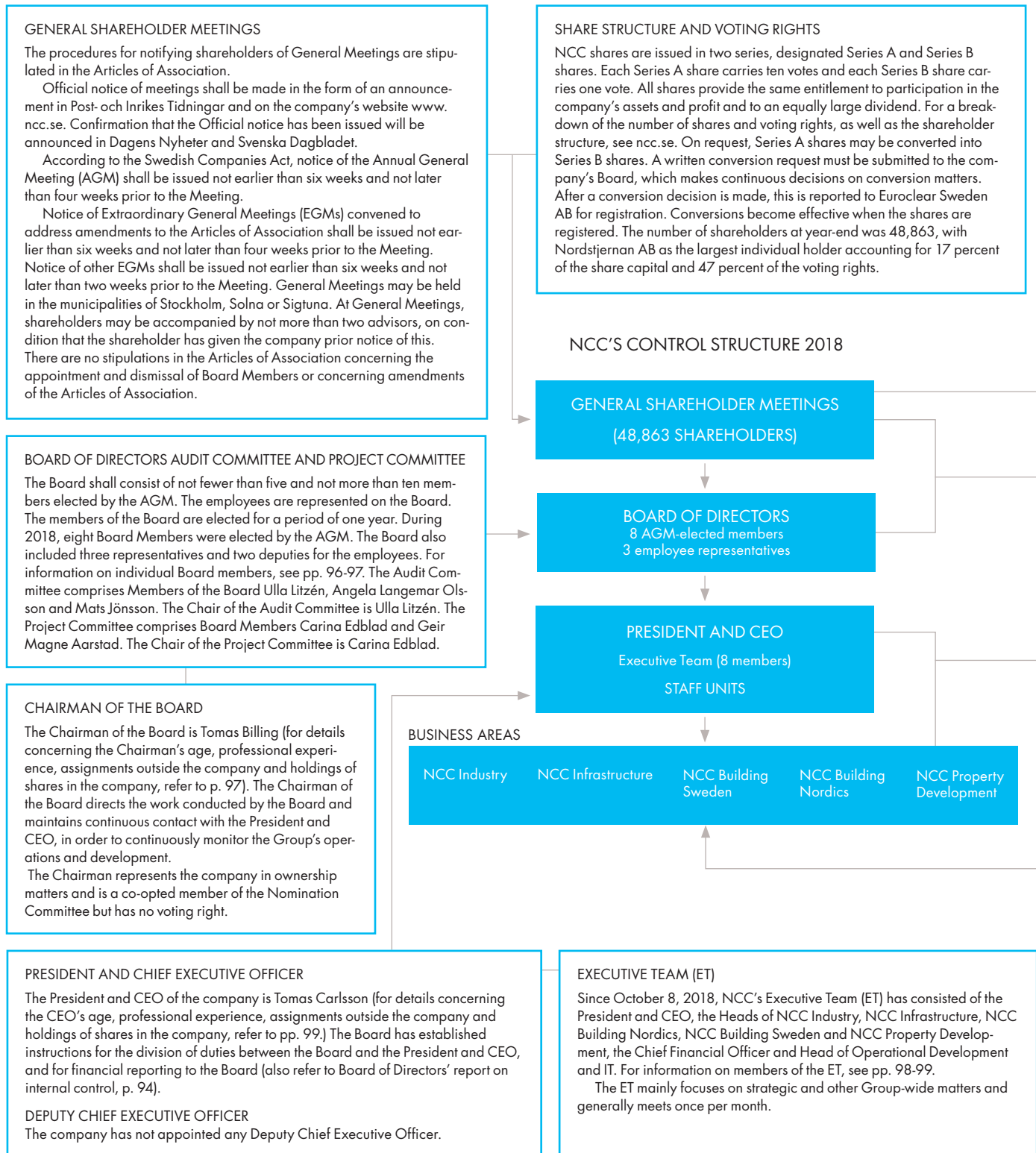


Corporate Governance report

NCC AB is a Swedish public limited liability company whose shares are registered for trading on Nasdaq Stockholm. NCC AB is governed in accordance with Swedish company law and other rules that apply to listed companies, which include the Swedish Code of Corporate Governance (for further information concerning the Code, refer to www.corporategovernanceboard.se).

NCC has applied the Code since it was introduced in 2005. During the year, NCC AB complied with Nasdaq Stockholm's Rule Book for Issuers and generally accepted practices on the stock market. This report has been issued by the Board of Directors but is not part of the formal Annual Report documentation.

How NCC is governed



NOMINATION COMMITTEE

The AGM elects a Nomination Committee whose task is to nominate candidates to the AGM for election as Chairman of the Meeting, Chairman of the Board and Board members, and to propose the fees to these officers. Another task of the Nomination Committee is to nominate auditors and propose the fees to be paid to them. The Nomination Committee's work complies with the instructions adopted by the AGM.

EVALUATION OF THE BOARD AND AUDITORS

The Board of Directors is evaluated within the framework of the Nomination Committee's work. The Board also performs an annual evaluation of its work and the format for performing Board work, which also constitutes part of the Nomination Committee's evaluation (refer also to "Work of the Board of Directors," p. 92).

The Board or, where appropriate, the Audit Committee appointed by the Board, also assists the Nomination Committee in evaluating the work of the auditors.

NOMINATION COMMITTEE
Election and remuneration of the Board of Directors and auditors

EXTERNAL AUDIT
(Audit firm)

INTERNAL CONTROL ENVIRONMENT

GOVERNANCE OF BUSINESS AREAS

The Group is composed of business areas. Each business area is led by a business area manager and has a Board of Directors, of which, among others, NCC AB's CEO, CFO and Senior Legal Counsel are members. For certain decisions, the approval of the CEO, NCC AB's Board Chairman or Board of Directors is required. The decision-making procedure consists of proposals, endorsement, decisions and confirmation. A matter requiring a decision is normally processed by the entity that initiated the matter or which is responsible for it in terms of function.

The individual Group-staff heads are responsible for Group-wide functional issues that fall under the position and mandate of the individual head of Group staff.

AUDITORS

For the purpose of examining the company's Annual Report, consolidated financial statements, accounting records and the company's management by the Board and the CEO, the AGM appoints a maximum of three Authorized Public Accountants, with a maximum of three deputies. A registered firm of accountants may also be appointed auditor of the company. The Nomination Committee nominates auditors. Auditors are currently appointed for a period of one year. Until the close of the AGM in 2019, the registered firm of accountants PricewaterhouseCoopers AB (PwC) serves as NCC's auditors. Authorized Public Accountant Håkan Malmström has been elected PwC's auditor-in-charge. The Audit Report is also signed by Authorized Public Accountant Ann-Christine Hägglund. For more information on elected auditors, see p. 97.

INTERNAL GOVERNANCE AND CONTROL

NCC's operations require a considerable amount of delegated responsibility. Group-wide decision-making procedures are in place to clarify exactly who is entitled to make decisions at each stage of the decision-making process. In addition to strategic and organizational matters, the areas regulated include investments and divestments, rental and leasing agreements, financing, sureties, guarantees, the assessment of tenders and business agreements. On top of the rules of procedure for decision making, a number of other Group-wide control documents govern communication, finance, code of conduct, the environment and work environment.

The number of ongoing projects in production varies from year to year but totals several thousands. The organization of each project varies according to the specific project's size and complexity. Each project is led by a project manager who is responsible for product format, purchases, financial aspects, production, quality, completion and handover to the customer. Major projects are monitored on a monthly basis by the business area manager, CEO, Chief Financial Officer and Senior Legal Counsel. Tenders for projects exceeding SEK 300 M are subject to special assessment and must be confirmed by the CEO. Tenders for projects exceeding SEK 500 M must be confirmed by NCC AB's Board. Proprietary housing projects representing an investment exceeding SEK 50 M must be approved by the CEO and such projects exceeding SEK 150 M must be authorized by NCC AB's Board. Decisions regarding investments corresponding to less than SEK 50 M are the responsibility of the particular business area.

CODE OF CONDUCT

A comprehensive program to develop and implement the Group's values has long been under way. These values have been translated into norms and rules governing how NCC employees are to behave in various situations. These regulations are summarized in a Code of Conduct. The Code of Conduct describes the requirements that NCC – the Board of Directors, management and all employees – have to meet in terms of behavior and conduct and that NCC in turn expects its business partners to respect.

Every manager has an obligation, within his or her area of responsibility, to ensure that employees and business partners are informed about the contents of the Code of Conduct and the requirement that they be observed. NCC managers must always set a good example. Adherence to the Code of Conduct is followed up continuously as a natural part of ongoing operations.

In 2018, NCC continued to refine its compliance program in line with the applicable Group-wide policy and needs-adapted process. NCC Compass focuses on providing straightforward and tangible advice to the organization, in order to prevent the risk of irregularities. Three areas have been identified as especially important in NCC Compass: bribery and corruption, competition law and conflicts of interest. The area of diversity was added to NCC Compass in 2017 and in 2018 management of personal data was added as a feature of NCC's GDPR work. NCC Compass is available via NCC's intranet. All NCC employees can make use of the content of NCC Compass and seek guidance. NCC has also appointed and provided special training to 58 employees in business ethics and how NCC Compass is to be applied in various situations. These employees are called Navigators since their assignment is to assist employees at NCC to correctly navigate the areas covered by NCC's Code of Conduct. In addition, NCC has introduced advanced system support for internal and external reporting of irregularities, all within the framework of the value-driven and transparent corporate culture that NCC is working to refine. Moreover, NCC has undertaken a comprehensive overhaul of the operations and identified risk areas and risk processes. The purpose of NCC's procedures is to make it easier for employees to dare to ask questions in difficult situations, rather than letting ignorance or thoughtlessness lead them to take the wrong decisions or behave in an undesired manner. The work methods include guidelines covering such areas as how to handle the most prevalent risk situations. Implementation combined with training and discussions with NCC employees continued in 2018. All NCC employees are covered by the training programs. Further training in the area is provided in the form of shorter, Web-based courses. During 2018, both web-based and instructor-led GDPR courses were arranged for groups with special interests and needs due to their management of personal data.

Employees who suspect unethical behavior or improper action should firstly report this to the immediate superior. A procedure for reporting anonymously is also in place. The function has two purposes: firstly, to protect the reporting party and, secondly, to make sure that the reported matter is dealt with securely. All tips containing sufficient information result in an investigation and, in any cases that arise, a written report compiled by an independent party. Disciplinary action will be taken where called for.

IMPORTANT EXTERNAL RULES AND REGULATIONS

- Swedish Companies Act
- Listing agreement of NASDAQ OMX Stockholm
- Swedish Code of Corporate Governance
- Annual Accounts Act
- Bookkeeping Act
- Market Abuse Regulation

INTERNAL RULES AND REGULATIONS

- Articles of Association
- Rules of procedure for Board work
- Audit Committee's rules of procedure
- Project Committee's rules of procedure
- Division of work between Board/CEO
- Decision-making regulations for the Group and business areas
- NCC's Code of Conduct
- NCC Compass
- Governing documents in the form of policies, regulations, guidelines and instructions

Corporate governance at NCC in 2018

ANNUAL GENERAL MEETING 2018

The 2018 Annual General Meeting (AGM) was held at Grand Hôtel, Vinterträdgården, in Stockholm on April 11. 469 shareholders were present representing 54.1 percent of the share capital and 68.17 percent of the total number of votes. The minutes of the 2018 AGM and from previous AGMs are available at www.ncc.se. The 2018 AGM passed the following resolutions, among others:

Dividend for the 2017 fiscal year of SEK 8.00, divided into two payments.

Tomas Billing, Carina Edblad, Viveca Ax:son Johnson, Geir Magne Aarstad, Mats Jönsson, Ulla Litzén and Birgit Nørgaard were reelected as Members of the Board. Angela Langemar Olsson was newly appointed to the Board. Reelection of Tomas Billing as Chairman of the Board.

It was resolved that director fees would total SEK 4,100,000, excluding remuneration for committee work, distributed so that the Chairman of the Board would receive SEK 1,100,000 and that each other AGM-elected member would receive SEK 500,000. The adopted fees for the Chairman and per Board member are unchanged. Fees to the members of the Audit Committee are payable as follows: the chair of the Committee will receive SEK 175,000 and each other member will receive SEK 125,000.

Guiding principles were adopted for determining the salary and other remuneration of the CEO and other members of the company's management. It was also resolved to introduce a long-term performance-based incentive plan (LTI 2018) for senior executives and key personnel.

To cover the commitment under LTI 2018, the AGM authorized the Board, until the next AGM, to purchase a maximum of 867,487 Series B shares and to transfer a maximum of 300,000 Series B shares to the participants of LTI 2018. It is also to be possible to transfer a maximum of 500,000 Series B shares via Nasdaq Stockholm to cover costs, mainly for compensation for dividends, social security fees and

payments on the basis of the synthetic shares, pursuant to outstanding long-term performance-based incentive programs (LTI 2015, LTI 2016, LTI 2017 and LTI 2018).

Income statements and balance sheets for 2018 were adopted and discharge from personal liability was granted to the Board and the CEO.

WORK OF THE BOARD OF DIRECTORS

In 2018, NCC's Board held seven scheduled meetings, four non-scheduled meetings and the statutory meeting held directly after the AGM. The Board's work focuses primarily on strategic issues, the adoption and follow-up of operational goals, business plans, the financial accounts, major investments and divestments, plus other decisions that, in accordance with NCC's decision-making procedures, have to be addressed by the Board. Project impairments and management changes gave rise to a number of non-scheduled Board meetings during the year. Reporting on the progress of the company's operations and financial position was a standing item on the agenda. The Board has established rules of procedure for its work and instructions for the division of duties between the Board and the CEO, as well as for financial reporting to the Board. The Board made a number of worksite visits in connection with Board meetings. In addition to the CEO and the CFO, other senior NCC executives participated in Board meetings in order to present matters. NCC's Senior Legal Counsel was secretary of the Board.

The tasks of the Audit Committee, within the framework of the work of the Board, include monitoring the company's financial statements and preparing matters related to the company's financial statements and audit in accordance with Chapter 8, Section 49 b of the Swedish Companies Act, and fulfill the duties pursuant to EU ordinance No. 537/2014.

In 2018, the Audit Committee held six meetings at which all members were present. The Board also assessed the need of a special audit function (internal audit). The Board concluded that moving

BOARD OF DIRECTORS 2018

BOARD MEETINGS AND ATTENDANCE 2018

	Elected	Independent in relation to the company and executive management	Independent in relation to major shareholders	Board fees, SEK 000s	Fees for work on committees, SEK 000s	10 Jan (unscheduled)	19 Mar (unscheduled)	11 Apr (statutory)	24 Apr	26 Jun	17 Jul (unscheduled)	18 Sep (unscheduled)	15 Oct (unscheduled)	24 Oct	14 Dec
Board Members elected by the AGM															
Tomas Billing	1999	yes	no	1,100		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Viveca Ax:son Johnson	2014	yes	no	500		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Carina Edblad	2014	yes	yes	500	125	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Geir Magne Aarstad	2017	yes	yes	500	100	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Angela Langemar Olsson*	2018	yes	no	500	125			✓	✓	✓	✓	✓	✓	✓	✓
Mats Jönsson	2017	yes	yes	500	125	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ulla Litzén	2008	yes	yes	500	175	✓	✓	✓	✓	✓	✓	✓	✓		✓
Birgit Nørgaard	2017	yes	yes	500		✓	✓	✓	✓	✓	✓	✓		✓	✓
Regular employee representatives															
Lars Bergqvist**	1991			-		✓	✓	✓	✓						
Karl G. Sivertsson	2009			-		✓		✓	✓	✓	✓	✓	✓	✓	✓
Karl-Johan Andersson	2011			-		✓		✓	✓	✓	✓	✓	✓	✓	✓
Harald Stjernström**	2018			-						✓	✓	✓	✓	✓	✓

* Angela Langemar Olsson participated as an observer at the March 19 and April 11 Board meetings and was elected to the Board at the AGM on April 11, 2018.

** Employee representative Lars Bergqvist passed away on April 17, 2018 and was succeeded on the Board by employee representative Harald Stjernström.

forward there will be a need for a separate internal audit and an independent internal audit function, Group Internal Audit, was established in December 2018. The Board's evaluation of its work was conducted by the Board engaging in separate interviews of other Members. The results of these interviews were then compiled and discussed by the Board. Documentation for this matter was prepared by the Nomination Committee.

In July 2017, the Board established a Project Committee, which assists in the preparation, analysis and decisions regarding tenders in contracting operations in respect of projects exceeding SEK 1.5 billion. In 2018, the Committee addressed six projects and held five meetings, which all members attended. A special fee is paid to the members the Project Committee, which amounts to SEK 125,000 for the chair and SEK 100,000 for each other member.

BUYBACK OF COMPANY SHARES

The company holds 402,050 Series B shares to cover its commitments under long-term incentive programs. In 2018, 31,952 shares were sold to cover costs, 20,343 shares were transferred to participants in LTI 2015 and 101,022 shares were bought back.

REMUNERATION OF THE EXECUTIVE TEAM

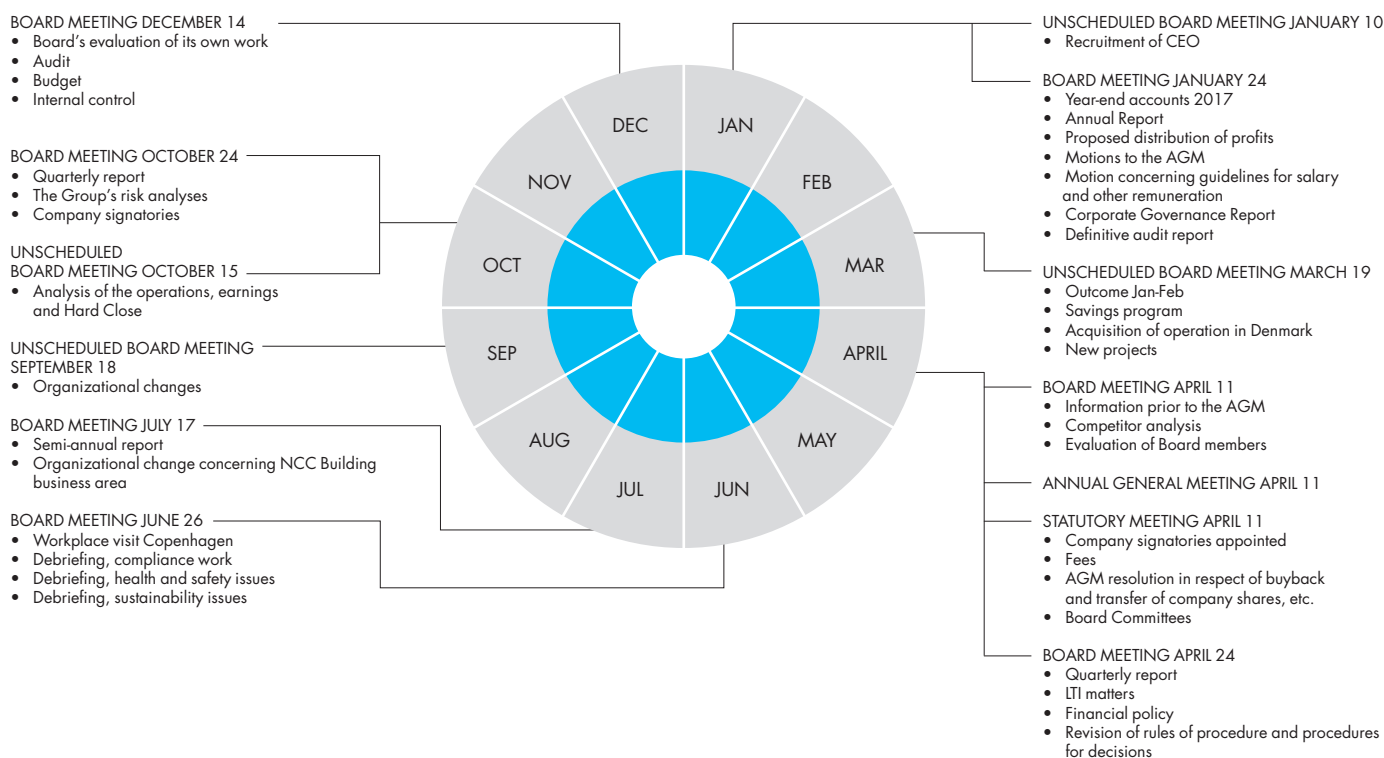
According to the Swedish Code of Corporate Governance (the Code), the Board must establish a remuneration committee to prepare matters involving remuneration and other terms of employment for executive management. If, as in the case at NCC, the Board considers it more appropriate, the entire Board may fulfill the duties of a remuneration committee. Guidelines for salary and other remuneration for the company's senior executives are resolved by the AGM. Remuneration paid to the CEO is proposed by the Chairman and adopted by the Board. Remuneration of other senior executives is proposed by the CEO and approved by the Chairman. Remuneration of the CEO and other senior executives consists of a fixed salary, variable remuneration, pension and

other benefits. The 2018 AGM resolved on a long-term performance-based incentive program (LTI 2018), comprising the CEO, members of the Executive Team (ET) and an additional 148 executives in the Group. LTI 2018 is a three-year program that entitles the participants to receive Series B shares, assuming that certain performance targets have been achieved at the end of the program; i.e. the end of 2020. Short-term variable remuneration is decided by the Board. The variable remuneration potentially payable to the CEO and other senior executives is linked to predetermined and measurable criteria, which have also been designed to promote long-term value generation in the company. The maximum outcome of variable remuneration is also subject to distinct limits. The Swedish Code of Corporate Governance stipulates that for agreements signed as of July 1, 2010, the total amount of pay during a period of notice and severance pay may not exceed a sum corresponding to two years of fixed salary. The Board follows up and evaluates application of the remuneration program applicable for senior executives. The term "other senior executives" pertains to the executives who, in addition to the CEO, comprise the Executive Team. A specification of salaries and other remuneration paid to Board members, the CEO and senior executives is presented in Note 5, on p. 39.

NOMINATION COMMITTEE 2018

The AGM on April 11, 2018 reelected Viveca Ax:son Johnson (Chairman of the Board of Nordstjernan AB), Anders Oscarsson (equity manager AMF/AMF Fonder) and Simon Blecher (Carnegie Funds) as members of the Nomination Committee, with Viveca Ax:son Johnson as Chair. Tomas Billing, Chairman of the NCC Board of Directors, is a co-opted member of the Nomination Committee but has no voting right. No remuneration was paid to members of the Nomination Committee. The diversity policy applied by the Nomination Committee complies with Article 4.1 of the Swedish Code of Corporate Governance. The Nomination Committee's proposals to the 2019 AGM are available at ncc.se.

THE BOARD OF DIRECTORS' 2018 WORKING YEAR – IN ADDITION TO STANDING POINTS ON THE AGENDA SUCH AS BUSINESS PLANS, INVESTMENTS AND DIVESTMENTS, AS WELL AS FINANCING.



Board of Directors' report on internal control

The Board's responsibility for internal control is regulated in the Swedish Companies Act and in the Swedish Code of Corporate Governance. The Corporate Governance Report must contain disclosures concerning the principal features of the company's internal-control and risk-management systems in connection with financial reporting and in the preparation of the company's consolidated financial statements. Information on this is provided in this section.

1 RISK-ASSESSMENT AND RISK-MANAGEMENT

As a feature of its internal control efforts, NCC implements methodical risk assessment and risk management for ensuring that the risks to which NCC is exposed, and that can impact the internal control and financial statements, are addressed within the company's established processes.

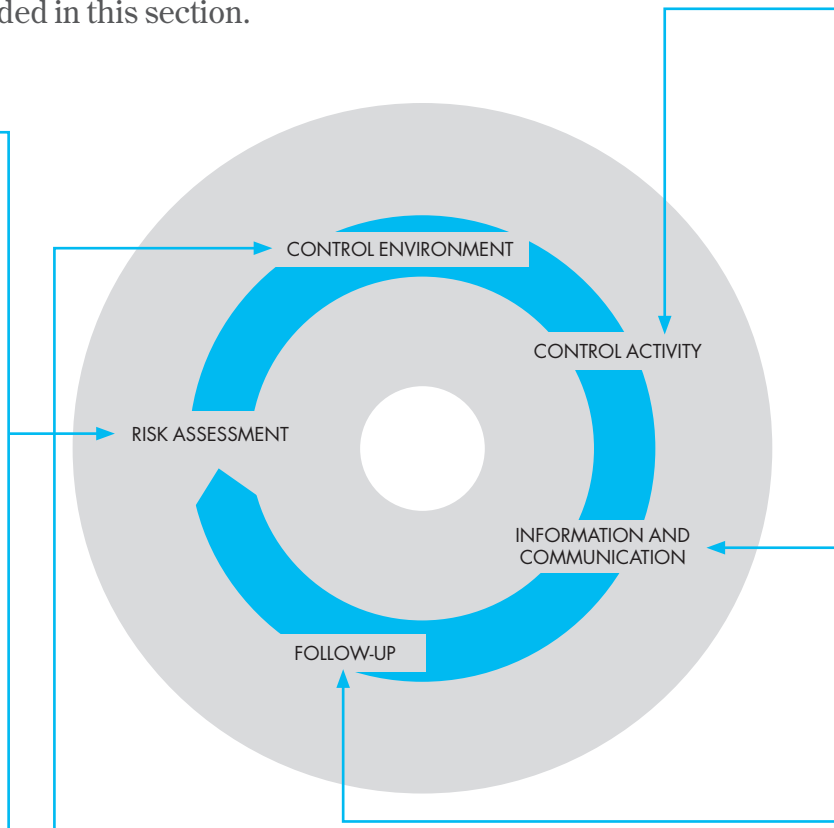
The material risks that have to be taken into account include market risks and operating risks as well as the risk of errors in financial recognition. With respect to the latter, systematic and documented updates occur once annually. The material risks that have to be considered mainly comprise the risk of errors in percentage-of-completion profit recognition and items based on assessments and estimates, such as valuations of land held for future development and ongoing property-development, goodwill and provisions.

At NCC, risks are followed up in several different ways, including via:

- **Regular status checks** with the Business Area Manager and financial manager of each particular business area. Representing NCC AB, the CEO and the Chief Financial Officer (CFO) always attend these meetings. The status checks address such matters as orders received, earnings, major ongoing and problematical projects, cash flow and outstanding accounts receivable. The meetings also address tenders and major investments, in accordance with the decision-making regulations.
- **Business area meetings** in the various business areas, which are held at least five times per year. The meetings are minuted. Those participating in the meeting, in addition to the Head of the business area and members of its management team, are NCC AB's CEO, CFO and Senior Legal Counsel. These meetings address the complete income statement, balance sheet and cash flow statement in terms of both outcome, forecast and alternative budget. Forecasts are formulated and are checked in connection with the quarters ending March, June and September, and in the following-year budget in November. The meetings also address tenders, investments and sales, in accordance with the decision-making regulations. Investments and divestments of properties exceeding SEK 150 M must be approved by NCC AB's Board. All investments exceeding SEK 50 M must be approved by NCC AB's CEO.
- **Major tenders** to be submitted by the business area (exceeding SEK 300 M) must be confirmed by NCC AB's CEO. Tenders exceeding SEK 500 M must be endorsed by NCC AB's Board. The Project Committee is to be involved in projects exceeding SEK 1,500 M. Projects exceeding SEK 300 M are also monitored via the NCC Project Trend Report (PTR) process.
- NCC AB's Board receives monthly **financial reports** and NCC's current financial status is presented at each Board meeting.

Financial risk positions, such as interest rate, credit, liquidity, exchange rate and refinancing risks, are managed by the specialist function, NCC Corporate Finance. NCC's financial policy stipulates that NCC Corporate Finance must always be consulted and, in cases where Corporate Finance sees fit, that it must manage financial matters. Risks that could also influence reporting include breach of NCC's Code of Conduct and shortcoming in insurance coverage. These risks are monitored by the Compliance and Insurance function.

For more information on control and governance at NCC, see the Group's website www.ncc.se. The information also includes such documents as the Articles of Association and the Code of Conduct.



2 CONTROL ENVIRONMENT

The Board has overall responsibility for internal control and financial reporting. A good control environment is characterized by the company having prepared and complied with established policies, guidelines, manuals and job descriptions. These must be documented and kept available. In NCC, this means that the Board establishes rules of procedure for the Board's work each year. The Board also prepares an instruction concerning the division of work between the Board and the CEO. According to this instruction, the CEO is responsible for ensuring that work on the internal control contributes to an efficient control environment.

The NCC Group is an international organization that governs and conducts its operations in a Nordic operational structure. Operational management of the Group is based on decision-making regulations within the NCC Group that are adopted annually by the Board. The decision-making regulations stipulate the matters that require the Board's approval or confirmation. In turn, this is reflected in the corresponding decision-making regulations and attestation regulations applying to the business areas. The basis for the internal control of financial reporting comprises everything that is documented and communicated in control documents, such as internal policies, guidelines, instructions and other manuals. Considerable effort has been devoted to achieving a structure between the policies that are central and the policies regarded as local, and that all significant areas are covered. The NCC Group's legal governance occurs on the basis of a uniform corporate structure with subsidiaries in each country.

For more information on governance and control, see the Group's website www.ncc.se. The information also includes such documents as the Articles of Association and the Code of Conduct.

3 CONTROL ACTIVITIES

At NCC, the management of risks is based on a number of control activities that are conducted at various levels for business areas, Shared Service Centers (SSCs) and staff units.

The purpose of the control activities is to ensure both the efficiency of the Group's processes and efficient internal control of identified risks. For the business operations, operational control systems form the basis for the established control structure and these focus on important stages in the business operations, such as investment decisions, assessment of tenders and permission to start up projects. NCC attaches considerable weight to project follow-up.

A strong focus is placed on ensuring the correctness of the business transactions included in the financial reporting.

For a number of years, NCC has had several SSCs, in part NCC Business Services (NBS), which manages most of the financial transactions of the Nordic operations, and in part the Human Resources Services (HRS), which manages NCC's payroll administration for the Nordic countries.

There is also Development & Operations (DOS), which has central responsibility for the shared IT systems in NCC.

The functions require that their processes include control activities that manage identified risks in a manner that is efficient for NCC in relation to the cost incurred. The units systematically and continuously develop their processes, using control target matrixes that connect risks, control and efficiency measurement, and ensure that the control is documented and that proof of control exists.

4 INFORMATION AND COMMUNICATION

Information and communication regarding the internal policies, guidelines, manuals and codes to which the financial reporting is subject are available on NCC's Intranet (MyNCC).

The information also contains methodology, instructions and supporting documentation in the form of checklists etc., and overall time schedules. It is a living regulatory system that is updated regularly through the addition of, for example, new regulations concerning IFRS and Nasdaq Stockholm. NCC's CFO has principal responsibility. MyNCC includes among others the following:

- Policies and regulations for the valuation and classification of assets, liabilities, revenues and expenses.
- Definitions of the terms used within NCC.
- Accounting and reporting instructions.
- Framework for self-evaluation of internal controls.
- Accounting function's organization
- Time schedules for audit and reporting occasions, among others.
- Decision-making regulations.
- Attestation instructions

All financial reporting must comply with the rules and regulations found on MyNCC.

Financial reporting occurs in part in the form of figures in the Group-wide reporting system and in part in the form of written comments in accordance with specially formulated templates. Instructions and regulations concerning both written and figure-based reporting are available on MyNCC.

Regular training programs and conferences are arranged for management and financial control personnel in respect of joint principles and frameworks concerning the requirements to which the internal control is subject.

The status of the internal control set-up is reported annually at a meeting of the NCC AB Board. Debriefing also occurs at business area level. The CFO of the NCC Group is responsible for ensuring that information about and communication of the control have been established and are effective.

5 FOLLOW-UP

Follow-ups to safeguard the efficiency and quality of the internal controls are conducted in various ways within NCC. NCC has developed a system (framework) for documented self-evaluation of internal control. Self-assessments are performed regularly for NCC's business areas, staff units and Group offices and comprise a component of the Board's assessment of internal control.

Operational control systems, the very basis of NCC's operations, are evaluated through audits of business areas' operations, during which any shortcomings are rectified. The internal controls are followed up via Board work within the various business areas and, in cases where it is considered that targeted action is required, the financial control and controller organization is utilized, or external consultants with suitable expertise for the assignment.

As part of its audit of the financial statements and the administration, NCC's auditor, PwC, also examines a selection of NCC's controls. The Audit Committee held five meetings during 2018. The duties of the Audit Committee in terms of the financial statements include monitoring the efficiency of the company's internal controls, internal audit and risk management. In December 2018, the NCC AB Board of Directors decided, through its Audit Committee, to establish an independent internal audit function, Group Internal Audit, in accordance with the Swedish Code of Corporate Governance. The function is led by the Chief Audit Executive and is responsible for providing independent and objective assurance and evaluation of risk management and internal control processes. The function plans its work in consultation with the Audit Committee and it reports directly to the Board of Directors through the Audit Committee. The Board meets the auditors at least once a year. In addition, the Chairman of the Board has direct contact with the auditors on a number of occasions during the year. Prior to these meetings, views from the audit of the business areas and subsidiaries have been presented to the Board meetings held in the particular business area/subsidiary or to the respective business area management. The views that arise are to be considered and followed up within the particular unit. NCC's auditor also reviewed the company's nine-month report.

AUDITOR'S STATEMENT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders in NCC AB, corporate identity number 556034-5174

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2018 on pages 90-99 and for that it has been prepared in accordance with the Annual Accounts Act.

Scope of examination

Our examination has been conducted in accordance with FAR's standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially 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 opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 second paragraph of the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm 13 March 2019
PricewaterhouseCoopers AB

Håkan Malmström
Authorised Public Accountant
Auditor-in-charge

Ann-Christine Hågglund
Authorised Public Accountant

Board of Directors



Auditors – PricewaterhouseCoopers AB

HÅKAN MALMSTRÖM

Auditor-in-charge. Born 1965.

Other material assignments Auditor-in-Charge at companies including Axel Johnson, JM and Nordstjernan

ANN-CHRISTINE HÄGGLUND

Authorized Public Accountant Born 1966.

Other significant assignments: Auditor-in-Charge at Business Sweden, Byggmax and Lernia.

The details regarding shareholdings in NCC pertain to shares that were directly owned, owned via related parties or owned via companies at December 31, 2018.

TOMAS BILLING

Chairman. Born 1963.
Board member since 1999 and Chairman since 2001.
Other assignments: Board member of BiJaKa AB, Röko AB, Centrum för rättvisa (Center for Justice) and Parkinson Research Foundation.
Previous experience includes: CEO of Hufvudstaden AB and Monark Bodyguard AB.
Shareholding in NCC AB: 20,600 Series A shares and 105,400 Series B shares.

ULLA LITZÉN

Born 1956.
Board member since 2008 and chairman of the Audit Committee.
Other assignments: Board member of AB Electrolux, Husqvarna AB, Ratos AB and Epiroc AB.
Previous experience includes: CEO of W Capital Management AB (2001–2005) and Vice President of Investor AB (1996–2001).
Shareholding in NCC AB: 6,900 Series B shares.

GEIR MAGNE AARSTAD

Born 1960.
Board member since 2017 and member of the Project Committee.
Other assignments: Chairman and partner of GRAA AS.
Previous experience includes: CEO of Al Rahhi Contracting Company Ltd (Saudi Arabia) (2009–2011), CEO of Skanska Norway (2004–2009) and regional head of Skanska Norway (2001–2004).
Shareholding in NCC AB: 0.

Employee representative
KARL-JOHAN ANDERSSON

Born 1964. Paver.
Board member since 2011. Employed since 1984. Shop steward in NCC. Employee representative of SEKO (Union for Employees in the Service and Communication Sectors).
Other assignments: Chairman of SEKO's Road and Rail Department in Skåne. Chairman of SEKO's negotiating organization at NCC.
Shareholding in NCC AB: 0.

Employee representative
MATS JOHANSSON

Born 1955. Carpenter.
Deputy Board member since 2011. Employed since 1977. Construction carpenter and shop steward at NCC, as well as officer for occupational health and safety issues. Employee representative of Svenska Byggnadsarbetareförbundet (Swedish Building Workers Union).
Other assignments: Board member of AB Ronneby Industrifastigheter and Deputy Chairman of Byggnadsarbetareförbundet in the Småland/Blekinge region.
Shareholding in NCC AB: 260 Series B shares.

VIVECA AX:SON JOHNSON

Born 1963.
Board member since 2014.
Other assignments: Chairman of the Board of Nordstjernan AB and the Axel and Margaret Ax:son Johnson Foundation for Public Benefit. Board member of Bonava AB, Rosti Group AB, FPG Media AB and the Axel and Margaret Ax:son Johnson Foundation.
Previous experience includes: Deputy Chairman of Nordstjernan (1997–2007), Chairman since 2007, as well as various positions in the Nordstjernan Group.
Shareholding in NCC AB: 59,000 Series B shares (including related-party holdings), as well as 25,000 Series A shares and 31,000 Series B shares via private companies.

MATS JÖNSSON

Born 1957.
Board member since 2017 and member of the Audit Committee.
Other assignments: Chairman of the Board of Logent and Lekolar and Member of the Board of Coor and Assemblin.
Previous experience includes: President and CEO of Coor Service Management (2004–2013), Business Unit Manager of Skanska Services (2000–2004) and Division Manager of Skanska Sweden (1998–2000).
Shareholding in NCC AB: 10,000 Series A shares.

ANGELA LANGEMAR OLSSON

Born 1970.
Board member since 2018 and member of the Audit Committee. Senior Investment Manager at Nordstjernan AB.
Other assignments: Chairman of the Board of Win-Group AG. Previous experience includes: CFO at Nordstjernan AB, Group Controller at Hufvudstaden AB and Assistant Controller at Swedish Match AB.
Shareholding in NCC AB: 5,700 Series B shares.

Employee representative
HARALD STJERNSTRÖM

Born 1962, Project Manager within the NCC Building, Building Stockholm Dept.
Board member since 2018. Employed since 1984. Shop steward in NCC. Employee representative of Ledarna (Swedish Association of Supervisors).
Shareholding in NCC AB: 0.

BIRGIT NØRGAARD

Born 1958.
Board member since 2017.
Other assignments: Chairman of the Board of Norisol A/S, Deputy Chairman of the Board of NNE A/S, Danske Statens IT Råd och Dansk Væktkapital I, Board member of DVS A/S, IMI Plc, WSP Global Inc., RGS Nordic A/S and Dansk Væktkapital II.
Previous experience includes: President and CEO of Carl Bro A/S (2003–2010), COO of Grontmij NV (2006–2010) and CFO of Danisco Distillers A/S (1993–2000).
Shareholding in NCC AB: 3,000 Series B shares.

CARINA EDBLAD

Born 1963.
Board member since 2014 and chair of the Project Committee. CEO of Thomas Betong AB.
Other assignments: Chairman of the Board of Svensk Betong and Member of the Board of Instalco and the Confederation of Swedish Enterprise.
Previous experience includes: 25 years of experience from Skanska AB, where she was Line Manager and Chief of Staff in various operations in the Nordic region.
Shareholding in NCC AB: 0.

Employee representative
KARL G. SIVERTSSON

Born 1961. Carpenter and crane operator.
Board member since 2009. Employed since 1981. Shop steward in NCC. Employee representative of Svenska Byggnadsarbetareförbundet.
Other assignments: Board member of Svenska Byggnadsarbetareförbundet, Central Norrland Region, and deputy member of Federation Board of Svenska Byggnadsarbetareförbundet.
Shareholding in NCC AB: 200 Series B shares.

Employee representative
BENGT GÖRANSSON

Born 1959. Installation Manager
Deputy Board member since 2017.
Shop steward in NCC. Employee representative of Unionen.
Shareholding in NCC AB: 0.

SECRETARY OF THE BOARD
ANN-MARIE HEDBECK

Born 1972, Master of Laws.
NCC AB's Senior Legal Counsel since September 28, 2018.
Previous experience includes: Acting Senior Legal Counsel at NCC AB, Chief Legal Counsel in NCC Infrastructure and Senior Legal Counsel at Skanska AB. Employed by NCC since 2017.
Shareholding in NCC AB: 0.

Executive Team



TOMAS CARLSSON**President and CEO**

Born 1965.

President and CEO since May 7, 2018.

Previous experience includes: CEO of Sweco (2012-2018), Head of NCC Construction Sweden (2007-2012) and Regional Manager of NCC Construction Western Sweden (2005-2006).

Other assignments: Board member of Alimak Group AB.

Shareholding in NCC AB: 21,270 Series A shares and 282,929 call options on Series B shares.

KENNETH NILSSON**Head of NCC infrastructure business area**

Born 1961.

Head of NCC Infrastructure since April 3, 2018.

Employed by NCC since 2018.

Previous experience includes: 20 years of experience from various senior positions at Skanska and in management teams, and another ten years of experience as a works manager, project manager and supervisor.

Shareholding in NCC AB: 14,147 call options on Series B shares

CAROLA LAVÉN**Head of NCC Property Development business area**

Born 1972.

Head of NCC Property Development since 2013.

Employed by NCC since 2013.

Previous experience includes: Business Development Director at Atrium Ljungberg (2006-2013), Business Development Director at Ljungberg-Gruppen (2003-2006), Property Manager for Stockholm/Uppsala at Drott (1998-2003) and Property Manager for Skanska (1995-1998).

Other assignments: Board member of Sweden Green Building Council and WinGroup AG.

Shareholding in NCC AB: 3,572 Series B shares and 28,292 call options on Series B shares.

SUSANNE LITHANDER**Chief Financial Officer**

Born 1961.

Chief Financial Officer since November 12, 2018.

Employed since 2018.

Previous experience includes: CFO of Billerud Korsnäs (2011-2018), CEO of Mercuri International and several positions at Ericsson.

Shareholding in NCC AB: 0

KLAUS KAAE**Head of NCC Building Nordics business area**

Born 1959.

Head of NCC Building Nordics since October 1, 2018. Employed by NCC since 1985.

Previous experience includes: Business Area Manager of NCC Building (2016-2018) and NCC Construction Denmark (2012-2015) and Vice President of NCC Construction Denmark (2009-2012). Executive Director of NCC Construction Denmark (2002-2009).

Shareholding in NCC AB: 7,842 Series B shares and 28,292 call options on Series B shares.

JYRI SALONEN**Head of NCC Industry business area**

Born 1965.

Head of NCC Industry since 2016. Employed by NCC since 2008.

Previous experience includes: Business Area Manager of NCC Roads (2015), Division Manager of NCC Roads Services (2014), Business Unit Manager of NCC Roads in Finland (2009-2013) and various positions at ExxonMobil internationally and Esso in Finland.

Shareholding in NCC AB: 3,017 Series B shares and 28,292 call options on Series B shares.

YLVA LAGESSON**Head of Development & Operations Services**

Born 1971.

Head of Development & Operations Services since October 8, 2018. Employed by NCC since 2018.

Previous experience: CEO of Nobelhuset AB (2017-2018). Prior to that, such positions as Deputy Division Manager of NCC Building, Head of Market and Operational Development at NCC Construction Sweden and a number of construction contract and production roles.

Shareholding in NCC AB: 2,000 Series B shares.

HENRIK LANDELIUS**Head of NCC Building Sweden business area**

Born 1975.

Head of NCC Building Sweden since October 1, 2018. Employed at NCC for a total of 10 years.

Previous experience includes: Division Manager of NCC Building Sweden (2016-2018), Vice President of NCC Construction Sweden (2014-2016), Head of Project Development Fastighets AB L E Lundberg and CEO of Byggnads AB L E Lundberg (2011-2013) and Business Manager NCC Construction Sweden (2005-2011).

Shareholding in NCC AB: 1,000 Series B shares and 14,147 call options on Series B shares.

Senior Management Team

HARRI SAVOLAINEN, Head of Purchasing

MARIE REIFELT, Senior Vice President Human Resources

ANN-MARIE HEDBECK, Senior Legal Counsel

MARIA GRIMBERG, Head of Corporate Communication