



To the shareholders of Veidekke ASA

## VEIDEKKE ASA NOTICE OF ORDINARY GENERAL MEETING

The general meeting will be held electronically at  
17:00 on Wednesday 5 May 2021

In response to the Covid-19 pandemic, the Norwegian health authorities have introduced strict infection control measures, including that individuals must maintain a certain physical distance from one another. Pursuant temporary Norwegian legislation exempting companies from in-person meeting requirements to reduce Covid-19 infection risk, the company's ordinary general meeting will therefore take the form of a digital meeting without personal attendance by shareholders.

The general meeting can be accessed online via Lumi AGM, and shareholders can participate in the meeting, vote and ask questions via PC, tablet and smart telephone.

Please log in to <https://web.lumiagm.com/110052817> to participate in the general meeting. *You must identify yourself using the reference number and PIN code from VPS that you will find in investor services (Corporate Actions – General Meeting – click ISIN) or sent you by post (for non-electronic actors)* Shareholders can also get their reference number and PIN code by contacting DNB Bank Verdpapirservice by phone +47 23 26 80 20 or by e-mail [genf@dnb.no](mailto:genf@dnb.no).

On the company's web page [www.veidekke.com](http://www.veidekke.com) You will find an online guide describing more in detail how you as a shareholder can participate in the Virtual meeting.

Shareholders may also choose to vote in advance or by proxy as described in this notice of meeting.

Veidekke's board of directors and management will participate electronically.

### Agenda items:

**1. Opening of the general meeting by the board chair. Election of meeting chair and two persons to co-sign the minutes**

The board of directors proposes that Svein Richard Brandtzæg be elected as the meeting chair.

**2. Approval of the notice of meeting and agenda**

**3. Brief operational update**

**4. Corporate governance statement**

Section 5-6(4) of the Public Limited Liability Companies Act provides that the general meeting shall consider the corporate governance statement issued pursuant to section 3-3b of the Accounting Act. The board chair will

briefly review the main content of the statement. The statement can be found in Veidekke ASA's annual and sustainability report 2020.

- 5. Approval of the 2020 annual accounts and annual report of Veidekke ASA and the group, including the distribution of dividends**  
 The board of directors' proposed annual accounts and annual report form part of the annual and sustainability report 2020. The board is proposing a dividend of NOK 5.75 per share for the 2020 financial year.
- 6. Amendment of articles of association** Annex 1  
 The nomination committee has proposed the addition of a new shareholder-elected member to the board of directors. The board agrees, and therefore proposes amendment of Article 5, first and second sentences, of the articles of association to read: "The Company's Board of Directors shall have from eight to eleven members. A maximum of eight members and any alternates shall be elected by the Annual General Meeting." Other parts of Article 5 shall remain unchanged.
- 7. Election of board members** Annex 2
- 8. Board remuneration** Annex 3
- 9. Election of nomination committee members** Annex 4
- 10. Nomination committee remuneration** Annex 5
- 11. Consideration of the board's guidelines on the setting of salary and other executive remuneration** Annex 6
- 12. Approval of the auditor's fee**  
 The board of directors recommends approval of the auditor's fee for auditing Veidekke ASA totalling NOK 1,120,000. Reference is made to Veidekke ASA's annual and sustainability report 2020.
- 13. Board authorisation to effect capital increases in connection with business acquisitions** Annex 7
- 14. Board authorisation to effect capital increases in connection with Veidekke's share programme and option programme for employees** Annex 8
- 15. Board authorisation to purchase treasury shares in connection with optimisation of the company's capital structure and as a means of payment in connection with business acquisitions** Annex 9
- 16. Board authorisation to purchase treasury shares in connection with Veidekke's share programme and option programme for employees** Annex 10

## Information for shareholders

Veidekke ASA is a public limited liability company subject to the provisions of the Public Limited Liability Companies Act. The company has 134,956,267 issued shares, each carrying one vote. The company does not own any treasury shares. The notice of meeting and the related agenda documentation are available on the company's website, [www.veidekke.com](http://www.veidekke.com). Shareholders may request free hard copies of the documents by contacting [ir@veidekke.no](mailto:ir@veidekke.no).

### Shareholder participation

No registration is required by shareholders who wish to participate in the general meeting online, but shareholders **must be logged in before the start of the general meeting** to participate. The notice of meeting explains how shareholders can gain access, participate and vote online during the general meeting.

**Shareholders who cannot find their reference number and PIN code to log in or who have other technical questions are welcome to contact DNB Bank Verdipapirservice (securities service) by telephone (+47 23 26 80 20; 08:00–15:30) or email ([genf@dnb.no](mailto:genf@dnb.no)).**

### Proxies

If a shareholder decides to participate by proxy, the proxy authorisation must be issued electronically via the company's website [www.veidekke.com](http://www.veidekke.com) or via Investor Services.

The proxy authorisation may include voting instructions for individual agenda items.

Alternatively, a signed proxy authorisation may be sent to [genf@dnb.no](mailto:genf@dnb.no), or be submitted by post to DNB Bank ASA, Verdipapirservice, Postboks 1600 Sentrum, 0021 Oslo. The proxy authorisation must be received no later than **16:00 on Tuesday 4 May 2021**. If the authorising shareholder is a company, a certificate of incorporation must be appended to the submitted proxy authorisation.

### Advance voting

If a shareholder wishes to vote in advance, this must be done electronically via the company's website [www.veidekke.com](http://www.veidekke.com) (use the aforementioned reference number and PIN code), or Investor Services (where the shareholder will be identified and no reference number or PIN code is required). Select Corporate Actions and General Meeting and click ISIN

**The deadline for submitting advance votes is 16:00 on Tuesday 4 May 2021.** Advance votes may be amended or withdrawn before expiry of the deadline. If a shareholder decides to attend the general meeting electronically either in person or by proxy, any advance votes will be deemed to have been withdrawn.

If shares are registered to an asset manager in VPS, see section 4-10 of the Public Limited Liability Companies Act, and the ultimate shareholder wishes to vote in respect of his/her shares, the ultimate shareholder must re-register the shares to a different VPS account in the ultimate shareholder's name prior to the general meeting.

Shareholders may no longer request the addition of new items to the agenda, as the deadline for doing so has passed; see section 5-11, second sentence, of the Public Limited Liability Companies Act.

The general meeting will be held in Norwegian.

Oslo, 14 April 2021

Svein Richard Brandtzæg  
Board chair (sign.)

The shareholder is registered with the following amount of shares at summons and vote for the number of shares owned per

Record Date: 04 May 2021

**IMPORTANT MESSAGE:**

***In accordance with Norwegian temporary legislation exempting companies from physical meeting requirements to reduce Covid-19 risk, the ordinary General Meeting will be held as a digital meeting only, with no physical attendance for shareholders.***

Please log in at <https://web.lumiagm.com/110052817>

You must identify yourself using the reference number and PIN code from VPS that you will find in investor services (Corporate Actions – General Meeting – click ISIN) or sent you by post (for non-electronic actors) Shareholders can also get their reference number and PIN code by contacting DNB Bank Verdipapirservice by phone +47 23 26 80 20 or by e-mail [genf@dnb.no](mailto:genf@dnb.no).

On the company's web page [www.veidekke.com](http://www.veidekke.com) You will find an online guide describing more in detail how you as a shareholder can participate in the Virtual meeting.

**Deadline for registration of advance votes, proxies and instructions: 4 May 2021 at 16:00 a.m/p.m**

**Advance votes**

Advance votes may only be executed electronically, through the Company's website [www.veidekke.com](http://www.veidekke.com) (use ref and pin code above) or through VPS Investor Services (where you are identified and do not need Ref.nr.and PIN Code). Chose *Corporate Actions - General Meeting*, click on *ISIN*.

**Notice of attendance**

Shareholders are only allowed to participate online due to the Covid-19 situation. See separate guide on how shareholders can participate virtual. Registration is not required to participate online, but shareholders must be logged in before the meeting starts. **If you are not logged in before the general meeting starts, you will not be able to attend.** Log in starts an hour before.

Please note that shareholders who do not wish to participate online or vote in advance have the opportunity to authorize another person.

Information on how this can be done follows:

**Proxy without voting instructions** for Ordinary/Annual General Meeting of Veidekke ASA

**Ref no:**

**PIN code:**

**Proxy should be registered through the Company's website [www.veidekke.com](http://www.veidekke.com) or through VPS Investor Services.**

For granting proxy through the Company's website, the above mentioned reference number and PIN code must be stated.

In VPS Investor Services chose *Corporate Actions and General Meeting* and click *ISIN*.

If you are not able to register this electronically, you may send by E-mail to [genf@dnb.no](mailto:genf@dnb.no), or by regular Mail to DNB Bank ASA, Registrars Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway. The proxy must be received no later than **4 May 2021 at 16:00 a.m/p.m**. If a shareholder who wishes to give proxy is a company, the company certificate must be attached. If you do not state the name of the proxy holder, the proxy will be given to the Chair of the Board of Directors or an individual authorised by him or her.

**The undersigned**

hereby grants (tick one of the two)

☐ the Chair of the Board of Directors (or a person authorised by him or her), or

☐ \_\_\_\_\_  
(Name of proxy holder in capital letters)

proxy to attend and vote for my/our shares at the Ordinary/Annual General Meeting of Veidekke ASA on 5 May 2021.

Place

Date

Shareholder's signature (only for granting proxy)

**Proxy with voting instructions for Ordinary/Annual General Meeting in Veidekke ASA**

If you are unable to attend the meeting, you may use this proxy form to give voting instructions to Chair of the Board of Directors or the person authorised by him or her. (Alternatively, you may vote electronically in advance, see separate section above.) Instruction to other than Chair of the Board should be agreed directly with the proxy holder.

Proxies with voting instructions cannot be submitted electronically, and must be sent to [genf@dnb.no](mailto:genf@dnb.no) (scanned form) or by regular Mail to DNB Bank ASA, Registrars' Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway. The form must be received by DNB Bank ASA, Registrars' Department no later than **4 May 2021 at 16:00 a.m/p.m.** If a shareholder who wishes to give proxy is a company, the company certificate must be attached.

**Proxies with voting instructions must be dated and signed in order to be valid.**

**1 The undersigned:****Ref no:**

hereby grants the Chair of the Board of Directors (or the person authorised by him or her) proxy to attend and vote for my/our shares at the Ordinary/Annual General Meeting of Veidekke ASA on 5 May 2021.

The votes shall be exercised in accordance to the instructions below. If the sections for voting are left blank, this will be counted as an instruction to vote in accordance with the Board's and Nomination Committee's recommendations. However, if any motions are made from the attendees in addition to or in replacement of the proposals in the Notice, the proxy holder may vote at his or her discretion. If there is any doubt as to how the instructions should be understood, the proxy holder may abstain from voting.

Agenda for the Ordinary/Annual General Meeting 2021	For	Against	Abstention
1. Opening of the general meeting. Election of meeting chair and two persons to co-sign the minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the notice of meeting and agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Operational update	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Corporate governance statement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of the 2020 annual accounts and annual report of Veidekke ASA and the group, including the distribution of a dividend of NOK 5.75	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Amendment of articles of association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Election of board members of the nomination committee			
7.1 Svein Richard Brandtzæg (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.2 Gro Bakstad (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.3 Ingolv Høyland (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.4 Daniel Kjørberg Siraj (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.5 Hanne Rønneberg (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.6 Per-Ingemar Persson (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.7 Klara-Lise Aasen (new election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.8 Carola Lavén (new election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Board remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Election of nomination committee members			
9.1 Harald Norvik (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.2 Erik Must (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.3 Anne Elisabet Thurmann-Nielsen (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.4 Tine Fosslund (re-election)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Nomination committee remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Consideration of the board's guidelines on the setting of salary and other executive remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Approval of the auditor's fee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Board authorisation to effect capital increases in connection with business acquisitions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

14.	Board authorisation to effect capital increases in connection with Veidekke's share programme and option programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	Board authorisation to purchase treasury shares in connection with optimisation of the company's capital structure and as a means of payment in connection with business acquisitions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	Board authorisation to purchase treasury shares in connection with Veidekke's share programme and option programme for employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Place

Date

Shareholder's signature (Only for granting proxy with voting instructions)

## **ANNEXES TO NOTICE OF ORDINARY GENERAL MEETING OF VEIDEKKE ASA**

### **ANNEX 1/ITEM 6: AMENDMENT OF ARTICLES OF ASSOCIATION**

The nomination committee has proposed the addition of one new shareholder-elected member to the board of directors. This requires amendment of Article 5 of the articles of association regarding the number of board members. The board therefore proposes amendment of Article 5, first and second sentences, of the articles of association from:

“The Company’s Board of Directors shall have from eight to ten members. A maximum of seven members and any alternates shall be elected by the Annual General Meeting.”

to:

“The Company’s Board of Directors shall have from eight to eleven members. A maximum of eight members and any alternates shall be elected by the Annual General Meeting.”

Other parts of Article 5 shall remain unchanged.

Following amendment, Article 5 of the articles of association will read as follows:

#### **Article 5**

*“The Company’s Board of Directors shall have from eight to eleven members. A maximum of eight members and any alternates shall be elected by the Annual General Meeting. A maximum of three members and alternates for those members shall be elected by and from among the Company’s employees in accordance with regulations issued in pursuance of provisions in the Public Limited Companies Act [Norway] relating to employee representation on the board of directors of public limited companies. The period of office is one year.*

*The Board of Directors elects its chairperson.”*

## ANNEX 2/ITEM 7: ELECTION OF BOARD MEMBERS

The nomination committee's recommendation on election of the board of directors of Veidekke ASA:

Pursuant to Article 5 of its articles of association, Veidekke ASA's board must have between eight and ten members, including up to seven elected by the shareholders and up to three elected by and from among the employees. Since the 2020 general meeting, the board has had 10 members, including the following shareholder-elected members:

- Svein Richard Brandtzæg (board chair)
- Daniel Kjørberg Siraj (deputy board chair)
- Hanne Rønneberg
- Gro Bakstad
- Ingalill Berglund
- Ingolv Høyland
- Per-Ingemar Persson

All board members are subject to annual re-election.

In preparing its recommendation on election of the board of directors, the nomination committee has given emphasis to expertise, capacity, all-roundedness, owner representation and board continuity, and has contacted various shareholders, board members and the Group CEO in this regard. Via the company's website, the nomination committee has asked shareholders to propose board candidates. The nomination committee has been informed of the board's self-evaluation, and takes the view that the board is well-functioning.

Ingalill Berglund wishes to step down from the board. The nomination committee is therefore proposing the re-election of Svein Richard Brandtzæg, Daniel Kjørberg Siraj, Gro Bakstad, Ingolv Høyland, Hanne Rønneberg and Per-Ingemar Persson as board members, and the election of Klara-Lise Aasen and Carola Lavén as new board members.

Further information on the current board members, including their background and expertise, is available on [www.veidekke.com](http://www.veidekke.com).

Klara-Lise Aasen is a state-authorised public accountant with extensive financial and corporate management experience, largely from the finance industry. She has been CFO of Bank Norwegian since October 2020, and was Executive Vice President and Head of Group Financial Management at DNB before that (2017–2020). She has also previously held various financial and management roles at Nordea (2006–2017). Aasen qualified as a state-authorised public accountant at NHH Norwegian School of Economics in Bergen.

Carola Lavén is a civil engineer with extensive construction and civil engineering experience. She has been CEO of Beqab ab since May 2020. Her previous roles include those of Executive Vice President and Investment Director at Castellum ab (2019–2020) and Business Area Manager at NCC Property Development Nordic (2013–2019). Lavén has also previously worked for Atrium Ljungberg, Drott and Skanska. She holds an engineering degree from KTH Royal Institute of Technology in Stockholm.

**Proposed resolution:** The general meeting elects the following persons as the shareholder-elected part of the board of directors:

- |                                       |  |
|---------------------------------------|--|
| • Svein Richard Brandtzæg (born 1957) | Re-election for one year, two years on the board   |
| • Gro Bakstad (born 1966)             | Re-election for one year, 11 years on the board    |
| • Ingolv Høyland (born 1951)          | Re-election for one year, three years on the board |



- |                                     |  |
|-------------------------------------|--|
| • Daniel Kjørberg Siraj (born 1975) | Re-election for one year, three years on the board |
| • Hanne Rønneberg (born 1959)       | Re-election for one year, one year on the board    |
| • Per-Ingemar Persson (born 1956)   | Re-election for one year, one year on the board    |
| • Klara-Lise Aasen (born 1974)      | New election for one year, one year on the board   |
| • Carola Lavén (born 1972)          | New election for one year, one year on the board   |

Please note that the situation of the employee-elected board members is as follows:

Elected by administrative staff:

- |                           |  |
|---------------------------|--|
| • Arve Fludal (born 1970) | Up for re-election in 2021, six years on the board |
|---------------------------|--|

Elected by the skilled manual workforce:

- |                               |   |
|-------------------------------|---|
| • Odd Andre Olsen (born 1961) | Up for re-election in 2022, 10 years on the board |
| • Inge Ramsdal (born 1962)    | Up for re-election in 2022, 13 years on the board |

### **Recommendation regarding election of the board chair**

Article 5 of the articles of association and section 6-1(2) of the Public Limited Liability Companies Act provide that when a company does not have a corporate assembly, the board of directors shall elect its own chairperson. Based on discussions with the largest shareholders, the nomination nevertheless considers it appropriate to make a recommendation to the board of directors regarding the election of its chairperson, and proposes the re-election of Svein Richard Brandtzæg as board chair.

Oslo, 14 April 2021  
for the nomination committee

Harald Norvik  
Nomination committee chair  
(sign.)

Erik Must  
(sign.)

Anne Elisabet Thurmann-Nielsen  
(sign.)

Tine Fosslund  
(sign.)

## ANNEX 3/ITEM 8: BOARD REMUNERATION

The nomination committee proposes that the remuneration of the board members be adjusted in line with inflation, and therefore proposes the following (previous fee in brackets):

Board chair:	NOK 600,000	(NOK 585,500)
Other board members:		
Shareholder-elected:	NOK 304,000	(NOK 296,500)
Employee-elected:	NOK 304,000	(NOK 259,000)
Committee chairpersons:		
Audit committee:	NOK 85,000	(NOK 83,000)
Remuneration committee:	NOK 67,000	(NOK 65,000)
Committee members:	NOK 54,000	(NOK 53,000)

The nomination committee regards co-ownership as an instrument which supports the company's business strategy and encourages loyalty to company targets and priorities. Shareholder-elected board members previously received financial support for purchases of shares in the company through an increase in their board fee. The nomination committee considers it important to treat shareholder-elected and employee-elected board members equally in this regard, and therefore proposes that the fee payable to employee-elected board members be increased to match the fee paid to shareholder-elected board members.

The board established a project committee in February 2021 to assess major projects (total value NOK 800 million–NOK 1,500 million) and evaluate bidding on such projects in consultation with the Group CEO. The committee's activities have been limited in the period between its establishment and the general meeting. It is proposed that the committee members should receive NOK 5,000 per meeting during this period, and that the fees for the committee's members be set at the same level as the fees for other board committees as of the next general meeting.

As before, the travel costs of board members who live outside Oslo are reimbursed.

Remuneration and compensation are calculated, as previously, based on a service period of 12 months.

Remuneration and compensation relate to the period 6 May 2020 to 5 May 2021.

**Proposed resolution:** The general meeting approves remuneration as proposed.

## **ANNEX 4/ITEM 9: ELECTION OF NOMINATION COMMITTEE MEMBERS**

The nomination committee was elected for a period of one year in 2020, and has had the following members:

Harald Norvik (chair), Erik Must, Anne Elisabet Thurmann-Nielsen and Tine Fosslund.

Article 7 of the articles of association and section 1 of the instructions for the nomination committee provide that the nomination committee shall make a recommendation to the general meeting regarding the election of the members of the following year's nomination committee, and regarding the committee's chairperson.

All of the current committee members are willing to stand for re-election.

The nomination committee has therefore considered possible changes to its composition, and has contacted various shareholders, the board of directors and the company's management in this connection. The nomination committee must be composed in such a way that the interests of the community of shareholders are safeguarded.

Pursuant to Article 7 of the articles of association, members are elected for a period of one year, i.e. until the next year's ordinary general meeting.

**Proposed resolution:** The general meeting elects the following persons as the company's nomination committee:

- |   |   |
|---|---|
| • Harald Norvik, nomination committee chair | Re-election, 11 years on the committee    |
| • Erik Must                                 | Re-election, 18 years on the committee    |
| • Anne Elisabet Thurmann-Nielsen            | Re-election, three years on the committee |
| • Tine Fosslund                             | Re-election, two years on the committee   |

## **ANNEX 5/ITEM 10: NOMINATION COMMITTEE REMUNERATION**

Pursuant to the Norwegian Code of Practice for Corporate Governance, the nomination committee must propose nomination committee fees, and the nomination committee proposes that the fees paid to the committee members be adjusted in line with inflation.

The nomination committee proposes the following resolution on remuneration (previous fee in brackets):

Committee chair	NOK 42,000	(NOK 40,000)
Committee members	NOK 24,000	(NOK 22,500)

In addition, the travel costs of committee members who live outside Oslo are reimbursed.

Remuneration and compensation relate to the period 6 May 2020 to 5 May 2021.

**Proposed resolution:** The general meeting approves remuneration as proposed.

## **ANNEX 6/ITEM 11: CONSIDERATION OF THE BOARD'S GUIDELINES ON THE SETTING OF SALARY AND OTHER EXECUTIVE REMUNERATION**

### **Guidelines on the setting of remuneration for the CEO and other senior executives at Veidekke ASA**

These guidelines on the setting of remuneration for the CEO and senior executives have been prepared by the board of directors of Veidekke ASA ("**Veidekke**", the "**Company**" or, collectively with its subsidiaries, the "**Group**"), pursuant to section 6-16a of the Public Limited Liability Companies Act and related regulations. The guidelines have been prepared for approval by the Company's general meeting in 2021, and shall apply until the Company's general meeting in 2025 unless amended or replaced before that date.

#### *Development of the guidelines*

The board has been actively involved in establishing, reviewing and implementing these guidelines. The board has appointed a remuneration committee which has prepared the remuneration principles and other terms applicable to senior executives for consideration by the board.

The board is required to prepare draft guidelines based on the remuneration committee's recommendation and present these to an ordinary general meeting at least every four years. The general meeting decides whether to approve the board's proposed guidelines. Approved guidelines can be amended by decision of an ordinary or extraordinary general meeting.

The board is also required to set and approve the remuneration of the Group CEO in consultation with the remuneration committee. The Group CEO is required to set the remuneration of senior executives in consultation with the board or the remuneration committee.

To reduce the risk of conflicts of interest, no senior executives may participate in decisions on remuneration matters which affect them directly.

#### *Purpose and general principles for the setting of remuneration*

These guidelines provide the framework for the board's setting of remuneration for senior executives during the validity period of the guidelines. Veidekke is a leading Scandinavian construction company and therefore competes for relevant talented individuals throughout the region. While the purpose of these guidelines is to safeguard the Company's competitiveness as an employer, the Company does not wish to be a wage leader.

Veidekke's remuneration principles are designed to secure responsible and sustainable remuneration decisions in line with the Company's business strategy, long-term interests and financial capacity. To achieve this, both remuneration and other employment conditions must enable the Company to recruit, develop and retain skilled senior executives with relevant experience and expertise. Remuneration must be competitive, on market terms, and reflect the responsibilities of each individual senior executive. The incentives and objectives set for individual senior executives must ensure optimal execution of the Company's business strategy in both the short and long term, thus reflecting the long-term interests of the Company's shareholders.

In these guidelines, "senior executives" means the Group CEO (who is also the general manager of the group parent Veidekke ASA) and the management group, i.e. persons (group directors) who are members of the Company's management group (group management) and who report directly to the Group CEO. In other words, the guidelines apply to the same group of persons as covered by section 7-31b of the Accounting Act.

In the preparation of these guidelines, the pay and employment conditions of employees of the Company have been considered by incorporating information on the total income of employees, the types of remuneration and other pay elements into the decision-making bases used by the remuneration

committee and the board when assessing whether the Company's remuneration practices – including these guidelines and the restrictions they contain – are reasonable.

The remuneration of senior executives must be adapted to both local conditions and rules and regulations applicable in each employee's jurisdiction and, wherever possible, must take into account the overarching purpose of the guidelines.

#### *Different types of remuneration*

The remuneration of senior executives covered by these guidelines may include annual salary, variable remuneration, benefits-in-kind, participation in share and option programmes, etc. as further described below.

#### *Principles relating to annual salary*

The purpose of the annual salary is to enable the Company to recruit and retain the senior executives it needs to ensure the long-term profitability and sustainability of the Company.

The annual salary shall reflect the individual's position and level of responsibility. The amount of annual salary shall be consistent with market conditions, shall be competitive relative to comparable industry competitors and shall take into account factors such as the scope of and responsibilities associated with the position. Other factors include expertise, experience and individual work performance. Geographical location may also be considered.

#### *Principles relating to variable remuneration*

To provide competitive terms and ensure a performance focus, the Group CEO and senior executives may participate in a bonus programme offering a maximum bonus of 50% of individual annual salary. The bonus is calculated based on achieved targets, with 1/3 of the bonus being based on each of the Group's pre-tax profit, business area profits and operational targets. In the case of administrative managers, the factors "business area profits" and "operational targets" are based on an average for the different operations. Operational targets are set annually based on the Group's overarching targets and priorities. These targets will typically incorporate factors such as elimination or reduction of injuries, increases in the proportion of women line managers, cash flow, greenhouse gas emissions cuts and similar parameters.

In special cases, the Group CEO may – in consultation with the remuneration committee and on an individual basis – consider awarding a discretionary bonus capped at 50% of annual salary. The decision as to whether the performance criteria governing variable remuneration are met is made by the Company at the end of the relevant performance-criteria assessment period. Variable remuneration shall be evaluated and documented annually.

The board considers that bonuses for senior executives and others as described above have a motivating effect and therefore make a helpful contribution to the achievement of the Company's business strategy, long-term interests and sustainable commercial operation.

The Company's policy is to seek to secure a basis for claiming repayment of variable remuneration to the same extent as the Company can claim repayment of annual salary upon cessation of the employment relationship. This typically applies in the event of incorrect payment, payment on grounds subsequently found to be incorrect, or breach of the employment contract.

#### *Principles relating to pension benefits*

Pension benefits must be consistent with local practice and applicable legislation. Any material deviation from local pensions practice shall require special approval by the remuneration committee.

In Norway, Veidekke operates the following pension schemes, which it wishes to retain:

- Ordinary pension schemes
- Contractual early retirement pensions
- Pensions for employees whose annual salary exceeds 12G (the national insurance basic amount)

The defined-contribution scheme involves Veidekke paying a monthly contribution into employee pension accounts. The contribution is set on the basis of pay, and as at March 2020 normally varies between 5.5% and 11%. However, it may not exceed 15%. Employees may choose their own risk profile with respect to management of their pension account. In the event of an employee's death, the pension account accrues to the employee's survivors.

A private-sector contractual early retirement pension (AFP) is a lifelong supplement to the retirement pension paid by the national insurance scheme, payable no earlier than the age of 62. Veidekke's Norwegian group companies operate an AFP scheme for their staff. A number of conditions must be fulfilled in order for an employee to be entitled to an AFP. The AFP scheme is a defined-benefit multi-undertaking pension scheme, and is financed by premiums set as a percentage of pay. At present, no reliable measurement and allocation of liabilities and funds in the scheme is available. In accounting terms, the scheme is treated as a defined-contribution pension scheme where premium payments are expensed on an ongoing basis and no allocations are made in the accounts. If the scheme were to be recognised in the statement of financial position, the implementation effect would be substantial.

Veidekke operates an allocation scheme for staff in Norway earning more than 12G, whereby 20% of salary exceeding 12G is set aside. The pension is payable no earlier than the age of 62, and for a maximum of 15 years from the first payment date. The allocation scheme also includes disability and child pensions.

In Denmark and Sweden, Veidekke has defined-contribution schemes for its staff, with the companies making monthly contributions to the schemes while staff bear the risk of returns on paid-in funds. Pension monies are invested through life insurance companies who manage the funds and administer the schemes. The pension schemes cover disability and retirement.

In Denmark, Veidekke pays 2/3 of contributions, while staff pay 1/3. The employer's contribution amounts to between 8% and 10% of pay. The retirement age in Denmark is between 65 and 69 years of age, depending on the year of birth. Going forward, the retirement age will be adjusted based on average population life expectancy. The rules on payment of retirement pensions are very flexible. In the event of death before the retirement date, the pension accrues to the person's survivors. Managers in the Danish operation are members of a corresponding defined-contribution scheme, although under this scheme the employer's contribution totals 10% of pay.

In Sweden, Veidekke operates a collective pension scheme under which most employees are members of a defined-contribution scheme. The pension scheme covers retirement, illness, family members and credit life insurance. Administrative staff are members of two different schemes, with ITP1 applicable to persons born after 1979 and ITP2 applicable to persons born before 1979. In the case of the two most senior management levels in Sweden, Veidekke pays a percentage of pay, which may not exceed a market level. Veidekke's average pension contribution totals 15% of pay. Employees who are members of the schemes do not pay a personal contribution. In the accounts, the schemes are recorded as defined-contribution schemes. Employees enjoy great pension flexibility, and may choose where their pension funds should be invested and with which insurance company. The retirement age is 65, extendable to 67 if the employee so wishes.

#### *Employee share programme*

Senior executives may participate in the company's share purchase programme on the same basis as other employees. Shares purchased through the programme carry a 20% discount and are subject to a two-year lock-in period. Shares may be purchased once a year, and are paid for in cash or through deductions from pay over a period of 12 months. The schemes utilise applicable and available tax schemes. The programme ensures co-ownership, which in Veidekke's view supports its business strategy by fostering ownership and loyalty to the group and its objectives and priorities. The number of shares offered to individual employees is capped at a maximum value of 2G.

#### *Share purchase programme for senior executives and other selected managers at Veidekke*

Veidekke replaced its existing option programme with a share purchase programme for the same group of employees in 2021. The new programme allows senior executives to purchase shares at a 20% discount once a year. The shares are subject to a three-year lock-in period. The number of shares and financing arrangements on offer vary by organisational level, with a larger number of shares and more extensive financing being offered at the most senior levels. Loans are interest-free but subject to adjustment in line with general interest-rate levels. Loans are granted for up to 15 years. There are restrictions on how many shares individual employees may purchase through the programme, with senior executives being subject to a cap of 5,000 shares per year. The share purchase programme is the long-term incentive component in Veidekke's overall remuneration package for senior executives.

#### *Option programme for senior executives and other selected managers at Veidekke*

Senior executives may participate in an option programme. The option programme provides for a maximum annual allocation of options corresponding to 1% of the shares in Veidekke on the allocation date. The purchase price of an option on the allocation date is NOK 1. The strike price equals the quoted price on the allocation date. To provide long-term incentives, options accrue over a period of three years: 25% at the end of the first year, 25% at the end of the second year and 50% at the end of the third year. Accrued options may be exercised during defined time periods decided by Veidekke. Option accrual is dependent on employment by Veidekke. Shares purchased through the option programme may not be sold for one year after the option exercise date. Options must be exercised within five years of the allocation date. Options which are not exercised during or on the final exercise date lapse without compensation. The option programme is available in the period 2019–2021, and the final allocation will be made in 2021. Options may thus be exercised up to and including 2026.

#### *Principles governing benefits-in-kind*

All benefits-in-kind must reflect market terms and must serve the purpose of enabling senior executives to perform their work tasks. Veidekke aims to offer pay that is sufficiently competitive to eliminate unnecessary use of benefits-in-kind. Veidekke may also provide a company car and/or pay a mileage allowance to senior executives as needed. All significant benefits-in-kind paid to senior executives in addition what is offered to all group employees shall be subject to assessment and approval by the remuneration committee.

#### *Employment contracts*

Veidekke's general practice is to use a notice period of six months. No notice period may exceed 12 months in length.

Severance pay arrangements may not exceed 12 months in length, and shall always be linked to clauses on confidentiality and non-compete in the employment contract so that the severance pay constitutes compensation for restrictions on the employee's ability to take up new employment.

#### *Variation of these guidelines*

The board of directors may decide to vary these guidelines, in whole or in part, if special circumstances in an individual case indicate that such variation is necessary and varying the guidelines will serve Veidekke's long-term interests, including with respect to sustainability or viability.

When assessing whether to vary these guidelines, the board shall be free to exercise its discretion and consider all relevant factors, including:

- changes in relevant laws, regulations or recommendations on corporate governance, etc.;
- changes in Veidekke's operations, organisation or ownership, for example following a merger, demerger or acquisition;
- replacement of the Group CEO;
- other events that render previously adopted performance targets or remuneration terms inexpedient; and



- other special circumstances in which variation or special measures may be necessary to safeguard Veidekke's long-term interests, sustainability or viability.

Any variation of these guidelines and the reasons for it shall be included in the report to be prepared by the board pursuant to section 6-16b of the Public Limited Liability Companies Act.

*Proposed resolution:*

"The remuneration committee approves the presented guidelines on the setting of senior executive remuneration for submission to the board of directors."

## **ANNEX 7/ITEM 13: BOARD AUTHORISATION TO EFFECT CAPITAL INCREASES IN CONNECTION WITH BUSINESS ACQUISITIONS**

In connection with business acquisitions, the board of directors may require authority to effect capital increases without submitting them to the general meeting. Pursuant to section 10-14 of the Public Limited Liability Companies Act, the board therefore requests authorisation from the general meeting to increase the company's share capital through the issue of new shares in connection with business acquisitions.

It is proposed that the authorisation be capped at approximately 10% of Veidekke's share capital.

To allow optimal commercial utilisation of the authorisation, it is proposed that the board be authorised to set aside the shareholders' preference right when exercising the authorisation.

### **Proposed resolution:**

- a) Pursuant to section 10-14 of the Public Limited Liability Companies Act, the board of directors is authorised to increase the company's share capital in connection with business acquisitions.
- b) The authorisation shall be capped at NOK 6,500,000, i.e. approximately 10% of Veidekke's share capital, distributed across 13,000,000 new shares with a nominal value of NOK 0.50 per share.
- c) The authorisation shall apply until the company's ordinary general meeting in 2022, but under no circumstances beyond 31 May 2022.
- d) The preference right of shareholders in respect of such new shares pursuant to section 10-4 of the Public Limited Liability Companies Act may be set aside.
- e) The authorisation shall include capital increases linked to payments taking the form of non-cash assets, etc.; see section 10-2 of the Public Limited Liability Companies Act.
- f) The authorisation shall not include capital increases linked to mergers pursuant to section 13-5 of the Public Limited Liability Companies Act.

## **ANNEX 8/ITEM 14: BOARD AUTHORISATION TO EFFECT CAPITAL INCREASES IN CONNECTION WITH THE SHARE PROGRAMME AND OPTION PROGRAMME FOR EMPLOYEES**

In connection with the fulfilment of Veidekke's obligations under the share programme and the option programme for employees, the board of directors may require authority to effect capital increases without submitting them to the general meeting. Pursuant to section 10-14 of the Public Limited Liability Companies Act, the board therefore requests authorisation from the general meeting to increase the company's share capital through the issue of new shares to employees under the share programme and the option programme.

It is proposed that the authorisation be capped at approximately 2% of Veidekke's share capital.

Since the authorisation will be used to issue shares under Veidekke's share programme and option programme, it is proposed that the board be authorised to set aside the shareholders' preference right when exercising the authorisation.

### **Proposed resolution:**

- a) Pursuant to section 10-14 of the Public Limited Liability Companies Act, the board of directors is authorised to increase the company's share capital by up to NOK 1,137,000, i.e. approximately 2% of Veidekke's share capital, distributed across 2,274,000 new shares with a nominal value of NOK 0.50 per share.
- b) The authorisation shall apply until the company's ordinary general meeting in 2022, but under no circumstances beyond 31 May 2022.
- c) The preference right of shareholders in respect of such new shares pursuant to section 10-4 of the Public Limited Liability Companies Act may be set aside.
- d) The authorisation shall include capital increases linked to payments taking the form of non-cash assets, etc.; see section 10-2 of the Public Limited Liability Companies Act.
- e) The authorisation shall not include capital increases linked to mergers pursuant to section 13-5 of the Public Limited Liability Companies Act.

**ANNEX 9/ITEM 15: BOARD AUTHORISATION TO PURCHASE TREASURY SHARES IN CONNECTION WITH OPTIMISATION OF THE COMPANY'S CAPITAL STRUCTURE AND AS A MEANS OF PAYMENT IN CONNECTION WITH BUSINESS ACQUISITIONS**

Buy-back of treasury shares for subsequent cancellation is an instrument for optimisation of the company's capital structure. In addition, treasury shares can be a useful means of payment in connection with business and company acquisitions. Pursuant to section 9-4 of the Public Limited Liability Companies Act, the board of directors therefore requests authorisation from the general meeting for the purchase of treasury shares.

**Proposed resolution:**

- a) Pursuant to section 9-4 of the Public Limited Liability Companies Act, the board of directors shall be authorised to acquire treasury shares for subsequent cancellation or use as a means of payment in connection with business and company acquisitions.
- b) The authorisation shall be capped at NOK 6,500,000, i.e. approximately 10% of Veidekke's share capital, distributed across 13,000,000 new shares with a nominal value of NOK 0.50 per share.
- c) The company shall pay no less than NOK 10 and no more than NOK 300 for one share with a nominal value of NOK 0.50.
- d) The board of directors shall be free to decide the means of acquisition and sale.
- e) The authorisation shall apply until the next ordinary general meeting, but under no circumstances beyond 31 May 2022.

## **ANNEX 10/ITEM 16: BOARD AUTHORISATION TO PURCHASE TREASURY SHARES IN CONNECTION WITH THE SHARE PROGRAMME AND OPTION PROGRAMME FOR EMPLOYEES**

Veidekke's share programme and option programme for employees are important to the company, and the company's holding of treasury shares can be used in implementation of the programmes. Pursuant to section 9-4 of the Public Limited Liability Companies Act, the board of directors therefore requests authorisation from the general meeting for the purchase of treasury shares in fulfilment of Veidekke's obligations under the share programme and the option programme for employees.

### **Proposed resolution:**

- a) Pursuant to section 9-4 of the Public Limited Liability Companies Act, the board of directors shall be authorised to acquire treasury shares with a total nominal value of up to NOK 1,137,000, equating to approximately 2% of Veidekke's share capital.
- b) The company shall pay no less than NOK 10 and no more than NOK 300 for one share with a nominal value of NOK 0.50.
- c) The board of directors shall be free to decide the means of acquisition and sale.
- d) The authorisation shall apply until the next ordinary general meeting, but under no circumstances beyond 31 May 2022.