

## UN Global Compact

# Communication on Progress, 2013

### Statement of continued support

#### ***Sustainable business is the right way to go***

NCC's sustainability work is based on a holistic approach with all three dimensions of sustainability – the social, environmental and economical – interacting in a distinct and thorough manner. Our long-term sustainability strategy includes the aim of being both a leader and pioneer. Sustainability must be a self-evident element of our offering and we want to proactively meet our customers demand for sustainable solutions, which are essential to being able to maintain and attract the talents we wish to recruit. A sustainability perspective is not only a major and integrated component of our everyday activity – it is also a feature of sound enterprise.

NCC's Code of Conduct was created in consideration of voluntary initiatives adopted by NCC, such as the World Economic Forum Partnering Against Corruption (PACI) and the UN Global Compact. NCC's Group Management is responsible for ensuring compliance with the Code of Conduct, which is continuously monitored within the framework of operating activities. NCC is also a member of the Corporate Supporters Forum, a business forum hosted by Transparency International Sweden.

#### ***Practical help in working ethically***

Our employees are ambitious and seek professionalism, and we have a firm ambition to actively support them as a feature of our endeavor to do right rather than pointing out when things are done wrong. NCC has a well-developed compliance program that is based on continuous training and discussions with all employees. Monitoring and compliance work was further developed in 2013, through the launch of the NCC Compass, a Group-wide tool that makes it easier for employees to adhere to our values and that explains in a simple and clear manner how the more generally formulated Code of Conduct is to be applied in practice. The new so called "Ask me" function in the NCC Compass is managed by 45 specially trained employees, known as navigators, who are available throughout the company to answer questions about conduct in the local language. The goal is that the employees always ask first if they are unsure of what to do. All questions are documented and followed up to enable procedures and guidelines to be clarified and developed where ever uncertainty prevails.

NCC works actively to enhance diversity and counter discrimination, with examples such as the women's network Stella and project to promote integration in Helsinki City Council.

Occupational health and safety issues and safety awareness must be ever present and we are working hard to promote behaviors and attitudes that lead to reduced risks. All workplaces conduct a program called "Awareness Days" that permits all Group employees to discuss the work environment and propose improvement measures.

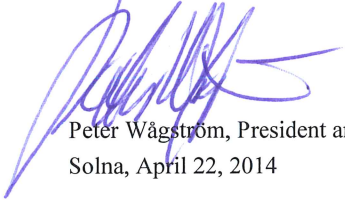
During the year, NCC's environmental work was also clarified through the introduction of new measurable targets, for both the long and short term, for the four focus areas: Climate and energy, Chemicals and sustainable material choices, Resource efficiency, recycling and waste minimization and Environmental certification of buildings and civil engineering structures.

#### ***Confirming our commitment***

NCC signed the UN Global Compact in 2010 and has thus undertaken to adopt an active approach to issues involving human rights, working conditions, labour rights, the environment and sound business ethics in its operations and partner relationships. It is necessary that NCC act in a responsible way in order to gain trust from our stakeholders.

Through this Communication on progress, NCC expresses our continued support for and our commitment to the UN Global Compact's ten principles. We honour the principles of transparency on NCC's overall sustainability performance and support the Global Compact ten principles, and regularly disclose information to our stakeholders.

We welcome you to take part of our sustainability report in order to learn more about the NCC values, our Code of Conduct, our approach, and our most important issues and how these are managed as well as the NCC sustainability performance in 2013. The NCC Annual report 2013 can be found on our website (<http://www.ncc.se/Annualreports>), as well as NCC's Code of Conduct ([http://www.ncc.se/Global/About\\_NCC/NCC%20Code%20of%20conduct\\_10429\\_eng.pdf](http://www.ncc.se/Global/About_NCC/NCC%20Code%20of%20conduct_10429_eng.pdf))

A stylized blue ink signature of Peter Wågström.

Peter Wågström, President and CEO  
Solna, April 22, 2014

## Human Rights

NCC supports and respects international conventions concerning human rights. NCC promotes diversity and equality. Equal treatment and equal opportunities must apply to everyone regardless of ethnic or national origin, skin color, gender, sexual orientation, religion, political opinion, nationality or social origin.

## Labour

NCC's objective is to be the industry leader in terms of recruiting, retaining and developing employees. NCC intends to be a safe and accepting employer, where people are able to improve and develop in their professional roles. NCC has taken a stand in a traditionally accident-prone industry and introduced a zero-tolerance vision for workplace accidents. All employees must feel safe at their workplace and NCC's culture is to encourage open, frequent and proactive discussions of safety issues.

## Environment

Major construction projects represent enormous investments for the customer. Before and during the project engineering of major construction projects, NCC and the customer must jointly strive to ensure that the investment leads to the best possible value creation, and to achieve a balance between considerations concerning individuals, community interests, environmental aspects and commercial interests. NCC encourages innovative thinking and innovations that contribute to sustainable development in dialog with customers.

## Anti-Corruption

NCC's customers and stakeholders shall always view NCC as a reliable and honest company that always lives up to its commitments. NCC strives to achieve long-term business relations as a basis for generating customer value, shareholder value and secure workplaces conducive to development. Our Code of Conduct must always be communicated as a natural feature of cooperation with partners.

	Annual report 2013	Code of Conduct
<b>Human Rights</b>		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Secure transactions and responsible purchasing (p.32-33)	"Human rights and working principles" and "Compliance and follow up"
Principle 2: Business should make sure they are not complicit in human rights abuses	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Secure transactions and responsible purchasing (p.32-33)	"Human rights and working principles" and "Compliance and follow up"
<b>Labour</b>		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for employees – safe and secure workplaces (p.36)	"Human rights and working principles" and "Compliance and follow up"
Principle 4: The elimination of all forms of forced and compulsory labour	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for employees – Safe and secure workplaces (p.36)	"Human rights and working principles" and "Compliance and follow up"
Principle 5: The effective abolition of child labour	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for employees – Safe and secure workplaces (p.36)	"Human rights and working principles" and "Compliance and follow up"
Principle 6: The elimination of discrimination in respect of employment and occupation	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for employees – Diversity generates creativity and innovation (p.34)	"Human rights and working principles" and "Compliance and follow up"
<b>Environment</b>		
Principle 7: Businesses should support a precautionary approach to environmental challenges	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for the environment (p.37-39)	"Environmental responsibility" and "Compliance and follow up"
Principle 8: Undertake initiatives to promote greater environmental responsibility	NCC helps customers to reduce their environmental impact and increase sustainability (p.30); NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for the environment (p.37-39)	"Environmental responsibility" and "Compliance and follow up"
Principle 9: Encourage the development and diffusion of environmentally friendly technologies	NCC helps customers to reduce their environmental impact and increase sustainability (p.30); NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Consideration for the environment (p.37-39)	"Environmental responsibility" and "Compliance and follow up"
<b>Anti-Corruption</b>		
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	NCC's Code of Conduct (p.31); Find your way with NCC Compass (p.32); Secure transactions and responsible purchasing (p.32-33)	"Business principles" and "Compliance and follow up"