

To the shareholders of Itera ASA

## NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting will be held in the company's offices at Nydalsveien 28, Oslo, on **Monday 22 May 2018 at 17.00 hrs.**

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

### Agenda

1. Opening of the Annual General Meeting by the Chair of the Board of Directors and registration of shareholders attending.
2. Election of a Chair for the meeting and at least one additional person to countersign the minutes together with the Chair.
3. Approval of the notice of the meeting and the agenda.
4. Approval of the Annual Report and the Board of Directors' report.
5. Approval of the remuneration of the members of the Board of Directors, Board Committees and Nomination Committee.
6. Determination of the fees payable to the Auditor
7. To consider the Board of Directors' statement regarding the determination of salary and other remuneration of senior employees cf. Public Limited Companies Act § 6-16a.
8. Adoption of the Board of Directors' proposal to authorise the Board of Directors to increase the company's share capital. The proposal includes the option to waive the pre-emptive rights of shareholders to subscribe for shares in the event of an increase in share capital.
9. Adoption of the Board of Directors' proposal to introduce a share purchase programme for key employees.
10. Adoption of the Board of Directors' proposal to approve the company's purchase of its own shares.
11. Authorisation for the Board to approve a supplementary dividend based on the company's annual financial accounts for 2017.
12. Election of the members of the Board of Directors and the Nomination Committee.
13. Election of auditor.

The 2017 Annual Report, the report from the Nomination Committee (items 5 and 12) and the Board's statement in respect of agenda item 7 are available at [www.itera.no](http://www.itera.no).

The total number of shares issued by Itera ASA is 82,186,624 and each share carries one vote.

Shareholders who wish to attend the meeting, either in person or by proxy, are requested to fill in and return the attached attendance form/proxy form no later than 15 May 2018 to Itera ASA, Attn: Mette Valdem, e-mail: [mette.valdem@itera.no](mailto:mette.valdem@itera.no).

Oslo, 30 April 2018  
Signed for and on behalf of the Board of Directors of ITERA ASA

Morten Thorkildsen  
Chairman

## ATTENDANCE FORM

The undersigned will attend the Annual General Meeting of Itera ASA on **22 May 2018** and exercise voting rights for the following:

..... own shares

..... shares owned by others in accordance with the attached proxy forms.

In total ..... shares.

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

\_\_\_\_\_  
Signature (please also provide name 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 2018** to:

Itera ASA, Attn: Mette Valdem, e-mail: [mette.valdem@itera.no](mailto:mette.valdem@itera.no) or by mail to P.O. Box 4814 Nydalen, NO-0422 Oslo, Norway.

## 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 2018** to:

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

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

\*If no person is named as the proxy, the proxy form will be deemed to appoint the Chair of Itera ASA's Board of Directors as the proxy. Where the proxy form is signed for a company by an authorised person, a certified copy of the company's Certificate of Registration must be attached.

The proxy is authorised to vote in accordance with the instructions given below. If no instruction is given for an agenda item by checking one of the boxes for the item in the table below, this will be deemed to be an instruction to vote in favour of the proposal in relation to this item as stated in the agenda.

ITEM	For	Against	Desist from voting	Representative determines the voting
3. Approval of the notice of the meeting and the agenda.				
4. Approval of the Annual Report and the Board of Directors' report.				
5. Approval of the remuneration of the members of the Board of Directors, Board Committees and Nomination Committee.				
6. Determination of the fees payable to the Auditor				
7. To consider the Board of Directors' statement regarding the determination of salary and other remuneration of senior employees cf. Public Limited Companies Act § 6-16a.				
8. Adoption of the Board of Directors' proposal to authorise the Board of Directors to increase the company's share capital. The proposal includes the option to waive the pre-emptive rights of shareholders to subscribe for shares in the event of an increase in share capital.				
9. Adoption of the Board of Directors' proposal to introduce a share purchase programme for key employees.				
10. Adoption of the Board of Directors' proposal to approve the company's purchase of its own shares.				
11. Authorisation for the Board to approve a supplementary dividend based on the company's annual financial accounts for 2017.				
12. Election of the members of the Board of Directors and the Nomination Committee.				
13. Election of auditor.				

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

\_\_\_\_\_  
Signature (please also provide name in capital letters)

Shareholders are requested to return the completed and signed attendance forms and/or proxy forms no **later than 15 May 2018** to:

Itera ASA, Attn: Mette Valdem, e-mail: [mette.valdem@itera.no](mailto:mette.valdem@itera.no) or by mail to P.O. Box 4814 Nydalen, NO-0422 Oslo, Norway.

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

A register will be taken of shareholders attending the Annual 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 proposed as the chairperson for the General Meeting, and one of the shareholders present will be proposed to countersign the minutes.

**Item 3: Approval of the Notice of the 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.**

Approval of the Annual Accounts and Annual Report for 2017, including allocation of the profit for the year of the parent company.

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

*"The Annual Accounts and Annual Report for 2017 are approved in their entirety. The Board proposes that the profit for the year of the parent company, Itera ASA, amounting to NOK 45,111k, should be allocated as follows:*

- *NOK 20,319k to supplementary dividend, equivalent to NOK 0.25 per share paid on 2 November 2017 in accordance with the authorisation granted by the General Meeting on 22 May 2017.*
- *NOK 20,547k to ordinary dividend, equivalent to NOK 0.25 per share. The dividend will be paid to shareholders who own shares on the date of the Annual General Meeting of 22 May 2018. The share will be traded excluding the right to the dividend on 23 May 2018. The dividend will be paid on 1 June 2018.*
- *NOK 4,245k to other equity."*

**Item 5: Approval of the remuneration of the Board of Directors, Audit Committee, Compensation Committee and Nomination Committee**

Proposals for determining the remuneration of members of the Board of Directors, Board Committees and the Nomination Committee can be found in the report from the Nomination Committee made available on the company's website at <https://itera.no/no/investor-relations/ir/reports-and-presentation/>.

In accordance with these proposals, the Nomination Committee proposes that the Annual General Meeting should approve the following resolution:

*"The following remuneration structure for the Board of Directors for 2017/18 is approved:*

- *Chairman of the Board* NOK 325,000
- *Board member (shareholder elected)* NOK 200,000
- *Board member (employee representative)* NOK 20,000

*The compensation is expected to be kept unchanged for the coming period. 50% of the expected remuneration may be paid in advance and 50% at the end of the period.*

*The Nomination Committee recognises that there may be a need for the Chairman or any Board members to assume extraordinary work beyond what is included in the ordinary board work. To the extent the Board approves such agreements, the remuneration for such work will be additional to the above fixed remuneration."*

In addition to external representatives and employees, the Audit Committee for 2017/18 has consisted of Mimi Berdal (chair) and Gyrid Skalleberg Ingerø (member), while the Remuneration Committee has consisted of Jan-Erik Karlsson (chair) and Morten Thorkildsen (member). The Board proposes that the Annual General Meeting should approve the following resolution in respect of the remuneration of members of Board Committees:

*"The following structure for the remuneration of the members of Board Committees for 2017/2018 is hereby approved:*

- *Audit Committee*
  - *Chair* NOK 25 000
  - *Member* NOK 20 000
- *Remuneration Committee*
  - *Chair* NOK 15 000
  - *Member* NOK 10 000."

The Board proposes the following resolutions for adoption by the General Meeting with respect to remuneration of the Nomination Committee for 2017/18:

*"The following structure for the remuneration of the members of the Nomination Committee for 2017/2018 is hereby approved:*

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

#### **Item 6: Determination of the fees payable to the Auditor.**

The fees include services related to the implementation of new accounting principles.

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

*"The auditor's fees are paid according to invoices of NOK 442 743."*

#### **Item 7: The Board of Directors' statement regarding the determination of salary and other remuneration paid 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 Directors' statement on the remuneration of 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 the determination of salary and other remuneration paid to senior employees."*

#### **Item 8: Authorisation to increase the Company's share capital**

The Annual General Meeting of 22 May 2017 authorised the Board of Directors to increase the company's share capital for purposes including the acquisition of other companies and to fulfil the company's commitments pursuant to the share option programmes. This authorisation expires on 1 July 2018. The Board of Directors has not used the authorisation granted.

The company currently has three share option programmes. The number of outstanding share options, which is to say the number of options that have been granted but not exercised or expired, is 3,125,800.

Program	Outstanding	Issued	Expired	Exercised	Outstanding	Earliest exercise			
	31 Dec 2016	2017	2017	2017	31 Dec 2017	2018	2019	2020	2021
2013	1 010 000			1 010 000	-				
2015	274 000		6 000	-	268 000		268 000		
2016	1 690 000		35 000	178 000	1 477 000	153 000	331 000	331 000	662 000
2017		1 980 000	599 200		1 380 800	253 200	253 200	253 200	621 200
<b>Total</b>	<b>2 974 000</b>	<b>1 980 000</b>	<b>640 200</b>	<b>1 188 000</b>	<b>3 125 800</b>	<b>406 200</b>	<b>852 200</b>	<b>584 200</b>	<b>1 283 200</b>

The Board is of the opinion that a new share purchase programme for key employees should be introduced instead of continuing the share option programs that have been run in recent years. This will be proposed under item 9.

Up to 406,200 options already granted may be exercised in 2018. Based on the Company's strategy and economic development, the Board also wishes to be in a position to acquire companies that are industrially compatible with the Company's future development. The Board would therefore like the authorisation to be renewed, with a limit for the number of shares that might be issued set at 5% of the Company's share capital at the date of the Annual General Meeting's resolution to grant the authorisation. This currently amounts to an increase in share capital of NOK 1,232,799. The authorisation will enable the Board to waive the pre-emption rights of existing shareholders, which the Board considers necessary in order to perform share capital increases rapidly and in a cost-efficient manner. This applies to the acquisition of other companies and enterprises against payment in shares.

The authorisation will replace the authorisation granted at the General Meeting of 22 May 2017 and will be used for the following purposes:

To carry out share capital increases, including private placements, in connection with acquisitions, mergers, share purchase and share option programmes 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 with a face value of NOK 0.30. The authorisation shall be effective until 1 July 2018 and replaces the authorisation granted at the Annual General Meeting of 22 May 2017. Shareholders' preferential rights pursuant to Section 10-4 of the Norwegian Public Limited Companies Act can be waived. The authorisation also covers capital increases for non-cash payment or other special subscription terms pursuant 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 9: The Board of Directors’ proposal to introduce a share purchase programme for employees.**

In the Annual General Meeting on 22 May 2017 the Board was authorised to implement an annual Share Purchase Programme for the employees of the Group to be an attractive employer and strengthen the common corporate culture. In the view of the Board, last year’s programme was a success with 87 employees purchasing a total of approximately 243 000 shares. The Board expects this year’s programme to have at least the same participation.

As an extension of this and replacement of the Share Option Programme that has been run for key employees in previous years, the Board proposes to implement a more extensive Share Purchase Programme for approximately 30 executives and key employees. The programme aims to represent a considerable long-term incentive, where the participants take risks and are awarded as shareholders. The proposed programme would allow the participants to purchase a specified number of shares and receive matching shares after 3 or 4 years, provided that they are still employed in the company. If the shares are restricted from sales in the period, the purchase price on the original shares receives a valuation discount according to the current tax regulations.

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

*“The Board is authorised to implement a multi-year Share Purchase Programme with subscription of up to 2 000 000 shares. The subscription price and other terms and conditions are determined by the Board. The authorisation is valid until 1 July 2019 and replaces the authorisation given in the Annual General Meeting on 22 May 2017 with respect to share option programmes.”*

**Item 10: Authorisation to acquire own shares**

The Board of Directors proposes that the Annual General Meeting should authorise the Board of Directors to acquire own shares subject to a limit of 7% of the Company’s share capital at the date of the Annual General Meeting’s decision to grant the authorisation. The authorisation will replace the authorisation granted at the Annual General Meeting held on 22 May 2017.

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

*“The Board of Directors is authorised to acquire own shares. The authorisation shall expire on 1 July 2019 and replaces the authorisation granted at the Annual General Meeting of 22 May 2017. The highest total face value of the shares that can be acquired by the company is NOK 1,725,919, which is equivalent to 5,753,064 shares each of face value NOK 0.30. The acquisitions would be within the limits set by the Public Limited Liabilities Companies Act, Section 9-2. The price paid for each share shall be at least NOK 0.30, which is equal to the face value, and no higher than NOK 20, but such that the price shall not exceed the listed price.*

*The acquisition and disposal of own shares can be carried out to fully or partially pay for acquisition of businesses and to have stock holdings in preparation for such purpose, and to fulfil the company’s Employee Share Purchase and Option Agreements.*

*Shares shall be acquired via the stock exchange or in other ways at market value and so that general principles for equal treatment of shareholders are respected. The disposal of the company’s own shares shall take place in accordance with the purpose of acquiring own shares or on a stock exchange or otherwise at a market price and in compliance with general principles for equal treatment of shareholders.”*

**Item 11: Authorisation for the Board to approve a supplementary dividend based on the company’s annual financial accounts for 2017.**

The Board of Directors proposes that the General Meeting authorise the Board to approve the payment of a supplementary dividend on the basis of the Company’s annual financial accounts for 2017, cf. Section 8-2 (2) of the Norwegian Public Limited Companies Act. The Board proposes that it should be possible for the authorisation to be used multiple times. The authorisation will replace the authorisation granted at the Annual General Meeting on 22 May 2017.

On this basis, the Board proposes the following resolution for adoption by the Annual General Meeting:

*“The Board is granted authorisation to approve the payment of aa supplementary dividend on the basis of the Company’s annual financial accounts for 2017, cf. Section 8-2 (2) of the Norwegian Public Limited Companies Act. The authorisation may be used multiple times. The authorisation is valid until 1 July 2019 and replaces the authorisation granted at the Annual General Meeting on 22 May 2017.*

## **Item 12: Election of the Board of Directors and the Nomination Committee**

### **12.1: Election of the Board**

The Nomination Committee proposes that the current four shareholders elected board members are re-elected and that the following resolution is adopted by the General Meeting for the period 2018/2019:

*“Morten Thorkildsen is re-elected as Chairman of the Board and Mimi K. Berdal, Jan-Erik Karlsson and Gyrid Skalleberg Ingerø are re-elected as Board members.”*

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

In accordance with §6 of the Articles of Association and the current Instructions to the Committee, the Committee has consulted the largest shareholders. Changes in the committee are required due to the tragic passing of Merete Cecilie Opedal in March of 2018 and also through Erik Sandersen stepping out after 10 years in the Nomination Committee.

Based on this, the Nomination Committee proposes the following resolution for adoption by the General Meeting for the period 2018/2019:

*“Olav Werner Pedersen is re-elected and Bjørn Wicklund and Fredrik Thoresen are elected new members of the Nomination Committee. The committee elects its own leader”*

## **Item 13: Election of new auditor**

Itera has had KPMG as auditor since 1999. The company periodically tenders its statutory audit services, where the most relevant audit companies are invited to submit an offer. After a unanimous proposal from the Audit Committee, the Board proposes that PwC is elected as new auditor for Itera ASA and the Itera group.

On this basis, the Board proposes the following resolution for adoption by the Annual General Meeting:

*“PwC is elected as new auditor for the Company.”*