

Remuneration report 2025

Introduction

This report describes how the guidelines for executive remuneration for NCC AB, adopted at the 2025 Annual General Meeting (AGM), were implemented in 2025. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the *Rules on Remuneration of the Board and Executive Management and on Incentive Programmes* issued by the Swedish Stock Market Self-Regulation Committee.

Further information on executive remuneration is available in Note 4 (Number of employees, personnel costs and remuneration to senior executives) in the 2025 Annual Report. Information on the Board's work on remuneration in 2025 is set out in the Corporate Governance Report available in the 2025 Annual Report.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the AGM and disclosed in Note 4 in the 2025 Annual Report.

Key developments 2025

The CEO summarizes the company's overall performance in his statement on pages 6-7 in the 2025 Annual Report.

The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for successful implementation of the company's business strategy and achievement of the company's long-term interests, including its sustainability, is that the company is able to recruit and retain qualified employees. This requires that the company can offer competitive remuneration. The company's remuneration guidelines enable the company to offer a competitive total remuneration to senior executives.

According to the remuneration guidelines, remuneration to senior executives shall be market aligned and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall mainly be linked to financial targets with a minor portion linked to the number of worksite accidents (which is one of NCC's sustainability targets), adapted functional targets or operational targets. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

The Board has evaluated the application of the guidelines resolved by the 2025 AGM, in accordance with the summary below:

	CEO	Other members of the Senior Management Team (SMT)
Fixed salary	<i>The salary is market-aligned in accordance with well-established and local-market salary statistics.</i>	<i>The salaries are market-aligned in accordance with well-established and local-market salary statistics.</i>
Variable remuneration (Short Term Incentive – STI)	<i>The maximum STI outcome of up to 75 percent provides a relevant and market-aligned balance between fixed and variable remuneration in accordance with well-established and local-market salary statistics, as well as a desired balance between fixed and variable costs.</i>	<i>The maximum STI outcome of up to 50 percent provides a relevant and market-aligned balance between fixed and variable remuneration in accordance with well-established and local-market salary statistics, as well as a desired balance between fixed and variable costs.</i>
Variable remuneration (Long Term Incentive – LTI)	<p><i>According to the analysis conducted by the Board, most comparable companies offer some form of share-based incentive program.</i></p> <p><i>Given the past outcomes of previous programs and the forecast outcome for ongoing programs, the programs provide a relevant and market-aligned balance between fixed and variable remuneration in line with well-established and local-market salary statistics, as well as a desired balance between fixed and variable costs.</i></p>	<p><i>According to the analysis conducted by the Board, most comparable companies offer some form of share-based incentive program.</i></p> <p><i>Given the past outcomes of previous programs and the forecast outcome for ongoing programs, the programs provide a relevant and market-aligned balance between fixed and variable remuneration in line with well-established and local-market salary statistics, as well as a desired balance between fixed and variable costs.</i></p>
Pension	<i>According to the Board, a pension commitment has been made that complies with standard practices in the Swedish market.</i>	<i>According to the Board, a pension commitment has been made that complies with standard practices in the Swedish market or local practices.</i>
Other benefits	<i>The payment of salary during the notice period and severance pay according to employment contract complies with the company's remuneration guidelines. Other benefits constitute a limited value.</i>	<i>The payment of salary during the notice period and severance pay according to employment contract complies with the company's remuneration guidelines. Other benefits constitute a limited value.</i>

In addition, the Board concludes that the NCC Group was able to both recruit and retain senior executives during 2025, thus indicating that the remuneration levels have been market-aligned.

Accordingly, the Board concludes that the remuneration structures and remuneration levels for the CEO and members of the SMT in 2025 were reasonable, competitive and functional. In this context, the Board's assessment is that the remuneration to senior executives has been applied in accordance with the guidelines.

The guidelines are presented on page 21 in the 2025 Annual Report.

There were no deviations from the decision-making process that, according to the guidelines, must be applied in order to decide on the remuneration. The auditor's report regarding the company's compliance with the guidelines is available on www.ncc.se. No remuneration has been reclaimed.

Table 1 – The CEO’s total remuneration 2025 (SEK 000s)

Name of the CEO Tomas Carlsson		
Fixed remuneration	Base salary (including vacation pay and vacation supplement)	12,222
	Other benefits (car etc.)	218
Variable remuneration*	One-year bonus (STI) regarding 2024 paid in 2025	8,280
	Settled share-based remuneration, concluded program, was not applicable in 2025 as no LTI program started in 2022.	0
	Expensed change in vacation liability, 2025	-665
	Pension cost (pension premium 42%)	4,838
	Total remuneration	24,893
	Proportion of fixed/variable remuneration	60%/40%

* For the year’s expensed amounts as well as allocated/reversed costs for completed and ongoing LTI programs, see Note 4 of the Annual Report.

Outstanding share-based and share-price-related incentive plans

During the year, NCC had three ongoing long-term performance-based incentive programs for senior executives and key personnel: 2023–2025, 2024–2026 and 2025-2027. The programs run over three years.

No long-term performance-based incentive program LTI 2022 was launched (for the 2022–2024 period).

For participation in the LTI programs, participants must have personally invested in shares, savings shares. For LTI 2025, the participants were divided into four categories, including:

- The CEO (one person) who may acquire savings shares for an amount capped at 8 percent of his base salary and is entitled to receive a maximum of five performance shares for each savings share held.
- Members of the SMT (11 people) who may acquire savings shares for an amount capped at 6 percent of their basic salary and are entitled to receive a maximum of four performance shares for each savings share held.

For LTI 2025, the targets consist of EPS for each year of the period separately, as well as a smaller component relating to a reduction in the Group’s carbon emissions for Scope 1 and 2, as well as a reduction in the number of work-related accidents.

Payout in all programs is conditional upon, with certain exceptions, the participant remaining an employee of the NCC Group at the end of the vesting period, three years after the starting date. A maximum of 240 employees have been invited to participate in the respective programs.

Table 2 – Share program (CEO)

	1	2	3	4	5	6	7	8	9	10
Name of director (position)	Program	Performance period	Award date	Vesting date	End of retention period	Share rights held at beginning of year	Awarded during the year	Vested	Subject to performance conditions	Awarded and not yet vested at year-end
Tomas Carlsson	2022	No LTI program started in 2022								
(CEO)	LTI 2023	2023-2025	May 2, 2023	May 2, 2026	May 2, 2026	65,208	0	0	65,208	65,208
	LTI 2024	2024-2026	May 2, 2024	May 2, 2027	May 2, 2027	30,660	0	0	30,660	30,660
	LTI 2025	2025-2027	May 2, 2025	May 2, 2028	May 2, 2028	0	24,505	0	24,505	24,505
Total						95,868	24,505	0	120,373	120,373

Application of performance criteria

The performance criteria for the CEO's variable remuneration (STI) have been selected to facilitate a full focus on profitability, which is the basis for realizing the company's strategy and long-term interests in the year ahead.

Table 3. Performance of the CEO in the reported fiscal year (2025): variable cash remuneration

Name of director, position	Description of performance criteria	Relative weighting of performance criteria	a) measured performance and b) actual remuneration paid in 2025*
Tomas Carlsson (CEO)	Result (EPS)	100%	a) 100%
			b) SEK 8,280,000

*Remuneration paid in 2025 refers to the 2024 performance.

Table 4 – Change of remuneration and company performance over the last five reported fiscal years (RFY)

Annual change	RFY 2020 vs 2021	RFY 2021 vs 2022	RFY 2022 vs 2023	RFY 2023 vs 2024	RFY 2024 vs 2025	RFY 2025
CEO as a function	17.73%	56.70%	-29.55%	54.15%	-2.47%	SEK 26.2 M
NCC Group's operating profit	34.19%	-25.59%	32.70%	12.76%	-62.25%	SEK 767 M
Average remuneration on an FTE basis of employees of the Group	1.95%	8.16%	6.77%	4.30%	4.84%	SEK 0.81 M