

OFFICIAL NOTIFICATION OF THE ANNUAL GENERAL MEETING OF NCC AB

Welcome to NCC AB's Annual General Meeting (AGM)
Tuesday April 9, 2019 at 4:30 p.m. (CET)
Location: Norra Latin, Drottninggatan 71 B,
Stockholm.

Registration at the Meeting will begin at 3:30 p.m. (CET) when
coffee will be served.

Participation

To be entitled to participate in the business of the AGM, shareholders shall:

- * be registered in the share register maintained by Euroclear Sweden AB on Wednesday, April 3, 2019, and
- * notify their intention to attend the AGM by Wednesday, April 3, 2019.

Shareholders whose shares are held in the name of a trustee with a bank or a stockbroker must re-register the shares in their own name at Euroclear Sweden AB to be entitled to participate in the Meeting. Such registration, which may be done on a temporary basis, must be executed by Wednesday, April 3, 2019, and should be requested from the trustee in ample time prior to April 3, 2019.

Notification can be made by regular mail to NCC AB c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, via NCC's website ncc.se (only natural persons) or by telephone to +46 8 402 92 54. Notification should include name, personal identification number (corporate registration number), address, telephone number and the number of any assistants (no more than two). If participation is to be based on a power of attorney, such a document must also be submitted in connection with notification of intention to attend the AGM. A power of attorney form is available on the Group's website ncc.se.

Entry cards, which are to be presented at the entrance to the meeting premises, will be sent by regular mail as of April 4, 2019.

Proposed agenda

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of two officers, in addition to the Chairman, to verify the minutes.
6. Determination of whether the Meeting has been duly convened.
7. Presentation of the Annual Report and the Auditors' Report, and the Consolidated Financial Report and Auditors' Report on the Consolidated Financial Report.
8. The Address by the CEO and any questions related to the CEO's Address, as well as the Chairman of the Board's account of the work conducted by the Board.

9. Motions concerning the adoption of the Income Statement and Balance Sheet, and of the Consolidated Income Statement and Consolidated Balance Sheet.
10. Motions concerning the disposition to be made of the Company's profit or loss as shown in the Balance Sheet adopted by the AGM.
11. Motions concerning the discharge of the Members of the Board and the CEO from personal liability for their administration during the 2018 fiscal year.
12. Motions concerning the number of Members of the Board to be elected by the AGM.
13. Determination of the fees to be paid to the Board Members and Auditor.
14. Election of Members of the Board and Chairman of the Board.
15. Election of Auditor.
16. Election of Members of the Nomination Committee and of the Chair of the Nomination Committee.
17. Motion regarding guidelines for determining salary and other remuneration of Senior Executives.
18. Motion regarding a long-term performance-based incentive program plus the purchase and transfer of own shares.

Motions

The Nomination Committee and the Board of Directors have respectively made the following motions.

- Item 2:** The Nomination Committee proposes that Chairman of the Board Tomas Billing be elected Chairman of the meeting.
- Item 10:** The Board proposes that a dividend of SEK 4.00 be paid per share for the 2018 fiscal year divided between two payment occasions. April 11, 2019 is proposed as the record date for the first payment of SEK 2.00 and November 5, 2019 as the record date for the second payment of SEK 2.00.
- Item 12:** Eight regular Board Members.
- Item 13:** It is proposed that board fees be paid in a total amount of SEK 4,600,000, distributed so that the Chairman of the Board receives SEK 1,100,000 and each other Board Member receives SEK 500,000. The proposed fees are unchanged.

It is proposed that fees be paid to Members of the Audit Committee whereby the Chair of the Committee will receive SEK 175,000 and each other Member will receive SEK 125,000. It is proposed that a special fee be payable to Members of the Project Committee, whereby the Chair of the Committee will receive SEK 125,000 and other Member will receive SEK 100,000. The proposed fees are unchanged.

The Auditors will be remunerated in return for approved invoices.

- Item 14:** The following are proposed as Members of the Board: Re-election of Tomas Billing, Viveca Ax:son Johnson, Ulla Litzén, Birgit Nørgaard, Geir Magne Aarstad, Mats Jönsson, and Angela Langemar Olsson and election of Alf Göransson. Carina Edblad has declined re-election. It is proposed that Tomas Billing be elected Chairman of the Board. Information on the proposed Members is available on NCC's website ncc.se.
- Item 15:** It is proposed, in accordance with the Audit Committee's recommendation, that the registered Auditing Firm PricewaterhouseCoopers AB (PwC) be reelected Auditor of the company, with Ann-Christine Hågglund as Auditor-in-Charge. PwC is to be elected until the close of the 2020 AGM.
- Item 16:** The Nomination Committee proposes that the AGM elect Viveca Ax:son Johnson (representing Nordstjernan), Simon Blecher (Fund Manager at Carnegie Fonder) and Anders Oscarsson (Equity Manager at AMF/AMF Fonder), with Viveca Ax:son Johnson as Chair.

Item 17: The Board of Directors' motion entails that the guidelines for determining salaries and other remuneration paid to Senior Executives as adopted at the 2018 AGM are largely to continue to be applied but be adjusted if the motion under Item 18 is adopted by the AGM.

Item 18:

A. Long-term performance-based incentive program

The program in brief

The Board proposes that the AGM resolve to introduce a long-term performance-based incentive program for senior executives and key personnel within the NCC Group ("LTI 2019"). In all significant respects, the structure of this program corresponds to the LTI 2018 program adopted by the AGM on April 11, 2018.

The purpose of LTI 2019 is to:

- ensure a focus on the company's long-term profitability,
- minimize the number of serious worksite accidents,
- create prerequisites for retaining and recruiting key personnel,
- provide competitive remuneration, and
- enhance the community of interests between shareholders and key personnel.

The program will extend for three years and means that participants will be allotted, free of charge, share awards that provide entitlement to Series B shares and synthetic shares that provide entitlement to cash remuneration in accordance with the terms, conditions and principles described below.

The Board of Directors believes that the introduction of LTI 2019 will have a positive impact on the Group's continued development and that LTI 2019 will thus benefit both the shareholders and the company.

Conditions for the program

The program is subject to the following terms and conditions.

- Share awards and synthetic shares will be allotted free of charge a certain time after the AGM.
- Share awards or synthetic shares may not be transferred or pledged.
- Each share award provides the holder with entitlement to receive one Series B share in the company three years after allotment of the share award ("the Vesting Period").
- Following the Vesting Period, each synthetic share will entitle the holder to receive cash payment corresponding to the value of a Series B share at the date of payment.
- The maximum number of employees invited to participate in the program will be 180.
- Entitlement to allotment/payment is conditional upon, with certain exceptions, that the participant remains an employee in the NCC Group at the end of the Vesting Period, three years after the date of allotment.
- In order to equate the participants' interests with those of the shareholders, the company will compensate the participants should total dividends paid during the 2019, 2020 and 2021 fiscal years and in total during the Vesting Period exceed the level stipulated in NCC's dividend policy. Compensation will be made by a cash amount corresponding to the portion of the dividends during the Vesting Period that in total exceeds NCC's dividend policy. Dividend compensation pertains to the number of shares and synthetic shares allotted to the participant.
- The number of share awards and synthetic shares encompassed by LTI 2019 is to be converted in the event that changes occur in NCC's capital structure, such as a bonus issue, merger or split of shares, new issue, reduction of the share capital or similar measures.
- Share awards or synthetic shares may be issued by the company or other Group companies.

- A prerequisite for entitlement to receive shares on the basis of share awards and payment in accordance with synthetic shares is that the performance targets for LTI 2019 have been satisfied pursuant to the terms and conditions specified below.

Performance targets

The performance targets focus on NCC's long-term profitability ("Performance Target 1") and on minimizing the number of serious worksite accidents in the Group ("Performance Target 2"). Of each allotment of share awards and synthetic shares, two thirds will pertain to Performance Target 1 and one third will pertain to Performance Target 2.

Performance Target 1: This target pertains to NCC's aggregated operating margin (EBIT margin) for the period 2019-2021 compared with the target interval of 2.5 percent to 4.0 percent.

If the operating margin is 4.0 percent or above, 100 percent is allotted/paid. No allotment/payment takes place if the operating margin falls below 2.5 percent. Within the range, allotment/payment will occur linearly.

Performance Target 2: This target pertains to the number of worksite accidents resulting in more than four week days of absence from work per million worked hours for the 2021 fiscal year compared with the target interval of 6.0 to 3.5.

Should the number of worksite accidents in 2021, in accordance with the definition above, be less than or equal to 3.5, 100 percent is allotted/paid. No allotment/payment takes place if the number of worksite accidents exceeds 6.0. Within the range, allotment/payment will occur linearly.

The intention of this target is to contribute to a reduction in the number of serious worksite accidents and to support NCC's zero vision in terms of the number of worksite accidents. The benchmark that will be used is an EU standard.

EBIT may be adjusted by the Board in order to reduce the allotment/payment should the level of capital employed exceed the level stipulated in the strategy plan adopted by NCC AB's Board. The Board will present the rate of achievement of the performance-based targets in the 2021 annual report.

Allotment

The participants are divided into three categories: CEO and other members of the Executive Team (ET), as well as business area management and other key personnel. The number of share awards and synthetic shares that a participant may be allotted depends on the participants' gross annual salary and the category to which the participant belongs.

For each participant, the Board establishes an allotment value relative to the participant's annual salary. The allotment value is 50 percent of annual salary for the CEO, and 30 percent of annual salary for other members of the ET. The allotment value for other key personnel is either 15 percent or 30 percent of the annual salary.

In view of the introduction of LTI 2019, the maximum short-term variable remuneration payable to the CEO and other members of the ET will be adjusted downwards by 10 percentage points, and for other participants by 5 or 10 percentage points.

The share price that is to form the basis for calculating the number of share awards and synthetic shares is to correspond to the average last price paid on the first ten trading days after the 2019 AGM. The individual allotment value is thereafter divided by the share price in order to arrive at the total number of awards per participant. Thereafter, half of these awards will be allotted in the form of share awards and half in the form of synthetic shares

Participants who are registered to pay tax in Denmark will only be allocated rights in the form of share awards.

Remuneration for the synthetic shares will enable the participants to pay the tax resulting from the allotment of shares from LTI 2019, without having to immediately divest the shares.

Based on the assumption of an average share price of SEK 137.80, participants in the various categories could receive the maximum total of share awards and synthetic shares stated in the table below.

Category	Number of share awards per participant	Number of synthetic shares per participant ¹	Total number of share awards and synthetic shares per category
CEO (maximum allotment)	16,901, of which 11,267 pertaining to Performance Target 1 and 5,634 pertaining to Performance Target 2	16,901, of which 11,267 pertaining to Performance Target 1 and 5,634 pertaining to Performance Target 2	33,802
Executive Team (7 participants, average allotment)	4,275, of which 2,850 pertaining to Performance Target 1 and 1,425 pertaining to Performance Target 2	4,275, of which 2,850 pertaining to Performance Target 1 and 1,425 pertaining to Performance Target 2	59,850
Members of business area management and key personnel (approx. 172 participants, average allotment)	1,024, of which 683 pertaining to Performance Target 1 and 341 pertaining to Performance Target 2	1,024, of which 683 pertaining to Performance Target 1 and 341 pertaining to Performance Target 2	352,256

Design and management

Within the framework of the specified terms, conditions and guidelines, the Board is to be responsible for the more detailed design and management of LTI 2019. The Board is to be entitled to make any adjustments required to fulfill special regulations or market conditions outside Sweden, and to introduce other long-term incentive solutions in countries where participation in LTI is not appropriate.

In addition, the Board is to be entitled to make any other adjustments should material changes occur in the NCC Group or its business environment that would entail that the decided terms and conditions for allotment and the opportunity to exercise the share awards or the synthetic shares in accordance with LTI 2019 are no longer be deemed viable. Prior to finally determining allotment of Series B shares on the basis of share awards and payment on the basis of synthetic shares, the Board will assess whether the outcome of LTI 2019 is reasonable. This assessment will be conducted in relation to the company's financial earnings and position, conditions in the stock market and other circumstances. Should the Board not consider the outcome to be reasonable, the number of shares to be allotted and the cash payment will be reduced.

LTI 2019 has been initiated by the Board and formulated in accordance with the guidelines resolved by the 2018 AGM for LTI 2018.

¹ Except for participants in Denmark, see above.

Expenses

Assuming a share price of SEK 137.80 and the maximum outcome, the cost for LTI 2019, including estimated costs for social security fees, will be about SEK 79.9 M. This corresponds to a value of approximately 0.53 percent of the total number of shares in the company at December 31, 2018.

The annual cost of LTI 2019, including social security fees, is estimated to amount to approximately SEK 26.6 M in accordance with the conditions described above. This cost may be compared with NCC's total personnel costs, including social security fees, of SEK 12,796 M for 2018.

LTI 2019 will be recognized in accordance with IFRS 2, which entails that the share awards will be expensed as personnel costs and accrued over the Vesting Period. It also entails that the fair value of the synthetic shares on the date of allotment will be expensed as personnel costs, accrued over the Vesting Period, and be continuously remeasured at each reporting occasion.

The maximum value that a participant may receive at allotment of Series B shares and cash payment is limited to an amount per share that corresponds to 400 percent of the share price. The share price is calculated on the basis of the average last price paid during a period of ten trading days immediately following the date of the 2019 AGM, a period when the share is traded ex-rights to dividends. Moreover, LTI 2019, including costs for social security fees, can never encompass more than 0.8 percent of the total number of shares in the company.

B. Purchase of own shares

The Board proposes to the Annual General Meeting that the Board be authorized on one or several occasions during the period up to the following AGM to make decisions on the purchase of own Series B shares based on the terms and conditions described below. The purpose of the authorization is to secure delivery of Series B shares and to cover costs, including costs for social security fees and payments on the basis of the synthetic shares, in accordance with LTI 2019.

1. The purchases may not exceed 867,487 Series B shares.
2. The shares may be purchased on Nasdaq Stockholm.
3. The shares purchased on Nasdaq Stockholm may only be acquired at a price per share within the registered span of share prices at the particular time, by which is meant the span between the highest price paid and the lowest asked price.
4. The shares are to be paid for in cash.

C. Transfer of own shares to the participants of LTI 2019

In order to secure delivery of Series B shares in accordance with LTI 2019, the Board proposes that the AGM resolve to transfer, free of charge, no more than 300,000 Series B shares to the participants of LTI 2019, in accordance with the terms and conditions for LTI 2019.

The reason for disapplying the shareholders' preferential rights is that the transfer of Series B shares to the program participants is a feature of implementation of LTI 2019 and it is thus adjudged to be beneficial for NCC. The number of shares that may be transferred to the participants of LTI 2019 will be subject to recalculation in accordance with the terms and conditions of LTI 2019.

D. Transfer of own shares to cover certain costs pursuant to LTI 2019 and other ongoing LTI programs

Furthermore, a maximum of 500,000 Series B shares will be transferred via Nasdaq Stockholm to cover costs, mainly costs for dividend compensation, social security fees and payments on the basis of the synthetic shares, arising from previously outstanding long-term performance-based incentive programs (LTI 2016, LTI 2017 and LTI 2018) as well as LTI 2019. Transfers under this item, via Nasdaq Stockholm, are to be effected before the next AGM at a price within the registered span of prices for NCC's Series B share at the particular time.

Documentation

The Board of Directors' complete motions concerning Items 17 and 18 will be available at the company's office, Vallgatan 3, SE-170 80 Solna, Sweden, and can be sent to shareholders upon request. The documents will also be available on the Group's website ncc.se.

The Annual Report, the Audit Report, the Auditor's Statement on Compliance with the AGM's guidelines for salary and other remuneration of senior executives and the Board's Statement on the motion concerning the profit distribution and the proposed authorization to the Board to repurchase own shares, will be made available for the shareholders at the company's office, address as above, and on the company's website no later than March 19, 2019 and will be sent to shareholders who so request.

Information concerning the AGM

The Board of Directors and the CEO must, if a shareholder so requests and the Board of Directors considers it possible without this resulting in material damage to the company, provide information concerning, firstly, conditions that could influence the assessment of an item on the agenda, secondly, conditions that could influence assessments of the financial condition of the company or subsidiaries and, thirdly, the company's relationship to other Group companies.

Majority regulations

One resolution is required for adoption of the Board's motion under Item 18. For the resolution to be valid, it must be supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the AGM.

Other

For a description of NCC's other share-based incentive programs, reference is made to Note 5 of NCC's 2018 Annual Report.

Shares and voting rights

As of the date of issuance of this official notification, the total number of shares in the company was 108,435,822, representing a total of 228,476,877 voting rights, comprising 13,337,895 Series A shares (10 votes per share) representing 133,378,950 voting rights and 95,097,927 Series B shares (one vote per share) representing 95,097,927 voting rights, including 402,050 own Series B shares, representing 402,050 voting rights. The company is not entitled to vote for own shares.



Processing personal data

For information on how your personal data is processed, refer to NCC AB's Privacy Policy for AGM's, <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Solna, March 2019
NCC AB
Board of Directors

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