

OFFICIAL NOTIFICATION OF THE ANNUAL GENERAL MEETING OF NCC AB (publ)

Welcome to NCC AB's Annual General Meeting (AGM)
Wednesday April 5, 2017, at 4:30 p.m. (CET)
Location: Kungliga Musikhögskolan (Royal College of Music),
Valhallavägen 105, Stockholm.
Registration at the Meeting will begin at 3:30 p.m. (CET) when refreshments
will be served.

The nearest subway station is Stadion (Red Line No. 14). The No. 4 and No. 72
bus lines stop at the Royal College of Music.

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 Thursday, March 30,
2017, and
- * notify their intention to attend the AGM by
Thursday, March 30, 2017.

Shareholders whose shares are held in the name of a
trustee with a bank or a stockbroker must temporarily
re-register the shares in their own name at Euro-
clear Sweden AB to be entitled to participate in the
AGM. Such registration must be completed no later
than Thursday, March 30, 2017, and must be re-
quested from the trustee in ample time prior to this
date.

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 www.ncc.se or
by telephone to +46 8 402 92 54. Notification shall
include name, personal identification number (cor-
porate registration number), address and telephone
number, as well as, where appropriate, the number

of advisors who will accompany the shareholder. If
participation is to be based on a power of attorney,
such a document must also be submitted in connec-
tion with notification of intention to attend the
AGM. A form for notifying power of attorney is
available on NCC's website
www.ncc.se/arsstamma2017 and will be sent free of
charge to those shareholders who request such a
form and notify their regular mail address.

Proposed agenda

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the list of share-
holders entitled to vote at the Meeting.
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 audi-
tors' report, and the consolidated financial re-
port and auditors' report on the consolidated fi-
nancial report.
8. The address by the CEO and any questions
related to this 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 Meeting.
11. Motions concerning the discharge of the Members of the Board and the CEO from personal liability for their administration during the 2016 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 chairman of the Nomination Committee.
17. The Board of Directors' motion concerning resolutions regarding guidelines for determining the salary and other remuneration of the EMG.
18. The Board of Directors' motion concerning resolutions regarding guidelines for a long-term performance-based incentive program plus the buyback and transfer of treasury shares.

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19. A proposal by an individual shareholder that a policy be established for the company entailing the introduction of a zero vision for worksite accidents, as well as a proposal that the Board be tasked with appointing a work group in order to realize this vision and to annually submit a report to the AGM that is to be included in the printed Annual Report.
 20. A proposal by an individual shareholder that a policy be established for the company entailing a vision of absolute equality between women and men at all levels, as well as a proposal concerning appointment of a work group with the task of working long term for the realization of this vision, and to carefully monitor development in the areas of both gender equality and ethnicity. Written feedback to the AGM on an annual basis, for example, by having the report included in the printed Annual Report.
 21. A proposal by an individual shareholder that the Board be tasked with taking the actions necessary to establish, if possible, a shareholder association in the company.
 22. A proposal by an individual shareholder that the Board be tasked with having a proposal formulated concerning representation of small and medium-sized shareholders on both the company's Board and the Nomination Committee, as

well as a proposal that the Board be assigned, by approaching the government, to make the government aware of the desirability to amend the Companies Act and thus make such representation possible.

23. A proposal by an individual shareholder that members of the Board be prohibited from invoicing their director fees via Swedish or overseas legal entities, as well as a proposal that the Board be assigned, by approaching the government and/the Swedish Tax Agency, to request that they focus their attention on changing regulations in the area in question.
24. A proposal by an individual shareholder that the Nomination Committee, when fulfilling its duties, will pay special attention to issues associated with ethics, gender and ethnicity.
25. A proposal by an individual shareholder concerning an amendment of the Articles of Association (Article 6, paragraph 3) as follows: Shares of both Series A and Series B carry one vote each; as well as a proposal that the Board be assigned to approach the government to inform it of the need to abolish the system of weighted voting in Swedish limited companies.
26. A proposal by an individual shareholder concerning an amendment of the Articles of Association (Article 9) as follows:
"A former government minister may not be appointed a member of the Board until two years have passed from the time the person concerned stepped down from his/her assignment.
"Other publicly elected, fully remunerated politicians may not be appointed a member of the Board until one year has passed from the time the person concerned stepped down from his/her assignment, unless extraordinary reasons give rise to an alternative course of action."
27. A proposal by an individual shareholder that the Board be tasked, by approaching the government, to bring to its attention the need of the introduction of a nationwide period of quarantine for politicians.

Motions

The Nomination Committee elected by the 2016 AGM has submitted the following motions regarding items 2 and 12-15.

Item 2: That Chairman of the Board Tomas Billing be elected chairman of the meeting.

Item 12: Seven regular Board members.

Item 13: That director fees be paid in a total amount of SEK 4,100,000, excluding fees for work on committees, distributed so that the Chairman of the Board re-

ceives SEK 1,100,000 and each other non-executive member receives SEK 500,000. The proposed fees concerning the Chairman and for each non-executive member are accordingly unchanged. The proposition represents an increase of SEK 500,000 in total director fees, since it is proposed that the Board of Directors be expanded by one member. It is proposed that fees be paid to members of the Audit Committee, whereby the chairman of the Committee will receive SEK 175,000 and each other Committee member will receive SEK 125,000. The auditors will be remunerated in return for approved invoices.

Item 14 The following are proposed as Members of the Board: reelection of Tomas Billing, Carina Edblad, Viveca Ax:son Johnson and Ulla Litzén. It is proposed that Tomas Billing be elected Chairman of the Board. Election of Birgit Nørgaard, Geir Magne Aarstad and Mats Jönsson as new members. Sven-Olof Johansson and Christoph Vitzthum have declined reelection. Information on the proposed members is available on NCC's website www.ncc.se.

Item 15: It is proposed, in accordance with the Audit Committee's recommendation, that the registered auditing firm PricewaterhouseCoopers AB (PwC) be newly elected auditor of the company. If PwC is elected, Håkan Malmström will be Auditor-in-Charge. The auditing firm is to be elected until the close of the 2018 AGM.

Punkt 16: Shareholders representing more than 50 percent of the total voting rights in the company propose the following Nomination Committee: reelection of Viveca Ax:son Johnson, Johan Strandberg, equity researcher, SEB Funds, and Anders Oscarsson, equity manager at AMF/AMF Funds. It is proposed that Viveca Ax:son Johnson be elected chairman of the Nomination Committee.

Item 17: The Board of Directors' motion entails that the guidelines for determining salaries and other remuneration paid to Executive Group Management as adopted at the 2016 AGM are to continue to be applied but be adjusted if the motion under Item 18 is adopted by the AGM. The adjustment entails that the maximum short-term variable remuneration payable to the CEO and other members of the EMG

in respect of 2017 be reduced by 10 percentage points to 50 percent of fixed salary for the CEO and to 30-40 percent of fixed salary for other members of the EMG.

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 2017"). In all significant respects, the structure of this program complies with the long-term performance-based incentive program adopted by the AGM on April 12, 2016. The Board is of the opinion that incentive programs of this type are of benefit to the company's long-term development. The purpose of LTI 2017 is to ensure a focus on the company's long-term profitability and growth and to minimize the number of worksite accidents.

It is proposed that LTI 2017 encompasses a total of approximately 180 participants within the NCC Group. LTI 2017 is a three-year performance-based program under which the participants will be allotted, free of charge, performance-based share awards that provide entitlement to Series B shares and to performance-based synthetic shares that provide entitlement to cash remuneration in accordance with the terms, conditions and principles described below. In view of the introduction of LTI 2017, the maximum short-term variable remuneration payable to the CEO and other members of the EMG will be adjusted in the manner stipulated in Item 17 above. For other participants in LTI 2017, the maximum short-term variable remuneration will be reduced by 5 to 10 percentage points.

Terms and conditions for share awards and synthetic shares

Share awards and synthetic shares are 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, free of charge, 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 price of the NCC Series B share at the date of payment.
- A prerequisite for entitlement to receive shares on the basis of share awards or receive cash payment on the basis of synthetic shares, subject to certain exceptions, is that the participant is still employed by the NCC Group on the day of the 2020 AGM.
- In order to equate the participants’ interests with those of the shareholders, the company will compensate the participants for dividends paid for the 2017, 2018 and 2019 fiscal years, insofar as such dividends exceed the level stipulated in NCC’s dividend policy, by paying them a corresponding cash amount.
- Share awards or synthetic shares may be issued by the company or other Group companies.

Performance targets

The number of shares and the cash amount that is finally received depends on the extent to which certain predetermined targets are achieved during the Vesting Period. The targets that are proposed for LTI 2017 pertain to the operating margin and growth for the NCC Group during the years 2017-2019 in relation to earnings and growth targets set by the Board, as well as a reduction in the number of worksite accidents by year-end 2019. Performance targets for allotment of shares and the payment of cash include both a threshold that has to be achieved for any allotment or payment to be made at all, and a ceiling, above which no additional allotment or payment will occur. The outcome between the threshold and the ceiling is linear. The performance targets will be measured during the period January 1, 2017 through December 31, 2019.

Allotment

The participants are divided into three categories: CEO and other members of the EMG, 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 will establish an allotment value relative to the participant’s annual salary. The allotment value is 50 percent of annual salary for the CEO, 30 percent of annual salary for other members of the EMG and either 15 percent or a maximum of 30 percent of annual salary for other key personnel. 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 during a period of ten trading days immediately following the date of the 2017 AGM when the share is traded. The individual allotment value is thereafter divided by the share price in order to arrive at the total number of awards per participant, of which half will be allotted in the form of share awards and half in the form of synthetic shares.

Reasons for the motion

The purpose of LTI 2017 is to ensure a focus on NCC’s long-term profitability, growth and to provide prerequisites for retaining and recruiting key personnel, to provide competitive remuneration and to enhance the community of interests among shareholders and key personnel by encouraging the ownership of shares in the company. An additional reason for LTI 2017 is to minimize the number of worksite accidents in the NCC Group. Against this background, the Board of Directors believes that the introduction of LTI 2017 will have a positive impact on the Group’s continued development and that LTI 2017 will thus benefit both the shareholders and the company.

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 2017. In this connection, the Board is to be entitled to make any adjustments required to fulfill special regulations or market conditions outside Sweden.

The Board is also 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 2017 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 2017 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 and, should the Board decide that it is not reasonable, the number of shares to be allotted and the cash payment will be reduced.

Preparation of the motion

LTI 2017 has been initiated by the NCC Board and formulated in accordance with the guidelines decided for LTI 2016. The change that is proposed is that a changed financial performance target be introduced, which is intended to contribute to achievement of NCC Group's strategic growth and profitability objectives.

Scope and costs of the program

Assuming a share price of SEK 225.4 and the maximum outcome in accordance with LTI 2017 in terms of both shares and cash amount, it is estimated that the cost of LTI 2017, including costs for social security fees, will be SEK 74.1 M, corresponding to the value of approximately 0.4 percent of the total number of shares in the company on December 31, 2016. At 50 percent fulfillment of the targets and a share price of SEK 225.4, the total cost of LTI 2017, based on the above principles, is estimated at SEK 37.0 M. At maximum outcome, including costs for social security fees, LTI 2017 could encompass 0.8 percent of the total number of shares in the company.

The value that a participant may receive at maximum allotment of Series B shares and maximum cash payment is capped at an amount per share that corresponds to 400 percent of the share price, calculated on the basis of the average last price paid during a period of ten trading days immediately following the date of the 2017 AGM, a period when the share is traded ex-rights to dividends.

B. Buyback of company shares

In order to secure delivery of Series B shares and to cover costs, including costs for social security fees and payments on the basis of synthetic shares, in accordance with LTI 2017, the Board proposes that the AGM resolve to authorize the Board to make decisions on one or several occasions during the period up to the following AGM to buy back no more than 867,486 Series B shares. The shares are to be acquired on Nasdaq Stockholm and may only be acquired at a price 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. The shares are to be paid for in cash.

C. Transfer of treasury shares to the participants of LTI 2017

In order to secure delivery of Series B shares in accordance with LTI 2017, the Board proposes that the AGM resolve to permit the transfer, free of charge, of no more than 300,000 Series B shares to the participants of LTI 2017, in accordance with the terms and conditions for LTI 2017. 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 2017 and it is thus adjudged to be beneficial for NCC. The number of shares that may be transferred to the participants of LTI 2017 will be subject to recalculation in accordance with the terms and conditions of LTI 2017.

D. Transfer of treasury shares to cover certain costs pursuant to LTI 2017 and other ongoing LTI programs

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 based on the synthetic shares, pursuant to outstanding long-term performance-based incentive programs (LTI 2014, LTI 2015 and LTI 2016) and LTI 2017. Transfers under this item, via Nasdaq Stockholm, are to be effected prior to the next AGM at a price within the registered span of prices for NCC's Series B share at the particular time.

Documentation

The Annual Report, audit report, Board of Directors' complete motions concerning Items 17 and 18, and the Board's statement pursuant to the above motions concerning the distribution of unappropriated earnings and the buyback of own shares will be available at the Company's office as of latest March 14, 2017, at the following address: NCC AB, Legal Affairs, Vallgatan 3, SE-170 80 Solna, Sweden, and can be sent to shareholders upon request. The Annual Report, motions and the statement will also be available on the Group's website www.ncc.se/arsstamma2017.

Information concerning the AGM

The Board of Directors and the CEO shall, 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.

Special decision-making majorities

A resolution is required for adoption of the Board's motion under Item 18. For the resolution to be val-

id, it must be supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the AGM.

For a resolution concerning the individual shareholder's proposals under Item 25 to be valid, the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the AGM, as well as half of all Series A shares in the company and at least nine-tenths of the Series A shares represented at the AGM. For a resolution concerning the individual shareholder's proposal under Items 26 to be valid, the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the AGM.

Shares and voting rights

As of February 28, 2017, there were a total of 108,435,822 NCC shares outstanding, representing a total of 230,702,028 voting rights, comprising 13,585,134 Series A shares representing 135,851,340 voting rights and 94,850,688 Series B shares representing 94,850,688 voting rights, including 362,222 Series B shares held in treasury and representing 362,222 voting rights.

Solna, February 2017
NCC AB (publ)
Board of Directors