

Sustainability Report

Sustainability Report

-

General disclosures

EU Taxonomy

Climate change

Pollution

Water and marine resources

Biodiversity and ecosystems

Resource use and circular economy

Own workforce

Workers in the value chain

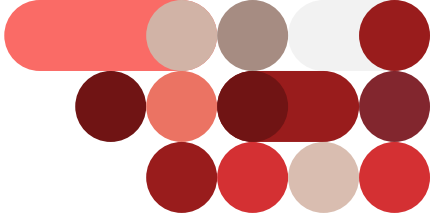
Affected communities

Business conduct

Stakeholder dialogues

Whistleblower service

Certifications



General disclosures

Basis of preparation

The 2024 Sustainability Report was prepared based on the transition to European Sustainability Reporting Standards (ESRS) reporting, which will apply from the 2025 financial year.

The Sustainability Report is based on the principles of completeness, relevance and comparability. It covers all Netel's operations and presents both the direct and indirect impact in the value chain.

Reporting is Group-wide and encompasses all divisions and countries in Netel's continuing operations, unless otherwise stated.

In preparing this report, a double materiality assessment was conducted to identify and prioritise the most relevant sustainability aspects for Netel and its value chain. This analysis formed the basis for the choice of matters and targets covered in the reporting and how these issues are addressed from a risk, opportunity and impact perspective.

Netel used the latest available information to ensure that all data and information presented is accurate and up-to-date. Climate and environmental data was collected in accordance with the GHG Protocol for Scope 1, 2 and 3. Social and governance aspects are based on internal measurements and reporting. To improve comparability over time, historical data was included where possible. Netel intends to clearly present any changes in reporting principles or data collection methods in future reports.

Furthermore, Netel took current legislation and regulations regarding sustainability reporting into account and ensured that the reporting is consistent with the expectations and requirements of stakeholders including investors, customers, employees and other external parties.

BOARD RESPONSIBILITIES AND THE ROLE OF MANAGEMENT IN SUSTAINABILITY

The Board of Directors has overall responsibility for the strategic direction of Netel's sustainability work and decides on policies and guidelines. Sustainability is a standing item in the Audit Committee's meetings, which ensures the Board's monitoring of the area.

The CEO and the Executive Team are responsible for the day-to-day running of Netel and report regularly to the Board. They ensure compliance with sustainability targets and the implementation of sustainability strategies. The Finance Department plays a central role in integrating sustainability targets into Netel's financial monitoring and risk management. There are established systems and processes that enable monitoring of climate-related risks, opportunities and impacts, which are managed as part of Netel's overall risk management.

The CFO, who is responsible for the sustainability work, ensures that sustainability is part of daily operations by working closely with division heads. The CFO ensures that sustainability is regularly addressed in Executive Team meetings and that sustainability aspects are considered in the decisions taken at the operational level.

All Netel employees have a responsibility to work in accordance with the sustainability policies that exist and contribute to achieving the overall sustainability targets.

Sustainability policies and guidelines

Netel works systematically to integrate climate-related and social topics into the business processes through governing documents and policies such as:

- Code of Conduct for suppliers and employees
- Work Environment Policy
- Environmental Policy
- Quality Policy
- Purchasing Policy
- Health and Safety Policy

These documents form a central part of Netel's framework for integrating sustainability into its operations. They underpin Netel's actions to reduce GHG emissions and ensure that its operations are conducted in an ethical, social and responsible manner. Policies are regularly updated and reviewed to ensure that they effectively address impacts and opportunities related to environmental, social and governance matters.

INTERNAL CONTROL OVER SUSTAINABILITY REPORTING

The internal control structure for sustainability reporting is designed to ensure that all sustainability data collected is accurate and reliable. Through clearly defined roles and responsibilities, together with systematic monitoring and review, Netel can ensure that reporting meets the requirements of applicable regulations and stakeholders. Netel is continuously working to improve data collection and monitoring processes, including quality assurance and independent review of sustainability data.

In order to further strengthen control, a reporting structure has been implemented that complies with EU standards and ensures that the sustainability risks are managed in line with Netel's strategic goals and values. Regular training and awareness-raising ensure that all relevant employees are well versed in sustainability requirements and control processes.

Double materiality assessment

To ensure comprehensive and relevant sustainability reporting, Netel has conducted a double materiality assessment. The purpose of the double materiality assessment is to identify and prioritise the sustainability aspects that impact both the environment and society and Netel's financial performance.

METHODOLOGY AND PROCESS

The double materiality assessment was carried out in several steps to ensure that all relevant sustainability issues are taken into account. The analysis covers two perspectives:

Impact materiality

This aspect is about Netel's impact on the outside world – environment, people and society – as a result of its activities or business relationships. Here, the impact is assessed based on severity, including scale (how large the impact is), scope (how many people are affected) and irremediable character (how difficult it is to remedy the damage). Positive and negative impacts are considered and the focus is on identifying and addressing the most material matters.

Financial materiality

The financial aspect focuses on the impact of an issue on Netel's financial performance, value or future financial position. It includes both risks and opportunities linked to factors such as legislation, market trends, climate change or social change. Materiality is assessed based on the financial impact and the likelihood of its occurrence.

DATA COLLECTION AND STAKEHOLDER DIALOGUE

As part of the assessment, an extensive stakeholder dialogue was conducted to gather insights from key stakeholders, including customers, employees, investors and suppliers. Through workshops, data collection and interviews, the sustainability issues deemed most relevant to these groups were identified. The results of these dialogues were compared and fed into the final assessment of material sustainability matters.

In addition, both internal and external information was used to analyse risks, opportunities and impacts related to sustainability matters. This information provided a deeper understanding of which areas are critical to Netel's business model and the long-term sustainability of the business.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



RESULTS AND ANALYSIS

The results of the double materiality assessment led to prioritising the sustainability matters that have the greatest impact on both Netel's financial performance and responsibility with regard to the environment and society. These matters were integrated into Netel's sustainability strategy and reporting.

The assessment also identified potential risks, opportunities and impacts that Netel should consider in its strategic planning going forward. These insights help Netel focus resources and efforts on the areas that both create value for Netel and contribute to a positive impact on society and the environment.

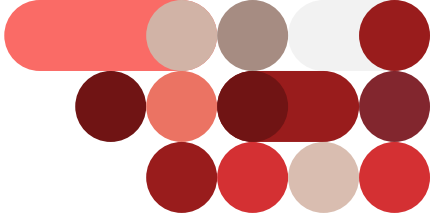
CONTINUOUS FOLLOW-UP

The double materiality assessment is a dynamic process that will be updated regularly to reflect changes in the market, new risks and stakeholder expectations. Netel will continue to develop the assessment to ensure that the company is updated on relevant sustainability matters and continues to meet the business objectives in a sustainable manner. Work will be intensified in 2025 to achieve full reporting in accordance with the ESRS regulations.

ESRS standard	Topic within the standard	Impact on the environment and society	Financial materiality	Double materiality
E1 Climate change	Climate change adaptation	Positive and negative	Opportunity and risk	√
	Climate change mitigation	Negative	Risk	√
	Energy	Negative	Not material	
E2 Pollution	Pollution of air	Negative	Not material	
	Pollution of soil	Positive and negative	Not material	
	Microplastics	Negative	Not material	
E3 Water and marine resources	Water	Negative	Not material	
E4 Biodiversity and ecosystems	Ecosystems	Negative	Not material	
	Biodiversity	Negative	Not material	
E5 Resource use and circular economy	Resource use	Negative	Risk	√
	Waste	Negative	Not material	
S1 Own workforce	Working conditions	Positive and negative	Opportunity and risk	√
	Equal treatment	Negative	Opportunity and risk	√
S2 Workers in the value chain	Working conditions	Positive and negative	Opportunity and risk	√
	Equal treatment	Negative	Not material	
	Other work-related rights	Negative	Not material	
S3 Affected communities	Communities' economic, social and cultural rights	Positive	Not material	
G1 Business conduct	Corporate culture	Positive and negative	Opportunity and risk	√
	Corruption and bribery	Negative	Risk	√
	Relationships with suppliers	Positive and negative	Not material	
	IT and cyber security	Negative	Risk	√

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



EU Taxonomy

The EU Taxonomy Regulation (2020/852) is a central part of the European Union’s work to promote sustainable investments and create a common framework for classifying environmentally sustainable economic activities. The regulation aims to help investors and companies identify and direct investments to activities that contribute to the EU’s climate and environmental objectives, while ensuring that these activities do not cause significant harm to other environmental objectives.

Netel continues to report in accordance with the EU Taxonomy Regulation and in 2024 expanded reporting to include a broader assessment of the operations’ contributions to sustainable investments. The reporting refers to Netel’s operations in Transmission and distribution of electricity (CCM 4.9) and is expanded with the Infra-service operations that conduct infrastructure projects in water and sewage. Water and sewage activities are Taxonomy-eligible but have not yet been assessed to be deemed environmentally sustainable and thus aligned with the EU Taxonomy.

Within the Taxonomy Regulation, both climate-related risks and human rights play a central role in ensuring that economic activities not only contribute to sustainability, but are also carried out in an ethical and responsible manner. Climate-related risks, such as extreme weather and changing climate conditions, need to be taken into account in the design and implementation of activities to ensure that they do not cause long-term damage to the environment or society.

Human rights is another critical aspect of the Taxonomy, which requires companies to comply with international standards on labour rights, gender equality and anti-corruption. These minimum safeguards are a prerequisite for classification as a sustainable activity. Accordingly, the Taxonomy ensures that the green transition takes place with a strong social responsibility, where respect for human rights goes hand in hand with environmental sustainability.

Meeting the criteria

SIGNIFICANT CONTRIBUTIONS TO CLIMATE CHANGE MITIGATION

Netel’s projects in the Power Division are performed in Sweden, Norway and Finland and involve work on the national, regional and/or local grids which are part of the interconnected European transmission and distribution system and/or subsystems. None of Netel’s projects and services involve work on direct lines to CO₂ intensive production plants.

The activities within transmission and distribution of electricity (CCM 4.9) continue to meet the Taxonomy requirements on a significant contribution to the climate objective of “Climate Change Mitigation.” By maintaining and expanding the electricity distribution infrastructure in Sweden, Norway and Finland, Netel enables a sustainable energy transition in Europe. Netel also takes into account potential risks linked to climate and human rights that can affect projects in the short and long term.

In 2024, Netel extended its assessment of the operations to include the InfraserVICES division and identified potential economic activities that are eligible under the EU Taxonomy Regulation. These activities have been assessed as Taxonomy-eligible and fall under the climate change mitigation (CCM) and climate change adaptation (CCA) objectives.

Netel has not yet completed a full evaluation of its operations with respect to the criteria to be classified as Taxonomy-aligned. This means that even if the identified activities are eligible under the Taxonomy, it remains to be assessed if they meet the technical screening criteria to make a significant contribution to the climate objectives and that they do not cause any significant harm to other environmental objectives (DNSH).

Netel will monitor the further development of the EU Taxonomy and ensure that more parts of its operations are not only Taxonomy-eligible, but also meet the requirements to be classified as Taxonomy-aligned in accordance with EU regulations. The focus will be on evaluating the operations against the technical screening criteria and ensuring that Netel meets both environmental and social requirements under the Taxonomy Regulation for existing and potential additional economic activities.

DNSH TO CLIMATE RISK ADAPTATION

Netel has performed a screening of the relevant climate-related hazards as well as a physical climate risk and vulnerability assessment for the power projects and services. The assessment concludes that the activities have limited exposure to physical climate risk in the geographies of operation. This is due to the fact that the climate-related hazards are relatively low in these areas and that Netel as a contractor (and not grid owner) performs activities through projects which are conducted over a climatically short period of time. Since the climate related risks are assessed not to be material, no adaptation solutions are required to meet the EU Taxonomy criteria. Netel does however recognise that increased awareness in design, planning and execution of the projects is important as the Netel’s operations are exposed to climate-related hazards and because Netel’s customers are subject to the more long-term impacts of climate change.

DNSH TO TRANSITION TO A CIRCULAR ECONOMY

The responsibility for managing waste and ensuring maximum re-use and recycling rest in some contracts with Netel and in other contracts with the client. Where Netel has the responsibility, Netel follows internal waste management procedures. In 2024, the recycling rate was over 90 per cent. Where the waste management responsibility lies with the client, Netel seeks to ensure that the waste its operations produce is delivered to recognised waste management partners for further sorting and treatment.

DNSH TO POLLUTION PREVENTION AND CONTROL

This provision is only applicable for activities related to above-ground high voltage lines. Where Netel is involved in such types of projects, management systems are in place that comply with the IFC performance standards for the environment, health and safety, as well as applicable norms and regulations for limiting electromagnetic radiation. Limitation of electromagnetic radiation is performed together with the clients by eliminating or minimising the risk.

DNSH TO BIODIVERSITY AND ECOSYSTEMS

Netel’s clients are required to complete an Environmental Impact Assessment (EIA) prior to obtaining a concession. Therefore, the responsibility to complete an EIA and ensure implementation of mitigation measures lies with our clients. In some projects, Netel may perform activities in or near biodiversity sensitive areas. In such cases, Netel is required to get a permit from appropriate national authorities before commencement.

MINIMUM SAFEGUARDS

All activities performed by Netel are carried out in compliance with the minimum safeguard requirements to ensure that the activities are conducted ethically and responsibly. This includes compliance with internationally recognised standards for human rights, labour law, environmental protection and generally accepted business practices, including measures against corruption and tax evasion.

Netel has implemented policies and practices in its operations to manage human rights concerns. A risk assessment was carried out to identify the most significant risks in this area. Netel continuously works to improve existing action plans, including a mapping of the value chain and environmental impact.

Sustainability Report

- General disclosures
- ☒ EU Taxonomy
 - Climate change
 - Pollution
 - Water and marine resources
 - Biodiversity and ecosystems
 - Resource use and circular economy
 - Own workforce
 - Workers in the value chain
 - Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



Netel has anti-corruption processes in place including policies set out in the Code of Conduct, financial internal controls, whistleblowing procedures and a digital training programme. The training program will also cover competition laws and regulations. Netel complies with national tax laws and regulations of the countries in which it operates, and profits are taxed in the same countries. Netel does not use group structures or individual entities for tax purposes. Netel has not been convicted for any violation in relation to labour law or human rights, tax, corruption or bribery or competition laws in the reporting period.

By following the minimum safeguards, Netel strengthens its sustainability profile and shows that we not only focus on contributing to environmental objectives, but also take responsibility for conducting business with a high level of integrity and ethical standards. This is a prerequisite for being able to classify economic activities as environmentally sustainable and thereby aligned with the EU Taxonomy Regulation.

Financial disclosures

TURNOVER

The key figure “turnover” is defined in the provisions of the EU Taxonomy Regulation as net turnover, which must include all activities over which the Group is deemed to have control and decisive influence. Consequently, activities held for sale are included in the definition of net turnover according to the Taxonomy. This means that the reported net turnover under the Taxonomy differs from the net turnover otherwise reported for the Group under IFRS in the financial statements.

All figures below regarding the Taxonomy are presented for the entire Group, including activities held for sale, unless otherwise stated. Information for continuing operations is presented separately as voluntary disclosure in connection with the defined taxonomy tables below. Net turnover under IFRS, as presented in the financial statements, is further explained in Notes 1–3.

In 2024, Netel's total turnover was MSEK 3,284 (3,186) of which 29 per cent (27.1) derived from Taxonomy-aligned or eligible activities related to the economic activity of transmission and distribution of electricity (CCM 4.9).

Sales for water and sewage projects account for 4 per cent of the Group's total turnover. This activity will be further evaluated in the future to assess whether it can be classified as environmentally sustainable.

CAPEX

All figures below regarding capital expenditures are presented for the entire Group, including operations held for sale, in accordance with the definitions in the EU Taxonomy, unless otherwise stated. Information for continuing operations is presented separately as a voluntary disclosure in connection with the defined taxonomy tables.

The Taxonomy KPI on CapEx covers additions to tangible and intangible assets during the financial year. Given Netel's asset-light project management business model with a flexible cost structure, there were few Taxonomy relevant investments made during 2024. Whilst the KPI on CapEx also covers additions to tangible and intangible assets resulting from business combinations, identified intangible assets resulting directly from a purchase price analysis, e.g., goodwill, are excluded. In 2024, total investments in tangible and intangible assets amounted to MSEK 86 (63), excluding goodwill but including investments of right-of-use assets. MSEK 13 (14) of the total investments relate to right-of-use assets for buildings and premises CCM 7.7/CCA 7.7, and whilst these investments are not related to the Taxonomy-eligible economic activity for transmission and distribution of electricity, Netel has decided to include such investments as Taxonomy-eligible investments related to the economic activity for acquisition and ownership of buildings. In 2024, Netel's total CapEx was MSEK 86 (83), of which 15 per cent (22.2) derived from Taxonomy-eligible activities. 0 per cent (0) of the CapEx met the Taxonomy screening criteria and, therefore, no investments are classified as aligned. The EU Taxonomy Regulation also requires CapEx plans to be disclosed as part of Taxonomy reporting.

Netel strives for future development aligned with the EU Taxonomy yet acknowledges the relatively low need for investments in the operating activities given Netel's business model. As a result, no significant investments to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned have been identified.

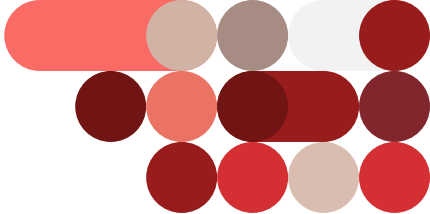
OPEX

All figures below regarding opex are presented for the entire Group, including operations held for sale, in accordance with the definitions in the EU Taxonomy, unless otherwise stated. Information for continuing operations is presented separately as a voluntary disclosure in connection with the defined taxonomy tables.

The OpEx KPI as defined by the EU Taxonomy has a somewhat different definition in comparison to operating expenses in Netel's consolidated statement of profit or loss, as it focuses on direct non-capitalised costs related to tangible and intangible assets. In 2024, Netel's total operating expenses were MSEK 3,187 (3,053) yet only costs related to maintenance and development of assets have the potential of being defined as Taxonomy-aligned. Again, referring to Netel's asset-light project management business model with few assets under management, Netel has not recognised any eligible operating expenses in 2024. As a result, Netel acknowledges the absence of materiality of Taxonomy-aligned OpEx. Referring to the total operating expenses in 2024, 0 per cent (0) is derived from Taxonomy-eligible activities, and 0 per cent (0) met the Taxonomy criteria.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



Taxonomy reporting table 2024 - Turnover

Financial year 2024	2024			Substantial contribution criteria							DNSH criteria (Do No Significant Harm)								
	Code (2)	Turnover (3)	Proportion of Turnover, 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, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Economic activities (1)		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9	1,019	29%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	Y	Y	Y	29%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,019	29%	100%	0%	0%	0%	0%	0%	-	Y	-	Y	Y	Y	Y	29%		
Of which Enabling		1,019	29%	100%	0%	0%	0%	0%	0%	-	Y	-	Y	Y	Y	Y	29%	E	
Of which Transitional		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A2)		131	4%	-	-	-	-	-	-								-		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		1,151	33%	-	-	-	-	-	-								-		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		2,374	67%																
TOTAL		3,524	100%																
				The figures presented in the table above refer to taxonomy-aligned and total net turnover for the entire Group, including operations held for sale. To comply with the requirements of the Taxonomy Regulation, new turnover has been calculated by summing the net turnover from continuing operations (see Note 3) with the net turnover from operations held for sale (see Note 36). The EU Taxonomy applies a different definition of the key figure net turnover, which differs from the Group's consolidated financial reports under IFRS, where operations held for sale are reported separately from continuing operations. This results in discrepancies between the reporting under the EU Taxonomy and the Group's financial reports. The purpose of this adjustment is to ensure that reporting aligns with applicable regulations and provides a fair representation in accordance with the requirements of the Taxonomy Regulation.															

Continuing operations

Financial year 2024	2024			Substantial contribution criteria	
	Code (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)
Economic activities (1)					
A. TAXONOMY-ELIGIBLE ACTIVITIES					
A.1. Environmentally sustainable activities (Taxonomy-aligned)					
Transmission and distribution of electricity	CCM 4.9	953	29%	Y	N
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		131	4%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		1,084	33%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES					
Turnover of Taxonomy-non-eligible activities		2,200	67%		
TOTAL		3,284	100%		

Continuing operations

Restated figures for continuing operations are reported to ensure comparability with the Group's other financial reports. The reported figures in the main tables, in accordance with the EU Taxonomy Regulation, have been adjusted for discontinued operations to present the restated figures for continuing operations.

Sustainability Report

General disclosures

EU Taxonomy

Climate change

Pollution

Water and marine resources

Biodiversity and ecosystems

Resource use and circular economy

Own workforce

Workers in the value chain

Affected communities

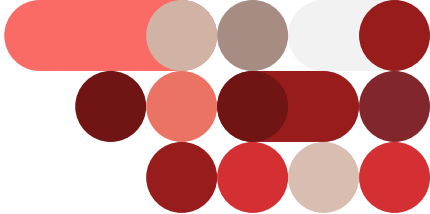
Business conduct

Stakeholder dialogues

Whistleblower service

Certifications





Taxonomy reporting table 2024 - CapEx

Financial year 2024	2024			Substantial contribution criteria							DNSH criteria (Do No Significant Harm)																		
	Code (2)	CapEx (3)	Proportion of CapEx, 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)	Category transitional activity (20)										
Economic activities (1)		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T										
A. TAXONOMY-ELIGIBLE ACTIVITIES																													
A.1 Environmentally sustainable activities (Taxonomy-aligned)																													
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-												
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E											
Of which Transitional		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		T										
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																													
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL																				
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	13	15%	EL	EL	N/EL	N/EL	N/EL	N/EL																		22%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		13	15%	-	-	-	-	-	-																		22%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		13	15%	-	-	-	-	-	-																		22%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																													
CapEx of Taxonomy-non-eligible activities		73	85%																										
TOTAL		86	100%																										
				The figures presented in the table above refer to capital expenditures for the entire Group, including operations held for sale. To comply with the requirements of the Taxonomy Regulation, capital expenditures have been calculated by summing the continuing operations and operations held for sale. The purpose of this adjustment is to ensure that the reporting aligns with applicable regulations and provides a fair representation in accordance with the requirements of the Taxonomy Regulation.																									

Continuing operations

Financial year 2024	2024		
	Code (2)	CapEx (3)	Proportion of CapEx, 2024 (4)
Economic activities (1)			
A. TAXONOMY-ELIGIBLE ACTIVITIES			
A.1 Environmentally sustainable activities (Taxonomy-aligned)			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)			
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	11	13%
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		11	13%
A. CapEx of Taxonomy eligible activities (A.1+A.2)		11	13%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
CapEx of Taxonomy-non-eligible activities		72	87%
TOTAL		83	100%

Continuing operations

Restated figures for continuing operations are reported to ensure comparability with the Group's other financial reports. The reported figures in the main tables, in accordance with the EU Taxonomy Regulation, have been adjusted for discontinued operations to present the restated figures for continuing operations.

Sustainability Report

General disclosures

EU Taxonomy

Climate change

Pollution

Water and marine resources

Biodiversity and ecosystems

Resource use and circular economy

Own workforce

Workers in the value chain

Affected communities

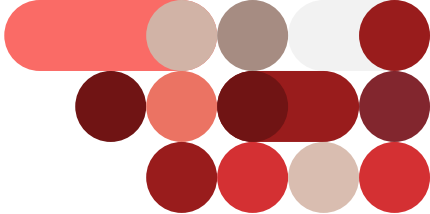
Business conduct

Stakeholder dialogues

Whistleblower service

Certifications





Taxonomy reporting table 2024 - OpEx

Financial year 2024	2024			Substantial contribution criteria							DNSH criteria (Do No Significant Harm)										
Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, 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)	Category transitional activity (20)		
Metric		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E			
Of which Transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-								-				
A. OpEx of Taxonomy eligible activities (A.1+A.2)		-	-	-	-	-	-	-	-								-				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy-non-eligible activities		-	-																		
TOTAL		-	-																		

The figures presented in the table above refer to operating expenses for the entire Group, including operations held for sale. To comply with the requirements of the Taxonomy Regulation, operating expenses have been calculated by summing the continuing operations and operations held for sale. The purpose of this adjustment is to ensure that the reporting aligns with applicable regulations and provides a fair representation in accordance with the requirements of the Taxonomy Regulation.

Continuing operations

Financial year 2024	2024		
	Code (2)	OpEx (3)	Proportion of OpEx, 2024 (4)
Economic activities (1)			
A. TAXONOMY-ELIGIBLE ACTIVITIES			
A.1. Environmentally sustainable activities (Taxonomy-aligned)			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		-	-
A. OpEx of Taxonomy eligible activities (A.1+A.2)		-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
Driftsutgifter hos kvarvarande verksamhet som inte omfattas av taxonomin		-	-
TOTAL		-	-

Continuing operations

Restated figures for continuing operations are reported to ensure comparability with the Group's other financial reports. The reported figures in the main tables, in accordance with the EU Taxonomy Regulation, have been adjusted for discontinued operations to present the restated figures for continuing operations.

Nuclear energy related activities

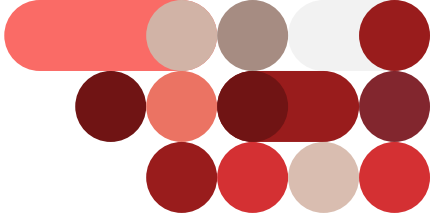
Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries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

Netel does not carry out, fund, or has exposure to construction and safe operation of new nuclear installations. However, 2024, Netel has limited exposure to construction and installation works for existing nuclear power plants and nuclear energy production amounting to <1% of Group revenue

Sustainability Report

- General disclosures
- EU Taxonomy
 - Climate change
 - Pollution
 - Water and marine resources
 - Biodiversity and ecosystems
 - Resource use and circular economy
 - Own workforce
 - Workers in the value chain
 - Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications





Climate change

The climate change statement aims to provide a comprehensive and transparent picture of Netel's climate impact and how we manage climate-related risks and opportunities. By adapting its operations, Netel can contribute to limiting global warming to 1.5°C in line with the Paris Agreement. The Sustainability Report aims to provide insight into Netel's strategy and business model, which are designed to meet future demands and expectations for climate change adaptation.

In the double materiality assessment, Netel has identified climate change as one of the most material matters for both environmental impact and financial sustainability. The assessment shows that Netel's activities have material impacts on GHG emissions. At the same time, the transition to more sustainable operations presents both risks and opportunities.

For climate change mitigation and limiting GHG emissions, Netel is making a positive contribution to Northern Europe's energy transition through its work on the expansion of the electricity grid. Netel promotes the electrification of various sectors, including transport, thereby helps to reduce climate impact and accelerate the transition to a sustainable society. Netel's infrastructure activities thus strengthen both climate and social benefits.

Financially, climate change means an increased exposure to costs linked to changed regulatory requirements, rising energy prices and potential customer requirements on reduced emissions. The transition enables new business opportunities through increased investments in infrastructure.

Implementation of the Greenhouse Gas Protocol (GHG)

The GHG Protocol has been implemented throughout the business in accordance with standardized guidelines and methods. The standards followed are:

- Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard (2004)
- Corporate Value Chain (Scope 3) Standard (2011)
- Scope 2 Guidance (2015)

The reporting takes place via a digital platform to ensure complete, relevant and comparable reporting in accordance with the guidelines of the GHG Protocol.

All greenhouse gases included in the Kyoto Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, NF₃ and SF₆) are covered and Netel uses the designation CO₂e (CO₂ equivalents). The calculations take into account emissions across the entire value chain as far as possible. For emission factors that change annually, such as electricity and district heating, the latest available emission factor is used. In the calculations per employee,

the average number of full-time employees in continuing operations during the year was used, which amounted to 837 (814).

Netel has performed a detailed assessment to identify and categorise sources of emissions under the three scopes described in the GHG Protocol. According to the GHG Protocol, the emissions are divided into Scope 1, 2 and 3. Generally speaking, the scopes cover the following:

Scope 1 includes direct GHG emissions over which Netel has direct control. This applies, for example, to GHG emissions from vehicles and machines that Netel owns or leases.

Scope 2 contains indirect emissions from electricity, i.e. consumption of electricity and district heating.

Scope 3 relates to indirect emissions that the company does not control but still causes and is often divided into upstream and downstream emissions, depending on where in the value chain the emissions occur. At the beginning of the value chain, energy consumption in the production of materials such as aluminium, steel and copper is essential. When purchasing materials, Netel has limited insight into the origin and production methods, but it is reasonable to assume that these processes are also energy intensive.

Netel's calculations within Scope 3 cover categories 1–7 and 11:

1. Purchased goods and services
2. Capital goods
3. Fuel and energy related activities
4. Upstream transport
5. Waste management
6. Business travel including hotel stays
7. Employee commuting
11. Use of sold products

Calculations of emissions within Scope 3 have been made based on spend cost data in combination with relevant emission factors. Netel has made the assessment that the majority of the downstream value chain is not within its financial or operational control and is thereby excluded.

Science Based Targets initiative (SBTi)

The Science Based Targets initiative (SBTi) validated Netel's climate targets in December 2024. The science-based targets mean a reduction of 42 per cent in Scope 1-2 emissions by 2030 and a reduction of 90 per cent by 2050 with 2023 as the base year. The corresponding target for Scope 3 means a reduction of 51.6 per cent per MSEK GEVA¹ by 2030 and a reduction of 90 per cent by 2050 with 2023 as the base year. The overall goal is to achieve net-zero emissions across the entire value chain by 2050.

The validated science-based targets give Netel a clear plan to reduce GHG emissions in line with the global climate targets. The targets reflect not only Netel's ambitions to contribute to a more sustainable future, but also its responsibility towards customers, suppliers and society. By working systematically and purposefully to reduce emissions, Netel strengthens its role as a sustainable and responsible actor.

GHG emissions 2024

In accordance with the Group's financial reporting, where operations under divestment are reported separately from continuing operations, Netel reports emissions according to the GHG Protocol in the tables and text primarily for the continuing operations, with supplementary information regarding emissions from operations under divestment unless otherwise stated.

Netel categorises and reports its GHG emissions in Scope 1, 2, and 3 according to the GHG Protocol to provide a comprehensive view of the business' climate impact and enable comparisons over time. To ensure comparability, the validated SBTi targets have been recalculated for the comparison period and the base year 2023.

The emissions for 2023 have been recalculated to align with the 2024 calculation methodology and allow for a fair comparison between the years. The key figure for emissions per kilometer driven has been recalculated based on actual fuel consumption rather than consumption according to WLTP to more accurately reflect the vehicle fleet in 2023 and 2024. In addition to the recalculation of Scope 1, Netel, as part of the SBTi process, has identified Category 11 Use of sold products as significant.

Data collection for the sustainability report is conducted through digital systems and includes both direct and indirect emissions. Fuel consumption in vehicles and machinery is reported through leasing operators, while energy consumption from properties is collected directly from energy providers or estimated when necessary. For Scope 3, data is collected from suppliers and subcontractors, but due to variations in data quality and availability, calculations are supplemented with standard values and estimates based on the Group's purchasing volumes.

In 2024, Netel has carried out a comprehensive mapping of its climate footprint and developed a transition plan to reduce the Group's GHG emissions. The goal is to create a more sustainable business in line with international climate targets.

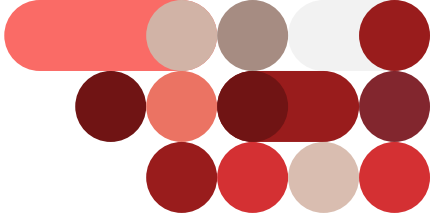
The reporting aims to ensure transparency, identify areas for improvement, and support the long-term work of integrating sustainability throughout the value chain. By measuring, analysing, and reporting emissions, Netel can develop effective strategies and targets to reduce its climate impact. At the same time, this strengthens the Group's accountability toward customers, suppliers, and society at large.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



¹Total GHG emissions in tCO₂eq/EBITDA+personnel costs



The reporting is a central part of Netel's commitment to actively contribute to the global transition toward a more climate-neutral economy.

Netel's GHG emissions are mainly concentrated in Scope 3, where purchased goods and services constitute a significant portion of total emissions. Scope 1 and 2 primarily consist of fuel consumption in vehicles and machinery.

Scope 1 and 2 (market-based) emissions amount to 3,874 (4,188) tonnes CO₂e, with company cars and machinery being the largest sources. Emissions from company cars generated 2,232 (2,411) tonnes CO₂e. The reduction in Scope 1 emissions is primarily due to Netel having more electric and hybrid vehicles, which is positive for Netel's climate footprint.

Emissions within Scope 2 (market-based) amount to 221 (136) tonnes CO₂e, where the increase is mainly due to the increased use of electric vehicles.

For Scope 1, reporting is based on fuel consumption, with data collected directly from leasing operators. For energy consumption, corresponding information is gathered from energy providers when such data is available. In cases where specific electricity data is lacking, an estimate is made based on office size and average vehicle consumption.

Scope 3 contributed 55,637 (55,030) tonnes CO₂e, where 92% (93%) relates to emissions from purchased goods and services. Emissions from purchased services amounted to 24,982 tonnes CO₂e, representing 49% of emissions in this category. This reflects the nature of the business as a project management organisation since Netel engages a large number of subcontractors to perform work such as installation, excavation, trenching, and asphaltting. In addition to purchased services, 51% of the emissions in this category were generated from purchased materials. The business model means that a significant portion of emissions is generated by external actors.

One of the biggest challenges with sustainability data within Scope 3 is collecting data from subcontractors. Currently, Netel cannot report specific data for each type of contractor and supplier but aims to continuously improve reporting.

Other Scope 3 emissions amount to 4,479 (3,956) tonnes CO₂e and are generated from capital goods, fuel-related activities, transport, waste, business travel, employee commuting, and the use of sold products. The corresponding emissions for operations under divestment are as follows: Scope 1–2 (market-based) emissions total 40 (24) tonnes CO₂e, where the majority of emissions are attributable to Scope 1 company cars. Scope 3 emissions for operations under divestment amount to 5,587 (6,652) tonnes CO₂e, with the majority (97%) attributable to Category 1 Purchased goods and services.

Netel's emissions according to the GHG Protocol

tCO ₂ eq		Base year 2023	31 Dec 2023	31 Dec 2024	% N / N-1	2030	2050
Scope 1	Gross emissions	4,052	4,052	3,653	-10%	2,350	405
Scope 2	Gross location-based emissions	25	25	24	-3%	14	2
	Gross market-based emissions	136	136	221	63%	79	14
Scope 1-2	Location-based	4,077	4,077	3,677	-10%	2,364	407
	Market-based	4,188	4,188	3,874	-7%	2,429	419
Scope 3	3.1. Purchased goods and services	51,074	51,074	51,158	0%	47,499	5,107
	3.2 Capital goods	1,226	1,226	1,862	52%	1,140	123
	3.3 Fuel and energy-related activities (not included in Scope 1 or 2)	1,010	1,010	922	-9%	940	101
	3.4 Upstream transportation and distribution	210	210	337	60%	196	21
	3.5 Waste generated in operations	346	346	576	66%	322	35
	3.6 Business travel	126	126	79	-37%	117	13
	3.7 Employee commuting	917	917	598	-35%	852	92
	3.11 Use of sold products ²	121	121	105	-13%	113	12
	Total Scope 3 emissions	55,030	55,030	55,637	1%	51,178	5,503
Total emissions continuing operations ¹	Location-based	59,108	59,108	59,314	0%	53,543	5,911
	Market-based	59,218	59,218	59,511	0%	53,607	5,922
Discontinuing operations							
Scope 1	Gross emissions	24	24	32	38%		
Scope 2	Gross location-based emissions	3	3	2	-42%		
	Gross market-based emissions	11	11	7	-32%		
Scope 3	Total Scope 3 emissions	6,652	6,652	5,887	-11%		
Total emission including discontinuing operations	Location-based	65,785	65,785	65,235	-1%		
	Market-based	65,904	65,904	65,437	-1%		

¹Total emissions differ from the data in the annual report for 2023 due to conversions and previously misreported data for business travel. Category 3.11 Use of sold products is new for 2024.

Sustainability Report

-

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



All tables on this page refer to continuing operations.

KPIs

	Base year 2023	31 Dec 2024	% N / N-1
Net sales, MSEK	3,218	3,284	2%
Number of FTEs, average number during the year	856	837	-2%
Adjusted EBITDA, MSEK	250	232	-7%
Personnel costs, MSEK	687	706	3%
Value added, MSEK	937	938	0%
Scope 3 - GEVA/tCO ₂ eq/MSEK	48	43	-10%

GHG intensity

tCO ₂ eq	2023		2024	
	Per MSEK	Per employee	Per MSEK	Per employee
Scope 1	1.3	4.7	1.1	4.4
Scope 2 location-based	0.01	0.03	0.01	0.03
Scope 2 market-based	0.04	0.16	0.07	0.26
Scope 1–2 location-based	1.3	4.8	1.1	4.4
Scope 1 –2 market-based	1.3	4.9	1.2	4.6
Scope 3	17.1	64.3	16.9	66.5
Scope 1–3 location-based	18.4	69.1	18.1	70.9
Scope 1 –3 market-based	18.4	69.2	18.1	71.1

Climate-related risks

Netel conducted an analysis of climate risks based on IPCC's¹ climate scenarios SSP1-2.6 and SSP3-7.0. The scenarios provide a broad representation of possible future climate developments and have been used to analyse climate-related risks over three time periods: the present, the near future (2030) and the long term (2050). The analysis focused on the geographical areas where Netel operates and on the specific climate-related risks that may affect Netel's operations.

The following climate risks were identified as relevant to Netel's operations and are deemed relevant and applicable to the entire Group:

- **Extreme rainfall and flooding:** Risk of flooding and localised heavy rainfall, which can lead to equipment damage and delays in project implementation.
- **Ground movements and landslides:** Changing precipitation patterns can cause landslides, especially in areas with steep slopes and clay soils.
- **Forest fires:** In dry years, the risk of forest fires increases, which can affect projects in forested areas.
- **Temperature changes:** Cold winters and periods of extreme heat can affect working conditions and productivity and increase the need for adaptations for sensitive equipment.

Scope 1 and 2

tCO ₂ eq	2023	2024
Company cars	2,411	2,232
Machinery	1,641	1,421
Total	4,052	3,653
Electricity market-based	124	175
Heating	11	18
Total facilities	135	193
Total CO₂e emissions Scope 1-2	4,188	3,846

Scope 1 Company cars

Number of	2023	2024
Electrical	13	49
Hybrid	23	45
Biodiesel	0	15
Fossil fuel	552	470
Total number of company cars	588	579
Emissions in grams per driven km	209	206

The analysis shows that Netel's exposure to climate-related risks is limited due to the nature of its operations. Netel operates as a contractor rather than an owner of infrastructure, which reduces the direct impact of physical risks. In addition, the projects are geographically dispersed and of short duration, allowing them to be adapted to prevailing conditions.

In summary, the analysis shows that the identified climate risks do not constitute a material impact on Netel, either operationally or financially, but that continued proactive work with climate adaptation is crucial to maintaining a sustainable and competitive business.

Sustainability Report

-
- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications

¹United Nations Intergovernmental Panel on Climate Change

Pollution

The double materiality assessment identified air and soil pollution and the release of microplastics as a material impact on the environment and society. Pollution arises from transport vehicles, heavy vehicles and the production of materials such as concrete, steel, aluminium and copper. These materials cause significant water, soil and air pollution during extraction, refining and production while transport vehicles contribute GHG emissions, particles, nitrogen oxides, sulphur dioxide and other pollutants that negatively affect both the environment and health. In addition, Netel's use of plastics poses risks linked to the dispersion of primary microplastics, which can have long-term effects on biodiversity and ecosystems.

Netel systematically identifies, analyses and prioritises the most significant environmental aspects to minimise risks and prevent negative impacts. Netel works actively to use recyclable materials, minimise environmentally hazardous chemicals and implement the latest technology to choose environmentally friendly alternatives.

When contaminated soil is identified, for example in Germany and Norway, Netel handles the contaminated mass and replaces it with clean soil, helping to reduce soil contamination. Netel also has a high level of preparedness to handle incidents, such as incorrectly mapped gas pipelines, in order to be able to quickly act and minimise any damage. Cooperation with customers, subcontractors and suppliers is key to ensuring compliance with high environmental standards, and the Code of Conduct sets out requirements for environmental protection that are expected to be followed both locally and internationally.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- ☒ Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



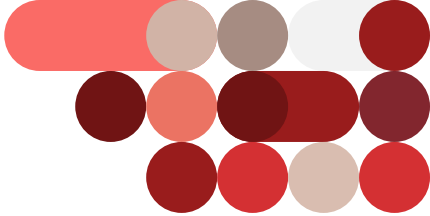
Water and marine resources

Water use is most extensive at the initial stage of Netel's value chain, where Netel's ability to influence is limited. This includes water with-drawals and emissions linked to the production of materials such as concrete, aluminium, steel and copper, where especially alumin-ium and copper are prominent. The production of these materials requires extensive water use at every stage of mineral extraction, processing and production.

Mining, as a key component in the production of these materials, affects water resources in two ways. First, many mining processes require large amounts of water – from drilling to washing minerals – resulting in decreasing groundwater levels in affected areas, drying out rivers and lakes, and water shortages that affect agricultural irrigation and pastures. Second, mining processes risk polluting water by adding chemicals and waste products that can clog rivers and wa-tercourses. This affects both the local ecosystem and the availability of clean water in nearby communities.

In cases where materials are provided by external suppliers, Netel has limited insight into the origin and production methods. Netel is actively working to improve transparency and understanding of the supply chain, with the aim of reducing environmental impact and strengthening sustainability efforts even at stages where Netel has no direct control.

Further down the value chain, Netel takes advantage of customers' environmental analyses to concretely identify and manage potential impacts on aquatic environments and marine resources. By adapt-ing working methods and implementing specific measures, Netel protects water quality and preserves sensitive marine ecosystems. Netel ensures the long-term and responsible management of water and marine resources by following applicable guidelines and working closely with customers and experts.



Sustainability Report

-

General disclosures

EU Taxonomy

Climate change

Pollution

☒ Water and marine resources

Biodiversity and ecosystems

Resource use and circular economy

Own workforce

Workers in the value chain

Affected communities

Business conduct

Stakeholder dialogues

Whistleblower service

Certifications



Biodiversity and ecosystems

Netel's activities have an environmental impact that includes land use and potential changes to species' habitats during project implementation. Construction and maintenance of infrastructure for electricity, mobile networks, cables and water requires land development. The installation of buried cables often has a greater impact, as this requires the construction of roads for heavy machinery used in excavation. Both construction and operation of electricity networks can disturb sensitive wildlife through noise. Spawning grounds and benthic fauna may be affected by installations, especially for projects in or near sensitive biodiversity areas.

Netel's operations also impact biodiversity through mineral extraction and material production upstream in the value chain. In particular, activities related to the establishment, operation, closure and rehabilitation of mines can cause significant impacts on biodiversity. Impacts include changes to landscapes, removal of vegetation and disruption of animal habitats, which can have long-lasting consequences for ecosystems, vegetation and wildlife, even after the mines have closed.

Netel is aware of these challenges and strives to minimise its impact on biodiversity by adapting its working methods and processes.

Netel is actively working to promote biodiversity and protect ecosystems in its deliveries to customers. Netel studies customers' environmental analyses to identify potential impacts on local nature and the balance of ecosystems. Based on the analyses, measures are implemented to preserve species diversity and protect sensitive natural areas. By following current guidelines and collaborating with customers and experts, Netel helps to create sustainable solutions that protect biodiversity.



Sustainability Report	-
General disclosures	
EU Taxonomy	
Climate change	
Pollution	
Water and marine resources	
Biodiversity and ecosystems	
Resource use and circular economy	
Own workforce	
Workers in the value chain	
Affected communities	
Business conduct	
Stakeholder dialogues	
Whistleblower service	
Certifications	

Resource use and circular economy



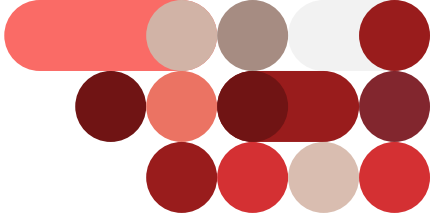
Netel has a negative impact on circular resource use as it relies on large amounts of virgin materials for its projects. Netel's environmental impact includes high resource use in the construction of infrastructure such as electricity, mobile networks and infraservice networks. Netel purchases resource-intensive materials such as cement, steel, aluminium and copper, but has limited insight into the origin and production methods of the materials supplied by subcontractors. The quality requirements for components and customer-specific requirements in the projects limit Netel's ability to influence the choice of materials and products. In addition, the global demand for strategic materials creates a shortage situation that further complicates resource control.

Netel generates waste from both construction and dismantling of infrastructure. Although waste from construction is often limited because finished components are ordered as needed, other waste, such as contaminated soil masses, may arise. Materials from dismantled infrastructure that cannot be reused as spare parts are also treated as waste. Waste generated in Netel's projects is managed by waste management partners.

The shortage of materials, caused by the transition of the energy and electricity system, leads to higher material costs and longer delivery times, which entails financial risks for Netel in the form of project delays and increased capital costs. However, since material purchases are often specified and paid for by customers in the contracts, Netel's risk exposure is deemed to be limited.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- ☒ Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



Own workforce

WORKFORCE

Every employee at Netel is to be treated equally and fairly, without discrimination. Netel is determined to create an inclusive work environment where everyone feels respected and valued. Fairness and equal treatment are fundamental principles that permeate Netel's work and corporate culture. By working actively with these issues, Netel creates a workplace where every individual can thrive and develop.

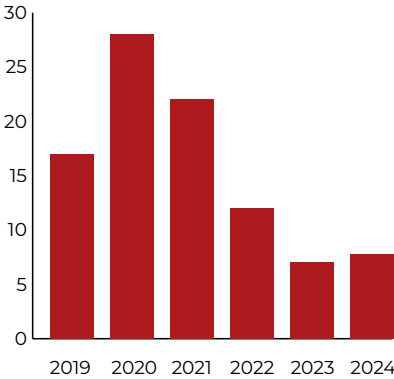
Netel has zero tolerance for harassment and discrimination. Nobody may be discriminated against on the basis of ethnicity, faith, gender identity or expression, age, nationality, language, political beliefs, marital status, sexual orientation, disability or labour union membership.

Netel strives to create a workplace where employees trust each other and the company. Motivation is a key factor in employee well-being and commitment. Motivation is created when every employee has a clear understanding the operation's vision and goal, as well as the role and importance of their own work. It is also important that employees have the opportunity to influence their work situation and that they have the necessary authority to do their work successfully.

Skills development is a key element in building motivation. By offering continuous development opportunities, Netel strengthens both the employees and the organisation. At Netel, employee appraisals are an important tool in the work to create motivation and trust. Employee appraisals are held at least once a year and provide an opportunity for dialogue on goals, development and the work environment.

Netel also safeguards its culture with an open door policy, meaning that managers and executives are always close at hand. Although Netel has grown, it still operates with the availability and speed of a smaller company.

Employee loyalty eNPS



For new employees, Netel ensures a respectful induction where they are quickly provided with the right tools and knowledge to get into the business and feel welcome as part of Netel.

In 2024, employee loyalty, as measured by the employee net promoter score (eNPS), increased to 7.8 (7.0).

WORKING CONDITIONS

Netel shall offer fair and safe working conditions that ensure a good working environment for all employees. The majority of Netel's employees are covered by collective agreements that guarantee competitive wages and benefits.

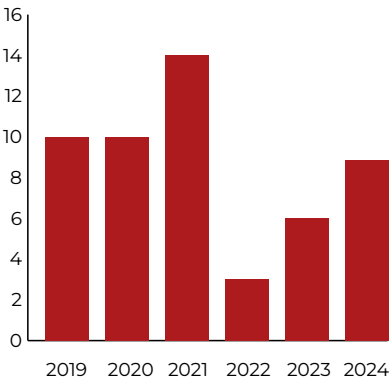
Regular employee surveys are also conducted to gain insights into the working environment and identify areas for improvement.

Netel encourages a healthy work-life balance through digital communication guidelines, which specify when work is expected to be done. These guidelines are particularly important in an industry where projects are often time-critical and demanding. At the same time, it is known that the workload of some projects, especially those linked to the energy transition and network roll-out, can be intense. To reduce the risk of stress and burnout, Netel offers support and resources, such as access to healthcare and opportunities for recuperation.

The goal is for no one to be injured while carrying out assignments for Netel. Operations are associated with work environment risks and Netel works proactively to prevent and avoid such risks. Netel also offers training courses and regular updates to occupational health and safety procedures as part of the proactive strategy to prevent accidents and ensure a safe workplace.

The number of work-related accidents refers to accidents that have resulted in more than one day's absence.

Number of accidents



EQUAL TREATMENT

Netel strives to achieve an even gender distribution in various positions and jobs within the entire organisation. The proportion of female employees was 10 per cent (8) and the number of female wage-setting managers was 30 out of a total of 305, or 10 per cent. These imbalances reflect the broader challenges facing the sector. Netel actively works to create a gender equal working environment through fair recruitment processes that ensure that candidates are assessed based on skills and experience.

To promote equal treatment, Netel has policies and guidelines to raise awareness of discrimination and unconscious bias. They aim to create a workplace where every individual is treated with respect and feels included. Netel also encourages a culture of openness and dialogue through whistleblowing functions and other mechanisms to report any incidents of discrimination or harassment.

Netel ensures that all employees have equal access to training and development opportunities and fair compensation agreements, regardless of gender, age, background or other factors. Netel's management continuously follows up these issues to ensure that equal treatment is not only an ambition, but also a reality in the day-to-day work.

Through these actions and its long-term commitment to gender equality and inclusion, Netel continues to work towards being an employer where all employees feel valued and have the opportunity to achieve their full potential.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- ☒ Own workforce
 - Workers in the value chain
 - Affected communities
 - Business conduct
 - Stakeholder dialogues
 - Whistleblower service
 - Certifications



For the employee data on this page, the adjustment for the sale of the Finnish operations was only made for 2024. The data refers to 31 December unless otherwise indicated.

Number of employees

	2019	2020	2021	2022	2023	2024
Number of employees	437	414	658	809	856	837
Number of women/men	57/380	50/364	46/612	68/741	71/794	87/750
Share women/men, %	13/87	12/88	7/93	8/92	8/92	10/90

Age and gender distribution

		2019	2020	2021	2022	2023	2024
18–35 years old	Number of women/men	26/166	21/153	20/250	29/296	22/291	35/268
	Share women/men, %	6/38	5/37	3/38	3.5/37	2/34	4/32
36–50 years old	Number of women/men	17/135	17/128	20/197	30/242	34/263	27/275
	Share women/men, %	4/31	4/31	3/30	3.5/30	4/30	3/33
Over 50 years old	Number of women/men	13/79	12/83	7/164	9/203	15/240	25/207
	Share women/men, %	3/18	3/20	1/25	1/25	2/28	3/25

The information refers to the average number of full-time equivalents.

Employee turnover and sick leave

	2019	2020	2021	2022	2023	2024
Employee turnover, %	5.2	3.1	1.2	7.9	16.2	15.6
Sick leave, %	3.1	3.4	3.1	3.1	3.8	3.9

Employee turnover refers to the number of employees who have resigned during the year in relation to the average number of employees during the year. Sick leave is calculated as the number of absent hours due to illness in relation to the total number of worked hours.

New employees

Number of	Infraservices	Power	Telecom	Head office	Total
New employees	23	32	89	5	149

Employees on parental leave

	Infraservices	Power	Telecom	Head office	Total
Number on parental leave	39	12	24	1	76

Refers to the number of employees on parental leave in 2024 measured as an average number of full-time equivalents.

Full- and part-time employees and non-employees

Number of	Infraservices	Power	Telecom	Head office	Total
Full-time employees	155	203	449	12	819
Part-time employees	7	3	1	0	11
Non-employees	14	8	17	6	45

The information refers to the average number of full-time equivalents in 2024. Non-employees refers to consultants who are hired by a Netel company to carry out specific projects.

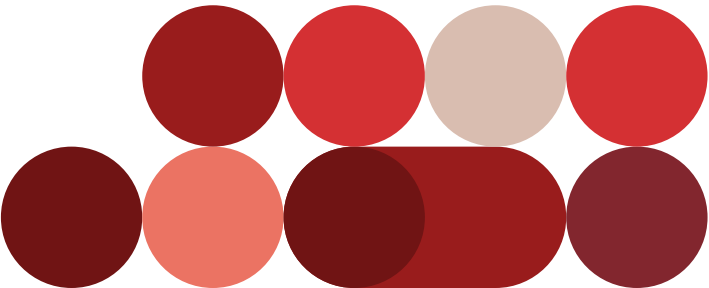
Number and share of employees covered by collective agreements

	Infraservices	Power	Telecom	Total
Number covered by collective agreements	103	179	382	721
Share covered by collective agreements, %	13%	22%	47%	81%

The information refers to the average number of full-time equivalents in 2024.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



Workers in the value chain

WORKING CONDITIONS

In addition to its own workforce, Netel provides work to more than 2,500 people in four countries. Netel's operations are based on an extensive network of contractors and subcontractors, which means that a large proportion of the workers in the value chain are employed by external actors. This creates particular challenges to ensure fair and safe working conditions throughout the value chain.

Subcontracted workers are exposed to occupational health and safety risks in all Netel divisions. The main risks are linked to working at heights, power lines, extensive driving and handling heavy equipment and machinery. In Germany, there are also specific risks associated with excavation work near gas pipelines or in areas with remnants of war materiel from the world wars. These working conditions pose significant safety challenges that negatively affect workers in the value chain.

In addition, there are risks of unfair working conditions, including undeclared work, long working hours and inadequate wages, especially in the construction sector. The demand for services in the construction sector has increased, which, combined with a shortage of skilled labour, creates risks of unsafe working conditions.

Netel has procedures in place to ensure compliance with occupational health and safety laws and regulations and that workers throughout the value chain have access to safe and fair working conditions. Netel intends to strengthen the supervision and monitoring of working conditions at its partners and suppliers.

EQUAL TREATMENT

Netel operates in an industry where gender imbalance and risks of discrimination exist. Workers in the value chain may face limited opportunities for equal treatment, for example in terms of pay, career development and access to training.

There is an uneven gender representation in the industry and Netel works actively to ensure that recruitment processes, salary negotiations and work environments are free from discrimination. By setting requirements on equal treatment in contracts with subcontractors and conducting regular audits, Netel aims to promote fair conditions throughout the value chain.

In order to raise awareness and reduce the risk of discrimination, Netel conducts training and information initiatives that are aimed at both employees and partners. Netel sees equal treatment as a central part of its social responsibility and works to create an inclusive work environment where everyone has equal opportunities regardless of gender or background.

OTHER RIGHTS

Netel has identified risks of work-related crime that may occur within the value chain. This includes wage dumping, illegal forms of employment and other types of labour exploitation. Such irregularities often affect the most vulnerable workers and can have significant negative consequences for the individuals concerned.

Netel actively works to prevent illegal and unethical practices by strengthening supplier auditing and monitoring processes. Netel sees respect for human rights as an integral part of its operations and strives to ensure that all workers in the value chain are provided with fair and reasonable working conditions and protection from exploitation.



Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications

Affected communities

COMMUNITIES' ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Netel's operations affect societies at several levels where Netel, through its work on infrastructure projects, contributes to both economic growth and societal development. By participating in the expansion of broadband and electricity networks and other critical infrastructure services, Netel plays a central role in supporting economic and social development in society.

Netel works with a large number of contractors and subcontractors, which means that Netel helps to create jobs and promote economic growth in local communities. Netel also helps to support and strengthen labour markets and create new business opportunities for regional companies by hiring local employees and partnering with local suppliers.

ACCESS TO SOCIETAL INFRASTRUCTURE

Netel contributes to ensuring access to basic societal infrastructure, such as electricity, internet and water. Access to electricity, internet and water are seen as basic needs in today's societies and by offering 5G, fibre optics, electricity, water and sewage, district heating and pedestrian and bicycle paths, Netel contributes to strengthening the economic, social and cultural rights of communities.

Infrastructure services are crucial to promoting the development of societies and to ensuring the well-being and quality of life of the citizens.

SOCIAL RIGHTS AND DIGITAL INCLUSION

Netel plays an important role in reducing digital divides and ensuring that more societies have access to modern technology and communication opportunities. Netel's work to expand the internet enables people to access education, work and public services on digital platforms. This is an important element in promoting social inclusion and equality.

Netel also strives to ensure that workers in both its own and subcontractors' ranks have fair working conditions and protected rights, which contributes to sustainable and fair social development. By ensuring that everyone involved in Netel's projects is treated with respect and fairness, Netel supports social sustainability and human rights throughout its value chain.

Sustainability Report

-

General disclosures

EU Taxonomy

Climate change

Pollution

Water and marine resources

Biodiversity and ecosystems

Resource use and circular economy

Own workforce

Workers in the value chain

○ Affected communities

Business conduct

Stakeholder dialogues

Whistleblower service

Certifications

Business conduct

LEGAL AND REGULATORY COMPLIANCE

Netel applies a strict zero tolerance policy regarding bribery, corruption, fraud and money laundering throughout the value chain. Netel complies with all applicable international and national standards and laws pertaining to gifts, bribery and corruption. In accordance with these guidelines, Netel acts to combat undeclared work, money laundering, other financial crime and the influence of illegal activities.

Netel employees and partners are prohibited from offering or arranging travel, giving gifts or other services and benefits that may be considered improper or that cannot be audited and reported transparently in accordance with Netel's Code of Conduct. Gifts from suppliers may only be accepted if their value is insignificant. However, employees are always prohibited from accepting cash or the equivalent, such as sponsorship and personal discounts. When visiting suppliers or participating in conferences and exhibitions, Netel covers all travel and accommodation expenses.

Netel rejects anti-competitive practices and strives to ensure healthy competition in tenders, procurement and purchasing. Netel stands against undue influence, bribery, price fixing, cartels, abuse of market dominance and manipulating tenders aimed to distort competition or that are in breach of current competition law. To manage potential conflicts of interest, Netel has clear guidelines. If an employee identifies a conflict of interest that could entail partiality, this should be immediately reported to the line manager. Partiality is deemed to exist if the matter concerns the employee him- or herself, a close relative (such as a spouse or partner, a parent, children or siblings) or if the outcome of the matter may entail special benefit or damage to the employee or a close relative. Partiality may also arise if there are circumstances that may undermine confidence in the employee's impartiality. The individual who is partial is not to take part in making the decision.

Netel Group AB and its subsidiaries are politically neutral. Company funds may not be used to provide funding to political parties, organisations, candidates or holders of public office. However, subsidiaries may make contributions to industry organisations after approval by Netel Group's Board of Directors.

Netel does not offer or give undue advantage, benefit or incentive to public officials, international organisations or any other third party. This applies regardless of whether it takes place directly or through an intermediary.

INDICATORS AND TARGETS

Netel has zero tolerance for bribery, corruption, fraud and money laundering. Netel monitors this through measuring the number of both suspected and verified violations in these areas. The target is to have no instances of suspected or confirmed violations.

Number of suspected bribery

2024	2023	2022	2021	2020
0	0	0	0	0

IT AND CYBER SECURITY

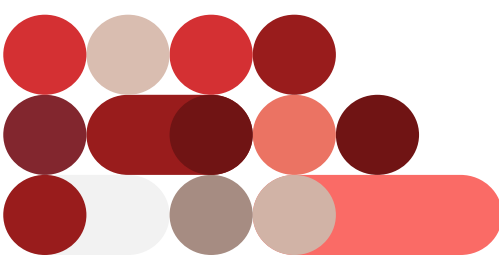
Netel has identified IT and cyber security as a material matter in the double materiality assessment, both in terms of impact on society and the environment and financial impact on Netel's financial position and development. In 2024, Netel continued its digital development and modernised its operations by introducing new support systems in project management and finance. The aim is to strengthen competitiveness and enhance efficiency. With new digital solutions, Netel has increased the level of automation and security in its operations.

Cybersecurity is a key part of Netel's strategy to protect both the operations and data. In 2024, work intensified on cyber security to address the increasingly complex threats in the digital environment. The efforts in 2024 provided valuable insights and a stable foundation to continue development in 2025.

As part of its long-term IT strategy, Netel also aims to reduce its climate impact. Netel is focusing on developing an energy-efficient IT infrastructure and investing in cloud services powered by renewable energy, which helps reduce the carbon footprint while enhancing the sustainability of the business.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- ☒ Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



Stakeholder dialogues

Netel’s operations are of concern to a vast number of stakeholders. As part of our sustainability efforts, Netel has dialogues with key stakeholders, and their opinions form the basis for our priorities and focus areas in regard to sustainability.

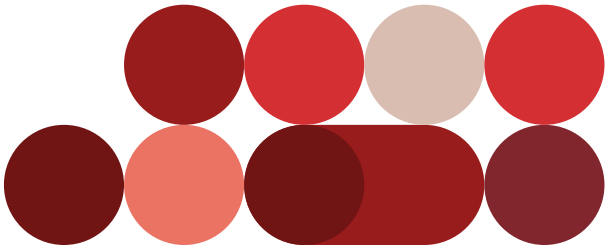
Netel communicates regularly with stakeholder groups in various ways. For example, when planning day-to-day operations, and in discussions about sustainability during business meetings with customers and subcontractors. During customers’ supplier audits, Netel gains deep insights into the customers’ sustainability demands in both the short and long term. These insights are valuable for Netel’s internal priorities and during the Group’s dialogues with subcontractors and suppliers.

Netel is a member of the Swedish Construction Federation and a supporting member of Fair Play Bygg in Norway.

Stakeholder	Dialogues	Main topics for dialogue	Priority sustainability topics
Employees	Employee surveys, employee appraisals, workplace meetings, labour union collaboration, manager and employee training.	Work environment, safety, skills development. Attitudes, norms.	Motivated employees. Safe workplaces. Equal and fair working conditions.
Customers	Customer satisfaction surveys, business meetings, customers’ supplier audits.	Occupational health and safety. Working conditions. Climate impact. Environmental risks and risks management.	Safe workplaces. Equal and fair working conditions. Reduce climate impact. Focus on the environment. Compliance with Code of Conduct for subcontractors and suppliers.
Owners and investors	Financial reporting, annual general meeting, investor meetings, press releases and news on the website.	Climate impact. Environmental risks and risks management. Governance and follow-up.	Reduce climate impact. Focus on the environment.
Subcontractors and suppliers	Business meetings, assessments, follow-ups and controls. Monitoring of compliance with the Code of Conduct.	Work environment, safety. Working conditions. Climate impact. Environmental risks and risks management. Compliance with the Code of Conduct.	Focus on the environment. Compliance with Code of Conduct for subcontractors and suppliers.
Other stakeholders – the industry, authorities, potential employees	Industry organisations, tradeshow, dialogues with municipalities and local authorities, vocational schools and universities.	Work environment, safety. Working conditions. Environmental risks and risks management.	Safe workplaces. Equal and fair working conditions. Focus on the environment.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications



Whistleblower service

Netel has a whistleblower service managed by an external, independent party. Anyone who suspects misconduct and violations of Netel's Code of Conduct can file an anonymous complaint via the whistleblower service. The whistleblower service can be reached at <https://netelgroup.whistlelink.com>.

Netel does not accept discrimination or retaliation against employees who report suspected Code of Conduct violations. The whistleblower service allows employees, customers, subcontractors, suppliers and other stakeholders to anonymously report suspected violations against the Code.

Number of incidents reported to the whistleblower service

2024	2023	2022	2021	2020
0	0	0	0	0

Certifications

Netel's subsidiaries make independent decisions regarding certifications and other quality seals. Decisions are based on, for example, industry best practise, customer requests and business value. The Group has the following certifications:

BROGRUND MARK AB

Quality, environmental management and occupational health and safety certification in accordance with ISO standards 9001:2015, 14001:2015 and 45001:2015.

BROGRUND ENTREPRENAD AB

Quality, environmental management and occupational health and safety certification in accordance with ISO standards 9001:2015, 14001:2015 and 45001:2015.

OPPUNDA KRAFTKONSULT AB

Quality, environmental management and occupational health and safety certification in accordance with ISO standards 9001:2015, 14001:2015 and 45001:2015.

NETEL AS

Certified in accordance with the environmental management system Miljøfyrtårn.

NETEL UK

Quality certification in accordance with ISO standards 9001:2015, 14001:2015 and 45001:2015.

NETT-TJENESTER AS

Certified in accordance with the environmental management system Miljøfyrtårn.

Sustainability Report

- General disclosures
- EU Taxonomy
- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct
- Stakeholder dialogues
- Whistleblower service
- Certifications

