GREEN FINANCE REPORT

2023

NRC Group

Green Finance Framework

In 2023, NRC Group established a Green Finance Framework as part of our commitment to develop and supply services to build sustainable transport solutions. The framework sets out the criteria for investments that can be financed or refinanced with green bonds, green loans and other green debt instruments. S&P Global Ratings has conducted the independent external assessment of the framework and given it their highest rating, dark green, and a governance score of good.

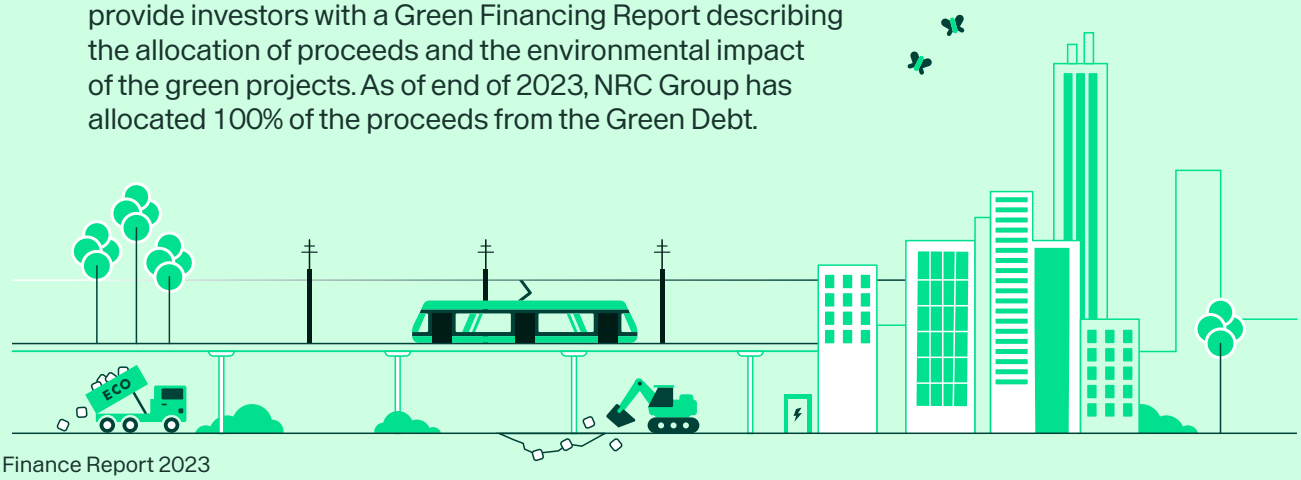
The Green Finance Framework received the highest rating, dark green, from S&P Global Ratings

The following supporting documents are available on NRC Group's website, www.nrcgroup.com:

- Green Finance Framework 2023
- Second Opinion S&P Global Ratings

Detailed information about the Group's sustainability targets and performance can be found in our Sustainability Report for 2023 on our website.

Based on the Green Finance Framework, the Group issued a 4-year senior unsecured NOK 400 million green bond 25 October 2023. The proceeds from the green bond have been used in accordance with the green project categories as described in the Green Finance Framework. According to the framework, the Group should annually until full allocation, and in the event of any material developments, provide investors with a Green Financing Report describing the allocation of proceeds and the environmental impact of the green projects. As of end of 2023, NRC Group has allocated 100% of the proceeds from the Green Debt.



Allocation report and use of proceeds

The proceeds of the Green Debt have been used to finance and refinance investments undertaken by NRC Group or its subsidiaries, in each case as determined by NRC Group in accordance with the green project categories defined in our Green Finance Framework (eligible Green Projects). NRC Group has prioritized financing and refinancing projects that are considered to be aligned with the EU Taxonomy, with particular focus on those that meet the technical screening criteria for climate change mitigation.

New financing is defined as Green Projects financed in the reporting year when the Green Debt was issued, and refinancing is defined as financing prior to the reporting year of when the Green Debt was issued. NOK 332 million of the Green Debt has financed the green rail investments on the Vestfold Line, and NOK 68 million of the Green Debt has financed investments in a climate-neutral heavy transport fleet in one of the Group's subsidiaries, Gunnar Knutsen AS. NOK 45 million of the NOK 68 million are refinancing of investments in green heavy vehicles from 2022, while the remaining NOK 23 million has financed new investments in 2023. The Green Debt proceeds have not been allocated to fossil fuel costs or to activities that are dedicated to the transport or storage of fossil fuels.

We aim to promote climate-friendly solutions, and proactively work to become a zero-emission industry

Allocation report December 2023		
Issuance date		25.10.2023
Maturity		25.10.2027
ISIN		NO0013049403
Currency		NOK
Amount issued (million)		400
Allocated		100.0 %
Unallocated		0.0 %
New financing		88.7 %
Refinancing		11.3 %
Considered alignment with the EU Taxonomy		100.0 %
Allocation report December 2023	**%**	**NOK million**
Infrastructure for rail transport	83.1 %	332
Light and heavy vehicles and construction machines	16.9 %	68

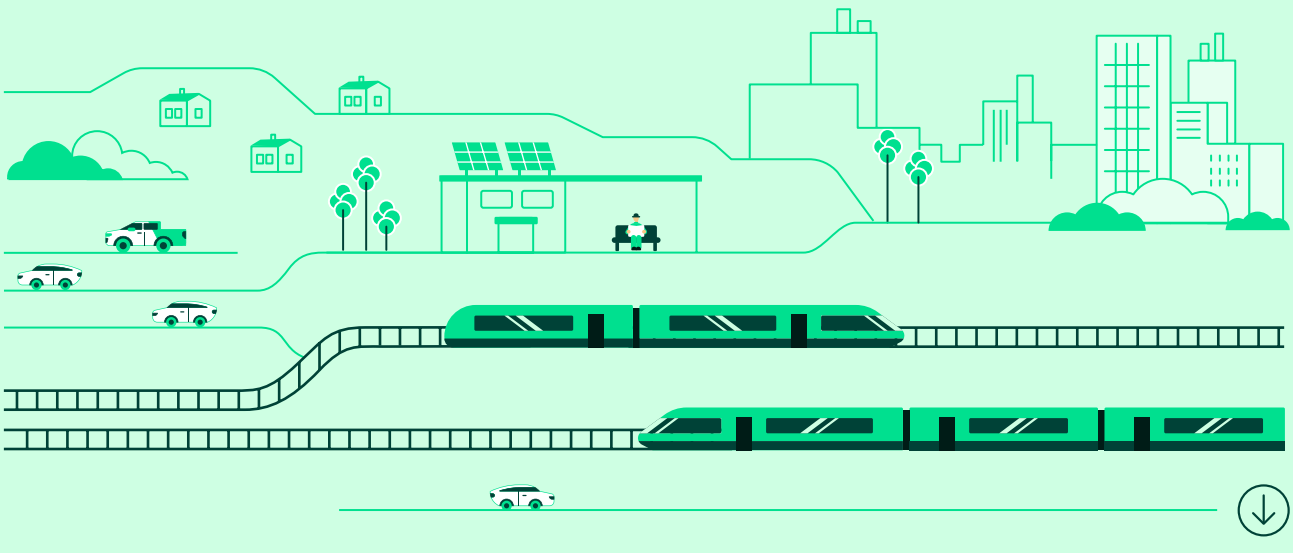
Green investments on the Vestfold Line

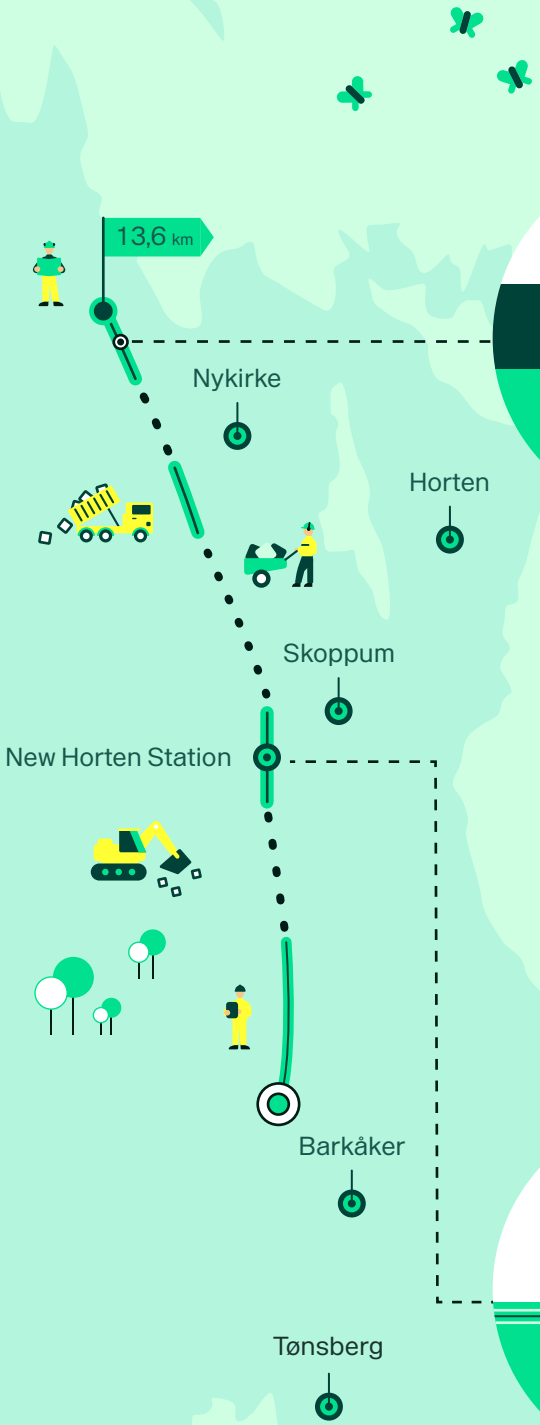
More trains, departures, and better services will be the result when we finish the InterCity expansion of Nykirke-Barkåker on the Vestfold Line.

As part of the expansion of the Vestfold Line, we are constructing new double-tracks facilitating more trains and departures between Oslo and Tønsberg. This will provide a better and more efficient daily commute when the tracks open for traffic in 2025.

Start: 2019
Completion: 2025
Client: Bane NOR
Alliance partners: Gunnar Knutsen AS & NRC Kept
Contract value: 793 MNOK

The Vestfold line is considered 100% aligned with the EU Taxonomy's environmental screening criteria, do no significant harm principles, and minimum social safeguards





The Tangen Tunnel
Rehabilitating the Tangen Tunnel was our top environmental initiative on the Vestfold Line. Rather than constructing a new tunnel, we opted for renovation, resulting in significant cost savings of NOK 450 million during the planning stage. This underscores the importance of early decisions to minimise the environmental impact and to reduce emissions.

Wildlife Crossing
We've built wildlife crossings to make sure that wildlife in the area can cross the railroad safely. In addition, we've built culverts underneath the railway to ensure that frogs can move from one side of the railroad tracks to the other.

New Horten Station
We've facilitated rooftop solar panels and several new EV chargers at New Horten Station. By drilling 133 energy wells below the parking area, we will use geothermal heating to melt snow.

Focus on Circular Economy
The project is almost self-sufficient for stone material, except for ballast. However, the ballast is delivered by a local supplier, which contributes to the reduction of greenhouse gas emissions.

Biogas trucks

Investing in a climate-neutral heavy transport fleet.

We are investing in initiatives to reduce our GHG emissions and improve efficiency, aiming for economic and productivity benefits associated with these investments. Our focus on the efficient operation of equipment is complemented by a transition to renewable biogas fuels and investments in electrification of suitable equipment. We are reducing emissions by converting diesel machines to hybrids and have invested in 50 trucks on renewable biogas. Over 70% of Gunnar Knutsen's (a wholly owned NRC Group subsidiary) truck fleet is using biogas and the company's mid-term ambition is to fuel their entire fleet on renewable biogas.

This investment plays an important role in reducing energy use and contributing to NRC Group's target of reducing emissions by 30% by 2025. Being able to provide a low-carbon heavy transport fleet has strengthened our sustainability credentials and converted them into a contract-winning competitive advantage. As the market and availability of electric-powered machinery develops, we will continue to consider replacing existing machinery and equipment with electrical options, where it is fit for purpose. Annually, replacing one diesel truck with a biogas truck reduces emissions by approximately12.8 tCO_2. As a result of the investment in Gunnar Knutsen, NRC Group estimates to reduce emissions by 640 tCO_2 per year.

Investing in biogas trucks is considered to ensure 100% alignment with the EU Taxonomy, meeting both the environmental screening criteria, the do no significant harm principles, and minimum social safeguards

Impact reporting	
Number of vehicles and/or construction machines	50
Annual GHG emmisions avoided (tonnes CO2e)*	640 tCO2

** Experiential estimate based on the activity level of the last 10 years. Trucks travel an average of 80 km per year with a fuel consumption rate of 0.6 liters per km (trucks carrying 30 tons of masses), which results in an annual fuel consumption of 48,000 liters. The emission factor for one liter of diesel is 2.67 kg CO2/l. Thus, the emissions per year for a diesel truck amount to 12.8 tCO2.*