

**To the shareholders of Itera ASA**

## **NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting will be held at Sognsveien 77 entrance B, Ullevaal Stadion, Oslo on Thursday 22 **May 2014 at 17.30** hrs.

The Board of Directors has adopted the following agenda for the meeting:

### **Agenda**

1. Opening of the Annual General Meeting by the Chairman of the Board and registration of Shareholders attending.
2. Election of a chairperson to preside over the meeting and at least one additional person to countersign the minutes together with the chairperson.
3. Approval of the Notice of meeting and the agenda.
4. Approval of the Annual Accounts for 2013.
5. Approval of amendment of Paragraph 5 in Itera ASA's Articles of Association concerning the number of members of the Board of Directors.
6. Approval of remuneration to the Board of Directors, Audit Committee, Compensation Committee and Nomination Committee.
7. Adoption of Auditor's fees.
8. Adoption of the Board of Directors' statement regarding the determination of salary and other remuneration to senior employees cf. Public Limited Companies Act § 6-16a.
9. Adoption of the Board of Director's proposal on the awarding of Power of Attorney to the Board of Directors to increase the company's share capital. The proposal includes the option to make exception to the shareholders' pre-emptive rights to subscribe to shares when there is an increase in share capital.
10. Adoption of The Board of Directors' proposal for a resolution granting itself authority to increase the Company's share capital in connection with the share option program.
11. Adoption of the Board of Director's proposal for adoption on the acquisition of own shares.
12. Election of auditor.
13. Election of the Board of Directors and the Nomination Committee.

The 2013 Annual Report, the report from the Nomination Committee (item number 6) and the Board's statement under item 8 are available at [www.itera.no](http://www.itera.no).

Total holdings of shares in the company Itera ASA is 82,186,624 and each share carries one vote.

Shareholders who will attend the meeting are requested to fill in and return the attached attendance form/proxy form no later than 15 May 2014 to Itera ASA, attn: Mette Valdem, e-mail; [mette.valdem@itera.no](mailto:mette.valdem@itera.no), fax no 23 00 76 60.

Oslo, 29 April 2013  
the Board of Directors of Itera ASA

Ole Jørgen Fredriksen  
Styreleder, sign.



## ATTENDANCE FORM

The undersigned will attend the Annual General Meeting of Itera ASA on **22 May 2014** and exercise voting rights for the following:

..... own shares

..... shares owned by others in accordance with the attached proxies.

In total ..... shares.

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature (repeat in capital letters)

A copy of proxy forms entitling the named bearer to meet and vote on behalf of shareholders must be attached and the original forms must be brought to and presented at the General Meeting.

Shareholders are requested to return the completed and signed attendance forms and/or proxy forms no later than 15 May 2014 to:

**Itera ASA, attn: Mette Valdem, e-mail; mette.valdem@itera.no, telefax: (+47) 2300 7660, or by mail, P.O. Box 3834 Ullevaal Stadion, NO-0805 Oslo.**



## PROXY FORM – Itera ASA – Annual General Meeting

The undersigned hereby grants the right to attend the meeting and to vote on behalf of the shareholder at the Annual General Meeting of Itera ASA on 22 May 2014 to:

\_\_\_\_\_  
Name in capital letters of person\* entitled to exercise the proxy

for my/our ..... shares.  
number

\* If the proxy name is not applied the name of the Chairman of the Board will be applied.

Where the proxy is given by means of signature authorisation, a certified copy of the Company's Certificate of Registration shall also be attached.

Voting shall take place in accordance with the instructions given below. If instructions by checking off the box below are not given, this will be regarded as instructed to vote "in favour."

ITEM	For	Against	Desist from voting	Representative determines the voting
3. Approval of the Notice of meeting and the agenda.				
4. Approval of the Annual Accounts for 2013.				
5. Approval of amendment of Paragraph 5 in Itera ASA's Articles of Association				
6. Approval of remuneration to the Board of Directors, Audit Committee, Compensation Committee and Nomination Committee				
7. Adoption of Auditor's fees.				
8. Adoption of the Board of Directors' statement regarding the determination of salary and other remuneration to senior employees, cf. Public Limited Companies Act § 6-16a.				
9. Adoption of The Board of Directors' proposal for a resolution granting itself authority to increase the Company's share capital. The resolution implies the right to deviate from the shareholders' pre-emption right connected to the increase of share capital.				
10. Adoption of The Board of Directors' proposal for a resolution granting itself authority to increase the Company's share capital in connection with the share option program.				
11. Adoption of the Board of Director's proposal for adoption on the acquisition of own shares.				
12. Election of Auditor				
13. Election of the Board of Directors and the Nomination Committee.				

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature (repeat in capital letters)

Shareholders are requested to return the completed and signed attendance forms and/or proxy forms no later than 15 May 2014 to:

**Itera ASA, attn: Mette Valdem, e-mail; mette.valdem@itera.no telefax: (+47) 2300 7660, or by mail, P.O. Box 3834 Ullevaal Stadion, NO-0805 Oslo.**

**Item 1: Opening of the Annual General Meeting by the Chairman of the Board, and registration of Shareholders attending.**

Attending shareholders will be accounted for in the General Meeting.

**Item 2: Election of a chairperson to preside over the meeting and at least one additional person to countersign the minutes together with the chairperson.**

The Chairman of the Board will be nominated to preside the General Meeting and it will be suggested that a shareholder present countersigns the minutes.

**Item 3: Approval of the Notice of meeting and the agenda.**

In accordance with applicable laws and regulations the notice of the meeting and the agenda were sent out within the specified deadlines.

**Item 4: Approval of the Annual Accounts and Annual Report for 2013.**

Approval of the Annual Accounts and Annual Report for 2013, including allocation of this year's profit for the parent company.

The Board proposes the following resolution for adoption by the General Meeting:

*"The Board proposes that this year's profit for the parent company, Itera ASA, amounting to NOK 2.041, should be allocated as follows:*

- NOK 28 765 318 to dividends, equivalent kr. 0.35 for each share. The dividend will be paid to the shareholder who owns the share on the date of the General Assembly 22<sup>nd</sup> of May 2014. The share will be listed exclusive dividend 23<sup>rd</sup> of May 2013. The dividend will be paid 5<sup>th</sup> of June 2014.*
- NOK 26 725 107 from other equity."*

**Item 5: Approval of amendment to Paragraph 5 in Itera ASA's Articles of Association**

The Board of Directors has unanimously adopted the proposal to propose to the Annual General Meeting that Paragraph 5 of Itera ASA's Articles of Association is amended from:

*"The company's Board of Directors consists of 3 – 5 members, elected by the General Meeting. Two board members shall jointly have signature rights for the company. The company shall not have more than one general manager",*

To:

*The company's Board of Directors shall consist of between four and six members. Up to four members shall be elected by the General Meeting. The Chairman of the Board of Directors and one Member of the Board of Directors shall sign jointly for the company. The company shall not have more than one Managing Director".*

**Item 6: Approval of remuneration to the Board of Directors, Audit Committee, Compensation Committee and Nomination Committee**

Proposed remuneration of the members of the Board and committees is available on Itera's website:

<http://www.itera.no/investor-relations/>

Based on this, the Nomination Committee proposes the following resolution for adoption by the General Meeting:

*"The following structure for remuneration for the Board for 2014/2015 is adopted:*

- Chairman NOK 300,000*
- Board member NOK 175,000*

*50 percent of the remuneration can be paid initially and 50 percent at the end of the period. The remuneration covers ordinary Board work.*

*The Nomination Committee proposes to the General Meeting that remuneration for Board members for extraordinary efforts above and beyond the usual workload should be currently invoiced at NOK 900 per hour. Fees for committee work will be considered separately and adopted by the General Meeting in 2015."*

The Board proposes the following resolutions for adoption by the General Meeting:

*"Remuneration for the Nomination Committee for 2014/2015 is suggested as follows:*

- Chairman NOK 30,000*
- Members NOK 15,000."*



#### **Item 7: Adoption of Auditor's fees.**

The Company has not yet received final invoices from the Auditor for 2013.

The Board proposes the following resolution for adoption by the General Meeting:

*"The auditor's fees are to be paid limited up to NOK 500 000."*

#### **Item 8: The Board of Directors' statement regarding the determination of salary and other remuneration to senior employees**

The Board of Director's statement regarding the determination of salary and other remuneration is included in the annual report, note 9.

The Board of Director's statement for remuneration to senior employees is presented to the General Meeting for an advisory vote, and the following resolution for adoption by the General Meeting is proposed:

*"The General Meeting approves the Board's statement regarding salary and other remuneration to senior employees."*

#### **Item 9: Authority to increase the Company's share capital**

The Annual General Meeting of 23<sup>rd</sup> May 2013 awarded Power of Attorney to the Board of Directors to increase the company's capital for amongst other things the purchase of other companies and to fulfil the company's commitments pursuant to the share option programme. The Power of Attorney expires on 1<sup>st</sup> July 2014. The Board of Directors has not used the powers granted.

Based on the Company's strategy and economic development, the Board wishes to be in the position to acquire companies that are industrially compatible with the Company's further development. The Board therefore wants a renewal of this authorisation so that the limits for the shares that may be issued can be adjusted up to 5 percent of the share capital at the date of the resolution. At the moment this represents NOK 1,232,799.-. The authorisation will enable the Board to deviate from the shareholders' preferential rights, which the Board considers necessary in order to perform share capital increases rapidly and in a cost-efficient manner. This applies to the acquiring of other companies and enterprises against payment in shares.

The authorisation will replace the authorisation granted at the General Meeting of 23 May 2013 and will be used for the following purposes:

To accomplish share capital increases, including private placing in connection with acquisitions, mergers and/or purchase of capital assets etc.

Based on this, the Board proposes the following resolution for adoption by the General Meeting:

*"The Board is authorised to increase the Company's share capital by up to NOK 1,232,799 through the issue of up to 4,109,331 shares at a face value of NOK 0.30. The authorisation shall be effective until 1 July 2015 and replace the authorisation from 23 May 2013. Shareholders' preferential rights according to Section 10-4 of the Norwegian Public Limited Companies Act can be withheld. The authorisation also covers capital increase against deposits in holdings other than money or the right to incur the Company specific obligations according to Section 10-2 of the Norwegian Public Limited Companies Act. The authorisation also covers decisions in connection with mergers according to Section 13-5 of the Norwegian Public Limited Companies Act."*

#### **Item 10: Authority to increase the Company's share capital regarding stock option programs**

The company currently has two share option programs. The number of share options outstanding is 2.221,000.

The Board's opinion is that the share option program for key personnel should continue. The share option program shall be related to long-term management objectives in Itera. The Board proposes to the General Meeting that a new share option program comprising 500,000 options for key personnel is to be adopted.

The authorisation will replace the authorisation granted at the General Meeting of 23 May 2013 and may be used for the following purposes:

Fulfilment of the Company's obligations connected to new share option agreements with employees. When allocating new share options, the redemption price shall not be set lower than the market price at the date of the allocation, and in any case not lower than the share's face value of NOK 0.30. The exercise date is set to from 12 to 48 months from the allocation date.

Based on this, the Board proposes the following resolution for adoption by the General Meeting:



*"The Board is authorised to increase the Company's share capital by up to NOK 816.300 through the issue of up to 2.721.00 shares at a face value of NOK 0.30. The authorisation shall be effective until 1 July 2015 and replaces the authorisation from 23 May 2013. Shareholders' preferential rights according to Section 10-4 of the Norwegian Public Limited Companies Act can be withheld. When allocating new share options to employees, the exercise price shall not be set lower than the market price at the date the share option was allocated, and in any case not lower than the share's face value of NOK 0.30. The exercise date shall be set to from 12 to 48 months after the share option was granted."*

#### **Item 11: Power of Attorney to acquire own shares**

The Board of Directors proposes that the Annual General Meeting grants Power of Attorney to the Board of Directors to acquire own shares to a value of up to 5 percent of the share capital on the date of the Annual General Meeting's decision to grant the Power of Attorney to the Board of Directors.

On this background, the Board of Directors proposes that the Annual General Meeting adopts the following proposal:

*"The Board of Directors is granted Power of Attorney to acquire own shares. The Power of Attorney shall expire on 1st July 2015. The highest total face value of the shares that can be acquired by the company is NOK 1,232,799, which is equal to 4,109,331 shares, each of face value NOK 0.30. The acquisition is within the framework of The Public Limited Liabilities Companies Act Section 9-2. The price of each share shall be minimum NOK 0.30, which is equal to the face value and maximum NOK 20, but such that the price shall not exceed the listed price."*

*The acquisition and disposal of own shares can be done in connection with the fulfilment of option agreements or similar agreements with employees, as remuneration in connection with mergers, acquisitions or the acquisition of assets, and/or ordinary purchases and sales in the market. Shares shall only be acquired through direct offers to some or all shareholders, hereunder employees, or via the stock exchange. Offers to acquire shares can be presented for a defined number of shares or as a general offer.*

*In the case that the face value of the shares changes, the highest total face value of shares the company can acquire shall be amended, together with the minimum and maximum price to be paid on a pro-rata basis".*

#### **Item 12: Election of Auditor**

KPMG has been Auditor for the Itera Group for many years and bids for the audit service have not been invited since 2007. Against this background the Audit Committee and the Board of Directors have decided that the company shall invite bids for the service in order to assess the services offered in the market place. The Board of Directors recommends to the Annual General Meeting that KPMG is selected as the new Company Auditor. The Audit Committee has endorsed the recommendation of the Board of Directors.

Against this background the Board of Directors proposes that the Annual General Meeting adopts the following proposal for the period 2014-2017:

*"KPMG is re-elected as the Group's Auditor".*

#### **Item 13: Election of the Board of Directors and the Nomination Committee**

##### **13.1: Election of the Board**

The Nomination Committee proposes that the number of Board members is changed from 4 to 6, and that the employees' representatives shall have two seats and two observers. Further, the Election Committee recommends that Morten Thorkildsen is elected as new Chairman of the Board of Directors and Wenche Holen is elected as a new Member of the Board, while board members Mimi K. Berdal and Jan-Erik Karlsson are re-elected.

On this background, the Election Committee recommends that the Annual General Meeting adopts the following proposal for the period 2014/2015:

*"Morten Thorkildsen is elected as new Chairman of the Board of Directors and Wenche Holen is elected as a new Member of the Board. Mimi K. Berdal (member) and Jan-Erik Karlsson (member) are re-elected to the Board of Directors".*

##### **13.2: Election of the Nomination Committee**

In accordance with the Articles of Association and the current Instructions to the Committee, the Committee has consulted the largest shareholders.

Based on this, the Nomination Committee proposes the following resolution for adoption by the General Meeting for the period 2014/2015:

*"Geir Moe is elected as new member of the Election Committee. Erik Sandersen (Chairman and Olav Werner Pedersen (Member) are re-elected to the Nomination Committee."*