Communication on Progress, 2020

Statement of continued support

NCC is a knowledge-based company whose core is the ability to manage the complexity of a construction process. Our purpose is to take our customers through the construction process to an end-result that is positive for all stakeholders. Sustainability is an integral part of NCC's construction process. With our construction process expertise, we can have a positive impact on society and develop and deliver more sustainable solutions.

At NCC, sustainability is integrated in the business areas and in the ongoing work and mandates of other functions. Targets in various areas are integrated in the business areas' operational control systems. In November 2020, the Board adopted new external targets in two of our focus areas: Health and Safety and Climate and Energy. In health and safety, our focus is to reduce more serious accidents. An extensive root cause analysis has been done during 2020.

In Climate and Energy, CO_2e emissions from our own operations is reduced by 42 percent since 2015, primarily through asphalt recycling and conversion to biofuel in our asphalt plants. Our target is to reduce direct emissions by 60 percent by 2030. We have also launched an effort to halve indirect emissions from what are – to date – the four most important sources of CO_2e emissions in construction operations by 2030. Concrete, steel, transport and asphalt. Close cooperation with all stakeholders is required to achieve this target.

NCC's ability to attract, recruit and develop talent from a broad group of individuals is crucial which makes diversity and inclusion key features of NCC's ability to deliver better performance. NCC has an action plan against harassment, discrimination and bullying. The discrimination issue is also illuminated in conjunction with value-based workshops in management teams and work-shops in operating activities. NCC's Ask Me/Tell Me functions are available for all types of issues, both external and internal, where events that are not perceived as being compliant with NCC's Code of Conduct can be reported anonymously. A risk of human rights crimes in NCC's value chain exists and this could also arise at the purchasing level in risk areas. NCC has a thorough process for supplier assessment of suppliers outside the Nordic countries, which includes assessing and ensuring that we do not do business with suppliers who do not respect human rights. No confirmed cases of violations of human rights were reported during the year.

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, labour rights and working conditions, the environment and sound business ethics in its operations and partner relationships. Through this Communication on progress, NCC expresses our commitment to and continued support for the UN Global Compact's ten principles. We welcome you to take part of our annual report in order to learn more about NCC's values, Code of Conduct, sustainability targets and outcomes, financial performance and more. The below table illustrates main sections regarding human rights, labour, environment and anti-corruption in NCC's Annual report 2020 and NCC's Code of Conduct, but additional information can be found throughout the Annual report as these areas are integrated in our daily work.

Tomas Carlsson, CEO
Solna, April 20, 2021

The **NCC Annual report 2020** can be found on our website (www.ncc.group), as well as **NCC's Code of Conduct** (www.ncc.group/sustainability/code-of-conduct).

	Assessment, policy & goals	Implementation	Measurement of outcomes
Human Rights	Code of conduct: "Human rights" Annual report 2020: "NCC's code of conduct" (p. 83	Annual report 2020: "NCC's code of conduct" (p. 83) and "Compliance" (p. 91)	Code of conduct: "Compliance and reporting mechanism" Annual report 2020: "Targets and outcomes"(p. 82) "NCC's code of conduct" (p. 83) and "Compliance" (p. 91)
Labour	Code of conduct: "Human rights" and "Occupational health and safety" Annual report 2020: "Focus on our core competency" (p. 3), "Targets and outcomes"(p. 82), "Health and Safety" (p. 84-86) and "Social inclusion" (p. 86-87)	Annual report 2020: "Health and safety" (p. 84-86) "Social inclusion" (p. 86-87)	Code of conduct: "Compliance and reporting mechanism" Annual report 2020: "NCC's code of conduct" (p. 83), "Targets and outcomes"(p. 82), "Health and safety" (p. 84-86) and "Social inclusion" (p. 86-87)
Environment	Code of conduct: "Environmental responsibility" Annual report 2020: "Focus on our core competency" (p. 3), "Targets and outcomes"(p. 82)	Annual report 2020: "Climate and Energy" (p. 88-91) and "Materials and Waste" (p. 87-88)	Code of conduct: "Compliance and reporting mechanism" Annual report 2020: "Targets and outcomes"(p. 82), "Climate and energy" (p. 88-91) and "Materials and Waste" (p. 87-88)
Anti-Corruption	Code of conduct: "Business ethics" Annual report 2020: "Targets and outcomes"(p. 82) "NCC's code of conduct" (p. 83) and "Compliance" (p. 91)	Annual report 2020: "NCC's code of conduct" (p. 83) and "Compliance" (p.91)	Code of conduct: "Compliance and reporting mechanism" Annual report 2020: "Targets and outcomes"(p. 82) "NCC's code of conduct" (p. 83) and "Compliance" (p. 91)