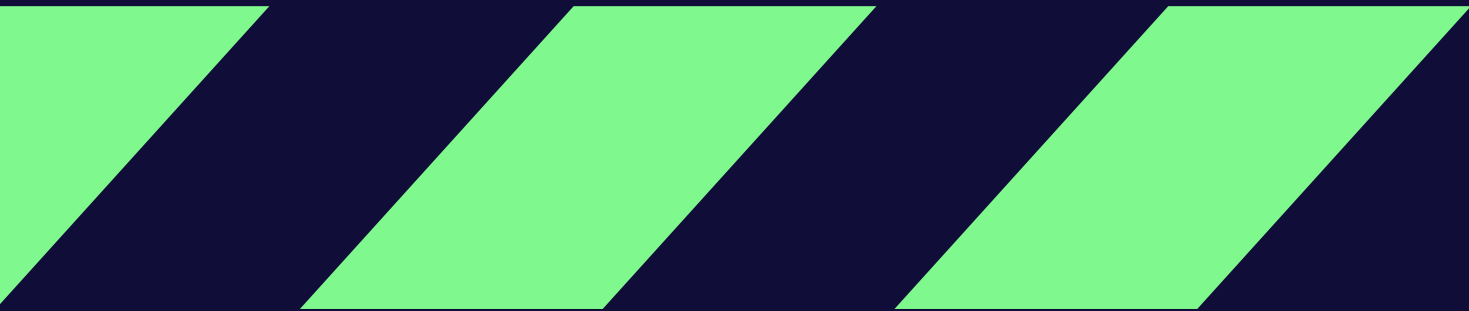


Sustainability Report

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General disclosures

Introduction

The Board of Directors and the President and CEO of NCC AB (publ), Corporate Registration Number 556034-5174 and headquartered in Solna, Sweden, hereby submit the Sustainability Report for the 2024 fiscal year.

This Sustainability Report describes NCC's efforts to pursue and develop operations in respect of the environment and climate, human health and well-being, and on the basis of sound ethical and governance principles.

The Sustainability Report this year is structured and arranged to facilitate the transition to the 2025 Sustainability Statements, which will be prepared in accordance with the European Sustainability Reporting Standards (ESRS).

The NCC Board is continually informed about the activities of the various parts of the Group, including the aspects encompassed by the sustainability framework. Various elements of these activities are presented by Group functions and business areas at Board meetings. The Board conducts reviews and follow-ups to ensure that NCC is working in line with the Group's targets. The Board of Directors' Audit Committee is responsible for issues related to sustainability activities and the associated reporting. Risks and opportunities that have been identified as part of the double materiality assessment are also included in the Audit Committee's yearly agenda. The Board is informed of – and approves – the outcomes of the materiality assessment via the Audit Committee, with the understanding that this forms the basis for statutory expectations of NCC's future sustainability reporting and thus falls within the scope of the Board's responsibilities.

NCC's Senior Management Team (SMT) is responsible for establishing and monitoring the Group's sustainability targets. The SMT regularly addresses Group-wide activities, and processes issues covered by the sustainability framework. On two occasions this year, the Senior Management Team monitored the climate targets and also discussed Group-wide topics in conjunction with this. Health and safety targets were followed up every quarter.

Each business area has responsibility for its respective sustainability activities. Operation-wide targets are set in each business area, and followed up on at regularly scheduled business reviews. Furthermore, the various Group functions Legal Affairs & Risk, Purchasing, Finance & IT, Communication and HR – pursue their own sustainability activities that could relate to Group-wide responsibilities and support for individual business areas as well as specialist functions.

NCC's Common Environment Team is a forum, with representatives from all business areas and relevant Group functions, that coordinates and pursues Group-wide environmental topics. The forum is responsible for coordinating the environmental and climate activities that fall under the Group-wide sustainability framework. NCC also has a forum called the Sustainability Reporting Board, with representatives from all business areas and relevant Group functions, that coordinates and pursues sustainability reporting. It focuses on Group-wide targets and sustainability data, as well as coordinating the collection and reporting of data. The Group Compliance Committee (GCC), containing representatives from selected Group functions, is responsible for follow-up of the implementation of NCC's Compliance Program as well as generally reviewing reports of suspected serious irregularities and breaches of rules within NCC's whistleblower channel and that these are handled appropriately.

To further support effective governance, all NCC business areas are certified or work in accordance with ISO 14001 and ISO 9001. Substantial portions of the operational units are also certified in accordance with ISO 45001.

Basis for preparation

The 2024 Sustainability Report has been prepared in accordance with the Swedish Annual Accounts Act and is partially inspired by the European Sustainability Reporting Standards (ESRS) – a step that marks a transition from the previous reports. This adjustment to the requirements of ESRS is reflected in NCC's ongoing efforts at integrating and harmonizing our sustainability initiatives with the ESRS structure. Previous years' sustainability reports have been prepared with reference to the Global Reporting Initiative (GRI).

The information in the Sustainability Report was consolidated on the same basis as the financial statements except for joint arrangements where operational control applies. Both the Sustainability Report and the financial statements encompass the Parent Company and the companies and operations in which the Parent Company – directly or indirectly – has a controlling interest, as well as joint arrangements and associated companies. The report covers both NCC's own operations and the upstream and downstream value chain. All material sustainability matters in the value chain are reported on the basis of the double materiality assessment of impacts, risks and opportunities.

NCC's material Group policies are described in the Policies and governing documents section, whereas activities, goals and metrics are presented in connection to the respective sustainability topic.

Governance

A description of the role of the administrative, management and supervisory bodies is provided in the Corporate Governance Report, along with a presentation of the Board members and Senior Management Team.

General disclosures

Preparatory work ahead of reporting under ESRS is led and organized by an internal group, with an associated steering group that consists of members from the Senior Management Team. Subject experts in sustainability matters at Group level have been involved in the double materiality assessment. Employees from the business areas and Group functions who are experts in the various sustainability matters also participated in identifying impacts, risks and opportunities. The activities within this grouping are temporary in nature, but will continue in 2025.

Policies and governing documents

NCC has a Code of Conduct as well as several policies and governing documents that are of relevance to its work on sustainability matters. All policies, directives and governing documents are collected in the Group Management System (GMS), where they are available to all employees. Sustainability policies that are also material to our external stakeholders are available on the NCC website. Each business area can have its own, further adapted, versions of the governing documents, which in these cases are collected in the management system of the respective business areas.

Code of Conduct

NCC's Code of Conduct describes the type of conduct that NCC expects from its employees, management, Board of Directors and business partners. It is based on applicable laws and regulations, NCC's values, Star behaviors and on voluntary initiatives adopted by the Group. The Senior Management Team is responsible for ensuring compliance with the Code of Conduct and policies, which is continuously monitored as part of the framework of operating activities. Suspicion or observations of potential violations of the Code of Conduct or other serious irregularities may be reported in NCC's "Tell Me" function, which includes an option to report anonymously. The "Tell Me" function is available to both NCC's employees and external individuals.

Code of Conduct for Suppliers

NCC has a Code of Conduct for Suppliers that is based on the content of NCC's Code of Conduct and describes the expectations on our suppliers. Areas such as the environment, human rights, anti-corruption and regulatory compliance are included in the Code of Conduct for Suppliers. This applies to all entities that supply NCC with products, personnel or services, including direct and indirect suppliers, service suppliers, sub-suppliers, intermediaries and agents. Under the Compliance Directive, the Code of Conduct for Suppliers is a mandatory component of NCC's contracts.

Compliance Directive

NCC's Compliance Directive relating to regulatory compliance includes the Group's policies and guidelines concerning anti-bribery and anti-corruption, fair competition, conflicts of interest, counteracting fraud, data protection, diversity and human rights. The directive also describes NCC's Compliance Program, including due diligence on business partners, the whistleblower channel and policy against reprisals for whistleblowing. Information on the content of the Compliance Directive is regularly distributed via internal communication channels and training courses arranged for NCC's employees.

Health and Safety Policy and Directive

Health and safety initiatives at NCC are governed through a Health and Safety Policy and Directive, which are Group-wide and apply to everyone who works at NCC's worksites. The Policy serves as a guide for how to act and make decisions that are in line with our target of reducing all forms of accidents and completely eliminating accidents with a serious or fatal outcome.

Purchasing Policy

NCC's Purchasing Policy addresses, on a general level, the orientation that has been set for the Group-wide purchasing process, both from a business perspective as well as a sustainability perspective. The Purchasing Policy is based on NCC's Code of Conduct and the Group's shared values. The Policy highlights the need for continuous development of ways of working in responsible purchasing and for building further on existing competence, in order to promote a positive outcome for all stakeholders involved.

Sustainability and Environmental Policy

Initiatives within sustainability are governed by the Sustainability and Environmental Policy and the sustainability framework adopted by NCC. The Sustainability and Environmental Policy encompasses the entire NCC Group and addresses all employees, suppliers and sub-suppliers. Under the Policy, NCC commits to promote a sustainable society by carrying out its operations in an economically, socially and environmentally sustainable manner, taking the needs of current and future generations into account. Efforts to update and further develop the Policy are ongoing.

Tax Policy

The Tax Policy applies to all divisions and employees of the Group. It is intended to establish a framework for the company's position on tax issues, and defines principles for regulatory compliance, transparency and risk management linked to tax.

Tax Directive

The Tax Directive applies to all of the Group's divisions, and governs how internal pricing and interactions with tax authorities are to be handled.

General disclosures

Important policies and governing documents

Policy	Area
Code of Conduct	Environment, human rights, social topics, anti-corruption and regulatory compliance
Code of Conduct for Suppliers	Environment, human rights, social topics, anti-corruption and regulatory compliance
Compliance Directive	Anti-corruption, fair competition, counteracting fraud, conflicts of interest, data protection, diversity and human rights, as well as a description of the Group's Compliance Program
Health and Safety Policy	Social topics
Health and Safety Directive	Social topics
Purchasing Policy	Responsible purchasing
Sustainability and Environmental Policy	Environmental, social topics and anti-corruption
Tax Policy	Tax
Tax Directive	Tax

Integration of sustainability-related performance in incentive schemes

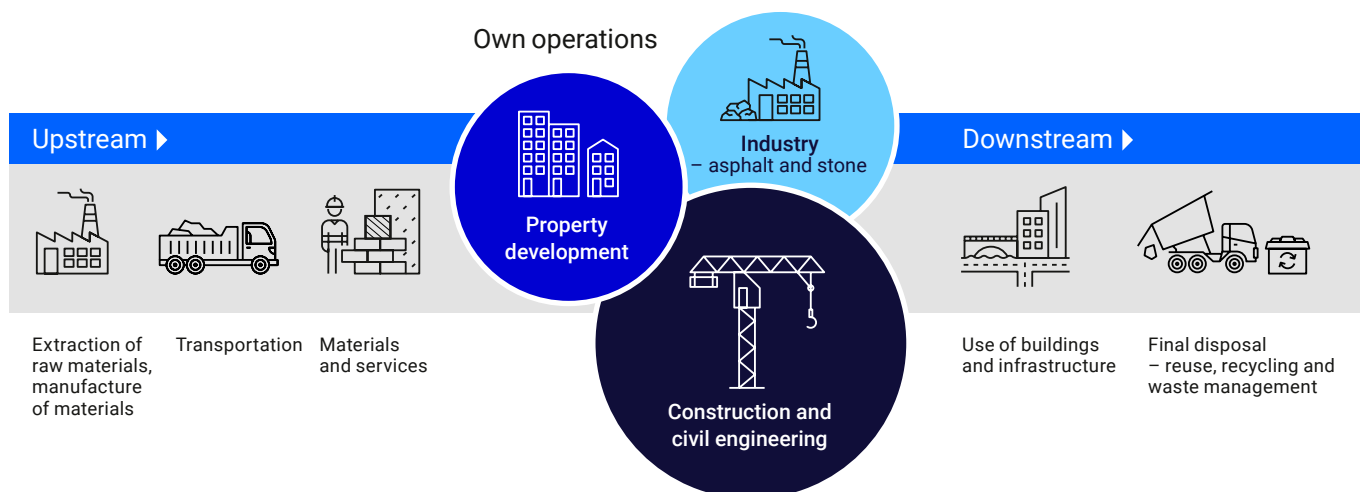
Long-term performance-based share-related incentive programs have been established at NCC. These are three-year programs that are clearly linked to the business strategy, and thus to the company's long-term value creation, including sustainability. The terms and conditions of the incentive programs are determined by the Annual General Meeting. For more information on the programs, and the criteria on which outcomes are dependent, refer to Note 4 in the financial statements.

Risk management and internal controls over sustainability reporting

NCC's sustainability reporting faces risks such as incompleteness and insufficient data, precision in estimated data, availability of data in the value chain and the timing at which the data is available. Preventive activities include controls designed to cover both general procedures and specifically identified risks throughout the NCC organization. This includes, for example, consultation of experts in relevant fields, the various IT initiatives that create conditions for good data processing, and recurring meetings with the Sustainability Reporting Board and other forums where risks and questions can be raised and addressed.

High priority is given to developing and structuring a robust management and internal controls over sustainability reporting. There are extensive efforts ongoing in the organization and within the sustainability functions to ensure solid risk management and controls. Over time, sustainability-related procedures will be integrated into NCC's procedures for various types of internal audits, reviews and self-assessments in pace with the maturation of these procedures. These initiatives will continue through 2025 and beyond.

General disclosures



Strategy

NCC's strategic focus and business model

The core of NCC is its ability to guide customers through the complexity of a construction process. Our operations comprise building construction and infrastructure project contracting, asphalt and stone materials production and commercial property development. The construction process involves many stakeholders, the need for broad expertise and the ability to coordinate multiple operators. NCC's strengths include working proactively with customers prior to and during projects and – using our data and knowledge – to secure a positive end result for all stakeholders.

NCC has a sustainability framework as a foundation for the Group's work. The framework rests on a basis comprising NCC's core in the form of its purpose, values, Star behaviors and Code of Conduct. To read more about the sustainability framework, see section Operations in the Introduction.

NCC has set targets of becoming climate neutral by 2045 and reducing its own emissions (Scope 1 and 2) by 60 percent by 2030. At the end of 2024, a reduction of 64 percent had been achieved compared with base year 2015. However, the major challenge is to reduce the emissions emanating from the value chain (Scope 3). Read more about this in the section Climate change. NCC has set a target of halving these emissions by 2030 compared with 2015. The effort to reduce emissions in the value chain has focused so far on the four prioritized areas in which the largest emissions are found. These are concrete, steel, asphalt and transportation. In addition to the climate neutrality goal, NCC has set a target for health and safety, where LTIF4 (work-related accidents that result in more than four calendar days of absence per million hours worked) will be less than or equal to 2.0 by 2026. At the end of 2024, LTIF4 totaled 3.3. Read more about this in the section Own workforce.

Value chain

NCC has a large supplier base comprising over 32,000 suppliers. A large proportion of building and construction materials used at our facilities are characterized by complex global supply chains. Many materials in NCC's operations are linked to the mining and extraction industries, and related raw materials such as bitumen, iron, steel, concrete and plastic products may be produced in regions with greater risk of violations of human rights and workers' rights as well as environmental risks. The majority of NCC's direct suppliers are based in the Nordic region, and also in counties such as Poland, Estonia, Latvia, Lithuania and China. In addition to purchases made through materials suppliers, NCC also procures services that are provided by sub-suppliers, as well as transport and excavation services.

In its own operations, NCC is responsible for planning and completion of construction and civil engineering projects as well as maintenance and redevelopments. During the design phase, NCC works to optimize the choices of material and production processes in order to minimize environmental impact. Own operations also include extraction of stone materials and manufacturing of asphalt.

Downstream in the value chain, buildings and other completed projects are delivered to the customer for future management and operation. NCC works actively to support circularity and enable a greater proportion of reuse and recycling, and to minimize volumes of waste.

General disclosures

Summary of NCC's ongoing dialogues with various stakeholder groups

Stakeholder group	Issues in focus	Type of dialogue
Customers	Reduced climate footprint. Energy efficiency. Circularity. Reuse. Biodiversity. Control over the supply chain. Health and safety. Sound working conditions.	Personal meetings. Partnership projects. Customer surveys. Customer seminars and events.
People	Safe and secure workplaces. Skills and career development. Good leadership. Diversity, equity and inclusion. Long-term economic value growth. Responsible enterprise. Reduced climate footprint.	Daily workplace dialogues. Employee surveys. Work environment measurements, work environment dialogues, safety rounds at workplaces, workplace meetings, in-house training. Employee dialogue. Dialogue and activities with students. Structured internal network. Program for younger talents.
Shareholders, investors, banks and other representatives of the financial market	Long-term economic value growth. Responsible enterprise with a focus on sound working conditions, work to counter corruption and bribery and control of the supply chain. Reduced climate impact, increased circularity and efficient use of materials. Health and safety. Routine risk assessment and risk management.	Annual General Meeting, meetings in conjunction with quarterly reporting, participation in questionnaires and dialogue with investors, individual meetings. Participation in seminars arranged by players in the financial market.
Suppliers and subcontractors	Sound working conditions with respect to human rights. Climate impact. Circularity. Long-term economic value growth.	Procurement processes, supplier assessments, meetings with suppliers, supply days, partnership projects, supplier audits.
Society	Good dialogues prior to, during and after the construction and work process, to achieve a favorable end result for all stakeholders. Participating in the development of new know-how.	Dialogues with local inhabitants, which frequently occur in collaboration with NCC customers. Cooperation with colleges and universities.

Interests and views of stakeholders

NCC's principal stakeholder groups are customers, employees, suppliers and subcontractors, shareholders, investors and the financial market, as well as society in the form of experts and representatives of various groups in society.

NCC engages in dialogue with the stakeholder groups within the framework of operating activities and also implements structured surveys and dialogues, including customer surveys and employee surveys. NCC also creates opportunities for dialogue with specific stakeholder groups in the form of supplier days, Capital Market Days and meetings in conjunction with financial reporting. Furthermore, NCC participates in stakeholders' initiatives, for example through dialogues with suppliers, investors and customers.

NCC also participates in industry-wide collaborations and actively participates in the work of, for example, industry associations, business organizations and chambers of commerce in the markets where we operate.

When it comes to silent stakeholders such as nature, NCC uses the expertise in the environmental fields that is available within the organization, as well as continual contact with and monitoring of developments in these areas. NCC also takes into account the dialogue and engagement that accompany normal business relationships, such as in business meetings and similar activities.

The viewpoints and interests of the principal stakeholders were taken into account when conducting the double materiality assessment, which contributed to the identification of the material sustainability matters that are presented in this report.

General disclosures

Impact, risk and opportunity management

Material impacts, risks and opportunities were identified during the double materiality assessment and are presented in the upcoming sections.

Process for assessing material impacts, risks and opportunities

NCC conducted a double materiality assessment in 2024. This process included identifying and assessing impacts, risks and opportunities that were then used as the basis for establishing material sustainability matters. Where possible, existing frameworks, scales and work methods regarding risk assessment were used to ensure quality.

The double materiality assessment is conducted from two perspectives: impact materiality and financial materiality. Impact materiality pertains to the actual and/or potential effects that NCC has on people and the environment, while financial materiality pertains to the sustainability-related risks and opportunities that have or could have financial effects on NCC. When the financial materiality assessment was carried out, the topics and their assessments were synchronized with the impact assessment, and their connections and dependencies were taken into account. The double materiality assessment takes into account the impact that is generated both from own operations and through business relationships. The process accounted for potential factors that give rise to increased risk of negative impact. As an example, the material categories that are considered having the greatest impact were identified, and received extra attention during the assessment.

The double materiality assessment involved several experts and key roles within NCC's business areas as well as in purchasing, HR, legal and finance, which were deemed relevant for the analysis. This was done to cover perspectives along NCC's entire value chain and to ensure a well-balanced outcome. The perspectives of affected stakeholders were taken into account during the process, both through the knowledge of the experts about their respective topics' stakeholders and through the stakeholder analysis that was previously conducted.

NCC will review the process of identifying, evaluating and prioritizing impacts, risks and opportunities on a yearly basis, and thereby taking into account ongoing trends, assumptions, changed circumstances and context, as well as regulatory changes. Efforts are under way to integrate the process of the double materiality assessment with NCC's general risk management process.

Scoring method

The scoring method connected to the materiality assessment and its criteria focused on:

- *Impact materiality:*
Scale, scope and irremediability were taken into account for actual negative impact. Likelihood was taken into account as an additional parameter when analyzing potential impact. The irremediability was not taken into account when analyzing positive impact. In cases where there is a risk for violation of human rights, severity takes precedence over likelihood.
- *Financial materiality:*
The size of financial risks and opportunities, their likelihood and type of financial effect were analyzed.

In addition to the above, the time horizon (short, medium or long-term) was considered for each impact, risk and opportunity. The score assigned to the respective parameters was consolidated into a total score. This was then used to set a threshold and determine materiality.

Decision process

Impacts, risks and opportunities were assessed together with relevant internal experts and stakeholder representatives in the applicable topics. The process and outcome of the double materiality assessment have been approved and validated by the steering group of the CSRD project and the Audit Committee. The steering group comprises members of NCC's management team.

General disclosures

NCC’s material sustainability matters

Sustainability topic	Sub-topic	Where in the value chain
Climate change	Climate change adaptation	Throughout the value chain
	Climate change mitigation	Throughout the value chain
	Energy	Throughout the value chain
Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Upstream, own operations
	Impacts on the extent and condition of ecosystems	Own operations
Resource use and circular economy	Resource inflows, including resource use	Throughout the value chain
	Waste	Throughout the value chain
Own workforce	Working conditions	Own operations
	Equal treatment and opportunities for all	Own operations
Workers in the value chain	Working conditions	Upstream
	Other work-related rights	Upstream
Ethics and compliance	Corporate culture	Throughout the value chain
	Management of relationships with suppliers, including payment practices	Upstream, own operations
	Corruption and bribery	Throughout the value chain

Environmental disclosures

Reporting according to the EU Taxonomy

Introduction

NCC's operations include projects in construction, civil engineering, industry and property development. The operations span several activities of the Taxonomy. To evaluate the business, NCC has established a reporting method based on its various products, projects and sites. NCC's products are initially reviewed against the economic activities in the Taxonomy. Projects with a product that correspond with an economic activity are Taxonomy-eligible. These projects are subsequently assessed based on established technical screening criteria in order to evaluate whether the project is Taxonomy-aligned. This assessment is based on the sector's established interpretations of technical screening criteria. NCC applies thresholds to identify projects and products that should be evaluated on the basis of the technical screening criteria.

Taxonomy-aligned activities

The activities that NCC assesses to be Taxonomy-aligned and their criteria for making a substantial contribution to one of the six environmental objectives of the Taxonomy are presented below. In addition to meeting the criteria for making a substantial contribution, the Taxonomy-aligned activity must also do no significant harm (DNSH) to the other Taxonomy objectives, and meet minimum social safeguards. In all of its Taxonomy-aligned activities, NCC contributes to the environmental objective of Climate change mitigation.

Sector – Energy

NCC performs work at facilities that generate electricity from hydropower and wind power, and builds high-voltage electricity grids and distribution systems that transport electricity in high-voltage grid systems. NCC also builds and refurbishes pipelines and associated infrastructure for the distribution of heating and cooling.

Aligned activities:

- Electricity generation from hydroelectric power:
Project activities at electricity generation facilities produce emissions of less than 100g CO₂e per kWh.
- Transmission and distribution of electricity:
The transmission and distribution infrastructure or equipment is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland, the United Kingdom and its subordinated systems.
- District heating/cooling distribution:
Project activities meet the definition of efficient district heating and cooling systems laid down in Article 2, point 41, of Directive 2012/27/EU, or represent modification to lower temperature regimes/advanced pilot systems (control and energy management systems).

Sector – Transport

A large proportion of NCC's operations is linked to transport infrastructure in the form of, for example, railways, roads and bicycle logistics.

Aligned activities:

- Infrastructure for personal mobility and cycle logistics:
Infrastructure that is intended for pedestrians and bicycles, with or without electric motors.
- Infrastructure for rail transport:
Projects have participated in the construction of infrastructure for the electrification of railways, serving as interchange points for travelers between trains, or from other means of transport to trains. The infrastructure is available for various types of rail transport.

For all of the above activities in the Transport sector, the infrastructure also meets the criteria that it is not intended for the transport of fossil fuels.

Environmental disclosures

Sector – Construction and real estate

Construction of new buildings accounts for a major share of NCC's business and includes hundreds of projects, both residential and non-residential buildings such as schools and hospitals. In addition to construction of new buildings, renovation of existing buildings is another major area for NCC. Acquisition and ownership of buildings accounts for a minor share of NCC's operations and it is the rental revenue that arises before a property is recognized in profit that is classified. This sector also includes asphalt maintenance of streets, roads and highways carried out by the NCC Industry business area.

Aligned activities:

- Construction of new buildings:
The building's energy performance is at least 10 percent lower than the threshold set on the building permit date, which is certified by the energy declaration. The buildings undergo testing for air-tightness and thermal integrity in accordance with prescribed requirements and standards. For larger buildings, the life-cycle Global Warming Potential (GWP) of the building resulting from the construction has been calculated for each stage in the life cycle, or an accepted alternative method in the respective countries.
- Acquisition and ownership of buildings:
For acquisition and ownership of large buildings, in addition to a reduction of primary energy demand of at least 10 percent compared with national requirements, the building must be operated efficiently by following up and evaluating energy consumption. This applies only to non-residential buildings.

Do no significant harm criteria

For an activity to be Taxonomy-aligned, in addition to meeting the technical screening criteria for a substantial contribution to a specific environmental objective, it must do no significant harm (DNSH) to any of the other five objectives. NCC applies the following criteria to each project to ensure they do no significant harm.

Climate change mitigation

Since all of NCC's Taxonomy-aligned activities contribute substantially to climate change mitigation, the 'do no significant harm' criteria are not applicable.

Climate change adaptation

A risk and vulnerability assessment was performed in relation to future climate change. Where relevant, local changes in temperature, wind, water and solid mass, was taken into account.

Sustainable use and protection of water and marine resources

For construction and renovation, low water flow fixtures are to be installed that meet the requirements of the Taxonomy. For other economic activities, the sustainable use and protection of water and marine resources is complied with on the basis of existing legislation for permits, environmental impact assessments or self-assessments, and taking actions to comply with these.

Transition to a circular economy

In projects for transmission and distribution of electricity, there must be a waste management plan in place that ensures the highest possible degree of reuse/recycling upon final dismantling/demolition. The plan must be based on the waste hierarchy, be communicated and economic means must be set aside for the management.

For the Taxonomy sector of Transport, and for construction and renovation, at least 70 percent by weight of the non-hazardous construction and demolition waste generated on the construction site must be prepared for reuse, recycling or other material recovery.

For construction and renovation, construction and construction techniques must also support circularity. The projects must describe, based on relevant standards, how the building is designed to be more resource efficient, adaptable, flexible and dismantlable to enable reuse and recycling, during and after the building's lifetime.

Pollution prevention and control

Guidelines for noise are followed and self-assessments are performed. Risk management for dust and emissions are handled in the environmental plan. These requirements are handled by following NCC's ordinary procedures.

NCC's internal requirements are to primarily choose recommended and accepted products in Byggarubedömningen (BVB) or the equivalent in the applicable country. There must be low emissions of harmful substances to the indoor environment from materials. Projects built on former industrial sites perform a land survey to identify potential contaminants.

For district heating/cooling distribution, the relevant purchased products and equipment must comply with the Ecodesign Directive, best energy class and Best Available Technology.

Protection and restoration of biodiversity and ecosystems

To meet the criteria, either an environmental impact assessment (EIA) or a nature value inventory (NVI) or similar are required and the necessary risk mitigation and biodiversity offsets must be carried out to protect the environment. New construction is controlled by building within a planned development area, otherwise requirements linked to construction on unused land must be followed.

Environmental disclosures

Minimum social safeguards

In order to be Taxonomy-aligned, the activities must also meet social safeguards. The aim of the safeguards is to set a minimum standard for social and ethical sustainability for how a company should operate for its activities to be considered sustainable. This means that the company must not cause any harm or violate any laws or regulations based on four aspects: taxation, fair competition, corruption and human rights. NCC achieves this minimum standard by complying with the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises.

Taxation

Compliance with taxation regulations is a priority at NCC, and the topic is addressed in the same review procedures as corporate governance. NCC complies with tax regulations in all jurisdictions with active operations, and ensures compliance with the regulations through suitable procedures and strategies for managing tax risks. Prudence and transparency guide our decisions within tax management. NCC's procedures and strategies for managing tax risks are described in its Tax Policy and Directive. As needed, extra tax advisers can be called in for consulting, primarily from larger audit companies or law offices. NCC has not been found guilty of violating any tax laws.

Fair competition

NCC operates in an industry that has, historically speaking, been at risk for unfair competition. NCC therefore has clear guidelines and procedures as well as training for ensuring fair competition in all its business. Read more about this in the Ethics and compliance section.

Anti-corruption and anti-bribery

NCC is aware of the risk of corruption and bribery in the industry in which NCC is active, and has training, policies and processes for minimizing and managing the risk of corruption in and around its operations. Read more about this in the Ethics and compliance section.

Human rights

NCC respects human rights and is responsible for preventing anyone in its own operations from being subjected to treatment that violates those human rights. Read more about this in the Own workforce section.

NCC is aware that violations of human rights can occur throughout the value chain, and has various procedures in place to reduce this risk and to detect – to the greatest extent possible – whether anything like this could occur, in order to facilitate remediation. Read more about this in the Workers in the value chain section and about the requirements NCC sets on its suppliers in the Ethics and compliance section.

Green bonds

NCC has market financing programs with SEK 3,350 M (2,850) in green bonds, of which SEK 2,250 M (1,750) is listed on Nasdaq Stockholm. For more information, refer to the Investor Report 2024. During the year, SEK 0 M (0) of bonds or other debt instruments were issued to finance specific Taxonomy-aligned activities. The absolute majority refers to investments in property projects conducted by NCC Property Development, which are classified as current assets in NCC's balance sheet and thus not Taxonomy-eligible capital expenditure.

Nuclear and fossil gas related activities

Row		Yes/No
Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Environmental disclosures

Reporting principles

Turnover

Total turnover

For NCC, turnover according to the Taxonomy and net sales according to IFRS have the same key performance indicator (KPI). Turnover reported according to the Taxonomy is based solely on external revenue, which means that double counting is avoided. For more information, refer to Note 1 Accounting policies and Note 2 Revenue recognition.

Taxonomy-eligible turnover

(not environmentally sustainable/Taxonomy-aligned, A.2)

Taxonomy-eligible turnover for NCC Infrastructure, NCC Building Sweden and NCC Building Nordics refers to revenue from contracting operations. For NCC Property Development, sales of projects and rental revenues from properties are eligible turnover. NCC Industry's Taxonomy-eligible turnover is those parts related to recycling and reuse of materials, and the paving and maintenance of public roads.

Environmentally sustainable turnover (Taxonomy-aligned, A.1)

As a consequence of applying revenue recognition gradually over time, in line with the completion rate, the assessment of whether or not an economic activity is Taxonomy-aligned is based on the project's predetermined assumptions. If these assumption are subsequently changed, the reported Taxonomy-aligned turnover can also be changed. In its assessment of projects, NCC assumes that they are carried out in accordance with the order placed. If, upon the completion of a project, NCC identifies a change in the assessment of whether the project's turnover is Taxonomy-aligned, this changed assessment is reported on the next reporting date. For the part of NCC's operations that report turnover at a certain point in time, whether or not the turnover is Taxonomy-aligned is determined upon completion of the project.

Capital Expenditure (CapEx)

Total CapEx

For NCC, CapEx according to the Taxonomy and IFRS has the same KPI. For more information, refer to Note 15 Tangible fixed assets, Note 16 Intangible fixed assets and Note 33 Leasing.

Taxonomy-eligible CapEx (not environmentally sustainable/Taxonomy-aligned, A.2)

NCC has determined that investments attributable to owner-occupied properties, machinery and equipment, right-of-use assets buildings and right-of-use assets machinery and equipment are eligible CapEx.

Since individual investments are used in many economic activities over their lifetime, NCC has distributed Taxonomy-eligible investments in machinery and equipment based on each business area's distribution of the net sales KPI. Starting in 2024, right-of-use assets have not been included in the allocation and have instead been handled separately. Right-of-use assets in the form of heavy machinery that are directly linked to an individual project have been reported under the same economic activity as project sales are reported against. Right-of-use assets owner-occupied properties and vehicles of category M1 and N1 (part of Right-of-use assets machinery and equipment) have been reported in their entirety as Acquisition and ownership of buildings and Transport by motorbikes, passenger cars and light commercial vehicles, respectively.

Environmentally sustainable CapEx (Taxonomy-aligned, A.1)

NCC has applied the same reasoning for Taxonomy-aligned CapEx as for Taxonomy-eligible CapEx.

Operating Expenditure (OpEx)

Total OpEx

Since IFRS does not provide clear guidance on the expenses considered operating expenses, the concept of operating expenditure (OpEx) is not included in NCC's financial statements. NCC defines OpEx in accordance with the Taxonomy, which means expenses for short-term leases and the repair and maintenance of tangible fixed assets related to fixed assets in Taxonomy-eligible activities.

NCC has three different business models: contracting operations, industrial operations and property development. The majority of NCC's assets are in contracting operations and property development, and are recognized as current assets. As a result, NCC's total capital expenditure and operating expenditure are not substantial amounts. NCC therefore does not believe that a division of operating expenditure into Taxonomy-aligned and environmentally sustainable operating expenditure in accordance with the Taxonomy is material, and has chosen to apply the exemption in accordance with the Taxonomy. Only total operating expenditure is reported.

Environmental disclosures

Turnover¹⁾

Financial year 2024	2024	Substantial Contribution Criteria								DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, 2023	Category enabling activity	Category transitional activity
Economic activities	Code	Turnover ²⁾	Proportion of Turnover, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from hydropower	CCM 4.5/ CCA 4.5	122	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	–	–	Y	Y	0.4%	–	–
Transmission and distribution of electricity	CCM 4.9/ CCA 4.9	328	0.5%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	–	Y	Y	Y	Y	0.3%	E	–
District heating/cooling distribution	CCM 4.15/ CCA 4.15	56	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	–	Y	Y	0.1%	–	–
Infrastructure for personal mobility, cycle logistics	CCM 6.13/ CCA 6.13	54	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.0%	E	–
Infrastructure for rail transport	CCM 6.14/ CCA 6.14	4,888	7.9%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	2.8%	E	–
Infrastructure enabling (low carbon) water transport	CCM 6.16/ CCA 6.16	0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.3%	–	–
Construction of new buildings	CCM 7.1/ CCA 7.1/ CE 3.1	3,099	5.0%	Y	N	N/EL	N/EL	N	N/EL	–	Y	Y	Y	Y	Y	Y	0.8%	–	–
Renovation of existing buildings	CCM 7.2/ CCA 7.2/ CE 3.2	0	0.0%	Y	N	N/EL	N/EL	N	N/EL	–	Y	Y	Y	Y	–	Y	0.6%	–	T
Acquisition and ownership of buildings	CCM 7.7/ CCA 7.7	341	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	–	–	–	–	Y	0.2%	–	–
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		8,888	14.4%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	5.4%		
Of which Enabling		5,270	8.6%	58.7%	0.0%	0.0%	0.0%	0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	3.1%	E	
Of which Transitional		0	0.0%	0.0%						–	Y	Y	Y	Y	–	Y	0.6%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation from wind power	CCM 4.3/ CCA 4.3	122	0.2%														0.0%		
Electricity generation from hydropower	CCM 4.5/ CCA 4.5	385	0.6%														1.0%		
Transmission and distribution of electricity	CCM 4.9/ CCA 4.9	267	0.4%														0.8%		
District heating/cooling distribution	CCM 4.15/ CCA 4.15	1,131	1.8%														0.7%		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1/ CCA 5.1	1,039	1.7%														1.8%		
Renewal of water collection, treatment and supply systems	CCM 5.2/ CCA 5.2	299	0.5%														0.4%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3/ CCA 5.3	1,263	2.0%														1.7%		
Renewal of waste water collection and treatment	CCM 5.4/ CCA 5.4	628	1.0%														0.8%		
Sorting and material recovery of non hazardous	CE 2.7	260	0.4%														0.5%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13/ CCA 6.13	96	0.2%														0.4%		
Infrastructure for rail transport	CCM 6.14/ CCA 6.14	964	1.6%														6.1%		
Infrastructure enabling (low-carbon) road transport and public transport	CCM 6.15/ CCA 6.15	1,887	3.1%														3.2%		
Infrastructure enabling (low carbon) water transport	CCM 6.16/ CCA 6.16	579	0.9%														0.1%		
Construction of new buildings	CCM 7.1/ CCA 7.1/ CE 3.1	20,928	34.0%														36.6%		
Renovation of existing buildings	CCM 7.2/ CCA 7.2/ CE 3.2	4,949	8.0%														6.9%		
Acquisition and ownership of buildings	CCM 7.7/ CCA 7.7	0	0.0%														0.1%		
Maintenance of roads and motorways	CE 3.4	5,217	8.5%														7.8%		
Flood risk prevention and protection infrastructure	CCA 14.2	225	0.4%														0.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		40,240	65.3%														68.9%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		49,128	79.7%														74.3%³⁾		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		12,482	20.3%																
TOTAL		61,609	100.0%																

1) Proportion of turnover derived from products or services associated with Taxonomy-aligned economic activities – disclosures that cover 2024.

2) Turnover for Taxonomy-eligible but not environmentally sustainable activities where turnover for activities that are < SEK 50 M is not reported separately but as turnover of Taxonomy-non-eligible activities.

3) In 2024, instructions for guidance in assessing the projects for alignment with the Taxonomy were reviewed. The comparative figures for some projects have been adjusted.

	Proportion of Turnover/Total Turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	14.4%	70.5%
CCA	0.0%	70.9%
WTR	0.0%	0.0%
CE	0.0%	50.9%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Environmental disclosures

CapEx¹⁾

Financial year 2024	2024	Substantial Contribution Criteria								DNSH criteria (“Does Not Significantly Harm”)						Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2023	Category enabling activity	Category transitional activity
Economic activities	Code	CapEx	Proportion of CapEx 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from hydropower	CCM 4.5/ CCA 4.5	1	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	–	–	Y	Y	0.2%	–	–
Transmission and distribution of electricity	CCM 4.9/ CCA 4.9	3	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	–	Y	Y	Y	Y	0.5%	E	–
District heating/cooling distribution	CCM 4.15/ CCA 4.15	0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	–	Y	Y	0.1%	–	–
Infrastructure for personal mobility, cycle logistics	CCM 6.13/ CCA 6.13	1	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.0%	E	–
Infrastructure for rail transport	CCM 6.14/ CCA 6.14	38	2.6%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	5.0%	E	–
Infrastructure enabling (low carbon) water transport	CCM 6.16/ CCA 6.16	0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.9%	–	–
Construction of new buildings	CCM 7.1/ CCA 7.1/ CE 3.1	0	0.0%	Y	N	N/EL	N/EL	N	N/EL	–	Y	Y	Y	Y	Y	Y	0.2%	–	–
Renovation of existing buildings	CCM 7.2/ CCA 7.2/ CE 3.2	0	0.0%	Y	N	N/EL	N/EL	N	N/EL	–	Y	Y	Y	Y	–	Y	0.2%	–	T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		44	2.9%	100%	0.0%	0.0%	0.0%	0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	7.0%		
Of which Enabling		41	2.7%	97.0%	0.0%	0.0%	0.0%	0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	5.4%	E	
Of which Transitional		0	0.0%	0.0%						–	Y	Y	Y	Y	–	Y	0.2%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation from wind power	CCM 4.3/ CCA 4.3	1	0.0%														0.0%		
Electricity generation from hydropower	CCM 4.5/ CCA 4.5	2	0.1%														0.7%		
Transmission and distribution of electricity	CCM 4.9/ CCA 4.9	1	0.1%														0.3%		
District heating/cooling distribution	CCM 4.15/ CCA 4.15	8	0.5%														0.5%		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1/ CCA 5.1	7	0.4%														1.3%		
Renewal of water collection, treatment and supply systems	CCM 5.2/ CCA 5.2	2	0.1%														0.2%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3/ CCA 5.3	8	0.5%														1.7%		
Renewal of waste water collection and treatment	CCM 5.4/ CCA 5.4	4	0.2%														0.4%		
Sorting and material recovery of non hazardous	CE 2.7	3	0.2%														0.8%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13/ CCA 6.13	1	0.1%														0.5%		
Infrastructure for rail transport	CCM 6.14/ CCA 6.14	9	0.6%														3.6%		
Infrastructure enabling (low-carbon) road transport and public transport	CCM 6.15/ CCA 6.15	98	6.6%														2.4%		
Infrastructure enabling (low carbon) water transport	CCM 6.16/ CCA 6.16	6	0.4%														0.1%		
Transport by motorbikes, passenger cars and light commercial vehicles ²⁾	CCM 6.5/ CCA 6.5	265	17.7%														0.0%		
Construction of new buildings	CCM 7.1/ CCA 7.1/ CE 3.1	39	2.6%														8.9%		
Renovation of existing buildings	CCM 7.2/ CCA 7.2/ CE 3.2	0	0.0%														1.4%		
Acquisition and ownership of buildings ²⁾	CCM 7.7/ CCA 7.7	204	13.6%														0.0%		
Maintenance of roads and motorways	CE 3.4	25	1.7%														3.8%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		682	45.4%														26.6%		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		726	48.3%														33.6%³⁾		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		776	51.7%																
TOTAL		1,502	100.0%																

- 1) Proportion of CapEx derived from products or services associated with Taxonomy-aligned economic activities – disclosures that cover 2024.
- 2) Starting in 2024, right-of-use assets are handled separately and not included in allocation. The comparative period has not been adjusted, since no data is available.
- 3) In 2024, instructions for guidance in assessing the projects for alignment with the Taxonomy were reviewed. The comparative figures for some projects have been adjusted.

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	2.9%	43.5%
CCA	0.0%	43.5%
WTR	0.0%	0.0%
CE	0.0%	4.5%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Environmental disclosures

OpEx¹⁾

Financial year 2024	2024			Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")							Proportion of Taxonomy-aligned OpEx, 2023	Category enabling activity	Category transitional activity
Economic activities	Code	OpEx	Proportion of OpEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity				
		SEK M	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	0.0%		
Of which Enabling		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Of which Transitional		0	0.0%	0.0%						Y	Y	Y	Y	Y	–	Y	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0.0%														0.0%		
A. OpEx of Taxonomy-eligible activities (A.1 +A.2)		0	0.0%														0.0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		2,737	100.0%																
TOTAL		2,737	100.0%																

1) Proportion of OpEx derived from products or services associated with Taxonomy-aligned economic activities – disclosures that cover 2024.

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	0.0%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Environmental disclosures

Climate change

Material sustainability matters	Where in the value chain
Climate change adaptation	Throughout the value chain
Climate change mitigation	Throughout the value chain
Energy	Throughout the value chain

Material impacts, risks and opportunities

During the double materiality assessment, climate change was identified as one of NCC’s material sustainability topics. This is in line with previous assessments, with NCC having a long history of focusing on reducing greenhouse gas emissions from its operations. Climate change remains a central impact area for NCC since large amounts of greenhouse gases are generated across the value chain. NCC’s climate impact is primarily derived from the materials that are purchased and used in the construction process and from energy consumption in the various parts of the operations. NCC uses a significant amount of energy for machinery, heating and electricity at construction sites as well as in the production of asphalt. Upstream in the value chain, greenhouse gas emissions are primarily generated from extraction of virgin materials and from manufacturing processes. Apart from NCC’s direct impact, there are also financial risks and opportunities. The financial risks comprise negative impacts on suppliers from a changing climate with disruptions to supply chains and raw materials becoming difficult or extremely costly to procure. One potential financial opportunity lies in increased demand for products that help customers adapt to a changing climate and thereby ensuring that society is adapting to new conditions.

Governance

NCC has a Sustainability and Environmental Policy and is working to update and further develop the policy within the area of climate change. NCC has Group-wide roadmaps for reducing the climate impact of its operations. One example is the roadmap for concrete, with the goal of achieving climate-neutral concrete-based construction. Furthermore, each business area is responsible for their respective climate initiatives and have targets that are broken down on the basis of the Group’s energy and climate targets. To achieve these, each business area has established measures and action plans.

The efforts to produce a coherent Group-wide climate transition plan continued during the year. For more information on NCC’s policies, see the General disclosures section.

Targets

NCC’s climate targets 2024 are:

- Climate neutrality by 2045
- 60 percent decrease in CO₂e emissions for Scope 1 and 2 by 2030
- 50 percent decrease in CO₂e emissions for Scope 3 by 2030

The target for Scope 1 and 2 is measured from base year 2015 in CO₂e tons/SEK M in sales, with a starting value of 5.2 CO₂e/SEK M. This target includes all fuels that NCC uses in production and own transport as well as all electricity, district heating and district cooling that NCC uses for buildings and construction. The greenhouse gases CO₂, CH₄ and N₂O are included for Scope 1 and 2 since these are the primary gases that are released in conjunction with the included activities. Scope 1 biogenic CO₂ emissions are not included in the target.

The target for Scope 3 is measured in kg CO₂e per volume purchased and MWh, respectively, with 2015 as the base year. The target for Scope 3 includes ready-mix concrete, asphalt, reinforcement steel and transportation. The greenhouse gases CO₂, CH₄ and N₂O are also included.

NCC has set a target of only purchasing fossil-free and mainly renewable electricity. In 2024, the portion of fossil-free electricity was 90 percent (95) of total electricity consumption.

Activities

NCC’s efforts at reducing its climate emissions are based on the specific conditions and operation of each business area. Efficient resource utilization, purchases of materials with lower carbon emissions and increased use of recycled and reused products are essential in this work. These efforts are carried out in close collaboration with NCC’s customers and clients, in conjunction with planning and procurement.

Digitization of data processing is necessary for long-term sustainable work processes, and for this reason climate calculations and joint IT development are key activities. NCC is proactive in its dialogue and collaboration with suppliers, and participates in research and development projects to produce materials with a smaller carbon footprint.

Reduced climate footprint

NCC is focused on reducing its climate footprint. Analysis, cooperation and dialogue with customers, suppliers and other stakeholders for the implementation of measures and changed work methods is of the utmost importance. Climate calculations in construction projects are crucial for making the right decisions and reducing the climate footprint in a cost-efficient manner for NCC and for customers. As support in this task, NCC has several digital tools as well as internal centers of excellence with experts who specialize in climate calculations. The purpose of climate calculations is to gain an overview of and control over the total climate impact of a project. This includes data and related greenhouse gas emissions associated with the use of materials, energy consumption and waste.

Environmental disclosures

Energy

Energy consumption in own operations includes use of energy and fuel in projects and at production work sites.

Key actions to reduce energy and fuel consumption, and thereby climate impact, include:

- Continued energy-efficiency improvements in operations
- Electrification of machinery and transportation for reduced primary energy
- Optimized logistics chains to reduce the total number of transport journeys
- Economical driving and avoiding idling
- Use of fossil-free fuel
- Phase-out of fossil fuels

To reduce energy consumption downstream in the value chain, the focus on enhancing energy efficiency in property development is an important measure. The NCC Property Development business area requires energy performance to be at least 25 percent better compared with regulations and to use local energy production in all projects.

Materials

NCC's climate impact arises primarily in conjunction with the manufacturing of the materials used in the construction process. Within the category "Purchased goods and services" (Scope 3), concrete, asphalt and steel have the largest climate impact.

Concrete:

NCC works according to a roadmap toward climate-neutral concrete-based construction, aimed at achieving the target of becoming climate neutral by 2045. This initiative has three main perspectives: The right concrete in the right place, minimize the amount of cement in concrete, and minimize the volume of concrete. Analysis, cooperation and dialogue with customers, suppliers and other stakeholders for the implementation of measures and changed work methods is of the utmost importance.

Asphalt:

The asphalt division's total greenhouse gas emissions, from both asphalt production and paving, accounts for 50 percent (53) of the Group's total emissions (Scope 1 and 2). Key actions to reduce climate impact from production of asphalt include:

- Continued conversion of asphalt plants to the use of biofuels
- Replacing fossil bitumen with bio-binders in the asphalt

- Developing asphalt products with a lower climate impact through NCC's method of increasing the proportion of reclaimed asphalt pavement (RAP), lowering manufacturing temperatures and using biofuel during production
- Decreasing the number of starts and stops at asphalt plants in order to reduce energy consumption
- Reduce moisture in the stone materials that are mixed into the asphalt and keep it dry, in order to reduce energy consumption in asphalt production

Steel:

In order to halve the climate impact of steel, well-informed purchasing from producers who provide products with a lower carbon footprint is crucial. Environmental product declarations (EPDs) for materials are used in the supplier assessment to determine whether the suppliers fulfill the requirements of NCC and its customers. By using recycled steel, energy consumption can be reduced by up to 75 percent compared with production of ore-based steel. To achieve fossil-free steel, new production technologies are also needed.

Transportation and machine services

Key actions to reduce emissions from transportation:

- Actively partnering with suppliers to increase degree of filling and optimizing logistics chains to reduce the number of transport journeys
- Requiring suppliers to use fuel-efficient vehicles
- Requiring suppliers to use electric vehicles and biofuel

One key measure for reduced climate impact from machine and machine services is electrification. Examples of such measures include:

- Electrification of mobile rock crushers, which would offer significant energy savings and thereby reduce climate emissions
- Projects that use emission-free machinery and electrified transport in all countries, together with customers
- Continued testing and implementation of electric paving machinery

Efforts to obtain data from suppliers of transportation and machine services continued during the year. The focus was on Sweden, and on transportation and machine services that NCC itself purchased. Efforts are under way to include more countries and business areas as well as transportation of the materials that NCC does not directly purchase but are included upstream in the value chain.

Environmental disclosures

Climate-related risks and opportunities¹⁾

Material opportunities	Description/Effect	Likelihood	Consequence	Existing measures	Change
Transition risk Changes to external climate-related policies and/or legal conditions that impact NCC.	Carbon-price mechanisms – such as higher prices for greenhouse gas emissions through the emissions trading system – or all price mechanisms for carbon emissions directly or indirectly through suppliers.	May occur	Major	<ul style="list-style-type: none"> Optimize and reduce the use of materials, fuels and energy; use renewable and recycled materials; substitute with materials that have a lower carbon intensity Manage risks for higher prices through tenders and contracts, as well as follow-up Participate in projects to develop materials with a lower climate impact 	
Transition risk Changes to external climate-related policies and/or legal conditions that impact NCC.	Increased administration and workload due to expanded climate-related reporting requirements.	May occur	Major	<ul style="list-style-type: none"> Increased digitization of data processing, automation and know-how Optimized procedures to reduce workload 	
Transition risk NCC does not meet changed climate-related needs or requirements from customers quickly enough.	Customers substitute products, projects and/or services with lower (lifecycle) emissions options from competitors.	May occur	Major	<ul style="list-style-type: none"> Strategies to reduce greenhouse gas emissions in construction projects Continued phase-out of fossil fuels in operations Strategies to develop cost-efficient solutions for reducing carbon emissions for customers Development of climate guides for various customer segments 	
Transition risk Transition and access to sources of fossil-free energy.	Stricter requirements from customers for electrification in projects. Shortage of renewable alternatives at competitive prices. Suppliers have to adapt to fossil-free production, which could lead to increased investments and costs.	May occur	Major	<ul style="list-style-type: none"> Tools and methods to support the electrification process Continued monitoring of developments and opportunities for external financing via government initiatives Management of risks of higher prices through tenders and contracts, as well as follow-up 	
Acute physical risk Increased frequency and severity of extreme weather events such as heat waves, storms, and floods.	Delays in project deliveries (e.g. problems with the flow of materials from suppliers). Severe damage to material inventories, sites, or construction and infrastructure projects.	May occur	Major	<ul style="list-style-type: none"> Thorough review of tender documents and risk assessments to evaluate and price risks Buffer activities and environmental impact statements Evaluation of climate risks and vulnerability, with contingency plans for sites and construction projects 	
Chronic physical risk Long-term changes in climate patterns such as rising average temperatures, rising ocean levels and variations in the weather.	Higher ocean levels and heavy rains can impact the attractiveness of the land and increase requirements for the resilience of construction projects.	May occur	Major	<ul style="list-style-type: none"> Construction norms ensure that structures can cope with climate change Access to technical expertise and standards in the organization 	
Material opportunities	Description/Effect	Likelihood	Consequence	Strategies to realize opportunities	Change
Transition opportunity Changes in climate-related needs among, and requirements from, current and future customers.	Increased demand for energy-efficient buildings and business operations related to renovation and reuse in circular models. Increased demand for hydroelectric power and electricity distribution.	May occur	Major	<ul style="list-style-type: none"> Design and construction of cutting-edge projects provide knowledge of potential solutions Development of climate guides for various customer segments 	
Physical opportunity Increased frequency and severity of extreme weather events and long-term changes in climate patterns, such as rising average temperatures and ocean levels.	Increased demand for NCC's products and/or projects that directly support customers' climate adaptation activities (for example, urban embankments, flood barriers, storm tunnels).	May occur	Major	<ul style="list-style-type: none"> Specialization within the segment Monitoring of developments in society and the market Development of climate guides for various customer segments 	

1) Two scenarios have been used to identify and evaluate climate-related risks and opportunities. For physical risks, the SSP5-8.5 scenario has been used, and for transition risks the International Energy Agency's Net Zero (NZE) scenario has been used. In this year's risk assessment, NCC has switched to evaluating gross risks before action taken, to then arrive at a remaining risk assessment that takes the effect of the actions into account. The entire value chain has been evaluated in this assessment. Short-, medium- and long-term time horizons were used in the analysis, corresponding to the ones selected for the strategic risk process and NCC's strategy.

Definitions

Consequence:	Minor (>SEK 10 M)	Tangible (>SEK 50 M)	Serious (>SEK 100 M)	Major (>SEK 250 M)
Likelihood:	Most unlikely	Unlikely	May occur	Most likely
	Decrease in consequence or likelihood following action			
	No change in consequence or likelihood following action			
	Increase in consequence or likelihood following action			

Environmental disclosures

Metrics and outcome

In 2024, Scope 1 and 2 emissions intensity amounted to 1.9 tons CO₂e/SEK M, corresponding to a reduction of 64 percent compared with 2015. A multi-year initiative to convert the company's asphalt plants from fossil fuel to biofuel has resulted in NCC achieving the target set for 2030 early. In view of this, NCC has decided to increase its target for reducing emissions intensity in own operations to 75 percent by 2030, which means 1.3 CO₂e tons/SEK M.

For Scope 3, NCC has mapped climate emissions in the areas that are considered having the greatest climate impact and has identified six categories as material:

- Purchased goods and services
- Fuel and energy-related activities
- Upstream transportation and distribution
- Waste
- Business travel
- Use of sold products

In the category Purchased goods and services in Scope 3, NCC specifically follows up ready-mix concrete, reinforcement steel and internally purchased asphalt. In 2024, ready-mix concrete decreased by 22 percent, reinforcement steel by 57 percent and internally purchased asphalt by 23 percent compared with base year 2015.

Total GHG emissions has decreased compared with 2023. The largest changes are found in Scope 1 and Scope 3, in the categories Purchased goods and services and Use of sold products. Several asphalt plants used biofuel instead of fossil fuels during the year, which resulted in lower emissions for Scope 1. The reason why emissions for internally purchased asphalt have increased is mainly due to a reduction in internal sales in Sweden, where more progress has been made in reducing climate impact than in Norway and Denmark. They therefore constitute a larger share of the total amount of asphalt sold internally and the average climate impact per ton of asphalt sold internally has therefore increased, although the climate impact from the total production of asphalt has decreased. Reinforcement steel accounts for the greatest reduction in purchased goods and services, due largely to lower EPDs on reinforcement steel purchased, followed by ready-mix concrete. In the category Use of sold products, the greatest reduction was achieved in Finland. This category is heavily project-dependent, and is largely determined by the number and type of projects that were completed during the reporting year, which is why it can vary without specific actions being taken.

Emissions from transportation and machinery services are reported using the base year 2023 and use data from Sweden. This year's increase is mainly attributable to the change in the reduction obligation of biofuels with fossil fuels.

The efforts to improve the quality of NCC's emissions calculations have resulted in a higher coverage rate in Scope 3 compared to previous years. Higher emissions in Scope 3 should therefore not be interpreted as an increase in actual emissions. No new Scope 3 categories were added in 2024. In 2025, a project will be conducted aimed at setting a new base year with a uniform coverage rate. NCC will also carry out a new evaluation of material categories in Scope 3.

Reporting principles, climate data

Climate reporting follows the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard for Scope 1 and 2, and the Corporate Value Chain Standard for Scope 3 unless otherwise indicated. NCC reports on Scope 1 and 2, and material Scope 3 categories. NCC does not include climate compensation in the calculations for Scope 1, 2 and 3.

Calculations primarily use supplier-specific Environmental Product Declarations, or EPDs. Where EPDs are not available, emissions factors from the Department for Energy Security and Net Zero (2024) or the Swedish Environmental Protection Agency (2024) are used, depending on applicability. In cases where pre-calculated climate data is provided from the supplier, the reliability and correctness of the sources used to calculate the data are verified.

For Scope 1, NCC reports stationary combustion (combustion in connection with asphalt production) and mobile combustion (combustion of fuel for vehicles, trucks and working vehicles that NCC controls). Combustion of biofuel, which generates biogenic carbon dioxide, is reported separately from Scope 1.

For Scope 2, NCC reports energy purchased in the form of electricity, district heating and district cooling. Both market-based and location-based calculation methods are reported, but only market-based calculation methods form the basis for follow-up of the targets for Scope 1 and 2.

Greenhouse gas emissions related to the purchase of ready-mix concrete, reinforcement steel and internally purchased asphalt are reported in the category Purchased goods and services in Scope 3. This also includes all purchased machine services in Sweden. The asphalt reported is asphalt that was purchased internally and produced by the NCC Industry business area. This deviates from the GHG Protocol Corporate Value Chain (Scope 3) Standard. Upstream transportation in Scope 3 includes only directly purchased transportation in Sweden. Carbon emissions from waste management in Scope 3 is based on reported amounts of waste. Use of sold products in Scope 3 includes only the NCC Building Sweden business area, as well as Finland and Norway for NCC Building Nordics.

Environmental disclosures

GHG emissions

	2024	Change compared with base year 2015, %	2023	2015
GHG emissions, market-based, Scope 1 and 2, CO ₂ e (thousand tons)	117	-57	130	271
GHG emissions, location-based, Scope 1 and 2, CO ₂ e (thousand tons)	120	-50	137	241
of which, Scope 1	113	-48	126	217
of which, Scope 2				
Market-based method	4	-93	4	54
Location-based method	7	-71	11	24
Emissions intensity: CO ₂ e tons/MWh ¹⁾	0.15	-32	0.14	0.22
Emissions intensity: CO ₂ e tons/SEK M ¹⁾	1.9	-64	2.3	5.2
Net sales, SEK M	61,609	18	56,932	52,155
GHG emissions, Scope 3	355	-	385	-
Purchased goods and services ²⁾	144	-	156	-
Fuel and energy-related activities	46	-	49	-
Upstream transportation and distribution ³⁾	45	-	34	-
Waste	1	-	1	-
Business traveling (air travel)	4	-	4	-
Use of sold products ⁴⁾	116	-	142	-
Total GHG emissions, ⁵⁾ CO ₂ e (thousand tons)	472	-	515	-
Combustion of biomass (biogenic Scope 1) (thousand tons)	82	-	57	-

1) Only Scope 1 and Scope 2 (market-based method) are used in the performance indicator.

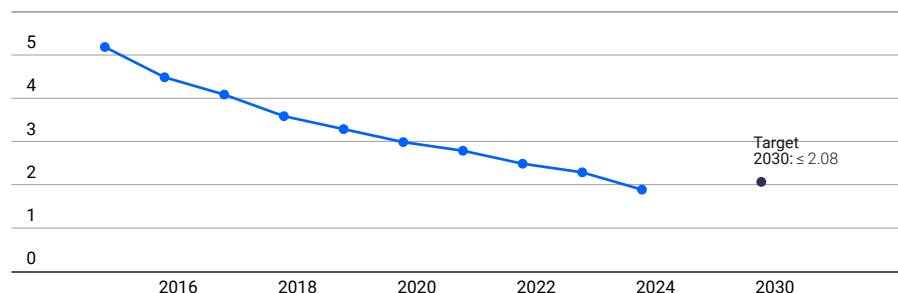
2) Includes ready-mix concrete, reinforcement steel, internally purchased asphalt and machinery services purchased in Sweden.

3) Includes directly purchased transportation in Sweden.

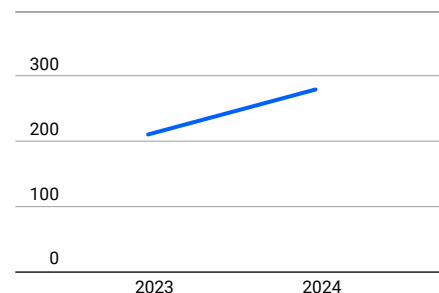
4) Includes only the NCC Building Sweden business area as well as Finland and Norway for NCC Building Nordics.

5) Total GHG emissions for Scope 1, 2 and 3 (market-based method).

Scope 1 and 2, CO₂e tons/SEK M

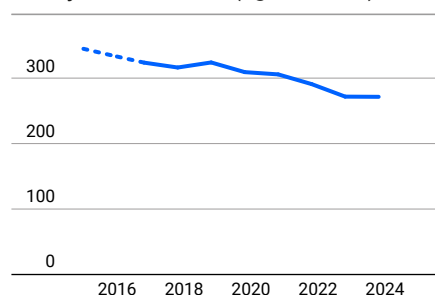


Transportation and machine services (kg CO₂e/MWh)



Outcome 2024: +33 percent from 2023 (only Sweden)

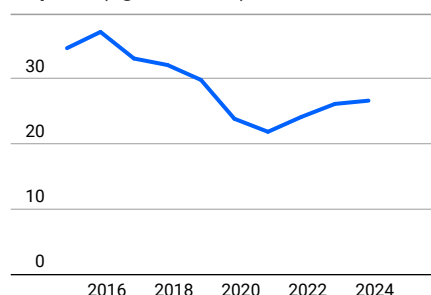
Ready-mix concrete (kg CO₂e/m³)



Outcome 2024: -22 percent from 2015

The base level is derived from a compilation of values from customers, trade associations, manufacturers and various research initiatives.

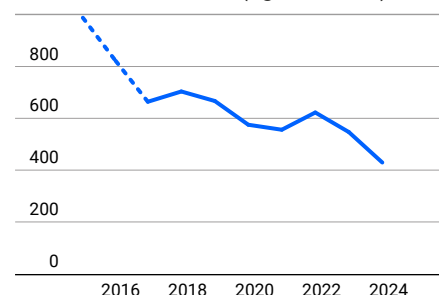
Asphalt (kg CO₂e/ton)



Outcome 2024: -23 percent from 2015

Pertains to internally purchased asphalt. The reason for the increase in emissions from internally purchased asphalt is mainly due to the increased share of production volume in Norway and Denmark. Here, emissions in kg per tonne of asphalt produced are not as low as in Sweden, where work to reduce CO₂ emissions has progressed further.

Reinforcement steel (kg CO₂e/ton)



Outcome 2024: -57 percent from 2015

The base level for concrete is derived from a compilation of values from customers, trade associations, and EPDs from manufacturers of reinforcement steel.

Environmental disclosures

Energy consumption in the operation

Fuel use

MWh	2024	Change compared with base year 2015, %	2023	2015
Renewable fuels	246,416	195	174,118	83,462
Fossil fuels	495,062	-45	566,017	906,468
Fuels, total	741,478	-25	740,135	989,930

District heating/cooling

MWh	2024	Change compared with base year 2015, %	2023	2015
District cooling	3,982	855	818	417
District heating	19,134	-62	26,343	50,851
District cooling/District heating, total	23,116	-55	27,161	51,268

Electricity consumption

MWh	2024	Change compared with base year 2015, %	2023	2015
Electricity from fossil-free sources ¹⁾	146,947	44	162,052	102,360
Other electricity	16,290	-87	8,030	121,618
Electricity, total	163,236	-27	170,082	223,978

1) Hydroelectric power, wind power and nuclear power.

Total energy consumption¹⁾

MWh	2024	Change compared with base year 2015, %	2023	2015
Energy consumption, total	927,831	-27	937,378	1,265,176

1) Total energy consumption is a sum of reported energy usage for fuel, district heating/cooling, and electricity.

Environmental disclosures

Biodiversity and ecosystems

Material sustainability matters	Where in the value chain
Direct impact drivers of biodiversity loss	Upstream, Own operations
Impacts on the extent and condition of ecosystems	Own operations

Material impacts, risks and opportunities

Construction of buildings and infrastructure projects depends on the use of land area, which can cause biodiversity loss depending on the geographical location and scope of the activities. This is why it is important that each project or site that is started is preceded by an assessment of the best location as well as an inventory of natural values.

During the double materiality assessment, biodiversity and ecosystems was identified as one of NCC’s material sustainability topics. This also confirms previously conducted materiality and stakeholder analyses. NCC’s operations have an impact not only locally, where the work is being carried out, but also upstream in the value chain. Throughout the supply chain of NCC’s primary goods and products, there is significant dependence on virgin raw materials such as soil, limestone, sand and iron. All of these are examples of direct exploitation of virgin materials that could cause biodiversity loss and damage on ecosystems. Wood is a renewable material that is not classified as a virgin material, but its supply chain could still have an impact on biodiversity depending on where the material is gathered from. Because of this, it is important for NCC to create traceability in the supply chain for our priority materials.

Governance and targets

As part of the customer contract, the locations of projects, production sites and quarries are evaluated. The work on permits and legislative procedures is normally done in advance, and the risk of establishing operations near areas with sensitive biodiversity is therefore reduced naturally through these procedures. Internal routines in NCC’s business areas are in place to control local risks associated with biodiversity, which means the issue is an integral part of NCC’s projects and site management.

NCC has a Sustainability and Environmental Policy. Efforts to update and further develop the policy in the area of biodiversity and ecosystems are under way, with the aim of increasing focus on and clarify the direction within this area. For more information on NCC’s policies, see the General disclosures section.

Efforts are in progress to review current work methods which can thereby create possibilities for establishing metrics and targets in the area. NCC will report on the progress of these efforts as part of its sustainability reporting.

Activities

All of NCC’s business areas have different approaches to addressing risks and opportunities related to biodiversity. The business area NCC Industry has defined actions and allocated resources to its production facilities in order to reduce risks and improve biodiversity in local areas where their sites are located. For the business areas NCC Property Development, NCC Building Sweden and NCC Building Nordics, it is possible to include actions for biodiversity and potential compensation measures in the customer contract. Resources are being devoted to work relating to building certifications, many of which involve requirements associated with biodiversity. The business area NCC Infrastructure also carries out projects that support the preservation of biodiversity – for example, the construction of wildlife passages.

Environmental disclosures

Resource use and circular economy

Material sustainability matters	Where in the value chain
Resource inflows, including resource use	Throughout the value chain
Waste	Throughout the value chain

Material impacts, risks and opportunities

NCC uses large amounts of materials, which has an impact on resource use in society as a whole. To meet the challenges related to the planet’s finite resources, we need to reduce the use of virgin materials and increase the use of reused or recycled materials. The materials that NCC uses are primarily concrete, steel and asphalt, which creates a dependency on virgin raw materials such as limestone, sand, iron and oil. At the same time, the impact of the use of other materials such as rock and soil material is significant, with closed material flows being of significant importance.

During the double materiality assessment, resource use and circular economy was identified as one of NCC’s material sustainability topics. This is in line with previous analyses that highlighted resource efficiency and waste management as strategic matters for NCC.

Governance and targets

NCC has a Sustainability and Environmental Policy. Efforts to update and further develop the policy in the area of resource use and circular economy are under way, with the aim of increasing focus on and clarify the direction within this area. In parallel, initiatives are also under way to review current work methods, which can thereby create possibilities for establishing new metrics and targets within the area. NCC will report on the progress of these efforts as part of its sustainability reporting. For more information on NCC’s policies, see the General disclosures section.

Purchasing and resource use

NCC is working to reduce the use of virgin materials, where the purchasing function plays a key role in ensuring traceability in the value chain and signing agreements with suitable operators. In construction projects, specific materials choices are made based on the needs and wishes of both the project and the customer. Different certification systems can also impose requirements on the use of certain materials.

Waste and recycling

NCC works to increase recycling and reuse, and facilitates this through measures including active collection and analysis of data. NCC’s objective is to have a sorting rate greater than 70 percent. NCC follows up and governs the waste activities conducted at the construction sites through regular checks of waste statistics, at production sites meetings and during environmental rounds. NCC has established partnerships in all coun-

tries for handling of the waste that arises at construction sites. NCC has also developed specific control tools for increasing the proportion of recycling and reuse in its projects.

Activities

NCC’s efforts on issues involving choice of materials, circularity and waste is performed on the basis of each business area’s specific conditions and operations, and is designed to reduce the use of materials with a negative impact on climate, environment, and human health. Efficient resource utilization, purchases of materials with a lower environmental impact and increased recycling play an essential role in this work.

Recycling and reuse

The construction waste generated at construction sites holds great potential since it can be used in other projects. NCC cooperates internally among various functions and business areas, but also with suppliers, to develop new ways of reducing construction waste and reintroducing it into production as well as reusing and recycling materials. NCC is collaborating with its suppliers to facilitate the circular flows of specific byproducts such as loading pallets, flooring waste, plaster, brick and wood. Significant activities include ensuring that surplus purchased materials can be reused, protecting weather-sensitive materials, minimizing packaging through intelligent transport solutions and having a well-developed sorting system. Cooperation concerning circularity also occurs between property development and contracting operations, on the basis of the projects’ specific conditions.

Reuse of entire construction components and materials is a market that is still immature. NCC focuses primarily on the reuse of large construction components such as frames, since this makes the largest contribution to climate impact in building construction. The research and development being conducted in the areas will now be scaled up. NCC also works internally with reclaimed asphalt pavement (RAP) and uses it in its own asphalt plant – a measure that is monitored and reported yearly.

Circular handling of excavation mass

In connection with infrastructure projects, NCC aims to only excavate the necessary volume of soil and rock material, and the company strives to increase the reuse of excavation masses that were previously sent to landfill. This reuse occurs either within the specific project or in a nearby project that needs filler materials. Measures include a systematic sampling and chemical analysis of the rock to identify suitable projects for receiving the material.

Also in the business area NCC Industry, NCC promotes the reuse and recycling of stone materials, soil, excavation masses, gravel, concrete, asphalt and garden waste, and both purchases and receives materials from other business areas in NCC and external customers.

Environmental disclosures

Waste

All of NCC's business areas are actively engaged in waste management. This includes using a larger share of recovered materials, ensuring the use of non-hazardous materials, applying standardized construction with made-to-measure and prefabricated products to reduce waste, and designing buildings so that the materials can be reused and recycled. NCC has a strong focus on sorting its construction and demolition waste into the fractions that have been prescribed by the industry.

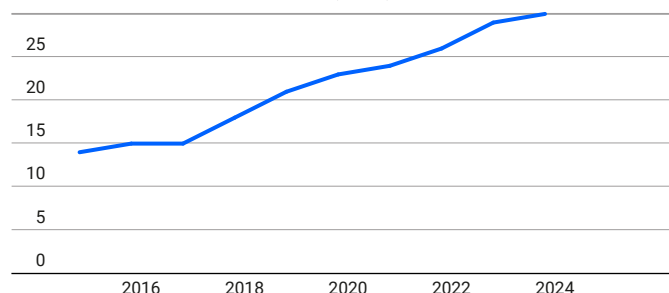
NCC collaborates with stakeholders such as suppliers, hauliers and waste contractors in order to increase circular flows and minimize waste, and to work for resource-efficient management of the waste that arises. NCC also participates in pilot projects around waste and circularity.

Metrics and outcome

Reporting principles, waste

NCC reports its waste volumes from construction activities (NCC Building Sweden, NCC Building Nordics and NCC Infrastructure). Statistics are collected via waste contractor and the figures include typical construction waste above ground. NCC collects waste data directly from our main contractors. The data is mapped to the correct waste category and waste fraction, depending on material and processing. Soil, stone and excavated materials, which depend on the geography of the projects, are usually handled separately and are not included in the tables below.

Reclaimed asphalt pavement (RAP), %



As a result of the increased amount of RAP, the climate impact from NCC's total asphalt production in 2024 was approximately 10,300 tons of CO₂e lower compared to 2015.

Amounts of waste by type and disposal method

Residual product and waste category	2024		2023	
	Total weight, tons	%	Total weight, tons	%
Non-hazardous waste				
Sorting	5,102	9	6,438	12
Energy recycling	4,004	7	5,396	10
Reuse/materials recycling	47,502	80	40,687	74
Glass	507		60	
Plastic	2,726		1,671	
Wood	13,281		14,367	
Gypsum	3,519		4,176	
Metal	7,884		6,730	
Concrete, bricks, tiles	16,514		10,416	
Other reuse/materials recycling	3,071		3,267	
Landfill	2,304	4	1,777	3
Hazardous waste				
Special treatment	716	1	450	1
Total amount	59,628	100	54,749	100

Social disclosures

Own workforce

Material sustainability matters	Where in the value chain
Working conditions	Own operation
Equal treatment and opportunities for all	Own operations

Material impacts, risks and opportunities

During the double materiality assessment, own workforce was identified as one of NCC’s material sustainability topics. NCC’s own workforce is a key stakeholder group, and the material matters that were identified in the double materiality assessment are in line with both previous priorities and reporting as well as NCC’s general orientation, with access to a high level of expertise and a safe and healthy work environment being key components.

Health and safety has been identified as a material matter with an actual negative impact on own workforce. Some activities at our worksites entail risky work elements, placing high demands on the right competence and safety equipment as well as a risk-aware culture of safety with the right attitudes and behaviors. Serious incidents occur at NCC’s construction sites, primarily in the three high-risk areas identified by NCC: heavy lifting by cranes, working at heights and working close to and around heavy machinery. Routines, guidelines, training, tools and activities are designed to create safe working conditions. For example, NCC requires that everyone who is working at a worksite – both own workforce and subcontractors – undergo NCC’s introductory and safety training before the work begins.

Training and skills development has been identified as having a positive impact on employees. NCC offers skills development based on its ambition to have the best project management in the industry. Having skilled project managers, supervisors and managers is crucial for NCC’s operations, which is why NCC has developed a unique portfolio of programs and training modules in project management and leadership. These target groups can thus specifically benefit from the positive impact of the training and skills development initiatives, in addition to NCC identifying access to the total offering of training modules and other skills development initiatives as having a positive impact on all employees.

NCC has identified a potential negative impact in the area of gender equality and opportunities for all. NCC operates in an industry that has historically been, and remains, male-dominated. NCC currently has an uneven gender distribution when it comes to the total number of employees but also in key leadership roles in project operations and in management positions. In organizations with an uneven gender distribution, the minority groups run a greater risk of being at a disadvantage, for example, due to unconscious partiality, prejudices and habits.

Governance

NCC has a Code of Conduct as well as policies, directives and routines that are relevant for its own workforce and include procedures and mechanisms to monitor compliance with the UN’s Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Read more about NCC’s policies under the section General disclosures.

NCC’s Code of Conduct, policies, directives and procedures for health and safety as well as the Compliance Directive are all available to employees on the intranet and are part of general internal communication. This information is included in onboarding of new employees, and is spread and deepened further through subject-specific training modules. Policies, directives and procedures for health and safety are integrated into the enterprise systems of the business areas. Questions concerning regulatory compliance, health and safety, diversity and inclusiveness, and discrimination are included in NCC’s employee survey. All managers are responsible for acting upon the survey results for their teams.

To support effective governance, NCC works in accordance with ISO 45001. Currently, significant parts of the operational units are certified in accordance with ISO 45001, or intend to be certified. Internal audits are conducted continuously, while units that are ISO 45001 certified are also audited externally.

The management approach to occupational health and safety work is based on the EU directive 89/391/EEC (including Norway), which has been included in national laws and ordinances, and other national regulations.

Targets

Health and safety

NCC is to offer a safe and healthy work environment. NCC’s strategic focus is to reduce all types of accidents and eliminate accidents with serious or fatal outcomes. NCC’s target is an accident frequency rate for LTIF4 (work-related accidents resulting in more than four calendar days of absence per million hours worked) that is less than or equal to 2.0 in 2026 with interim targets along the way.

For 2024, the target for NCC’s own employees was an accident frequency rate for LTIF4 of less than or equal to 2.5. During 2024, this accident frequency rate was 3.3. Particular focus is put on units where the accident frequency rate increased. Follow-up of activities includes all employees and everyone who works at NCC’s worksites. The trend in serious incidents with actual or potential serious consequences is showing a decline over time.

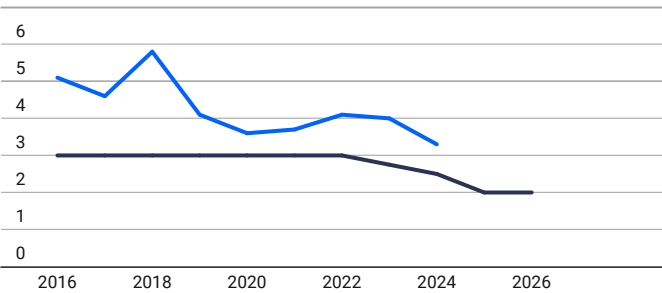
Social disclosures

Diversity, equity and inclusion

NCC’s ambition is to recruit, develop and retain the most competent people in the industry, support the progress of high-performing teams and to work actively so that no one is excluded unfairly or due to unconscious biases. Work with diversity, equity and inclusion is monitored through measures including NCC’s employee survey, which monitors employee engagement and perceived confidence in not being subjected to discrimination, harassment or bullying. All managers are responsible for following up on the employee survey in their team, involving employees in dialogue about the results, and formulating and initiating actions for improvement.

NCC monitors gender distribution in management teams, from the Senior Management Team down to department management. The target is that no management team should have a distribution where one gender exceeds 70 percent of the group’s members. Of the total 67 management teams monitored, 64 percent have met the target regarding gender distribution.

Lost Time Injury Frequency – LTIF4



NCC has a Group-wide occupational health and safety (OHS) target for the number of work-related accidents resulting in more than four days of absence per million working hours (Lost Time Injury Frequency, LTIF4). In 2024, the accident frequency rate was 3.3. The target for 2026 is 2.0.

■ Outcome ■ Target

Activities

NCC’s cooperation with trade unions, including safety officers, is well established. NCC’s joint forums comprise representatives from all trade union organizations and encompasses all employees. NCC participates in a number of external forums and industry-wide initiatives that promote increased safety and a positive impact on the work environment in the construction industry. These exchanges of experience include the European network ENCORD, “Håll Nollan” in Sweden and the “Business Panel” partnership at the Danish National Research Center for Work Environment.

Health and safety

All accidents, incidents and negative and positive observations are reported in NCC’s shared reporting tool, Synergi. This can be done either online or via a smartphone app. The system is used by anyone who is present at any of NCC’s worksites. The manager in charge is tasked with following up on and pursuing initiatives for improvement. Reporting of both positive and negative observations promotes the employees’ commitment to safety work and provides the organization with the possibility to identify potential risks at an early stage and to highlight best practices. The incident reporting system is also used at an overall level to identify risks and work on improvement measures. When an accident occurs and the employee cannot perform their ordinary work tasks, NCC strives to offer alternative work tasks so that the employee can return to work as soon as possible.

A crucial factor for systematic safety work is that the people who are working at the worksite have the right competence. That is why it is mandatory for all NCC employees, hired staff and subcontractors to complete NCC Site Introduction, the online safety training course that NCC has developed, before work commences at an NCC worksite in production. NCC Site Introduction follows up general and specific authorizations and will be synchronized with access cards at construction sites to ensure that those who are working at the site have the right

	Accidents/injuries resulting in four days or more of sickness absence		Accident frequency rate for accidents resulting in four days or more of absence from work per million worked hours	
	2024	2023	2024	2023
Sweden	41	52	3.7	4.2
Norway	3	6	1.0	2.2
Denmark	17	16	4.8	4.7
Finland	2	4	1.4	2.4
NCC Group	63	78	3.3	4.0

LTIF 4 Work-related accidents resulting in more than four days of absence per million working hours.

Social disclosures

authorizations and competence. The tool is being rolled out in all the Nordic countries.

NCC's strategic focus is to reduce all types of accidents and eliminate accidents with serious or fatal outcomes. Serious incidents can be prevented by focusing on activities primarily related to the three high-risk areas: heavy lifting by cranes, working at heights and working close to and around heavy machinery. The activities build on fundamental causes related to planning, safe behaviors and ensuring strong barriers between people and the risk of an accident. Each business area has action plans for these areas that are now being implemented. Measures include:

- Risk management and preventive efforts are built into NCC's work methods. For example, a risk assessment must be performed before production begins, and include a safety analysis of all risky work elements. Analyzing and identifying risks on the basis of fact-based data, and thereby being able to eliminate or minimize work elements or situations that create risks for accidents, is of fundamental importance for occupational health and safety. NCC is working to ensure that all employees, hired staff and employees of subcontractors demonstrate good risk awareness.
- NCC's "Time Out" concept provides all employees with the opportunity to stop work if a new, unexpected risk or hazardous situation arises, and to have the situation addressed so that the work can be resumed safely
- A daily safety briefing is conducted to make employees aware of potential risks connected to the day's work, and to minimize the risks before work commences
- To encourage further commitment and increase safety awareness while strengthening the shared safety culture, NCC arranges an Awareness Day every year. The entire organization pauses work in order to jointly reflect and focus on occupational health and safety issues.
- NCC also arranges a Health & Safety Week when several activities take place to increase awareness around health and safety

Diversity, equity and inclusion

NCC has the ambition to recruit, develop and retain the most competent people in the industry. That is why being an attractive choice for all target groups who have the expertise that NCC requires is important.

NCC is pursuing a number of initiatives to strengthen diversity, equity and inclusion. Some examples are:

- In Sweden, NCC has become a member of Diversity Charter Sweden, the world's largest network in diversity and inclusion issues
- NCC in Sweden has appointed a group to work with diversity, equity and inclusion that coordinates activities and supports the Group's impact areas and the seven bases for discrimination

- Training courses to improve knowledge of diversity, equity and inclusion related to unconscious biases were launched in Denmark in 2024 for managers and employees. There is now mandatory e-learning for all employees, training in diversity and inclusion for management teams, and training in managing age differences for new employees and managers.
- Participation in the external mentor network Pepp in Sweden, and the Danish Association for Responsible Construction in Denmark
- Stella, NCC's women's network in Sweden
- In Norway, NCC is a partner in the Diversitas network, the leading network in the industry to promote diversity and equity
- Highlight role models and people with different backgrounds and experiences in recruitment and communication

NCC does not accept any form of discrimination. No employee should be discriminated against on the grounds of gender, transgender identity or expression, sexual orientation, ethnicity, religious convictions, functional disability, age or other reason. Should any form of harassment, discrimination or bullying be discovered, NCC has action plans so that suitable measures can be taken.

NCC conducts quarterly employee surveys to capture opinions about matters such as leadership, development and job satisfaction, NCC's Code of Conduct, diversity, equity and inclusion. The employee survey is a tool for managers to involve employees in the development of their own work environment. NCC monitors overall employee engagement. For 2024, the result was 8.0 out of 10, which is above the external benchmark.

The employee survey is analyzed in order to highlight groups of people who may be more exposed to impacts. This may involve differences in responses between men and women, in various roles, in various countries, etc. in order to gain insight into how improvement efforts can be planned. On the question of whether employees feel confident about not being exposed to discrimination, harassment or bullying, NCC had an average value in 2024 of 8.8 out of 10, which is better than the external benchmark.

Training and skills development

NCC offers its employees continuous skills development based on the needs of the company and the individual. NCC's leadership program covers various stages in a manager's development. The various training activities may include face-to-face training sessions, e-learning and other skills enhancement activities and training programs.

Examples of ongoing skills development programs include:

- The NCC Mega Project Management Program is aimed at our most senior and experienced project managers responsible for our largest and most complex projects. The program is conducted together with, among others, Oxford Global Projects and Copenhagen Business School.

Social disclosures

- The Senior Executive Program in partnership with the IMD Business School in Lausanne, which is aimed at division and department managers
- The Strategic Leadership Program for those deemed capable of assuming a more senior management position in the near future, conducted with the Stockholm School of Economics
- The Supervisor Academy, where employees train to become supervisors
- The Site Manager Program, where supervisors or the equivalent can take the next step in their career and train to become site managers
- Collaboration and course activities together with the Stockholm School of Economics, Royal Institute of Technology and Copenhagen Business School

NCC continually follows up on, evaluates and monitors its training programs. This is done in several ways, for the purpose of following up on the actual effect of the training in the participants' daily work and often encompasses both managers and employees. Examples of regular monitoring include:

- Immediately after the program, follow-up is conducted with the participants using questionnaires, interviews, tests and reports
- Pre- and post-surveys of participants to track direct effects
- Effect assessment from six months up to two years after a program is finished

The employee dialogue is the tool that NCC prioritizes to support the employee's individual development. Managerial responsibilities include offering employees a yearly employee dialogue. Employees who start at NCC receive an individualized onboarding plan. After the introduction period, the ordinary process for employee dialogue applies. The employee dialogue includes several parts such as the individual's work situation, individual targets and the individual development plan. NCC promotes work methods and a view of training and skills development in which the largest part of development is related to learning through the daily work, networking, mentorship and planning of professional development. Planned activities are routinely followed up on during the year.

Employee data

NCC has collective agreements that regulate minimum wages, working time and employees' rights in relation to the employer in all markets. In total, 90 percent of NCC's employees are covered by collective agreements and among skilled workers, this coverage is 100 percent. All employees are covered by collective agreements in Sweden and Norway; the 10 percent not covered are based in Denmark and Finland where local agreements are used to a limited extent.

NCC conducts social dialogue in accordance with legal requirements and collective agreements in the markets in which the Group operates, and partners with informational and consulting bodies such as joint participation councils and the European Works Council.

Metrics and outcome

Reporting principles, health and safety

The management system for health and safety encompasses 100 percent of everyone working at NCC's worksites: NCC employees, hired staff and sub-suppliers. NCC's internal OHS organization maintains the management system. Internal audits are continually conducted.

The management approach to occupational health and safety work is based on the EU directive 89/391/EEC (including Norway), which has been included in national laws and ordinances, and other national regulations.

Data for NCC's employees is collected from NCC's OHS and payroll systems. Subcontractors also include hired staff. The total number of hours worked for NCC's employees and subcontractors was approximately 45,500,000 hours. For NCC employees, worked hours are based on actual hours.

LTIF1 refers to the number of accidents resulting in one or more calendar days of absence per one million hours worked for NCC's own workforce. LTIF4 refers to the number of accidents resulting in more than four calendar days of absence per million hours worked for NCC's own workforce.

Employee sickness absence data pertains to the number of employees at the end of the fiscal year and was collected from the Group's HR and payroll system and refers to the companies included in the shared systems. Sickness absence is based on the number of hours of sickness absence in relation to the total number of hours worked, including absence for other reasons but excluding overtime.

The data reported pertains to the period from December of the preceding period to November of the current period.

Reporting principles, employee data

Employee data pertains to the number of employees at the end of the fiscal year. Employees whose employment was terminated are included until their employment expires, regardless of whether they were dismissed from all or some of their tasks during the period of notice. NCC reports on gender distribution by men and women, which are the legal genders in the Nordic region. Data was collected from the HR and payroll system and refers as of 2024 to all subsidiaries, with the exception of collective agreements where only companies in NCC's Group-wide HR and payroll systems are included.

The Board of Directors comprises members elected at the Annual General Meeting. Board members elected by employees are not included in this information.

Management teams surveyed include all management teams from the Senior Management Team down to department management or the equivalent.

Social disclosures

Health and safety

Work-related accidents/injuries, accident frequency rate and fatalities¹⁾

		Work-related fatalities		Accident frequency rate for work-related fatalities		Very serious work-related injuries ²⁾		Accident frequency rate for very serious work-related injuries	
		2024	2023	2024	2023	2024	2023	2024	2023
Sweden	NCC's employees	1	1	0.08	0.08	7	3	0.37	0.24
	Subcontractors	0	0	–	–	5	3	–	–
Norway	NCC's employees	0	0	0	0	0	0	0	0
	Subcontractors	0	0	–	–	0	0	–	–
Denmark	NCC's employees	0	0	0	0	3	0	0.16	0
	Subcontractors	0	0	–	–	2	3	–	–
Finland	NCC's employees	0	0	0	0	0	1	0	0.60
	Subcontractors	0	0	–	–	6	6	–	–
Total									
		NCC's employees	1	1	0.05	0.05	10	4	0.52
		Subcontractors	0	0	–	–	13	12	–

1) The data reported pertains to the period from December of the preceding period to November of the current period. Reporting on hours worked for external staff is not available.

2) Injury with permanent impact or more than 30 days of absence.

		Accidents/injuries resulting in one day or more of sickness absence	Accident frequency rate for accidents resulting in one day or more of absence from work per million worked hours		Injuries not leading to lost time		
			2024	2023	2024	2023	
Sweden	NCC's employees	82	98	7.4	7.9	258	354
	Subcontractors	110	122	–	–	244	215
Norway	NCC's employees	9	9	3.0	3.3	41	39
	Subcontractors	6	6	–	–	36	36
Denmark	NCC's employees	39	39	11.0	11.4	141	146
	Subcontractors	46	49	–	–	92	68
Finland	NCC's employees	5	11	3.6	6.5	17	32
	Subcontractors	22	54	–	–	33	54
Total	NCC's employees	135	157	7.1	8.1	457	571
	Subcontractors	184	231	–	–	405	373

Sickness absence, NCC employees, all types of illness and poor health

		Sickness absence % All types of illness and poor health	
		2024	2023
Sweden		3.9	4.1
Norway		6.6	5.7
Denmark		4.4	4.6
Finland		3.0	3.2
Total		4.3	4.3

Close calls and observations

		2024	2023
Sweden	NCC employees	7,744	6,376
	Subcontractors	9,205	8,525
Norway	NCC employees	422	552
	Subcontractors	5,772	6,550
Denmark	NCC employees	3,552	2,690
	Subcontractors	2,847	3,847
Finland	NCC employees	210	225
	Subcontractors	9,397	10,676
Total	NCC employees	11,928	9,844
	Subcontractors	27,221	29,601

Social disclosures

Employee data

Age breakdown

Share % ¹⁾	2024			2023		
	<30	30–50	>50	<30	30–50	>50
Board of Directors	–	29	71	–	29	71
Senior Management Team	–	25	75	–	18	82
Management teams	1	52	47	1	53	46
Managers	2	54	44	2	57	41
Employees	12	51	37	15	49	36
White-collar employees	7	56	37	8	56	35
Blue-collar employees	19	44	37	19	43	38

1) All subsidiaries are included as of 2024.

Gender breakdown

Share % ¹⁾	2024		2023	
	Men	Women	Men	Women
Board of Directors	57	43	57	43
Senior Management Team	50	50	45	55
Management teams	64	36	65	35
Managers	81	19	81	19
Employees	82	18	82	18
White-collar employees	71	29	71	29
Blue-collar employees	97	3	97	3

1) All subsidiaries are included as of 2024.

Scope of employment

Number of employees ¹⁾	Full-time				Part-time			
	2024		2023		2024		2023	
	Men	Women	Men	Women	Men	Women	Men	Women
Sweden	5,434	1,323	5,707	1,328	47	28	43	35
Norway	1,515	199	1,191	173	27	11	5	7
Denmark	1,821	263	1,796	252	38	63	31	48
Finland	648	170	707	198	15	7	10	6
Other	6	2	–	–	0	0	–	–
Total, NCC	9,424	1,957	9,401	1,951	127	109	89	96

1) Some seasonal variations exist regarding the number of employees. All subsidiaries are included as of 2024.

Employment contracts

	Total employees ¹⁾		Permanent employment				Temporary employment			
			2024		2023		2024		2023	
	2024	2023	Men	Women	Men	Women	Men	Women	Men	Women
Sweden	6,832	7,113	5,311	1,331	5,566	1,342	170	20	184	21
Norway	1,752	1,376	1,460	199	1,173	169	82	11	23	11
Denmark	2,185	2,127	1,837	316	1,799	294	22	10	28	6
Finland	840	921	641	171	704	199	22	6	13	5
Other	8	–	6	2	–	–	–	–	–	–
Total, NCC	11,617	11,537	9,255	2,019	9,242	2,004	296	47	248	43

1) All subsidiaries are included as of 2024. Some seasonal variations exist regarding the number of employees.
Note 4 in the financial statement contains employee data on the average number of employees.

Collective agreements

	2024		2023	
	Number covered by collective agreements ¹⁾	Share covered by collective agreements, %	Number covered by collective agreements ¹⁾	Share covered by collective agreements, %
Sweden	6,832	100	7,113	100
Norway	1,417	100	1,376	100
Denmark	1,161	53	1,154	54
Finland	670	82	779	80
Total, NCC	10,080	90	10,422	91

1) Some seasonal variations exist regarding the number of employees.

Social disclosures

Workers in the value chain

Material sustainability matters	Where in the value chain
Working conditions	Upstream
Other work-related rights	Upstream

Material impacts, risks and opportunities

During the double materiality assessment, workers in the value chain was identified as one of NCC’s material sustainability topics. NCC’s purchasing function was involved in identifying and evaluating the impacts, risks and opportunities that are related to activities and stakeholders represented in the value chain. The results of this analysis are in line with previous materiality assessments, with NCC having addressed risks associated with violations of human rights and workers’ rights throughout the value chain.

Despite the fact that NCC is based in the Nordic region, with most of the business and supplier relationships located within the EU, there is dependence on complex relationships with global suppliers’ base networks – a common occurrence in the construction sector. Workers are involved in every step of NCC’s value chain, from raw material extraction (which occasionally takes place in high-risk countries), product manufacturing, transportation, and assembly and installation to the end phase in construction projects. This means that everyone involved in creating, delivering or installing products at NCC sites, or otherwise contributes with their proficiencies and knowledge to carry out our projects, should be regarded as stakeholders in our value chain. However, the most direct impact occurs at NCC’s own worksites, where we work to ensure that all employees are treated with the same respect and focus on safety.

Governance

NCC’s purchasing and HR functions are responsible for monitoring the protection of human rights. This is accomplished through the Human Rights Due Diligence (HRDD) process, which involves addressing human rights and workers’ rights through governing documents; identification, management and actions to counteract the negative impact on human rights (Human Rights Impact Assessment, HRIA), surveying and following up actions, compensation as needed, and continually communicating progress in the area.

NCC also has a number of policies in place to manage issues concerning workers in the value chain, that follow the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. These include:

- Compliance Directive
- Code of Conduct
- Code of Conduct for Suppliers

These policies and directives concern material matters associated with human and workers’ rights, regulatory compliance, ethical standards, and health and safety. For more information on NCC’s policies and directives, see the section General disclosures.

Targets

Efforts are in progress to review current work methods, which can thereby create possibilities for establishing metrics and targets within the area. NCC will report on the progress of these efforts as part of its sustainability reporting.

Activities

NCC has created awareness around the fact that the majority of our initiatives should be concentrated close to our core, meaning the projects where the scope, scale and irremediable character of the impact are the greatest. NCC’s ambition is for all workers at NCC’s worksites to be treated fairly, with respect for human rights and workers’ rights, and for the work they perform to not entail risks to their health, safety or well-being. Efforts are ongoing to expand competence in managing risks that are linked to stakeholders further along the value chain, where transparency and insight are limited.

In 2022, NCC began efforts to systematically evaluate the results of its HRDD and HRIA and to address the areas of risk through relevant procedures and communications channels. On the basis of the initial phase of mapping the value chain, NCC has defined a number of raw materials that are particularly exposed to potential violations of human rights, and linked them to products that are purchased by NCC. These materials include mining-related products, oil-based products, electronic components, chemicals and textiles. These types of products are often produced in countries where there is a high risk of violation of human rights and workers’ rights. These matters were then highlighted in the process for supplier risk management that we began implementing in 2024. This is a system that provides support in efforts to increase general transparency in the value chain and to establish contingency plans for managing both business risks and sustainability risks. As a result, we have also initiated efforts to review and develop existing routines around managing relationships with suppliers in order to ensure that they manage matters concerning human rights and workers’ rights responsibly. These efforts will continue through 2025 and beyond.

During 2024, the Supplier Insight was further developed, which is a support tool for evaluating and auditing the fulfillment of internal and external requirements by new and existing suppliers. This tool will be a supplementary solution that will strengthen routines for managing supplier relationships, and will be implemented in 2025.

NCC has also introduced a control system for subcontractors that is intended to increase our understanding of relationships among various subcontractors. This facilitates efficient control of follow-up of subcontractors. The goal is to ensure that all subcontractors working at our sites are working under legal, stable and fair conditions that fulfill NCC’s requirements for human and labor rights.

Governance disclosures

Ethics and compliance

Material sustainability matters	Where in the value chain
Corporate culture	Throughout the value chain
Management of relationships with suppliers including payment practices	Upstream, Own operations
Corruption and bribery	Throughout the value chain

Material impacts, risks and opportunities

During the double materiality assessment, ethics and compliance was identified as one of NCC’s material sustainability topics. Issues concerning general business conduct, anti-corruption, transparency and functional governance are of great significance throughout NCC’s value chain, where both negative and positive impact – as well as financial risks – have been identified.

A high ethical standard and integrity in the corporate culture has a positive impact, reducing the risk of unethical behavior and of violations of the law and human rights. NCC works proactively with its corporate culture in order to promote good business conduct, both through communication and activities pertaining to NCC’s values and Star behaviors, and through activities as part of NCC’s Compliance Program.

NCC is active in an industry where complex projects, supply chains and operations with both private and public-sector customers lead to an increased risk of corruption and other unethical conduct, both in our own operations and throughout the supply chain. This risk is managed and minimized through, for example, policies, training, and routines to detect and prevent corruption.

There is a positive impact within the area of relationships with suppliers, since NCC’s management of and procedures for supplier relationships and payment practices ensure efficient and functional business operations both in own operations and for operators upstream in the value chain. These procedures support strategic goals through proactive communication, training and evaluation of business, social and environmental performance. In pace with the accumulation of requirements and regulations concerning transparency in the value chain, this area could also constitute a financial risk since expanded legal requirements could entail increased costs for adapting existing procedures and controls.

Governance

NCC’s Code of Conduct defines NCC’s position and policies regarding sustainability matters as well as other areas of relevance for maintaining a high ethical standard and a responsible corporate culture. NCC’s values, Star behaviors and Code of Conduct set forth the guiding principles for how NCC’s employees and business partners are expected to act and behave. The Code of Conduct is supported by internal governing documents that provide more guidance in specific areas.

NCC’s Compliance Program is designed to ensure that responsible leadership and a high ethical standard is a shared commitment across all levels in the organization. The program

encompasses the risk areas of corruption, competition law, fraud, conflicts of interest, data protection (personal data processing), and diversity and human rights. The content and policies of this program are described in NCC’s Compliance Directive.

The Group Head of Compliance is responsible for overseeing the program regarding the risk areas corruption, competition law, fraud, conflicts of interest and data protection and for ensuring that implementation is monitored and reported on to the Group Compliance Committee (GCC), CEO and Board of Directors. The Board of Directors receives a written Compliance Report at least once a year, with information on training and communication activities, as well as analysis and updates on cases in the whistleblower channel.

NCC’s purchasing organization and HR function are responsible for the parts of the program in respect of the protection of human rights and diversity. Operational initiatives related to business conduct and regulatory compliance are pursued in NCC’s business areas and Group functions. These are led by the respective Legal Affairs & Risk teams in the business divisions and Group functions. They are routinely monitored by the Group’s Head of Compliance and the persons responsible regularly meet in the Compliance Forum.

NCC evaluates the Compliance Program by analyzing statistics from the Tell Me function, regular employee surveys and the results of internal audits.

The Head of Compliance leads the internal investigation process and is responsible for ensuring that all suspected violations of the Code of Conduct or other non-compliance reported through the Tell Me function are assessed, investigated, and acted upon. The Group Compliance Committee (GCC) is responsible for monitoring the Tell Me function to ensure that serious violations of the Code of Conduct are dealt with appropriately.

Responsible purchasing initiatives are based on the Group’s Code of Conduct for Suppliers, which all suppliers must undertake to comply with. The Code of Conduct for Suppliers includes guidelines for regulatory compliance and ethical behavior, as well as guidelines to counter bribery and corruption, avoid conflicts of interest, respect competition law, protect human rights, promote diversity and inclusion, and for having safe and healthy worksites and reducing the environmental impact. Work to update the Code of Conduct and the Purchasing Policy in order to more clearly address the principles concerning responsible purchasing is ongoing.

Most of the major framework agreement suppliers are also required to be certified under the ISO 9001, ISO 14001 management systems or the equivalent. All of the major framework agreement suppliers are evaluated before any collaboration commences. NCC performs audits of its framework agreement suppliers to ensure compliance with NCC’s Code of Conduct for Suppliers and that the suppliers work in accordance with ISO 9001 and ISO 14001. NCC has a specific, thorough process for evaluating suppliers in geographical risk areas in order to prevent human rights violations. If any deviations or non-compliance

Governance disclosures

are noted during the supplier audit, this must be corrected by the supplier according to an action plan. If the actions are not implemented, collaboration with the supplier may be terminated.

Targets

Our commitment

NCC is committed to acting in accordance with the highest ethical standards and transparency, while serving as a responsible partner across the value chain.

Externally, NCC has undertaken to comply with several global initiatives related to responsible business conduct. NCC is a signatory of the United Nations (UN) Global Compact and supports the ten principles of human rights, labor, environment and anti-corruption. In addition, NCC is a supporting member of the Swedish Anti-Corruption Institutet (IMM) and Transparency International Sweden. In cooperation with most other industry players in Sweden, a joint policy has been formulated: "Joint initiative to prevent bribery and corruption". NCC works continuously to counteract corruption in the supply chain.

NCC is a member of Amfori BSCI (Business Social Compliance Initiative), through which it has access to additional tools for training its suppliers. NCC's own audits of suppliers in high-risk countries (according to Amfori BSCI's definition) are supplemented by the fact that these suppliers are integrated into Amfori BSCI's processes, for training and collaboration.

Activities

Mechanisms for seeking advice and reporting violations

All employees are encouraged to report any suspected or observed violations of the law and the NCC Code of Conduct via the Tell Me function. The Tell Me function includes an externally hosted whistleblower hotline that enables anonymous reporting on a website (for employees and external stakeholders) or by phone (for employees) in NCC's local languages and English. The hotline can be found on the MyNCC intranet and on the NCC website. Employees can ask their immediate supervisor, HR, Legal Affairs & Risk, the Privacy Navigators as well as Compliance for advice on the NCC's Code of Conduct and how they themselves should act in a given situation or how to report a concern.

Internal investigations and follow-ups

NCC is committed to maintaining open and transparent communication and all employees are expected to report any suspected or observed violations of the law or of the NCC Code of Conduct. NCC has a strict policy against retaliation for good-faith reporting in the whistleblower channel and provides training and communication about the internal investigation process, lessons learned and protection against retaliation.

Communication and training

Training and communications are essential components of NCC's Compliance Program. The Code of Conduct and other relevant policies are part of the NCC onboarding process for all new NCC employees. During the year, information on the Code of Conduct and the Group's policies and directives were communicated throughout the organization through various communication channels, including articles on NCC's intranet and at management and team meetings.

NCC provides three training modules as part of its Compliance Program, which are mandatory for all of NCC's white-collar employees. These three training modules must be completed within 30 calendar days of commencing employment at NCC. The target group, frequency and content of the training course is defined on the basis of a risk assessment. The training is available in English, Norwegian, Danish, Swedish and Finnish. The "Business Ethics" training course was launched in late 2023 and contains an introduction to NCC's Code of Conduct and Compliance Program as well as training in anti-corruption, conflicts of interest and combating fraud. The training is also mandatory for current NCC white-collar employees.

The Head of Compliance follows up on the mandatory training and reports the results to the Group Compliance Committee (GCC), the Senior Management Team and the Board of Directors.

Anti-corruption and anti-bribery

The risks of corruption can arise in relationships between NCC and its business partners, or in conjunction with, for example, the exercise of government authority. The risk of corruption is linked on the one hand to actions by NCC employees toward, for example, government authorities, public officials and private business partners, and on the other hand to actions by business partners, primarily suppliers and sub-suppliers. NCC has an annual Group-wide risk assessment process in which both Group staff units and NCC's business areas evaluate and report on risks in the operations. In certain parts of the business, corruption has been identified as a risk. NCC's operations are conducted in countries with a low risk of corruption according to the Transparency International Corruption Perception Index. However, a portion of NCC's suppliers operate in countries with a higher risk of corruption.

NCC's Code of Conduct and Group Compliance Directive define NCC's standpoint and policy as regards corruption and bribery. The Compliance Program guides the organization via internal governing documents, training courses and communication to ensure that NCC has adequate procedures in place to prevent corruption in business operations and to ensure that the company complies with applicable laws and regulations.

Governance disclosures

Fair competition

NCC operates in an industry where, historically speaking, anti-competitive activities have existed. For this reason, fair competition is a focus area at NCC. NCC's Code of Conduct and Compliance Directive define NCC's position and policy as regards anti-competitive practices. The Code of Conduct and Compliance Program guide the organization via additional Group policies and directives, as well as training courses and communication to ensure fair competition and compliance with applicable laws and regulations within competition law.

Responsible purchasing

NCC has business relationships with several thousands of suppliers from whom we purchase materials and services, either directly or through sub-suppliers. Most of the suppliers are based in the Nordic region but are also found in countries such as Poland, Estonia, Latvia, Lithuania and China. NCC is working on reducing the total number of suppliers. A large portion of these purchases are made through long-term agreements. The aims are to improve controls, increase the efficiency of purchasing work, promote a sustainability focus in the value chain and reduce NCC's purchasing costs.

NCC strives to have a responsible value chain where operations are conducted in an environmentally and socially sustainable manner that is also in line with healthy working conditions. Efforts are also under way to review our work methods linked to managing supplier relationships.

Metrics and outcome

Reporting principles, training

The number of permanent white-collar employees who completed the training courses is calculated as the proportion that finished the respective training courses in relation to the total number of permanent white-collar employees at the date of the reconciliation.

Reporting principles, incidents of corruption and fair competition

Incidents of corruption pertain to incidents reported to NCC's whistleblower channel, or legal cases known to NCC, in which corruption or bribery was confirmed during the fiscal year and in which NCC or NCC employees were involved.

Definition of legal procedure/case is the number of ongoing or concluded legal cases during the reporting period.

Reporting principles, whistleblowing

The table presents the cases that were reported in the whistleblower function during the respective years. The number of cases reported in the table refer to the number of incoming cases during the reporting year.

Training

In 2024, NCC provided three Group-wide training modules in business ethics (including anti-corruption), GDPR and competition law.

At December 31, the percentage of NCC's white-collar employees who had completed the training modules was:

Percentage, %	2024	2023
Business ethics	97	96
GDPR	97	96
Competition law	97	94

Confirmed incidents of corruption and actions taken

Total number and nature of confirmed incidents of corruption	2024	2023
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0
Public legal proceedings relating to corruption against the organization or its employees during the reporting period and the outcome of such processes	0	0

Fair competition

Number	2024	2023
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	0	0

Whistleblowing

Number	2024	2023
Tell Me	101	74

Responsible purchasing

All of the non-Nordic material suppliers, with active agreements in 2024, were evaluated initially before any collaboration commenced. During the year, NCC conducted 171 audits of non-Nordic suppliers.

About the report

The company reports its sustainability work annually as part of the NCC Annual Report. The 2024 Sustainability Report has been prepared in accordance with the Swedish Annual Accounts Act and is partially inspired by the European Sustainability Reporting Standards (ESRS) – a step that marks a transition from the previous reports. Previous years' Sustainability Reports have been prepared according to GRI Standards. NCC's Communication on Progress in accordance with the UN Global Compact can be found on the UNGC website.

The report has not been audited by a third party. Unless otherwise stated, all the information pertains to the entire NCC Group including direct, wholly owned subsidiaries for the period January 1 – December 31. If information or calculation methods have changed compared to previous year, it is stated in the respective table. No significant changes have occurred in the organization, the share capital structure or the supply chain during the year.

Statutory Sustainability Report

At the Board meeting on April 9, 2025, the Board of Directors approved NCC AB's Sustainability Report for the 2024 fiscal year. The 2024 Sustainability Report has been prepared in accordance with the Swedish Annual Accounts Act, and has to a certain extent been inspired by the European Sustainability Reporting Standards (ESRS). This statutory Sustainability Report is not part of the formal Annual Report. The Sustainability Report in accordance with the Annual Accounts Act is included in the Annual and Sustainability Report on pp. 16–50. The Sustainability Report describes NCC's work to conduct and develop operations with consideration for the environment and climate, human health and well-being, and based on sound principles of ethics and governance.

Board of Directors

Auditor’s report on the statutory sustainability report

This is a translation of the Swedish original report

To the general meeting of the shareholders in NCC AB (publ.)
corporate identity number 556034-5174

Engagement and responsibility

The Board of Directors is responsible for the statutory sustainability report for the year 2024 on pages 16–50 and for ensuring that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before July 1, 2024.

The scope of the audit

Our examination has been conducted in accordance with FAR’s auditing standard RevR 12 *The auditor’s opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm, 10 April 2025
Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson
Authorised Public Accountant

Information for the statutory Sustainability Report

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