

To the shareholders of Selvaag Bolig ASA

Oslo, Norway, 23 August 2016

Dear shareholder,

**NOTICE OF EXTRAORDINARY GENERAL MEETING (EGM)**

The board of directors of Selvaag Bolig ASA ("the company") hereby gives notice of an extraordinary general meeting.

Time: 13 September 2016 at 09:00 (CET)

Place: Silurveien 2, NO-0311 Oslo, Norway

The following agenda is proposed by the board of directors for the general meeting:

- 1. To open the meeting by board chair Olav H Selvaag, including taking the register of shareholders present**

- 2. To elect the chair for the meeting and a person to co-sign the minutes**

The board proposes that the general meeting elects Olav H Selvaag to chair the meeting and that one of the shareholders present be elected to co-sign the minutes.

- 3. To approve the notice and the agenda**

- 4. Payment of dividend**

The board proposes the payment of a dividend of NOK 0.65 per share totalling NOK 60.95 million for the first half of 2016. Should this proposal be approved, the company's shares will be traded exclusive of dividend from 14 September 2016 and the dividend will be paid no earlier than 21 September 2016 to the shareholders registered at 13 September 2016.

The board proposes that the general meeting adopts the following resolution:

*The board's proposal for the payment of a dividend of NOK 0.65 per share is adopted.*

- 5. Statement on the determination of pay and other remuneration for leading personnel in Selvaag Bolig ASA**

The company's compensation committee advises the board on all matters relating to pay and other remuneration for the CEO and other leading personnel. In line with the development of the company and its need for a more flexible compensation system in order to retain and attract key personnel, the compensation committee has proposed that an adjustment be made to the company's main principles for determination of remuneration packages, and that the board's statement on remuneration of leading personnel be amended accordingly. The

guidelines and the board's statement on the determination of pay and other remuneration for leading personnel in Selvaag Bolig ASA will then be as follows.

**Guidelines for management remuneration**

*Leading personnel include the chief executive officer (CEO) and other senior management. For the purposes of these guidelines, the remuneration package means total compensation comprising one or more of the following elements: fixed base salary, variable pay (including bonus) and other benefits (including pension contributions, termination benefits, fringe benefits and other benefits in kind). Severance pay comprises compensation related to resignation, and may include termination payments, other financial compensation and payments in kind.*

**Main principles for determination of remuneration packages**

*Remuneration for management in Selvaag Bolig ASA should be competitive. Remuneration packages must be designed to avoid unreasonable compensation resulting from external circumstances outside the control of management. The individual elements in a remuneration package, including fixed base salary, any variable pay or other benefits such as pension contributions and severance pay, must be considered in an overall context. The board must maintain an overview of the total value of each manager's agreed compensation and ensure that remuneration packages for management do not have adverse consequences for the company or are not detrimental in other ways to the company's reputation. Individuals in the management team will not receive specific compensation for directorships in wholly owned subsidiaries of the same group.*

**Variable pay**

*Any variable pay will be based on the following principles. Clear connections must exist between the goals which determine variable pay and the objectives of the company. Variable pay must be based on objective, definable and measurable criteria. Variable pay (bonus) for the management team may not exceed 150 per cent of fixed base salary. The company has a share purchase programme for the executive management, whereby its members can choose to purchase shares in the company up to the value of their annual gross bonus. The price per share will be the market price reduced by a factor which reflects the reduction in value imposed by a three-year lock-up period/sale restriction. The criteria will be based on circumstances which management can influence, and a specified period for determining variable pay must be set. A system for variable pay must be transparent and easily comprehensible.*

**Pension contributions**

*Pension terms for management will be on a par with those of other employees.*

**Severance pay**

*Terms for severance pay may be incorporated in an advance agreement whereby a member of the senior management team waives his/her protection against dismissal pursuant to the Norwegian Working Environment Act. Severance payments should not be made in the event of voluntary resignation unless special circumstances exist. Severance pay should not exceed 12 months' fixed base salary in addition to any compensation during the period of notice. Such pay should be withheld if conditions for dismissal exist or if, during the period when severance pay is provided, irregularities or acts of negligence are discovered which may result in liability for damages or in the individual being indicted for illegal acts.*

The board proposes that the general meeting adopts the following resolution:

*The board's proposal for statement on the determination of pay and other remuneration for leading personnel is adopted.*

No further business remains to be transacted.

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The company has 93 765 688 issued shares, each of which carries one vote. At the date of this notice, the company owns 10 531 of its own shares.

The board of directors would request that all shareholders who wish to attend the general meeting fill in and submit the attached registration form no later than two days before the general meeting. Shareholders may also register online via Investor Services or the company's website at [www.selvaagboligasa.no](http://www.selvaagboligasa.no).

Shareholders who cannot attend the general meeting in person may authorise the chair of the board to act as their proxy by completing and submitting the attached proxy form, or appoint another person to vote for their shares. The appointment of a proxy must be made in writing, dated and signed, and submitted at the latest when the general meeting takes place.

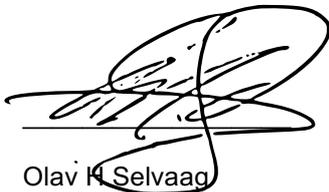
Shareholders are entitled to move resolutions on issues under consideration by the general meeting. They are also entitled to be accompanied by advisers, and may give one such adviser the right to speak.

A shareholder may require that the directors and the chief executive provide available information to the general meeting on matters which may affect the assessment of items presented to the shareholders for decision. The same applies to information on the company's financial position and other business to be transacted at the general meeting, unless the information requested cannot be disclosed without causing disproportionate harm to the company.

In the case of shares which are registered in a separate investor account (registered under management/nominee account), managers may not attend or vote for these shares at general meetings. Shareholders wishing to attend and vote at the general meeting must transfer these shares from the investor account to an account in their own name. A shareholder wishing to participate has to appear as a directly registered shareholder in the VPS at the latest by the opening of the general meeting.

Information concerning the general meeting, including this notice with attachments and the company's articles of association, is available on the company's website at [www.selvaagboligasa.no](http://www.selvaagboligasa.no).

Yours faithfully,  
for the board of directors of Selvaag Bolig ASA



Olav H. Selvaag  
Chair