NRC Group

Integrated annual report

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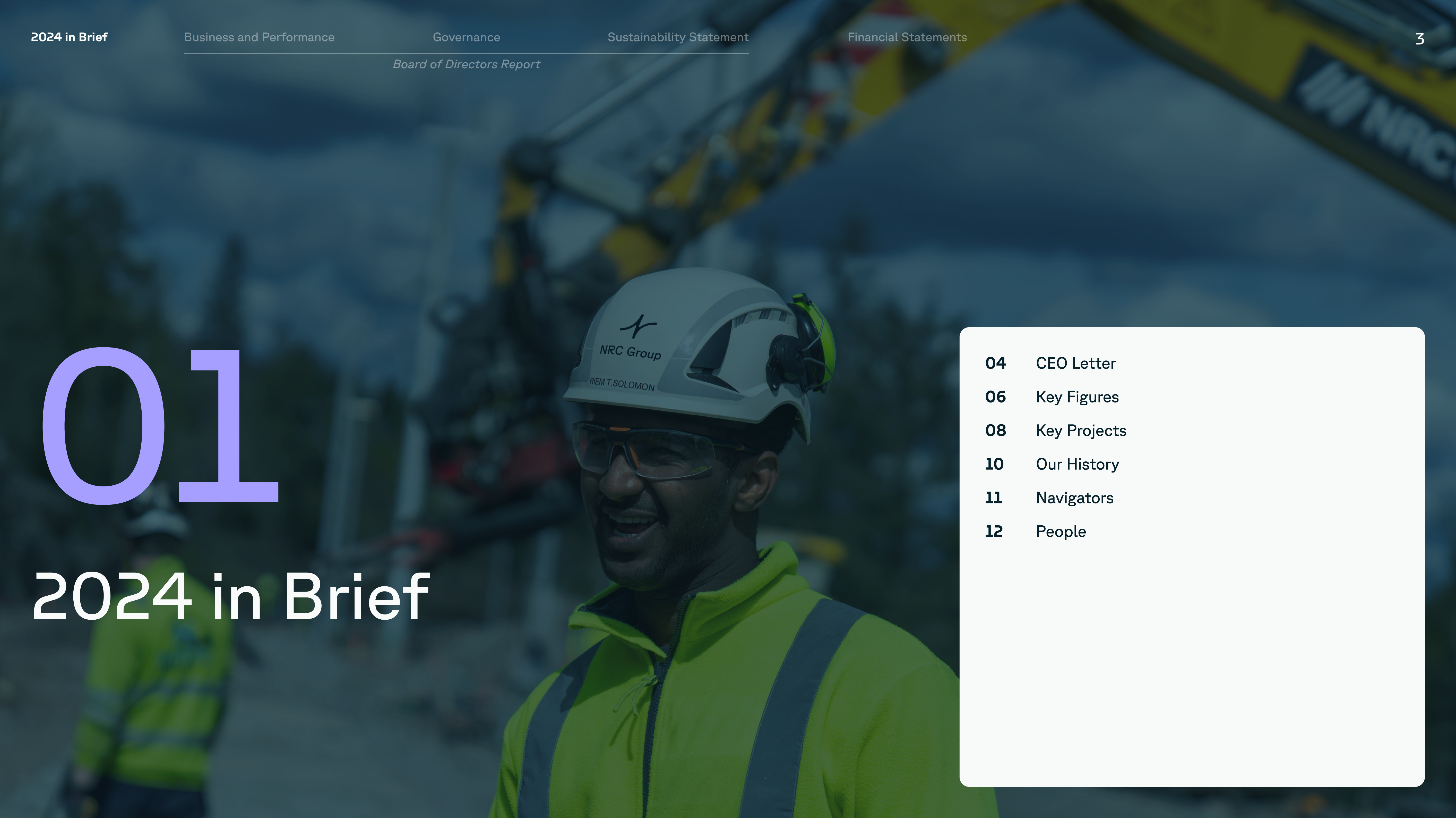

01

2024 in Brief

CEO letter

2024 was a transformative year for NRC Group, marked by significant challenges and also notable progress. While the financial results were disappointing, we took proactive measures throughout the year to improve our tendering processes and secured notable contracts across Norway, Sweden, and Finland — contributing to a stronger order intake.

This reflects our ability to handle challenges, resilience and commitment to profitable growth. We also launched a new four-year strategy with the goal to position NRC Group as the most ambitious infrastructure builder in the Nordics, aiming to exceed NOK 10 billion in revenue and achieving a margin above 5% by 2028.

Throughout the year, we focused on leveraging our Nordic strenghts and establishing ourselves in new markets. Our order intake increased to NOK 6.6 billion compared to NOK 5.6 billion in 2023, and our order backlog reached NOK 8.0 billion by year-end 2024. We placed strong emphasis on fostering a culture of excellence and streamlining operations to deliver sustainable value.

The year presented substantial challenges, primarily due to unresolved change orders with Bane NOR in the ETM project, which more than doubled in size, due to a broad scope of changes. This impacted our liquidity and financial performance negatively. Significant downward adjustments affected the full-year results. We raised capital of NOK 250 million, which was a critical and decisive factor in strengthening our financial platform and a prerequisite for navigating the process with Bane NOR. As no agreement was reached during the resumed mediation in February 2025, we will initiate legal proceedings based on well-founded claims.

The ETM project impacted the results negatively in Norway and Sweden, and the margin decreased in Finland mainly due to write-downs in three rail projects. Our underlying performance in Sweden improved during the year. In Finland, the change program is starting to yield results and the market is strengthened, which resulted in improved margin at the end of the year. I am confident that we are back on a growth track again. Finland is recovering, Norway has restarted and Sweden is expected to deliver positive results for the first time in 2025.

During the year, several members of the management team in Norway were replaced, and leadership in Sweden was strengthened with a new managing director and CFO. In Finland, the new organisational structure was launched in January 2025 to optimise for profitable growth moving forward. Our new executive leadership team is now fully in place, bringing fresh perspectives and solid industry expertise.

Looking ahead, our tender pipeline across all three countries is strong with a great potential. We have identified significant opportunities in new markets such as energy, water, and defense, also influenced by the political situation. The market outlook remains strong, with high investments from Nordic governments to upgrade and maintain critical infrastructure. These investments are driven by urbanisation, population growth, sustainability and an increased focus on national security and energy demand. We are confident that, over time, we will establish a foothold in these sectors. The widespread governmental support in Norway, Sweden and Finland presents significant opportunities for our business.

Building a low-carbon future is at the core of our business. We are working on projects across the Nordics that have a real and positive impact. Prioritising safety and minimising our negative impact on the external environment are prerequisites for our long-term success, alongside a strong framework for transparent management of material, social and environmental factors. We build critical infrastructure with a purpose.

72% of our business activities, in terms of revenue, are considered eligible under the EU Taxonomy, and 27% are aligned. During 2024, we continued to mature roadmaps and processes and took tangible steps to fully integrate ESG into the company's business, delivering progress towards our commitments. We conducted our first Double Materiality

We remain firmly committed to achieving a margin over 2.0% in 2025 and are well-prepared for future profitability of above 5% in 2028 in line with our strategy.

Integrated annual report 2024

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Assessment and updated our most material impacts that will be backed up by new strategic targets for 2028. Our Sustainability Statement reflects commitment to analysing and making the right choices for the company's long-term value creation and impact.

A key component of the strategy is being ambitious on behalf of our employees. We have attracted and retained the right leadership, project managers and a skilled workforce. Our people are the foundation to successfully executing our strategy. The Navigator and Mentor programs, designed to develop future leaders, have been successfully launched during the year. The leadership principles outline the most important behaviors expected from leaders at all levels across the organisation, and provide a strong foundation for enabling active leadership. The quality of our business model, how we lead and execute our projects, are supported by ISO certifications, our business ethics and the Code of Conduct.

We aim to continue being regarded as a trusted partner and provider of critical infrastructure.

In summary, 2024 was a year of transformation and restart. We have built a stronger foundation and implemented a strategic process that will guide our efforts to improve operational efficiency and deliver shareholder value. With our new strategy in place and a robust tender pipeline, we are optimistic about our ability to deliver on our commitments and create value for all our stakeholders. We remain firmly committed to achieving a margin over 2.0% in 2025 and are well-prepared for future profitability of above 5% in 2028 in line with our strategy.

As we enter 2025, we face a year of continued geopolitical change and political instability, but also one offering significant opportunities to advance our strategic roadmap. We are confident in our ability to further strengthen our foundation and provide our customers with a competitive edge through high-quality, sustainable infrastructure.

I would like to extend my sincere gratitude to all NRC Group employees for their efforts and dedication in supporting our customers and partners in Norway, Sweden, and Finland.

Thank you for your continued trust and support.

Anders Gustafsson,
CEO NRC Group

> Looking ahead, our tender pipeline across all three countries is strong and shows great potential. We see significant opportunities in new markets such as energy, water, and defense, also influenced by the political situation.

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Key Figures

Revenue

6,892 MNOK

2023: 6,732 MNOK

Order intake

6,606 MNOK

2023: 5,632 MNOK

EBIT adj.

-93 MNOK

2023: 121 MNOK

(Amounts in NOK million)	2024	2023	2022	2021	2020
Revenue	6,892	6,732	7,030	5,957	6,449
EBITDA	25	316	333	302	263
EBIT adj.	**-93**	**121**	**137**	**110**	**25**
EBIT adj. (%)	**-1.3 %**	**1.8 %**	**2.0%**	**1.8 %**	**0.4%**
Order intake	6,606	5,632	6,959	7,581	5,339
Order backlog	7,971	6,940	7,795	7,801	6,475
Cash flow from operating activities	31	376	235	358	312
Cash and cash equivalents	357	369	472	627	610
Net interest-bearing debt	622	761	950	891	1,158
Net interest-bearing debt excl. leasing	219	258	422	399	585
Equity ratio	37 %	47 %	45 %	47 %	47 %
LTI	4.7	5.6	6.0	6.4	5.6
Employees	1,780	1,853	1,960	1,893	1,914
Sickness absence (%)	3.7 %	3.8 %	4.2 %	3.9 %	4.8 %

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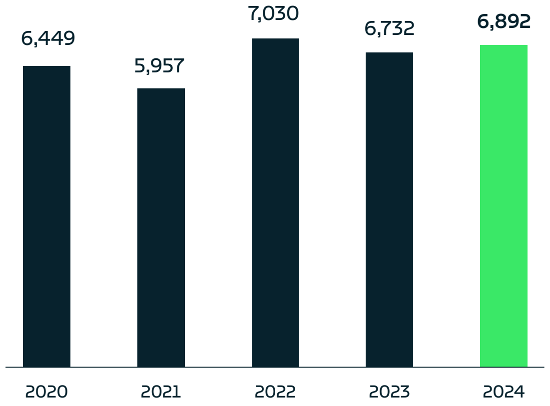
Key Figures

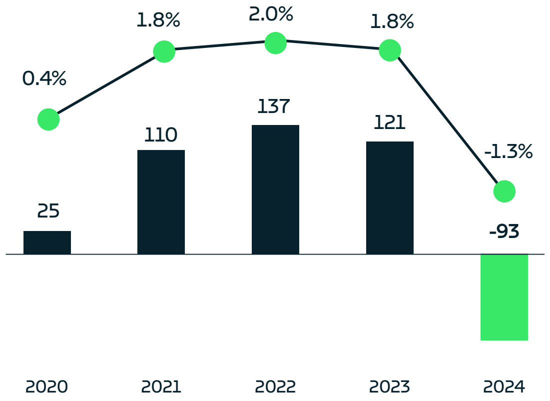
Total revenue

NOK million



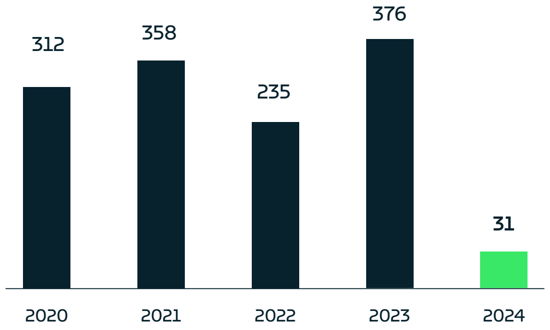
EBIT adj. & EBIT adj. Margin (%)

NOK million and percent



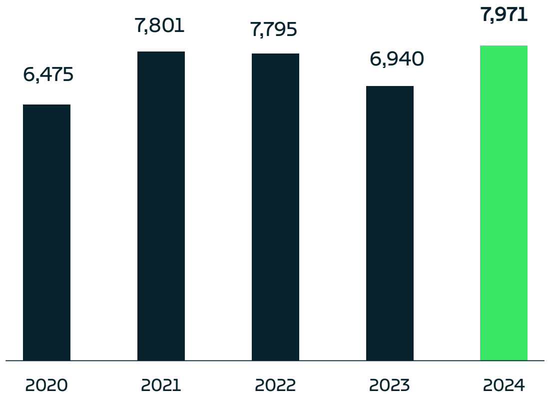
Cash flow from operating activities

NOK million



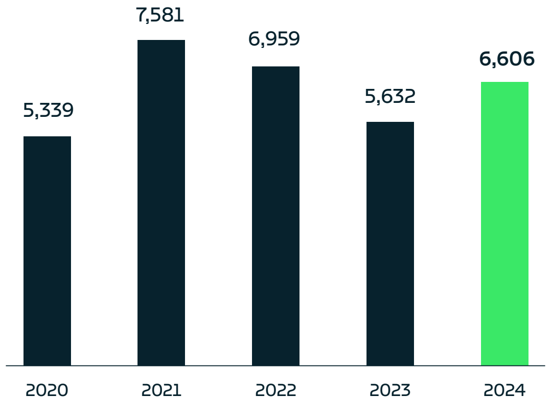
Order backlog

NOK million



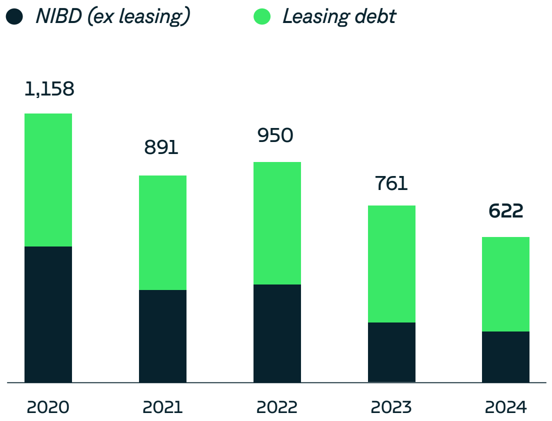
Order intake

NOK million



Net interest-bearing debt

NOK million



Integrated annual report 2024

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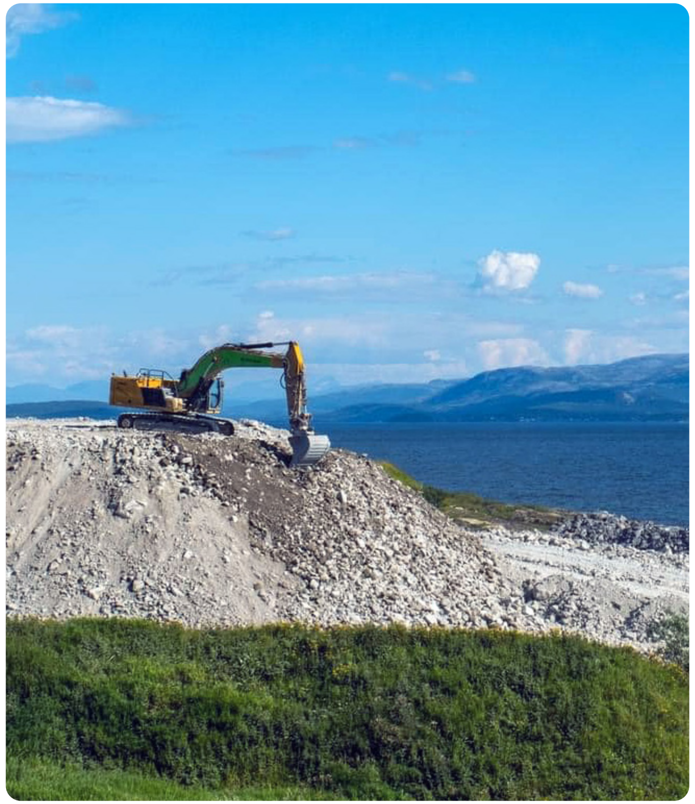
Key Projects

Access to high-quality, low-carbon sustainable infrastructure solutions is important as cities and populations grow. There is increased political risk and signals from governments to accelerate investments to secure countries and people going forward.

Sweden:
Catenary work on the railway between Alingsås and Olskroken

The contract for rail services such as electro and groundwork. The contract is valued at approximately SEK 456 million.

Start: March 2025
Completion: November 2027
Client: Trafikverket (The Swedish Transport Administration)



Norway:
Demolition and remediation work at Bodø Airport

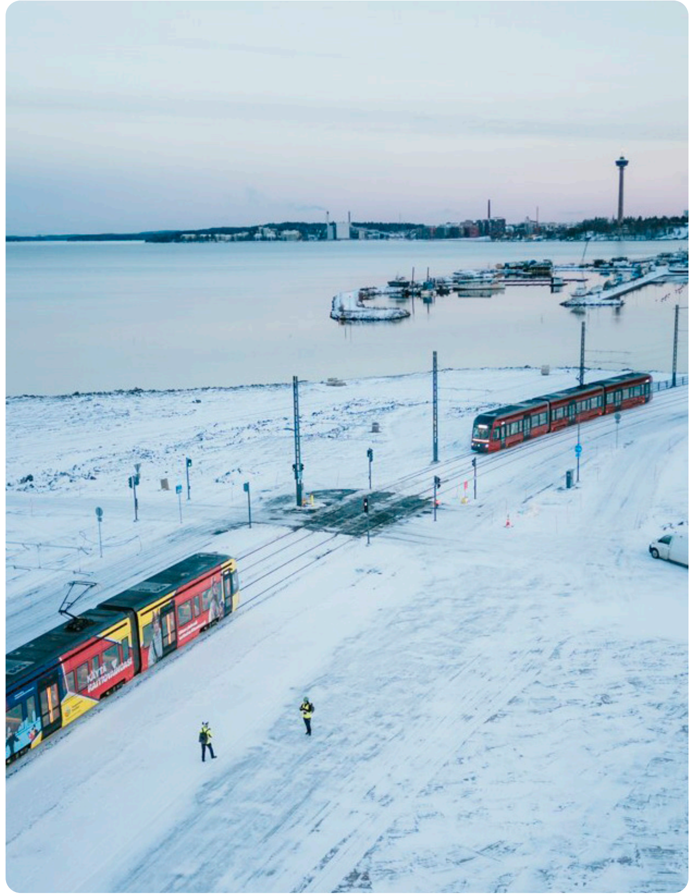
The contract for demolition and remediation works, to prepare for a new upgraded airport in Bodø. The contract is valued at approximately NOK 95 million

Start: July 2024
Completion: February 2025
Client: Peab Anlegg AS

Finland:
Light rail alliance contract in Tampere

The contract for first phase of construction of the Pirkkala-Linnainmaa tramway, and will involve track construction, related street and traffic arrangements. The contract is valued at approximately EUR 81 million.

Start: December 2024
Completion: August 2028
Client: Tampere Tramway Ltd., the City of Tampere and the Municipality of Pirkkala



Integrated annual report 2024

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Key Projects

NRC Group prioritises securing larger contracts in both rail and civil markets going forward. The company will continue to strengthen its positions in priority markets and leverage on the established Nordic market position and unique capabilities.

Sweden:
Maintenance of railways on Svealandsbanan

Contract will involve preventive and corrective maintenance tasks. The contract is valued at approximately SEK 304 million.

Start: January 2025
Completion: January 2031
Client: Trafikverket (The Swedish Transport Administration)

Norway:
Upgrading catenary on Bergensbanen

The contract will involve services such as electro, signal/telecom, track and groundwork. The contract is valued at approximately NOK 436 million.

Start: March 2024
Completion: Autumn 2027
Client: Bane NOR

Finland:
Rail contract for Espoo City Rail

The contract will involve services such as rail construction, groundwork, foundation, bridges and platforms. The contract is valued at approximately EUR 18 million.

Start: February 2024
Completion: June 2028
Client: Finnish Transport Infrastructure Agency (FTIA)

Our history

2011
NRC Group is founded

2014
Growth journey starts (14 companies acquired until 2019)

2015
Listed on Oslo Stock Exchange

2015
Expansion to Sweden

2016
Revenue exceeds NOK 2 billion

2018
Acquiring Gunnar Knutsen in Norway

2019
Expansion to Finland / Acquiring VR Track in Finland

2019
Revenue exceeds NOK 6 billion

2019
Winning Jokeri Light Rail – largest contract awarded to NRC Group (EUR 220 million) so far

2020
Materiality assessment and first Sustainability Report

2021
First reporting on the EU Taxonomy

2021
Sustainability certification for all 2000 employees

2021
Winning electrification of Trønder og Meråkerbanen (NOK 760 million) – collaboration with Norway and Sweden

2021
The Finnish government presents the first National Transportation Plan 2021-2032

2022
The Swedish government updates the National Transportation Plan for 2022-2033

2022
Continue to turn sustainability credentials into contract wins

2022
The Norwegian government presents National Transportation Plan 2022-2033

2023
Anders Gustafsson becomes new CEO of NRC Group

2024
Green Bond listed at Oslo Stock Exchange

2024
Capital Markets Update presenting strategy for 2024-2028

2024
Bank and loan agreements re-negotiated

2024
Strengthening financial platform by capital raise of NOK 250 million

2024
New management teams in place

Navigators

With the Navigator Program we aim to build courageous leaders and solid leadership skills among young professionals with ambitions and potential to take on future leadership roles in NRC Group.

The Navigator Program is an internal Nordic leadership development program for talented and ambitious emerging leaders at NRC Group. The goal is to build confidence and solid leadership skills in young employees with the ambition and potential to take on leadership roles in NRC Group in the future.

The Navigator Program is grounded in NRC Group's core leadership principles, the program aims to equip young professionals with the confidence and essential leadership skills needed to excel in management roles today and in the future. By fostering a supportive environment, the program nurtures participants' ambitions and potential, preparing them to take on key leadership positions within the organisation.

The Navigator Program focuses on five leadership principles that serve as the foundation for success at NRC Group:

- Live our values
- Share knowledge to improve
- Motivate, develop, and inspire
- Cultivate a commercial mindset
- Respect and include

Sharing Experiences

The Navigator Program brings together leadership talents from across the Nordic region to exchange knowledge and insights. A key objective is to foster long-lasting connections among participants, allowing them to continue their personal and professional development as a network even after the program concludes.

The Foundation of Trust

"Trust is the foundation of good leadership at NRC Group. Feedback is essential to building trust," says Marianne Ulland Kellmer, EVP & Group Head of HR and Digitalisation at NRC Group. Marianne Ulland Kellmer and Vilde Haugnæss, Head of Talent Acquisition and People Development, are responsible for the Navigator Program.

One of NRC Group's core leadership principles is to "Motivate, develop, and inspire."
The Navigator program helps participants understand how to implement this principle in practice. Through a series of exercises, the 16 participants test methods that can make them trustworthy leaders whom employees feel comfortable being honest with. One such method is the art of giving feedback effectively. Navigator participant Tobias Kumlin emphasises that both giving and receiving feedback require practice.

The Foundation of Trust

Navigator program encourages participants to share knowledge and build lasting connections to continue their development beyond the program.
- This is a fun group with diverse roles, which means we can learn a lot from each other. We come from three different countries and see the differences between us, and there's always something valuable to take into our own jobs, says Glenn Andersson, site manager at NRC Group Sweden.

Many participants feel honored to be chosen for the Navigator program and to have the opportunity to develop as leaders within NRC Group.
- It's an honor to be a part of this. I was thrilled to be asked to participate, says Tobias Kumlin. The Navigator program at NRC Group is more than just a training session. It's a journey towards becoming leaders who can motivate, develop, and inspire their teams through trust and effective communication.

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People

NRC Group's ability to generate value rests on the collective expertise of its people, and as a Nordic infrastructure company NRC Group's most important resource is its people and their engagement, capacity and capability.

People Development and Recruitment

People development and the recruitment of recent graduates combined with experienced workers has high priority. Employee participation is an integral part of NRC Group's way of working, requiring the involvement of employees in all decisions and actions that may have consequences for others.

NRC Group's projects are complex and demand high expertise and skills. Employees working on projects are exposed to new tasks and challenges and can develop their abilities with the strong support of management and more experienced colleagues. This makes projects one of the most important learning arenas for the employees. The project management teams are composed of individuals with complementary skills, who must work together to secure an optimal project outcome. To ensure high performance, teams must exploit both individual capabilities and collective expertise and work well together.

NRC Group has several structured initiatives in developing its people. A cross-Nordic mentor program aims to share knowledge and build skills and competencies across the company, where younger employees can learn from more senior colleagues in a structured way. In addition, the HR teams in respective countries organise and facilitate learning and development adapted to individual roles and responsibilities. This covers the company's core subjects, project management, local systems and regulations, and basic leadership skills. NRC Group has a long-term strategy of training and hiring its own skilled workers, and training in project management has high focus going forward.

In 2024, NRC Group launched the Navigator Program for employees early in their career with potential and ambition to take on future leadership roles. This program is cross-Nordic with participants from both Finland, Sweden and Norway, and aims to prepare for future career advancement and is an important initiative to build a solid pipeline of future leaders.
NRC Group also has a strong focus on apprentices, and has solid apprentice programs running. Passing the trade examination qualifies apprentices for a permanent position after completion of their apprenticeship.

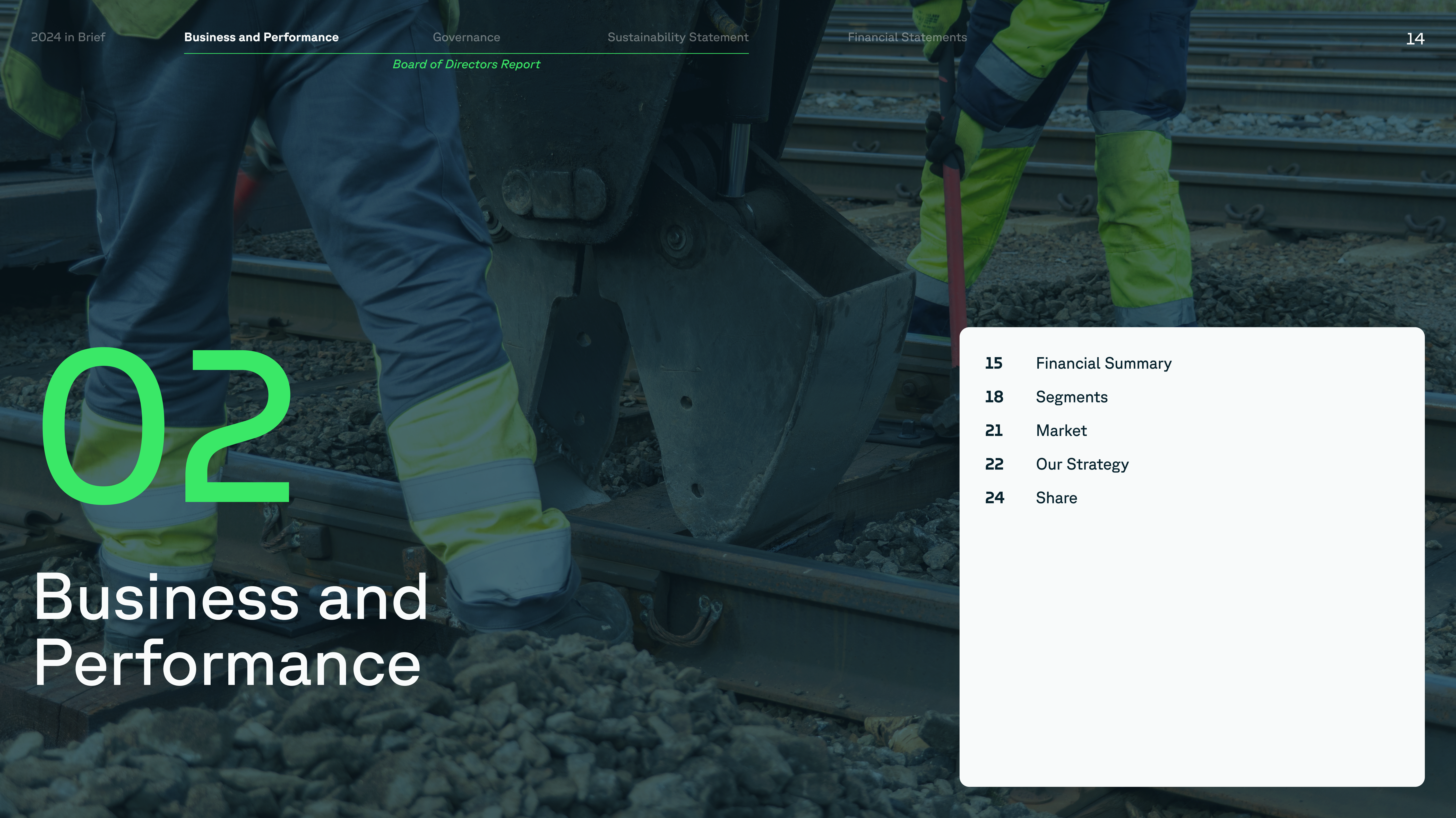
Working environment and diversity

All NRC Group employees must be met with respect and be given the opportunity to use their skills in cooperation with others. The company practises zero tolerance for harassment including behaviour that may be perceived as threatening or degrading. This year employee groups have been trained in raising awareness of the importance of building an inclusive working environment free of harassment and bullying, and this effort will continue going forward. The ethical guidelines encourage staff to report actions which may be contrary to laws, regulations and internal routines, and procedures have been developed for reporting and addressing of censurable conditions.

Culture

One of NRC Group's articulated success criteria, is their winning Nordic culture. The company's values, Caring – Credible – Entrepreneurial – is the foundation of the company culture, and together with our leadership principles, #howwelead, employees and leaders have solid guidelines for their everyday behaviour. The company aim for solid feedback culture, and hence conducts regular employee surveys - #yourvoicematters - and occupational health surveys to identify important factors affecting the working environment. Reported levels of employee commitment and satisfaction indicate good framework conditions for productivity and personal development, and employees report particularly high satisfaction with their job content.

Board of Directors Report



02

Business and Performance

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Financial Summary

The Group revenue for 2024 ended at NOK 6,892 million compared to NOK 6,732 million in 2023. The organic growth was 4%, due to high volumes in Sweden.

The Group's operational profit, measured in EBIT adj., was NOK -93 million in 2024 (NOK 121 million) resulting in an EBIT adj. margin of -1.3% for the year (1.8%).

EBIT for 2024 amounted to NOK -820 million compared to an EBIT of NOK 105 million in the previous year. Results were significantly affected by downward project adjustments of approx. NOK 190 million. Adjusting items included in EBIT, but not in EBIT adj., amounted to NOK -727 million in 2024 (NOK -16 million). In 2024 this included impairment charge related to goodwill in Norway and Finland of NOK 650 million and restructuring cost of NOK 74 million recognised in NRC Kept, following a complete restructuring process in Q1. Additionally there was M&A income of 4 million (NOK 7 million) and other restructuring costs of NOK 7 million (NOK 21 million).

Net financial items amounted to NOK -81 million for 2024, compared to -59 million last year. The change is mainly due to a positive effect in 2023 from termination of an interest rates swap. Net interest expenses increased with NOK 4 million from 2023 to 2024.

The share of profit from associated companies totalled a loss of NOK 18 million in 2024 (NOK 2 million in 2023). All capital contributions to AGN Haga AB have been impaired, and the book value in the balance sheet is NOK 0 million (NOK 0 million).

The tax expense in 2024 was NOK 81 million, compared to NOK 8 million in 2023. Based on management's assessments net deferred tax of NOK 79 million have been written off in 2024 in Norway, according to the principles set forth in IAS 12.

Net loss amounted to NOK -1,000 million, compared to a profit of NOK 37 million in 2023. Ordinary earnings per share was NOK -10.54 in 2024 compared to NOK 0.52 in 2023.

Cash flow

Net cash flow from operating activities in 2024 was NOK 31 million, compared to NOK 376 million last year mainly caused by a significantly lower EBIT in 2024 and a continued building of working capital in the ETM project.

Net cash flow from investing activities was NOK 3 million, compared to NOK 89 million in the same period last year. This included net proceeds from sale of PPE with NOK 60 million, compared to NOK 30 million in the same period last year. In 2023 the sale of the Gravco business unit contributed positively with 97 million in investing cash flow.

The net cash flows from financing activities amounted to NOK -67 million for the full year, compared to NOK -553 million last year. The cash flows include interests for the bank debt, the bond and for lease liabilities, and instalments for the bank loan and leasing liabilities (financial and operating). 2024 includes net proceeds of NOK 236 million from share capital increases. The net interest expense amounted to NOK 78 million, a decrease of NOK 4 million compared to the same period last year. Somewhat higher interest rates on lease liabilities and the credit facility during the year were mitigated by a reduction in debt levels.

The net change in cash for 2024, including currency impact, was NOK -12 million compared to NOK -103 million last year. Cash at the end of the period amounted to NOK 357 million. In addition, the Group had per fourth quarter an unused credit facility of NOK 400 million. See note 19 in the financial statements section for details regarding this.

REVENUE

6,892 MNOK

2023: 6,732 MNOK

EBIT ADJ.

-93 MNOK

2023: 121 MNOK

ORDER INTAKE

6,606 MNOK

2023: 5,632 MNOK

ORDER BACKLOG

7,971 MNOK

2023: 6,940 MNOK

FINANCING AND BALANCE SHEET

Net working capital decreased by NOK 63 million to NOK -125 million following continued focus on working capital management and cash collection. Total assets at NOK 4,603 million decreased by NOK 540 million from 2023. The equity ratio was 37% on 31 December 2024 compared to 47% last year. The Group strengthened its financial position by executing a share issue of 250 MNOK in the second half of the year.

The net interest-bearing debt decreased by NOK 139 million during the year to NOK 622 million, while net interest-bearing debt excluding lease liabilities decreased by NOK 39 million during 2024 to NOK 219 million. Total lease liabilities decreased by NOK 99 million to NOK 404 million as lease payments and terminated agreements were higher than the discounted value of new lease agreements.

ORDER INTAKE, ORDER BACKLOG AND TENDER PIPELINE

The Group had an order intake of NOK 6,606 million in 2024, compared to NOK 5,632 million in 2023. The 2024 order intake corresponds to a book-to-bill ratio of 1.0x (0.8x in 2023). The order backlog at the end of the year amounted to NOK 7,971 million compared to NOK 6,940 million at the end of 2023. From 2024, order backlog includes a conservative estimate of expected revenue from the Materials division in Finland and Maintenance division in Sweden (based on frame agreements). The tender pipeline is at a high level of NOK 27 billion and remains strong across all countries.

CORPORATE EVENTS

During the year, NRC Group acquired 1,060,272 treasury shares. At the end of the year, the Company held 1,156,247 treasury shares. On 10 September, a private placement of new shares in the Company was completed. The Company raised NOK 200 million in gross proceeds through the private placement of 80 million new shares, at a price per share of NOK 2.50. On 6 November, a subsequent offering primarily targeting shareholders at 10 September 2024 that did not participate in the private placement was completed. The Company raised NOK 50 million in gross proceeds through the subsequent offering of 20 million new shares, at a price per share of NOK 2.50.

DIVIDEND

The Board of Directors at NRC Group has approved a dividend policy whereby, subject to a satisfactory underlying financial performance, it is NRC Group's ambition over time to distribute dividend as a minimum of 30% of the profit for the year. The target level will be subject to adjustment depending on possible other uses of funds. The Annual General Meeting (AGM) resolves the annual dividend, based on the proposal by the Board of Directors.

Based on the 2024 results, the Board of Directors will not propose a dividend from the year 2024.

ALLOCATION OF PROFIT/LOSS FOR THE PARENT COMPANY

The Board of Directors proposes the following allocation of the annual profit for the parent company NRC Group ASA:

Transfer to share premium of NOK -834 million.

EVENTS AFTER THE BALANCE SHEET DATE

The mediation with Bane NOR regarding the ETM project, which resumed in February 2025, ended without the parties being able to reach an agreement. The project has more than doubled in size, due to a broad scope of changes. NRC Group will initiate legal proceedings, as an acceptable agreement could not be reached.

After year end NRC Group has won the following contracts as of 20 March 2025:

Client	Value (MNOK)
Tampere Tramway Oy	85
Finnish Transport Infrastructure Agency	156
The Swedish Trasportation Administration	85
Finnish Transport Infrastructure Agency	84
Bane NOR	463
OHLA Sverige AB	252
OHLA Sverige AB	162
Total	**1,287**

OUTLOOK AND STRATEGY

NRC Group is strongly positioned in a growing market with a substantial tender pipeline. The strength of our order backlog and the growing tender pipeline across all countries signal opportunities for us going forward. The signal from governments across our markets is still high demand for our services.

NRC Group continues its focus on measures to improve profitability and is confirming the commitment to achieving long-term profitability above 5%. For 2025, the Group expects revenue of approximately NOK 7.0 billion and an EBIT margin above 2.0%. The Group's long-term target is generating more than NOK 10 billion of revenue with an EBIT margin above 5.0% in 2028, and with stable growth in margin between 2025 and 2028.

Long-term target

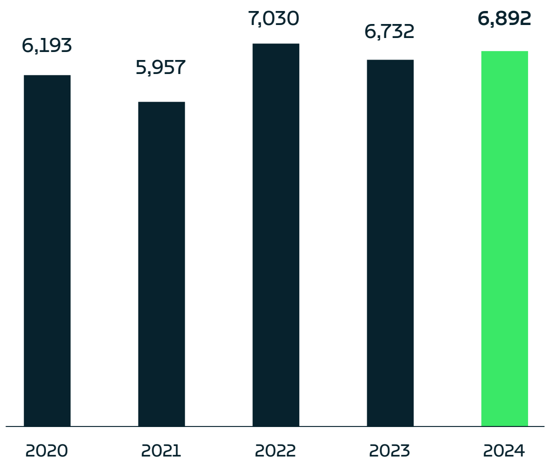
Revenue 2028	EBIT ADJ. % 2028
> 10 BNOK	> 5.0 %

Consolidated NRC Group

NRC Group's head office is located at Lysaker near Oslo, Norway. The Group has three operating segments, Norway, Sweden, and Finland. In 2024, the Norwegian operations generated 29% (32% in 2023) of Group revenue, the Swedish operations generated 31% (28%) and the Finnish operations generated the remaining 40% (41%).

Total revenue

NOK million



Share of revenue by market

Key figures Group

(Amounts in NOK million)	2024	2023	2022	2021	2020
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EBITDA	25	316	333	302	263
EBIT adj.	**-93**	**121**	**137**	**110**	**25**
EBIT adj. (%)	**-1.3%**	**1.8 %**	**2.0%**	**1.8 %**	**0.4%**
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Order backlog	7,971	6,940	7,795	7,801	6,475

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Segments
NRC Group Norway

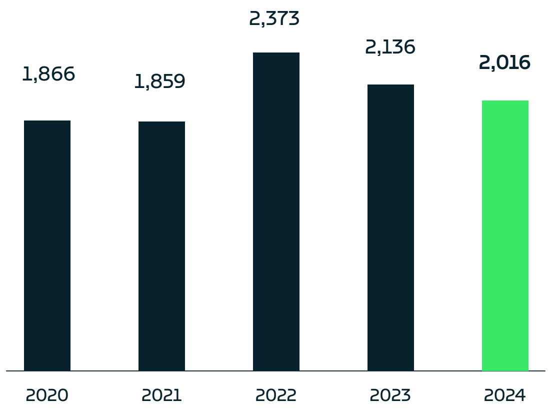
NRC Group Norway is responsible for operations in Norway and has branch offices in the Eastern and Southern parts of Norway. In 2024, there were two operating divisions in Norway.

- Rail construction
- Civil construction (including the demolition and recycling company NRC Kept AS and the mass transportation company Gunnar Knutsen AS)

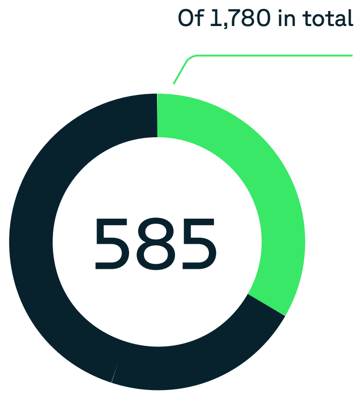
For Norway, the full year revenue for 2024 was NOK 2,016 million compared to NOK 2,136 million in 2023. EBIT adj. was NOK -50 million in 2024 compared to NOK 81 million in 2023, which resulted in an EBIT adj. margin of -2.5%, down from 3.8% last year. The result is negatively affected by NOK 62.5 million write-down of the ETM project in Q2 and a further provisioning of NOK 30 million in Q4. Solid results in Civil construction and Gunnar Knutsen were offset by losses in the demolition and recycling business due to challenging market conditions.

Total revenue

NOK million



Employees



Key figures Norway

(Amounts in NOK million)	2024	2023	2022	2021	2020
Revenue	2,016	2,136	2,373	1,859	1,866
EBITDA	-189	220	173	110	86
EBIT adj.	**-50**	**81**	**80**	**26**	**-15**
EBIT adj. (%)	**-2.5%**	**3.8%**	**3.4%**	**1.4%**	**-0.8%**
Order intake	1,985	1,659	2,370	2,282	1,691
Order backlog	1,462	1,537	2,013	2,214	1,796

Contents

Segments

NRC Group Sweden

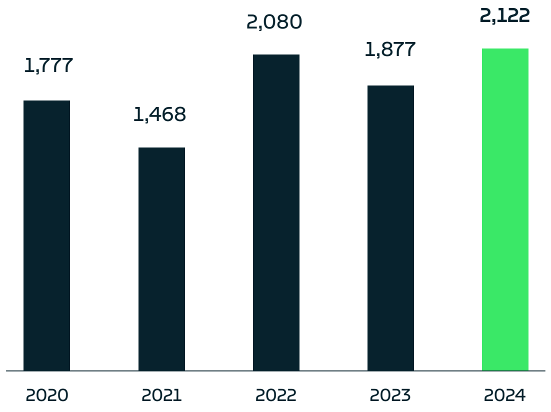
NRC Group Sweden is responsible for operations in Sweden and has its head office in Stockholm, with branch offices across the country. In 2024, there were two operating divisions in Sweden.

- Rail construction
- Rail maintenance
- Civil construction (effective from 2025)

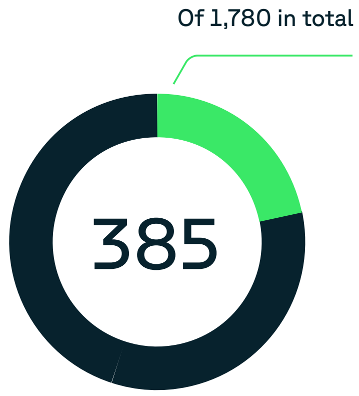
Sweden had a full year revenue in 2024 of NOK 2,122 compared to NOK 1,877 million in 2023. The ongoing turnaround to streamline the organisation, reduce cost and increase project profitability, has been successful. Excluding the disposed Civil operation in 2023, the organic growth in 2024 was 22%. The revenue increase is due to high volumes in a track project and the Maintenance division. The EBIT adj. for 2024 was NOK -33 million compared to NOK 0 million last year, negatively affected by the significant downward adjustments of the ETM project. This confirms that our ongoing transformation is successful, after many challenging years in Sweden.

Total revenue

NOK million



Employees



Key figures Sweden

(Amounts in NOK million)	2024	2023	2022	2021	2020
Revenue	2,122	1,877	2,080	1,468	1,777
EBITDA	10	-13	-7	-35	-20
EBIT adj.	**-33**	**0**	**-52**	**-71**	**-71**
EBIT adj. (%)	**-1.6%**	**0.0%**	**-2.5%**	**-4.8%**	**-4.0%**
Order intake	1,773	1,553	3,111	1,496	1,360
Order backlog	2,873	2,933	3,160	2,008	2,112

Contents

Segments

NRC Group Finland

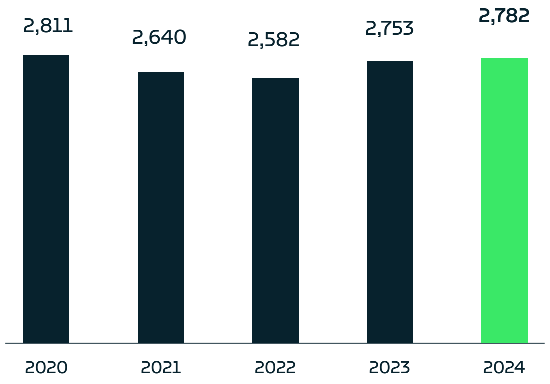
NRC Group Finland is responsible for operations in Finland and has its head office in Helsinki and branch offices in several cities. In 2024, there were three operating divisions in Finland.

- Rail construction including Light rail
- Rail maintenance
- Materials
- Civil construction (effective from 2025)

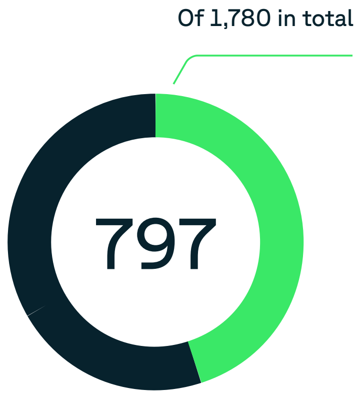
In Finland, the full year revenue for 2024 was NOK 2,782 million compared to NOK 2,753 last year. The EBIT adj. was NOK 49 million compared to NOK 78 million in 2023, leading to an EBIT adj. margin of 1.8%, down from 2.8% last year. Net gain from sale of machinery was NOK 11 million in 2024 compared to NOK 20 million last year. The result is negatively affected by the performance in Rail construction, as well as growth initiatives within the newly established Civil unit. The restructuring program started in 2024 in Finland, Acceleration Lane, has progressed well and a new organisational structure was launched in January 2025.

Total revenue

NOK million



Employees



Key figures Finland

(Amounts in NOK million)	2024	2023	2022	2021	2020
Revenue	2,782	2,753	2,582	2,640	2,811
EBITDA	-390	147	203	260	231
EBIT adj.	**49**	**78**	**145**	**188**	**141**
EBIT adj. (%)	**1,8%**	**2.8%**	**5.6%**	**7.1%**	**5.0%**
Order intake	2,849	2,420	1,479	3,802	2,288
Order backlog	3,636	2,470	2,622	3,579	2,568

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Market

NRC Group's main customers are national transport authorities on a state, regional and municipal level. The national agencies for railway services; Bane NOR in Norway, Trafikverket in Sweden and the Finnish Transport Infrastructure Agency in Finland are NRC Group's largest clients. Increased light rail and metro development activities have in recent years increased the relative importance of municipalities. Additionally, there are some private clients within industry and logistics.

The table illustrates NRC Group's market presence across Norway, Sweden, and Finland, segmented by key service areas: rail construction, civil construction and rail maintenance.

Market presence	Norway	Sweden	Finland
Rail construction	●	●	●
Civil construction	●	○	○
Rail maintenance	◯	●	●

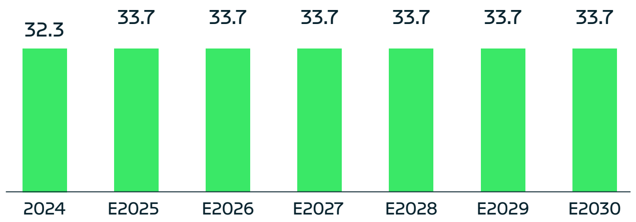
◯ Market not open for private contractors
○ Early phase

In 2025, NRC Group Finland and NRC Group Sweden will establish positions in Civil construction. The market development is largely a function of annual budget allowances to infrastructure in the national budgets and at a municipal level in the larger cities such as Stockholm and Gothenburg in Sweden, Oslo and Bergen in Norway, and Tampere and Helsinki in Finland. There is broad political commitment in Norway, Sweden and Finland to increase spending on developing, maintaining and modernising railroad, light rail and metro lines in major cities, as well as improving other key components of the national infrastructure such as defence, water and energy. The Governments of Norway, Sweden and Finland develop their transportation systems according to 12-year National Transport Plans (NTP), which are updated and approved by Parliament every fourth year. During first half of 2025, we expect National Transportation Plan to be updated in Finland.

The Norwegian market is expected to grow over time, reflecting broad political support to improve the national railway system. The government proposes to allocate NOK 33.7 billion for railway purposes in 2025 compared to 32.3 billion in the adjusted budget for 2024. The maintenance backlog is expected to increase further, as spending continues to lag the levels required to offset actual wear on existing infrastructure.

National Transportation Plan (NTP) Norway

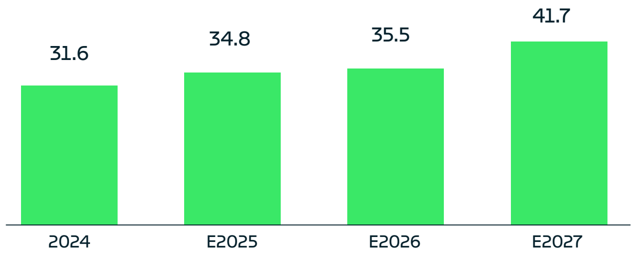
NOK billion, 2024-2030



The Swedish market is expecting an increase in planned investments for 2024, The Swedish national budget for rail investments and maintenance spending in 2025 is SEK 34.8 billion, compared with SEK 32.7 billion in 2024. This is due to higher expected activity in new railway investments and planned maintenance and renewals projects.

National Transportation Plan (NTP)* Sweden

SEK billion, 2024-2030

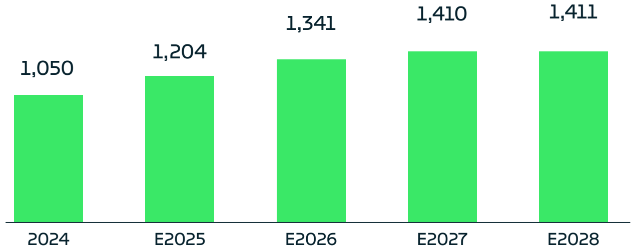


* Investment plan in National Budget 2025

In Finland, the investment level is still expected to be high in the coming years. The market is estimated at EUR 1.20 billion in 2025, up from EUR 1.05 million in 2024. The long-term growth in the Finnish rail construction market is driven by large light rail projects, with several developments in various stages of planning, combined with new railway developments for upgrade and renewal of the network as well as growth in maintenance activity. NRC Group Finland holds a central role in light-rail alliance projects such as Tampere III, and is also market leader within construction.

National Transportation Plan (NTP) Finland

EUR million, 2024-2030



The public aspect of transport infrastructure developments provides NRC Group with long-term visibility and low counterparty risk. However, the potential economic size and complexity of such developments may influence the political processes leading up to project sanction and therefore impact overall activity in the markets where NRC Group operates short-term. The National Transport Plans and local plans for investments in transport-related infrastructure in Norway, Sweden and Finland, increasing maintenance backlog in all countries and strong demand for sustainable and environment-friendly transport solutions, support expectations for continued long-term growth in NRC Group's main markets.

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The most ambitious infrastructure builder in the Nordics

NRC Group launched its new strategy and ambitions for the next four years as the most ambitious infrastructure builder in the Nordics in 2024.

The plan for profitable growth and long-term value creation is reflected in the following financial targets for 2028:

- **Revenue of more than NOK 10 billion**
- **EBIT margin above 5%**

NRC Group will continue to strengthen its position in rail construction and expand civil construction activities, leveraging the Group's established Nordic market position and unique capabilities in selected attractive niche markets. Maintenance, led by the rail business, remains an integral part of the offering with opportunities to include other critical infrastructure over time.

The key driver for NRC Group's strategy and industry is the growing demand for increased construction and maintenance of sustainable infrastructure. Investments in rail and other critical infrastructure are expected to increase from already high levels due the underlying trends such as population growth, urbanisation, more demanding targets for decarbonisation and growing activity related to defence, energy and water supply. This is reflected in budget proposals and national transportation plans in Norway, Sweden and Finland. There is increased political risk and signals from government to accelerate investments to secure countries and people going forward. The widespread governmental support in Norway, Sweden and Finland presents significant opportunities for our business.

"By expanding into new target markets and leveraging our Nordic capabilities, we are dedicated to realising our full potential as builders of critical and sustainable infrastructure. The market outlook is positive, with growth evident across all countries," says Anders Gustafsson, the CEO of NRC Group. "Megatrends such as urbanisation, population growth, sustainability and an intensified focus on critical infrastructure related to defence, energy and water are strong factors driving the markets we operate within. As we will prepare ourselves to win larger contracts within our priority markets, we commit to continuous improvement to ensure improved execution and cost-efficient operations."

The NRC Group way

The updated strategy is founded on clearly defined success factors:

- Delivering operational excellence, ensuring top quality and added customer value
- Building a unified, digital and cost-effective Nordic structure
- Creating a winning culture across the Nordics

NRC Group's strategic priorities are:

- **Securing larger contracts** to drive growth
- **Strengthening Nordic collaboration** to enhance efficiency
- **Implementing sustainable actions** aligned with ESG goals
- **Improving project execution** to increase operational performance
- **Empowering active leadership** to foster innovation and strategic oversight.

High-quality and robust infrastructure enables modern societies to grow and thrive. NRC Group builds for the future with minimal footprint, as is reflected in an industry-leading 27% taxonomy alignment for 2024 revenue.

Updated long-term targets and strategic priorities

In the new strategy, NRC Group has set a long-term goal of generating more than NOK 10 billion of revenue with an adjusted EBIT margin above 5% in 2028. NRC Group had revenue of NOK 6.9 billion and a margin of -1.3% in 2024.

To deliver on the 2028 targets, the company has identified four strategic priorities: improving margin in existing business, realising high margins in new markets, growing revenue and ensuring a robust financial platform. The most important intangible resource in the Group's business model is the specialised knowledge, experience and certifications of the assembled work force and the established policies and business processes.

In 2024, NRC Group made progress by successfully raising capital of NOK 250 million, which was a critical and decisive factor in strengthening the financial platform and a prerequisite for navigating the process with Bane NOR regarding the ETM project.

Following the recent years' transformation, NRC Group has established more robust tendering and project execution processes in Norway, Sweden and Finland. These are now further strengthened through unified Nordic project governance standards with centralised tender processes, risk assessment methodologies and financial management policies. Together with continued transition towards larger contracts that enable improved utilisation and margins, these will support profitable growth in the existing and new markets tied to energy, water and defence.

NRC Group has a proven track record of delivering higher profitability on projects within the attractive civil construction niches. Target markets include renewable energy and power stations, water reservoirs and water supply, quay facilities and projects aimed at improving the mobility of the armed forces after Sweden and Finland joined Norway in NATO. The Group will also create a stand-alone machine unit to optimise utilisation, capture synergies and increase returns.

NRC Group estimates a 35% growth in its addressable market from 2023 to 2028 to NOK 82 billion, based on National Transportation Plans for Norway, Sweden and Finland, national budgets and investment plans announced by relevant companies. This provides a credible path to revenue and profitability targets, which is already materialising in a growing order intake and tender pipeline volumes.

NRC Group's sustainability-related goals are integral in its operations and closely aligned with its key services, markets, and stakeholder relationships. The Group is actively managing areas where it has impacts on people and the environment, while also addressing risks and opportunities that affect business operations. This strategy is built on a dual focus: reducing the Group's own environmental footprint and creating infrastructure that enables others to achieve decarbonisation.

> We have built a strong foundation in the recent years and with the new clear strategic priorities, we are positioned to deliver on the new strategy based on building and maintaining critical infrastructure in our three prioritised markets - Rail, Civil and Maintenance – across the Nordics
>
> **Anders Gustafsson,**
> CEO, NRC Group ASA

What we offer

NRC Groups' main service offering is the construction and maintenance of critical infrastructure across the Nordic region. Services span across various phases of project execution, from planning to long-term maintenance and can be categorised into five types of infrastructure support:

- **Planning, Project Management, and Maintenance.** Overseeing project execution from planning to completion, ensuring efficient use of resources, and managing long-term maintenance to maintain infrastructure safety and reliability.
- **Rail, Light Rail, and Metro Infrastructure.** Constructing, upgrading, and maintaining track systems, including associated structures such as stations, tunnels, and bridges.
- **Civil and Structural Construction.** Delivering groundwork, concrete, and steel structures to support both rail-related and broader infrastructure projects.
- **Electro, Catenary, and Signaling Systems.** Installing and maintaining critical rail systems, including electrical infrastructure, overhead catenary lines, and signaling systems to ensure safe and efficient train operations.
- **Demolition, Recycling, and Logistics.** Providing demolition services, recycling materials, and managing the transportation of resources to and from project sites, supporting sustainable infrastructure practices

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Shareholder information

Share price development

NRC Group ASA has one class of shares. There were 172,954,549 shares issued and outstanding at the end of 2024, each with a nominal value of NOK 1.00. The number of shares issued increased by 100 million shares during the year, corresponding to NOK 250 million in gross proceeds.

In 2024, the Group's shares traded between NOK 13.55 and NOK 3.10 per share. During the year, 82.1 million shares were traded in total.

Key figures for the share

(Amounts in NOK million)	2024	2023	2022	2021	2020
Market capitalisation (MNOK)	822	781	1,052	1,755	2,316
Total number of shares as per 31/12 (mill.)	173	73	73	73	73
Number of shareholders as per 31/12	4,165	4,144	4,317	4,576	4,019
Share priced as per 31/12	4.75	10.70	14.42	24.05	31.75
High	13.55	15.12	24.85	31.75	57.10
Low	3.10	10.22	14.14	15.04	18.80
Earnings per share (NOK)	-10.54	0.52	-4.98	-0.38	-0.85
Diluted earnings per share (NOK)	-10.54	0.51	-4.98	-0.38	-0.85
Total share return	-55.6 %	-27.4 %	-40.2 %	-24.3 %	-44.4 %
Share price / earnings per share (P/E)	0	21	-3	-63	-37
Share price / equity per share (P/B)	0.5	0.3	0.5	0.7	0.8

Major shareholders and voting rights

NRC Group had 4,165 registered shareholders in the Norwegian Central Securities Depository (VPS) on 31 December 2024 (4,144 at year-end 2023), whereof the 20 largest shareholders owned 70.0% (66.0%). The percentage of issued shares held by foreign shareholders was 37.0%, compared with 57.0% at year-end 2023. All the shares registered by name carry equal voting rights. The shares are freely negotiable.

NRC Group's 20 largest shareholders as of 31 December 2024 according to VPS-register:

Rank	Navn	Type of account	Country	Stake	Holding 31.12.24	Value of holding (NOK)	Holding 31.12.23
1	Danske Bank A/S*	Nominee	Denmark	10.82 %	18,711,399	88,879,145	125,616
2	HOLMEN SPESIALFOND	Ordinary	Norway	9.80 %	16,954,119	80,532,065	0
3	J.P. Morgan SE	Nominee	Luxembourg	8.95 %	15,474,852	73,505,547	7,402,764
4	SKANDINAVISKA ENSKILDA BANKEN AB	Ordinary	Norway	8.67 %	15,000,000	71,250,000	0
5	Sbakkejord AS	Ordinary	Norway	4.84 %	8,366,199	39,739,445	1,662,186
6	J.P. Morgan SE	Nominee	Luxembourg	4.00 %	6,923,800	32,888,050	0
7	J.P. Morgan SE	Nominee	Luxembourg	3.95 %	6,830,276	32,443,811	3,702,909
8	STIFTELSEN KISTEFOS-MUSEETS DRIFTS	Ordinary	Norway	3.47 %	6,000,000	28,500,000	0
9	NORTH SEA GROUP AS	Ordinary	Norway	2.26 %	3,907,800	18,562,050	790,800
10	HANS EIENDOM AS	Ordinary	Norway	1.73 %	3,000,000	14,250,000	0
11	GUNNAR KNUTSEN HOLDING AS	Ordinary	Norway	1.52 %	2,627,677	12,481,466	1,252,677
12	INNOVEMUS AS	Ordinary	Norway	1.45 %	2,505,351	11,900,417	0
13	AVANZA BANK AB MEGLERKONTO	Broker	Sweden	1.37 %	2,363,760	11,227,860	1,197,004
14	CLEARSTREAM BANKING S.A.	Nominee	Luxembourg	1.29 %	2,224,674	10,567,202	1,409,023
15	NORDNET LIVSFORSIKRING AS	Ordinary	Norway	1.10 %	1,903,276	9,040,561	428,687
16	J.P. Morgan SE	Nominee	Luxembourg	1.03 %	1,778,219	8,446,540	829,460
17	VERDIPAPIRFONDET STOREBRAND NORGE	Ordinary	Norway	1.01 %	1,744,595	8,286,826	676,796
18	SONSTAD AS	Ordinary	Norway	1.00 %	1,729,700	8,216,075	330,000
19	KURT ODDVAR AUSTRÅTT	Ordinary	Norway	0.93 %	1,613,861	7,665,840	511,500
20	MELESIO INVEST AS	Ordinary	Norway	0.85 %	1,471,155	6,987,986	671,155
	Total number of shares owned by top 20			70.04 %	121,130,713		20,990,577
	Total number of shares			100.00 %	172,954,549		72,954,549

An overview of the 20 largest shareholders is available on the NRC Group website, updated every week.
* VR-Yhtyma Oyj has 97.98% of the shares on the Nominee account Danske Bank A/S

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Corporate actions

Corporate action	Date
Grant of share options to primary insiders in NRC Group ASA	**02.04.24**
Share capital increase, private placement, NOK 200 million	**03.10.24**
Share capital increase, subsequent offering, NOK 50 million	**18.11.24**
Initiation of share buyback programme for up to NOK 5 million, related to the 2024 employee share programme	**20.11.24**
Grant of share options to primary insiders in NRC Group ASA	**20.11.24**
Completion of share buy-back programme	**06.12.24**

Dividends and dividend policy

NRC Group shall, over time, give its shareholders a competitive return on their investment in the shares of the company. The company expects to create value for its shareholders by combining increased share value in a long-term perspective and distribution of dividends. The company aims to have a dividend policy to give its shareholders a competitive return on invested capital relative to the underlying risks. The Board of Directors at NRC Group has introduced a dividend policy whereby, subject to a satisfactory underlying financial performance, it is NRC Group's ambition over time to distribute as dividend a minimum of 30% of the profit for the year. The target level will be subject to adjustment depending on possible other uses of funds.

The AGM resolves the annual dividend, based on the proposal by the Board of Directors. Provided that the AGM approves the proposed dividends, it will be paid to shareholders within two weeks after the annual general meeting.

Based on the 2024 results, the Board of Directors will not propose a dividend from the year 2024.

Analyst coverage

Three Norwegian and Nordic investment banks had active coverage of NRC Group ASA at the end of 2024. For contact details, please see the company website www.nrcgroup.com.

General Meetings and Board authorisations

The 2024 AGM granted the Board of Directors the following authorisations:

1. Authorisation to increase the share capital by up to NOK 1,200,000 in connection with option programme for key employees.

2. Authorisation to acquire treasury shares in NRC Group ASA for up to a maximum nominal value of NOK 7,295,455.

3. Authorisation to increase the share capital by a maximum of NOK 7,295,455. The capital increase may be paid in cash, by set-off or by contributions in assets other than money.

The 2024 EGM granted the Board of Directors the following authorisations:

1. Authorisation to increase the share capital by up to NOK 20,000,000 in connection with a subsequent repair offering.

Further information can be found in the minutes from the Annual General Meeting, available from the Company's website www.nrcgroup.com and www.newsweb.no.

Financial calendar 2025

Event	Date
Annual General Meeting	**08.05.2025**
Interim report - Q1	**16.05.2025**
Half-yearly interim report - Q2	**14.08.2025**
Interim report - Q3	**04.11.2025**

IR Policy

NRC Group's IR policy can be found at www.nrcgroup.com.

03

Governance

Corporate governance report

1. Corporate Governance in NRC Group ASA

NRC Group ASA (the "Company") has made a strong commitment to ensure trust in the company and to enhance shareholder value through effective decision-making and improved communication between management, the Board of Directors (or “Board”) and shareholders. The company's framework for corporate governance is intended to decrease business risk, maximise value and utilise the company’s resources in an efficient, sustainable manner, to the benefit of shareholders, employees and society at large.

Corporate governance framework and reporting
The Board of Directors will actively ensure that the company adheres good corporate governance standards and thus complies with the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"). The Code of Practice is available at the Norwegian Corporate Governance Committee's web site - www.nues.no. Application of the Code of Practice is based on the “comply or explain” principle, which stipulates that any deviations from the Code, should be explained.

The Board of Directors has adopted the company's corporate governance guidelines, including revised rules of procedure for the Board, instructions for the audit committee, instructions for the remuneration and project committee, insider manuals, manual on disclosure of information, ethical guidelines and guidelines for corporate social responsibility. The company’s corporate governance framework is subject to annual reviews and discussions by the Board of Directors.

In accordance with reporting requirements for stock exchange listed companies, the Board of Directors prepares a report on the company's corporate governance practices and how NRC Group has complied with the Code of Practice in the preceding year. This report is included in the annual report. In the company’s own assessment, NRC Group did not deviate from any sections of the Code of Practice at year-end 2024.

The following sections provides a discussion of the company's corporate governance in relation to each section of the Code of Practice.

2. Business

The company's business is defined in the company's articles of association section 2):

"The company's business is investment in, and operational management of, companies that provide services within transportation and infrastructure related work”.

The Board of Directors has established objectives, strategies and risk profile for the business within the scope of the definition of its business, to create value for its shareholders in a sustainable manner, taking into account economic, social and environmental considerations. The company’s objectives, strategies and risk profile are subject to annual review by the Board. The company's objectives, principal strategies and corporate responsibility framework are further described in the annual report and sustainability report available at www.nrcgroup.com.

3. Equity and dividends

Equity and capital structure
On 31 December 2024, the Group's consolidated equity was NOK 1,710 million, which is equivalent to 37% of total assets. The Board of Directors considered the capital structure at year-end to be satisfactory in relation to the company’s objectives, strategy and risk profile.

Dividend policy
NRC Group expects to create value for its shareholders by combining increased share value in a long-term perspective and distribution of dividends. The company aims to have a dividend policy to give its shareholders a competitive return on invested capital relative to the underlying risks.

The Board of Directors at NRC Group has adopted a dividend policy whereby, subject to a satisfactory underlying financial performance, it is NRC Group’s ambition over time to distribute as dividend a minimum of 30% of the profit for the year. The target level will be subject to adjustment depending on possible other uses of funds. The Annual General Meeting (AGM) resolves the annual dividend, based on the proposal by the Board of Directors.

Based on the 2024 results the Board of Directors will not propose a dividend from the year 2024.

Board authorisations
At the AGM in 2024, the following authorisations were granted to the Board of Directors:

- The Board of Directors was granted an authorisation to issue shares and to increase the share capital up to NOK 1,200,000 related to the option programme for senior management. The authorisation replaced the previous authorisation and is valid until 8 May 2026. On 31 December 2024, a total of 401,000 share options were granted and outstanding.
- The AGM approved an authorisation to acquire treasury shares for up to a maximum nominal value of NOK 7,295,454.90. The Board of Directors’ acquisition of shares pursuant to the authorisation, can only take place between a minimum price of NOK 1 and a highest price of NOK 50 per share. The authorisation applies from registration and up until the AGM in the spring of 2025, but no later than 30 June 2025. During the year, NRC Group acquired 1,060,262 treasury shares under the authorisation to be used in connection with the company’s employee share programme. On 31 December 2024, the Company held 1,156,247 treasury shares.
- The AGM approved a general authorisation to issue shares and to increase the share capital by a maximum of NOK 7,295,455. The authorisation covers both cash and non-cash considerations, including mergers. The authorisation is valid until the AGM in the spring of 2025, but no later than 30 June 2025. On 31 December 2024, the authorisation had not been used.

There was a separate vote on each of the three authorisations. For supplementary information, see notice and minutes of the AGM available from www.newsweb.no or the company’s website.

4. Equal treatment of shareholders

Pre-emption rights to subscribe
According to the Norwegian Public Limited Liability Companies Act, the company's shareholders have pre-emption rights in share offerings against cash contribution. Such pre-emption rights may, however, be set aside, either by the General Meeting or by the Board of Directors if the General Meeting has granted a board authorisation which allows for this. Any resolution to set aside pre-emption rights will be justified by the common interests of the company and the shareholders, and such justification will be publicly disclosed through a stock exchange notice from the company.

Existing shareholders' pre-emption rights were in 2024 set aside in connection with the private placement of new shares approved by the company's General Meeting on 2 October 2024 and in connection with the subsequent offering by the Board of Directors on 7 November 2024 based on an authorisation from the General Meeting. In both situations the justification for the pre-emptive rights being set aside, was publicly disclosed.

Trading in own shares
In the event of a share buy-back programme, the Board of Directors will aim to ensure that all transactions pursuant to such programme will be carried out either through the trading system or at prevailing prices at Oslo Børs. In the event of such programme, the Board of Directors will take the company's and shareholders' interests into consideration and aim to maintain transparency and equal treatment of all shareholders. If there is limited liquidity in the company's shares, the company shall consider other ways to ensure equal treatment of all shareholders. All shares acquired by NRC Group during 2024 were acquired through the trading system at Oslo Børs.

5. Freely negotiable shares

NRC Group has one class of shares, and all shares carry equal voting rights. The shares of the company are freely transferable on Oslo Børs. There are no restrictions on owning, trading, or voting for shares pursuant to the company's articles of association.

6. General Meetings

The Board of Directors will make its best efforts with respect to the timing and facilitation of general meetings to ensure that as many shareholders as possible may exercise their rights by participating in general meeting, thereby making the general meeting an effective forum for the views of shareholders and the Board of Directors. Extraordinary general meetings (EGM) can be called by the Board of Directors if deemed necessary or be requested by the company's auditor or shareholders representing at least 5% of the company's share capital.

Notification
The Board of Directors ensures that the resolutions and supporting information distributed are sufficiently detailed, comprehensive and specific allowing shareholders to form a view on all matters to be considered at the meeting. The deadline for shareholders to give attendance notice is set as close to the date of the meeting as possible.

Participation and execution
As a general rule, the Board of Directors and the chairperson of the nomination committee are present at general meetings. The auditor attends the AGM and any EGM to the extent required by the agenda items or other relevant circumstances.

The chairperson of the Board chairs the general meetings, but the Board ensures that the general meeting also is able to appoint an independent chairman.

Shareholders can vote on each individual matter, including on each individual candidate nominated for election. Shareholders unable to attend may vote by proxy. The company prepares and facilitates the use of proxy forms, allowing separate voting instructions for each item on the agenda and nomination of a person to represent proxy votes.

On 8 May 2024, NRC Group held its AGM at the Company's offices, with approximately 31% of the share capital represented.

7. Nomination committee

The nomination committee is governed by the articles of association section 10. The AGM on 8 May 2024 elected the following three members for the nomination committee: Esa Heikki Elias Rautalinko (committee leader, re-elected), Lasse Olsen (re-elected) and Ole-Wilhelm Meyer (re-elected). The members are elected with a term until the company's AGM in 2025. All three members are independent of the Board of Directors and executive management.

The general meeting stipulates the guidelines for the duties of the committee and determines the committees' remuneration.

The nomination committee gives its recommendation to the general meeting on election of and compensation to members of the Board of Directors, in addition to election of members of the nomination committee. Each proposal is justified on an individual basis. All shareholders are entitled to nominate candidates to the Board of Directors, and information on how to propose candidates can be found on the company's website.

8. Board of directors: composition and independence

Pursuant to the articles of association section 5, the company's Board of Directors shall consist of three to nine members. On 31 December 2024, the Board of Directors consisted of seven members (see table below). The chair of the Board was elected by the general meeting. The board members are elected for a term of up to two years at a time and may be re-elected. At the AGM on 8 May 2024, all seven members were re-elected.

Name	Role	Considered independent of main shareholders	Served since	Term expires	Participation Board meetings 2024	Shares in NRC
Rolf Jansson	Chair	Yes	January 2019	AGM 2025	100%	145,000
Mats Williamson	Member	Yes	July 2017	AGM 2025	100%	129,935
Eva Nygren	Member	Yes	January 2019	AGM 2025	100%	85,460
Tove Elisabeth Pettersen	Member	Yes	May 2020	AGM 2025	100%	45,000
Heikki Allonen	Member	No	May 2021	AGM 2025	100%	90,960
Outi Henriksson	Member	Yes	May 2021	AGM 2025	94%	45,000
Karin Bing Orgland	Member	Yes	May 2022	AGM 2025	100%	95,000

All members of the Board of Directors are considered independent of the company’s executive management and material business contacts.

The company's annual report and the website provide information to illustrate the expertise of the members of the Board of Directors. The Board of Directors considers its composition to be diverse and represent required competencies including financial and industrial experience. Board members are encouraged to own shares in the company.

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9. The work of the Board of Directors

The rules of procedure for the Board of Directors
The Board of Directors is responsible for the overall management of the company and shall supervise the company's day-to-day management and the company's activities in general.

The Norwegian Public Limited Liability Companies Act regulates the duties and procedures of the Board of Directors. In addition, the Board of Directors has adopted supplementary rules of procedures, which provide further regulation on inter alia the duties of the Board of Directors and the Chief Executive Officer (CEO), the division of work between the Board of Directors and the CEO, the annual plan for the Board of Directors, notices of Board proceedings, administrative procedures, minutes, Board committees, transactions between the company and the shareholders and confidentiality.

Transactions with close associates
The Board of Directors aims to ensure that any not immaterial future transactions between the company and shareholders, a shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties are entered on arms-length terms. For any such transactions which do not require approval by the General Meeting pursuant to the Norwegian Public Limited Liability Companies Act, the Board of Directors will on a case-by-case basis assess whether a fairness opinion from an independent third party should be obtained. There were no significant transactions with close associates in 2024. For information regarding related party transactions, see Note 28 in the annual report.

The Board of Directors meets at least 8 times per year. The CEO informs the Board about the company's activities, position and financial results. In 2024, the Board held 8 ordinary meetings and 9 additional meetings.

Guidelines for directors and executive management
The Board of Directors has adopted rules of procedures for the Board of Directors which inter alia include guidelines for notification by members of the Board of Directors and executive management if they have any material direct or indirect interest in any transaction entered by the company.

The Board of Directors' consideration of material matters in which the chair of the Board is, or has been, personally involved, shall be chaired by some other member of the Board. There were no such cases in 2024.

The audit committee
The company's audit committee is governed by the Norwegian Public Limited Liability Companies Act and a separate instruction adopted by the Board of Directors. The members of the audit committee are appointed by and among the members of the Board of Directors. A majority of the members shall be independent of the company's executive management, and at least one member shall have qualifications within accounting or auditing. Board members who are also members of the executive management cannot be members of the audit committee. On 31 December 2024, the audit committee consisted of Board members Karin Bing Orgland (chair), Tove Elisabeth Pettersen and Outi Henriksson, all considered independent of the company.

The main tasks of the audit committee are to:

- Prepare the Board of Directors' supervision of the company's financial and CSRD reporting processes and advise the Board regarding the integrity of the financial reporting
- Monitor the systems for internal control and risk management
- Have contact with the company's auditor regarding the audit of the annual accounts and inform the Board of Directors of the result of the audit
- Review and monitor the independence of the company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor.

The audit committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

The HR committee
The company's HR committee is governed by a separate instruction adopted by the Board of Directors. The committee members are appointed by and among the members of the Board of Directors and shall be independent of the company's executive management. On 31 December 2024, the HR committee consisted of Rolf Jansson (Chair), Tove Pettersen and Eva Nygren.

The primary purpose of the HR committee is to assist and facilitate the decision-making of the Board of Directors in matters related to the remuneration of the executive management of the Group, review recruitment policies, career planning and management development plans, and prepare matters relating to other material employment issues with respect to the executive management. The HR committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

Project committee
The Board has established a project committee for larger projects composed of two board members. On 31 December 2024, the project committee consisted of Mats Williamson (Chair) and Heikki Allonen.

The main purpose of the project committee is to assist and evaluate the risk in tender offerings with total value exceeding NOK 250 million. The committee shall assess whether the Group has made necessary work in connection with tender offerings to eliminate risk and ensure good project execution prior to submission. Further, the committee assesses whether the project is coherent with the strategies and frameworks the Board of Directors has decided that NRC Group shall work within.

The Board's evaluation of its own work
The Board of Directors conducts an annual assessment of its performance and expertise, which is presented to the nomination committee.

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10. Risk management and internal control

The Board of Directors assesses the company's risks on an ongoing basis. Each year, as a minimum, the Board undertakes a thorough assessment of the significant parts of the Group's business and outlook, to identify potential risks and remedy all incidents occurred. The Board of Directors may engage external expertise if necessary. The objective is to have the best possible basis for, and control of, the company's situation at any given time. The annual review will be carried out together with the Board of Directors' review of the annual accounts, and the company's auditor is expected to attend this meeting.

In addition to the annual risk assessment, the management presents quarterly financial statements to inform the Board and shareholders on current business performance, including risk reports. These reports are subject to review at the quarterly Board meetings.

The Board of Directors has established policies and procedures to address risks related to NRC Group's activities and to ensure that these also incorporate considerations related to integrating stakeholders in relation to the company's value creation. The construction industry in general involves an inherent risk of bribery, competition law violations and misconduct in the supply chain of subcontractors (Norwegian: Arbeidskriminalitet). The policies and procedures are based on a thorough risk analysis of NRC Group's subsidiaries in Norway, Sweden and Finland which lead to a tailor-made compliance programme targeting specific risks pertaining to each subsidiary. Measures to improve risk management and internal control have been identified during the year, with ongoing implementation, including improving resource planning, enhancing project management and risk evaluation processes. The relevant policies and procedures have been prepared in Norwegian, Swedish and Finnish language.

The Board of Directors' reporting routines
The Board of Directors seeks to ensure that the company has sound internal control and systems for risk management, including with respect to the company's corporate values, ethical guidelines and guidelines for sustainability, which are appropriate in relation to the extent and nature of the company's activities. An in-depth review of the company's financial status and a summary of sustainability is presented in the annual report.

11. Remuneration of the Board of Directors

The remuneration of the Board of Directors is decided by the General Meeting, based on a recommendation from the nomination committee. The proposal from the nomination committee is submitted to the company's shareholders together with the notice for the AGM.

The remuneration reflects the Board of Directors' responsibility, expertise, time commitment and the complexity of the company's activities. Board members who participate in Board committees receive separate compensation for this. The remuneration is not linked to the company's performance and does not contain any share options. Detailed information on the remuneration of the Board members is specified in the company's remuneration report available at www.nrcgroup.com.

Members of the Board of Directors and/or companies with which they are associated should not take on specific assignments for the company in addition to their appointment as a member of the Board, but if they do, this shall be disclosed to the full Board. The remuneration for such additional duties shall be approved by the Board of Directors. See note 28 on transactions with related parties for more information.

12. Salary and other remuneration for senior executives

The Board of Directors has adopted guidelines for the remuneration of the senior executives in accordance with applicable law. The guidelines were presented to the annual general meeting in 2021.

The guidelines are designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy, long-term interests, and sustainable business practices. To this end, salaries and other employment terms shall enable the Company to retain, develop and recruit skilled senior executives with relevant experience and competence.

The remuneration shall be on market terms, competitive, and reflect the performance and responsibilities of individual senior executives.

Further details relating to pay and benefits payable to the CEO and other senior executives can be found in the company's remuneration report available at www.nrcgroup.com.

13. Information and communication

NRC Group seeks to comply with Oslo Børs' IR recommendation, last revised 1 March 2021. The Board has adopted an investor relations policy, which clarifies roles and responsibilities related to financial reporting and regulates contact with shareholders and the investor market. This policy is based upon the key principles of openness and equal treatment of market participants to ensure they receive correct, clear, relevant and up-to-date information in a timely manner. The IR policy is available from the company's website. In addition, the Board has adopted a separate manual on disclosure of information, which sets forth the company's disclosure obligations and procedures.

Interim reports are published on a quarterly basis, in line with Oslo Børs' recommendations. In connection with the quarterly reporting, presentations are given to provide an overview of the operational and financial developments, market outlook and the company's prospects. All information distributed to the company's shareholders is published in English on the company's website at the same time as it is sent to Oslo Børs and www.newsweb.no.

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14. Take-overs

There are no defence mechanisms against take-over bids in the company's articles of association, nor have other measures been implemented to specifically hinder acquisitions of shares in the company. The Board of Directors has not established written guiding principles for how it will act in the event of a take-over bid, as such situations are normally characterised by specific and one-off situations which make a guideline challenging to prepare.

In the event the company becomes the subject of a take-over offer, the Board of Directors shall ensure that the company's shareholders are treated equally and that the company's activities are not unnecessarily interrupted. The Board shall also ensure that the shareholders have sufficient information and time to assess the offer. The Board will further consider the relevant recommendations in the Code of Practice and whether the concrete situation entails that the recommendations in the Code of Practice can be complied with or not.

15. Auditor

The company's external auditor is EY. The auditor is appointed by the General Meeting and is independent of NRC Group ASA.

Each year, the company's auditor presents to the audit committee the audit plan of the Group, a review of the internal control procedures, including identified weaknesses and proposals for improvement, and a summary of the year end audit. The auditor participates in all audit committee meetings. The auditor participates in Board meetings that deal with the annual accounts. At least once per year, the auditor meets with the Board without anyone from the executive management being present.

The Board of Directors has established guidelines in respect of the use of the auditor by the executive management for services other than the audit. The level of non-audit services is limited and do not impact on the auditor's independence.

The remuneration to the auditor is approved by the AGM. Fees for audit work and any fees for other specific assignments are reported by the Board to the General Meeting. For more information about remuneration to the auditor, see note 8 in the 2024 group annual accounts.

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Risk Management

NRC Group is exposed to operational, financial and market risks. The Group continuously monitors risk factors at a corporate and subsidiary level and takes appropriate action when needed to eliminate or mitigate any potential negative impact on operational and financial performance.

Please also refer to the most recent prospectus dated 25 March 2024 available at www.nrcgroup.com for a more detailed description of risk factors.

Operational risk includes risk assessment and contingency appraisal in project tendering, project execution, significant market adjustments in cost of goods, materials or services, claims and legal proceedings. In addition, it includes resource optimisation following fluctuations in seasonal demand in the business, ability attract/retain the right competence to implement strategies, as well as macroeconomic conditions such as political changes including changes in government spending, demand or priorities.

NRC Group aims to undertake operational risk that the business units can influence and control. NRC Group has developed risk management processes that are well adapted to the business. The processes are uniform across the businesses and countries, in order to build a common and transparent perspective. This includes an analysis of project risk from the tendering phase through to completion, to ensure appropriate pricing and risk management. NRC Group also seeks to minimise the exposure to risks that cannot be managed.

The Group is subject to local laws and regulations in the countries in which it operates and requires regulatory approvals for conducting its operations including employees/subcontractors being qualified and having necessary local approvals. NRC Group also relies on its reputation and commercial integrity with continuous focus on operational excellence in project execution. Serious incidents related to working conditions, may impacts the reputation negatively that in turn affect the ability to attract the right employees.

NRC Group's approach to business conduct is anchored in its robust governance practices, which clear standards for ethical operations and define expectations for employees, suppliers, business partners and stakeholders. Risks related to safeguarding whistleblowers and corruption are addressed by robust anti-corruption framework and anonymity/protection of reported incidents.

From time to time, the Group may be engaged in disputes and legal or regulatory proceedings, which may affect its operations and financial position. NRC Group is not involved in any governmental, legal or arbitration proceedings, which may have, or in recent past have had, significant negative impact on the Group's financial position or profitability.

Financial risks include financial market risk, credit risk and liquidity risk. For the Group, the most relevant financial market risks are currency risk and interest rate risk. A Group risk management policy for hedging is implemented to manage this risk. By having operational units in different functional currencies, NRC Group is exposed to currency translation risks related to subsidiaries in Sweden (SEK) and Finland (EUR). The Group has a EUR currency loan to hedge the net investment in Finland. Most transactions in the Group are in local functional currencies.

Significant transactions in other than functional currencies are assessed, and hedging instruments are considered to limit the risks associated with foreign exchange. The bond issued in October 2023 carries an interest of three months NIBOR + 4.40% until maturity on 25 September 2027. The three months NIBOR has been hedged to a fixed rate of 3.843% for the full period. The fair market value of the hedge at the end of the year was NOK 3 million.

Liquidity risk is the risk that the Group will be unable to meet its financial obligations when they are due. The Group had total current assets of NOK 2,141 million at the end of the year, NOK 30 million higher than short-term liabilities. Total unrestricted cash amounted to NOK 357 million in addition to an unused multi-currency credit facility of NOK 400 million.

The central management team and local managers of subsidiaries actively monitor the Group's liquid resources and credit facilities using a revolving forecast based on anticipated cash flow. Given the impact of seasonal fluctuations on cash flow, this proactive approach ensures effective management. The current available liquidity, combined with the refinancing as detailed earlier, provides the necessary flexibility to manage cash flows and reserves within the Group.

Contractually outlined work in progress and trade receivables determine the amount of committed capital based on the credit terms specified in contracts. NRC Group's liquidity reserves typically reach their lowest point in the spring and summer due to seasonal patterns in the business.

NRC Group's clients predominantly consist of municipalities, government agencies, companies, or institutions where municipalities or government agencies holds a dominant influence. The risk of potential bad debt losses from this customer profile is considered to be low by NRC Group.

See note 24 of this report for a more detailed review of financial risk.

The ongoing wars in Ukraine and Middle East, high inflation and high interest rates have led to volatility in the financial market and uncertainty in the global economic outlook. In addition, there is heightened political risk and expected uncertainty related global trading. NRC Group is actively managing development and uncertainty.

The Group has analysed the direct earnings sensitivity from inflating costs. The findings conclude that the direct effect for NRC Group has been limited, and that our business model is resilient and yields good protection against increasing prices. At the end of the year, the inflation continues to decrease internationally, but still above central banks' targets. In addition to frequently used index adjustments, the customer predominantly takes the risk on sector specific materials within rail infrastructure. The Group monitors the development, including both direct and indirect effects, and is actively evaluating opportunities to limit risk in the project portfolio.

Management team

Anders Gustafsson
CEO

Gustafsson has more than 30 years of industrial experience. He previously held various management positions at NCC. From 2017 - 2023 he was the President and CEO at Svevia, a Swedish company, specialised in road and construction work. He holds a Master of Science degree in Economics with Business Administration as the main field of study and an Executive MBA from the University of Stockholm. Gustafsson has been CEO of NRC Group since October 2023. Anders Gustafsson holds 110,000 share options and 441,524 shares in NRC Group ASA.

Åsgeir Nord
CFO

Nord comes from the position of CFO at Nettpartner, a Norwegian company that builds and maintains infrastructure for power supply and railways. Before joining Nettpartner in 2013, Åsgeir Nord worked in the private equity sector for 10 years. He served as a partner for Incitia Ventures from 2006 to 2013 and as an investment director for Reiten & Co from 2003 to 2006. Nord has a solid background in finance and liquidity management, project control, mergers and acquisitions, and improvement programs. Åsgeir Nord holds a Master's Degree in Natural Sciences from the Norwegian University of Science and Technology (NTNU). Nord holds 50,000 share options and 135,094 shares in NRC Group ASA.

Harri Lukkarinen
EVP & MD NRC Group Finland

Lukkarinen has more than 20 years of railway industry experience. He was previously CEO of VR Track Oy and Director for infrastructure projects at CMC Terasto Oy which was part of Pöyry Group. He served as a management team member of VR Group. Lukkarinen has been Managing Director of NRC Finland since January 2019. Harri holds a Master of Science in Civil Engineering from Tampere University of of Technology. Harri Lukkarinen holds 173,000 share options and 16,962 shares in NRC Group ASA.

Lene Engebretsen
EVP & Head of Strategy, Sustainability and Communications

Engebretsen comes from the position as Director for Internal Communications Europe in Cognizant. She has been responsible for strategic communications and change management lead for several large projects the last years. Her previous roles in Cognizant include Director of Business Relations and Head of Communications. Before joining Cognizant in 2016, she held positions as Head of Communications for different tech and media companies. Lene holds a Master of Finance degree from BI Norwegian Business School (2002). Lene Engebretsen holds 105,000 share options and 9,259 shares in NRC Group ASA.

Management team

Marianne Ulland Kellmer
EVP & Head of People, Culture and Digitalisation

Kellmer comes from the position as HR Director for NRC Group Norway, and before joining NRC Group she was Nordic HR Transformation Specialist in Oracle. Since 2007 Kellmer has held various HR leadership roles in different industries, and among others she has been Head of Group HR in the Norsk Gjenvinning Group, HR Manager in Scandic hotels and Organisational and Communications Manager within the public transportation sector in greater Oslo region. Marianne holds a Bachelor Degree in Service Management from the University of Stavanger, Norway. Marianne Kellmer holds 64,000 share options and 19,375 shares in NRC Group ASA.

Tomas Johansson
EVP & MD NRC Group Sweden

Johansson has an extensive career from senior leadership roles within infrastructure and industrial solutions both from Skanska and Svevia. From 2017 – 2024 he was a Division Manager for the Industry Division at Svevia, a Swedish company, specialised in road and construction work. He brings a strong track record from operationalising strategies and improving performance. Johansson started as EVP & MD in NRC Group Sweden in September 2024. Tomas holds 50,000 share options and 15,094 in NRC Group ASA.

Ingvild Storås
EVP & MD NRC Group Norway

Ingvild Storås comes from the position as CEO of CargoNet and Executive Vice President for Freight in the Vy Group. Before that, she was CEO of Baneservice AS from 2012 to 2022 and has held leadership positions in the construction and civil engineering industry, including at Block Watne, Mesta, and the Norwegian Public Roads Administration (Statens vegvesen). Storås holds a Master of Science in Engineering from NTH (now NTNU) in Trondheim. She started as EVP & MD in NRC Group Norway in January 2025.

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Board of Directors

Rolf Jansson
Chairman of the board

Jansson is currently CEO of Aspo Group. Prior to that, he held the position as President and CEO at VR Group, Finnish Railways. Before joining VR Group, Jansson worked in investment banking at Nordea Corporate Finance and holds extensive experience from management consulting primarily at Booz Allen Hamilton. He has held positions as board member in several companies in Finland, including Sarlin and Varma Mutual Pension Insurance Company. Jansson currently holds 145,000 shares in NRC Group personally, and has been a member of the board of directors of the company since January 2019.

Mats Williamson
Board member

Williamson has more than 35 years of experience from various positions within the Skanska Group. Williamson has been Executive Vice President for the Skanska Group, Business Unit President for Skanska's construction activities in Sweden and UK and Project Director for the Öresund Bridge. Williamson holds a MSc in Civil Engineering from Lund Institute of Technology and has an AMP from Harvard Business School. He has held positions as board member in several companies in Sweden. Williamson holds 129,935 shares in NRC Group. Member of the Board of NRC Group since July 2018.

Eva Nygren
Board member

Nygren has more than 35 years of operational experience in the building and civil engineering industry, including as Director of Investment at Swedish Transport Administration, President and CEO of Rejlers AB and President of Sweco Sverige AB. Since 2016 she has been active as a professional board member and chairperson in several stock exchange listed, private and stateowned companies in the Nordics. Nygren is currently a board member of Ballingslöv International AB, Troax Group AB and Swedavia AB. Nygren currently holds 85,460 shares in NRC Group, and has been a member of the board of directors of the company since January 2019

Tove Elisabeth Pettersen
Board member

Tove Elisabeth Pettersen has extensive experience from several senior management positions at Hafslund, Bane NOR and Jernbaneverket, and since 2020 as CFO at Norwegian Red Cross. Pettersen has served as board member in listed and public companies, including Infratek ASA, Klemetsrudanlegget AS and the board of Statnett SF. She now serves as board member in Å Energi. Pettersen holds 45,000 shares in the NRC Group and has held the position as board member in the company since May 2020.

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Board of Directors

Outti Henriksson
Board member

Outi Henriksson has an extensive senior management background from banking, transportation, telecoms and mobile services. She has over 20 years of experience as CFO, since 2017 at Aktia Bank Plc and formerly in VR Group and several other companies. Ms. Henriksson serves as a Board member of Patria Group and has served as a Board member and Chairman of the Audit Committee of Adapteo Plc, Aktia Livsförsäkring AB and Sponda Plc. Member of the Board of NRC Group since May 2021. Henriksson holds 45,000 shares in NRC Group.

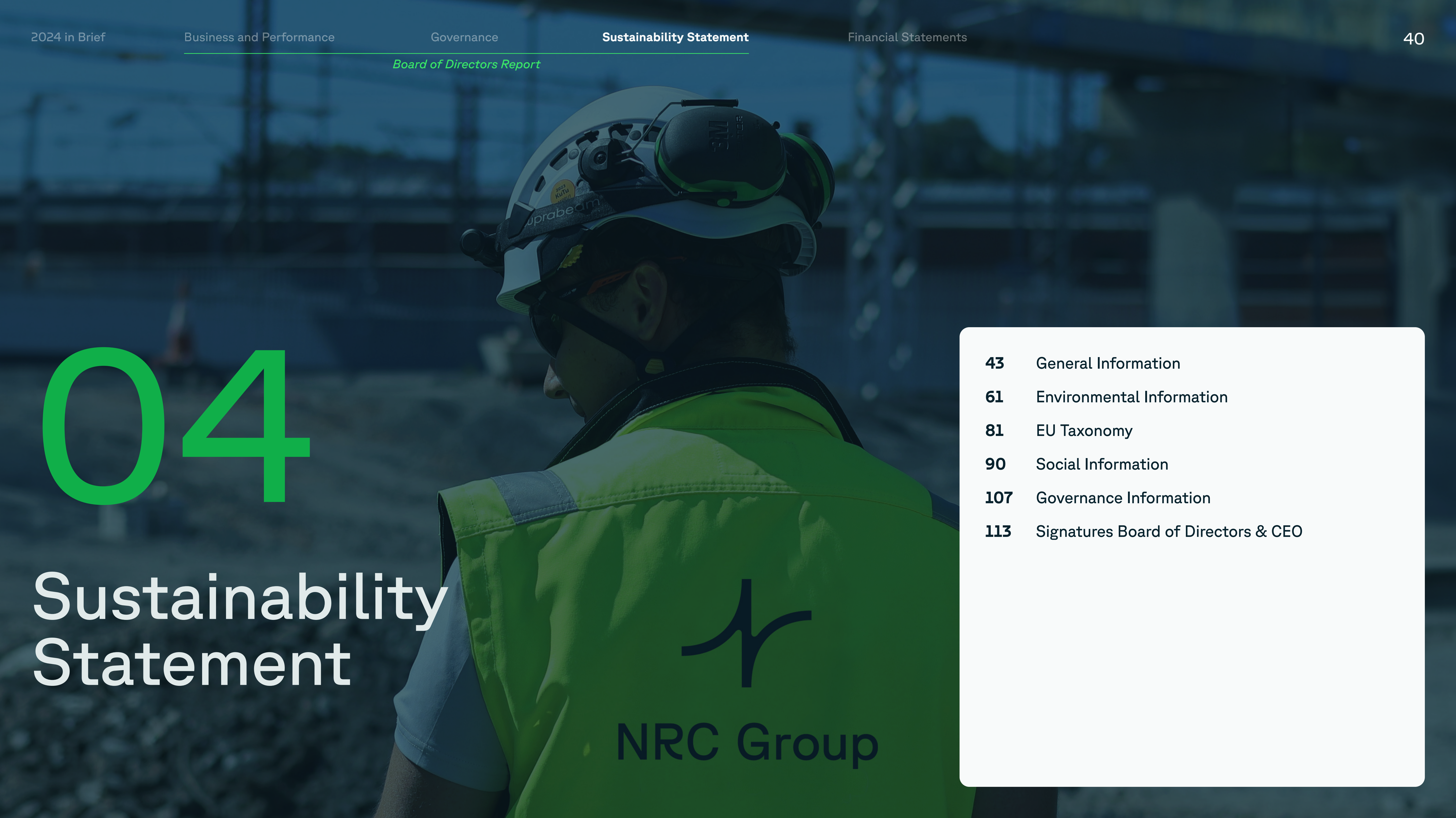
Heikki Allonen
Board member

Allonen is a board professional with extensive experience from senior management and board positions. He has in his career worked as CEO in public and listed companies like SRV Oyj, Fiskars Corporation and Patria Group for some 20 years. Allonen is currently the chairman of the Board of Directors of FinnHEMS Oy, the vice-chairman of the board of directors of Savox Oy, and board member of Lapti Group Oy and Port of Helsinki Oy. Allonen has previously served as chairperson of the board for the Norwegian defence company Nammo AS and as the vicechairperson of the board of directors of VR Group Oy. Allonen holds 90,960 shares in the the NRC Group, and has held the position as board member in NRC Group since May 2021.

Karin Bing Orgland
Board member

Bing Orgland has a broad financial background. During the period of 1985-2013 she held different managerial positions within the DNB Group, latest from 2009- 2013 as Group Executives Vice President Corporate and Personal Banking Norway. Since 2013, Bing Orgland has been active as a professional board member in different listed and government-owned companies. Bing Orgland Bing Orgland is currently Chairman of the Board of Entur AS, Elektroimportøren AS and Røisheim Hotell AS. She is a Boardmember in Kid ASA and Chairman of the audit committee. She is a Boardmember in Sparebank 1 Lom og Skjåk and Røisheim Eiendom AS. Bing Orgland holds 95 000 shares in NRC group. She has held the position as Boardmember in NRC Group since May 2022.

At the annual general meeting (AGM) on 8 May 2024, all seven board members were re-elected, and Rolf Jansson was re-appointed as the Chairman of the Board. The AGM also re-elected Esa Heikki Elias Rautalinko as the committee leader of the nomination committee, and re-elected the rest of the nomination committee, comprising of Lasse Olsen and Ole-Wilhelm Meyer.
NRC Group has insurance for members of the Board of Directors and the CEO for liability incurred from the Group or any third party related to responsible actions or neglect in their role as board members or executive management of the Group.



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General information

Basis for preperation

BP-1 General basis for preparation of the sustainability statement

This sustainability statement has been prepared on a consolidated basis in line with the NRC Group's 2024 financial statements. The sustainability statement pertains information related to NRC Group ASA (hereafter referred to as "NRC Group") including all of its subsidiaries in Norway, Sweden and Finland, without exception. In the statement, the Group discloses its material impacts on people and environment, including the material effects of sustainability matters on its business activities, spanning the upstream and downstream value chain.

The report does not exclude details regarding intellectual property, know-how, or innovation outcomes. Additionally, NRC Group has not withheld disclosure of information related to pending developments or ongoing negotiations.

BP-2 Disclosures in relation to specific circumstances

The sustainability statement is compiled in accordance with the Corporate Sustainability Reporting Directive (CSRD), as implemented through the European Sustainability Reporting Standards (ESRS). As this marks the first year for fulfilling these requirements, the statement represents a departure from the Group's previously published sustainability reports.

The statement encompasses all material disclosures and relevant data points as mandated by the ESRS, excluding any disclosures assessed as non-material based on the results of the materiality assessment (see ESRS 2 IRO-1 page 55). For a detailed description of the DMA process, including its scope, methodology, and underlying assumptions, please refer to ESRS IRO-1. The Sustainability Statement adheres to the classification of short-, medium-, and long-term timeframes, as specified in section 6.4 of ESRS 1.

Value chain estimation and outcome uncertainty
NRC Group has relied on reasonable and supportable data sources to estimate value chain information that is not directly obtainable. Estimates using indirect sources, such as sector-average data and national energy mix figures, have been applied to calculate specific energy consumption and fuel usage metrics in E1-5.

- Total energy consumption has been estimated using a combination of kWh consumption and national energy consumption mix data for 2024 where direct suppler data is missing. For electricity, 50% of imported electricity is assumed to be renewable based on regional averages.

  The level of accuracy is considered moderate due to the availability of consumption invoices and national energy mix data. However, the use of sector-wide assumptions introduces uncertainty as these values may not fully reflect the specific energy mix of individual suppliers.

- Fuel consumption from fossil sources uses direct invoices from suppliers as the primary data source. Where supplier data has been unavailable, NRC Group estimates usage based on national energy mix and kWh consumption trends.

  The accuracy of these estimates is influenced by variations in supplier energy reporting and the reliance on national averages.

For calculation of NRC Groups scope 3 GHG emissions the Group has used a mix of activity data collected directly from the suppliers combined with emission factors. If it is not feasible to obtain data for certain activities in Scope 3, used broader, more generic data or scaled up available data is used to cover data gaps that the Group might have.

- It is currently not feasible to obtain supplier-specific data for all our scope 3 calculations, especially for purchased goods and services and capital goods, for these categories NRC Group relies on spend-based calculations. In these instances, generic emission factors from acknowledged providers are used, and it is considered that the assumptions taken introduces a varying level of uncertainty as these emission factors may not accurately reflect all the Groups different suppliers. More in-depth description of the Groups basis of preparation of these estimates and calculations is provided in the accounting policies.

When calculating NRC Groups' Resource Inflows, considerable uncertainties exist regarding data accuracy in estimating the total material amounts. More detailed information is available in under E5-4.

NRC Group is progressively improving data collection methods and increasing supplier engagement to increase the precision of its value chain reporting. Apart from the metrics already outlined, no other reporting data is significantly affected by measurement uncertainty.

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Use of phase-in and transitional provisions
NRC Group has in 2024 chosen to exercise all phase-in provisions dedicated to companies above 750 employees with a few exceptions for S1 Own workforce. Additionally, in accordance with the transitional provision under section 7.1 on presenting comparative information in ESRS 1, comparative figures for certain metrics are not included, as this is NRC Group's first year of preparing the sustainability statement and comparative figures are not available. For the following disclosure requirements NRC Group has not presented comparative figures:

E1-5 Energy consumption and mix

E1-6 Gross Scopes 1, 2 and 3 and Total GHG emissions

E2-5 Substances of concern

E5-4 Resource inflows

E5-5 Resource outflows

S1-9 Diversity metrics

S1-16 Remuneration metrics (pay gap and total remuneration)

S1-17 Incidents, complaints and severe human rights impacts

Disclosures stemming from other legislation and sustainability reportin standards
The statement includes disclosures stemming from other legislation or other sustainability reporting standards, including the Norwegian Securities Act, the Norwegian Accounting Act, the Norwegian Transparency Act, the EU Sustainable Finance Taxonomy and the continuing obligations for companies listed on the Oslo Stock Exchange.

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Strategy and business model

SBM-1 Strategy and Business model

About NRC
NRC Group is a leading provider of infrastructure construction and maintenance services, operating across Norway, Sweden, and Finland. The Group offers a full range of services that span the entire infrastructure value chain, including project planning and management, groundwork, specialised trackwork (rail, light rail, and metro), concrete work, signalling systems, catenary and electro work, demolition, recycling, and mass transportation.

Strategy, including main challenges and critical solutions
The key driver for NRC Group's strategy and industry is the growing customer demand for construction and maintenance of low carbon infrastructure. The underlying market trends such as urbanisation, population growth, more demanding targets for decarbonisation and physical climate risks causing demand for rigorous requirements on the quality and robustness of infrastructure related to defence, water and energy supply. The demand is further enhanced by the geopolitical situation. The challenge lies in delivering large-scale, efficient projects that support these developments while reducing environmental impact and maintaining operational excellence also in the building process and sourcing materials at an acceptable cost.

In response to these challenges, NRC Group is strengthening its leadership position in rail construction and expanding its civil construction activities. Under its new strategy, the Group has redefined its role from a rail-focused operator to a comprehensive infrastructure builder. Maintenance, traditionally led by the rail business, remains a core offering, with plans to broaden into other critical infrastructure over time.

The company has set an ambitious target to achieve more than NOK 10 billion in revenue with an adjusted EBIT margin above 5% by 2028. In 2024, NRC Group reported revenue of NOK 6.9 billion and an adjusted EBIT margin of -1.3%.

NRC Group's strategic priorities are:

- **Securing larger contracts** to drive growth
- **Strengthening Nordic collaboration** to enhance efficiency
- **Implementing sustainable actions** aligned with ESG goals
- **Improving project execution** to increase operational performance
- **Empowering active leadership** to foster innovation and strategic oversight.

NRC Group anticipates a 35% growth in its addressable market, projected to reach NOK 82 billion by 2028. This growth is supported by ongoing infrastructure investments under national transport plans in Norway, Sweden, and Finland. A growing order backlog and strong tender pipeline provides a clear pathway to achieving these financial and strategic goals.

NRC Group's sustainability-related goals are integral to its operations and closely aligned with its key services, markets, and stakeholder relationships. The Company is actively managing areas where it has impacts on people and the environment, while also addressing risks and opportunities that affect business operations. This strategy is built on a twin focus: reducing the company's own greenhouse gas emissions and creating infrastructure that enables others to achieve decarbonisation.

During the current reporting period the sustainability framework, focusing on six key areas, has guided the work in the Group. The Group will update its sustainability strategy in spring 2025 integrating also the results from the Double Materiality Analysis (DMA).

Environment	Social	Social
1. Building low carbon future • Climate and emissions	**3. Providing a safe and secure workplace** • Health and safety of our employees	**6. Ensuring ethical business practice** • Ethical business practices • Sustainable supply chain (including human rights impacts)
2. Improving environ-mental performance • Materials and recycling • Biodiversity impacts • Environmental impact and compliance	**4. Emphasising diversity and equal opportunities** • DEI work **5. Training and developing our people** • Training and development	

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Business model

Significant products and services
NRC Groups' main service offering is the construction and maintenance of critical infrastructure across the Nordic region. These services span various phases of project execution, from planning to long-term maintenance. These can be categorised into five types of infrastructure support:

- **Planning, Project Management, and Maintenance.** Overseeing project execution from planning to completion, ensuring efficient use of resources, and managing long-term maintenance to maintain infrastructure safety and reliability.
- **Rail, Light Rail, and Metro Infrastructure.** Constructing, upgrading, and maintaining track systems, including associated structures such as stations, tunnels, and bridges.
- **Civil and Structural Construction.** Delivering groundwork, concrete, and steel structures to support both rail-related and broader infrastructure projects.
- **Electro, Catenary, and Signaling Systems.** Installing and maintaining critical rail systems, including electrical infrastructure, overhead catenary lines, and signaling systems to ensure safe and efficient train operations.
- **Demolition, Recycling, and Logistics.** Providing demolition services, recycling materials, and managing the transportation of resources to and from project sites, supporting sustainable infrastructure practices

NRC Group relies on the procurement of key inputs for the successful delivery of construction and maintenance activities across Norway, Sweden and Finland. These key inputs include construction materials, specialised equipment, human resources, and energy.

These inputs are secured through long-term contracts with public sector clients, partnerships with equipment suppliers, and the recruitment and development of a skilled workforce through safety, training, and development programs.

Capital investments fund operations, projects, and equipment, with long-term contracts from public sector clients ensure stable and predictable revenue streams. The Company's skilled workforce, such as engineers and project managers, is essential to the successful execution of large-scale projects. NRC Group prioritises safety and training to maintain a high standard of service. Additionally, advanced machinery and construction materials like concrete and steel form the backbone of its operations.

Significant markets and customer groups
NRC Group operates in the Nordic region, with a focus on three key markets: Norway, Sweden and Finland. The Group serves public sector clients responsible for critical infrastructure development and maintenance. These markets are driven by long-term National Transport Plans, which provide a stable and predictable demand for NRC Group's services through multi-year investment frameworks.

Revenue distribution is led by national transport authorities such as Bane NOR (Norway), Trafikverket (Sweden), and the Finnish Transport Infrastructure Agency, which oversee large-scale rail and infrastructure projects. Key customer groups include:

- **National Transport Authorities:** Major clients responsible for rail and transportation projects, driving a significant portion of the Group's revenue.
- **Regional and Municipal Authorities:** Clients investing in light rail, metro systems, and urban infrastructure, representing an increasingly important market for the Group.
- **Private Clients:** Companies in the industrial and logistics sectors requiring specialised services, though they make up a smaller share of the Group's revenue.

Expected benefits for stakeholders
The primary outputs of NRC Group's services are large-scale, functional infrastructure projects that support modern and efficient transportation networks across the Nordic region. These outputs provide direct benefits through improved infrastructure operations, as well as long-term positive outcomes for stakeholders.

- **For Customers:** NRC Group delivers fully operational rail, light rail, and metro infrastructure, supported by long-term maintenance to ensure reliability, safety, and efficiency. These projects enhance regional mobility, connectivity, and transport performance, helping public authorities achieve their strategic goals for infrastructure and urban development.

The table illustrates NRC Group's market presence across Norway, Sweden, and Finland, segmented by key service areas: rail construction, civil construction and rail maintenance.

Market presence	Norway	Sweden	Finland
Rail construction	●	●	●
Civil construction	●	◯	◯
Rail maintenance	○	●	●

○ Market not open for private contractors ◯ Early phase

- **For Investors:** The completion and ongoing management of large infrastructure projects demonstrate NRC Group's technical expertise and operational reliability. This reinforces investor confidence by highlighting the Group's capacity to secure long-term contracts and deliver on its strategic growth targets, supported by a stable project pipeline tied to government transport plans.
- **For Society:** NRC Group's infrastructure projects contribute to modern and sustainable transport networks. These developments promote regional economic growth, improved mobility, and enhanced quality of life for communities, while also generating social impacts through salaries, local employment, and compliance with environmental regulation

Value chain
NRC Group's service offering is positioned within the core operational phase of the infrastructure value chain. Operations include groundwork, specialised trackwork, catenary and electro work, signalling systems and demolition. Maintenance is also a key aspect of the Group's activities in ensuring the reliability and longevity of infrastructure assets. As such, NRC Group provides the expertise, resources, and technical solutions necessary for infrastructure development and ongoing maintenance to ensure the long-term functionality, reliability and sustainability of transport networks.

In the upstream segment, NRC Group relies on suppliers and contractors to provide essential resources, including construction materials (steel, concrete, wood), as well as consumables, specialised components, and machinery. Suppliers of various energy sources - fossil fuels, biofuels and energy – are critical to power operations and machinery at project sites. Finally, subcontractors provide additional capacity and expertise, particularly for complex or highly technical services such as electro and signalling systems.

The downstream segment of NRC Group's value chain comprises public sector clients who commission and manage large-scale infrastructure projects, as well as end users depending on infrastructure for daily transport and logistics. Other downstream actors include regulatory authorities and communities who experience both direct and indirect impacts of infrastructure projects.

The downstream value chain is focused on the delivery, maintenance, and long-term operation of critical infrastructure, including rail, light rail, and metro systems. These projects enable modern, low-carbon transport solutions and are essential for regional mobility and economic development across Norway, Sweden, and Finland.

NRC Group's business relationships include customers, suppliers, subcontractors and business partners.

- **Relationships with its customers.** Customers are typically Governmental or Municipalities in all three countries.
- **Relationships with its suppliers, including any subcontractors.** Suppliers include suppliers of materials, services, and include any subcontractors that the Group may use to complement expertise or equipment/machines when executing projects.
- **Relationship with business partners with to deliver Alliance projects.** Business partners are adjacent companies delivering complimentary offerings that the Group may partner with in an alliance to deliver specific, often major, projects.

Through these relationships, the Group maintains its leadership as a key player in the Nordic infrastructure sector.

Employee breakdown

Table 2: Employee breakdown provides a breakdown of employees (headcount) by geographical location.

Location	2024	2023
ASA	13	12
Norway	585	611
Sweden	385	358
Finland	797	872
Group	**1,780**	**1,853**

Products and services in relation to sustainability goals
NRC Group's main services, markets and customer groups are closely aligned with its sustainability goals.

In terms of services, NRC Group aims to deliver infrastructure projects that support sustainable, low-carbon transportation across the Nordic region. The Group prioritises projects that promote climate-friendly solutions, working toward zero-emission operations. These goals align with the strategic objectives of NRC Group's primary customers, including Bane NOR (Norway), Trafikverket (Sweden), and the Finnish Transport Infrastructure Agency, which are responsible for developing and maintaining national transport infrastructure.

For geographical areas, NRC Group operates in Norway, Sweden, and Finland, where sustainability goals are tailored to regional needs. These include responding to the challenges of urbanisation, population growth, and increased environmental commitments. National transport plans across these markets provide a roadmap for long-term sustainable investments in critical infrastructure.

In its relationships with stakeholders, NRC Group prioritises collaboration and long-term engagement. The Group seeks to minimise environmental and social impacts on local communities through resource efficiency, emissions reduction, and waste management on project sites. Employees are recognised as NRC Group's greatest asset, driving its sustainability efforts. The Group fosters a robust safety culture, offers continuous training and development, and upholds ethical business practices through its Code of Conduct.

This strategic approach also requires ongoing growth in institutional ESG maturity and an openness to adopting new management practices and technological innovations to meet both internal and external sustainability expectations. Through these initiatives, NRC Group aims to create long-term value for stakeholders while supporting the sustainable development of critical infrastructure across the Nordic region.

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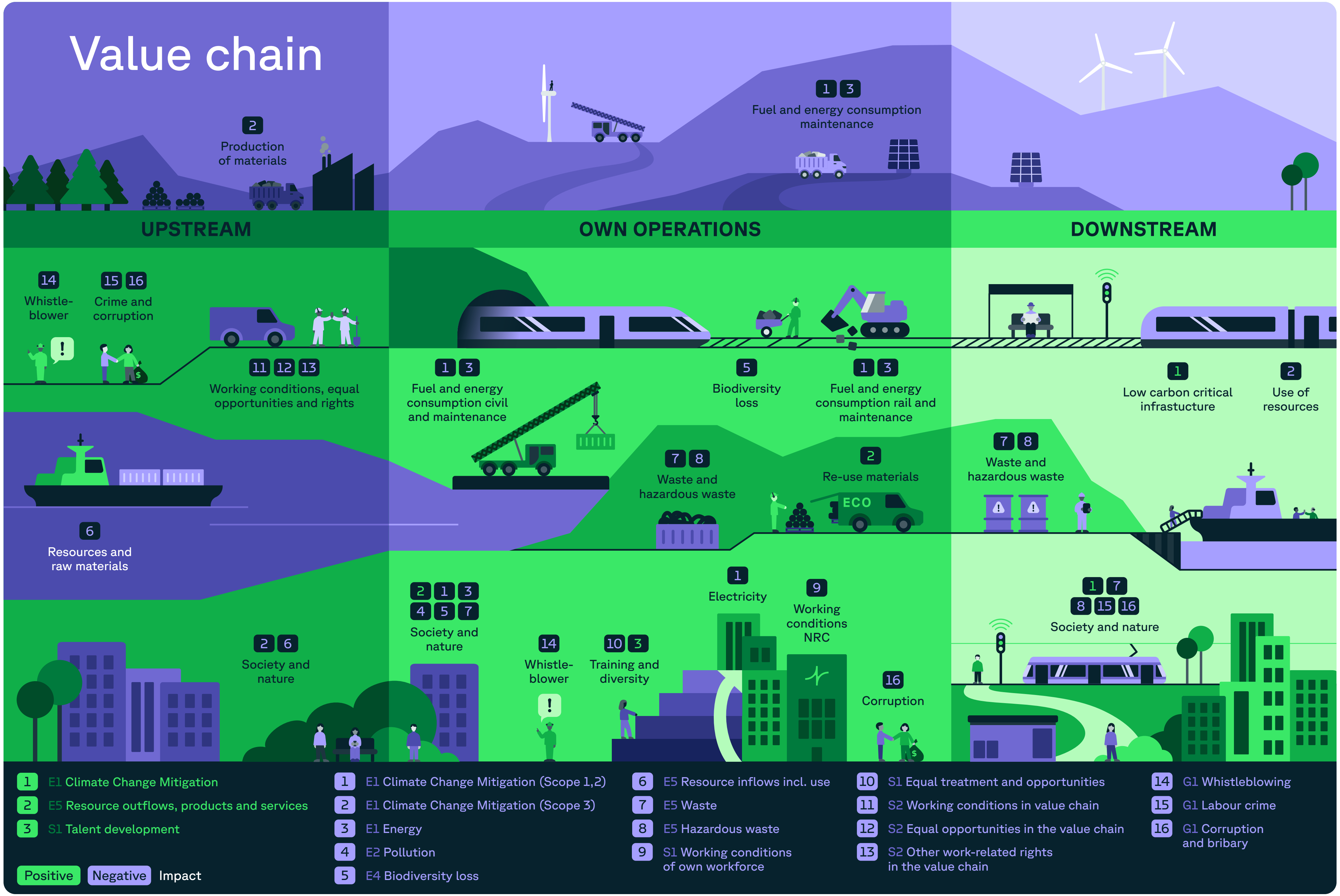

Sustainability governance

GOV-1 The Role of the administrative, management and supervisory bodies G1 disclosure requirement related to GOV-1

NRC's administrative, management and supervisory bodies ("oversight bodies") comprise the Board of Directors, Audit Committee, the Group EVP & Head of Strategy, Sustainability and Communications Group Head of Sustainability.

The Board of Directors (BoD) comprises seven independent, non-executive members, each bringing diverse expertise and competencies aligned with NRC Group's key sectors, services, and geographical markets. Their collective experience includes deep knowledge of the rail and infrastructure industry, with specialised competence in health and safety, corporate finance, financial reporting and risk assessments and extensive backgrounds in both project management and general management. The Board of Directors has necessary CSRD competence. The Board's composition is 57% female and 43% male.

The Board maintains the ultimate responsibility for sustainability reporting in NRC Group, including the approval of the sustainability statement. The Board also holds overall responsibility for matters related to business conduct.

The Board has delegated the responsibility for overseeing sustainability-related impacts, risks and opportunities to the Audit Committee, the Group EVP & Head of Strategy, Sustainability and Communications and the Group Head of Sustainability.

The Audit Committee, chaired by Karin Bing Orgland, acts as a preparatory body for the Board. The Audit Committee's key responsibilities include supervising the Group's financial reporting process, monitoring internal control systems, and ensuring effective risk management. The committee maintains continuous communication with the Group's auditor, providing regular reports and recommendations to the Board of Directors. The Audit Committee oversees business conduct matters, in addition to its core responsibilities for financial reporting, internal controls, audit, and compliance. Additionally, the Audit Committee oversees the strategic ESG direction and reporting, acting as a sounding board for the Group Leadership Teams (GET) and supporting the Board of Directors with strategic insights into specific ESG matters. The AC had several meetings with the auditors during 2024 with the objective is to ensure financial and environmental reporting with high degree of integrity, as transparent as possible and with sufficient quality control.

The Group EVP & Head of Strategy, Sustainability and Communications is Responsible to report to Audit Committee and/Board of Director with relevant related topics, including sustainability, both to inform and when decisions must be made on targets and progress. Oversees Strategy implementation and measures for all three countries. Head of Communications from each country and Group Head of Sustainability reports directly to the role. The Group EVP is also a member of the Group Executive Management team, where same topics are addressed when relevant.

The Group Head of Sustainability shares accountability for sustainability oversight with central functions such as Finance, HR, Legal, HSEQ and Procurement. Each function is responsible for monitoring and reporting on sustainability topics relevant to its area of expertise. These functions manage the sustainability reporting process at NRC Group, including the double materiality assessment process. They also play a critical role in approving and following up material impacts, risks and opportunities.

Reporting lines are established to facilitate regular communication with the Audit Committee and/or the Board of Directors to ensure transparency in reporting and informed decision-making.

The Group Head of Sustainability, in collaboration with the country-level **Heads of Sustainability** (collectively, the Sustainability Team), assesses the implementation of due diligence, evaluates policy effectiveness, and monitors the performance of sustainability actions, metrics, and targets. The team maintains regular communication and collaboration, with annual reviews and additional sessions convened when significant changes or emerging risks warrant further attention.

Level	Body/Committee	Role
Oversight	Board of Directors	Administrative oversight for sustainability and business conduct.
Senior Committees	Audit Committee	Financial, compliance, sustainability and business conduct oversight.
	EVP & Head of Strategy, Sustainability and Communications	Oversight of sustainability strategy, reporting and impacts
	Group Head of Sustainability	Oversight of sustainability strategy, reporting and impacts.
Steering Committees	Sustainability Team	Strategic input, implementation and review of sustainability goals.
Internal Functions	Finance, HR, Legal & Compliance, HSEQ, Procurement	Monitoring and reporting on sustainability topics.

Internal sustainability governance structure

GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The oversight bodies receive information on impacts, risks, and opportunities (IROs) through a. The Group's impacts, risks, and opportunities (IROs) are regularly reported to the Group Head of Sustainability through structured monthly and quarterly updates on the topic. These reports are then escalated on a quarterly basis to the Board and/or the Audit Committee by EVP & Head of Strategy, Sustainability and Communications, ensuring effective oversight and decision-making

IROs are fully integrated into the oversight bodies' key discussions, including strategic planning, tender reviews, project execution, risk management, and quarterly internal business reviews. These discussions involve in-depth analyses of trade-offs associated with various sustainability factors to support informed, balanced decisions that align with the Group's objectives.

Throughout the year, sustainability risks, impacts, and opportunities are monitored continuously. Key ambitions and targets are addressed at each board meeting, with health and safety risks reviewed regularly (refer to the social section on page 90. Similarly, climate-related risks and progress on decarbonisation goals are frequently discussed by governance bodies (See the Environment section on page 61).

The Board has addressed all the material IROs as part of the double materiality assessment

The oversight bodies in NRC Group (excluding BoD) engage with both external consultants and internal subject matter experts to obtain the necessary insights for effective oversight of material IROs

GOV-3 Integration of sustainability-related performance in incentive schemes

NRC Group has integrated a climate related ambition of 30% reduction in the Group's Scope 1 and 2 GHG emissions by 2025 from a 2021 base year into NRC Group's incentive schemes. The remuneration of the Executive Management team and Country Management teams is linked to the results of NRC Group's financial, people and sustainability performance, through a short-term incentive plan. The annual process for selecting KPIs and setting targets for the incentives is based on NRC Group's strategic ambitions. The KPIs are approved by the HR Committee and the Board of Directors in the second quarter of the fiscal year. The process includes alignment with market best practice, and discussions related to prioritised strategic areas. This leads to a holistic and consolidated strategic prioritising from the Group Executive Management and the BoD when deciding KPIs and targets. One of the primary measures in the incentive scheme is the reduction of CO2 emissions.

For the Executive Management team, 10% of the short-term incentive scheme is linked to climate-related KPIs in the form of CO2 emission reduction, and 10% is linked to the employee engagement through eNPS. 80% is related to financial performance, and is measured by EBIT adj. During 2024, NRC Group didn't reach its targets (for the year 2023) related to emission reduction. For the Board of Directors 0% of the remuneration is linked to climate-related considerations. For Country Management teams, 5% of the short-term incentive scheme is linked to climate-related KPIs in the form of CO2 emission reduction, and 5% is linked to employee engagement through eNPS. NRC Group reached its target related to emission reduction in 2024.

GOV- 5 Sustainability risk management and internal control

NRC Group's risk management and internal control processes for sustainability reporting are designed to ensure effective oversight, data accuracy, and integration with core business operations. The key components include a structured governance framework, defined procedures, and collaboration across central internal functions. The sustainability related risks identified in the double materiality assessment (DMA), are not integrated in the Group risk management process for the current reporting period.

Main features and components
Dedicated controls and procedures are embedded across internal functions to ensure effective management of sustainability impacts, risks, and opportunities. These processes are integrated into the Group's broader risk framework, with sustainability considerations incorporated within the respective E, S, and G sections of this statement. This integration ensures alignment with key internal processes, supporting a comprehensive approach to both risk and sustainability management across the organisation.

The Group Head of Sustainability, in collaboration with senior executive management, plays a central role in defining and monitoring targets for material impacts, risks, and opportunities. Top management oversees the establishment of these targets and tracks progress to ensure alignment with the Group's sustainability objectives and strategic direction.

The Group Head of Sustainability, along with the country-level Heads of Sustainability (Sustainability team) are responsible for developing consolidated reports on sustainability issues and ESG metrics. This includes coordinating and leading key activities such as conducting the group-wide double materiality assessment (DMA) and overseeing data collection and conversion processes. The evaluation of climate-related financial risks is owned by the finance team.

The Group Head of Sustainability provides regular updates to the CEO, CFO and EVP & Head of Strategy, Sustainability and Communications on the progress of the sustainability report, who in turn keep the Board informed.

Main challenges and mitigation strategies:
The main challenges to NRC Group's sustainability reporting are the current low level of accurate and consistent data across countries. Due to the lack of well-developed and common metrics and datapoints, some reporting is based on management's assessment. This methodology carries along a risk of human error. To mitigate these risks, the Group Sustainability Team implements a centralised data framework across all three countries, guided by a systematic risk prioritisation approach. This framework standardises key definitions, calculations, and critical metrics, such as emission factors, in compliance with the GHG Protocol. By serving as an information hub, the sustainability team identifies and resolves discrepancies or errors in data submissions from business units, ensuring accurate and consistent reporting.

To strengthen NRC Group's reporting framework, a specialised sustainability reporting software was implemented in 2024 to structure and manage data while ensuring compliance with various reporting standards. Efforts to integrate sustainability data into a centralised group data platform progressed throughout 2024 and will continue in 2025. This initiative aims to enhance access to sustainability information and support more effective decision-making. Sustainability data is now aligned with the accounting principles defined by the ESRS.

GOV-4 Statement on Due Diligence

The mapping outlines the core elements of the due diligence process in alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, and NRC Group's key processes and measures for sustainability due diligence.

		Disclosure Requirement related to:	
Core elements of Due Diligence	**Disclosure Requirement, page**	**People**	**Environement**
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2, p. 51	●	●
	ESRS 2 GOV-3, p. 51	●	●
	ESRS 2 SBM-3, p. 58	●	●
	ESRS 2 SBM-3-E1, page number 58		●
	ESRS 2 SBM-3-E2, page number 58		●
	ESRS 2 SBM-3-E4, page 58		●
	ESRS 2 SBM-3-S1, page 59	●	
	ESRS 2 SBM-3-G1, page 60	●	●
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2, page 51	●	●
	ESRS 2 SBM-2, page 54	●	●
	ESRS 2 IRO-1, page 55	●	●
	E1-2, page 65		●
	S1-1, page 92	●	
	S1-2, page 93	●	
	G1-1, page 109	●	●
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1, page 55	●	●
	ESRS 2 SBM-3, page 58	●	●
	ESRS 2 SBM-3-E1, page 58		●
	ESRS 2 SBM-3-E2, page 58		●
	ESRS 2 SBM-3-E4, page 58		●
	ESRS 2 SBM-3-S1, page 59	●	
	ESRS 2 SBM-3-G1, page 60	●	●

GOV-4 Statement on Due Diligence (continued)

Core elements of Due Diligence	Paragraphs or pages in the Sustainability Statement	People	Environement
d) Taking actions to address those adverse impacts	E1-3, page 65		●
	S1-4, page 93, 98	●	
	E1-1, page 62		●
	G1-1, page 109	●	●
	G1-3, page 10		
e) Tracking effectiveness of these efforts and communicating	E1-5, page 67		●
	E1-6, page 68		●
	S1-5, page 94	●	
	S1-6, page 94	●	
	S1-8, page 95	●	
	S1-9, page 103	●	
	S1-10, page 95	●	
	S1-14, page 99	●	
	S1-16, page 103	●	
	S1-17, page 103	●	
	G1-4, page 111	●	●
	E1-4, page 66		●

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SBM-2 – Interests and views of stakeholders
S1, S2 and S3 disclose requirement related to ESRS 2 SBM-2

NRC Group values the interest and views of its stakeholders and active engagement is a fundamental aspect of the Group's ESG strategy. This interaction shapes its understanding of the interests and views of our key stakeholder groups and informs its strategy and business model, the double materiality assessment as well as due diligence process.

NRC Group's stakeholder engagement has focused on obtaining information about the interests and views of our key stakeholders such as investors, customers, environmental experts and its workforce. Engagement with value chain workers and affected communities was conducted to capture their insights, including perspectives on human rights. Stakeholder engagement activities typically involve multiple functions within NRC Group, including the sustainability team, business divisions, investor relations, financial and legal departments, executive management, and human resources. NRC Group is enhancing its supplier management approach by strengthening monitoring and communication while fostering greater awareness. Additionally, the company has an active dialogue with key clients to better understand and address their feedback and needs. Looking ahead, NRC Group continues organising annual partner and ecosystem forums to discuss relevant industry topics, encourage open communication, and align expectations for stronger collaboration. Additionally, NRC Group will participate in different fairs and events to engage and better understand and address stakeholder views.

As part of the double materiality assessment, the views and concerns of stakeholders were incorporated to ensure that their interests were reflected in the identification and assessment of material sustainability topics. The Board of Directors and Executive Management were informed of stakeholder input and interests during the anchoring process of the assessment.

The table below provides an overview of significant stakeholders, the methods of engagement, key objectives, and the application of these interactions within NRC Group's sustainability strategy.

Stakeholder	Engagement	Objective	Outcomes
Employees: The Group's own employees, including management and support functions. The Group has around 1800 employees in Norway, Sweden and Finland.	• Meetings with union representatives • Employee surveys and workplace assessments • Structured employee dialogues • Employment relation and health and safety representation	• Including employees-s perceptions, experiences and expectations • Contributing to a sustainable workplace and working life	• Internal policy updates • Improvement and action plans • Communications between the management and organisations • Nordic initiatives and campaigns
Customers: Companies that purchase services from the Group the. These are typically Government, Local Authority (municipalities) or similar organisations which are responsible for the procurement of infrastructure-related construction and maintenance.	• Meetings and dialogue • Periodic reviews • Events, workshops	• Building trust • Understand and get updated information about future expectations and direction • Promoting sustainable practices and sustainable solutions • Enabling customers to achieve their targets	• Project/service improvements • Strategic adaptation
Suppliers and business partners: Companies that provide services (competence and/or machines and equipment to the Group or work together with the Group in the delivery of projects. The main suppliers include subcontractors, suppliers of materials e.g. steel, concrete.	• Business partner discussions and joint project planning and delivery • Supplier due diligence • Contract management • Workshops, industry collaborations and associations • Human rights and on-site assessments	• Project excellency • Compliance with the code of conduct • Promoting sustainable sourcing • Protecting human and labour rights • Decarbonising the supply chain •	• Improvements in project delivery and operational performance • Streamlined processes and improvement plans • Informed selection of suppliers
Nature: Nature is considered a silent stakeholder because it is an essential yet voiceless entity in the operations and impacts of the Group.	• Assessments carried out by the customers • Dialogue and involvement with the local communities and other stakeholders, such as NGOs carried out by the customers	• Include and address the interests of Nature.	• Improvements in project delivery and operational performance
Users of sustainability statements: Investors, financiers and analysts: Investors who own shares in the Group and financiers lending money (bank, bond owners, leasing partners etc) to the Group have a financial interest in the Group' success.	• ESG ratings • Periodic investor updates, including Capital market days • Green bond reporting • Investor calls and questions	• Enhancing transparency • Attracting responsible investors • Understanding expectations	• Sustainable financing opportunities • ESG rating improvement plans
Authorities: Regulatory bodies that oversee the industry and enforce laws and regulations.	• Direct dialogue • Events and programs • Consultations	• Regulatory compliance • Promoting sustainable practices within the ecosystem	• Aligning business model and strategy • Value creation and risk mitigation

Stakeholder engagement

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Materiality assessment process

IRO-1, IRO-2 Description of the process to identify and assess material impacts, risks and opportunities

In 2024, NRC Group conducted a double materiality assessment (DMA) in accordance with the requirements of the ESRS. Supported by an external sustainability firm, the assessment followed a four-step process to identify and assess impacts, risks and opportunities (IROs). The IROs were evaluated through a comprehensive double materiality assessment (DMA), considering both their significance to sustainability impacts and their financial relevance. The Impacts were identified on a sub-sub-topic level throughout across the NRC Group's own operations and value chain to the best of the Group's knowledge. Risks and Opportunities were identified by reviewing identified impacts and through identifying relevant dependencies the Group relies on for the successful operation of its business.

The process was informed by NRC Group's internal documentation, procedures, and policies, as well as insights from internal and external stakeholders. The assessment identified both actual and potential impacts – positive and negative – arising from NRC Group's operations. These impacts were separated by direct effects from the Group's own activities, and indirect effects linked to its business relationships, covering upstream and downstream segments of the value chain. Refer to page 48 in SBM-1 for an overview of the value chain boundaries considered in the assessment.

NRC Group leveraged internal expertise and the best available knowledge to identify impacts and stakeholders. Recognising the possibility of missing key impacts and/or stakeholder groups, NRC Group compared and validated material IROs through industry peer benchmarks, as a key assumption in the process. Additionally, to mitigate the risk of insufficient coverage of the selected IROs, the scoring followed ESRS guidelines and was tracked in an IRO workbook to ensure consistent application of the methodology.

Key decisions in the process included identifying and scoring sustainability matters, as well as obtaining the final sign-off of the assessment outcome by the executive management group and the Board.

The following section sets out the four steps the Group took to conclude its DMA, which comprises 1) mobilisation 2) longlist 3) assessment and 4) finalisation.

Step 1. Mobilisation
The first step was to identify internal experts to support in the DMA, which were selected based on their competencies, experience and internal ownership of sustainability matters. The internal experts were organised into two expert groups according to their competencies, one group for impact materiality and one group for financial materiality.

During the mobilisation phase, the Group's value chain and business model were determined for use in the DMA process. A DMA workbook was used to describe and categorise all identified impacts, risks and opportunities, as well as document the assessment of these. IROs were categorised by sustainability matter, value chain position and time horizon:

- Time horizons were set based on the definition in ESRS 1 General Requirements (77), following the categorisation of short-term (less than one year), medium-term (1-5 years), and long-term (more than five years).
- Impacts were assessed against the impact materiality criteria of scale, scope, irremediability and likelihood. Impacts were assessed as either positive or negative, as well as actual/potential. The thresholds were set based on guidance from the external consultancy, as well as an internal review and validation.
- Risks and opportunities were assessed against the financial materiality criteria of size of financial effect times the likelihood of occurrence. The financial materiality threshold was set based on NRC Group's ERM system where feasible, integrating sustainability-related risks and opportunities with broader enterprise risks.

The thresholds were further supported by the Group's due diligence processes, including human rights and climate risk assessments, supplier controls, and various certifications and policies.

Following the development of a company-specific long-list, external stakeholders were identified, representing impacted parties and/or users of information. In total, four external stakeholders were engaged, either directly or acting as a proxy for the Group's stakeholder.

Step 2. Longlist
During the longlist phase, sustainability matters outlined in ESRS were reviewed in consideration of NRC Group's business activities, including consideration of different sites, projects, and countries of operations. Additionally, sustainability matters were reviewed in relation to the Group's business relationships, value chain and affected stakeholders. In considering how NRC Group's actions could lead to negative impacts or risks, two specific sustainability matters were identified:

- **Recycling of waste or used material.** All recycling, as is the case with waste, is handled by carefully selected recycling providers based in Norway, Sweden or Finland, subject to waste regulations and screened by the Group for their ESG practices.
- **Use of biogas as truck fuel.** Biogas used in mass transportation company in Norway, is provided by a reputable Finnish provider, governed by Finnish regulation and the gas is generated locally (Oslo area) from existing landfill, biodigester or municipal wastewater treatment plants. The provider is also subject to the Group's review of their ESG practices.

This phase also involved conducting a review of industry-relevant SASB standards to identify potential entity-specific topics for inclusion. Consequently, the following sustainability matters were added due to being deemed relevant in relation to the value chain's boundary for this assessment:

- **"Cybersecurity"** has been added as a sustainability matter under G1 for assessment of impacts (impact materiality), risks and opportunities (financial materiality).
- **"Responsible tax"** has been added as a sustainability matter under G1 for assessment of impacts (impact materiality), risks and opportunities (financial materiality).

Stakeholder insights were then gained through four respective interviews, focused on sustainability matters at the subtopic level that were relevant to the stakeholders' expertise and relationship with the Group.

The analysis evaluated whether identified impacts or dependencies could lead to financial risks or opportunities. It also examined if certain groups, based on characteristics, work contexts, or activities, faced a higher risk of harm.

Certain areas of the value chain were examined more thoroughly as they give rise to a heightened risk of adverse impacts. informed also by the due diligence process. Identification of IROs related to business practices involved assessing business areas or geographies with potential impacts or risks associated with corruption, bribery, and human rights violations. The threshold for human rights related impacts was lowered in line with the ESRS guidelines (ESRS 1, §45). The assessment process also considered business conduct risks identified in internal risk reviews and processes.

Stakeholder insights were then consolidated and integrated into the analysis.

Step 3. Assessment
An initial assessment of impacts, risks and opportunities was carried out by the external consultancy, using thresholds and time horizons set out in mobilisation phase.

The impacts were subsequently scored in a workshop with the Group's internal experts. The objective of the workshop was threefold: to assess borderline impacts in relation to the Group's business model, to sense-check non-material impacts, and to verify material impacts based on subject matter expertise and industry knowledge.

Conversely, a workshop was held to discuss and calibrate the initial assessment of the Group's risks and opportunities. The financial materiality workshop looked specifically at risks and opportunities with a borderline assessment, ensuring that the scoring and rationale was aligned to the Group's business model and value chain. This workshop also sense checked non-material and material impacts based on the respective expertise and industry knowledge of the participants.

The IROs were assessed at a gross level, to the best of the internal experts' knowledge and expertise. A total of seven internal experts were involved in identifying and scoring the IROs.

Step 4. Finalisation
Feedback from internal experts based on the two workshops was consolidated, leading to the conclusion of the list of material sustainability matters. The assessment results were presented to the executive management team and the Board respectively.

Looking ahead: Next steps
The sustainability risks identified through the DMA will be integrated into NRC Group's risk management process for standard risk assessment and prioritisation. The DMA and its outcomes are scheduled to be reviewed annually in order to ensure continued relevance and accordance in light of evolving trends, context, and regulatory changes.

Climate-related impacts, risks and opportunities

E1 disclosure requirement related to ESRS 2 IRO-1
NRC Group identified and assessed its climate-related IROs as part of the double materiality process, taking into consideration business and value chain activities and how these might be exposed to climate-related hazards over a short-, medium-, and long-term time horizon. The Group assessed its impacts on climate change, including Scope 1,2 and 3 GHG emissions, as well as its role in reducing societal emissions associated with its infrastructure projects.

NRC Group has not conducted a structured climate scenario analysis to assess physical risks. However, as part of the double materiality assessment, climate hazards related to extreme weather events, biodiversity loss, and pollution were identified across its operations and value chain. The assessment did not evaluate the extent to which the Group's assets and business activities are sensitive to these hazards, nor did it incorporate high-emission climate scenarios or geospatial considerations to determine exposure and vulnerability.

Transition risks were identified as part of the double materiality assessment, including regulatory risks related to GHG emissions, material sourcing challenges, and circular economy requirements. Transition opportunities were also identified, particularly in relation to low-carbon infrastructure development, energy efficiency measures, and circular economy initiatives. However, NRC Group has not yet conducted a structured scenario analysis to quantify the financial impact of these risks and opportunities over different time horizons.

The double materiality assessment process incorporated a comprehensive review of company documents, an evaluation of NRC Group's business model, industry best practices, and engagement with internal and external stakeholders. This approach facilitated a robust identification of both physical and transition risks within NRC Group's own operations and across its value chain.

The risks and opportunities were assessed based on their likelihood and magnitude, but the assessment did not quantify the exposure and sensitivity of assets and business activities to transition events, nor did it determine the extent of efforts required for alignment with a climate-neutral economy.

A detailed overview of the material climate-related IROs identified through the double materiality assessment is provided on page 62 of the E1 disclosure.

Resilience analysis
While NRC Group has not conducted a comprehensive resilience analysis of its overall strategy and business model in relation to climate change, the Group has already initiated steps to strengthen its understanding of climate-related risks. As part of its EU Taxonomy reporting, NRC Group conducted a climate risk and vulnerability analysis of six of its largest projects in collaboration with an external consultancy. This initial assessment provides valuable insights at the project level and serves as a foundation for the broader resilience analysis planned for 2025.

In 2025, NRC Group will undertake a full resilience analysis to address its physical and transition climate-related risks. This analysis will include:

- A structured climate scenario analysis aligned with IPCC pathways, considering at least one scenario consistent with limiting global warming to 1.5°C.
- An assessment of material risks and opportunities over the short-, medium-, and long-term, including transition risks related to regulatory changes, market shifts, and stakeholder expectations.
- Evaluation of the resilience of NRC Group's strategy and business model, identifying vulnerabilities and necessary adaptive measures to enhance climate resilience.
- A review of the Group's assets and business activities to determine potential exposure to transition events, the scale of alignment required for a climate-neutral economy, and any significant locked-in GHG emissions.

The findings from this work will be incorporated into NRC Group's 2025 sustainability statement. At that time, the Group will report on identified gross physical and transition risks at a more detailed level, including geospatial coordination where relevant.

The current review did not incorporate high-emission climate scenarios. However, the resilience analysis es expected to enhance NRC Group's understanding of the financial and operational implications of climate-related risks and opportunities.

Other environmental impacts, risks and opportunities

E2, E3, E4, E5 disclosure requirement related to ESRS 2 IRO-1
Disclosure requirements under IRO-1 related to E2, E3, E4 and E5 were addressed during the initial phases of NRC Group's double materiality assessment. The Group conducted interviews with internal and external experts to identify and evaluate IROs related to pollution, water, biodiversity and ecosystems, circular economy and resource use connected to the Group's operations and value chain activities.

However, NRC Group did not carry out site-specific assessments or consultations with affected communities, as these fall under the responsibility of the Group's clients. Nor did the assessment include an identification and evaluation of transition and physical risks related to biodiversity and ecosystems.

See page 74 E4-IRO-1 for more information.

Business conduct related impacts, risks and opportunities
G1 disclosure requirement related to ESRS 2 IRO-1

The process to identify material impacts, risks and opportunities in relation to business conduct matters was built on a thorough evaluation of NRC Group's core business operations, industry sectors, and geographical scope. As a major infrastructure provider in the Nordic region, NRC Group is subject to heightened risks in areas such as corruption, bribery, and breaches of business ethics or human rights, particularly given the complexity of large-scale projects, extensive subcontractor networks, and supply chain dependencies.

The objective was to identify potential risks, including corruption, bribery, and breaches of business ethics and human rights. This process drew upon findings from previous due diligence and internal risk assessments to uncover and address key risk factors across NRC Group's operations. Through this approach, NRC Group was able to secure that the DMA process was aligned with key criteria, such as operational location, activity type, industry sector, and transaction structure.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The material impacts, risks and opportunities identified during the double materiality assessment described above are presented in this sustainability statement, alongside the topical ESRS for E1 Climate change, E4 Biodiversity and ecosystems, E5 Resource use and circular economy, S1 Own workforce, S2 Workers in the supply chain and G1 Business conduct.

Material impacts on workers that may arise from transition plans for reducing negative impacts on environment and achieving greener and climate-neutral operation weren't specifically analysed during the DMA process, as NRC Group has not yet established a transition plan.

E1 CLIMATE CHANGE	IRO type	Location in Value Chain	Time Horizon
Scope 1, 2 and 3 GHG emissions contribute to climate change	Actual negative impact	Upstream Own operations Downstream	Short-term
Reduced societal emissions	Actual positive impact	Downstream	Short-term
Energy consumption	Actual negative impact	Own operations	Short-term
Market demand for low carbon infrastructure	Opportunity	Own operations	Medium-term
Market demand for climate adaption services (e.g. dam strengthening)	Opportunity	Own operations	Medium-term

E2 POLLUTION	IRO type	Location in Value Chain	Time Horizon
Substances of concern	Actual negative impact	Own operations	Short-term

E4 BIODIVERSITY	IRO type	Location in Value Chain	Time Horizon
Biodiversity loss – land use changes from infrastructure projects	Actual negative impact	Own operations	Short-term

E5 RESOURCE USE AND CIRCULAR ECONOMY	IRO type	Location in Value Chain	Time Horizon
Resource inflows - reliance on resource-intensive raw materials	Actual negative impact	Upstream, Own operations	Short-term
Resource outflows - circular economy and material reuse	Actual positive impact	Own operations	Short-term
Waste - waste generation from construction activities	Actual negative impact	Downstream, Own operations	Short-term
Hazardous waste - Handling and disposal of hazardous materials	Actual negative impact	Downstream, Own operations	Short-term

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S1 WORKING CONDITIONS	IRO type	Location in Value Chain	Time Horizon
Working hours in own workforce	Actual negative impact	Own operations	Short-term
Freedom of association and collective bargaining in own workforce	Actual negative impact	Own operations	Short-term
Adequate wages in own workforce	Actual negative impact	Own operations	Short-term
Secure employment in own workforce	Actual negative impact	Own operations	Short-term
Labour crime	Potential negative impact	Own operations	Short-term

S1 HEALTH AND SAFETY	IRO type	Location in Value Chain	Time Horizon
Health and safety in own workforce	Actual negative impact	Own operations	Short-term
Health and safety violations for own workforce	Risk	Own operations	Short-term

S1 EQUAL OPPORTUNITIES FOR ALL	IRO type	Location in Value Chain	Time Horizon
Training and skills development in own workforce	Actual negative impact	Own operations	Short-term
Talent development in own workforce	Actual positive impact	Own operations	Short-term
Diversity, equality and inclusion in own workforce	Actual negative impact	Own operations	Short-term
Workplace violence and harassment in own workforce	Actual negative impact	Own operations	Short-term

S2 WORKERS IN THE VALUE CHAIN	IRO type	Location in Value Chain	Time Horizon
Negative Impacts on workers in the value chain	Potential negative impact	Upstream	Short-term

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G1 BUSINESS CONDUCT	IRO type	Location in Value Chain	Time Horizon
Impacts from failure to ensure the protection and safeguarding of whistleblowers	Potential negative impact	Upstream Own operations Downstream	Short-term
Impacts on society through corruption and bribery (including labour crime)	Potential negative impact	Upstream Own operations	Short-term
Financial repercussions from unethical business conduct and poor workplace culture	Risk	Own operations	Medium-term
Financial growth through a positive and inclusive workplace culture	Opportunity	Own operations	Medium-term

Environmental information

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Climate change

NRC Group acknowledges and is accountable for climate-related impacts, risks and opportunities associated with its business. As a leader in the infrastructure and rail construction industry, the Group recognises its responsibility to support the transition to a more sustainable future.

E1- 1 Transition Plan for climate change mitigation

NRC Group does not yet have a formal climate transition plan for climate change mitigation but is actively working towards its development, with adoption targeted by the end of Q4 2025. This commitment begins with the establishment of science-based targets and strategic investments to align with the Paris Agreement's 1.5°C goal and build resilience for the future.

NRC Group remains committed to reducing emissions across its own operations and value chain, as well as supporting broader industry efforts to mitigate climate change impacts. As the Group continues to enhance its understanding of climate-related metrics and refines its calculations, it is paving the way for the development of a transition plan for climate change mitigation.

This plan will reflect NRC Group's commitment to contributing to the global fight against climate change and fostering sustainable growth in the infrastructure sector.

Material impacts, opportunities and their interaction with strategy and business model
The double materiality assessment identified the following material impacts and opportunities relating to climate change. NRC Group's financial position, financial performance and cash flows have not been affected by the material risks and opportunities at this stage.

	IRO type	Location in Value Chain	Time Horizon
Scope 1, 2 and 3 GHG emissions contribute to climate change	Actual negative impact	Upstream Own operations Downstream	Short-term
Reduced societal emissions	Actual positive impact	Downstream	Short-term
Energy consumption	Actual negative impact	Own operations	Short-term
Market demand for low carbon infrastructure	Opportunity	Own operations	Medium-term
Market demand for climate adaption services (e.g. dam strengthening)	Opportunity	Own operations	Medium-term

Material impacts and opportunities related to climate change

Material impacts:

Climate change mitigation – Scopes 1, 2 and 3 GHG emissions contribute to climate change

NRC Group emits GHG emissions from its own operations (scope 1 and 2) and throughout its upstream and downstream (scope 3) value chain. From each source, these emissions have an actual negative impact through their contributions to climate change in the short-term.

In own operations, GHG emissions are generated from direct fuel use by both stationary and mobile equipment and machinery, generating a total of 10069 tonnes CO2e (scope 1) of emissions. Scope 2 emissions are primarily generated by electricity and district heating, generating a total of 92 tCO2e (location based) and 498 tCO2e (market based) of emissions.

In the **upstream supply chain,** emissions are associated with the production of materials crucial to NRC's operations, including concrete, aggregates, reinforced steel bars, tracks, and cables. These materials contribute to Scope 3 emissions arising from their energy-intensive manufacturing. Additionally, The Group leases offices, machinery and equipment and the associated emissions from fuel and energy use of these are reflected in Scope 3.

In the **downstream supply chain,** GHG emissions are linked to the operation and maintenance of railway infrastructure built by NRC, such as train tracks.

To address and mitigate these impacts, NRC Group is committed to taking actionable steps to reduce its climate impact and advance sustainability across its operations and value chain. The Group targets reductions in scope 1 and 2 emissions through the adoption of innovative technologies, such as electrified machinery, renewable energy, modernising rolling stock and optimising internal and external utilisation of machines. The Group also addresses its scope 3 emissions through sourcing sustainable materials, partnering with suppliers to decrease the carbon intensity of essential inputs like concrete and steel. Please refer to E1-3 for more information on NRC Group's actions related to climate change mitigation.

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Climate change mitigation – positive impact from reduced societal emissions

NRC Group contributes to reducing societal emissions by enabling low-carbon alternatives through the infrastructure it develops. This is a positive actual impact materialising in short-term.

Due to the nature of its business NRC Group supports the transition to lower-emission transport systems by constructing and delivering infrastructure such as railways. This shift reduces reliance on higher-emission modes of transport, including cars, trucks, and planes. By enabling more sustainable transport options, NRC Group contributes to reducing overall greenhouse gas (GHG) emissions in society.

However, accurately measuring the actual impact on emissions remains challenging due to limitations in measurement accuracy and the maturity of clients' processes. Recognising this, NRC Group is committed to developing methodologies in collaboration with clients, industry partners and other stakeholders over time to enhance measurement capabilities. Importantly, these efforts complement not replace or delay the Group's Scope 1, 2, and 3 emissions reduction initiatives.

One of the key strategic focus areas for NRC Group related to sustainability is to maximise the long-term environmental impact of its projects. This includes designing infrastructure with lower lifecycle emissions and exploring innovative material choices and technologies to reduce embedded carbon. Through embedding sustainability into project planning and execution, NRC Group minimises its operational footprint and amplifies the societal benefits of its work.

Energy consumption – negative impact from fuel and electricity

NRC Group contributes to climate change through energy consumed in its own operations from fuel and electricity. This is an actual negative impact that materialises in the short-term.

The energy used in used in the Group's own operations is tied to the day-to-day requirements of heavy machinery, equipment, and other operational necessities.

To address and mitigate this impact, NRC Group is actively working to reduce energy consumption and transition to more sustainable energy solutions. Key initiatives include investing in energy-efficient machinery, optimising fuel use and transferring to renewable fuels, and progressively increasing the share of renewable energy in its operations. Furthermore, the Group emphasises tracking and reporting energy usage to identify areas for continuous improvement, ensuring alignment with its long-term sustainability goals. Additionally, collaboration with the public clients, business partners and the whole ecosystem is essential to mainstream and scale sustainable solutions.

Material opportunities:

Climate change mitigation – increased demand for low-carbon infrastructure

As an infrastructure construction company, NRC Group has an opportunity to capitalise on the growing demand for low-carbon transport infrastructure. This opportunity is expected to generate financial growth in medium-term.

The transition to a low-carbon economy is generating increased demand for infrastructure projects such as railways and other sustainable transport solutions. NRC Group's role in delivering these projects positions it to capitalise on this trend. The Group's addressable market is expected to grow by 35% between 2023 and 2028, driven by the rising need for low-carbon infrastructure, which represents a major market opportunity for NRC Group.

The Group's focus on delivering rail and other sustainable infrastructure aligns with its long-term strategic ambition to support the global energy transition. By leveraging its expertise and reputation in this space, the Group is well positioned to secure contracts and drive revenue growth. The significant increase in demand is expected to strengthen NRC Group's competitive advantage in the industry.

Additionally, in line with its new strategy, the Group has ambitions to enter the renewable energy market (solar power construction, power stations and onshore wind farms). According to the Group's estimates, the addressable renewable energy market is expected to double by 2028 in Finland, and in Norway Statkraft's planned hydro- and wind power investments are estimated to grow to NOK 44-67 billion.

Climate change adaption – increased demand for adaptation engineering services

NRC Group has an opportunity to capitalise on the growing market demand for climate adaption services, including critical infrastructure such as water supply and water reservoirs, and

infrastructure reinforcement. This opportunity is expected to generate financial growth in medium-term.

As the physical impacts of climate change intensify, there is an increasing need for engineering and construction services focused on climate change adaptation. Projects such as dam reinforcement, harbor upgrades, and rail system adaptations are becoming more critical. NRC Group is expected to benefit from these trends, and climate change adaptation work represents a major market opportunity for NRC Group.

Norwegian state-backed dam strengthening projects underscore the scale of this opportunity, with further key infrastructure adaptation work anticipated.

NRC Group's expertise in engineering and construction enables it to address this growing demand for climate adaptation services effectively. By aligning its key capabilities with market needs, the Group could deliver critical infrastructure projects while advancing its sustainability objectives and capturing material financial benefits.

Please refer to ESRS 2 IRO-1 for a full description of the processes to identify and assess climate-related impacts, risks and opportunities.

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Impact, risk & opportunity management

E1- 2 Policies related to climate change mitigation and adaption

Environmental Policy
NRC Group's environmental Policy defines how the Group translates its commitment to managing and reducing environmental impacts into concrete actions and it is binding to all company functions. This policy ensures compliance with internationally recognised standards such as ISO 14001 (in Finland and Norway all company functions in Finland are covered by the ISO14001 certification, Sweden will be certified in 2025) and outlines how it operationalises its commitment to address environmental impacts, improve resilience and seize opportunities related to climate change mitigation and adaptation. Every employee in the Group receives essential information through company-level training programs and site-specific inductions. These sessions ensure that all staff members are aware of fundamental policies, safety measures, and environmental responsibilities. Knowledge and awareness are continuously reinforced through toolbox talks. All actions related to ISO 14001 compliance are reviewed every quarter during management review meetings to track progress and ensure effective implementation.

The policy underscores NRC Group's dedication to climate change mitigation through detailing specific actions to reduce greenhouse gas (GHG) emissions and minimise the environmental footprint of its projects. These include transitioning to emission-free machinery, promoting low-emission materials such as green concrete, and integrating sustainable practices into project designs to minimise lifecycle emissions.

The policy also outlines the Group's approach to building resilience in its infrastructure projects. Key measures include the implementation of reinforced designs, advanced engineering solutions, and adaptive systems to protect infrastructure against extreme weather events and other climate-related risks.
Related to energy efficiency, the policy details initiatives such as optimising energy use in construction processes and integrating energy-efficient technologies into project execution. The Group evaluates opportunities to deploy renewable energy wherever feasible to reduce reliance on fossil fuels.

To ensure accountability and continuous improvement, the Environmental Policy incorporates mechanisms for monitoring progress and evaluating outcomes. Compliance with environmental standards is tracked and results are reviewed regularly by the Group Executive Management. By operationalising these commitments, the Environmental Policy lays the foundation for advancing environmental responsibility across its projects and operations.

E1-3 Actions and resources in relation to climate change mitigation and adaption

NRC Group has taken steps to address its material climate impacts through a series of targeted actions aimed at climate change mitigation, adaptation and energy efficiency. These actions align with its broader ambition of reducing greenhouse gas (GHG) emissions.

Action related to Climate change mitigation
The greenhouse gas (GHG) emissions generated from the Group's operations and value chain have a tangible, negative impact on climate change. Throughout 2024, NRC Group has systematically worked to reduce its carbon footprint by adopting actionable measures across its operations and supply chain. Beyond technical and operational improvements, NRC Group is actively fostering a company culture that promotes sustainability. By integrating climate-conscious practices into daily decision-making, increasing employee awareness, and embedding sustainability into leadership strategies, the Group is working to create long-lasting behavioral changes. Through continuous engagement, training, and collaboration, NRC Group is cultivating a company-wide commitment to reducing emissions and driving meaningful climate action.

For Scope 1 and 2 emissions, the Group focused on increasing the use of renewable fuels and transitioning its fleet to renewable biogas, with over 70% of subsidiary Gunnar Knutsen's trucks now operating on biogas or are electric. This commitment extends to exploring opportunities for electrified machinery ensuring the adoption of innovative, low-emission technologies as they become commercially viable. NRC Group has started electrifying the operations with vehicles and small machines, which will be an absolute requirement for winning projects in the most ambitions communities in the future. In Finland all new personal company cars need to be electric, and in Sweden, the Group has invested in electrical service cars. In Norway NRC Group has also 2 BREEAM projects. The objective of these actions is to achieve a reduction in Scope 1 and 2 greenhouse gas (GHG) emissions.

To address scope 3 emissions, the Group has tested the option to sustainable material low-carbon concrete and steel in collaboration with the clients as well as developed its procurement system.

Likewise, the energy use in the Group's operations, tied to the demands of heavy machinery and equipment, contributes to its overall carbon footprint. Recognising this, the Group has taken actionable steps to reduce energy consumption and minimise the associated environmental impacts. In 2024, NRC Group subsidiary Gunnar Knutsen invested in 3 electric trucks, 3 electric vans and 7 new trucks operating on biogas. The Group also advanced the electrification of small machines and production vehicles while optimising fuel consumption and use of renewable fuel across its operations. These initiatives were further reinforced by a commitment to progressively increasing the share of renewable energy in its overall energy mix.

As NRC Group has not yet formally developed its transition plan, the Group has not provided a quantification of investments or funding supporting its implementation, nor has it referenced key performance indicators related to taxonomy-aligned CapEx.

Action related to Climate change adaptation
As climate impacts become more pronounced, NRC Group recognises the increasing need for resilient infrastructure solutions. This demand creates an opportunity to position itself as a leader in climate adaptation engineering services. Throughout 2024, NRC Group strategically aligned its expertise in engineering and construction with the market's demand for resilience-focused infrastructure.

The Group also took action to safeguard its projects against the increasing frequency and severity of extreme weather events, through the implementation of measures such as dam reinforcement, harbour strengthening, water reservoirs, water supply and enhanced rail fortifications.

To take advantage of the material opportunity related to resilient infrastructure solutions, the Group has estimated that the Group's addressable market in civil construction in Norway alone is NOK 40 billion by the end the strategy period (2028).

In 2024, adaptation-related work generated 183 MNOK in revenue in 2024, with further opportunities anticipated as climate adaptation becomes a priority for public and private sectors.

Capital Expenditure (CapEx) and Operational Expenditure (OpEx)
In 2024, the Group allocated MNOK 6.4 toward CapEx to contribute to the achievement of the climate targets. This included investments in electric trucks and biogas trucks. Future CapEx is projected at MNOK 72.6 in 2025, to further support these goals.

Additionally, NRC Group established a Green Financing Framework, as part of the commitment to develop and supply services to build sustainable transport solutions. The Group has NOK 400 million in green bond loan (maturing in Q4 2027). It covers investments and operating expenses related to infrastructure for rail transport, investments in renewable biogas fuels and electrification of light and heavy vehicles and construction machines.

Resource Allocation and Implementation Dependency
At NRC Group, the implementation of the climate initiatives relies on the strategic allocation of resources, including financial investments, technological advancements, and collaboration with key partners. Ensuring these resources are effectively utilised is integral to maximise the impact on both climate change mitigation and adaptation. As NRC Group continue to innovate and expand their sustainability efforts, the Group remain committed to transparently managing these resources to deliver meaningful progress toward our climate goals.

As NRC Group further enhances its understanding of climate-related impacts, it plans to build on these initiatives by formalising a validated action plan in the coming years.

Metrics and targets

E1-4 Targets related to climate change mitigation and adaptation
NRC Group is committed to addressing its material climate-related impacts and opportunities through actionable and measurable targets that align with its sustainability strategy and policies. The Group has an ambition to reduce its Scope 1 and 2 greenhouse gas (GHG) emissions by 30% by 202, a 10% annual decrease using 2021 as a baseline (11 863 tonnes of CO_2e). This ambition reflects the first step in NRC Group's commitment to align with the Paris Agreement and contributing to the global effort to limit warming to well below 2°C. The ambition applies to the Group's own operations and is focused on reducing emissions form fuel use.

Between 2023 and 2024 NRC Group reduced its consumption of diesel by 37% by replacing it with biodiesel HVO and biogas. This resulted in a total decrease of Scope 1 emissions between 2023 and 2024 by 1,766 tCO_2e when measured using the operational control approach. This is equal to a reduction of 15% in GHG Scope 1 GHG emissions. These current ambitions are designed to support the Group's Sustainability and Environmental Policy, as well as to ensure progress toward a low-carbon, sustainable future.

The Group has not yet established quantitative or time-bound targets specifically related to climate change mitigation. The Group will reassess its GHG emission reduction targets in 2025 with an ambition to publish updated targets during 2025.

Progress and evaluation
NRC Group collects the data (scope 1&2) and monitors the progress at the local office level monthly and it is annually evaluated and reviewed at the group level. The ambition has remained the same during the strategy period.

As NRC Group has not established any quantitative or time-bound targets, however the current climate change ambition of 30% reduction in Scope 1 and 2 by 2025 from a 2021 base year, is integrated into sustainability-related performance in incentive schemes for the management.

Climate change adaptation
The Group has not yet established a quantitative or time-bound target specifically related to climate change adaptation (a material opportunity) and has not yet put in place a system to track the effectiveness of NRC Group's policies and actions in relation to climate change adaptation. However, it recognises the importance of integrating such a target into its strategy.

E1-5 Energy consumption and mix
NRC Group's energy consumption consists of crude oil and petroleum products, from other fossil sources, nuclear energy and renewable sources. In 2024, the Group's energy consumption was 50 383 MWh.

Please see page 70 for details on the methodologies and significant assumption used to calculate E1-5.

Energy consumption and mix

Energy consumption and mix	2024
1. Fuel consumption from coal and coal products (MWh)	0
2. Fuel consumption from crude oil and petroleum products (MWh)	35,261
3. Fuel consumption from natural gas (MWh)	0
4. Fuel consumption from other fossil sources (MWh)	1.7
5. Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	0
6. Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	35,262
Share of fossil sources in total energy consumption (%)	70%
7. Consumption from nuclear sources (MWh)	912.5
Share of consumption from nuclear sources in total energy consumption (MWh)	1.8%
8. Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen etc) (MWh)	13,809
9. Consumption of purchased or acquired electricity, heat steam and cooling from renewable sources (MWh)	1,312
10. The consumption of self-generated non-fuel renewable energy (MWh)	0
11. Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	15,121
Share of renewable sources in total energy consumption (%)	30%
Total energy consumption (MWh) (calculated as the sum of lines 6 and 11)	50,383
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/mNOK net revenue)*	7.3

*NRC Group's net revenue for 2024 was 6,892 mNOK (denominator), see page 115 for the groups complete financial statement.

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E1-6 Gross Scopes 1, 2 and 3 and Total GHG emissions

NRC Group's has chosen not to include information about its GHG emissions for 2023 due to a high degree of uncertainty attributed to 2023 figures as well as a change in the accounting approach from operational control to financial control. For base year the Group only presents the Scope 1 figures which are relevant to the ambition of 30% tCO2e reduction in Scope 1 between 2021 and 2025. This figure is calculated based on the operational control approach and is not comparable to the 2024 figures.

NRC Group's reported GHG emissions for 2024 represents emissions from the consolidated group and all entities in its value chain. During the financial year 2024 there have been no significant events or changes in circumstances impacting the Groups GHG Accounting and the Group did not have any GHG emissions from operating activities that are not accounted for under the consolidated group. In NRC Group's current GHG inventory, the calculation of biogenic CO2 is limited to the direct combustion of fuels, gases (Scope 1) and emissions from biogenic energy production (Scope 2). This may expand based on evolving international standards detailing the treatment of biogenic emissions in corporate inventories.

Please refer to page 70 for the accounting policies, including the methodologies, significant assumptions and emissions factors used to calculate E1-6.

Gross scopes 1, 2 and 3 and Total GHG emissions

	NRC Group		Milestones and target years				Disaggregation		
	Base year (2021) *	2024	2025	2030	2050	Annual % target / Base year	Norway	Sweden	Finland
Scope 1 GHG emissions									
Gross Scope 1 GHG emission (tCO2eq)	11,863**	10,069	NA	NA	NA	NA	3,484	2,199	4,385
% of Scope 1 GHG emissions from regulated emissions trading schemes		0%	NA	NA	NA	NA			
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emission (tCO2eq)		92	NA	NA	NA	NA	1	6	86
Gross market-based Scope 2 GHG emissions (tCO2eq)		498	NA	NA	NA	NA	289	2	207
Significant Scope 3 GHG emissions									
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)		111,087	NA	NA	NA	NA	14,815	871	2,416
C1. Purchased goods and services		92,766	NA	NA	NA	NA	NA	NA	NA
C2. Capital goods		380	NA	NA	NA	NA	NA	NA	NA
C3. Fuel and energy-related Activities (not included in Scope 1 or 2)		3,102	NA	NA	NA	NA	1,382	605	1,114
C4. Upstream transportation and distribution		774	NA	NA	NA	NA	NA	NA	NA
C5. Waste generated in operations		12,661	NA	NA	NA	NA	12,415	42	1,112
C6. Business Travel		1,042	NA	NA	NA	NA	896	146	28
C7. Employee Commuting		362	NA	NA	NA	NA	122	78	162

Gross scopes 1, 2 and 3 and Total GHG emissions (continued)

	NRC Group		Milestones and target years				Disaggregation		
	Base year (2021) *	2024	2025	2030	2050	Annual % target / Base year	Norway	Sweden	Finland
Total GHG emissions									
Total GHG emissions (location-based) (tCO2eq)	11,863**	121,248	NA	NA	NA		3,484	2,199	4,385
Total GHG emissions (market-based) (tCO2eq)		121,654	NA	NA	NA				
Biogenic carbon emissions									
Biogenic emissions not included in scope 1		4,240	NA	NA	NA				
Biogenic emissions not included in scope 2		95	NA	NA	NA				

GHG Intensity based on net revenue

NRC Group's location-based GHG emission intensity for 2024 was 17.59, figures for 2023 are not reported due to a high degree of uncertainty in GHG emission figures. The Group's net revenue for 2024 was 6 982 MNOK (denominator), see page 115 for the groups complete financial statement.

GHG intensity based on net revenue

GHG emissions intensity (tCO2e / Net revenue)	2024
GHG emissions intensity, location-based (tCO2e /mNOK net revenue)	17.59
GHG emissions intensity, market-based (tCO2e /mNOK net revenue)	17.65

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E1-7 GHG removals and GHG mitigation projects financed through carbon credits
NRC Group does not engage in GHG removals or finance mitigation projects through carbon credits.

E1-8 Internal carbon pricing
NRC Group does not implement internal carbon pricing schemes in its operations.

E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
NRC Group has chosen to utilise the phase-in allowance to exclude the financial effects of material physical and transition risks, as well as potential climate-related opportunities, as outlined in E1-9.

ACCOUNTING POLICIES

E1 accounting policies

ESRS DR	Paragraph	Data point/ Metric	Accounting Policy (Methodology/Assumption used)
E1-5		Energy consumption	Reported energy consumption encompasses all energy consumed/combusted by NRC Groups entities/facilities.
	37	Total energy consumption	Total energy consumption is the sum of fossil energy consumption and renewable energy consumption.
	37a	Fossil energy consumption	Fossil energy consumption data is collected directly from suppliers or invoices and includes all fossil fuels used by NRC Groups Haapamäki facility, as well as gasoline and diesel for equipment and machinery.
	37b	Nuclear energy consumption	Nuclear energy consumption data is collected directly from suppliers.
	37c and 37c (i)-(ii)	Renewable energy consumption	Renewable energy consumption is collected directly from suppliers, when direct supplier data is unavailable estimations are made based on a combination of the kWh consumed and the disclosed national consumption mix. The data includes all renewable fuels used at NRC Groups Haapamäki facility, equipment, and machinery as well as purchased and consumed electricity and heat from renewable sources used for administrative buildings and other facilities.
	40-43	Energy intensity based on net revenue	All of NRC Groups revenues stem from customers and clients listed in NACE Sections A to H and L.
E1-6		GHG Accounting	All emissions are reported based on the Green-house Gas (GHG) Protocol using the financial control approach.
E1-6	48a, 48b	Direct GHG emissions (scope 1)	Scope 1 emissions cover all direct emissions of greenhouse gas emissions from NRC Group: carbon dioxide, methane, nitrous oxide, and sulphur hexafluoride. The direct carbon emissions are calculated based on actual energy consumption from the Groups owned and right-of use leased assets multiplied by emission factors from DEFRA. The raw data is collected from the Groups procurement systems.
		Biogenic emissions not included in scope 1	Scope 1 biogenic GHG emissions are calculated based on amounts of biogenic fuels for own transport and direct consumption of biogenic-based fuels, with the usage of standard factors from DEFRA.
E1-6	49a, 59b, 52a, 52b	Indirect GHG emissions (scope 2)	The indirect Scope 2 emissions are calculated based on actual energy consumption from the Groups owned and right-of-use leased assets multiplied by a relevant country specific emission factor from either DEFRA, AIB, IEA, Norsk Fjernvarme, Energiföretagen, Finnish Energy or directly from the energy provider through GOOs or EPDs. The raw data is collected from the Groups procurement systems and supplier invoices.
		Biogenic emissions not included in scope 2	Scope 2 biogenic GHG emissions are calculated based on amounts of biogenic fuels for own transport and direct consumption of biogenic-based fuels, with the usage of standard factors from DEFRA. Additionally, data from IEA was used to estimate the amount of purchased electricity produced from biogenic sources.

ESRS DR	Paragraph	Data point/ Metric	Accounting Policy (Methodology/Assumption used)
E1-6	51	Indirect GHG emissions (scope 3)	C1 is categorised operational expenditure (OpEx) data derived from the Groups accounting systems multiplied by relevant spend-based emission factors from Exiobase. C2 is categorised capital expenditure (CapEx) data derived from the Groups accounting systems multiplied by relevant spend-based emission factors from Exiobase. C3 is calculated based on actual fuel consumption by owned assets multiplied with emission factors from DEFRA. C4 is categorised operational expenditures (OpEx) related to transport and distribution multiplied with emission factors from Exiobase. C5 is calculated based on actual categorised waste data collected from suppliers multiplied with emission factors from DEFRA. C6 is based on actual emission data collected from the Groups travel agencies. C7 is calculated based on estimates of the distance travelled and travel type for the Groups employees in Sweden and scaled up to represent headcount by year-end in the Group. The raw data is multiplied with emission factors from DEFRA. The percentage of scope 3 GHG emission calculated using primary data, 15%, is aligned with the definition from the GHG Protocol and is related to C3, C5 and C6.

Overview of scope 3 categories excluded

Some emission categories have been excluded from NRC Group's GHG accounts due to their irrelevance to the Group's operations. These include:

Category	Reason for Exclusion
Scope 1	
Refrigerants	NRC Group does not use refrigerants in its operations.
Stationary Combustion	Stationary combustion is not utilised at any of NRC Group's locations.
Scope 3	
Downstream Transportation and Distribution	NRC Group does not sell products, so this category does not apply.
Processing of Sold Products	NRC Group does not process sold products.
Use of Sold Products	NRC Group does not sell products; therefore, this category is not relevant.
End of Life Treatment of Sold Products	NRC Group's services do not involve products requiring end of life treatment
Downstream Leased Assets	NRC Group does not lease any assets downstream.
Franchises	NRC Group does not operate a franchise model.
Investments	This category is not relevant to NRC Group as it applies to investors or companies providing financial services.

These exclusions reflect NRC Group's business model, which is primarily focused on infrastructure construction and related services rather than product-based activities.

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E2 Pollution

NRC Group recognises the negative impact that pollution to air, land and water can have on the environment, as well as to animals and communities. As such, it is committed to managing pollution responsibly and introducing initiatives that reduce the Group's impact in this area.

Material impacts and their interaction with strategy and business model

Targeted measures are implemented to mitigate risks related to substances of very high concern in NRC Group's operations, reflecting the commitment to having a positive environmental footprint.

The double materiality assessment determined the following material impact related to pollution. No material risks or opportunities were identified in the assessment.

Material impact

Substances of very high concern
NRC Group uses creosote to treat railway sleepers for use in its projects. These treated sleepers are primarily intended for the railway network. While they can be utilised across the Group's project portfolio, they are mostly used in projects managed by external parties. Creosote is considered a Substance of Very High Concern (SVHC) under REACH and classified as a hazardous substance under CLP (Classification, Labelling, and Packaging Regulation - EC 1272/2008).The environmental and health concerns associated with creosote treatment are particularly relevant to NRC Group's facility in Haapamäki, Finland. Facility's largest client is the Finnish Transport Infrastructure Agency, under a special production contract.

Long-term exposure to creosote can have adverse effects on human health and pose risks to aquatic life, including fish and invertebrates.

To mitigate this impact, NRC Group follows strict hazardous waste management protocols and has implemented preventive measures to reduce the risk of spills and contamination. The environmental permit for NRC Group's Haapamäki facility establishes compliance requirements that the Group must adhere to. Compliance with these regulations is essential to maintaining operations while mitigating potential risks to human health and the surrounding environment.

More information on how NRC Group manages this impact, including policy commitments related to creosote, as well as actions and targets related to reducing creosote waste can be found in chapter E5.

Impact management

E2-1 – Policies related to pollution
The NRC Group has not established formal policies specifically addressing creosote pollution, as regulations governing its management are outlined in the Environmental Permit issued for the facility. However, the Group aims to incorporate pollution more comprehensively into its policies, ensuring it is fully integrated into operational practices and long-term sustainability objectives.

The Environmental Policy outlines NRC Group's approach to minimising environmental impacts across the project lifecycle. For further information regarding the Environmental Policy, please refer to section E1-2.

In addition, the Group adheres to the ISO 14001 environmental management standard, which emphasises continuous improvement in environmental performance. This standard is already implemented in NRC Group's operations in Norway and Finland, with Sweden expected to achieve certification in 2025.

E2-2 – Actions and resources related to pollution
NRC Group has introduced measures to reduce the likelihood of creosote pollution. These include strict handling procedures and regular mandatory exposure measurements are conducted for individuals working with creosote-treated materials,

Material impacts and their interaction with strategy and business model

Impact	IRO Type	Location in Value Chain	Time Horizon
Substances of very high concern	Actual negative impact	Own operations	Short-term

Metrics and targets

E2-3 Targets related to pollution
NRC Group has not set quantitative targets related to creosote pollution, however the environmental permit for the facility defines the maximum use of creosote per year.

Creosote is a key substance used in the treatment of railway sleepers. The use of creosote as a wood preservative has been approved only until 2029 in the EU area, but for more limited applications than before. A substitute product has already been approved in Finland, but its full implementation will still require time, Latest by 2029, NRC Group's operations related to creosote will need to be phased out. This will additionally support NRC Group in reducing its Scope 1 emissions, as the Haapamäki facility relies heavily on fuel oil for its production processes (2024: 196,680 l).

E2-5 – Substances of very high concern According to the valid permit decision, the Haapamäki facility is allowed to treat up to 30,000 solid cubic meters of wood per year with creosote oil. The amount of creosote oil present in the area at any given time, including both oil in the process and in storage, must not exceed 200 tonnes . NRC Group is the official importer of creosote to Finland and needs to report the amount of creosote imported annually to the Finnish Safety and Chemical Agency (Tukes) via KemiDigi platform. In 2024 NRC Group imported

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692.88 tonnessof creosote oil to our Haapamäki facility. The goal is to fully utilise all incoming creosote. However, if production requirements are misestimated, some may remain unused. While the facility does not maintain a dedicated production buffer, for process safety reasons, the onsite creosote level must be kept at a minimum of 40 tonnes to prevent the facility from cooling down.

E2-6 – Anticipated financial effects from material pollution impacts
NRC Group is committed to disclosing financial information related to its risks related to creosote pollution. Capital expenditures incurred in the reporting period in conjunction with major incidents and deposits were zero.

Accounting policies

E2 accounting policies

ESRS DR	Paragraph	Data point/ Metric	Accounting Policy (Methodology/Assumption used)
E2-5	34	Total amount of substances of very high concern that are generated or used during production or that are procured.	ECHAs reference list of substances of concern is used to determine what substances NRC reported on. Data is collected directly from suppliers through invoices.

Biodiversity and ecosystems

NRC Group recognises its responsibility to mitigate its impact on biodiversity and ecosystems across its project sites. The Group adhere to stringent environmental management practices, ensuring compliance with local regulations and adopting innovative measures where necessary. The Group's initiatives, such as constructing wildlife crossings and restoring landscapes, aim to enhance biodiversity in developed areas. By integrating site-specific management plans and maintaining vigilant biodiversity monitoring, NRC Group strives to align with both community and stakeholder expectations while minimising harm to natural ecosystems.

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model
NRC Group has not yet implemented a biodiversity-related transition plan, as the Group is currently in the process of understanding its biodiversity-related impacts, however NRC Group is dedicated to reducing its negative impacts on nature and will seek to develop a transition plan to support a more robust analysis of resilience of the Group's business model and strategy related to these topics.

Resilience of NRC Group's Business Model

Physical, transition and system risks: In the coming year, NRC Group will carry out a biodiversity and ecosystem-related physical, transition and systemic risk and opportunities analysis to better understand what risks nature loss may pose the Group's strategy, business model and operations.

Scope of resilience analysis: This analysis considers the Group's own operations. NRC Group will seek to expand the analysis to the value chain in the future.

Key assumptions and time horizons: Given NRC Group's focus on urban, developed areas - and the robust, increasingly stringent local regulations governing its projects and operations, the Group considers its long-term resilience with respect to biodiversity and ecosystems. This outlook is supported by ongoing efforts to deepen the understanding of its biodiversity-related impacts and to enhance environmental operational practices to mitigate them.

Stakeholder involvement: NRC Group regularly engages with stakeholders, such as regulatory bodies and local communities. Their feedback is used to ensure that the Group's business model and strategy is resilient.

For these reasons, NRC Group considers its business model and strategy to be resilient but will continue to improve and update this analysis, particularly through the development of a transition plan in the near future.

Material impacts, risks and opportunities and their interaction with strategy and business model

E4 Disclosure requirement related to ESRS 2 IRO-1

The disclosure requirements for E4 under ESRS 2 IRO-1 were addressed as part of NRC Group's double materiality assessment (DMA) process. This involved consultations with internal experts to assess biodiversity-related impacts, risks, and opportunities (IROs) relevant to the Group's core operations and value chain. The evaluation focused on the environmental impacts linked to key business activities, drawing on the expertise of individuals with direct knowledge of these operations. Environmental and biodiversity assessments are the responsibility of NRC Group's clients. This means that NRC group does not have the opportunity to consult with affected communities and relies on its clients on site specific information as well as strict environmental laws and regulations within the Nordics. As a result, the Group cannot confirm whether its operational sites are located in or near biodiversity-sensitive areas, the extent to which its activities may adversely affect such areas, or whether specific biodiversity mitigation measures are necessary. The double materiality assessment did not extend to examining the Group's dependencies on biodiversity and ecosystems or assessing potential transition and physical and systemic risks associated with these factors

Material impacts related to biodiversity and ecosystems.

Impact	IRO Type	Location in Value Chain	Time Horizon
Biodiversity loss – land use changes from infrastructure projects	Actual negative impact	Own operations	Short-term

However, NRC Group actively monitors biodiversity values at project sites and maintains site management plans for monitoring and protection together with the client and local authorities. This contributes to disclosing how biodiversity impacts are managed and mitigated across project areas.

NRC Groups projects are primarily located in highly developed urban locations. Despite this, the Group recognises the importance of biodiversity both for flourishing ecosystems and the global economy. When working in or close to locations classified as protected ground water areas, nature reserves or habitats of protected species, NRC Group actively manages potential biodiversity impacts through site management plans. The double materiality assessment identified the following material impact relating to biodiversity and ecosystems in the Group's own operations. After consideration, no material impacts, risk or opportunities were identified neither in relation to land degradation, desertification or soil, nor in the value chain.

Material impact

Biodiversity loss – land use changes from infrastructure projects
NRC Group has an actual negative impact on biodiversity due to land use changes associated with its infrastructure projects. These projects often involve vegetation clearance, habitat fragmentation, and alterations to natural landscapes.

This impact occurs within the Group's own operations with a short-term time horizon, as the effect is immediate at the same time recognising the consequences on biodiversity endure beyond the Group' operational phase and are particularly relevant for projects within or near sensitive natural areas, including protected zones and sites of high ecological value. Only a limited number of projects may occur in undisturbed natural areas, and when they do, they are strictly regulated by the authorities. However, virtually all projects involve some degree of land alteration.

Despite having a relatively low risk of biodiversity impacts because of the existing nature of the operating sites, NRC Group actively mitigates environmental impacts by implementing comprehensive site management plans designed to monitor and safeguard biodiversity. In projects, the client is responsible for detailed Environmental and Biodiversity Impact Assessments before the project implementation done by the NRC Group and the projects are regulated by local permits and environmental conditions. Specific measures are taken by the Group where there are notable or vulnerable biodiversity areas on the sites, identified in the assessments, such as restoration of disturbed habitats post-construction, wildlife crossing to maintain ecological connectivity, fencing off, creating buffer zones and timing construction to avoid sensitive periods (e.g. breeding or migration seasons).

In addition, NRC Group will receive information and operational guidelines if endangered species are identified, and necessary measures will be carried out under the supervision of authorities. Some contracts with the Finnish Transport Infrastructure Agency include the removal of invasive species as part of NRC Group's responsibilities, which is specified in the contracts. Projects are expected to consider the clients' guidelines in their risk assessments.

These efforts align with stringent environmental regulations and project-specific contractual obligations. Key environmental topics are regularly discussed and addressed in meetings, ensuring continuous oversight and improvement. Additionally, the Group fosters a culture of environmental responsibility by enhancing capacity and raising awareness among employees, promoting long-term sustainable practices.

Material sites in biodiversity-sensitive areas
A small number of projects occur near or within formally protected natural areas and areas of significant biodiversity value, such as nature reserves and habitats of protected species. Projects and operations may also be located in protected groundwater areas, as is the case with the Haapamäki facility. NRC Group has not identified material negative impacts relating to land degradation, desertification or soil sealing.

NRC Group conducted an external assessment of "Protection and Restoration of Biodiversity and Ecosystems" in compliance with the EU Taxonomy's Do No Significant Harm (DNSH) requirements. As part of this evaluation, NRC Group reviewed its ten largest railway projects across Norway, Sweden, and Finland. Three of these projects—two in Norway and one in Finland—have undergone a full Environmental Impact Assessment (EIA) conducted by the clients.

Impact management

E4-2 – Policies related to biodiversity and ecosystems
NRC Group has not yet established formal policies related to biodiversity or ecosystems but is currently enhancing its understanding of its impacts, and possibilities for influencing and creating additional positive value in a highly regulated environment.

NRC Group aims to incorporate biodiversity protection more comprehensively into its policies, ensuring it is fully integrated into operational practices and long-term sustainability objectives.

The Environmental Policy outlines NRC Group's approach to minimising environmental impacts across the project lifecycle. For further information regarding the Environmental Policy, please refer to section E1-2.

In the interim, NRC Group is committed to embedding biodiversity protection within its broader environmental management framework. The Group adheres to the ISO 14001 environmental management standard, which emphasises continuous improvement in environmental performance. This standard is already implemented in NRC Group's operations in Norway and Finland, with Sweden expected to achieve certification by 2025.

E4-3 – Actions and resources related to biodiversity and ecosystems
Currently, NRC Group has not formalised an action plan specifically related to biodiversity and ecosystem management. Although no dedicated resources have been allocated beyond the project level, the Group is committed to assessing impacts on a case-by-case basis and implement targeted mitigation measures to reduce risks to natural habitats when necessary. In projects, the client is responsible for the EIA. NRC Group will receive information and operational guidelines if endangered species are identified, and necessary measures will be carried out under the supervision of authorities. Some contracts with the Finnish Transport Infrastructure Agency include the removal of invasive species as part of NRC Group's responsibilities, which is specified in the contracts.

A key example of this approach is the Vestfold Line Project, where biodiversity protection was embedded into the project design. NRC Group constructed a wildlife crossing to allow safe passage for animals and installed culverts beneath the railway tracks to enable amphibians to move safely across the area.

The development of both effective policies and formalised actions requires robust data and reliable methodologies to evaluate both direct and indirect impacts, risks and opportunities on biodiversity and ecosystems. As NRC Group advances its understanding of these impacts, it will be better positioned to set evidence-based targets and action plans that balance the realities of project execution with broader biodiversity conservation goals.

Metrics and targets

E4-4 – Targets related to biodiversity and ecosystems
NRC has not yet established specific targets for biodiversity and ecosystems.

Setting meaningful and effective biodiversity targets requires a solid foundation of reliable data and methodologies to assess both direct and indirect impacts on ecosystems. As NRC Group progresses in evaluating its biodiversity footprint, the Group will be better equipped to define targets that are impactful.

E4-5 – Impact metrics related to biodiversity and ecosystems change
In order to address the material impact of biodiversity loss, NRC Group is committed to reporting transparently on key metrics related to it.

NRC Group's Haapamäki facility, which is operating in a leased area, has 77 hectares in or near biodiversity-sensitive area due to the proximity of the facility to groundwater sources. This remained unchanged from 2023.

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Accounting policies

E4 accounting policies

ESRS DR	Paragraph	Data point/ Metric	Accounting Policy (Methodology/Assumption used)
E4-5	35	Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting	Information is collected from the environmental license issued for Haapämäki facility (2018).

E5 Resource Use and Circular Economy

NRC Group is committed to optimising resource use across its operations to reduce environmental impacts and promote a circular economy. Guided by ISO 14001 standards, the Group adopts waste minimisation strategies at all project sites, aiming to eliminate waste generation and maximise material reuse. By integrating circular principles into project planning and execution, such as reusing excavated materials to cut emissions, NRC Group enhances both operational resilience and environmental performance. These efforts are aligned with EU Taxonomy goals, supporting long-term value creation through sustainable infrastructure development.

Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts related to resource use and circular economy:

Impact	IRO Type	Location in Value Chain	Time Horizon
Resource inflows - reliance on resource-intensive raw materials	Actual negative impact	Upstream, Own operations	Short-term
Resource outflows - circular economy and material reuse	Actual positive impact	Own operations	Short-term
Waste - waste generation from construction activities	Actual negative impact	Downstream, Own operations	Short-term
Hazardous waste - Handling and disposal of hazardous materials	Actual negative impact	Downstream, Own operations	Short-term

The double materiality assessment identified the following impacts related to resource use and circular economy. No material risks or opportunities were identified in the assessment. The Group has exercised the phase-in provision to omit the anticipated financial effects of the material risks and opportunities.

Material impacts:

Resource inflows – reliance on resource-intensive raw materials
NRC Group has an actual negative impact on resource inflows through its reliance on high volumes of raw materials, including concrete, aggregates, steel, rebar, and cables in its projects. This reliance contributes to emissions from material production and the depletion of finite resources in the short term. The impact is concentrated in the Group's project operations and upstream value chain.

Although NRC Group depends on a consistent supply of raw materials for its projects, the impact is mitigated through several measures. These include integrating environmental considerations into procurement decisions, prioritising suppliers with sustainable material sourcing practices, and continuously seeking opportunities to reduce material consumption through design efficiencies.

Resource outflows – circular economy and material reuse
NRC Group has identified an actual positive impact on resource outflows through its implementation of circular economy principles, repurposing and recycling materials such as railway sleepers, steel, and concrete. This supports more sustainable construction practices in the short term by reducing waste generation and enhancing material efficiency. The impact is situated within the Group's own operations.

To maximise resource efficiency, NRC Group has enforced high recycling standards across all projects, prioritising material reuse and the implementation of structured waste management strategies to minimise environmental impact.

Waste - Waste generation from construction activities
NRC Group has an actual negative impact on waste generation through its construction activities. The Group generates high amounts of waste, with 159,392 tonnes recorded in the reporting period. The impact is concentrated within the Group's own operations, as well as downstream value chain and occurs in the short-term.

NRC Group has taken several steps to mitigate the environmental impact associated with its waste generation. NRC Group applies rigorous waste reduction strategies, maintaining a high recycling rate of 81% in 2024. In addition, the Group enforces waste minimisation plans, promotes material reuse, and integrates circular economy principles into project execution. These efforts are underpinned by ISO 14001 standards, which secures continual improvements in environmental performance.

Hazardous waste - Handling and disposal of hazardous materials
NRC Group has identified an actual negative impact on hazardous waste, particularly through the disposal of creosote-treated railway sleepers and other hazardous materials used in its operations. Although this substance can be present across multiple sites, it is most relevant for the Group's creosote facility in Finland. Although the risk is low, the facility may be impacted by extreme weather like heavy rain or flooding, which could increase the risk of chemical spills. This would pose environmental and health risks if not handled properly, with impacts expected to materialise in the short term.

For sleepers containing creosote that are replaced by the Group, a strict and transparent handling process is followed, ensuring compliance with regulatory standards. The disposal of hazardous waste is closely monitored by the relevant authorities. Additionally, the use of creosote is being phased out across the EU in accordance with regulatory requirements.

NRC Group has taken several mitigating measures to reduce these impacts, including following strict hazardous waste management protocols and implementing preventive measures to reduce the risk of spills and contamination.

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Impact, risk & opportunity management

E5- 1 Policies related to resource use and circular economy

Environmental policy
NRC Group's Environmental Policy sets out the Group's commitment related to waste and sustainable procurement. The policy ensures that NRC Group will plan its activities so that the minimum amount of waste is generated, with a focus on increasing recycling efforts. More information on the policy can be found in E1-2.

E5-2 Actions and resources related to resource use and circular economy

NRC Group has not yet established standalone policies dedicated to resource use and circular economy practices. This is primarily due to lack of resources. However, the Group actively seeks to optimise its resource utilisation and material efficiency and developing initiatives in the projects. This includes assessing material consumption, identifying opportunities for circular economy integration, and implementing strategies to reduce waste and enhance resource recovery.

Efforts to prevent creosote waste: information on how NRC Group manages creosote is found in E2.

E5-3 Targets for Resource Use and Circular Economy

NRC Group has set a specific target for recycling rate (minimum 70%).

NRC Group aims to update the targets related to Resource Use and circular Economy as part of its 2024-2028 strategy. These targets will focus on reducing raw material consumption, increasing material reuse and recycling rates, and integrating circular economy principles into infrastructure projects.

Metrics and targets

E5-4 Resource inflows

NRC Group recognises its significant reliance on large volumes of raw materials - such as concrete, steel, cables, and aggregates. These materials, identified in the DMA, are fundamental to the Group's operations. In addition, smaller quantities of other materials - including wood (such as railway sleepers) and PVC piping - are utilised in upstream activities and internal operations.

The procurement of materials varies by project. The materials are either purchased directly in NRC Group's projects, by the client, the sub-contractor or in a combination. For example, in Finnish maintenance projects, most materials are procured directly by the client (FTIA), whereas in rail and light rail-related projects, the contractor has the main responsibility for procurement of materials. Across all operating countries, large volumes of steel are generally purchased and delivered by the clients.

The choice of materials is determined on a project-by-project basis, in close consultation with the client. This collaboration is particularly strong in alliance projects in Finland, where NRC Group is involved from early planning stage, allowing for greater influence over processes and material choices.

NRC Group's data collection and routines for reporting resource inflows are currently in a transitional phase. The company is actively working to develop more robust and reliable data collection frameworks to improve the accuracy and comprehensiveness of its reporting. This initiative is driven by both internal priorities and the growing demand from customers for more precise tracking of materials. As systems and methodologies evolve, NRC Group aims to enhance both the accuracy and scope of total material tracking in the coming years. Strengthening data collection processes remains a key priority to improve transparency and accountability in resource management.

For the 2024 report, the data is result of a spend analysis and a combination of primary data and company estimates by procurement teams in the countries. The method is based on data collection from largest and primary material suppliers. The analysis covers 100 % of material purchases in Norway, Sweden and Finland. The assessment is limited to direct procurement of materials.

The consumption of materials by weight in 2024. Materials are listed according to non-renewable and renewable sources.

Materials – non-renewable source	Unit	Total
Aggregates	Tonnes	690,323
Concrete (including low carbon)	Tonnes	21,379
Steel	Tonnes	9,601
Cables	Tonnes	745
Materials – renewable source*	**Unit**	**Total**
Wood**	Tonnes	3,823

* Not including biofuels and biogas
** The wood is primarily associated with the Haapamäki facility in Finland and used for railway sleepers in construction and maintenance of the Finnish railway network. For further details on the Haapamäki facility, please refer to section E2. Approximately 99% of the wood comes from a supplier with PEFC Chain of Custody certification. The remaining 1% is purchased from Trafikverket, the largest client in Sweden, without information of the origin of the wood.

The proportion of materials stemming from biological sources, such as wood is 0.53%. This does not include the proportion of biofuels and biogas (see chapter E1 Climate change).

NRC Group does not currently track the secondary materials in its operations, hence the amount is zero.

E5-5 Resource outflows

As a leading infrastructure company, NRC Group applies circular economy principles to reduce waste, optimise resource efficiency, and integrate sustainable material use. Circularity is embedded in project planning, procurement, and waste management to strengthen the sustainability of its infrastructure projects.

NRC Group's resource outflows support circular economy goals by reducing landfill dependency and prioritising high recycling rates. NRC Group does not produce and place any products or materials on the market. As for rail sleepers, more information can be found in E2.

Resource outflows and circular design of materials
NRC Group applies structured waste management and material recovery approaches across its own operations. Key materials repurposed and recycled include concrete, steel, soil and wood.

Steel and concrete are recycled externally and reintegrated into new company projects. Part of the railway sleepers are repurposed for secondary use, while some require control disposal due to hazardous treatments, which is done under supervision of the local authorities.

Lastly, excavated soil and aggregates are reused within projects where feasible. The Lustån – Hedemora railway project in Sweden is a strong example of this approach in practice. By reusing surplus excavated soil within the project, NRC Group lowered transport emissions by 162 tonnes of CO2, cutting unnecessary material movement and earning a climate bonus. Majorstua. This project is another example of internal recycling and collaboration between the different business divisions.

NRC Group acknowledges that Sustainable sourcing, close collaboration with the clients and the ecosystem are key pillars of NRC Group's circular economy strategy. NRC Group is actively working towards establishing more robust sourcing procedures and reliable data collection to support process development. The Group works closely with clients to identify and test low-carbon and recyclable materials, prioritising durability, reparability, and recyclability in its material selection to extend the lifecycle of its projects.

Aggregates and concrete used in rail and civil construction exceed industry durability standards and reduce the need for frequent replacements to minimise resource consumption. While construction materials generally have limited reparability, modular infrastructure components are prioritised where feasible, allowing easier maintenance and extended use. Likewise, recycled materials are integrated into projects, advancing circularity and reducing the need for virgin resources. However, NRC Group does not have reliable data on the rates of recyclable content within the products that it uses, including steel and aggregates.

Waste reduction and management strategy
A core element of NRC Group's circular economy efforts is the reduction of waste across all project phases. The Group places strong emphasis on minimising waste at the source, maximising reuse, and maintaining high recycling rates. Waste minimisation plans are implemented across all project sites, with a recycling target of minimum 70% to ensure materials remain in circulation for as long as possible.

By prioritising material recovery and reuse, NRC Group reduces landfill dependency and optimises resource efficiency. The Group works actively to improve waste handling processes, identifying opportunities to repurpose materials within projects and enhance overall recycling performance.

Methodologies and data transparency
NRC Group tracks resource outflows through a combination of direct measurement and supplier-reported data. The methodologies used include:

- **Direct measurement at project sites** for waste volumes and material recovery tracking.
- **Third-party verification** for hazardous waste disposal.
- **Recycling rate calculations,** using total material outflows as the denominator.

Waste generated
NRC Group is committed to responsible waste management as part of its broader sustainability strategy, through prioritising waste minimisation, high recycling rates and strict hazardous waste controls.

In 2024, NRC Group generated a total of 159,392 tonnes, consisting of both hazardous and non-hazardous streams. 81% of the total waste generated was diverted from disposal, primarily through recycling initiatives across its operations. Despite NRC Group's waste reduction and recycling efforts, 19% of total waste remained non-recycled. This represents a key area for future improvement in waste management and material recovery for the Group.

Waste composition and hazardous waste
Construction and demolition waste represents the primary waste category relevant to NRC Group's sector. Other relevant categories represent construction waste from project execution, as well as hazardous waste from specific materials including creosote-treated railway sleepers.

The materials present in these waste streams can be broken down as follows: wood waste, construction waste, steel, mixed waste, hazardous waste and remaining material. In 2024, 765 tonnes of hazardous waste were generated. NRC Group follows ISO 14001 environmental management standards to ensure the safe handling and disposal of hazardous waste. During the sleeper replacement process, the sleepers removed from the Finnish state railway network remain the property of the Finnish Transport Infrastructure Agency, and the agency designates a location where NRC Group transports the sleepers. Further processing is handled by the Finnish Transport Infrastructure Agency. In Sweden reporting is done digitally to the waste register at the Swedish Environmental Protection Agency, including the waste code, quantity, transport information, and date.

Waste, tonnes	2024
Hazardous waste	**765**
Diverted from disposal (sum of the 3 below)	**210**
Preperation for reuse	0
Recycling	179
Other recovery operations	31
Directed to disposal by waste treatment type (sum of the 3 below)	**556**
Incineration	346
Landfill	123
Other disposal operations	86
Non-hazardous waste	**158,627**
Diverted from disposal (sum of the 3 below)	**128,883**
Preperation for reuse	2,190
Recycling	125,558
Other recovery operations	1,135
Directed to disposal by waste treament type (sum of the 3 below)	**29,744**
Incineration	2,517
Landfill	27,007
Other disposal operations	221
Total waste	**159,392**
Total amount of non-recycled waste	**30,300**
In absolute value	30,300
In percentage, %	19%

The Group does not generate radioactive waste, as defined under Article 3(7) of Council Directive 2011/70/Euratom.

Contextual information and data transparency
The data disclosed on waste management practices and waste composition is sourced from direct measurements at project sites and supplier-reported data. NRC Group tracks waste through:

- Weight-based tracking at project sites to ensure accurate reporting.
- Supplier documentation for externally recycled and recovered materials.
- Third-party verification of hazardous waste disposal processes.
- Recycling rates calculated using total material outflows as the denominator.

NRC Group continues to explore opportunities to improve waste diversion, reduce non-recycled waste, and integrate higher levels of material recovery in its operations.

E5-6 Anticipated financial effects from resource use and circular economy-related risks and opportunities
NRC Group has opted to exercise the phase-in allowance to omit the financial effects from material physical and transition risks and potential resource use, and circular-economy related opportunities required in E5-6.

Accounting policies

E5 accounting policies

ESRS DR	Paragraph	Data point/ Metric	Accounting Policy (Methodology/Assumption used)
E5-5	37	Waste	Data is collected directly from NRC Groups suppliers. The data provided by suppliers include a breakdown of waste treatment type which ensures double counting is avoided.

EU Taxonomy Report 2024

1. Introduction

The EU Taxonomy Regulation provides a framework for identifying economic activities that qualify as environmentally sustainable under the European Green Deal. It establishes criteria for measuring and reporting sustainability performance, aiming to facilitate the transition to a low-carbon, circular, and resilient economy. Additionally, it ensures transparency and comparability for investors and stakeholders.

Under this regulation, NRC Group is required to report the following:

- The proportions of total turnover categorised as taxonomy-eligible, non-eligible, and taxonomy-aligned.
- The proportions of capital expenditures (CapEx) and/or operating expenses (OpEx) that fall into the same categories.
- Contextual information related to these key performance indicators (KPIs).

To qualify as environmentally sustainable, an activity must meet three overarching conditions:

1. Substantial contribution to at least one of the EU's environmental objectives.
2. No significant harm to any of the other five environmental objectives.
3. Compliance with a set of Minimum Safeguards.

2. Assessment Process and Methodology

NRC Group has in 2024 conducted a comprehensive analysis of the company's activities and projects, evaluating them against the economic activities defined in the EU Taxonomy for the countries in which the Group operates. This process involved input from project managers, HSE managers, and financial controllers across the organisation, along with consultation from external experts.

Through this approach, NRC Group identified relevant taxonomy-eligible and potentially taxonomy-aligned activities across its operations. The identification process was based on:

- Activity descriptions outlined in the Disclosure Delegated Acts.
- The Nomenclature of Economic Activities (NACE) codes provided under the activity descriptions.

2.1 Reporting scope and considerations

The EU Taxonomy report is prepared on a consolidated basis, covering the same entities included in NRC Group's consolidated financial statements, in accordance with IFRS.

Since the Taxonomy Regulation is an evolving framework, certain terms and formulations remain subject to interpretation and further clarification. Additionally, the approach applied for this year's reporting has been updated compared to last year's methodology (see details below).

2.2 Changes compared to last year's reporting

In 2024, NRC Group reassessed its eligible economic activities and identified five new activities that were not previously reported in 2023, while excluding three of the activities reported last year.

Additionally, the changes in reported KPIs compared to last year's report stem from a misinterpretation of the EU Taxonomy criteria, which has been corrected in this year's analysis. Specifically, the aligned projects in last year's report did not include a comprehensive climate risk and vulnerability assessment (CRVA) due to a misunderstanding of the DNSH criteria for Climate Change Adaption (CCA). In the restated 2023 KPIs, only projects that have conducted a CRVA are considered aligned.

2.3 Identifying Eligible Activities

NRC Group is a construction company specialising in infrastructure services related to railways, civil works, energy, demolition and mass transportation. As part of the eligibility assessment, each division has submitted an overview of its projects, which has been reviewed and allocated to the appropriate Taxonomy category. A significant portion of NRC Group's activities have been identified as taxonomy eligible. The table below provides a detailed breakdown of these activities.

2. Assessment Process and Methodology (continued)

Eligible Activities

CCA Eligibility is only applicable to projects which have conducted an CRVA.

Economic activity	NRC's eligible activities
CCM/CCA 6.14: Infrastructure for rail transport	New tracksides, electrification of existing tracksides, new railway bridges, maintenance and modernisation of existing tracksides etc.
CCM/CCA 4.9: Transmission and distribution of electricity.	Substations, electricity stations, powerline foundations and structures etc.
CCM/CCA 6.13: Infrastructure for personal mobility, cycle logistics	Roads and bridges for pedestrians and bicycles etc.
CCA 6.16: Infrastructure for water transport	Construction and modernisation of harbours, dams, channels etc.
CCM/CCA 7.1: Construction of new buildings.	Groundworks related to building projects etc.
CCM/CCA 6.6: Freight transport services by road	Mass transport to and from construction sites.
CE 3.4: Maintenance of roads and motorways	Construction of pedestrian and biking crossings, maintenance of road tunnels etc.
CE 3.3: Demolition and wrecking of buildings and other structures	Demolition of roads, buildings, civil structures etc.
CCA 2.1: Restoration of wetlands	Restoration of wetlands
PPC 2.1: Collection and Transport of Hazardous Waste	Removal of asbestos
CCM/CCA 7.7 Acquisition and ownership of buildings	Leased offices
CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Leased and owned cars

3. Alignment Assessment

3.1 Determining environmental objective

In cases where an eligible activity is associated with multiple environmental objectives, the following assessments have been made to decide on which economic activity NRC will report alignment. NRC does not claim alignment on multiple environmental objectives, thus double counting is avoided.

- Railway Infrastructure Projects fall under Climate Change Mitigation (CCM) due to their role in electrification and greenhouse gas reduction.
- Freight Transport Services use biofuels and contribute to decarbonisation; therefore, classified under CCM.
- Construction of buildings is classified under CCM given the emphasis on energy efficiency and low-carbon materials.
- Other projects are classified accordingly based on the relevance of the substantial contribution criteria:
  - Transmission and Distribution of Electricity is classified under CCM as these projects facilitate the low-carbon energy transition.
  - Infrastructure for personal mobility is classified under CCM for promoting sustainable transportation (pedestrian and bicycle infrastructure).
  - In CapEx, the activities Acquisition and Ownership of Buildings (Activity 7.7) and Transport by Motorbikes, Passenger Cars, and Light Commercial Vehicles (Activity 6.5) are classified under CCM because the focus is on lowering GHG emissions.

3.2 Meeting the technical screening criteria

The taxonomy alignment assessment has been conducted at the project level, with priority given to the 10 projects generating the highest revenue. Given that railway projects account for the largest share of revenue, the alignment assessment has focused on economic activity CCM 6.14 – Infrastructure for rail transport.

The railway projects reported as aligned meet the significant contribution criteria by being either:

- Electrified trackside infrastructure or
- Trackside infrastructure in the process of electrification

Furthermore, the same projects meet the applicable DNSH criteria as follows:

- **Climate Change Adaptation:** Each aligned project has undergone a Climate Risk and Vulnerability Assessment (CRVA) in accordance with EU Taxonomy requirements. In 2024, CRVA was conducted for six major rail projects, representing 27% of total revenue. Due to resource constraints, a CRVA could not be conducted for all relevant projects within the year. Consequently, only those with complete assessments were classified as aligned.

Contents

3. Alignment Assessment (continued)

- **Water and Marine Resources:** All aligned projects include environmental reports focused on preserving water quality and drainage or have undergone an Environmental Impact Assessment (EIA).
- **Circular Economy:** At least 70% of waste generated from aligned projects is recycled. Additionally, all projects have established material and waste management plans.
- **Pollution Prevention and Control:** Measures have been implemented to minimise noise, dust, and pollutant emissions during construction and maintenance activities.
- **Biodiversity and Ecosystems:** All construction projects have undergone a full Environmental Impact Assessment (EIA), while maintenance projects have been screened to ensure no protected habitats are disturbed.

While NRC has prioritised assessing the alignment of its largest projects, a high-level review has also been conducted across other parts of the project portfolio. This assessment revealed challenges in demonstrating compliance with DNSH requirements, mainly due to gaps in environmental assessments, waste management, and other regulatory criteria set by the EU Taxonomy.

Furthermore, NRC has not prioritised completing a physical climate risk assessment for these projects until the other DNSH criteria have been met.

In general, gathering relevant data and ensuring its quality is a challenging task due to the scale and complexity of NRC's projects.

3.3 Minimum Safeguards

NRC Group ensures compliance with the Minimum Safeguards as defined in the EU Taxonomy Regulation. This includes adherence to internationally recognised principles, such as the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Declaration on Fundamental Principles and Rights at Work, and the International Bill of Human Rights. These principles are integrated into both our internal operations and supply chain.

The minimum safeguards are implemented by the company's Corporate Governance Policy and Code of Conduct. Human rights due diligence is embedded in NRC Group's ethical and operational policies. The company conducts regular risk assessments to identify and mitigate potential human rights violations. A grievance mechanism is available for employees and external stakeholders to report concerns, and remediation actions are implemented where necessary.

NRC Group maintains a zero-tolerance policy towards corruption and anti-competitive behaviour. Our Code of Conduct outlines strict guidelines for ethical business conduct, and employees receive mandatory training on anti-corruption policies. Whistleblower mechanisms are in place to ensure safe reporting of unethical practices.

NRC Group complies with all applicable Norwegian tax laws and follows responsible tax practices, ensuring transparency and fair tax contributions in all jurisdictions of operation. Oversight is maintained by the Audit Committee.

4. Accounting principles

NRC Group report on the EU Taxonomy Regulation pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 and supplementing Regulations (EU) 2021/2139, 2021/2178, 2022/1214 and 2023/2486 and pursuant to Directive 2013/34/EU on non-financial reporting.

4.1 Revenue Calculation

Turnover is calculated based on revenue recognised under IFRS 15, including total revenue from contracts with external customers across all business areas. Internal revenue between divisions is excluded. Revenue is extracted per project from an ERP system, systematically categorised, and directly allocated to taxonomy activities. It is then reconciled at the division, country, and group levels.

- **Numerator**: The precise revenue from projects that meet both the substantial contribution and DNSH criteria. For 2024, this includes electrified railways not dedicated to the transport or storage of fossil fuels, while ensuring compliance with DNSH requirements for all other environmental objectives.
- **Denominator**: NRC Group's total revenue, as specified in note 4.

4.2 Capital Expenditure (CapEx)

CapEx includes investments in buildings, machinery, and equipment classified as tangible assets, in addition to intangible assets. This includes all leases recognised under IFRS 16, which have been sourced from our leasing system, in addition to owned assets. The allocation is done using allocation keys, ensuring alignment with the corresponding activities. Specifically, assets are allocated to activities based on their proportion of turnover. All cars and buildings across divisions are allocated to the new activities 6.5 Transport by motorbikes, passenger cars, and light commercial vehicles and 7.7 Acquisition and ownership of buildings. The remaining assets are categorised accordingly—for example, machinery from rail divisions is included under 6.14 Infrastructure for rail transport.

To ensure no double counting in the CapEx allocation, a structured methodology has been applied. Assets are assigned to a single activity based on their primary function, preventing overlap between categories. Leased assets under IFRS 16 and owned assets are treated separately, sourced distinctly from our leasing system and asset registry to avoid duplication.

4. Accounting principles (continued)

Additionally, leased and owned assets are reconciled against Notes 12 (intangible assets), 13 (tangible assets) and 14 (ROU assets) in the financial statements to ensure consistency and accuracy.

- **Numerator:** The proportion of NRC Group's capital expenditure (CapEx) allocated to the aligned projects in 6.14 Infrastructure for Rail, primarily consisting of investments in new railway machinery.
- **Denominator:** NRC Group's additions to both intangible and tangible assets, as reported under "Additions" in Notes 12, 13 and 14 of the consolidated financial statements.

4.3 Operating Expenses (OpEx)

EU Taxonomy OpEx is defined as direct non-capitalised costs that relate to research and development, building renovation measures, short term lease, maintenance and repair and other direct expenditures relating to the day-to-day servicing of property, plant and equipment. For NRC Group the relevant operating expenses consist of costs related to tangible assets mainly consisting of short-term and low-value leasing and repair and maintenance of office space, cars, trucks and other operating machinery.

OpEx per category:	NOK million
Rent of facilities	40
Rent of cars, machinery and equipment	115
Repair and maintenance	73
Total	**228**

Double counting of OpEx is avoided as expenses are identified once and directly from general ledger accounts and allocated as described below.

Costs are allocated to eligible and aligned activities either directly to the relevant projects or by using allocation keys relevant to the nature of the costs. The basis for the cost extracts is the general ledger accounts and this precludes any double counting of expenses.

- **Numerator**: The proportion of NRC Group's operating expenses that are directly associated with aligned or eligible activities of processes as defined by the EU Taxonomy regulation
- **Denominator**: The Group's total operating expenses as specified in the table above

5. Taxonomy KPIs – Financial Overview

EU Taxonomy - Revenue (turnover)

				Substantial contribution criteria Y; N; N/EL						DNSH criteria ("Does Not Significantly Harm") Y/N									
Economic Activities (1)	Code (2)	Turnover MNOK (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19) E	Category transitional activity (20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Infrastructure for rail transport	CCM 6.14	1 881	27 %	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	22%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1 881**	**27 %**														**22%**		
Of which enabling		1 881	100 %														100%	E	
Of which transitional		-	0 %														0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Infrastructure for rail transport	CCM 6.14	3 706	54 %														57%		
Freight transport services by road	CCM 6.6	436	6 %														6%		
Construction of new buildings	CCM 7.1	255	4 %														0%		
Infrastructure for water transport	CCA 6.16	183	3 %														4%		
Demolition and wrecking of buildings and other structures	CE 3.3	236	3 %														5%		
Transmission and distribution of electricity.	CCM 4.9	103	1 %														0%		
Maintenance of roads and motorways	CE 3.4	60	1 %														1%		
Restoration of wetlands	CCA 2.1	3	0 %														0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	6	0 %														1%		
Collection and Transport of Hazardous Waste	PPC 2.1	1	0 %														0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4 989**	**72 %**														**73%**		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**6 870**	**100 %**														**96%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**22**	**0 %**														4%		
TOTAL (A+B)		**6 892**	**100 %**														**100%**		

5. Taxonomy KPIs – Financial Overview

EU Taxonomy - CapEx

				Substantial contribution criteria Y; N; N/EL						DNSH criteria ("Does Not Significantly Harm") Y/N									
Economic Activities (1)	Code (2)	CapEx MNOK (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19) E	Category transitional activity (20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Infrastructure for rail transport	CCM 6.14	24	15 %	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	9%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**24**	**15 %**														**9%**		
Of which enabling		-	100 %														100%	E	
Of which transitional		-	0 %														0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Infrastructure for rail transport	CCM 6.14	17	10 %														18%		
Freight transport services by road	CCM 6.6	34	20 %														16%		
Construction of new buildings	CCM 7.1	1	0 %														1%		
Infrastructure for water transport	CCA 6.16	0	0 %														0%		
Demolition and wrecking of buildings and other structures	CE 3.3	39	23 %														19%		
Transmission and distribution of electricity.	CCM 4.9	7	4 %														0%		
Maintenance of roads and motorways	CE 3.4	0	0 %														0%		
Restoration of wetlands	CCA 2.1	0	0 %														0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	0	0 %														0%		
Collection and Transport of Hazardous Waste	PPC 2.1	0	0 %														0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	19	11 %														35%		
Acquisition and ownership of buildings	CCM 7.7	20	12 %														3%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**137**	**82 %**														**91%**		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**161**	**97 %**														**100%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**5**	**3 %**														**0%**		
TOTAL (A+B)		**166**	**100 %**														**100%**		

5. Taxonomy KPIs – Financial Overview

EU Taxonomy - OpEx

				Substantial contribution criteria Y; N; N/EL						DNSH criteria ("Does Not Significantly Harm") Y/N									
Economic Activities (1)	Code (2)	OpEx MNOK (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy -aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19) E	Category transitional activity (20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Infrastructure for rail transport	CCM 6.14	33	14%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	Y	Y	Y	Y	10%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**33**	**14%**														**10%**		
Of which enabling		33	100%														100%	E	
Of which transitional		0	0 %														0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Infrastructure for rail transport	CCM 6.14	127	55%														63%		
Freight transport services by road	CCM 6.6	13	6%														6%		
Construction of new buildings	CCM 7.1	7	3%														1%		
Infrastructure for water transport	CCA 6.16	4	2%														3%		
Demolition and wrecking of buildings and other structures	CE 3.3	47	20%														16%		
Transmission and distribution of electricity.	CCM 4.9	-	0%														0%		
Maintenance of roads and motorways	CE 3.4	-	0%														0%		
Restoration of wetlands	CCA 2.1	1	0%														0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	0	0%														0%		
Collection and Transport of Hazardous Waste	PPC 2.1	0	0%														0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**199**	**85%**														**88 %**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**231**	**99%**														**98 %**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**2**	**1%**														1%		
TOTAL		**233**	**100%**														100%		

5. Taxonomy KPIs – Financial Overview

EU Taxonomy - Revenue - Shares

	Proportion of turnover/ Total turnover	
OpEx per category:	**Taxonomy aligned per objective**	**Taxonomy eligible per objective**
Climate Change Mitigation (CCM)	27%	65%
Climate Change Adaptation (CCA)	0%	30%
Water (WTR)	0%	0%
Circular Economy (CE)	0%	4%
Pollution (PPC)	0%	0%
Biodiversity (BIO)	0%	0%

EU Taxonomy - OpEx - Shares

	Proportion of OpEx/ Total OpEx	
OpEx per category:	**Taxonomy aligned per objective**	**Taxonomy eligible per objective**
Climate Change Mitigation (CCM)	14%	63%
Climate Change Adaptation (CCA)	0%	16%
Water (WTR)	0%	0%
Circular Economy (CE)	0%	20%
Pollution (PPC)	0%	0%
Biodiversity (BIO)	0%	0%

EU Taxonomy - CapEx - Shares

	Proportion of CapEx/ Total CapEx	
OpEx per category:	**Taxonomy aligned per objective**	**Taxonomy eligible per objective**
Climate Change Mitigation (CCM)	15%	58%
Climate Change Adaptation (CCA)	0%	15%
Water (WTR)	0%	0%
Circular Economy (CE)	0%	23%
Pollution (PPC)	0%	0%
Biodiversity (BIO)	0%	0%

Exposure to nuclear and fossil gas related activities

Row	Nuclear Energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Row	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Social information

S1 Own Workforce - Working Conditions

Material impacts related to working conditions in own workforce

The double materiality assessment identified the following material impacts, risks and opportunities relating to working conditions in own workforce (including both own employees and subcontracted employees in projects)As NRC Group has not yet developed a formal transition plan for reducing negative environmental impacts, there are no material impacts on workers to report in this context.

Material impacts related to working conditions in own workforce:

Impact	IRO Type	Location in Value Chain	Time Horizon
Working hours in own work-force	Negative actual impact	Own operations	Short-term
Freedom of association and collective bargaining in own workforce	Negative actual impact	Own operations	Short-term
Adequate wages in own workforce	Negative actual impact	Own operations	Short-term
Secure em-ployment in own workforce	Negative actual impact	Own operations	Short-term
Labour crime	Negative potential impact	Own operations	Short-term

Material impacts:

Working hours in own workforce

Excessive working hours and poor work-life balance can have a significant negative impact on the well-being of NRC Group's workforce. These impacts can lead to physical and mental health challenges, impact family and personal lives, and reduce productivity and job satisfaction. Without measures to address these issues, employees may experience burnout or reduced engagement, which may affect the Group's ability to retain and attract talent.

This negative impact is linked to NRC Group's own operations and affects both office workers and blue-collar employees. It can potentially materialise in the short term if not actively managed. To mitigate this risk NRC Group is committed to addressing excessive working hours through policies and initiatives to foster healthier work environments, in addition to being compliant with all three countries' Working Environment Acts , other regulations/laws and union agreements.

These initiatives apply across NRC Group's entire workforce, particularly to blue-collar workers, who may face greater challenges due to physically demanding roles. NRC Group monitors overtime hours on a monthly basis, and flexible working hours are implemented across the Group. In addition, policies for family related leaves are implemented. For more information on NRC Group's approach to managing working conditions and work-life balance, please refer to the policies section.

Freedom of association and collective bargaining in own workforce

Freedom of association and collective bargaining are fundamental rights that considerably ensure fair working conditions for all employees at NRC Group. Without systems to support these rights, employees may face barriers to organising, participating in trade unions, or engaging in collective bargaining.

This negative impact relates to NRC Group's own operations. It affects both office workers and blue-collar employees, particularly those in physically demanding roles who may face additional challenges in exercising these rights. If left unaddressed, this issue can potentially materialise in the short term, undermining the Group's ability to create a safe and positive working environment for its employees.

Therefore, NRC Group promotes union membership, and actively promoting the freedom of association and collective bargaining can be seen in inclusive initiatives, like informing all new employees about employee unions, etc. The Group actively supports collective bargaining agreements (CBAs) and employee representation as key components of its commitment to high ethical standards and human rights. These efforts align with international frameworks such as the UN Guiding Principles for Business and Human Rights to ensure trade unions and collective bargaining practices synergise with our internal principles across our management and strategic practices. The management in the Group has frequent and regular meetings with union representatives across the business.

These initiatives apply across NRC Group's entire workforce, providing equal support for blue-collar and white-collar workers. The union representatives from both blue-collar and white-collar unions, in addition to safety representatives, are invited to frequent and regular collaboration meetings with the management in the Group, to facilitate an environment where the opinions of our employees are heard and integrated into our business practices.

Adequate wages in own workforce

Securing adequate wages is essential to the well-being and financial security of NRC Group's own workforce. Without fair and living wages, employees may face challenges such as financial insecurity, inability to meet basic needs and excessive overtime. This negative impact is linked to NRC Group's own operations and affects the whole workforce.

Although, construction workers in the sector in general may face a higher risk of economic vulnerability, such as wage gaps, due to the nature of their roles. If left unaddressed, inadequate wages could have short-term and long-term negative effects on employee engagement and organisational sustainability.

As such, NRC Group recognises this impact and has prioritised the provision of fair and living wages as a central element of its sustainability strategy. The Group follows wage regulations in respective collective agreements and other labour regulations. In addition, the Group benchmarks compensation packages through a third-party vendor for management positions. Furthermore, procedures governing this material topic, such as annual salary negotiations with union representatives, annual salary reviews and annual benchmark towards industry standards is well-established in the Group.

Secure employment in own workforce

Secure employment is a critical factor in ensuring stability within NRC Group's workforce. It protects employees against increased stress, financial instability, arbitrary termination and reduced access to social protections. These challenges may disproportionately affect temporary workers who may not have the same contractual rights or benefits as permanent employees. Without systems to address this, employees may face uncertainty in the short term and undermine our efforts to promote social sustainability, which is key to the Group's strategy.

The Group is committed to job stability for temporary workers through measures such as clear contractual rights and the potential to transition into permanent positions. These matters are also regulated in local labour laws. Furthermore, NRC Group is committed to promoting principles related to secure employment in international labour laws through i.e. inclusion of temporary employees in the same way as permanent employees and also, demonstrating the Group's aim to foster an equitable and stable working environment.

Social protections in own workforce

Providing social protection is a key part of NRC Group's commitment to securing basic rights for its employees. As a material impact, there is a risk of including loss of income due to sickness, unemployment, injury, acquired disability, or retirement. Therefore, these gaps may create instability for workers, especially those with physically demanding jobs, such as construction workers, who are vulnerable to workplace injuries or economic instability associated with their roles.

As social sustainability is integral to the Group's business model and overall strategy, NRC Group has implemented procedures as part of its ongoing commitment to safeguarding employees against income loss through evaluating social protection coverage and identifying gaps. It has also provided health support services and there are occupational health care agreements across the Group, regular health checks and rehabilitation programs are established in the Group.

Labour Crime

Workers on our construction sites who are employed by contractors can be at increased risk of the negative effects of labour crime. These effects can include poorer working conditions, lack of social protection and inadequate wages. These topics are addressed in this chapter through the material impacts already identified. How NRC Group tackles labour crime is addressed in G1, with reference to corruption and bribery.

Impact, risk & opportunity management

S1-1 Policies related to own workforce

Human rights and working conditions
NRC Group upholds all human rights, including the right to health and the right to a safe and fair working environment. It is committed to aligning its policies, procedures, and internal mechanisms with the Universal Declaration of Human Rights, the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Corporations, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact. Safeguarding the human rights of its employees is central to its business model and activities.

To ensure workforce well-being, NRC Group has measures to regulate working hours to promote a healthy work-life balance. This commitment ensures that employees are protected from excessive work overload, and in addition work rotations etc are aligned with local regulations and approved by union representatives. In addition, adequate wages are aligned with local living wage standards, safeguarding the finances of its workforce. NRC Group respects and upholds the principles of freedom of association and collective bargaining, allowing employees to engage with unions and worker representatives to advocate for their rights. Secure employment is another cornerstone of the Group's approach to human rights, reflected in practices that promote long-term employment, stability, and professional growth opportunities.

Code of conduct
NRC Group's Code of Conduct outlines provisions for managing material impacts related to its workforce. It applies to all employees, contractors, and sub-contractors performing work on behalf of NRC Group. The policy prioritises critical areas such as adequate wages, secure employment, social protections, freedom of association, and collective bargaining, ensuring that workers' rights are upheld and respected across all operations. More information about the Code of Conduct can be found in G1-1.

Transparency Act
NRC Group publishes an annual statement in compliance with the Norwegian Transparency Act. The statement is approved by the Board of Directors and will be made available on www.nrcgroup.com on of before June 30, 2025. A detailed description on how NRC Group complies with the act and upholds human rights is contained within the Sustainability Statement.

How NRC Group engages its workforce

S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

Successfully addressing material impacts at NRC Group can only be achieved through meaningful and continuous stakeholder engagement. The current stakeholder engagement process is managed by regular collaboration meetings with the Managing Directors in the countries, who oversee the implementation of stakeholder insights by ensuring that feedback is integrated into policies and operational decisions. During the 2024 reporting period, NRC Group engaged with its workforce during the DMA process to better understand its practices' actual and potential impacts on key topics such as working hours, freedom of association, adequate wages, and secure employment. These engagements were integral to refining processes that support workforce rights and well-being.

NRC Group maintains an open and ongoing engagement with the workforce through structured and recurring activities such as regular collaboration meetings with union representatives, frequent employee surveys and annual, structured employee dialogues. In addition, the Group always involve union representatives in negotiations and close collaboration in significant change projects, etc. These initiatives are designed to include perspectives from employees at various stages of policy development, as well as sustainability processes and procedures. For instance, input from employee representatives has directly informed initiatives to improve working conditions related to equitable wages, working hours and freedom of association to enhance job security and well-being for workers in physically demanding roles. This commitment to ongoing communication strengthens trust and ensures that workforce rights are upheld across the organisation.

The Group also ensures that stakeholder engagement extends to dialogues on how NRC Group can improve the effectiveness of engagement processes and review compliance with key performance indicators related to workforce rights and its broader commitment to social sustainability.

NRC Group is committed to fostering continuous dialogue with stakeholders also through feedback mechanisms, such as the deviation system at the projects, as well as community feedback forms provided at the project gates. Regular client and business partner discussions are also held by the business division directors and other leaders in similar roles. These channels not only allow the Group to incorporate employee feedback into day-to-day operations but also aid in evaluating the effectiveness of the stakeholder engagement processes, particularly regarding health and safety issues.

Recognising that some groups within the workforce, such as construction workers, migrant workers, and women, may face particular vulnerabilities, NRC Group has taken deliberate steps to understand and address their perspectives through regular employee surveys and deep dive D&I analysis. By incorporating these measures, NRC Group addresses the unique challenges marginalised groups face and enforces mechanisms to target those challenges related to the material topics. Through these efforts, NRC Group reinforces its commitment to human rights and social sustainability, ensuring its workforce thrives in a fair, respectful, and supportive environment.

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

NRC Group is committed to the principles of remediation outlined in the UN Guiding Principles. These principles are embedded into the Group's policies and operational practices to ensure accountability and fairness in addressing negative impacts, particularly in areas such as working hours, freedom of association, adequate wages, and secure employment. The Group offers a whistleblowing and grievance mechanism accessible through its website via a complaints form, allowing employees to anonymously report misconduct, violations of labour rights, or health and safety concerns without fear of retaliation. More information about this can be found in G1-1. To further support its workforce, NRC Group also provides direct access to internal legal counsel to address concerns efficiently.]

When a complaint is received, NRC Group follows a structured investigation process to ensure timely and effective resolution. This process includes verifying claims, addressing the root causes of reported issues, and, where appropriate, providing remedies or corrective actions, including for human rights impacts. Remedies may include adjustments to working conditions, financial compensation, or other support measures that restore fairness and compliance with the Group's policies. By maintaining transparent communication throughout the process, employees are kept informed about the outcomes and actions taken.

To ensure the effectiveness of its grievance mechanism, NRC Group has implemented a robust tracking and monitoring process. The process includes recording all reported issues, tracking their resolution timelines, and regularly reviewing outcomes to identify patterns or areas for improvement. The Group also gathers feedback from employees and stakeholders to refine its remediation channels and ensure they remain accessible, trustworthy, and effective.

To promote awareness and trust in its remediation mechanisms, NRC Group conducts regular training and awareness campaigns. These efforts ensure that employees across all levels understand their rights and the processes available for raising concerns or grievances. By fostering a culture of openness and accountability, NRC Group demonstrates its commitment to supporting and protecting the rights of its workforce. Through these initiatives, NRC Group reinforces its dedication to providing accessible and effective remediation processes that address workforce concerns, align with international human rights standards, and contribute to a socially sustainable workplace.

S1-4 – Taking action on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those actions

NRC Group has continuous focus on preventing or mitigating negative impacts on working conditions in its own operations, with a particular focus on addressing the work environment. For our actual material impacts, the Group has exit surveys for employees leaving the Group, regular employee surveys, regular, structured employee dialogue and a close and structured collaboration with union representatives and safety representatives. The exit survey is done through the Netigate system, and a link to the exit survey is distributed to all employees during their resignation periode in NRC Group. Netigate is a digital platform for creating surveys and analysing feedback. The survey is done anonymously.

The effectiveness of these initiatives in ensuring NRC Group provides meaningful outcomes for its workforce is tracked and assessed through monitoring turnover rates, sick leave rates, overtime hours and regularly measuring employee engagement.

The Group's approach to identifying the right actions in responding to actual or potential negative impacts on working conditions involves workshops across all teams in the Group to define actions to improve the work environment.

Contents

Metrics and targets

S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

NRC Group has created targets to manage our material impacts related working conditions across the enterprise. The Group has engaged employees and workforce representatives in the target-setting process through structured consultations, feedback mechanisms, and collaborative workshops. Stakeholders also play a key role in tracking the performance of these targets by participating in reviews, providing feedback through surveys and committees, and contributing to performance assessments.

As the Group continues to prioritise improving working conditions and fostering an inclusive workplace, it remains committed to engaging stakeholders in target setting, tracking, and performance evaluation. Workforce representatives are actively involved in identifying lessons learned and areas for improvement based on performance outcomes, ensuring a collaborative approach to achieving and refining NRC Group's targets.

For all targets related to own workforce, any changes to, their corresponding metrics, or methodologies are promptly communicated transparently with relevant stakeholders. These communications include detailed explanations of the grounds for change and the potential effects on the outcome of the targets, ensuring accountability and continuous alignment with workforce needs and expectations.

NRC Group has continuously focus on improving working conditions for own workforce, but has not defined targets within these areas. However, due to the fact that the company operates in a highly regulated when it comes to working conditions, the business is compliant with regulatory framework in each country. Both labour laws and collective agreements set standards and regulate this area. All countries' organisations promote union memberships and have close collaboration with such in order to secure a healthy work life balance.

S1-6 Characteristics of the Groups's employees

	2024	2023	2022
Employee turnover rate (%)	11,1	14,0	14,9
Number of employees who left	469	512	474

Number of employees (headcount)	2024	2023	2022
Total employees*	1780	1853	1960
Male	1573	1655	1751
Female	207	198	209
Other	0	0	0
Not reported	0	0	0

2024	Female	Male	Other	Not disclosed	Total
Number of employees (headcount)	207	1573	-	-	1780
Number of permanent employees (headcount)	N/A	N/A	N/A		1723
Number of temporary employees (headcount)	N/A	N/A	N/A		57
Number of non-guaranteed hours employees (headcount)	7	37	-	-	44

S1-6 Characteristics of the Groups's employees

	COUNTRY	2024	2023	2022
EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS	Norway	100%	100%	100%
	Sweden	100%	100%	100%
	Finland	100%	100%	100%
EMPLOYEES COVERED BY WORKERS REPRESENTATIVES	Norway	100%	100%	100%
	Sweden	100%	100%	100%
	Finland	100%	100%	100%

S1-6 Characteristics of the Groups's employees

Number of employees (headcount) location	2024	2023
ASA	13	12
Norway	585	611
Sweden	385	358
Finland	797	872
Group	**1780**	**1853**

S1- 8 Collective bargaining

NRC Group has no employees outside the EEA and has individual collective bargaining agreements for each of the countries it operates in. The Group does not have any agreement with its employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

S1 – 10 Employees paid below the applicable adequate wage benchmark for 2024

Country	% of employees
Norway	0
Sweden	0
Finland	0

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Accounting principles

ESRS DR	Paragraph	Data point/ Metric	Accounting principle
S1-6	50a	Number of employees (head count) and gender distribution	Data was collected from the Groups HR systems and is based on year-end headcount.
S1-6	50b	Number of employees (head count) and contract type, broken down by gender	Data was collected from the groups HR system and is based on year-end head count. Number of temporary employees are defined as all employees with temporary contract or an apprenticeship directly with NRC Group. The definition for non-apprentice temporary workers: all employees with a temporary contract directly with NRC Group running from date to date, both project and administrative employees, employed on the reporting date. The definition for apprentices: All employees employed on an apprentice learning contract, for the period they are an apprentice. Once the apprentice period is over (and they remain working for us), they should be reported as permanent or temporary employees (pending on contract type) in the headcount.
S1-6	50c	Number of employee who have left undertaking	Data was collected at the end of each month from the Groups HR systems and is based on the headcount of employees that left the Group voluntary. The employee turnover rate is calculated using the 12-month rolling average number of employees that left voluntary as the numerator and the 12-month rolling average of total employees as the denominator.
S1-8	60a	Percentage of total employees covered by collective bargaining agreements	All employees of NRC is covered by the Groups respective collective bargaining agreements. Data is collected from the Groups HR systems.
	63a	Percentage of employees in country with significant employment (in the EEA) covered by workers' representatives	All employees of NRC is covered by the Groups' respective collective bargaining agreements. Data is collected from the Groups HR systems.
S1-10		Percentage of employees paid below the applicable adequate wage benchmark	Calculated as the percentage of employees where not all NRC Group employees are paid an adequate wage based on the total number of employees by headcount at year-end. The definition of adequate wages is based on minimum wage determined by legislation or collective bargaining in an EEA county, where NRC Group operates.

Contents

S1 Own Workforce - Health and Safety

Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts related to resource use and circular economy:

Impact	IRO Type	Location in Value Chain	Time Horizon
Health and safety in own workforce	Actual negative impact	Own operations	Short-term
Health and safety viola-tions for own workforce	Risk	Own operations	Short-term

NRC Group recognises that its workforce is integral to the success of the business. Therefore, it prioritises health and safety, ensuring a safe and secure workplace for all employees. Through the double materiality assessment, it has identified one significant negative material impact related to health and safety within its workforce, particularly affecting construction workers (both employees and contractors on site), whom it has assessed as the most vulnerable to the business' activities.

Material impacts

Health and safety in own workforce

The majority of the Group's workforce conduct work outdoors on sites where they face dangers such as exposure to heavy machinery, hazardous equipment, working at height or in dangerous spaces, handling or operating in proximity to heavy construction materials, working on or around high voltage electrical lines and having exposure to rail and road traffic. This may lead to accidents causing injury or loss of life. This negative actual impact affects workers on sites in the Group's own operations, occurs in the short term and is considered systemic.

Health and safety impacts are systemic and originate from the Group's business model, and its business strategy of building sustainable infrastructure in the Nordics. Both the business model and strategy have a very strong and defined focus on working safely, with significant time, planning and resources invested in safety policies, systems, training, monitoring and reporting. Health and safety metrics are presented in the published quarterly financial updates and are also part of management meetings across the organisation.

Material risks

Health and safety violations for own workforce

Injuries, illnesses, and fatalities in our workforce can also present a financial risk. Incidents which have been proven to be caused by a failure in the Group's Health and Safety system, representing a violation of required safety standards, may be subject to financial fines, sanctions or penalties. This potential risk is concentrated in the Group's own operations and occurs in the short term.

The Group addresses these potential impacts and mitigates their associated risks by maintaining a robust health and safety management system across its operations to prevent these effects.

Impact, risk and opportunity management

S1-1 Policies related to own workforce

Health and safety policy

The Health and Safety Policy of NRC Group addresses the Group's material impacts and risks related to health and safety in its own operations and its own workforce. It outlines its commitment to principles such as protecting individual well-being, executing work safely, and securing facilities to ensure that the working environment contributes to preventing injuries and illnesses among employees.

The Health and Safety Policy of NRC Group, is supported by Health and Safety handbooks and local policies in the countries where the Group operates. Any local policies are consistent with the Group Health and Safety Policy and include any additional local requirements or contextual information for the activities undertaken in that country. Policies are monitored by local Health Safety and Environment (HSE) managers and include all employees, contractors and people on NRC Group sites. The Group and country managing directors are responsible for the implementation of the Policy.

The Health and Safety Policy of NRC Group and local country policies meet various third party standards (at the local and EU level), which are the prerequisite for NRC Group to operate, including the Finnish Transport and Communications Agency's (Traficom) regulations, (for Norway the Working environmental Act and the Norwegian Labour Inspection Authority and Sweden agency requirements that are met by the H&S policies), and international standards such as ISO 45001:2018 Occupational Health and Safety (certified in Finland, Norway and Sweden is in the process to become certified in first half of 2025). Employees are regularly engaged in the development and implementation of health and safety systems, including providing input and reviewing health and safety policies. The Group and local country policies are made available to staff as part of their induction, are referenced in HSE manuals and are available on the Group's intranet.

These initiatives include comprehensive employee training programs, the annual Safety and Awareness Week, which aims to promote and enhance health, safety, and environmental practices within the Group, and regular safety and environmental inspections at project sites. Additionally, the Group have a deviation reporting system that allows the project workforce to report deviations with ease, including the use of QR codes.

These efforts are particularly crucial for the construction workers, whom NRC Group has identified as a vulnerable group within its workforce.

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S1-4 Taking action on material impacts on own workforce, and approaches to managing risks, and effectiveness of those actions

NRC Group has taken various actions to mitigate the negative impacts. On top of the processes and actions explained in the below, as part of continuous improvement, five main themes of safety were identified after an analysis, for which special guidelines and instructions are developed. These guidelines are regularly updated and reviewed with the staff during discussions and briefings and activities such as the safety walks.

Safety awareness and engagement
NRC Group has implemented ISO 45001:2018 Occupational Health and Safety in the management system (Norway and Finland, 2025 in Sweden), which sets a high standard for health and safety, preparedness and continuous improvement of the processes.

At the Group, creating a safe working environment for the workforce and strengthening the health and safety culture are core values that can only be achieved through meaningful and continuous engagement with the workforce. HSEQ reports are discussed in management meetings, where the Group addresses any issues, shares best practices, and make decisions on necessary actions to enhance safety. In addition, Health and Safety issues are monitored regular with #yourvoicematters full employee survey every 18 months and shorter pulse survey every 6 months. All teams work with results and develop targeted actions plan to develop the Group further.

At the operational level, engagement is mainly managed by the projects with support from support functions such as sustainability team. Projects organise regular (weekly in the bigger projects in Finland) discussions (called “sustainability moment”), where different topics are addressed and improvements suggested at a low threshold. Everyone working on the projects are participating. In the bigger projects sustainability discussions are part of the incentive model. In addition, company level staff discussion is organised yearly in Teams, so that projects people can also participate. These sessions are recorded.

Project teams who oversee the implementation of stakeholder insights, integrate sustainable practices to minimise environmental impact, follow up completion of training programs to address specific skill gaps, and enhance safety protocols to better protect workers on-site. These efforts ensure that stakeholder insights are effectively implemented, leading to improved project outcomes and a safer, more efficient working environment.

Continuous improvement
Where incidents occur, safety deviation reports are created. These are entered into the designated system (called Impact in Finland, BIA in Sweden, and Total Quality Management (TQM) in Norway), which is part of the Group's continuous improvement process. The handling and management of deviations are integrated into the reporting system, including the follow-up of corrective actions. The incident investigation process involves trained personnel at the supervisory level. For larger incidents, a three-tier classification system is applied, with the CEO involved in the most severe cases. The incident investigation process ensures that improvement actions are implemented at various levels (project, division, group, etc.), and includes the remediation process for action if applicable.

Continuous learning from investigations plays a crucial role in preventing future incidents and improving overall safety. All key learnings from health and safety incidents are shared via company-wide communication channels. By analysing past events, the Group can identify root causes, patterns, and areas for improvement. This process not only helps implement corrective measures but also fosters a culture of safety and accountability. Moreover, integrating these lessons into daily operations encourages a proactive approach, where safety considerations become a natural part of decision-making. This cultural shift ensures that employees apply best practices and contribute to a safer working environment.

Metrics and targets

S1-5 Targets related to managing material negative impacts and managing material risks
NRC Group has created targets to manage its material health and safety impacts and risks across the enterprise. It has engaged employees at group level in the target-setting process through strategic planning. At the local level, the Group adheres to national safety regulations, collaborates closely with the health and safety provider, and establishes local KPIs to measure health and safety performance for each business division. These KPIs are reviewed monthly, and reports are distributed to relevant management at the Group, division, and project levels.

As the Group continues to prioritise the safety and well-being of the workforce, it remains committed to engaging stakeholders in target setting, tracking, and performance evaluation to uphold its commitment to zero harm. Workforce representatives are actively involved in identifying lessons learned and improvements based on performance outcomes, fostering a collaborative approach to achieving and refining NRC Group’s targets.

Lost Time Injuries (LTI)
NRC Group has set a target focused on reducing lost time injuries (LTI) within the company’s own workforce (including contracted project employees and subcontractors). This target aligns with the principles outlined in our Health and Safety Policy, specifically, the Group’s commitment that none of its employees "shall suffer detriment to their health [through] injury as a result of NRC Group’s business activities."

NRC Group works continuously to decrease the LTI frequency, which is a key safety metric commonly used in the construction industry to track workplace injuries that result in an employee being unable to perform their regular work duties for a period of time. The Group has set a zero target for LTI. Tracking of this target began in 2011 (the inception of the Group) and it will continue to be monitored in 2025 and beyond. To date, NRC Group has achieved key milestones, reducing its LTI frequency from 5.6 in 2023 to 4.7 in 2024.

Serious injuries
NRC Group has set a target focused on reducing serious injuries within the company's own workforce (including contracted project employees and subcontractors). This target aligns with the principles outlined in our Health and Safety Policy, specifically, the Group's commitment that none of its employees "shall suffer detriment to their health through injury as a result of NRC Group's business activities."

NRC Group works continuously to decrease amounts of serious injuries, which is a key safety metric commonly used in the construction industry to track serious workplace injuries thar results in prolonged disability. The Group has set a zero target for serious injuries. Tracking of this target began in 2011 (the inception of the Group) and it will continue to be monitored in 2025 and beyond. In 2024 there were two cases of serious injuries reported, compared to zero in 2023.

Sickness absence
NRC Group hasn't set a specific target focusing on reducing sickness absence but works continuously to improve the rate. Tracking of this target began in 2011 (the inception of the Group) and it will continue to be monitored in 2025 and beyond. To date, NRC Group has achieved key milestones, reducing its sickness absence rate from 3.8 in 2023 to 3.7 in 2024.

S1-14 Health and safety metrics

	2024	2023	2022
% of Employees Covered by Health and Safety Guidelines	100 %	100%	100%
Number of Work-Related Fatalities	0	0	0
Number of Recordable Work-Related Injuries	40	69	80
Rate of Recordable Work-Related Injuries	10.5	17.5	17.1
LTI	4.7	5.6	6.0
Serious injuries	2	0	2
Sickness absence (%)	3.7	3.8	4.2

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Accounting principles

ESRS DR	Paragraph	Data point/ Metric	Accounting principle
S1-14	88a	% of Employees Covered by Health and Safety Guidelines	
	88b	Number of Work-Related Fatalities	No. injuries w/ and without absence Personnel
	88c	Number of Recordable Work-Related Injuries	No. injuries w/ and without absence Personnel
	88c	Rate of Recordable Work-Related Injuries	Frequency of injuries with and without absence for personnel (employees and rented workers) and subcontractors per million hours worked
	88e	Lost Time Injuries (LTI)	Injuries resulting in absence at least one full day per million man-hours including sub-contractors, total workforce
		Serious injuries	Injury that results in prolonged disability
		Sickness absence	Absence from work related to illness or injury (in alignment with local employment legislation on sickness absence). Including both self-certified and doctor-certified absence. Own absence only (absence due to child's illness not included).

S1 Own Workforce - Equal Opportunities for all

Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts related to resource use and circular economy:

Impact	IRO Type	Location in Value Chain	Time Horizon
Training and skills develop-ment in own workforce	Negative actual impact	Own operations	Short-term
Talent devel-opment in own workforce	Positive actual impact	Own opertions	Short-term
Diversity, equality and inclusion in own workforce	Negative actual impact	Own opertions	Short-term
Workplace violence and harassment in own workforce	Negative actual impact	Own opertions	Short-term

NRC Group operates in a male-dominated industry, which is reflected in the Group's overall gender composition. The Group recognises that being able to listen to and acknowledge different opinions, different backgrounds, experiences and perspectives, enables more effective corporate decision-making. A diverse workforce leads to diversity in thinking, which is a key driver for innovation and growth. Not only does it have positive effects on business but making progress with diversity, equity and inclusion (DEI), will mean that the negative impacts people may feel in less diverse environments can be prevented. This is why NRC Group is committed to recruiting and developing a diverse workforce which ensures equal opportunities so that everyone can succeed.

The double materiality assessment identified the following material impacts related to working conditions in own workforce.

Material impacts:

Training and skills development in own workforce

A lack of sufficient training and skills development can limit employees' career growth, reduce job satisfaction, and hinder overall productivity. Employees without access to relevant skills training may struggle to keep up with industry advancements, leading to skill gaps, job satisfaction, and tasks being carried out in unsafe ways. For example, some employees require certification in concrete work in order to complete their tasks to a satisfactory degree.

This negative impact is linked to NRC Group's own operations and affects both office workers and construction workers. This is an actual impact that occurs in the short term. To mitigate this risk, NRC Group has several training programs in place, including language training, which is particularly relevant for foreign workers who may require additional language support (mainly Polish). The Group is committed to ensuring that the whole workforce has access to the training and skills development that they require to carry out their tasks to the best of their ability.

These initiatives apply across NRC Group's entire workforce, particularly to construction workers, who may work in more hazardous conditions. The initiatives have a wide span and include everything from compulsory security training to more function and role specific trainings. For more information on NRC Group's approach to managing training and skills development, please refer to the policies section.

Talent development in own workforce

NRC Group considers competence and knowledge development as important factors for building a shared company culture, as well as to attract and retain great people. The Group believes that by investing in people, it will achieve a more skilled, loyal and effective work force. NRC Group has a positive impact on its own workforce through the provision of talent development programmes, allowing them to fulfil their potential, increasing their job satisfaction and contributing to a greater sense of well-being.

This positive impact is linked to NRC Group's own operations and affects both office workers and construction workers. This is an actual impact that occurs in the short term. The Group is committed to talent development through a number of initiatives, such as the Navigator talent program, which includes participants from all three Nordic countries

These initiatives apply across NRC Group's entire workforce. NRC Group has also implemented specialised talent development programmes for its trainees, which will be discussed further under actions. In addition, the Group has a cross Nordic Mentorship program. For more information on NRC Group's approach to managing talent development please refer to the policies section.

Diversity, equality and inclusion in own workforce

The Group's industry is male dominated, meaning that its female employees and potential employees may face discrimination, a lack of opportunities and unequal pay. This could lead to stress, unhappiness and a reduced sense of dignity.

This negative impact is linked to NRC Group's own operations and affects both office workers and particularly construction workers, due to the nature of the working environment. This is an actual impact that occurs in the short term. To mitigate this risk, the Group is committed to creating a working environment that embraces diversity and has among other things clear expectations to all leaders in the Group through defined leadership principles, such as "Respect & Include". The Group does regular employee surveys including deep dive D&I analysis, with the next step being training regarding unconscious biases and an inclusive work environment.

These initiatives apply across NRC Group's entire workforce. For more information on NRC Group's approach to managing diversity, equality and inclusion please refer to the policies section.

Workplace violence and harassment in own workforce

Workplace violence and harassment can include verbal, physical and sexual harassment. Those who suffer it can experience a lack of self-worth, stress, trauma and other psychological conditions.

Due to the male-dominated industry, this negative impact is linked to NRC Group's own operations and affects both office workers and construction workers. This is an actual impact that occurs in the short term. To mitigate this risk, the Group is committed to creating a working environment that embraces diversity and one that does not tolerate violence and harassment. To do this, the Group has very clear values and leadership principles, in addition to a Code of Conduct. Whistleblowing channels are established in the Group.

These initiatives apply across NRC Group's entire workforce. For more information on NRC Group's approach to managing workplace violence and harassment please refer to the policies section.

Impact, risk and opportunity management

S1-1 Policies related to own workforce

Code of conduct
NRC Group's Code of Conduct sets out the Group's commitment to ensure a stimulating workplace with an inclusive working environment. It includes a zero-tolerance policy for discrimination of any kind, including discrimination on the basis of gender, pregnancy, parental leave in connection with childbirth or adoption, care responsibilities, ethnicity, religion, beliefs, disability, sexual orientation, gender identity, gender expression or age. The Group views this as essential for ensuring that its employees experience job satisfaction, achieve their full potential and receive recognition and reward for their performance.

In addition, the Code of Conduct outlines the Group's zero-tolerance policy for harassment, arising from the aforementioned factors, and sexual harassment. Sexual harassment refers to any form of unwanted sexual attention that is intended to be or has the effect of being offensive, threatening, intimidating, hostile, degrading, humiliating or distressing.

More information about the Code of Conduct can be found G1-1.

Training, skills and talent development (opportunities for all) policies

NRC Group is committed to building the competence, knowledge and opportunities of our employees. Although the Group does not have any policies in place regarding these impacts, it has put in place specific training programmes and initiatives to address these. These can be read about in the section below.

1-4 Taking action on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those actions

Training and skills development (opportunities for all) actions

Building sustainability competence and leadership capability
NRC Group has developed specific training programmes in sustainability and leadership, seeking to build a shared understanding of sustainability within the Group and ensuring that NRC Group has visible and clear role models in leadership positions. This supports the work to mitigate the negative impact of lack of talent development.

NRC Group has designed a sustainability certification course, available for all employees. The training programme builds a shared understanding of sustainability within the business and is a powerful driver of positive environmental and social performance.

Talent development is a focus for NRC Group, which is why it has also initiated a mentoring programme, putting together pairs from all three operational countries. This will serve to improve career opportunities by strengthening networks and giving our employees access to a wider range of perspectives.

In 2024, the Group launched the Navigator Program. This gives top talents the chance to participate in a leadership programme. The program's target group is professionals at an early stage of their career with potential and ambition to take on leadership positions. I 2024 a total of 14 talents graduated from the Navigator program, with representation from all three countries.

Providing pathways for interns and trainees
NRC Group has implemented internship and summer trainee programmes provide a useful and fundamental career start for those wanting to build a career within the construction and infrastructure sector. While also part of NRC Group's recruitment drive, the programme serves to train and develop participants' understanding of the sector and the opportunities within it, helping to address the material impact of talent development.

In 2024, a total of 62 summer interns joined our programme. And the Group follow up the summer interns through regular follow up during the summer months.

To support the success of the programme, the interns are included in the Group in the same manner as other permanent employees.

Inclusion and fair treatment actions

Actions
NRC Group acknowledges that this is a challenging area and has set focus on this with several initiatives over the last years. The Group has started building awareness through deep dive analysis within the D&I area, in addition to promoting several initiatives to prevent or mitigate negative impact on diversity, equality and inclusion such as

- In 2023 the Group implemented our leadership principles, whereas one of those are "Respect and Include", stating very clear expectations to leaders in the Group within this area. All leaders were also introduced to this topic through #howwelead; workshops training all leaders in the Group in our leadership principles.
- In 2024 the leadership level within Communication and HR cross Nordic attended a half day workshop within specific focus on D&I, also focusing on unconscious bias, and second half of 2025 all leaders in the Group will be trained in the same way.
- During the year, all participants in NRC Group's cross Nordic talent program, Navigator, had a full day training in D&I, including unconscious bias.
- NRC Groups recruitment processes and tools have been refined during the year, and throughout a structured way to do recruitments including testing and structured, competence-based interviews, aim to avoid biased recruitments.

Metrics and targets

S1-5 Targets related to managing material negative impacts

Diversity and inclusion ambition
As NRC Group operates in a very male-dominated industry, improving representation of women is a key area of focus for us. That is why the Group have planned to set targets for a more gender-balanced leadership and organisation in 2025.

Gender diversity should be represented at all levels of the organisation. Currently, our Board of Directors consists of three male and four female members, with women making up 57% of the board.

Training and skills development ambition
NRC Group's ambition is to be ambitious on behalf of its employees, where the Group attracts, retains and develops talented individuals. The Group considers a good indicator of this employee engagement and satisfaction. As such, NRC Group has set targets related to these.

In 2024, 86% (increase from 83% in 2023) of all employees responded to an anonymous bi-annual employee engagement survey. The survey plays a key role to cultivate and reinforce a robust culture. From this survey, key actions are identified and implemented. Satisfaction and motivation impact both behaviour and performance. One measure from the survey is eNPS (Net Promoter Score). Engagement drivers such as management, collaboration, job content, training, D&I etc are included. Country management teams follow up on activities based on the results to improve eNPS. For 2024 the eNPS for the Group was 13 (down from 29 in 2023).

A shared understanding of sustainability
To ensure that the Group is able to achieve its goal of being a powerful driver of positive environmental and social performance, NRC Group has set a target of all its employees completing its course. A total of 86% employees have undertaken the Group's sustainability certification course, down from 95% in 2023.

S1-17 Incidents of discrimination and human rights violations
In 2024, NRC Group received 0 substantiated complaints related to social and human rights from the Groups own workforce. 0 were received through our whistleblower mechanism and NOK 0 were paid in fines, penalties and compensation as a result of these incidents and complaints.

The number of severe human rights incidents reported in 2024 was 0.

S1-9 Diversity metrics

Gender diversity	2024
Women in top management	28.6%
Distribution of employees by age group	
Under 30 years old	24.2 %
Between 30-50 years old	48.7 %
Over 50 years old	27.0 %

S1-16 Remuneration metrics (pay gap and total remuneration)

	2024	2023*	2022*
Gender pay gap	-16%	1%	4%
Remuneration ratio of the highest paid individual	678%	629%	854%

*Not audited

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Accounting principles

ESRS DR	Paragraph	Data point/ Metric	Accounting principle
S1-9	AR 71	Women in top management	The number includes women in Global Executive Team (GET) and Country Leadership Teams (Finland, Norway and Sweden).
S1-16	97a	Gender pay gap (%)	The gender pay gap is the difference of average female and male employees, expressed as percentage of the average pay level of male employees. The number includes salary, holiday pay, cash allowances, (variable payments), benefits, insurance, bonus and long-term incentives. The gender pay gap is calculated on Norway, including the group leadership team.
S1-16	97b	Annual total renumeration ratio	The annual total renumeration ratio of the highest paid individual to the median annual total renumeration of employees in Norway, including the Group leadership team. The data is collected from the HR systems.

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S2 Workers in the value chain

Material impacts, risks and opportunities and their interaction with strategy and business model

Material impacts related to resource use and circular economy:

Impact	IRO Type	Location in Value Chain	Time Horizon
Negative Impacts on workers in the value chain	Potential negative impact	Upstream	Short-term

Workers in the value chain represent a vital part of the Group's business, enabling the delivery of natural stone, steel, products and electronic components from a diverse network of suppliers. While these workers are a vital part of NRC Group's business, these collaborations also present potential risks of adverse impacts within the value chain. The double materiality assessment identified one material impact connected to workers in the value chain. No material risks or opportunities were identified as part of the assessment.

Material impacts

Negative impacts on workers in the value chain
NRC Group operates in industries with global supply chains, including natural stone, steel products, and electronic components, which are essential to the infrastructure projects the Group delivers. These upstream value chains extend into high-risk regions, where weak regulatory frameworks and insufficient labour protections may expose workers to exploitative conditions.

Workers in these supply chains may face poor labour conditions, inadequate health and safety measures, lack of diversity, equity and inclusion, and risks of inadequate housing and forced and child labour, and is particularly relevant in relation to products sourced from Asia, Africa and Latin America by the Tier 1 suppliers and further in the value chain. The stress and strain of exploitative labour conditions could lead to physical and mental health challenges, impacting well-being, family life, confinement and a loss of dignity in the short-term.

The inherently complex and global nature of NRC Group's supply chain makes it challenging to maintain full oversight of working conditions and the treatment of value chain workers. While the Group has limited possibilities for direct intervention, it outlines its expectations for suppliers and contractors to comply with human rights standards. As part of its due diligence process, NRC Group monitors and addresses these potential impacts through supplier assessments and ongoing dialogue with its tier 1 suppliers. These efforts enable the Group to identify emerging risks within its operations, strengthen its understanding of value chain dynamics, and implement targeted action plans to mitigate such risks effectively. Additionally, NRC Group is obliged to comply with the Norwegian Transparent Act, which mandates due diligence to prevent violations of fundamental human and labour rights in its value chain.

Impact, risk & opportunity management

S2-1 Policies related to value chain workers
The following policies are relevant for all material impacts in this section.

Code of conduct
NRC Group's Code of Conduct sets out expectations relating to human rights and working conditions and expectations that must be followed by suppliers, including remediation. The Group has a zero-tolerance policy with respect to child labour and forced labour and requires that freedom of association is respected by its suppliers and contractors. More information about our Code of Conduct can be found in G1-1.

Under the Code of Conduct, NRC Group will only enter into agreements with business partners and contractors who acknowledge and respect the Code of Conduct and who conduct business in the same way as the Group does. To ensure this happens, the Group uses supply chain management assessments.

The Code of Conduct places an obligation on employees to require partners, suppliers and contractors to comply with and respect fundamental labour rights and human rights. At this point, the Code of Conduct does not directly address trafficking in human beings. but will be updated accordingly.

S2-2 Processes for engaging with value chain workers about impacts
Beyond internal measures, NRC Group is a member of UN Global Compact and also engages with industry-specific organisations and umbrella bodies to advocate for responsible business practices and to get information about potential impacts on value chain workers. This includes collaborations with entities such as The Finnish Construction Trade Union, and Sweden and Norway collaborate with corresponding unions in respective countries.

NRC Group does not currently have a general group level process to engage with value chain workers, however as part of the due diligence process, NRC Group Norway has done supplier assessments to understand how vulnerable workers in identified risk sectors may face increased harm within our value chain

The Group acknowledges that a general approach would improve its insight into worker perspectives and assesses how to develop such a process into due diligence activities.

S2- 3 Processes to remediate negative impacts and channels for value chain workers to raise concerns
NRC Group has established guidelines for handling reports of whistleblowing in accordance with the Group's Code of Conduct. Where concerns are raised, the Group will investigate these through collecting relevant facts and speaking to relevant stakeholders. All reports are taken seriously, regardless of the severity, and necessary actions are implemented following an assessment by the internal legal counsel and Head of Legal. Should negative impacts on value chain workers occur that NRC Group either causes or

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contributes to, the Group will seek to provide for or facilitate remedy. For more information on how NRC Group approaches remedy and how issues raised are tracked and monitored, including ensuring efficiency, please refer to S1-3 in the Own Workforce chapter. Whistleblowing cases are treated confidentially, and the whistleblower's identity is protected. The Board is informed of serious cases, such as suspected corruption, violations of competition rules, or financial crime. Records of the cases are stored at the local level (handled by the Group's legal team).

NRC Group does not systematically assess value chain workers' awareness and trust in these mechanisms but engages in dialogue with its suppliers and the existence of grievance and whistleblowing mechanisms for value chain workers to increase awareness and trust.

Following the EU Whistleblowing Directive, the effectiveness of the grievance mechanism is ensured by making the system accessible to external stakeholders, including partners, suppliers, and citizens via the Group's website, safeguarding confidentiality and protecting reporters, guaranteeing that reporters receive timely feedback and an investigation process (if required) the secure objectivity of the process and building transparency of the process. More information about NRC Group's external whistleblowing system including its approach regarding retaliation, that can be found at G1-1.

S2-4 Taking action on material impacts on value chain workers, and approaches to managing risks and pursuing opportunities related to value chain workers, and effectiveness of those actions

Contractual clauses
NRC Group incorporates specific contractual requirements aligned with its policies for value chain workers. In Norway, these requirements, known as 'Seriousness Provisions,' integrate elements of the Norwegian Transparency Act. This ensures NRC Group has access to due diligence information from sub-suppliers who are subject to the Act. Additionally, it mandates the disclosure of information regarding value chains and product purchases from sub-suppliers not covered by the Act. The provisions also include standards related to wages, working conditions, internal controls, security, and health, safety, and environment (HSE) for work conducted in Norway. In Finland the Act on the Contractor's Obligations and Liability) is applied for work done in Finland in situations when temporary agency workers or subcontracting are used.

Improving supply chain visibility and supplier oversight
In relation to Norwegian Transparency Act, NRC Group Norway has conducted mapping of the value chain connected to its core business activities, including natural stone, steel and electronic products. The Group has gathered information about our suppliers' direct and indirect purchases from high-risk countries and areas in Africa, Asia, and Latin America, and has assessed risk profiles. They are regularly reviewed. This work has improved the visibility of issues within NRC Group's supply chain. No critical issues were identified that required further actions.

The Group in Norway manages value chain and supplier-related risks through an annual risk management process and controls. However, the Group recognises the need to enhance and scale these processes to increase effectiveness of the initiatives and actions and has committed to developing them throughout 2025. This includes compliance with specific country regulations, such as the European Union's sanctions list on Russia.

Additional action
Management of the material social impacts in a global value chain is a complex matter and requires cross-functional collaboration between different teams in NRC Group, especially between sustainability and HSEQ, procurement and legal functions. NRC Group Norway has taking steps to develop this collaboration and mechanisms that prevent or mitigate negative impacts on workers in the value chain.
The Group is in the process of launching a prequalification system for suppliers, with planned implementation in 2025. This system requires all suppliers entering contracts within the Group's core areas to undergo a qualification process that assesses their risk levels and compliance to other company requirements. For ease of access, a list of pre-qualified suppliers is already made available on the Group's intranet site
If human rights impacts are identified, the Group strive to take immediate action in a dialogue with the supplier/s and provide appropriate remedies, which may include compensation, restoration of rights, or preventive measures. NRC Group also invest in training the employees to raise awareness of ethical business conduct and human rights issues.

Metrics and targets

S2-5 Targets related to managing material negative impacts
NRC Group has not set any targets related to value chain workers.

However, The Group's goal is to improve its visibility in its supply chain to identify critical issues where actions are required. Targets will then be set related to these actions.

In addition, NRC Group views the requirements related to the Norwegian Transparency Act as a chance to help it develop processes elsewhere in the organisation as well and foster alignment related to value chain workers.

Governance information

G1 Business Conduct

Material impacts, risks and opportunities and their interaction with strategy and business model

Impact	IRO Type	Location in Value Chain	Time Horizon
Impacts from failure to ensure the protection and safeguarding of whistleblowers	Negative potential impact	Upstream Own operations Downstream	Short-term
Impacts on society through corruption and bribery (including labour crime)	Potential negative impact	Upstream Own operations	Short-term
Financial repercussions from unethical business conduct and poor workplace culture	Risk	Own opertions	Medium-term
Financial growth through a positive and inclusive workplace culture	Opportunity	Own opertions	Medium-term

Strong corporate governance, integrity, and transparency are fundamental to NRC Group's ability to operate responsibly, maintain stakeholder trust, and ensure long-term business resilience. These principles guide the company's approach to business ethics, anti-corruption, competitive practices and supply chain integrity. The double materiality assessment identified the following material impacts, risks and opportunities relating to business conduct. NRC Group's financial position, financial performance and cash flows have not been affected by the material risk and opportunity at this stage.

Material impacts:

Impacts from failure to ensure the protection and safeguard of whistleblowers

Effective mechanisms for reporting misconduct are critical to identify, address and prevent unethical behaviour. NRC Group has a potential impact through not being able to protect and safeguard whistleblowers from negative and unwanted impacts, irrespective of who the whistleblower is. In the absence of protection, whistleblowers could face severe consequences, including professional retaliation, social isolation, or psychological distress, deterring others from coming forward in future. Insufficient whistleblower protections could perpetuate a culture of silence and have detrimental impacts on the livelihood and well-being of the whistleblower.

This negative impact is linked to NRC Group's own operations as well as in its upstream and downstream value chain and could materialise in the short term. To mitigate this risk, the Group provides a whistleblowing mechanism which offers anonymity and protection for those reporting incidents. Please refer to the policy section below for more information on NRC Group's whistleblowing mechanism.

Impacts on society through corruption and bribery

NRC Group has a potential negative impact on the societies in which it operates due to corruption and bribery. The Group's value chain includes regions and industries where regulatory enforcement and ethical standards vary significantly. This creates potential exposure to corrupt practices, including bribery, which could have negative impacts on the broader community. Such impacts include diminished public trust, unfair competitive conditions for businesses and increased inequality in society. NRC Group's own operations occur within the Nordic construction sector, which is recognised as having elevated risk levels related to corruption and bribery.

This negative impact is linked to NRC Group's own operations and upstream in its value chain, specifically suppliers and subcontractors. The impact could materialise in the short term. The Group has established a robust anti-corruption and anti-bribary framework to address and mitigate these impacts, described in G1-3 below.

Material risks and opportunities:

Financial repercussions from unethical business conduct and poor workplace culture

As an infrastructure construction/maintenance company, NRC Group's ability to attract and retain top talent is critical to its success. Failure to uphold high ethical standards or foster a positive workplace culture could harm the Group's reputation as an employer, leading to increased turnover and difficulty in attracting and retaining skilled professionals and specialised workers. This could impact operational capacity, project delivery and ultimately order intake negatively.

This risk occurs in NRC Group's own operations and could materialise in the medium term. The Group has established robust policies and procedures to mitigate this risk, supported by a zero-tolerance policy for misconduct, mandatory ethics trainings, and accessible reporting channels to ensure transparency and accountability (see Code of Conduct under G1-1).

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Financial growth through a positive and inclusive workplace culture

A positive workplace culture is pivotal for organisational success and a key driver for recruitment and retention in a competitive talent market. A supportive and inclusive working environment encourages employee engagement, leading to improved productivity and continuity in operational knowledge. These factors can enable long-term profitable growth opportunities through an enhanced ability to deliver results for clients and reinforce the Group's reputation.

This opportunity occurs in NRC Group's own operations and could materialise in the medium term. To position itself as the most ambitious infrastructure builder in the Nordics, the Group is ambitious on behalf of its employees also. NRC Group works to ensure a workplace environment that embodies collaboration, inspiration, diversity, and innovation.

NRC Group reinforces this opportunity through the following initiatives:

- #yourvoicematters, full employee survey every 18 months (the last one October 2024) and shorter pulse survey every 6 months. All teams work with results and develop targeted actions plans to develop the Group further. eNPS is one target in Nordic bonus scheme.
- Navigator leadership program, targeted for employees in the beginning of their career with ambition and potential to take on leadership roles in the future
- Nordic Mentor Program aiming to develop people through a structured framework where mentee's development needs are paired up with an experienced mentor
- Nordic Trainee Program in design phase, to be launched in 2026

Impact, risk & opportunity management

G1-1 Business conduct policies and corporate culture
The Group's approach to business conduct is anchored in its robust governance practices, which establish clear standards for ethical operations and define expectations for employees, suppliers, business partners and stakeholders. These practices align internationally recognised principles and frameworks to ensure transparency and accountability across all aspects of its operations.

The Group's commitment to conducting business ethically and transparently is reflected in the Group Code of Conduct. It establishes the foundation of how the Group interacts with its employees, customers, contractors and other stakeholders, setting clear standards for ethical behavior and compliance across all NRC Group companies.

NRC Group promotes its values through mandatory compliance training, open communication, and a zero-tolerance policy for discrimination and harassment. Management fosters a strong culture of ethical business conduct by acting as role models, encouraging transparency in ethical dilemmas, and safeguarding employees who report irregularities against retaliation.

The Group evaluates its corporate culture by continuously updating policies to reflect changes in laws and regulations, and by conducting thorough follow-up on all reported irregularities to address concerns effectively. By doing so, NRC Group ensures that the Group maintains a workplace based on integrity, inclusivity and accountability.

Policies

Code of conduct
NRC Group's Code of Conduct serves as a comprehensive guide to business conduct for all employees and the Group's stakeholders. The Code of Conduct outlines key objectives the Group follows to uphold the highest ethical standards across all operations. These objectives include strict adherence to labour and human rights, prevention of corruption, work-related crime, ensuring fair competition and maintaining a sustainable workplace.

The Code of Conduct applies to all employees, contractors, sub-contractors performing work on behalf of NRC Group, as well as the Group's board members in the context of their roles and suppliers

The responsibility for implementing and upholding the Code of Conduct lies with NRC Group's management, who are also responsible for responding to ethical risks, facilitating compliance training, and addressing reported irregularities. When employees with management responsibility in NRC Group detect irregularities in relation to potential violations of laws or the regulations of the Code of Conduct, the matter is handled in accordance with the Code of Conduct's response instructions.

To solidify the Group's efforts to uphold the highest standards possible, the Code of Conduct aligns with internationally recognised principles like the UN Conventions on Human Rights, the ILO Conventions, and the Norwegian Working Environment Act and is consistent with UN Convention Against Corruption . NRC Group Norway is certified under ISO 37001, an internationally recognised standard for anti-corruption management systems, underscoring the Group's commitment to implementing robust measures to prevent, detect, and address corruption in all aspects of its operations.

Several communication channels are utilised to make the Code of Conduct available to all employees and stakeholders. Employees are required to familiarise themselves with the Code, complete mandatory ethics and compliance training, and refer to it in their day-to-day work.

All employees or hired personnel who become aware of a breach of the Code are obligated to report the matter through their reporting line of choice. Breaches could be reported to immediate supervisors or higher management, either by themselves or through an employee representative, safety representative, colleague or lawyer. Internal and external whistleblowing channels are also available, as outlined in the section below.

Protection of whistleblowers
The Group's policy for whistleblower protection is outlined in NRC Group's Code of Conduct. The Group's whistleblowing mechanism is available to all employees, hired personnel and contractors, subcontractors and board members, to ensure irregularities are reported safely and confidentially. The whistleblowing procedures adhere to the highest standards of protection for whistleblowers, including those outlined in Directive (EU) 2019/1937 and the Norwegian Working Environment Act.

Anonymous reporting is available via the whistleblowing mechanism and accessible via the NRC Group's intranet. External

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stakeholders, including partners, suppliers, and citizens, can access NRC Group's whistleblowing mechanism via the Group's website. This platform enables anonymous reporting and provides comprehensive guidelines on how to report misconduct, as well as details on how reports are handled, including the processing of personal data. Employees have the additional option to report irregularities directly to their immediate supervisor, higher management or employee representatives.

All reports submitted through the whistleblowing mechanism are carefully examined and managed by the function best equipped to address the issue effectively. The Group provides guidance and support to both whistleblowers and staff receiving reports to ensure their proper handling. Employees are encouraged to seek advice from their supervisor or Head of Legal at NRC Group for guidance on how to report and handle specific situations. Management and members of staff receiving reports are expected to familiarise themselves with the instructions for handling whistleblowing reports. Dedicated and general staff training in relation to the processing of whistleblowing reports is not currently provided.

NRC Group has implemented robust measures to safeguard whistle-blowers against retaliation, ensuring they are protected from disciplinary actions, harassment, discrimination, or other adverse consequences related to their reports. Retaliation is explicitly prohibited and includes actions such as threats, demotion, dismissal, or social exclusion. The Group is committed to thoroughly investigating any claims of retaliation and taking appropriate corrective actions to address them, should they occur.

Quality assurance policy

NRC Group's Quality Assurance Policy outlines the principles for fostering a positive workplace culture and supporting the attraction and retention of motivated and qualified employees. The policy reflects the Group's commitment to building an environment where employees can thrive and succeed, by prioritising safety, productivity, professional development, and collaboration.

The policy outlines the Group's approach to ensuring the right individuals are matched with the right roles, supported by opportunities for continuous professional growth. It highlights the principles of teamwork, ethical conduct, and accountability as a means to cultivate a workplace built on the Group's values (Caring, Credible and Entrepreneurial). The well-established values, as cornerstones of both strategy and operations.

Opportunities for personal and professional development/growth are provided in various programs such as Navigator, Mentor/mentee, Trainee, #howeelead, Lean and regular trainings from safety to cyber security.

All leaders are trained in the Nordic Leadership principles, where values are an essential part. Safety is central to the policy, ensuring a diverse, safe and inclusive environment that drives both individual achievement and organisational growth. Diversity and Inclusion analysis are completed every 18 months as an important source to continuously work on developing the Group's culture. Every six months employees can anonymously conduct their feedback to Pulse surveys.

The Quality Assurance Policy aims to reduce the risks associated with high turnover, while at the same time enhancing productivity, innovation and overall performance. If employees leave the Group, exit surveys are conducted to understand reason for leaving and as source to implement targeted actions to mitigate resignations.

The Quality Assurance Policy applies universally to all NRC Group employees, regardless of their role or level within the organisation. Senior managers within the Sustainability team hold ultimate responsibility for the Policy's implementation.

Business conduct training

Ethics Policy and compliance training is mandatory for all employees and integrated into the onboarding process for new hires, The training provides comprehensive coverage of critical areas, including anti-corruption, anti-bribery, fair competition, supply chain integrity and reporting mechanisms.

The objective of the training is threefold: to provide employees with the knowledge and tools necessary to uphold ethical business practices, to ensure they are well-versed in applying these practices in their daily work, and to foster a clear understanding of their responsibilities regarding compliance with laws, regulations, and ethical standards.

Ethics and compliance online training is conducted on an annual basis under the accountability of management and the legal functions in each country. This ensures that all employees receive up to date guidance and are equipped to address evolving risks. In addition, a risk-based assessment is performed to identify which teams or functions face heightened exposure, that receive customised or additional training to address their specific challenges and responsibilities.

Functions at risk of corruption and bribery

At NRC Group, the management team and functions within procurement and contracting are at greatest risk of being targeted for undue influence, corruption or bribery. This includes individuals acting as general managers, purchasing managers, and employees with authority to enter into contracts.

G1- 3 Prevention and detection of corruption and bribery

NRC Group takes a firm position against corruption in any form (zero-tolerance), and actively works to prevent, avoid and detect all forms of corruption. The main principles related to corruption and bribery are set out in the Group Code of Conduct (see G1-1 above for more information on the Group Code of Conduct).

The procedures to prevent, detect and address instances of corruption and bribery include strict prohibitions against offering, accepting or requesting improper advantages, managing conflicts of interest, and maintaining transparency in dealings related to gifts, hospitality and donations.

All NRC Group employees are required to adhere to the Group's principles for ethical business practices and are not allowed to provide for, request or receive anything that can be deemed a potential bribe or defined as potentially corrupt. They are required to avoid conflicts of interest, report suspicions of corruption through established whistleblowing channels, and to comply with all internal policies governing gifts, hospitality, and donations.

NRC Group encourages its employees to actively question behaviour or decisions that appear unethical or inconsistent with the Code of Conduct and to report any suspicions of corruption or bribery through the established whistleblowing channels (See G1-1 above for more information on the whistleblowing channels available).

Investigations are managed by the in-house legal counsel, ensuring they remain independent from the immediate chain of management involved. If a report concerns the legal counsels or senior executives, it is forwarded to the Chair of the Board. This structure ensures that all outcomes and recommended measures are subsequently reported to the appropriate administrative, management, and supervisory bodies in accordance with NRC's established procedures.

The Code of Conduct, outlining the procedures for addressing corruption and bribery, is accessible to all employees via the intranet. Employees are required to familiarise themselves with its contents. Anti-corruption procedures are also communicated to employees through mandatory training programs. (See G1-1 for more information on business conduct training)

Anti-corruption trainings and workshops are conducted with all managers in Norway, Sweden and Finland to prepare them for handling ethical conflicts. The training includes how to identify and act in situations involving corruption, such as being offered private services or kickbacks.

Management has implemented enhanced control measures for functions identified as having a higher risk of corruption and bribery, including procurement and sourcing. Anti-bribery and corruption training programs are provided to cover these high-risk functions

Metrics and targets

G1- 4 Incidents of corruption and bribery
There have been no reported incidents of corruption or bribery at NRC Group in 2024. Consequently, no employees have been convicted, nor have any fines been levied on the Group. As a result, no corrective action has been necessary. Additionally, no public legal proceedings related to bribery or corruption have been initiated against NRC Group, its subsidiaries or its employees during this period.

NRC Group is committed to strengthening the capabilities of its employees through mandatory ethics and compliance training, as well as targeted training for functions exposed to higher risks. Additionally, the Group will maintain an ongoing dialogue with suppliers to enhance awareness of the requirements outlined in the Code of Conduct and assess the need for specialised training where necessary.

G1-3 Prevention and detection of corruption and bribery

	2024	2023*
Percentage of functions-at-risk covered by training programs	100%	100%

*Not audited

G1- 4 Incidents of corruption and bribery

	2024	2023*
Number of confirmed incidents of corruption and bribery	0	0
Number of convictions of NRC employees	0	0
Amount paid in fines for violation of anti-corruption and anti-bribery laws	0	0
Number of confirmed incidents in which workers were dismissed or disciplined for corruption and bribery-related incidents	0	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to corruption and bribery violation	0	0

*Not audited

G1 ACCOUNTING PRINCIPLES

ESRS DR	Paragraph	Data point/ Metric	Accounting principle
G1-3		Percentage of functions-at-risk covered by training programs	The information is derived from the Groups LMS system.
G1-4		Incidents of corruption and bribery	In 2024 NRC Group had no convictions or fines for violating anti-corruption or bribery laws. If any breaches were to be identified, NRC Group is committed to taking appropriate action and implementing disciplinary measures. The Group had 0 public cases regarding corruption and bribery brought against the Group or own workers.

Signatures Board of Directors & CEO

The Board of Directors of NRC Group ASA & CEO

Lysaker, 8 April 2025

Rolf Jansson
Chairman of the Board

Outi Henriksson
Board member

Mats Williamson
Board member

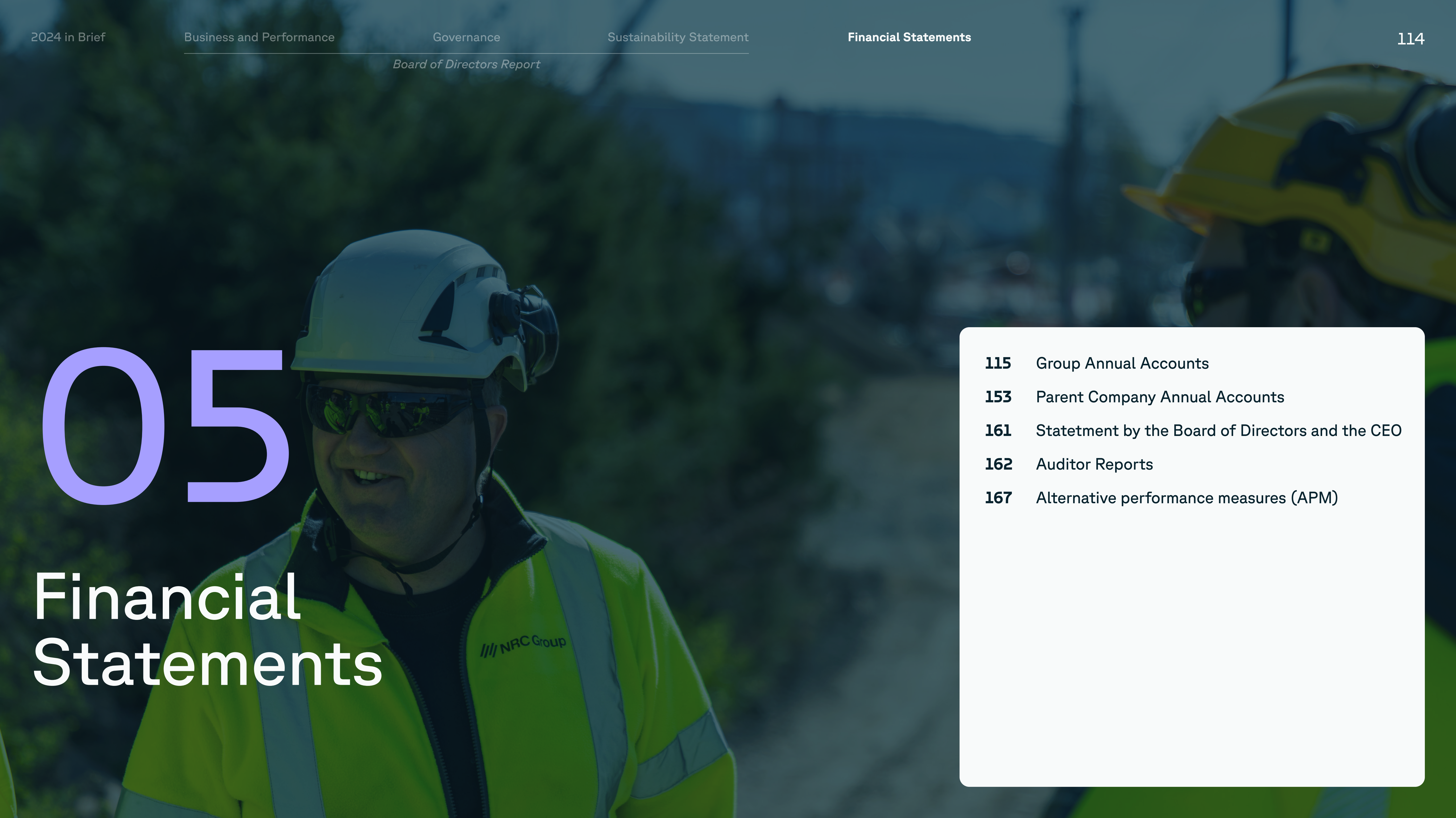
Heikki Allonen
Board member

Eva Nygren
Board member

Karin Bing Orgland
Board member

Tove Elisabeth Pettersen
Board member

Anders Gustafsson
CEO NRC Group ASA



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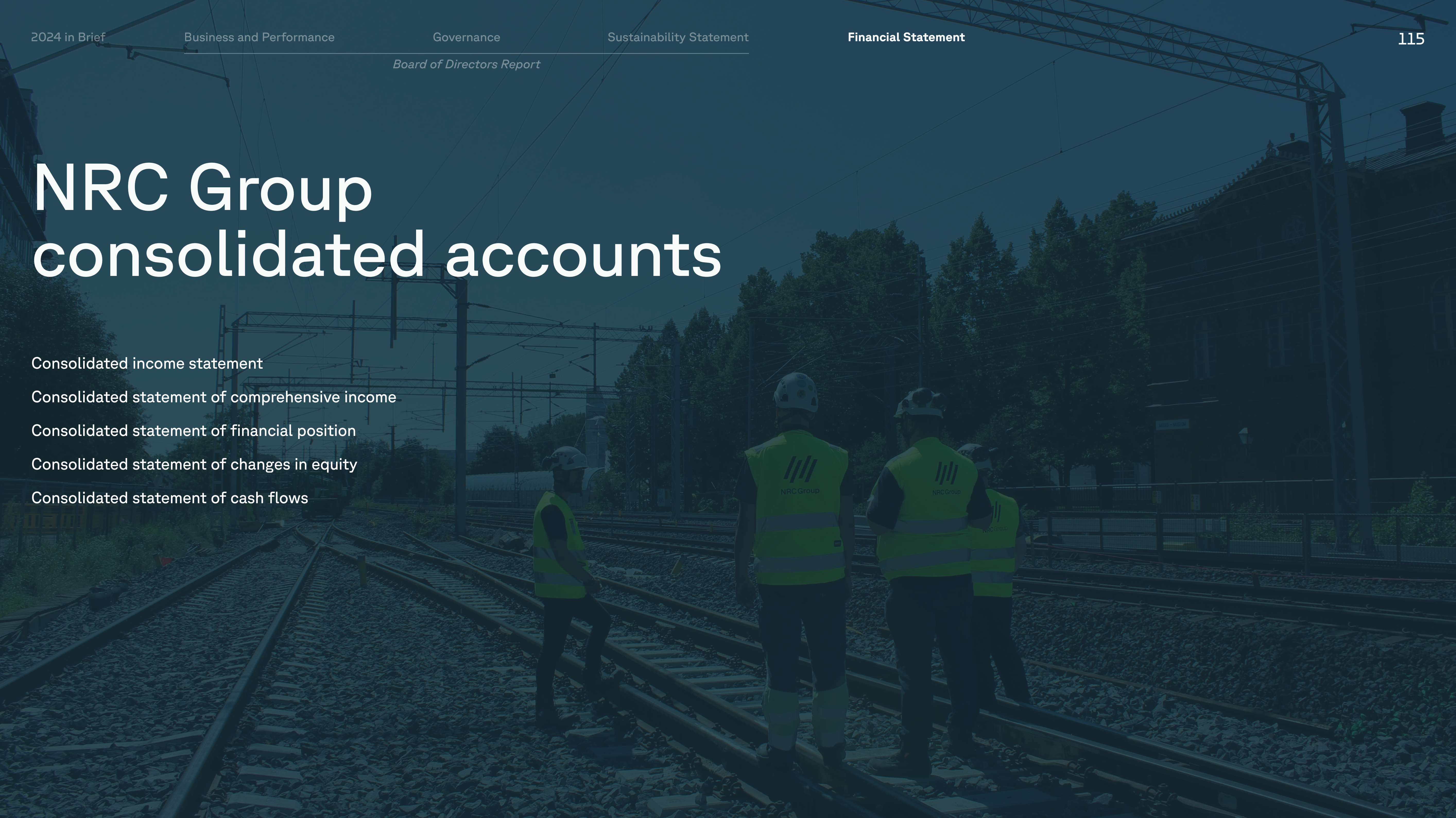
Financial Statements

NRC Group consolidated accounts



Integrated annual report 2024

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Consolidated income statement **NRC Group**

1 JANUARY - 31 DECEMBER

(Amounts in NOK million)	Note	2024	2023
Operating revenue	**4**	**6 892**	**6 732**
Cost of materials and subcontractors		-4 115	-3 807
Salaries and personnel costs	5/6/7	-1 787	-1 778
Depreciation	13/14	-181	-197
Amortisation and impairment	12	-664	-15
Other operating and administrative expenses	8	-888	-815
Other income and expenses	8	-77	-16
Operating profit		**-820**	**105**
Finance income		6	28
Finance expense		-87	-86
Net financial items	**9**	**-81**	**-59**
Share of profit from associates and joint ventures	27	-18	-2
Profit before tax		**-919**	**45**
Tax expense / income (-)	10	81	8
Net profit for the year		**-1 000**	**37**
Profit/loss attributable to:			
Shareholders of the parent		-1 000	38
Non-controlling interests		0	-1
Net profit / loss		**-1 000**	**37**
EARNINGS PER SHARE			
Earnings per share in NOK (ordinary)	11	-10.54	0.52
Earnings per share in NOK (diluted)	11	-10.54	0.51

Consolidated statement of comprehensive income **NRC Group**

1 JANUARY - 31 DECEMBER

(Amounts in NOK million)	Note	2024	2023
Net profit/loss for the year		**-1 000**	**37**
Items that may be reclassified to profit or loss (net of tax):			
Translation differences		38	98
Net gain on hedging instruments	24	8	-17
Items that will not be reclassified to profit or loss (net of tax):			
Net actuarial gain/loss on pension expense	18	0	0
Other comprehensive income		**46**	**81**
Total comprehensive income for the year		**-954**	**118**
Total comprehensive income attributable to:			
Shareholders of the parent		-954	118
Non-controlling interests		0	-1
Total comprehensive profit/loss		**-954**	**118**

Consolidated statement of financial position **NRC Group**

(Amounts in NOK million)	Note	31.12.2024	31.12.2023
ASSETS			
Deferred tax assets	10	37	104
Goodwill	2/12	1 829	2 422
Customer contracts and other intangible assets	2/12	21	31
Total intangible assets		**1 886**	**2 557**
Tangible assets	13	146	170
Right-of-use assets	14	427	542
Other non-current assets	23	3	1
Total non-current assets		**2 462**	**3 270**
Total inventories	25	25	35
Trade receivables	15	1 102	895
Contract assets	4/15	393	379
Other current receivables	15	228	195
Total receivables		**1 723**	**1 468**
Cash and cash equivalents	**16**	**357**	**369**
Assets classified as held for sale	14	36	0
Total current assets		**2 141**	**1 873**
TOTAL ASSETS		**4 603**	**5 143**

(Amounts in NOK million)	Note	31.12.2024	31.12.2023
EQUITY AND LIABILITIES			
Paid-in-capital			
Share capital	17	173	73
Treasury shares		-1	0
Other paid-in capital		1 539	2 323
Other equity			
Translation reserves		185	146
Hedge reserve	24	2	-6
Retained earnings		-188	-107
Total equity		**1 710**	**2 430**
Pension obligations	18	6	9
Interest-bearing non-current liabilities	19	776	913
Other non-current liabilities	23/24	0	7
Total non-current liabilities		**783**	**929**
Interest-bearing current liabilities	19	203	218
Total interest-bearing current liabilities		**203**	**218**
Trade payables		480	572
Contract liabilities	4	536	341
Public fees payable		259	194
Tax payable	10	5	1
Other current liabilities	20/21	591	458
Liabilities directly associated with assets held for sale	14	34	0
Total current liabilities		**2 110**	**1 784**
TOTAL EQUITY AND LIABILITIES		**4 603**	**5 143**

Consolidated statement of changes in equity **NRC Group**

(Amounts in NOK million)	Share capital	Treasury shares	Other paid-in capital	Hedge reserve	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2023	**73**	**0**	**2 323**	**12**	**48**	**-145**	**2 310**	**2**	**2 312**
Profit/loss for the period	-	-	-	-	-	38	38	-1	37
Other comprehensive income	-	-	-	-17	98	0	81	-	81
Employee share program	-	-	3	-	-	-	3	-	3
Share-based payments	-	-	-	-	-	-	0	-	0
Acquisition of treasury shares	-	0	-3	-	-	-	-3	-	-3
Total changes in equity	**0**	**0**	**0**	**-17**	**98**	**38**	**119**	**-1**	**118**
Equity at 31 December 2023	**73**	**0**	**2 323**	**-6**	**146**	**-107**	**2 429**	**0**	**2 430**
Equity at 1 January 2024	**73**	**0**	**2 323**	**-6**	**146**	**-107**	**2 429**	**0**	**2 430**
Profit/loss for the period	-	-	-919	-	-	-81	-1 000	0	-1 000
Other comprehensive income	-	-	-	8	38	-	46	-	46
Increase share capital	100	-	150	-	-	-	250	-	250
Costs related to capital increase	-	-	-14	-	-	-	-14	-	-14
Share-based payments	-	-	3	-	-	-	3	-	3
Acquisition of treasury shares	-	-1	-4	-	-	-	-5	-	-5
Total changes in equity	**100**	**-1**	**-784**	**8**	**38**	**-81**	**-720**	**0**	**-720**
Equity at 31 December 2024	**173**	**-1**	**1 539**	**2**	**185**	**-188**	**1 710**	**0**	**1 710**

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Consolidated statement of cash flows **NRC Group**

1 JANUARY - 31 DECEMBER

(Amounts in NOK million)	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit for the year		-1 000	37
Tax expense	10	81	8
Income taxes paid		-8	3
Net financial items	9	81	59
Gain from disposal of subsidiary	8	0	-40
Depreciation, amortisation and impairment	12/13/14	844	211
Share of loss from associates and joint ventures	27	18	2
Gain from sale of property, plant and equipment	13	-16	-21
Change in trade receivables	15	-207	-130
Change in contract assets and contract liabilities	4	181	132
Change in inventories	26	10	-6
Change in trade payables		-92	68
Change in other accruals and unrealised foreign exchange		138	53
Net cash flow from operating activities		**31**	**376**
Payments for property, plant and equipment	13	-49	-35
Payments for acquisition of subsidiaries, net of cash acquired	2	4	-17
Investments in associates and joint ventures	27	-13	-2
Proceeds from sale of property, plant and equipment	13	60	30
Disposal of companies, net of cash disposed		0	97
Proceeds from sale of shares and other investments		0	17
Net cash flow from investing activities		**3**	**89**

(Continued)

(Amounts in NOK million)	Note	2024	2023
Proceeds from issue of shares		250	0
Proceeds from borrowings		0	400
Transaction expenses		-14	-6
Repayments of borrowings	19	-57	-681
Payments of lease liabilities	19	-164	-184
Interest received	9	6	11
Interest paid	9	-84	-93
Proceeds from sale of treasury shares		0	3
Acquisition of treasury shares		-3	-3
Net cash flow from financing activities		**-67**	**-553**
Net change in cash and cash equivalents		**-33**	**-88**
Cash and cash equivalents as at 1 January		**369**	**472**
Effects of exchange rate changes on cash and cash equivalents		21	-15
Cash and cash equivalents as at 31 December	**16**	**357**	**369**
Hereof presented as:			
Free cash		**357**	**369**
Restricted cash		0	0

Notes to NRC Group accounts

NOTE 1: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

1.1 Corporate information

NRC Group ASA (the Company) including its subsidiaries (the Group) is a specialised infrastructure company in the Nordic region. The Group is a supplier of all rail, harbour and road related infrastructure services, including groundwork, specialised track work, safety, electro, telecom, signalling systems, maintenance and environmental services.

NRC Group ASA is a public limited liability company registered and domiciled in Norway. The office address is Lysaker Torg 25, 1366 Lysaker, Norway. NRC Group is listed on Oslo Stock Exchange (ticker NRC). The Company has subsidiaries in Norway, Sweden and Finland.

The consolidated financial statements for NRC Group ASA were approved by the Board of Directors on 8 April 2025 and forwarded for approval at the annual general meeting on 8 May 2025.

1.2 Significant accounting principles

Accounting policies applied by the Group in the preparation of the consolidated financial statements are largely incorporated into the individual notes. General accounting principles are described below. The principles have been applied identically to the periods presented, unless otherwise stated.

1.2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting standards) as approved by the EU.

These consolidated financial statements have been prepared on the basis of the historical cost principle, except for certain financial instruments and contingent consideration that have been measured at fair value.

The Group uses various alternative performance measures (APM) throughout the consolidated financial statements. The APMs are defined in the section Alternative performance measures and definitions.

1.2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of 31 December 2024. Subsidiaries are companies where the Group has a controlling interest. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A controlling interest is normally achieved when the Group owns, directly or indirectly, more than 50% of the voting shares in the target company. Subsidiaries are consolidated from the point in time when control is transferred to the Group and eliminated from consolidation when such control ends. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill) and liabilities, while any resultant gain or loss is recognised in profit or loss.

1.2.3 Summary of significant accounting policies

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period. Cash or cash equivalents are current unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle, it is held primarily for the purpose of trading, or it is due to be settled within twelve months after the reporting period. The Group classifies all other liabilities as non-current when the Group has a right to defer settlement, unless there is no substance to the right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Foreign currency translation

Functional currency and presentation currency

The accounts of the individual entities in the Group are measured in the currency that is used in the economic area where the Group entities operate (functional currency). The consolidated accounts are presented in Norwegian kroner (NOK), which is both the functional and presentation currency of the parent company.

Transactions and balance sheet items

Transactions involving foreign currencies are translated into the functional currency using the exchange rates that are in effect at the time of the transactions. Foreign currency gains and losses that arise from the payment of such transactions and the translation of monetary items (assets and liabilities) at year-end, at the rates in effect on the balance sheet date, are recognised in the income statement. Currency gains and losses are presented on a net basis as financial income or financial expenses. If the foreign currency position is designated as a hedge of a net investment in a foreign business, any gains or losses are recognised in other comprehensive income.

Translation to presentation currency

In consolidation of the accounts of foreign subsidiaries, the income statement is translated into the presentation currency according to average exchange rates per month. Balance sheet items are translated at the exchange rate in effect on the balance sheet date. Long-term receivables from a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future, are considered a part of the net investment. Translation differences on net investments in foreign operations are recognised in other comprehensive income. When a net investment is disposed of, the related cumulative amount of translation differences is reclassified to profit or loss.

Goodwill and fair value adjustments of assets and liabilities associated with the acquisition of a foreign entity are treated as assets and liabilities in the acquired entity and translated at the rate in effect on the balance sheet date.

Statement of Cash flows
The statement of cash flows is prepared using the indirect method. Acquisitions of subsidiaries are presented as investing activities net of cash in target. Leasing payments under IFRS 16, and interests paid, are presented as part of financing activities.

1.2.4 Changes in accounting policies
The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IASB has issued amendments to IAS 1 that specify requirements for classifying liabilities as current or non-current. The amendments clarify: • What is meant by a right to defer settlement • That a right to defer must exist at the end of the reporting period • That classification is unaffected by the likelihood that an entity will exercise its deferral right • That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendment has resulted in changes to the disclosures in note 19.

The IASB has further amended IFRS 16 – lease liability in a sale and leaseback and IAS 7 and IFRS 7 regarding supplier finance arrangements. These amendments had no impact on the Group's financial statements.

1.3 Material accounting judgements, estimates and assumptions
The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and assumptions are evaluated continuously based on historical experience and other factors, including expectations of future events that are regarded as probable under the current circumstances. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods. The most important areas where estimates and judgements are having an impact are listed below. Detailed information of these estimates and judgements are disclosed in the relevant notes.

Significant estimates and judgements:

- Revenue from contracts with customers (Note 4)
- Impairment test of goodwill (Note 2 and 12)
- Recognition of deferred tax assets (Note 10)

Impacts of the global economy
The direct impact of global events, such as the wars in Ukraine and Gaza, high inflation, increased interest rates, and rising trade barriers, has been limited for the Group. Our business model remains resilient, offering solid protection against increasing material prices. However, activity levels in some segments, particularly within energy and solar parks, are more exposed to macroeconomic trends.

In addition to frequently used index adjustments, customers predominantly assume the risk for sector-specific materials within rail infrastructure. The Group closely monitors developments, including both direct and indirect effects, and actively evaluates measures to mitigate risks in the project portfolio. The volatile global market, combined with increased trade barriers and tariffs on imported goods, may lead to higher procurement costs for certain materials. To address these challenges, the Group works proactively with suppliers and customers to identify alternative sourcing options and ensure cost-efficient project execution.

At the same time, the geopolitical landscape has led to a heightened focus on defence-related infrastructure projects. This development presents new opportunities for the Group, as our expertise in construction and infrastructure aligns well with the needs of the defence sector. The Group is actively exploring projects in this area, leveraging its capabilities to support critical infrastructure expansions while maintaining a balanced risk profile.

Climate risk
NRC Group's activities mainly consist of projects that run over a limited period. The organisation is flexible to adapt to changes and each new project represents a new start. A large part of the Group's activities is to build environmentally friendly infrastructure that is eligible within the EU Taxonomy, as described in the Sustainability section of the Annual report. Climate change mitigation activities increase the marked demand for low-carbon infrastructure and represents an opportunity for the Group which also reduces the risk of significant negative changes in activities and markets due to climate change. There are no legal changes or expected changes in our markets that will have a significant impact on the Group's activities.

NRC Group has operating assets and long-term leases that can be affected by environmental changes. The Group has a large car and machine park - owned and leased - that is gradually meeting new environmental requirements. Expected useful life and planned replacement rate for these assets are considered adaptable to the expected changes. The Group is already in the process of increasing the proportion of electrified machines and has also invested significantly in heavier vehicles that can run on biogas. Our largest tamping machines are rail-based and associated with environmentally friendly projects and are not expected to be adversely affected by climate change other than normal maintenance and adaptations. The Group has no significant machines or facilities (stranded assets) that could be affected by climate change. The Haapamäki facility uses the hazardous material creosote in the production process. Creosote has been approved used in the EU only until 2029. The carrying value and estimated closure costs of the plant are insignificant.

There are no specific climate risks beyond normal project risks associated with the business that significantly can affect the impairment calculations. Significant changes because of climate risk have consequently not been necessary to include in the calculations.

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NOTE 2: BUSINESS COMBINATIONS

Accounting policy

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the fair value of the assets that are contributed as consideration for the acquisition, equity instruments that are issued and liabilities that are assumed. Identifiable acquired assets, liabilities and contingent liabilities that are assumed to be inherent in a business combination are assessed at their fair value. For each business combination, the Group elects whether to measure any non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Direct expenses associated with the acquisition are expensed when they incur and presented as Other income and expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes that are a result of additional information the Group obtained after that date about facts and circumstances that existed at the acquisition date are measurement period adjustments that will adjust the purchase price allocation until this is final but no later than 12 months after the acquisition day. Other changes resulting from events after the acquisition day, such as meeting earning targets, will be accounted for as follows:

- Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.
- Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9 and presented as Other income and expenses.

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination.

Business combinations in 2024
The Group had no business combinations in 2024. A net cash inflow of NOK 4 million in 2024 is related to prior year acquisitions.

Business combinations in 2023
The Group had no business combinations in 2023. A net cash inflow of NOK 7 million in 2023 is related to prior year acquisitions.

NOTE 3: SEGMENT REPORTING

Accounting policy

Segments are reported in the same manner as the internal financial reporting to the Group's chief operating decision-maker, defined as the executive management and the Board of Directors. The internal financial operating result reporting follows current IFRS standards as described in these notes to the Group accounts, except for Adjusting items (explained in the APM section). These income and expenses can vary significantly from period to period and are excluded in the internal financial reporting to improve the analysis of the underlying operations across periods and operating segments. The Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments. Transfer pricing between operating segments is on an arm's length basis in a manner similar to transactions with third parties.

The Group is a contractor connected to public transportation, including rail, harbour and road related infrastructure. For management purposes, the Group is organised in divisions and operating segments based on geographical areas that include Norway, Finland and Sweden. In each operating segment the Group can provide services and products such as rail construction, rail maintenance, civil construction, environmental services and sale of materials.

Customers that aggregate 10% or more of the Group's total revenues are disclosed in the table below:

		Share of segment revenue		Share of Group revenue	
Customer	Segment	2024	2023	2024	2023
Trafikverket	Sweden	84%	77%	26%	21%
Finnish Transport and Infrastructure Agency	Finland	54%	60%	22%	24%
Bane NOR	Norway	49%	59%	16%	19%

Amounts in NOK million	Norway operations		Sweden operations		Finland operations		Others and eliminations		Consolidated	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
External	2,230	2,401	1,879	1,578	2,782	2,753	0	0	6,892	6,732
Inter-segment	-214	-265	242	299	0	0	-28	-33	0	0
Total revenue	**2,016**	**2,136**	**2,122**	**1,877**	**2,782**	**2,753**	**-28**	**-33**	**6,892**	**6,732**
EBITDA adj.	**35**	**184**	**7**	**43**	**117**	**142**	**-57**	**-37**	**102**	**332**
Depreciation	85	103	37	39	58	54	1	1	181	197
EBITA adj.	**-50**	**81**	**-30**	**4**	**59**	**88**	**-58**	**-38**	**-79**	**135**
Amortisation of IT software	0	0	4	4	10	10	0	0	14	15
EBIT adj.	**-50**	**81**	**-33**	**0**	**49**	**78**	**-58**	**-38**	**-93**	**121**
Impairment	150	0	0	0	500	0	0	0	650	0
Other adjusting items	74	-36	-4	56	7	-5	0	0	77	16
Operating profit	**-274**	**116**	**-30**	**-56**	**-458**	**83**	**-58**	**-38**	**-820**	**105**
Current assets	608	515	494	412	1,339	1,216	-301	-271	2,141	1,873
Non-Current assets	867	1,132	442	442	1,133	1,604	20	91	2,462	3,270
Total assets	**1,475**	**1,647**	**936**	**854**	**2,472**	**2,821**	**-281**	**-180**	**4,603**	**5,143**
Current liabilities	910	688	475	392	1,424	1,254	-699	-551	2,110	1,783
Non-current liabilities	155	260	47	35	191	261	390	373	783	929
Total liabilities	**1,065**	**948**	**522**	**427**	**1,615**	**1,515**	**-309**	**-179**	**2,893**	**2,712**
Order backlog	1,462	1,537	2,873	2,933	3,636	2,470			7,971	6,940

Others and eliminations include activities in the Company and other holding companies as well as elimination of inter-segment revenues and expenses.

Amounts in NOK million	Parent and holding companies		Eliminations		Others and eliminations	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
External	0	0			0	0
Inter-segment	17	17	-46	-50	-28	-33
Total revenue	**17**	**17**	**-46**	**-50**	**-28**	**-33**
EBITDA adj.	**-57**	**-37**	**0**	**0**	**-57**	**-37**
Depreciation	**1**	**1**	**0**	**0**	**1**	**1**
EBITA adj	**-58**	**-38**	**0**	**0**	**-58**	**-38**
Amortisation of IT software investments	0	0	0	0	0	0
EBIT adj.	**-58**	**-38**	**0**	**0**	**-58**	**-38**
Impairment	0	0	0	0	0	0
Other adjusting items	0	0	0	0	0	0
Operating profit [EBIT]	**-58**	**-38**	**0**	**0**	**-58**	**-38**

Assets and liabilities are shown gross per segment and eliminations are shown separately. The aggregated information on Others and eliminations consists of the following:

Amounts in NOK million	Parent and holding companies		Eliminations		Others and eliminations	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Current assets	1,703	1,523	-2,004	-1,794	-301	-271
Non-current assets	148	271	-127	-180	20	91
Total assets	**1,851**	**1,794**	**-2,132**	**-1,973**	**-281**	**-180**
Current liabilities	1,306	1,243	-2,005	-1,794	-699	-551
Non-current liabilities	517	552	-127	-180	390	373
Total liabilities	**1,824**	**1,795**	**-2,133**	**-1,973**	**-309**	**-179**

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NOTE 4: REVENUES AND PROJECTS IN PROGRESS

Accounting policy

The Group's revenues mainly consist of contracts with customers that vary from shorter projects of less than a month, to longer projects running over multiple years. All projects are accounted for as contracts with customers, applying IFRS 15 Revenue from contracts with customers. The Group accounts for a contract with a customer when the contract is approved, each party's rights are identified including the payment terms, the contract has commercial substance, and it is probable (internally interpreted as above 75% probability) that the Group will collect the consideration.

Revenue recognised over time
For a major part of the contracts with customers, the criteria for recognising revenue over time have been met as the project either creates an asset that the customer controls as the asset is created or the asset created does not have an alternative use and the Group has an enforceable right to payment for performance completed to date.

The transaction price is the contractual agreed price. Any variable consideration is estimated based on the sum of probability-weighted amounts or the single most likely outcome, depending on which method better predicts the amount of consideration, and is consistently applied throughout the contract.

For a performance obligation that is satisfied over time, revenue is recognised over time by measuring the cost passed in relation to full satisfaction of the obligation. The Group applies the input method which is used consistently for similar performance obligations and under similar circumstances. Using the input method, revenue is recognised based on the entity's input in fulfilling the performance obligation (e.g. contract costs incurred, resources consumed, hours expended) in relation to the total expected input to fulfil the performance obligation. The value and pricing of the Group's services are founded on the different resources consumed, and consequently the input method best reflects the revenue recognition of the transfer of goods and services. Most contracts of the Group consist of one performance obligation. For contracts where performance obligations are not satisfied over time, revenue is recognised on delivery or upon completion of the services.

The aggregated amount of project revenue incurred to date, less progress billings, is determined on a project-by-project basis. The contracts where this amount is positive are presented in the balance sheet as contract assets, whereas the contracts where the amount is negative (prepayments) are presented as contract liabilities. Contract assets are the Group's right to consideration in exchange for goods or services that the entity has transferred to a customer. Unconditional rights to considerations based on the agreement are invoiced and presented separately as a receivable. Contract assets and receivables are considered for impairment in accordance with IFRS 9. A contract liability is when the Group has received prepayments or has an unconditional right to consideration before the Group has transferred goods or services to the customer.

A contract modification is the change in scope and/or price of a contract and both parties have approved a modification that either created new or changes existing enforceable rights and obligations of the parties. A contract modification may exist even though there is a dispute about the scope and/or price of the modification, or the parties have approved a change in the scope of the contract but have not yet determined the corresponding change in price. The contract modification is accounted for as a separate contract, if the scope of the contract increases due to distinct goods or services and the price increase reflects the stand-alone selling price, or as part of the original contract.

Contract costs are costs to fulfil the contract and incremental costs of obtaining a contract. These are costs directly related to the contract assuming the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future and are expected to be recovered. Costs directly connected to the contract include direct materials, direct labour, subcontractors, allocated indirect costs and costs explicitly chargeable. Incremental cost of obtaining a contract that is expected to be recovered and that would not incur if the contract had not been obtained, is capitalised and amortised as a contract cost. Cost of wasted materials, labour or other resources to fulfil the contract that is not reflected in the price of the contract, is expensed as it occurs.

When it is probable that the total contract costs of meeting the obligations will exceed total contract revenue, the expected loss is recognised as an expense immediately according to IAS 37, considering both the incremental costs and allocation of other costs directly related to fulfilling the contract. An impairment loss is recognised for any contract assets or accounts receivable related to the contract before a separate provision is made.

Payment terms are contractually agreed and invoicing normally follows the progress of the projects either by a fixed estimated progress or based on actual progress as defined in the contract. Under certain contracts a portion of up to 10% of the contract value is withheld by the customer until final approval of the delivery. Upon invoicing, the payment terms would normally be within 15 to 45 days.

Other revenues
The Group has a limited number of other sales transactions such as sale of materials, sale of equipment and machines closely related to the main operations of the group or sale of services. Revenues from these transactions are recognised at the point of time when control of any asset is transferred to the customer, or the service is provided. Delivery of assets can be from stock, from a construction site or at the customer's location. The normal payment term is 15 to 45 days upon delivery.

Warranties
The Group generally provides for warranties for general repairs and does not provide extended warranties in its contracts with customers. As such, existing warranties are assurance-type warranties under IFRS 15, which are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

NOTE 4: REVENUES AND PROJECTS IN PROGRESS (continued)

Significant judgement and estimation uncertainty

The Group's business mainly consists of execution of projects. The complexity and scope of the project portfolio come with an inherent risk that the actual results may differ from expected results. The Group recognises revenue over time using contract costs incurred, resources consumed, or hours spent in relation to the total expected input to fulfil the performance obligation. For projects in progress, the uncertainty is mainly linked to the estimate of total expenses, the estimate of any variable proceeds, value of any project modifications being recognised and the impact of any disputes or contractual disagreements. As of 31 December 2024, the Group has recognised a total of NOK 20,143 million (2023: NOK 18,834 million) in accumulated revenue to date on projects in progress at year-end.

Amounts in NOK million	2024	2023
Contract revenue recognised over time	6,335	6,224
Other revenue	558	508
Total revenue	**6,892**	**6,732**
Revenue from public customers	5,738	5,526
Revenue from private customers	1,154	1,206
Total revenue	**6,892**	**6,732**

Total revenue by nature of business by segment

Amounts in NOK million	Norway		Sweden		Finland		Eliminations		Total revenue	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Rail construction	804	1,006	1,269	1,130	1,607	1,670	-28	-33	3,652	3,806
Rail maintenance	0	0	918	622	634	618	0	0	1,552	1,240
Civil construction	532	414	0	169	0	0	0	0	532	583
Environment	782	773	0	0	0	0	0	0	782	773
Materials	0	0	0	0	524	450	0	0	524	450
Other and eliminations	-101	-56	-65	-44	18	15	0	0	-148	-119
Consolidated revenue	**2,016**	**2,136**	**2,122**	**1,877**	**2,782**	**2,753**	**-28**	**-33**	**6,892**	**6,732**
Revenue from public customers	1,1533	1,370	1,844	1,682	2,377	2,485	-15	-11	5,738	5,526
Revenue from private costumers	483	766	278	194	406	268	-13	-22	1,154	1,206

Projects in progress at year-end

Amounts in NOK million	2024	2023
Contract costs plus profit less losses to date	20,142	18,834
Less progress billings including advances	20,285	18,796
Work in progress, net	**-143**	**38**
Gross amounts due to customers for contract work (contract liabilities)	536	341
Gross amounts due from customers for contract work (contract assets)	393	379
Total contract value, ongoing contracts	26,832	25,036
Accumulated revenue recognised at year-end	20,142	18,834
Revenues not recognised	6,690	6,410
Expected to be recognised next 12 months	3,634	3,775
Expected to be recognised later	3,056	2,635
Other information	**2024**	**2023**
Billed amounts retained by customers	152	7
Provision for loss-making projects	47	5
Remaining revenue on loss-making projects	396	44
Order backlog, ongoing projects	6,690	6,410
Order backlog, projects not started	1,281	530
Total order backlog	**7,971**	**6,940**
Expected to be recognised next year	**3,634**	3,775
Expected to be recognised two years	1,778	1,565
Expected to be recognised in three years or later	2,558	1,600

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NOTE 5: SALARIES AND PERSONNEL COSTS

Amounts in NOK million	2024	2023
Salaries	1,391	1,361
Social security taxes	201	198
Pension expenses	172	166
Other personnel costs	25	54
Total	**1,788**	**1,778**
Full time equivalent employees	1,711	1,808

NOTE 6: EXECUTIVE PERSONNEL

Compensation to executive personnel and Board of Directors

Amounts in NOK million	2024	2023
Short-term employee benefits	25	24
Post-employment benefits	2	2
Share-based compensation	0	1
Remuneration Board of Directors	3	3
Total compensation to executive personnel	**30**	**30**

More detailed information on the compensation to the Group's directors including executive personnel as well as members of the Board of Directors is provided in a separate remuneration report prepared in accordance with the Norwegian Public Limited Liability Companies Act § 6-16b. The report for the financial year 2024 will be published on the Group's website subsequent to the general assembly.

NOTE 7: SHARE-BASED PAYMENTS

Accounting policy

Employees (including senior executives) of the Group receive remuneration in the form of share- based payments, whereby employees render services as consideration for equity instruments (equity- settled transactions). The sale of shares to employees at less than market price is accounted for by recognising the difference between the market value of the shares and the purchase price as a payroll expense.

The cost of equity-settled transactions is determined by the fair value of the option at the date when the grant is made. A Binominal model and the Black-Scholes model are used for the valuation. The cost related to the option is reported over the period in which the employees earn the right to receive the options. Option costs are reported as payroll expenses and offset as an increase in equity. A provision based on the accrued amount is made for employer's social security contribution to share option programmes linked to the difference between the issue price and the market price of the share at year end.

The expenses recognised for equity-settled share-based payment transactions for employee services received during the year are shown in the following table:

Amounts in NOK million	2024	2023
Senior Management Share Option Plan	0.2	0.6
Key Employee Share Option Programme	0.9	1.3
General Employee Share Programme	1.0	0.8
Total	**2.1**	**2.8**

General Employee Share Programme
During 2024 and same as in 2023, the Group gave employees the opportunity to purchase a certain number of shares at 20% discount to the trading price at exercise. The discount is recorded as salaries. In December 2024, a total of 816,941 shares were agreed sold under this offer with a total discount of approximately NOK 0.9 million before social security tax. All the shares were treasury shares and were transferred to employees in January 2025.

Senior Management Share Option Plan
On 12 May 2016, the Company's Annual General Meeting approved implementation of a share option programme for senior management. On the Annual General Meeting 4 May 2023, the option programme for senior management was renewed for two more years, comprising in total 1,500,000 shares. The Board of Directors are authorised to increase the share capital and to determine the subscription price and other subscription terms.

NOTE 7: SHARE-BASED PAYMENTS (continued)

Options are awarded based on the Group's achievements of certain quantitative and qualitative goals determined by the Board of Directors. The options are vested over a period of three years, with 1/3 of the aggregate number each year. Options that are not exercised during, or on the date of final expiry of the vesting period, lapse without compensation to its holder. For 400,000 options granted in Q4 2024 the vesting period ends 1 January 2028 with a subsequent exercise period of 1 year.

At year-end, a total of 602,000 options were outstanding in connection with the Senior Management Option programme. 460,000 new options were formally granted, no options were exercised, and 259,000 options were forfeited during 2024. The weighted average exercise price of the remaining 602,000 options is NOK 8.0. 101,000 of the options expire in March 2025.

There were no settlement, cancellations, or modifications to the awards in 2024. Vesting condition is full time employment. The expense is accrued for over the service period for each group of options.

Share option programme for key employees
On 19 April 2018, the Company's Annual General Meeting approved implementation of a share option programme for key employees. The Annual General Meeting 8 May 2024 granted the authorisation to increase the share capital by up to NOK 1,200,000 in connection with this option programme. The authorisation is valid for a period of two years until 8 May 2026. The Board of Directors is authorised to increase the share capital and to determine the subscription price and other subscription terms. At year-end, 1,263,000 options were outstanding related to the key employee programs in total.

As per year-end, no options are outstanding in connection with the option programs from 2020 and 2021 as 248,000 and 5,000 options respectively were forfeited or cancelled in 2024.

As per year-end, a total of 388,000 options are outstanding in connection with the option programme from 2022. The options can be exercised over a period of 12 months from 1 July 2025 at a strike price of NOK 18.64. The strike price will be adjusted for any dividends paid from the time of the establishment of the programme until the options are exercised. The employees paid NOK 1 for each option. 157,500 options were forfeited during 2024 due to vesting conditions not being satisfied.

As per year-end a total of 875,000 options are outstanding in connection with the option programme from granted in Q4 2024. The options vest over three years until 1 January 2028 with a subsequent exercise period of 1 year and with a strike price of NOK 3.46.

There were no settlement, cancellations, or modifications to the awards in 2024. Vesting condition is full time employment. The expense is accrued for over the service period for each group of options.

The following table summarises the number and weighted average exercise prices (WAEP) of share options for all existing plans during the year, including any movements:

	2024 number	2024 WAEP	2023 number	2023 WAEP
Outstanding at 1 January	1,199,500	20.8	1,459,500	20.9
Granted during the year	1,335,000	3.7	150,000	20.0
Exercised during the year	0	0	0	0
Expired during the year	-350,000	25.0	0	0
Forfeited during the year	-319,500	19.0	-410,000	20.8
Outstanding at 31 December	1,865,000	8.1	1,199,500	20.8
Exercisable at 31 December	541,333	18.4	466,333	20.6

WAEP will be adjusted for any dividend in the period from grant to exercise.

The weighted average remaining contractual life for the share options outstanding as of 31 December 2024 was 3.15 years (2023: 3.0 years).

The weighted average fair value of options granted during the year was NOK 1.4 per option. Total value of these options aggregated NOK 1.8 million to be allocated over the service period assumed in the option programme.

The range of exercise prices for options outstanding at the end of the year was NOK 3.46 to NOK 20.04 (2023: NOK 17.70 to NOK 27.87), before any adjustment for future dividends.

The following tables list the inputs to the models used for all existing plans:

	2024	2023
Weighted average fair values at the measurement date	2.20	6.78
Expected volatility (%)	50.0%	50.0
Risk–free interest rate (%)	3.72%	4.73
Expected life of share options, months	12-48	12-41
Weighted average share price	10.28	27.57
Model used	*Binominal and Black Scholes*	*Binominal and Black Scholes*

Dividend is not considered as the strike price will be adjusted for any dividends paid from the time of the establishment of the programme until options are exercised. Expected volatility is based on actual volatility 36 months back in time.

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NOTE 8: OTHER OPERATING AND ADMINISTRATIVE EXPENSES

Amounts in NOK million	2024	2023
Travel expenses	92	84
Rent and other office expenses	107	108
External services	63	40
Expenses related to machinery, cars & equipment	459	416
Other operating and administrative expenses	167	168
Total	**888**	**815**

Accounting policy

Income and expenses of a special nature are presented on a separate line within operating profit (loss). Such items are characterised by being transactions and events not being reliable indicators of underlying operations. Other income and expenses consist of merger and acquisition expenses (income), including subsequent adjustment of contingent considerations or other subsequent adjustments of final purchase price allocation in business combinations that are recognised in profit or loss, and close-down costs, restructuring costs, and gains or losses arising from the divestments of a business or part of a business.

Other income and expenses

	2024	2023
Gain from sale of Gravco	0	-40
M&A expenses/income (-)	-4	-7
Restructuring recycling and demolition business	74	21
Restructuring items, other	7	0
Write-down operations to be discontinued	0	43
Total other income and expenses	**77**	**16**

Other income and expenses in 2024 consist of M&A income of NOK 4 million related to previous years' acquisitions, NOK 74 million from the restructuring of NRC Kept which includes losses in relation to disposal of one department within this unit. Also NOK 7 million in the Finland segment relating to certain restructuring activities was recognised.

Other income and expenses in 2023 consist of a net gain of NOK 40 million from the disposal of the Gravco business unit completed in Q1 2023, M&A income of NOK 7 million related to previous years' acquisitions, and restructuring cost of NOK 21 million mainly related to the demolition and recycling business and management changes in Sweden. Finally, other income and expenses consist of NOK 43 million in write-downs related to the discontinuation of the Civil business in Sweden from Q1 2023.

Compensation to auditors

Amounts in NOK million	2024	2023
Statutory audit fees	5.6	4.7
Other assurance engagements including CSRD	1.1	0.0
Tax related services	0.0	0.0
Other services	0.2	0.1
Total	**6.9**	**4.8**

EY was the Group's auditor for 2024 and 2023. The amounts are reported exclusive of VAT.

NOTE 9: FINANCIAL INCOME AND EXPENSES

Amounts in NOK million	2024	2023
Interest income	6	11
Interest expenses	-84	-85
Net foreign currency gains/(losses)	0	1
Net other financial expenses	-3	15
Net financial items	**-81**	**-59**

NOTE 10: TAXES

Accounting policy

The tax expense in the income statement consists of the tax payable for the period and the change in deferred tax. Tax is usually recognised in the income statement, except when it is related to items that are recognised in other comprehensive income, in discontinued operations or directly in equity, that also include the tax effect of those relevant transactions.

The tax expense is calculated in accordance with the tax laws and regulations that have, or have essentially, been enacted by the tax authorities on the date of the balance sheet. It is the legislation in the countries where the Group's subsidiaries operate and generate taxable income that determine how the taxable income is calculated.

Deferred tax is calculated for all temporary differences between tax values and carrying values of assets and liabilities. Deferred tax is determined by means of the tax rates and tax laws that have been enacted or substantially enacted on the balance sheet date, which are assumed to apply when the deferred tax asset is realised or when the deferred tax is settled.

Deferred tax is not calculated for temporary differences from investments, except when the Group cannot control the timing of the reversal of the temporary differences, and it is probable that these will be reversed in the foreseeable future.

Deferred tax assets are also recognised for unused tax losses and unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit or deferred tax liabilities will be available against which the unused tax losses and unused tax credits can be utilised. The deferred tax assets are recognised to the extent it is probable that they can be utilised based on forecasts and projections within a reasonable period of time.

In the balance sheet, deferred taxes are reported net if the Group has a legal right to offset deferred tax assets against deferred taxes and if the deferred taxes are owed to the same tax authority.

The Group has consolidated revenue below EUR 750 million and the Pillar two model rules published by the OECD are therefore not applicable for 2023 or 2024.

Significant judgement and estimation uncertainty

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that deferred tax liability or taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning optimisation. Net deferred tax assets of NOK 79 million in Norway have been written down in 2024 as it is not considered probable that these assets can be utilised against future taxable profits in the short term. NOK 22 million in Sweden and NOK 15 million in Finland have been recognised as it is assumed probable that they can be utilised against future taxable profit based on forecasts and projections.

Amounts in NOK million	2024	2023
Deferred tax relates to the following:		
Property, plant and equipment	-10	-12
Right-of use assets	-99	-116
Net contract assets/receivables	-17	-21
Tax allocation reserve, Sweden	-1	-1
Tax losses carried forward	301	258
Lease liabilities	94	108
Pensions	9	3
Other temporary differences	25	**14**
Total deferred tax assets/ liabilities (-)	**302**	**234**
Deferred tax assets not recognised	-265	-130
Net deferred tax assets/ liabilities (-)	37	103
Reflected in the consolidated balance sheet as follows:		
Deferred tax assets	37	103
Deferred tax liabilities	0	0
Net deferred tax assets/ liabilities (-)	37	103

Reconciliation of net deferred tax assets/ liabilities (-)	**2024**	**2023**
As of 1 January	103	97
Tax income/ expense (-) during the period	-66	-6
Tax income/ expense (-) during the period, recognised in OCI	-2	5
Effect of foreign currency translation	1	1
Other	1	6
As of 31 December	**37**	**103**

NOTE 10: TAXES (continued)

Norway has suffered pre-tax losses in recent years. Net deferred tax assets of NOK 79 million in Norway have been written down in 2024 as it is not considered probable that these assets can be utilised against future taxable profits in the short term. Based on management's assessment of future taxable profit and future tax optimisation, total deferred tax assets of NOK 120 million (2023: NOK 0 mill) in Norway have not been recognised.

Sweden has suffered pre-tax losses recent years. Several measures have been implemented to restore profitability, and the improvement programs initiated have yielded improved results for the core divisions including Rail construction and Rail maintenance. The order backlog for coming years, a strong and interesting tender pipeline, and continued improved project control and tender processes, are expected to drive her improvements going forward.

Based on management's assessment of future taxable profit and future tax optimisation, total deferred tax assets of NOK 145 million (2023: NOK 130 mill) in Sweden have not been recognised. No expenses related to non-recognised deferred tax asset have been recognised in 2023 or 2024.

The Group has total tax losses carried forward of NOK 610 million in Norway (2023: NOK 482 million) and NOK 804 million in Sweden (2023: NOK 740 million), that can be used to reduce future tax payments. There are no restrictions on the Group's ability to carry forward the tax losses.

The major components of income tax expense are:

Amounts in NOK million	2024	2023
Current income tax charge	15	2
Change in deferred tax	66	6
Tax expense/ income (-)	**81**	**8**
Tax related to other comprehensive income:		
Items that may be reclassified to profit and loss	2	-5
Items that will not be reclassified to profit and loss	0	0
Tax expense/ income (-) included in OCI	2	-5

Reconciliation of tax expense and accounting profit:	2024	2023
Net income/ loss (-) before tax from continuing operations	-919	45
Estimated tax on income before tax	-197	9
Effect of permanent differences	147	-4
Effect of tax assets being (-)/ not being recognised	132	0
Other	-1	2
Income tax expense/ income (-)	**81**	**8**

The tax rates for Norway, Sweden and Finland are 22%, 20.6% and 20%, unchanged from 2024. No changes in tax rates are expected for 2025.

NOTE 11: EARNINGS AND DILUTED EARNINGS PER SHARE

The earnings per share are calculated by dividing the profit/loss for the year with the weighted average of ordinary shares issued throughout the year, less the Company's own shares. For the movement in the share capital of the Company see note 17.

	2024	2023
Earnings per share (ordinary), NOK	-10.54	0.52
Profit/loss for the year, NOK million	-1,000	38
Weighted average externally owned shares	94,901,877	72,825,920
Effect of dilution from share options	**976,766**	**1,485,200**
Weighted average externally owned shares adjusted for dilution	**95,878,643**	**74,311,119**
Earnings per share (diluted)	-10.54	0.51

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NOTE 12: INTANGIBLE ASSETS

Accounting policy

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is subject to minimum annual impairment testing.

Intangible assets are recognised at cost less accumulated amortisation and impairment loss. Intangible assets are recognised when they are identifiable, controlled and provide future economic benefits for the entity. The assets are initially measured at cost and amortised on a straight-line basis over the expected useful life of the asset, normally 3-5 years. The cost of an intangible asset includes costs that are directly attributable to the procurement of the assets.

Customer contracts, customer relationships, licenses and other intangible assets acquired as part of a business combination are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated useful lives based on the timing of projected cash flows, normally 1-4 years, depending on the type of assets. Intangible assets with indefinite useful life are subject to minimum annual impairment testing.

Impairment considerations
Goodwill is recognised separately as an intangible asset and is tested for impairment annually and whenever there is indication that the goodwill may be impaired. The annual testing is performed towards the end of the financial year. For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units (CGU) expected to benefit from synergies arising from the business combination. An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use. The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

Intangible assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Significant judgement and estimation uncertainty

The Group performs annual tests to assess the impairment of goodwill, or more frequently if there is an indication of impairment. The NRC Group's share price development and operating losses in Norway and Sweden and declining profitability in Finland are impairment indicators being considered as part of the test. These indicators required the Group to perform an impairment test as of 30 June 2024. As a result of the test goodwill was impaired with NOK 500 million in the Finland segment and NOK 150 million in the Norway segment. Goodwill had a carrying amount at 30 June 2024 of NOK 2,440 million before impairment. In the impairment test the carrying amount is measured against the recoverable amount of the cash-generating unit to which the asset is allocated. The recoverable amount of cash generating units is determined by calculating its value in use. These calculations require the use of assumptions and estimates related to future cash flows and discount rate. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future net cash-inflows and the growth rate used for extrapolation purposes. The current headroom of approximately NOK 30 million, SEK 460 million and EUR 3 million are most sensitive to the discount rate and the estimated future project and EBIT margin.

Climate risk
Expected or reasonably possible climate and environmental changes and regulatory responses to such changes have been considered in input to the impairment testing of goodwill. In the short term the response to climate change primarily represents an opportunity for the Group. Climate-related matters can affect future cash flows, the value of the assets being tested and the expected useful life of these. Any consequences of this are considered in the impairment test of goodwill. No material such effects were identified related to the impairment test in 2024 or 2023.

Goodwill and other intangible assets:

Amounts in NOK million	Goodwill	Other intangible assets
Carrying amount as at 01/01/2024	**2,422**	**31**
Translation differences	58	1
Additions	0	2
Amortisation for the year	0	-14
Impairment for the year	-650	0
Carrying amount as at 31/12/2024	**1,829**	**21**
Acquisition cost	2,876	238
Accumulated amortisation	0	-208
Accumulated impairment	-1,047	-6
Carrying amount as at 31/12/2024	**1,829**	**21**

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NOTE 12: INTANGIBLE ASSETS (continued)

Other intangible assets partly consist of customer contracts, customer relationships, IT licenses and IT software capitalised as part of the purchase price allocation of acquisitions. Further, it consists of capitalised software development expenses and capitalised pre-contract expenses. Other intangible assets are amortised over the expected useful life of 1 – 5 years.

Amounts in NOK million	Goodwill	Other intangible assets
Carrying amount as at 01/01/2023	**2,364**	**32**
Translation differences	105	2
Additions and adjustments	0	12
Disposals	-48	0
Amortisation for the year	0	-15
Impairment for the year	0	0
Carrying amount as at 31/12/2023	**2,422**	**31**
Acquisition cost	2,774	278
Accumulated amortisation	0	-241
Accumulated impairment	-352	-6
Carrying amount as at 31/12/2023	**2,422**	**31**

Allocation of goodwill to cash generating units
The Group has allocated goodwill to each cash generating unit which corresponds to the geographical areas of the business units acquired, and each is considered to be significant. The carrying amount of goodwill is as follows:

	2024	2023
Norway	577	727
Sweden	278	273
Finland	975	1,422
Total	**1,829**	**2,422**

The Group has made several acquisitions over the past years. These businesses are all within the existing business segments and they strengthen the Group's overall capabilities to undertake additional, larger and more complex projects. There is an ongoing process of reorganising the acquired companies. The business units acquired do no longer have cash inflows independent from other group companies or operations, and the expected benefit of the synergies from the combinations will be on country rather than company level. Due to this, the smallest group of assets generating cash inflows largely independent of cash inflows from other assets or group of assets, are the geographical areas Norway, Sweden and Finland respectively.

Impairment tests of goodwill and other intangible assets
The Group performs its annual impairment tests in the fourth quarter. Tests are carried out by comparing recoverable amount with carrying amount of the units to which goodwill is allocated. The recoverable amount is calculated based on the discounted estimated future cash flows before tax with the relevant discount rate (WACC).

If indicators of potential impairment are present the Group will also impairment test intra-year. As part of identifying potential indicators of impairment, the Group considers among other things the relationship between its market capitalisation and carrying amounts.

During 2024, NRC Group's negative share price development, operating losses in Norway and Sweden and negative profitability development in Finland were impairment indicators which triggered impairment tests.

In Q2 2024, an impairment charge of EUR 44 million (NOK 500 million) was recognised in the Finland segment. The adjustment was a consequence of recent periods negative profitability development in the segment and lower current hit rate due to an increasingly competitive market, in addition to IFRS requirements. Restoring profitability in Finland is one of the main priorities for the Group. Measures to improve performance have been identified with ongoing implementation, including optimising the machine fleet, reducing costs, improving resource planning, enhancing project management and risk evaluation processes and restructuring two of the divisions.

The assumptions applied for the Q2 impairment testing of goodwill in Finland was a pre-tax discount rate of 10.6%, an EBIT margin of 3.2% in the terminal year, and a terminal growth of 2.0%. Small negative changes to the assumptions in the impairment model would lead to further impairment charges. An increase in the discount rate of 1.0% would lead to further impairment of EUR 12 million, while a terminal growth of zero would lead to an impairment of EUR 5 million. A decrease in the project or EBIT margin of 0.5 percentage points in the terminal year would lead to an additional impairment loss of EUR 12 million.

In Q2 2024, an impairment charge of NOK 150 million was recognised in the Norway segment. The adjustment reflects short-term negative profitability development and reduced activity in the demolition and recycling business (NRC Kept).

The assumptions applied for Q2 impairment testing of goodwill in Norway was a pre-tax discount rate of 11.6%, an EBIT margin of 3.2% in the terminal year, and a terminal growth of 2.0%. Small negative changes to the assumptions in the impairment model would lead to further impairment charges. An increase in the discount rate of 1.0% would lead to further impairment of NOK 111 million, while a terminal growth of zero would lead to an impairment of NOK 32 million. A decrease in the project or EBIT margin of 0.5 percentage points in the terminal year would lead to an additional impairment loss of NOK 96 million.

The goodwill in the Sweden segment was impaired in 2022. There were no indications that the carrying value of NOK 281 million in this segment is impaired.

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NOTE 12: INTANGIBLE ASSETS (continued)

In the annual impairment test carried out in December 2024 the estimated cash flows for the years 2025 – 2028 are based on projections that the Group deems to be conservative. Revenue growths in average per year used in the impairment tests were 2.2% in Norway, 1.8% in Sweden and 1.7% in Finland. The revenue growth assumptions are supported by the current order backlog and external information such as the tender pipeline and the national transport plan in each country. Terminal EBIT-margins are 3.3% in Norway, 2.6% in Sweden and 2.9% in Finland. These margins are significantly lower than the Group's communicated 2028-target, due to the inherent conservativeness of the impairment calculations.

The discount rate before tax is 12.0% for Norway, 9.9% for Sweden and 10.4% for Finland. For the years after 2028, a terminal growth of the net cash flow of 2.0% has been applied for all segments.

Sensitivity
The calculation of value in use is sensitive to the estimates of revenues, project margin, overhead costs, discount rate and terminal growth. Most sensitive to impairment is our operation in Norway and Finland with book value of goodwill of NOK 577 million and EUR 83 million as of 31 December 2024, respectively. The current headroom of approximately NOK 39 million and EUR 10 million are most sensitive to the discount rate and the estimated future margins.

Changes that may lead to an impairment in Norway are an increase in the discount rate with more than 0.4 percentage points or reduced terminal project or EBIT margin of 0.2 percentage points. A terminal growth of zero would lead to an impairment of NOK 70 million.

Changes that may lead to an impairment in Finland are an increase in the discount rate with more than 0.8 percentage points or reduced terminal project or EBIT margin of 0.4 percentage points. A terminal growth of zero would lead to an impairment of EUR 7 million.

For Sweden, no reasonably likely change in the key assumptions listed above would cause the carrying value to materially exceed the recoverable amount for the cash generating unit (CGU).

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment loss. The cost of an item of property, plant and equipment includes costs that are directly attributable to the acquisition of the assets.

Subsequent expenditure is recognised in the carrying amount of the asset, if it is probable that the future economic benefits related to the expenditure will flow to the Group, and the expenditure can be reliably measured. The carrying amount of any parts that are replaced is derecognised. All other repair and maintenance costs are recognised in the income statement in the period when the costs are incurred, except for certain regular major inspections as described below.

Depreciation is calculated on a straight-line basis over the expected useful life of the asset, as follows:

Buildings	15 - 50 years
Machinery and fixtures	3 - 20 years

The economic life of the non-current assets and the residual value are reviewed on the date of each balance sheet and adjusted prospectively if required.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses arising on derecognition of the asset are presented as part of the operating profit/loss and calculated as the difference between the net disposal proceeds and the carrying amount of the asset.

If regular major inspections for faults or overhauls, regardless of whether parts of the item are replaced, is a condition of continuing to operate the equipment or to extend its economic lifetime, the related periodic maintenance can be capitalised and depreciated on a straight-line-basis until the next expected periodic maintenance is required. At the end of 2024, no such expenses were capitalised.

Restoration and environmental rehabilitation costs related to assets in use are measured at the discounted value of the best estimate of expenditure required to settle the obligation at the reporting date.

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NOTE 13: PROPERTY, PLANT AND EQUIPMENT (continued)

Impairment consideration
Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. Physical climate risk in the form of changed weather patterns and severity of rain, wind and flooding may impact our assessment. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Amounts in NOK million	Buildings	Machinery, fixtures, etc.	Total
Carrying amount as of 1/1/2024	**2**	**168**	**170**
Translation differences	0	8	8
Additions	0	46	46
Disposals	0	-37	-37
Depreciation for the year	0	-41	-41
Carrying amount as of 31/12/2024	**2**	**144**	**146**
Total cost	2	413	415
Accumulated depreciation	-1	-269	-270
Accumulated impairment	0	0	0
Carrying amount as of 31/12/2024	**2**	**144**	**146**

Amounts in NOK million	Buildings	Machinery, fixtures, etc.	Total
Carrying amount as of 1/1/2023	**15**	**169**	**184**
Translation differences	0	9	9
Additions	0	36	36
Disposals	-13	-12	-25
Depreciation for the year	-0	-35	-35
Carrying amount as of 31/12/2023	**2**	**168**	**170**

NOTE 14: RIGHT-OF-USE ASSETS

Accounting policy

The Group leases various offices, warehouses, machinery, equipment and cars. Contracts are typically made for fixed periods of 3 to 10 years but may have extension and termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between

the liability and finance cost. The finance cost is charged to profit or loss over the lease period based on the remaining balance of the liability for each period.

The Group has elected to use the two exemptions proposed by the standard (IFRS 16) on the following contracts:

- Lease contracts with a duration of equal to or less than 12 months
- Lease contracts for which the underlying asset has a low value

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense over the lease term in profit or loss.

Right-of-use assets
Right-of-use assets are recognised at cost less accumulated depreciation and impairment loss. Initial recognition of right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and
- restoration costs

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Intangible assets 1-3 years
- Land, offices and buildings 1-12 years
- Machinery, cars and equipment 1-40 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment testing. Refer to section regarding Impairment.

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NOTE 14: RIGHT-OF-USE ASSETS (continued)

Lease liabilities
Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Options (extension / termination) on lease contracts are considered on a case-by-case basis following a regular management assessment. The borrowing rates used for IFRS 16 purposes have been defined based on the underlying countries and asset classes related risks. The Group's weighted average incremental borrowing rate is 5.45%.

Impairment consideration
Right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Carrying amounts for groups of right-of-use (ROU) assets:

Amounts in NOK million	2024	2023
Land, offices and buildings	81	91
Machinery, cars and equipment	346	451
Total ROU assets	**427**	**542**

Depreciation charge during the year:

Amounts in NOK million	2024	2023
Land, offices and buildings	31	31
Machinery, cars and equipment	109	130
Total depreciation expense	**140**	**160**
Interest expense on lease liabilities	21	20
Lease expense - short-term and low-value leases	165	155
Total cash outflow for all leases	329	339
Addition of ROU assets during the financial year	118	142
ROU assets reclassified as held for sale	34	0

The lease expense for short-term and low-value leases mainly consists of project related short-term lease agreements. For information about the related leasing liabilities, please refer to note 19.

Assets held for sale and liabilities directly associated with the assets held for sale
In Q1 2024 the Group made a strategic decision to restructure parts of the demolition and recycling operations in NRC Kept AS due to prevailing market conditions and negative results in 2023. The Group classifies disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the disposal group is available for immediate sale in its present condition. These criteria were met when the agreement to sell one of the divisions in NRC Kept was signed in Q1 2024, and the decision to sell machinery and equipment was made in Q1 2024. The major classes of assets and related liabilities classified as held for sale as of 31 December 2024 is right of use assets in the form of machines and equipment of NOK 34 million, owned equipment of NOK 2 million and related leasing liabilities of NOK 34 million. The sale of these assets, and derecognition of related liabilities, is expected to be finalised in Q1 2025. The net gain/loss recognised in 2024 for assets held for sale is NOK 0.

NOTE 15: TRADE RECEIVABLES AND OTHER RECEIVABLES

	2024	2023
Trade receivables	1 143	901
Provisions for expected losses	-42	-6
Trade receivables – net	**1 102**	**895**
Contract assets	393	379
Other current receivables	228	195
Other current financial assets	0	0
Total current receivables	**1 723**	**1 468**
Age distribution of trade receivables:		
Trade receivables not due for payment	**690**	**636**
Up to 30 days	130	70
Between 30 and 90 days	3	41
Over 90 days	321	154
Total receivables due for payment	453	265
Total trade receivables	**1 143**	**901**

The increase in trade receivables outstanding over 90 days is mainly related to the ETM project. Refer to note 26 Disputes for additional information.

Trade and other current receivables by currency:

	2024	2023
NOK	894	618
SEK	441	415
EUR	387	435
Total current receivables (in NOK)	**1 723**	**1 468**

NOTE 16: CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents consist of cash, bank deposits and other short-term and highly liquid investments with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Amounts in NOK million	2024	2023
Cash and bank deposits	357	369
Restricted cash	-	-
Total	**357**	**369**

Restricted cash includes any employees' tax withholdings and cash deposits for rent agreements.

Cash and cash equivalents per currency:

Amounts in NOK million	2024	2023
NOK	54	157
SEK	-57	-12
EUR	360	224
Total (in NOK)	**357**	**369**

Negative cash in SEK is related to and netted as part of the Group's cash pool agreement with Danske Bank.

NOTE 17: SHARE CAPITAL AND SHAREHOLDER INFORMATION

Accounting policy

Expenses that are directly attributable to the issue of new shares less taxes are recognised against the equity as a reduction in the proceeds.

Payments for the purchase of own shares are recognised as a reduction in equity and proceeds from any sale as an increase. A loss or gain is not recognised in the income statement for any purchase, sale, issue or cancellation of own shares.

NRC Group ASA has one class of shares. The total number of external shares at year-end was 171,798,302 excluding 1,156,247 own shares (2023: 72,858,574 excluding 95,975 own shares), with a nominal value of NOK 1.00 each. The share capital as of 31 December 2024 totalled NOK 172,954,549 (2023: 72,954,549).

On 10 September, a private placement of new shares in the Company was completed. The Company raised NOK 200 million in gross proceeds through the private placement of 80 million new shares, at a price per share of NOK 2.50. The share capital increase was approved by an extraordinary general meeting on 2 October 2024 and the share capital increase was registered on 3 October 2024.

On 6 November, a subsequent offering to shareholders at 10 September 2024 that did not participate in the private placement was completed. The Company raised NOK 50 million in gross proceeds through the subsequent offering 20 million new shares, at a price per share of NOK 2.50. The share capital increase was registered on 18 November 2024.

The Group has two option programs, one for senior management and one for key employees. The Board of Directors are authorised to increase the share capital and to determine the subscription price and other subscription terms for a total of 1,500,000 and 1,200,000 shares respectively for these programs. The authorisations only apply to issuances of shares against payment in cash and is valid until 4 May 2025 and 8 May 2026 respectively. No shares have been issued under these authorisations as of 31 December 2024. Options outstanding at 31 December 2024 are 602,000 and 1,263,000 respectively. The option programs are further described in note 7.

At the Annual General Meeting on 8 May 2024, the General Meeting granted the Board of Directors an authorisation to acquire shares in the Company for up to a maximum nominal value of NOK 7,295,454.90. The Board of Directors' acquisition of shares pursuant to the authorisation can only take place between a minimum price of NOK 1 and a highest price of NOK 50 per share. The authorisation applies until the Annual General Meeting in the spring of 2025, but not later than 30 June 2024. Acquisitions and disposals of treasury shares can take place in the manner found appropriate by the Board of Directors.

On the general meeting 8 May 2024, the Board of Directors were authorised to increase the share capital by up to NOK 7,295,455.00, through issuance of up to 7,295,455 new shares, each with a par value of NOK 1.00. The capital increase may be paid in cash, by set-off or by contributions in assets other than money. The authorisation includes the right to incur special obligations on behalf of the company, cf. Section 10-2 of the Norwegian Public Limited Companies Act. The shareholders' pre-emptive rights pursuant to Section 10-4 of the Norwegian Public Limited Companies Act may be waived by the Board of Directors, cf. Section 10-5 of the Norwegian Public Limited Companies Act. The authorisation includes decisions on merger, cf. Section 13-5 of the Norwegian Public Limited Companies Act. The authorisation is valid from registration with the Register of Business Enterprises until the Annual General Meeting in the spring of 2025, but not later than 30 June 2025, and includes the right to change the company's Articles of Association in connection with the share capital increase.

The movement in the number of shares, excluding own shares, during the year was as follows:

Total number of shares on 31 December 2023	**72,954,549**
Total number of shares on 31 December 2024	**172,954,549**

Treasury shares

The Company owned 95,975 treasury shares at the beginning of 2024. During 2024, the Company acquired 1,060,272 treasury shares at a total proceed of NOK 5 million. After 31 December 2024 a total of 816,941 of the shares were transferred to the employees participating in the 2024 share programme for employees. At the end of 2024, the Company owned 1,156,247 treasury shares corresponding to 0.7 % of the total number of outstanding shares. The Board of Directors has a mandate until the Annual General Meeting in the spring of 2025 and no later than 30 June 2025, to acquire up to 7,295,455 of the Company's own shares. 1,060,272 shares have been purchased under this mandate as of 31 December 2024.

Ownership structure

The number of shareholders as of 31 December 2024 was 4,156, compared with 4,144 as of 31 December 2023. The percentage of issued shares held by foreign shareholders was 36.96 %, compared with 56.95 % at year-end 2023.

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NOTE 17: SHARE CAPITAL AND SHAREHOLDER INFORMATION (continued)

NRC Group's 20 largest shareholders as of 31 December 2024:

Rank	Navn	Type of account	Country	Stake	Holding 31.12.24	Holding 31.12.23
1	Danske Bank A/S*	Nominee	Denmark	10,82 %	18 711 399	125 616
2	HOLMEN SPESIALFOND	Ordinary	Norway	9,80 %	16 954 119	0
3	J.P. Morgan SE	Nominee	Luxembourg	8,95 %	15 474 852	7 402 764
4	SKANDINAVISKA ENSKILDA BANKEN AB	Ordinary	Norway	8,67 %	15 000 000	0
5	Sbakkejord AS	Ordinary	Norway	4,84 %	8 366 199	1 662 186
6	J.P. Morgan SE	Nominee	Luxembourg	4,00 %	6 923 800	0
7	J.P. Morgan SE	Nominee	Luxembourg	3,95 %	6 830 276	3 702 909
8	STIFTELSEN KISTEFOS-MUSEETS DRIFTS	Ordinary	Norway	3,47 %	6 000 000	0
9	NORTH SEA GROUP AS	Ordinary	Norway	2,26 %	3 907 800	790 800
10	HANS EIENDOM AS	Ordinary	Norway	1,73 %	3 000 000	0
11	GUNNAR KNUTSEN HOLDING AS	Ordinary	Norway	1,52 %	2 627 677	1 252 677
12	INNOVEMUS AS	Ordinary	Norway	1,45 %	2 505 351	0
13	AVANZA BANK AB MEGLERKONTO	Broker	Sweden	1,37 %	2 363 760	1 197 004
14	CLEARSTREAM BANKING S.A.	Nominee	Luxembourg	1,29 %	2 224 674	1 409 023
15	NORDNET LIVSFORSIKRING AS	Ordinary	Norway	1,10 %	1 903 276	428 687
16	J.P. Morgan SE	Nominee	Luxembourg	1,03 %	1 778 219	829 460
17	VERDIPAPIRFONDET STOREBRAND NORGE	Ordinary	Norway	1,01 %	1 744 595	676 796
18	SONSTAD AS	Ordinary	Norway	1,00 %	1 729 700	330 000
19	KURT ODDVAR AUSTRÅTT	Ordinary	Norway	0,93 %	1 613 861	511 500
20	MELESIO INVEST AS	Ordinary	Norway	0,85 %	1 471 155	671 155
	Total number of shares owned by top 20			70,04 %	121 130 713	20 990 577
	Total number of shares			100,00 %	172 954 549	72 954 549

* VR-Yhtyma Oyj has 97.98% of the shares on the Nominee account Danske Bank A/S

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NOTE 17: SHARE CAPITAL AND SHAREHOLDER INFORMATION (continued)

Shares held by members of the Board of Directors and executive management on 31 December 2024 including shares controlled through holding companies and related parties:

		Ordinary shares	Share options
Rolf Jansson	Chairman of the Board of Directors	145,000	
Eva Nygren	Board member	85,460	
Heikki Allonen	Board member	90,960	
Mats Williamson	Board member	129,935	
Tove Pettersen	Board member	45,000	
Karin Orgland	Board member	95,000	
Outi Henriksson	Board member	45,000	
Anders Gustafsson	CEO NRC Group	441,524	110,000
Åsgeir Nord	CFO NRC Group	135,094	50,000
Harri Lukkarinen	EVP & MD NRC Group Finland	16,962	173,000
Tomas Johansson	EVP & MD NRC Group Sweden	15,094	50,000
Lene Engebretsen	EVP & Head of communications	9,259	105,000
Marianne Kellmer	EVP & Head of HR	19,375	64,000

153,333 of the share options to the executive management were exercisable at year-end. See note 7 for further information.

Dividend
Based on the 2024, the Board of Directors will not propose a dividend from the year 2024.

NOTE 18: PENSIONS

Accounting policy

The Group has several defined contribution plans. A defined contribution plan is a pension plan in which the Group pays fixed contributions to a separate entity (fund) and where the Group does not have any legal or constructive obligation to pay additional contributions if the fund does not have sufficient assets to pay all employees' benefits relating to their service in current and prior periods. The expense for each period is determined by the amounts of contributions for that period. Contributions paid in advance are recognised as an asset to the extent that the contribution can be refunded or be used to reduce future payments.

The Group has a supplementary defined benefit post-employment plan in Finland, administrated by an external insurance company. Remeasurements of actuarial gains and losses on the net defined benefit liability and the return on plan assets, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset and included in the net pension expense.

The Group also has contractual retirement scheme (AFP) for a certain part of their employees in Norway. The AFP pension scheme is a defined benefit multi-employer plan that is financed though premiums paid by participating employers. Because the scheme's administrator is not providing information to identify the participating employer's share of financial position and performance with sufficient reliability, the AFP scheme is accounted for as a defined contribution scheme.

The Group has defined contribution plans covering all employees in Norway, Sweden and Finland. In Norway, the Group also has contractual retirement scheme (AFP) for a certain part of their employees accounted for as a defined contribution scheme. AFP premiums for 2024 are fixed at 2.7% of salary up to approximately NOK 0.9 million. In Finland, the Group has a closed defined benefit plan related to a supplementary old age pension scheme in an insurance company.

NOTE 18: PENSIONS (continued)

Pension expenses	2024	2023
Defined contribution plans	162	161
Defined benefit plans	0	0
Contractual pension, multi-employer plan, Norway	6	5
Total pension expenses	**168**	**166**

Number of employees covered		
Defined contribution plans	1,775	1,809
Defined benefit plans, active	5	13
Defined benefit plans, pensioners	343	360
Early retirement scheme, Norway (AFP)	467	512

Defined benefit obligation		
Defined benefit obligation 1 January	58	61
Defined benefit obligation 31 December	56	58

Plan assets		
Plan assets 1 January	52	52
Plan assets 31 December	50	52
Net defined benefit liability 31 December	**6**	**7**

Actuarial assumptions	**31.12.2024**	**31.12.2023**
Discount rate	3.20%	3.80%
Benefit increase	2.20%	2,60%
Inflation	2.00%	2.50%

NOTE 19: LOANS AND OTHER NON-CURRENT LIABILITIES

At 30 June 2024 the Group was in non-compliance with the interest coverage ratio and leverage ratio covenants under its bank debt facility agreement. The Group obtained a waiver from the bank for this non-compliance. During Q3 2024 new financial covenants were agreed for the bank and bond loans for periods from Q3 2024 up to and including Q3 2025. During this period the effective size of the Groups available credit facility has also been reduced. See further descriptions in the sections below.

The composition of non-current and current interest-bearing liabilities is as follows:

Amounts in NOK million	2024	2023
Interest-bearing non-current liabilities:		
Lease liabilities, financial agreements	123	183
Lease liabilities, operating agreements	135	158
Bond debt	400	400
Other loans and borrowings	118	172
Total interest-bearing non-current liabilities	**776**	**913**
Interest-bearing current liabilities:		
Lease liabilities, financial agreements	51	79
Lease liabilities, operating agreements	95	83
Loans and borrowings	58	55
Total interest-bearing current liabilities	**203**	**218**

The interest-bearing debt has variable interest rates or interest adjustment clauses that are shorter than three months at any given time. Since the debt can be repaid, other than the bond, at the time when the interest rate is regulated, the difference between the fair value and carrying amount will be small and insignificant.

Additionally, the Group has an unused credit facility of NOK 400 million at year-end temporarily restricted to NOK 300 million in connection with the covenant amendments. The credit facility increases to NOK 325 million from Q2 2025 and to NOK 400 million from Q4 2025 onwards. The credit facility is subject to annual renewal.

NOTE 19: LOANS AND OTHER NON-CURRENT LIABILITIES (continued)

The nominal interest rate on the balance sheet date for the main agreements was as follows:

	NOK	EUR	SEK
Lease liabilities	+5.50% - 6.50%	+5.10% - 5.80%	+4.05% - 4.80%
Bond debt	3-month NIBOR* +4.40%		
Bank loan		3-month EURIBOR** +3.25%	
Credit facility	3-month NIBOR +2.35%	3-month EURIBOR +2.35%	3-month STIBOR +2.35%

*The 3 months NIBOR has been hedged to a fixed rate of 3.843% for the full period.
** Minimum zero

The margins on the bank loan and credit facility depend on the leverage ratio (net interest-bearing debt divided by adjusted EBITDA). During 2024, the margin on the bank loan started at 2.30% and ended at 3.25% at year end. The margin can be in a range of 2.45% to 3.25%. In connection with the renegotiation of waivers described above the maximum margin was increased with 0.50%. The margin is expected to remain at 3.25% at least through 2025. The renegotiation resulted in a modification loss of NOK 1.5 million that was recognized as interest expense in 2024. During 2024, the margin on the credit facility was between 1.60% and 2.35 %. The margin on the amended credit facility valid from 20 October 2023 is aligned for all currencies at 2.35% following an increase of 0.75% in connection with the covenants renegotiation and is expected to remain at that level through 2025. The reference rates NIBOR, STIBOR and EURIBOR are limited at minimum zero.

Carrying amount of non-current and current interest-bearing liabilities:

Amounts in NOK million	2024	2023
NOK	642	733
EUR	270	342
SEK	68	56
Total interest-bearing liabilities	**979**	**1,130**

The undiscounted maturity structure of the NRC Group's current and non-current interest-bearing liabilities including estimated interest expenses where applicable is as follows:

Year-end 2024

Amounts in NOK million	1H 2025	2H 2025	2026	2027	2028	2029	2030 ->	Sum
Leasing	92	84	176	79	53	31	25	541
Bond	16	16	33	427	-	-	-	493
Bank loans	35	34	64	75	-	-	-	209
Total	144	135	274	582	53	31	25	1 244
Hereof interest	33	30	52	37	4	2	1	159

The bond matures at 25 October 2027. The bank loan refers to the EUR facility with Danske Bank with quarterly instalments of EUR 1.2 million and final settlement on 1 July 2027.

Year-end 2023

Amounts in NOK million	1H 2024	2H 2024	2025	2026	2027	2028	2029 ->	Sum
Leasing	93	88	140	98	52	38	45	552
Bond	16	16	33	33	427	-	-	526
Bank loans	35	34	65	62	72	-	-	267
Total	144	138	238	192	550	38	45	1,345
Hereof interest	34	31	55	47	35	3	2	207

Financial covenants

The Company's bank loan and credit facility with Danske Bank ASA and the NOK 400 million senior unsecured bond contain certain financial conditions based on the facility agreements that may not be directly related to reported IFRS numbers. Certain covenants have been added, suspended or amended for parts of 2024 and 2025 as described in the tables on next page:

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NOTE 19: LOANS AND OTHER NON-CURRENT LIABILITIES (continued)

- Interest cover ratio (related to term loan agreement)): 12 months rolling EBITDA (adjusted for acquisition costs and certain non-recurring items) divided by the 12 months rolling net financial expenses
- Interest coverage ratio (related to bond loan agreement): 12 months rolling EBITDA (adjusted for acquisition costs and certain non-recurring items) divided by the 12 months rolling net financial expenses.
- Leverage ratio: Net interest-bearing debt in relation to adjusted 12 months rolling EBITDA
- Equity ratio: Equity in relation to total assets
- New temporary covenant of minimum 12 months rolling EBITDA adjusted
- New temporary covenant of minimum liquidity
- Amended restriction on dividend distribution

Covenants are tested and reported on a quarterly basis.

The Group has no indication that it will have difficulty complying with these covenants during the next 12 months.

Term loan and overdraft facility:

Date	Leverage ratio	Interest coverage	Minimum 12 months rolling EBITDA	Minimum liquidity
31.12.2024	Suspended	Suspended	NOK 45 million	NOK 100 million
31.03.2025	Suspended	Suspended	NOK 70 million	NOK 100 million
30.06.2025	Suspended	Suspended	NOK 170 million	NOK 75 million
30.09.2025	Suspended	Suspended	NOK 210 million	NOK 75 million
31.12.2025	<3.25	>3.00	Covenant removed	Covenant removed

	2024		2023	
	Condition	Actual	Condition	Actual
Interest cover ratio, term loan	Suspended	Suspended	≥ 3.00	14.21
Leverage ratio, term loan	Suspended	Suspended	≤ 3.50	2.29
Equity ratio, term loan	> 25%	37%	> 25%	47%
Borrowing base*	≤ 60% of AR*	0%	≤ 60% of AR*	0%
Minimum LTM EBITDA	NOK 45 million	NOK 60 million	Not applicable	Not applicable
Minimum liquidity	NOK 100 million	NOK 756 million	Not applicable	Note applicable

* Drawdowns on the Group's multi-currency overdraft facility can maximum be 60% of last month's book value of the Group's accounts receivables (AR). Minimum twice a year, clean-downs the overdraft facility must be made.

Bond loan:

	2024		2023	
	Condition	Actual	Condition	Actual
Interest cover ratio, bond	Suspended	Suspended	>2.50	5.67
Equity ratio, bond	> 25%	37%	> 25%	47%

The interest cover ratio on the bond loan is suspended for financial quarters ending 30 September 2024, 31 December 2024 and 31 March 2025. For the quarters ending 30 June 2025 and 30 September 2025, the interest cover ratio shall exceed 1.50x and 2.00x respectively. Thereafter the ratio shall exceed 2.50x.

The NOK 400 million bond agreement includes requirements of an incurrence test with leverage ratio < 3.5 for certain transactions such as paying dividend and taking on new loan agreements. For dividend distributions this ratio has been reduced to <2.0 for periods after 31 December 2025. Dividend distribution in 2024 and 2025 is not permitted under the agreement. No dividend is proposed for 2024.

Changes in interest-bearing liabilities arising from financing activities:

Amounts in NOK million	2024	2023
Interest-bearing liability at 1 January	1 130	1,423
Net proceeds from borrowings	0	395
Repayment of borrowings	-57	-681
Payments of lease liabilities	-164	-184
Leasing liabilities, net of additions, terminations and adjustments	64	124
Currency adjustment	5	54
Interest-bearing liability at 31 December	**979**	**1,130**

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NOTE 20: OTHER CURRENT LIABILITIES

Amounts in NOK million	2024	2023
Accrued salaries etc	256	265
Accrued project expenses	88	105
Provisions	86	15
Other current liabilities	159	73
Total	**589**	**458**

NOTE 21: PROVISIONS

Accounting policy

Claims and disputes
The Group recognises provisions when there is a present legal or constructive obligation as a result of past events, it is probable that the obligation will be settled by a transfer of economic resources, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised unless assumed in a business combination. Contingent liabilities assumed in a business combination are initially measured at fair value. Subsequently, it is measured at the higher of the best estimate of the expenditure required to settle the obligation and the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for revenue recognition.

Warranty
Provisions for warranty-related costs are recognised when the project is delivered to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Amounts in NOK million	Warranty provisions	Provisions for loss-making projects	Restructuring provisions	Total provisions
Opening Balance 1 January 2024	**8**	**6**	**2**	**15**
Arising during the year	14	46	18	77
Utilised	-1	-4	-2	-7
Closing Balance 31 December 2024	**21**	**48**	**18**	**86**

NOTE 21: PROVISIONS (continued)

Included in restructuring provisions is NOK 9 million accrued for future environmental rehabilitation expenses related to a production plant in Finland. There are two mutually excluding alternatives for the extent of rehabilitation work that need to be undertaken. The Group has accrued for the future probable scenario. An alternative and considerably more costly alternative has been sketched by the Finnish Centre for Economic Development, Transport and the Environment (ELY). The Group considers the likelihood of implementation of the high-cost alternative to be remote.

Amounts in NOK million	Warranty provisions	Provisions for loss-making projects	Restructuring provisions	Total provisions
Opening Balance 1 January 2023	**5**	**15**	**0**	**20**
Translation differences	0	1	0	1
Acquisitions	1	3	2	6
Arising during the year	3	1	0	4
Utilised	-1	-13	0	-13
Unused amounts reversed	-1	-2	0	-2
Closing Balance 31 December 2023	**8**	**6**	**2**	**15**

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NOTE 22: PLEDGED ASSETS, GUARANTEES AND SECURITY

Bank loans amounting to EUR 16 million and an unused credit facility of NOK 400 million are secured by pledge over shares in subsidiaries, other than GSP, Signal och Banbyggarna i Dalarna AB, NRC Group Maskin Sverige AB, NRC Vedlikehold AS and Asker Miljøpark AS, amounting to NOK 2,000 million, receivables, inventory and operating equipment amounting to NOK 500 million per entity and intra-group loans of NOK 2,000 million. Total book value of receivables and inventory amounts to NOK 1,127 million. Leasing liabilities amounting to NOK 404 million are secured by way of the underlying assets for which the legal ownership is kept by the lease counterpart. Total book value of right-of-use assets amounts to NOK 427 million.

The Group has framework guarantee agreements with Tryg Garanti/ Tryg Forsikring A/S (utilised NOK 337 million out of NOK 450 million), Nordic Guarantee (utilised NOK 198 million out of NOK 400 million), Liberty Mutual (utilised NOK 68 million out of NOK 200 million), Euler Hermes Norge (utilised NOK 30 million out of NOK 200 million), Garantia Insurance Company Ltd (utilised EUR 15.9 million of EUR 26.3 million) and Standard Garanti Forsikring AS (utilised NOK 9 million out of NOK 9 million). The Group also has framework agreements with Atlas Garanti AS (NOK 100 million) and IAM Insurance AS (NOK 100 million) that are not utilised. Guarantees are issued as collateral for the fulfilment of the Group's contractual obligations. These could be based on contract performance, prepayments, warranty obligations, withholding taxes and similar. In addition, the Group have issued parent company guarantees of a total amount of NOK 78 million.

NOTE 23: FAIR VALUE OF ASSETS AND LIABILITIES, AND FINANCIAL ASSETS PER CATEGORY

Accounting policy

Financial instruments

Financial asset
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, at fair value through other comprehensive income (OCI) or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

All material financial assets are measured at amortised cost. In general, financial assets are recognised initially at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method, less provision for losses that have been incurred. At initial recognition, trade and other receivables that do not have a significant financing component are measured at their transaction price.

Financial assets measured at amortised cost are financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. This category includes the Group's trade and other receivables, contract assets, any loans included under other non-current financial assets and cash and cash equivalents.

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses. The Group recognises a loss provision at each reporting date for the total expected credit loss based on individual assessments of specific trade receivables and contract assets.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired.

Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Most relevant to the Group is loans and borrowings or payables and consists of current and non-current interest-bearing loans, lease liability and trade and other payables. Financial liabilities are recognised initially at fair value net of directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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NOTE 23: FAIR VALUE OF ASSETS AND LIABILITIES, AND FINANCIAL ASSETS PER CATEGORY (continued)

Loans are classified as current liabilities unless there is an unconditional right to defer payment of the debt by more than 12 months from the date of the balance sheet. Trade and other payables are classified as current if payment is due within one year or less. Otherwise, they are classified as non-current.

Derivative financial instruments and hedge accounting
The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

There are no material differences between the fair value and carrying value of financial assets and liabilities.

Financial instruments per category *Amounts in NOK million*	Balance sheet on 31 December 2024	Financial assets at fair value	Financial assets at amortised cost	Financial liabilities at fair value	Financial liabilities at amortised cost	Non-financial item
Non-current financial assets	3	2	1			
Total inventories	25					25
Trade receivables	1 102		1 102			
Contract assets	393		393			
Other current receivables	228		13			215
Cash & cash equivalents	357		357			
Assets held for sale	36		36			
Total	**2 144**	**2**	**1 901**	**0**	**0**	**240**
Pension obligations	6					6
Non-current financial liabilities	0					
Interest-bearing non-current liabilities	776				776	
Deferred tax	0					
Other non-current liabilities	0					
Interest-bearing current liabilities	203				203	
Trade payables	480				480	
Contract liabilities	536					536
Public fees payable	259					259
Tax payable	5					5
Other current liabilities	591					591
Liabilities directly associated with assets held for sale	34				34	
Total	**2 892**	**0**	**0**	**0**	**1 494**	**1 399**

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NOTE 23: FAIR VALUE OF ASSETS AND LIABILITIES, AND FINANCIAL ASSETS PER CATEGORY (continued)

Financial instruments per category *Amounts in NOK million*	**Balance sheet on 31 December 2023**	**Financial assets at fair value**	**Financial assets at amortised cost**	**Financial liabilities at fair value**	**Financial liabilities at amortised cost**	**Non-financial item**
Non-current financial assets	1		1			
Total inventories	35					35
Trade receivables	895		895			
Contract assets	379		379			
Other current receivables	195		30			165
Cash & cash equivalents	369		369			
Total	**1,874**		**1,673**	**0**	**0**	**200**
Pension obligations	9					9
Non-current financial liabilities	7			7		
Interest-bearing non-current liabilities	913				913	
Interest-bearing current liabilities	218				218	
Trade payables	572				572	
Contract liabilities	341					341
Public fees payable	194					194
Tax payable	1					1
Other current liabilities	457					457
Total	**2,712**	**0**	**0**	**7**	**1,702**	**1,002**

Non-financial assets and liabilities include contract liabilities, advance payments, accruals and provisions.

The table below analyses financial instruments recorded at fair value according to valuation method. The different levels are defined as follows:

Level 1: Fair value is measured using quoted prices from active markets for identical financial instruments. No adjustment is made for these prices.

Level 2: Fair value is measured using other observable input than that used in level 1, either directly (prices) or indirectly (derived from the prices).

Level 3: Fair value is measured using input that is not based on observable market data.

Financial assets at fair value:	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss				
Derivatives defined as hedging instruments				
Total at 31 December 2023	**0**	**0**	**0**	**0**
Financial assets at fair value through profit or loss				
Derivatives defined as hedging instruments	0	0	2	2
Total at 31 December 2024	**0**	**0**	**2**	**2**

Financial liabilities at fair value:	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss				
Derivatives defined as hedging instruments			7	7
Total at 31 December 2023	**0**	**0**	**7**	**7**
Financial assets at fair value through profit or loss				
Derivatives defined as hedging instruments				
Total at 31 December 2024	**0**	**0**	**0**	**0**

The carrying value of cash and cash equivalents and liabilities to credit institutions is virtually the same as their fair value since these instruments have a short maturity term. Correspondingly, the carrying value of trade receivables and trade payables are virtually the same as the fair value, as they are agreed upon under “normal” terms. This also applies to unpaid government charges, tax payable and current liabilities. A large proportion of non-current liabilities has variable interest rates and continuous interest rate adjustment, and therefore the carrying value is substantially the same as the fair value. The fair value of the group’s interest rate hedge per year-end is estimated using the forward rate on the balance sheet date and is confirmed by the financial institution with which the agreement is signed. For more information about the hedging instruments, please refer to note 24.

NOTE 24: FINANCIAL RISK

The Group activities involve various types of financial risk: market risk (currency and interest rate), credit risk and liquidity risk. A Group risk management policy for hedging is implemented to manage this risk, and the Group has a central finance department to carry out the risk management in close cooperation with the subsidiaries. The Group's senior management oversees the management of these risks. The purpose of risk management is to minimise any potentially negative impact on the Group's financial results.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk most relevant to the Group comprises currency risk and interest rate.

a. Currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and the Group's net investments in foreign subsidiaries.

The Group focuses on reducing any foreign currency risk associated with cash flows, and on reducing the foreign currency risk associated with assets and liabilities. The subsidiaries in general have revenue and expenses in the same currency, and this substantially reduces the Group's cash flow exposure to a single currency. The finance department carries out assessments of the need for any hedging of currency risk in cash flows, based on a group hedging policy.

The EUR 16 million loan in Danske Bank hedges the net investment in Finland.

Net foreign exchange gains totalled NOK 0 million in 2024 (2023: NOK 1 million).

The NOK/SEK rate of exchange as of 31 December 2024 was 1.021 (2023: 1.013), while the average of the monthly average rates used to translate the income statement was 1.017 (2023: 0.9984). The NOK/EUR rate of exchange as of 31 December 2024 was 11.795 (2023: 11.2405), while the average of the monthly average rates used to translate the income statement was 11.625 (2023: 11.4549).

The following tables demonstrate the sensitivity to a reasonably possible change in SEK and EUR exchange rates, with all other variables held constant. The main sensitivities are related to translation of loans and net investments in subsidiaries. The Group's exposure to foreign currency changes for all other currencies is not material.

Amounts in NOK million	2024	2023
Change in SEK rate	-5%	-5 %
Effect on net income	0	2
Effect on equity	-22	-21
Effect on net interest-bearing debt	3	3
Change in EUR rate	-5%	-5 %
Effect on net income	9	-4
Effect on equity	-37	-56
Effect on net interest-bearing debt	6	6

b. Interest rate risk
The Group has interest-bearing debt as described in note 19. The Group has a loan agreement with Danske Bank, a 5-year bond, and operational and financial leases being interest-bearing. The total cash position nets off some of the interest rate risk. The NOK 400 million bond issued in October 2023 carries an interest of 3 months NIBOR + 4.40% until maturity 25 October 2027. The 3 months NIBOR has been hedged to a fixed rate of 3.843% for the full period using an interest rate swap. The bond creates an exposure to pay 3 months NIBOR interest on the NOK 400 million notional. The interest rate swap on the same notional creates an equal and opposite interest receipt and a fixed interest payment, therefore creating an exact offset for this transaction resulting in a net fixed interest payable of 3.843%. As the interest rate swap is based on the same notional, settlement dates and maturity as the bond, the hedge ratio is 100%. The fair value of the interest rate swap was NOK 3 million at year-end (2023: NOK -7 million). The net effect interest rate swap related to the old bond and the interest swap related to the new bond impacts OCI negatively with NOK 8 million in 2024 (NOK 17 million in positive effect in 2023).

Net interest expense for 2024 amounts to NOK 78 million (2023: NOK 59 million). An increase in interest rate of 1 percentage point would have increased interest on debt by approximately NOK 10 million in 2024 (2023: NOK 8 million).

Credit risk
Credit risk in connection with sales to customers is managed within the subsidiaries, and at group level for major projects. Credit risk is monitored by the subsidiaries and at group level. The Group has guidelines for new contracts that focus on various elements, all of which shall contribute to early payments from the customer.

83% of the revenues for 2024 were to customers that are municipalities or government agencies, or companies or institutions where municipalities or government agencies have a dominant influence. The Group considers the risk of potential future losses from this type of customer to be low. The Group has not entered any transactions that involve financial derivatives or other financial instruments to mitigate credit risks.

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NOTE 24: FINANCIAL RISK (continued)

As of 31 December 2024, the Group has provisions of NOK 42 million (2023: NOK 6 million) for potential future losses on specific trade receivables. The loss provision represents the total expected credit loss based on individual assessments of specific trade receivables at the reporting date. The age distribution of the Group's trade receivables is specified in Note 15.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 23.

Liquidity risk
Liquidity risk is the risk that the Group will be unable to meet its financial obligations when they are due, and that financing will not be available at a reasonable price. The central management team and the local managers of subsidiaries monitor the Group's liquid resources and credit facilities through revolving forecasts based on the expected cash flow. The Group's operations are impacted by seasonal fluctuations, since a large portion of the Group's operations consist of railroad work. Railroad work is performed to a lesser extent in winter during frost and when the surface of the earth is covered in snow. The Group normally ties up working capital when the activity is increasing. In addition, the overall cash flow is impacted by intramonth volatility, working capital volatility and payment profiles in specific projects, underlying profitability, investment activity and financial cash flows.

The Group had NOK 757 million in liquid reserves at the end of the year, compared with NOK 769 million in liquid reserves at the end of the previous year. Restricted bank deposits totalled NOK 0 million (2023: NOK 0 million) and total cash were NOK 357 million (2023: NOK 369 million). Included in liquid reserves is an unused credit facility of NOK 400 million.

Total short-term interest-bearing debt including leasing liabilities at the year-end that are due to be paid during 2024 amounts to NOK 203 million (2023: NOK 218 million to be paid in 2024).

Moreover, the Group has total current liabilities excluding interest-bearing debt as of 31 December 2024, totalling NOK 2,075 million (2023: NOK 1,562 million). Total current assets amounted to NOK 2,105 million compared to NOK 1,873 million last year.

Capital management
The purpose of the Group's capital management is to ensure a predictable financial framework for operations and provide shareholders with a return according to our dividend policy.

The Group's capital structure considers the required financial flexibility to execute strategic plans, to handle existing debt financing arrangements as well as working capital needs and to provide necessary funds for dividend payment. The long-term ambition is to have a leverage ratio below 2.5. Due to losses incurred in 2024 the ratio at year end was 6.5 It is expected that the leverage ratio will drop significantly after Q1 2025. Refer to note 19 Loans and other non-current liabilities for information on financial covenants.

The Group manages its capital structure and makes changes based on an ongoing assessment of the current economic condition and the outlook for both the short and medium term. Capital management is amongst other monitored based on available cash and net interest-bearing debt, as well as the Group's leverage ratio, interest cover ratio and equity ratio. For more information about capital management considerations, see separate section under liquidity risk above and note 19.

NOTE 25: INVENTORIES

Accounting policy

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Amounts in NOK million	2024	2023
Raw materials and materials for resale	18	21
Finished goods	7	14
Total inventories	**25**	**35**

Inventory mainly relates to the Finish operations. No write-downs to inventory have been made in 2024. Inventories have been pledged for short- and long-term loans, see note 22.

NOTE 26: DISPUTES AND CLAIMS RELATED TO PROJECTS

Through its ongoing operations, the Group is involved in disputes with customers regarding the interpretation and understanding of contracts and agreements. This applies in particular to complex and large projects where the contract terms can be challenging. The Group strives to resolve these kinds of disputes outside court whenever possible, but some cases may nevertheless have to be decided by arbitration or in court. Disputes can be the Group's claims on customers and/or customers' claims on the Group. Comprehensive assessments are conducted in connection with disputed claims to ensure the most correct revenue and/ or expense recognition.

At year-end the Group had mediation proceedings with Bane NOR related to the project 'Elektrifisering av Trønder og Meråker banen' ("ETM"). The Group has thoroughly documented changes in scope relating to ground conditions, tunnel conditions, access to tracks, lack of signal design and incorrect cable mapping, among others, and submitted claims to Bane NOR regarding the project. The mediation resumed in February 2025, where an acceptable agreement could not be reached. The Group will initiate legal proceedings. The Group has recognised a loss of NOK 155 million on the project in 2024. While the Group considers that it has solid basis for its claims against the customer the final outcome of the legal proceedings is uncertain and may have a material positive or negative impact on the Group's results and financial position.

The Group has an ongoing legal dispute in Sweden related to a maintenance contract. The Group lost the case in the District court ("Tingsrätten") and has appealed the dispute. The dispute will be tried in the High court ("Hovrätten"), probably during the first half of 2026. The Group has made necessary accruals based on a prudent assessment of its position.

At year-end the Group has no other ongoing legal or arbitration proceedings that is assumed can have significant negative effects on the Group's financial position.

NOTE 27: SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The following directly and indirectly owned subsidiaries are included in the consolidated accounts. All entities are owned 100% unless otherwise noted.

NRC Group Holding AS, Norway
NRC Norge Holding AS, Norway
NRC Norge AS, Norway
NRC Kept AS, Norway
Gunnar Knutsen AS, Norway
Asker Miljøpark AS, Norway
NRC Vedlikehold AS, Norway
Nordic Railway Construction Group Holding Sverige AB, Sweden
Nordic Railway Construction Sverige AB, Sweden
Signal & Banbyggarna i Dalarna AB, Sweden
NRC Sverige Maskin AB, Sweden
Gästrike Signal & Projektering AB, Sweden (merged with NRC Group Holding AB in February 2025)
Nordic Railway Construction Group Sverige AB, Sweden
NRC Holding Finland Oy, Finland
NRC Group Finland Oy, Finland

Accounting policy

The Group holds an investment in an associated company, AGN Haga AB, accounted for according to the equity method. The financial statements of AGN Haga AB are prepared for the same reporting period as the Group. The accounting policies is aligned with those of the Group, hence no adjustments related to accounting principles are made when measuring and recognising the Group's share of the profit or loss after the date of the acquisition. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. The statement of profit or loss reflects the Group's share of the results of operations of the associate. The Group assess the need for making any provisions to the Group's share of the results from the associate. More information about this is reflected in the note.

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NOTE 27: SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (continued)

The Group has a 50% investment in JV Bergensbanen ANS where Nettpartner AS owns the remaining 50%. Based on the contract between the parties the entity has been determined to be a joint operation where the Group accounts for its share of assets, liabilities, revenues and expenses. In February 2024 JV Bergensbanen ANS was awarded a contract with Bane NOR to rehabilitate and upgrade the catenary infrastructure on the railway between Hønefoss and Nesbyen in Norway. The contract value is NOK 872 million whereof the Group's share is NOK 436 million.

The Group has a 20% interest sharing risks and rewards of two larger projects (E04 Station Haga, and E03 Kvarnberget) with Webuild (40%) and Gülermak (40%) in connection with Station Haga in Gothenburg, through the associated company AGN Haga AB. The projects commenced during 2018/2019 and were previously scheduled to be completed by 2026. The projects are complex with substantial risk. The Group is not operationally involved in any of the projects.

Webuild, Gülermak and Nordic Railway Construction Sverige AB have given surety to Trafikverket related to AGN Haga's execution of project E03 Kvarnberget.

In 2022, NRC Group made capital contribution of SEK 15 million to AGN Haga AB, representing NRC Group's pro-rata share of the total capital contributions, to support working capital in AGN Haga AB. Due to substantial uncertainty in the projects, net income from AGN Haga AB has not been recognised in NRC Group accounts, and all capital contributions of SEK 15.5 million was impaired in 2022. In 2023, a loss of NOK 2 million was recognised related to AGN Haga.

On January 24, 2023, AGN Haga received a termination notice from Trafikverket in relation to Station Haga in Gothenburg (E04). The contract in relation to Kvarnberget (E03) was not part of the termination notice. Trafikverkets termination of Station Haga (E04) affected AGN's liquidity negatively, leading to the company's application for reconstruction. Trafikverket has furthermore claimed AGN and the owners for a preliminary gross amount of SEK 247 million, while AGN and the owners have a counterclaim, related to E03. During the first half of 2023, AGN filed an application for reconstruction to the District Court, which was approved on the 22 May 2023. In December, the District Court approved to extend the reconstruction period until 19 March 2024, which was later further extended to 19 June 2024. The reconstruction period is now finished, a debt settlement agreement with the company's creditors has been made, and the company has during Q2 2024 in all material respect finished the work on Kvarnberget (E03). The Group's subsidiary Nordic Railway Construction Sverige AB and the other owners have provided a guarantee for AGN to pay its creditors in accordance with the debt settlement agreement.

Final settlement with Trafikverket is expected to commence during 2025. Both AGN and Nordic Railway Construction Sverige AB are contesting the claim and are considering the situation together with their legal advisors. Should the situation not be resolved, Nordic Railway Construction Sverige AB could ultimately be subject to litigation from Trafikverket.

Nordic Railway Construction Sverige AB has, together with the other shareholders, agreed to a capital contribution in AGN Haga to fund the company's liquidity needs for the rest of 2024. The total amount includes settlement to the creditors in the restructuring mentioned above, which in all material respects has been paid in 2024. The Group's share is SEK 17.6 million. The capital contribution is considered to be impaired and was thus charged in Q3 2024 as share of result from associated companies.

The book value of AGN Haga AB in the Group's Q4 2024 accounts is NOK 0 million.

A summary of the financial information of AGN Haga AB, based on 100% figures:

Amounts in NOK million	2024	2023
Total revenue	361	950
Net profit for the year	-249	-68
The Group's calculated share of the net profit (20%)	-50	-14
Provisions made in the Group accounts	50	14
The Group's reported share of the net profit	0	0

The associated company had no discontinued operations or other comprehensive income in 2024 or 2023.

Amounts in NOK million	2024	2023
Current assets	245	843
Non-current assets	0	3
Current liabilities	227	624
Non-current liabilities	0	17
Equity	**18**	**205**
The Group's calculated share of equity (20%)	4	41
Accumulated provisions made in the Group accounts	-4	-41
Book value 31.12	**0**	**0**

A summary of financial information of JV Bergensbanen ANS, based on 100% figures:

Amounts in NOK million	2024
Total revenue	79
Operating expenses	-79
Operating profit	-0
Current assets	91
Current liabilities	91
Equity	**0**

Current assets included cash and cash equivalents of NOK 26 million.

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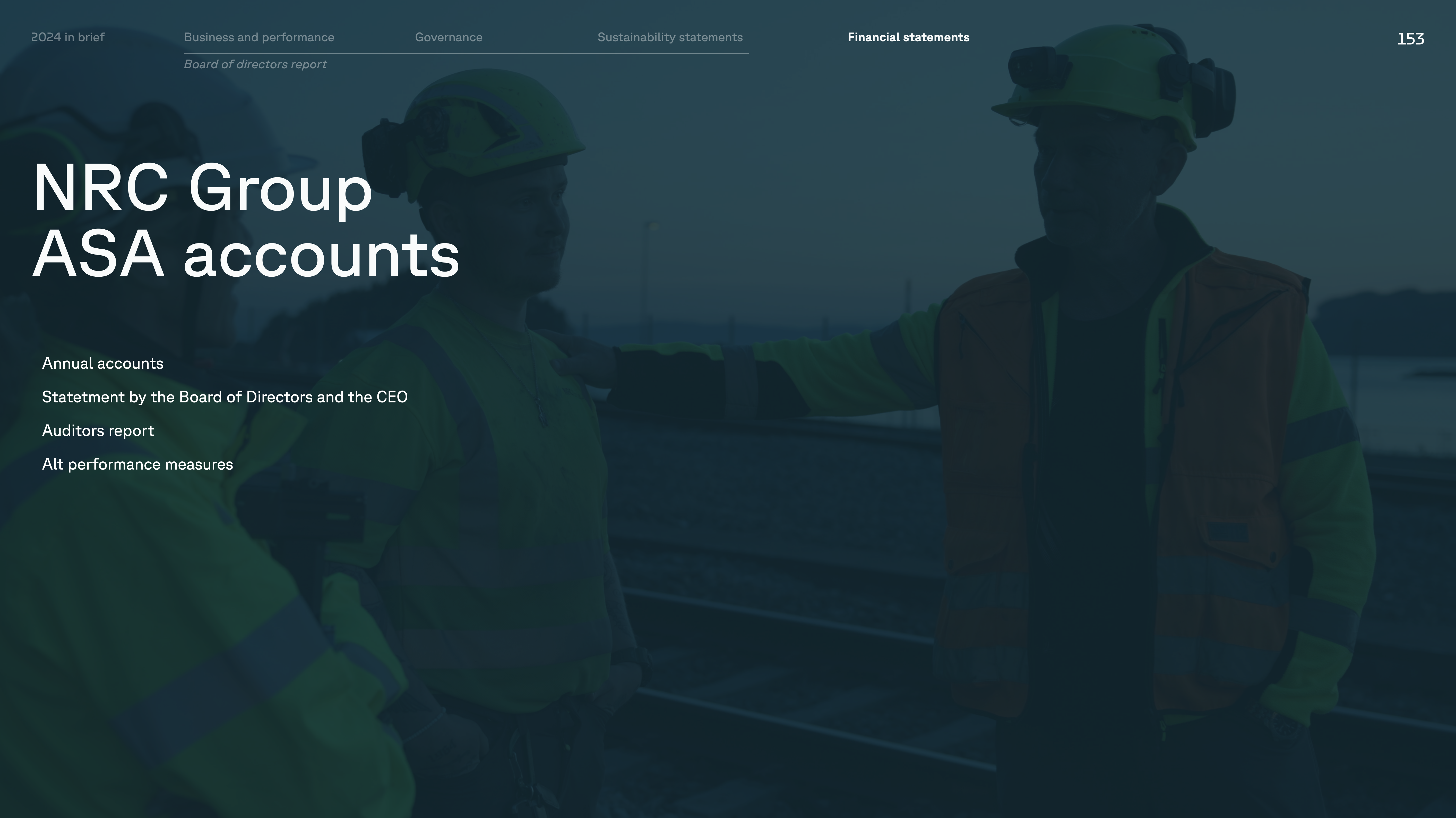
NOTE 28: RELATED PARTY DISCLOSURES

Note 27 provides information about the Group's structure, subsidiaries and associated companies. Note 17 provides information about the shareholders. No shareholders consider the Group as an associated company. Note 6 and 7 discloses the management and Board of Directors of the Group, including their benefits and any other transactions with the Group.

NRC Group ASA may have agreements with Board members for consultancy services related to certain internal projects such as acquisitions and management recruitment. The agreements are based on hourly rates and are carried out on arm's length terms. Currently, there exists one agreement with Mats Williamson. Total expense amounted to NOK 0.1 million for 2024 based on hourly rates of SEK 1,500. Except for this, no significant related party transactions exist. Any related party transactions are carried out on arm's length terms.



NRC Group ASA accounts

INCOME STATEMENT - **NRC GROUP ASA**

1 JANUARY - 31 DECEMBER

(Amounts in NOK million)	Note	2024	2023
Operating revenue	2	**17**	**17**
Salaries and personnel costs	3	41	33
Depreciation and amortisation		0	0
Other operating and administrative expenses	4	34	23
Operating expenses		**75**	**56**
Operating profit/loss (-)		**-58**	**-39**
Financial income/expenses (-)	5	-683	54
Net financial items		**-683**	**54**
Profit/loss before tax		-741	15
Tax expense (-)/ income	6	-94	-4
Net profit/loss (-) for the year		**-834**	**11**
Allocation of profit/loss:			
Dividend		0	0
Transfer from share premium		-834	11
Total allocations	10	**-834**	**11**

CASH FLOW STATEMENT - **NRC GROUP ASA**

(Amounts in NOK million)	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/loss before tax		-741	15
Depreciation, amortisation and impairment		0	0
Net financial items		683	-54
Change in current receivables		1	1
Change in trade payables		2	3
Change in other accruals		0	4
Net cash flow from operating activities		**-55**	**-32**
CASH FLOW FROM INVESTING ACTIVITIES			
Other investments in subsidiaries			
Repayment from subsidiaries		48	61
Net effect of cash-pool	12	-241	166
Other long-term investments		0	17
Net cash flow from investing activities		**-193**	**243**
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from issue of shares		236	0
Proceeds from sale of treasury shares		1	3
Proceeds from borrowings		0	395
Repayment of borrowings		-57	-682
Aquisition of treasury shares		-5	-3
Interest received		133	126
Interest paid		-81	-78
Group contribution received		0	40
Group contribution paid		0	-95
Net cash flow from financing activities		**226**	**-295**
Net change in cash and cash equivalents		-22	-84
Cash and cash equivalents as at 1 January		365	449
Cash and cash equivalents as at 31 December	9	**343**	**365**

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STATEMENT OF FINANCIAL POSITION - **NRC GROUP ASA**

31 DECEMBER

(Amounts in NOK million)	Note	31.12.2024	31.12.2024
ASSETS			
Deferred tax asset	6	0	94
Total intangible assets		**0**	**94**
Shares in subsidiaries	7	1 121	1 840
Long-term intercompany receivables	8	130	180
Total financial assets		**1 252**	**2 020**
Total non-current assets		**1 252**	**2 114**
Other receivables	8/12	1 899	1 646
Cash and cash equivalents	9	343	365
Total current assets		**2 242**	**2 011**
TOTAL ASSETS		**3 494**	**4 125**

(Amounts in NOK million)	Note	31.12.2024	31.12.2024
EQUITY AND LIABILITIES			
Paid-in capital:			
Share capital		173	73
Treasury shares		-1	0
Share premium		1 539	2 238
Total equity	10	**1 710**	**2 311**
Interest-bearing liabilities		518	572
Total non-current liabilities	11/13	**518**	**572**
Interest-bearing liabilities	13	58	55
Intercompany payables	12	1 195	1 172
Public fees payable		3	2
Other current liabilities		11	13
Total current liabilities		**1 266**	**1 242**
Total liabilities		**1 784**	**1 813**
TOTAL EQUITY AND LIABILITIES		**3 494**	**4 125**

Notes to NRC Group ASA accounts

NOTE 1: CORPORATE INFORMATION AND BASIS OF PREPARATION

General information
The accounts for NRC Group ASA (the Company) have been prepared in accordance with the Accounting Act of 1998 and the Generally Accepted Accounting Principles in Norway (NGAAP). In cases where the notes for the Company are significantly different from the notes for the Group, these are provided below. Reference is made otherwise to the information in the notes for the Group.

Currency
Transactions involving foreign currencies are translated into the functional currency using the exchange rates that are in effect at the time of the transactions. Gains and losses that arise from the payment of such transactions and the translation of monetary items in foreign currencies at the rates in effect on the date of the balance sheet are recognised in the income statement. The Company uses the Norwegian krone (NOK) both as its functional and presentation currency.

Subsidiaries
Investments in subsidiaries are valued in accordance with the cost method and written down if the value in the balance sheet exceeds the recoverable amount. Write-downs are reversed if the basis for the write-down no longer exists.

Property, plant and equipment
Property, plant and equipment are recognised in the accounts at acquisition cost less accumulated depreciation and write-downs. Depreciation is calculated on a straight-line basis so that the cost price of the non-current assets is depreciated to the residual value over the expected life of the asset.

Cash and cash equivalents
Cash and cash equivalents consist of cash, bank deposits and other short-term, readily negotiable investments.

Tax
The tax expense in the income statement encompasses the tax payable for the period and the change in deferred tax. Deferred tax is calculated at a rate of 22% (2023: 22%) based on temporary differences between the carrying amounts and their tax base, in addition to any tax loss carry forward at the end of the financial year. Deferred tax assets and liabilities that may reverse during the same period are offset and recognised on a net basis on the balance sheet. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the tax losses carried forward and net temporary differences can be utilised.

Pension plans
The Company has a defined contribution pension plan. The contributions are recognised as salaries and personnel cost in the income statement as they incur. Contributions paid in advance are recognised as an asset in the accounts if the contribution can be refunded or reduce future payments. The Company is obligated to have company pension schemes in accordance with the Act on Mandatory Company Pensions. The pension scheme follows the requirement as set in the above-mentioned Act.

NOTE 2: REVENUE

Operating revenue is fee for services the parent company performs for companies in the Group and is allocated geographically as follows:

Amounts in NOK million	2024	2023
Norway	6	6
Sweden	4	4
Finland	7	7
Total operating revenue	**17**	**17**

NOTE 3: SALARIES AND PERSONNEL COSTS

Amounts in NOK million	2024	2023
Salaries	29	22
Board remuneration	4	3
Social security tax	6	5
Pension costs	2	2
Other personnel costs	1	0
Total	**41**	**33**

The full-time equivalent employees' number for 2024 was 11.5 (2023: 11.6). Pension costs consist of contributions to the defined contribution pension plan. The pension plan satisfies requirements stipulated by law. Reference is also made to note 6 Executive personnel in the consolidated accounts.

NOTE 4: OTHER OPERATING AND ADMINISTRATIVE EXPENSES

Amounts in NOK million	2024	2023
Rent and other office expenses	6	5
External services	16	6
Merger and acquisition expenses	0	2
Other operating and administrative expenses	12	10
Total	**34**	**23**

Compensation to auditors

Amounts in NOK million	2024	2023
Statutory audit	1.5	1.4
Other assurance engagements	1.1	0.0
Tax related services	0	0.0
Other services	0	0.1
Total excluding VAT	**2.6**	**1.4**

NOTE 5: FINANCIAL INCOME AND EXPENSES

Amounts in NOK million	2024	2023
Interest income from subsidiaries	128	118
Other interest income	5	25
Currency gain	11	19
Total financial income	**145**	**162**
Interest cost to subsidiaries	34	26
Other interest and financial expenses	65	67
Write-down of shares in subsidiaries	719	0
Currency loss	11	22
Total financial expenses	**828**	**115**

Note 12 in the Group financial statements describes impairment testing and subsequent write down of goodwill carried out in 2024. This constitutes an indication of impairment also for the Company's shares in NRC Group Holding AS. Shares in the subsidiary NRC Group Holding AS have been thus written down in 2024 with NOK 719 million.

NOTE 6: TAX

Tax expense:

Amounts in NOK million	2024	2023
Tax payable	0	0
Tax expense / income recognised in equity	0	0
Change in deferred tax	-94	-4
Total tax expense (-) / income	**-94**	**-4**
Result before tax	-741	15
Change in temporary differences	10	-16
Permanent differences	731	1
Basis for tax payable for the year	**0**	**0**
Tax payable	**0**	**0**
Temporary differences between tax and book values and tax losses carried forward		
Tax losses carried forward	-449	-425
Other differences	0	0
Net	**-449**	**-425**
Unrecognised tax benefit basis	449	0
Basis for deferred tax	**0**	**-425**
Net deferred tax (-)/ tax asset	**0**	**94**
Tax rate	22 %	22 %

Total net deferred tax assets have been written down with NOK 94 million. See note 10 in the Group financial statements.

NOTE 7: SUBSIDIARIES

Name *Amounts in NOK million*	**Place of business**	**Ownership**	**Book value**
NRC Group Holding AS	Lysaker	100%	1,121

NOTE 8: NON-CURRENT AND CURRENT RECEIVABLES

Amounts in NOK million	2024	2023
Long-term intercompany receivables (note 12)	130	180
Total non-current receivables	**130**	**180**
Short-term intercompany receivables (note 12)	1,896	1,644
Other current receivables	3	3
Total current receivables	**1,899**	**1,647**

NOTE 9: CASH AND CASH EQUIVALENTS

Amounts in NOK million	2024	2023
Cash and bank deposits	343	365
Restricted bank deposits	0	0
Total	**343**	**365**

Cash includes the net deposit in the Group cash pool owned by NRC Group ASA. See further information in note 12.

NOTE 10: EQUITY

Amounts in NOK million	Share capital	Treasury shares	Share premium	Total equity
Equity as of 31 December 2022	**73**	**0**	**2,226**	**2,299**
Profit/loss for the year			11	11
Employee share programme1)			3	3
Share-based payments			0	0
Treasury share transactions1)		0	-3	-3
Equity as of 31 December 2023	**73**	**0**	**2,237**	2,311
Profit/loss for the year			-834	-834
Increase share capital	100		150	250
Costs related to capital increase			-14	-14
Share-based payments			3	3
Treasury share transactions1)		-1	-4	-5
Equity as of 31 December 2024	**173**	**-1**	**1,539**	**1,710**

1) The Company owned 95,975 treasury shares at the beginning of 2024. During 2024, the Company acquired 1,060,272 treasury shares at a total proceed of NOK 5 million. At the end of 2024, the Company owned 1,156,247 treasury shares corresponding to 0.67% of the total number of outstanding shares. Reference is also made to note 17: Share capital and shareholder information in the consolidated accounts.

NOTE 11: PLEDGED ASSETS AND SECURITY

A bank loan amounting to EUR 16 million and an unused credit facility of NOK 400 million are secured by pledge over shares in subsidiaries amounting to NOK 2,000 million (book value NOK 1,121 million), Group cash-pool, Group receivables, Group inventory and Group operating equipment amounting to NOK 500 million per entity and material intra-group loans amounting to NOK 2,000 million. In addition, NRC Group ASA has issued parent company guarantees of a total amount of NOK 78 million. Reference is also made to note 22: Pledged assets, guarantees and security in the consolidated accounts.

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NOTE 12: TRANSACTIONS WITH RELATED PARTIES

A The Company does not have any related parties other than subsidiaries, board members and executive management. Related party transactions include compensation to board members and executive personnel as disclosed in note 6 in the Group accounts. Group transactions include charging of management fees and intercompany long-term loans amounting to aggregate NOK 188.4 million at year-end consisting of a EUR 16 million loan with an interest at EURIBOR (minimum zero) + 3.1%. In addition, NRC Group ASA is the owner of the Group cash pool arranged by Danske Bank. Net balance at year-end amounted to NOK 645.6 million, including a total receivable from Group companies of NOK 1,835 million and a liability to Group companies of NOK 1,189 million (see note 8 and 9).

NRC Group ASA may have agreements with Board members for consultancy services related to certain internal projects such as acquisitions, management recruitment and other. The agreements are based on hourly rates and are carried out on arm's length terms. Currently, there exists one agreement with Mats Williamson. Total expense amounted to NOK 0.1 million for 2024.

Primary insiders participated in the Company's share capital increase in 2024. See information on primary insider share ownerships in note 17 in the consolidated accounts.

Except for this, no significant related party transactions exist. Any related party transactions are carried out on arm's length terms.

NOTE 13: INTEREST-BEARING LIABILITIES

Interest-bearing non-current liabilities:

Amounts in NOK million	2024	2023
Bond debt	400	400
Other loans and borrowings	118	172
Total interest-bearing non-current liabilities	**518**	**572**
Current interest-bearing liabilities:		
Loans and borrowings	58	55
Other current interest-bearing liabilities	**58**	**55**

The loan and borrowings consist of a EUR 16.0 mill loan. For more information regarding the bond debt and the loan, reference is made to note 19: Loans and other non-current liabilities in the consolidated accounts.

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Statement by the Board and the CEO

We confirm that, to the best of our knowledge, the financial statements for the period 1 January to 31 December 2024 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and of the Group. We also confirm that the Board of Directors' report provides a true and fair view of the development, performance and position of the Company and the Group, together with a description of the principal risks and uncertainties facing the Company and the Group.

We further confirm to the best of our knowledge that the Board of directors' report have been prepared in compliance with sustainability reporting standards in accordance with the Norwegian Accounting Act section 2-6 and with rules established from EU taxonomy regulation (Article 8 of EU Regulation 2020/852).

The Board of Directors of NRC Group ASA

Lysaker, 8 April 2025

Rolf Jansson
Chairman of the Board

Outi Henriksson
Board member

Mats Williamson
Board member

Heikki Allonen
Board member

Eva Nygren
Board member

Karin Bing Orgland
Board member

Tove Elisabeth Pettersen
Board member

Anders Gustafsson
CEO NRC Group ASA

Auditors Report

Shape the future with confidence

Statsautoriserte revisorer
Ernst & Young AS

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www.ey.no
Medlemmer av Den norske Revisorforening

To the General Meeting in NRC Group ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of NRC Group ASA (the Company) which comprise:

- The financial statements of the Company, which comprise the statement of financial position as at 31 December 2024, income statement and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the statement of financial position as at 31 December 2024, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 9 years from the election by the general meeting of the shareholders on 12 May 2016 for the accounting year 2016.

Shape the future with confidence

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of goodwill

Basis for the key audit matter	Our audit response
The carrying amount of goodwill as at 31 December 2024 was NOK 1 829 million and make up 40 % of total assets for the group. The carrying amounts, which are allocated to three cash generating units, relates to acquisitions primarily in 2019 and prior years. In connection with the annual impairment test in 2024 management identified several impairment indicators, including the low market capitalization compared to book value of equity, operating losses in Norway and Sweden and declining profitability in Finland. Management has assessed the recoverable amounts of each cash generating unit based on value-in-use (VIU) calculations, which require significant judgement related to estimated future cash flows and discount rates. The impairment assessment of goodwill is a key audit matter because of the significant carrying amount, the impairment indicators identified, and the considerable estimation uncertainty, complexity and subjectivity related to determination of VIU.	We obtained an understanding of and evaluated the design over the Group's impairment assessment process, including identification of cash generating units. We assessed the reasonableness of key assumptions applied in future cash flows such as revenue growth rates, project margins, discount rate and the growth rate for the terminal period. We evaluated the historical accuracy of management's estimates by comparing actual cash flows to previously estimated cash flows in 2023 and 2024 to assess the reasonableness of management forecasts for future cash flows. We agreed the input data used by management to evidence such as actual results, budgeted revenues and project margins in order backlog, and budgets approved by the board of directors. Further we performed sensitivity analyses and benchmarked relevant key assumptions to comparable companies in the same industry, as well as market statistics. We involved our internal valuation specialists to assess the VIU calculation and the reasonableness of the discount rates applied by management. We refer to note 12 Intangible assets and note 1.3 Material accounting judgements, estimates and assumptions in the consolidated financial statements

Revenue recognition for construction contracts

Basis for the key audit matter	Our audit response
The Group's project revenues are derived from contracts with customers using the input method to measure progress. Using the input method, project revenue is recognized based on incurred costs compared with estimated total costs to fulfill the performance obligations. When recording revenue based on progress, the projects' total revenues, total expenses outcome of disputes and any other contractual obligations are	We assessed the application of accounting policies and the input for measuring the projects' progress. We assessed the process for estimating total project revenues and costs, as well as the measurement of progress. For selected contracts, we compared estimated total project revenues to contracts and change orders, performed detailed testing related to recognized contract assets and contract liabilities, including

Auditors Report

determined based on estimates. Project revenues consist of agreed consideration and variable consideration due to contract modifications. Variable consideration is estimated based on the sum of probability-weighted amounts or the single most likely outcome, and the chosen method is applied consistently throughout the contract-period. Based on the projects' complexity and the significant management judgement required to measure progress, revenue recognition for construction contracts is a key audit matter.

provisions for onerous contracts. We also tested costs charged to the projects against invoices and assessed the determination of estimated total project costs. In addition, we analysed the development in margins, assessed historical accuracy of management's estimates by comparing actual achieved margins to estimated margins. We refer to note 4 Revenues and projects in progress and note 1.3 Material accounting judgements, estimates and assumptions in the consolidated financial statements.

Other information

The Board of Directors and Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises integrated annual report, statements on Corporate Governance and report on payments to governments. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance.

Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of NRC Group ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name nrcgroupasa-2024-12-31-0-en.zip , have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 8 April 2025
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The auditor's report is signed electronically

Tommy Romskaug
State Authorised Public Accountant (Norway)

Auditors Report

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Medlemmer av Den norske Revisorforening

To the General Meeting in NRC Group ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of NRC Group ASA («the Group») included in section 04 Sustainability Statement of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in the subsection Materiality assessment process within the section General Information, and
- compliance of the disclosures in section EU Taxonomy of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter

The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement

The Board of Directors and CEO (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS

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and for disclosing this Process in the subsection Materiality assessment process within the section General Information of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the, Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in section EU Taxonomy of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in the subsection Materiality assessment process within the section General Information.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and

Auditors Report

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- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents), and
  - reviewing the Company's internal documentation of its Process, and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in the subsection Materiality assessment process within the section General Information.

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by
  - obtaining an understanding of the Group's control environment, processes, control activities and information system relevant to the preparation of the consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
  - obtaining an understanding of the Group's risk assessment process.
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and

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- Performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 8 April 2025
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The assurance report has been signed electronically

Tommy Romskaug
State Authorised Public Accountant (Norway) – Sustainability Auditor

Independent Sustainability Auditor's Limited Assurance Report - NRC Group ASA

A member firm of Ernst & Young Global Limited

Alternative performance measures and definitions

Contents

Reconciliation of EBIT adj.

(Amounts in NOK million)	2024	2023
Net proceeds from issue of shares	**-820**	**105**
Adjusting items		
Gain from sale of Gravco	0	-40
M&A expenses	-4	-7
Restructuring recycling and demolition business (NRC Kept)	74	0
Restructuring items, other	7	21
Write-down operations to be discontinued (Civil Sweden)	0	43
Impairment of goodwill (Norway)	150	0
Impairment of goodwill (Finland)	500	0
Adjusting items, total	**727**	**16**
EBIT adj.	**-93**	**121**
Depreciation	181	197
Amortisation of IT software investments	14	15
EBITDA adj	**102**	**332**

Contents

Reconciliation of Net cash/net interest-bearing debt position

(Amounts in NOK million)	31.12.2024	31.12.2023
Long-term leasing liabilities	259	341
Other non-current interest-bearing liabilities	518	572
Short-term leasing liabilities	145	162
Other interest-bearing current liabilities	58	55
Interest-bearing debt	**979**	**1 130**
Minus:		
Cash and cash equivalents	357	369
Net interest-bearing debt	**622**	**761**
Minus:		
Total leasing liabilities	404	503
Net interest-bearing debt excl. leasing	**219**	**258**

Reconciliation of Net working capital (NWC)

(Amounts in NOK million)	31.12.2024	31.12.2023
Total inventories	25	35
Total receivables	1 723	1 468
Current assets (ex cash)	**1 748**	**1 504**
Minus:		
Other current liabilities	1 873	1 566
Net working capital	**-125**	**-62**

Contents

Terms	Description
Adjusting items	Adjusting items are material items outside ordinary course of business such as impairment of goodwill, operating profit from businesses decided to be closed down, restructuring costs, gains or losses arising from the divestments of a business or part of a business, M&A expenses, and impacts of the fair value adjustments from purchase price allocations, such as amortisation of fair value adjustments on acquired intangible assets relating to business combination accounting under the provisions of IFRS 3, referred to as purchase price allocation ("PPA")."
Adressable tender pipeline	The total of any tender processes above NOK 30 million expected to be made available during the next nine months and relevant for the Group, based on the current group operations, to consider participation.
Book-to-bill ratio	The nominal value of orders received divided by external revenue for the corresponding period.
Book-to-bill ratio LTM	The nominal value of orders received last twelve months divided by external revenue for last twelve months.
Contract value	The amount stated in the contract for contract work excluding VAT.
EBT	Profit before tax.
EBIT	Operating profit. Earnings before net financial items and share of profit from associates and joint ventures.
EBIT adj.	Operating profit excluding adjusting items.
EBIT adj. %	Operating profit excluding adjusting items in relation to operating revenues.
EBITA	Operating profit plus amortisations on intangible assets, including intangible assets such as customer relations and order backlog accounted for as part of the purchase price allocation under business combinations and IT software investments.
EBITA %	EBITA in relation to operating revenues.
EBITDA	EBITA plus depreciations on fixed assets and right-to-use assets.
EBITDA %	EBITDA in relation to operating revenues.
EBITDA adj.	EBITDA excluding adjusting items.
EBITDA adj.%	EBITDA adj. excluding adjusting items in relation to operating revenues.
Equity ratio	Total equity in relation to total assets.

Contents

Terms	Description
Financial Lease Agreements	Lease agreement transferring the main risk and control of the assets to the lessee.
FTIA	Finnish Transport Infrastructure Agency
LTI	Injuries resulting in absence at least one full day per million man-hours including subcontractors.
LTM	Last twelve months on a rolling basis.
M&A expenses	Expensed external costs related to merger and acquisitions, including any subsequent adjustments to the final settlement of contingent considerations that is not included in the final purchase price allocation.
Net interest-bearing debt	Interest-bearing liabilities minus cash and cash equivalents.
Net interest-bearing debt ex leasing	Interest-bearing liabilities minus cash and cash equivalents minus leasing liabilities.
Net working capital (NWC)	The net amount of inventories, receivables (including contract assets) and other current liabilities (including contract liabilities).
Operating lease agreements	Lease agreement that are not financial lease agreements, including real estate rent.
Order backlog	Total nominal value of orders received less revenue recognised on the same orders. In addition, a conservative estimate of expected variation orders on ongoing contracts within the maintenance area and frame agreement within the materials area.
Order intake	Total nominal value of orders received. In addition, a conservative estimate of expected variation orders on ongoing contracts within the maintenance area and frame agreement within the materials area.
Organic growth	Total revenue growth compared to comparable numbers for the same period prior year including full year revenue effect (proforma) for any acquired business, calculated in local currency.
Other income and expenses	Other income and expenses consist of M&A expenses, subsequent adjustment of contingent considerations or other subsequent adjustments of final purchase price allocation in business combinations that are recognised in profit or loss.
Sickness absence	Absence from work related to illness or injury in alignment with local employment legislation on sickness absence, calculated as number of days with sickness absence divided by number of possible workdays.
TRI	Frequency of injuries with and without absence for personnel (employees and rented workers) and subcontractors per million hours worked.
TRV	Trafikverket – Swedish Transport Administration

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