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Årsredovisning för

Veidekke Sverige AB

556275-3763

Räkenskapsåret

2022-01-01 - 2022-12-31

Fastställelseintyg

Undertecknad styrelseledamot i Veidekke Sverige AB intygar härmed dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat - och balansräkningen fastställts på årsstämma 2023-04-27. Stämman beslutade också att godkänna styrelsens förslag till resultatdisposition.

Stockholm 2023-05-05

Jimmy Bengtsson

20230511111034

Årsredovisning för

Veidekke Sverige AB

556275-3763

Räkenskapsåret

2022-01-01 - 2022-12-31

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Förvaltningsberättelse

Styrelsen och verkställande direktören för Veidekke Sverige AB, 556275-3763, avger följande årsredovisning för räkenskapsåret 2022-01-01 - 2022-12-31.

Verksamheten

Allmänt om verksamheten

Bolaget äger och förvaltar fastigheter, aktier, värdepapper och lös egendom. Bolaget är ett holdingbolag och bedriver ingen aktiv verksamhet. Den operativa styrningen för Veidekke-koncernen i Sverige sköts via verksamhetsområdena Bygg och Infrastruktur, samt via styrelsen i Veidekke Entreprenad AB. Bolaget har sitt säte i Stockholm.

Ägarförhållanden

Veidekke Sverige AB, som är ett helägt dotterbolag till Veidekke ASA, org nr 00917103801, Norge, är ett holdingbolag som i sin tur äger samtliga aktier i bolagen Veidekke Entreprenad AB 556508-6583, Veidekke Industri AB 556513-9408, Veidekke Framtid AB 559323-6598 och Veidekke Infrastruktur Holding AB 559361-6625.

Övriga bolag i koncernen som ägs av dotterbolag är Veidekke Asfalt AB (ägs till 75%), Veidekke Prefab AB, Arcona AB, Veidekke Grundläggning AB, Veibra AB, NOVE 1 AB, Veitech AB (ägs till 90,1%), CSL Construction Supply Logistics AB, Vilande B&B AB, Veidekke industrifastighet Holding AB, Veidekke Industrifastighet Öst 1 Holding AB, Dansered Fastighets AB (ägs till 50%), och Billström Riemer Andersson AB (ägs till 90,1%). Arcona AB och Billström Riemer Andersson AB äger i sin tur dotterbolag.

Bopol AB (ägs till 25%) är ett intressebolag för att driva bostadspolitisk debatt och kunskapsspridning. BSK Arkitekter AB och Exengo Installationskonsult AB är intressebolag som ägs av Arcona AB.

Veidekke Sverige AB ingår i en koncern där Veidekke ASA - med säte i Oslo, Norge - upprättar koncernredovisning.

Hållbarhet

Företaget upprättar enligt 7 kap 31 a§ ÅRL inte någon lagstadgad hållbarhetsrapport. Moderföretaget, Veidekke ASA, org nr 00917103801, Norge, upprättar hållbarhetsrapport, "Års- og baerekraftrapport 2022", för koncernen där företaget ingår.

Information om verksamheten och väsentliga händelser

Veidekke Sverige AB är ett holdingbolag och verksamheten bedrivs i de två verksamhetsområdena Bygg och Infrastruktur.

Osäkerheter gällande prisökningar, räntor och världsläget

Utmanande förutsättningar med osedvanliga prisökningar, räntehöjningar, pandemi, cementkris och krig i Ukraina har påverkat bolaget och dess verksamhet under 2022. Utsikterna för det kommande året är fortsatt osäkra och kommer att bero på utvecklingen och varaktigheten av nämnda utmanande förutsättningar.

Flerårsöversikt

Belopp i Tkr

	2022	*2021*	*2020*	*2019*
Nettoomsättning	3 092	7 704	37 754	37 261
Resultat efter finansnetto	-12 224	-1 819	718 108	183 418
Balansomslutning	1 195 954	1 224 562	2 312 616	1 634 956
Soliditet %	64	76,9	84,5	71,2
Medelantalet anställda	-	-	8	10

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Förändringar i eget kapital

	Aktie-kapital	*Reserv fond*	*Balanserat resultat*	*Årets resultat*
Ingående balans	6 862	50	901 435	18 187
Balanseras i ny räkning			18 187	-18 187
Utdelning			-175 000	
Årets resultat				-1 813
Utgående balans	**6 862**	**50**	**744 622**	**-1 813**

Resultatdisposition

Belopp i kr

Till årsstämmans förfogande står följande medel	*2022-01-01-2022-12-31*
Balanserat resultat	744 622 296
Årets resultat	-1 812 599
Medel att disponera	**742 809 697**

Styrelsen föreslår att medlen disponeras enligt följande	
Utdelning	320 000 000
Balanseras i ny räkning	422 809 697
Summa	**742 809 697**

Styrelsens yttrande om vinstutdelning

Bolagets egna kapital har beräknats i enlighet med svensk lag och bokföringsnämndens uttalande. Veidekke Sverige AB:s styrelse föreslår en utdelning om 320 000 Tkr till moderbolaget Veidekke ASA, org. nr. 00917103801, Norge. Återstående belopp 422 809 Tkr balanseras i ny räkning. Styrelsen bedömer att utdelningen är försvarlig med hänsyn till bolagets intjäning och balansräkning samt Veidekke-koncernens ställning totalt. Bolagets finansiella ställning och beredskap bedöms tillräcklig för bolagets nuvarande verksamhet.

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Resultaträkning

Belopp i Tkr	*Not*	*2022-01-01-2022-12-31*	*2021-01-01-2021-12-31*
Rörelsens intäkter			
Nettoomsättning	*2*	3 092	7 704
Summa rörelsens intäkter		**3 092**	**7 704**
Rörelsens kostnader			
Övriga externa kostnader	*2,3,4*	-3 419	-1 592
Personalkostnader	*5*	314	-503
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar		-	-59
Summa rörelsens kostnader		**-3 103**	**-2 154**
Rörelseresultat		**-11**	**5 550**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	*6*	-	-1 241
Ränteintäkter och liknande resultatposter	*7*	1	530
Räntekostnader och liknande resultatposter	*8*	-12 214	-6 658
Summa resultat från finansiella poster		**-12 213**	**-7 369**
Resultat efter finansiella poster		**-12 224**	**-1 819**
Bokslutsdispositioner			
Erhållna koncernbidrag		10 500	25 000
Förändring av periodiseringsfonder		-	-282
Summa bokslutsdispositioner		**10 500**	**24 718**
Resultat före skatt		**-1 724**	**22 899**
Skatter			
Skatt på årets resultat	*9*	-88	-4 712
Summa skatter		**-88**	**-4 712**
Årets resultat		-1 813	18 187

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Balansräkning

Belopp i Tkr	*Not*	*2022-12-31*	*2021-12-31*
TILLGÅNGAR			
Anläggningstillgångar	*10*		
Finansiella anläggningstillgångar			
Andelar i koncernföretag	*11*	1 170 063	1 168 538
Andelar i intresseföretag och gemensamt styrda företag	*12*	6	-
Andra långfristiga fordringar	*13*	-	11 025
Summa finansiella anläggningstillgångar		**1 170 069**	**1 179 563**
Summa anläggningstillgångar		**1 170 069**	**1 179 563**
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag	*14*	13 321	44 999
Aktuell skattefordran		12 555	-
Övriga fordringar		9	-
Summa kortfristiga fordringar		**25 885**	**44 999**
Summa omsättningstillgångar		**25 885**	**44 999**
SUMMA TILLGÅNGAR		**1 195 954**	**1 224 562**

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Balansräkning

Belopp i Tkr	*Not*	*2022-12-31*	*2021-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		6 862	6 862
Reservfond		50	50
Summa bundet eget kapital		**6 912**	**6 912**
Fritt eget kapital			
Balanserat resultat		744 622	901 435
Årets resultat		-1 813	18 187
Summa fritt eget kapital		**742 809**	**919 622**
Summa eget kapital		**749 721**	**926 534**
Obeskattade reserver			
Periodiseringsfonder	*15*	19 018	19 018
Summa obeskattade reserver		**19 018**	**19 018**
Avsättningar			
Avsättningar för pensioner och liknande förpliktelser enligt tryggandelagen	*16*	-	11 025
Summa avsättningar		**-**	**11 025**
Kortfristiga skulder			
Leverantörsskulder		11	53
Skulder till moderföretag, koncernkonto		423 681	250 485
Skulder till koncernföretag	*17*	1 000	-
Aktuella skatteskulder		-	13 224
Övriga skulder		-	3 947
Upplupna kostnader och förutbetalda intäkter	*18*	2 523	276
Summa kortfristiga skulder		**427 215**	**267 985**
SUMMA EGET KAPITAL OCH SKULDER		**1 195 954**	**1 224 562**

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Noter

Belopp i Tkr om inget annat anges.

Not 1 Redovisnings- och värderingsprinciper

Redovisnings- och värderingsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Bedömningar och uppskattningar
Följande av styrelsens bedömningar har en betydande effekt på redovisade belopp i årsredovisningen:

Nedskrivningsprövning andelar i koncernföretag
Fastställandet av om andelar i koncernföretag skall skrivas ned eller ej kräver en bedöming av återvinningsvärdet. Återvinningsvärdet är det högsta av tillgångens nyttjandevärde eller verkligt värde med avdrag för försäljningskostnader. Beräkning av nyttjandevärde kräver bedömningar av framtida kassaflöden och diskonteringsränta. Sådana bedömningar innefattar av naturliga skäl alltid en viss osäkerhet.

Fordringar
Fordringar har värderats till det lägsta av anskaffningsvärde och det belopp varmed de beräknas bli reglerade. Övriga tillgångar, skulder samt avsättningar har värderats till anskaffningsvärde om annat ej anges.

Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Intäktsredovisning
Intäkter har upptagits till verkligt värde av vad som erhållits eller kommer att erhållas.

Leasingavtal
Leasingavtal redovisas enligt BFNAR 2012:1 Årsredovisning och koncernredovisning (K3). Företaget redovisar tillgångar som leasas genom ett finansiellt leasingavtal som en materiell anläggningstillgång samtidigt som framtida leasingavgifter redovisas som skuld. Vid det första redovisningstillfället redovisas tillgången och skulden till nuvärdet av framtida minimileaseavgifter och eventuellt restvärde. Vid beräkningen av nuvärdet av minimileaseavgifterna används avtalets implicita ränta. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.

Ersättning till anställda

Avgiftsbestämda pensionsplaner
Avgiftsbestämda pensionsplaner är planer för ersättningar efter avslutad anställning enligt vilka fastställda avgifter betalas till en separat juridisk enhet. Någon rättslig eller informell förpliktelse att betala ytterligare avgifter finns inte i de fall den juridiska enheten inte har tillräckliga tillgångar för att betala alla ersättningar till de anställda. Avgifter till avgiftsbestämda pensionsplaner kostnadsförs under det räkenskapsår de avser.

Förmånsbestämda pensionsplaner
Förmånsbestämda pensionsplaner är andra planer än avgiftsbestämda pensionsplaner. Företagets förmånsbestämda planer som regleras genom betalning av pensionspremier redovisas som avgiftsbestämda pensionsplaner och kostnadsförs.

Inkomstskatter
Inkomstskatter utgörs av aktuell skatt och uppskjuten skatt. Inkomstskatt redovisas i resultaträkningen utom då den underliggande transaktionen redovisas i eget kapital varvid även tillhörande skatteeffekt redovisas i eget kapital. Aktuella skattefordringar och skatteskulder samt uppskjutna skattefordringar och skatteskulder kvittas om det finns en legal rätt till kvittning.

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Aktuell skatt
Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller per balansdagen och nuvärdesberäknas inte.

Uppskjuten skatt
Uppskjuten skatt är inkomstskatt för skattepliktiga resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser. Uppskjuten skatt beräknas på samtliga temporära skillnader, d v s skillnaden mellan de redovisade värdena för tillgångar och skulder och deras skattemässiga värden samt skattemässiga underskott. Uppskjuten skatt redovisas inte på temporära skillnader som härrör från den första redovisningen av goodwill. Förändringar i uppskjuten skatteskuld eller uppskjuten skattefordran redovisas i resultaträkningen om inte förändringen är hänförlig till en post som redovisas i eget kapital.

Uppskjuten skatteskuld och uppskjuten skattefordran värderas enligt de skattesatser och skatteregler som är beslutade före balansdagen. Uppskjuten skattefordran värderas till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat. Värderingen omprövas per varje balansdag för att återspegla aktuell bedömning av framtida skattemässiga resultat.

Uppskjuten skatt ingår i obeskattade reserver med 20,6 %.

Aktier och andelar i dotterföretag
Aktier och andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. Tilläggsköpeskilling inkluderas i anskaffningsvärdet. Erhållen utdelningar redovisas som intäkter.

När det finns en indikation på att aktier och andelar i dotterföretag minskat i värde görs en beräkning av återvinningsvärdet och är det lägre än det redovisade värdet görs en nedskrivning. Nedskrivningar redovisas i posten Resultat från andelar i koncernföretag.

Avsättningar
Avsättningar redovisas i balansräkningen när bolaget har en förpliktelse (legal eller informell) på grund av en inträffad händelse och då det är sannolikt att ett utflöde av resurser som är förknippade med ekonomiska fördelar kommer att krävas för att uppfylla förpliktelsen och beloppet kan beräknas på ett tillförlitligt sätt.

Koncernbidrag
Koncernbidrag redovisas som bokslutsdisposition i resultaträkningen, oavsett om koncernbidraget är lämnat eller erhållet.

Koncernförhållanden
Veidekke Sverige AB, som är ett helägt dotterbolag till Veidekke ASA, org.nr. 00917103801 med säte i Oslo, Norge, är ett holdingbolag som i sin tur äger aktierna i bolagen Veidekke Entreprenad AB, 556508-6583, Veidekke Industri AB, 556513-9408 , Veidekke Framtid AB 559323-6598 samt Veidekke Infrastruktur Holding AB 559361-6625
Bopol AB är ett intressebolag som ägs till 25%.

Veidekke ASA är noterat vid börsen i Oslo.

Veidekke ASA upprättar koncernredovisning och hållbarhetsrapport för hela Veidekke-koncernen, varför Veidekke Sverige AB inte upprättar någon koncernredovisning med stöd av ÅRL 7:2.

Nyckeltalsdefinitioner

Soliditet (%)

Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutningen.

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Not 2 Inköp och försäljning mellan koncernföretag

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Årets försäljning till koncernföretag (%)	100%	100%
Årets inköp från koncernföretag (%)	0%	7%

Not 3 Operationella leasingavtal - leasetagare

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Räkenskapsårets kostnadsförda leasingavgifter		
Räkenskapsårets kostnadsförda leasingavgifter	-	214

Kommentar till not
Inga framtida minimileaseavgifter för kommande år förekommer.

Not 4 Ersättningar till revisorer

Typ av uppdrag	*2022-01-01-2022-12-31*	*2021-01-01-2021-12-31*
Revisionsuppdrag	149	224
Arbete utöver revsionsuppdraget	134	-

Kommentar till not
Med revisionsuppdrag avses lagstadgad revision av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning samt revision och annan granskning utförd i enlighet med överenskommelse eller avtal.

Arbete utöver revisionsuppdraget inkluderar övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

Not 5 Personal

Medelantalet anställda

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Kvinnor	-	-
Män	-	-

Sociala kostnader inklusive pensionskostnader

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Pensionskostnader		
Styrelsen och verkställande direktören	-	-
Övriga anställda	-	-
Summa pensionskostnader	-	-
Övriga sociala avgifter enligt lag och avtal	-314	434
Summa	**-314**	**434**

Kommentar
Under 2022 har de sista personalförpliktelserna flyttats över till Veidekke Entreprenad AB

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Not 6 Resultat från andelar i koncernföretag

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Realisationsresultat vid försäljning	-	-1 241
Summa	**-**	**-1 241**

Kommentar till not
Realisationsresultat 2021 avser försäljning av Veidekke Nära AB.

Not 7 Övriga ränteintäkter och liknande resultatposter

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Ränteintäkter		
Övriga företag	1	-
Summa	1	-
Övrigt	-	530
Summa	**1**	**530**

Not 8 Räntekostnader och liknande resultatposter

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Räntekostnader		
Räntekostnader, koncernkonto	12 059	6 644
Övriga företag	155	14
Summa	**12 214**	**6 658**

Not 9 Skatt på årets resultat

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Aktuell skatt		
Aktuell skatt	-88	-174
Justering avseende tidigare år	-	188
Summa	-88	14
Uppskjuten skatt		
Förändring av uppskjuten skattefordran	-	-4 726
Summa	-	-4 726
Summa	**-88**	**-4 712**

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Avstämning av effektiv skatt

Resultat före skatt	*-1 725*	*22 899*
Skatt enligt gällande skattesats	355	-4 717
Ej avdragsgilla kostnader	-32	-136
Ej skattepliktiga intäkter	61	1 549
Räntenetto	-417	-1 370
Förändring uppskjuten skatt	-	-4 726
Skattemässiga justeringar	-55	-
Förändring skattemässigt underskott	-	4 539
Skatt hänförlig till tidigare år	-	149
Redovisad skatt	**-88**	**-4 712**
Gällande skattesats (%)	20,6%	20,6%

Not 10 Maskiner och andra tekniska anläggningar

	2022-12-31	*2021-12-31*
Ingående anskaffningsvärden	-	1 248
Försäljningar/utrangeringar	-	-1 248
Utgående anskaffningsvärden	-	-
Ingående avskrivningar	-	-233
Försäljningar/utrangeringar	-	291
Årets avskrivningar		-58
Utgående avskrivningar	-	-
Redovisat värde	**-**	**-**

Not 11 Andelar i koncernföretag

	2022-12-31	*2021-12-31*
Ingående anskaffningsvärden	1 168 538	1 171 805
Inköp	25	25
Lämnade aktieägartillskott	1 500	-
Försäljningar	-	-3 291
Redovisat värde	**1 170 063**	**1 168 539**

Innehav av andelar i koncernföretag

Dotterföretag	*Org.nr*	*Säte*	*Eget kapital*	*Årets resultat*	*Kapital andel %*	*Rösträtts andel %*	*Redovisat värde*
Veidekke Industri AB	556513-9408	Stockholm	44	1	100%	100%	26 120
Veidekke Entreprenad AB	556508-6583	Stockholm	1 422	750	100%	100%	1 142 393
Veidekke Framtid AB	559323-6598	Stockholm	1	-1	100%	100%	1 275
Veidekke Infrastruktur Holding AB	559361-6625	Stockholm	0	0	100%	100%	275
							1 170 063

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Not 12 Andelar i intresseföretag och gemensamt styrda företag

	2022-12-31	*2021-12-31*
Förändringar av anskaffningsvärden		
Inköp	6	-
Utgående anskaffningsvärden	6	-
Redovisat värde	**6**	**-**

Specifikation innehav av andelar i intresseföretag och gemensamt styrda företag inklusive uppgifter om företag

Intresseföretag/ Gemensamt styrt företag	*Org.nr*	*Säte*	*Antal andelar*	*Eget kapital*	*Årets resultat*	*Kapital andel %*	*Rösträtts andel %*	*Redovisat värde*
Bopol AB	559366-9236	Stockholm	6 250,00	718	693	25,00	25,00	6

Not 13 Andra långfristiga fordringar

	2022-12-31	*2021-12-31*
Kapitalförsäkring	-	11 025
Redovisat värde	**-**	**11 025**

Not 14 Fordringar hos koncernföretag

	2022-12-31	*2021-12-31*
Veidekke Framtid AB	-	15 000
Veidekke Entreprenad AB	2 818	26 015
Veidekke ASA	-	3 984
Veidekke Industri AB	10 500	-
Veitech AB	3	-
Redovisat värde	**13 321**	**44 999**

Not 15 Obeskattade reserver

Periodiseringsfonder

Periodiseringsfond år	*2022-12-31*	*2021-12-31*
Periodiseringsfond 2020	18 736	18 736
Periodiseringsfond 2021	282	282
Summa	**19 018**	**19 018**

Not 16 Avsättningar för pensioner och liknande förpliktelser

	2022-12-31	*2021-12-31*
Belopp vid årets ingång	11 025	11 170
Under året ianspråktagna belopp	-	-571
Årets värdeförändring	-991	1 956
Överlåtelse av kapitalförsäkring	-10 034	-1 492
Årets avsättning	-	-38
Redovisat värde	**-**	**11 025**

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Not 17 Skuld till koncernföretag

	2022-12-31	*2021-12-31*
Veidekke Framtid AB	1 000	-
Redovisat värde	1 000	-

Not 18 Upplupna kostnader och förutbetalda intäkter

Övriga upplupna kostnader och förutbetalda intäkter

Typ av interimspost	*2022-12-31*	*2021-12-31*
Upplupna sociala avgifter	2 434	186
Övriga upplupna kostnader och förutbetalda intäkter	89	90
	2 523	**276**

Not 19 Väsentliga händelser efter räkenskapsårets slut

Inga väsentliga händelser efter räkenskapsårets slut

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Underskrifter

Stockholm den dag som framgår av vår elektroniska underskrift

Jimmy Bengtsson
Styrelseordförande och VD

Jørgen Wiese Porsmyr
Styrelseledamot

Vår revisionsberättelse har lämnats den dag som framgår av vår elektroniska underskrift

Ernst & Young AB

Camilla Norell
Auktoriserad revisor

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Building a better working world

Revisionsberättelse

Till bolagsstämman i Veidekke Sverige AB, org.nr 556275-3763

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Veidekke Sverige AB för räkenskapsåret 2022-01-01 - 2022-12-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Veidekke Sverige ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Veidekke Sverige AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Jag intygar att denna kopia stämmer med originalet!

Annika Hanes

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Building a better working world

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Veidekke Sverige AB för räkenskapsåret 2022-01-01 - 2022-12-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Veidekke Sverige AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Anmärkningar

Vid ett antal tillfällen under räkenskapsåret har debiterad skatt inte betalats och redovisats i rätt tid.

Stockholm den dag som framgår av vår elektroniska underskrift

Ernst & Young AB

Camilla Norell
Auktoriserad revisor

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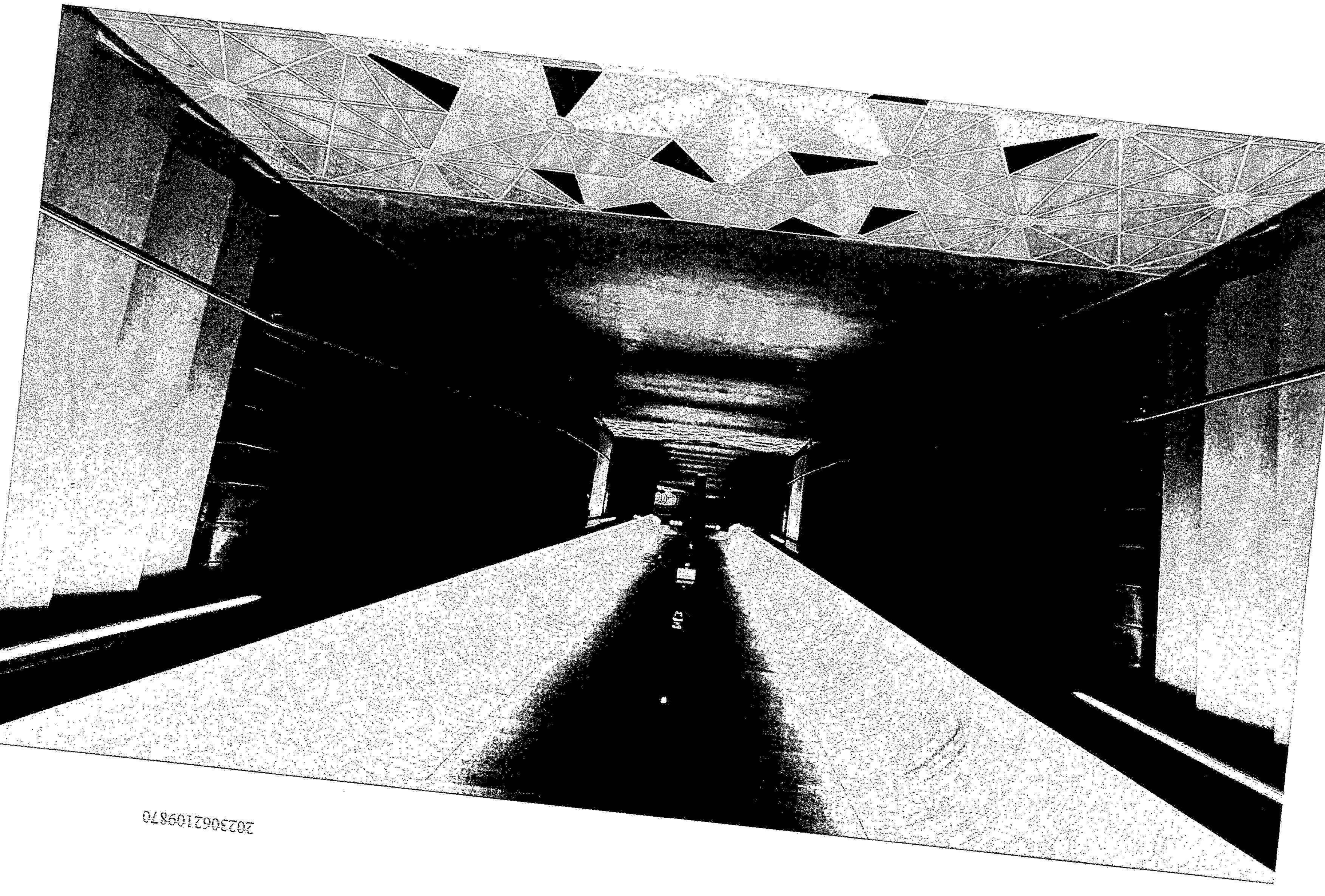
VEIDEKKE

Annual and sustainability report



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Targets

	STATUS 2022	TARGET 2022	TARGET 2025
PROFIT MARGIN	3.8%	4.0%	>5.0%
DIVIDEND	96%	>70%	>70%
SERIOUS INJURIES	2	0	0

Participating proactively in the green shift

Putting people first

Passionate about customer projects

Sustainability

Environmental impact: Page 125

Protect the environment by cutting greenhouse gas emissions, preserving biodiversity, reducing resource consumption and promoting a circular economy

Social impact: Page 136

Ensure that everyone working in and for Veidekke has decent terms of employment and a good working environment, where everyone is safe and respected

Governance impact: Page 144

Comply with competition regulations and fight corruption and other economic crime in all forms

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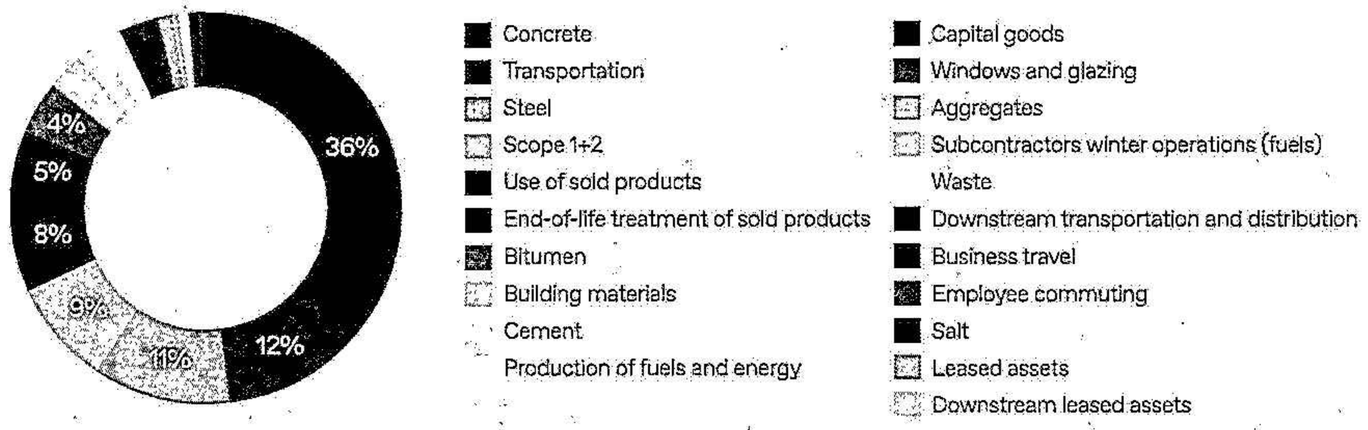
Veidekke's greenhouse gas emissions and targets

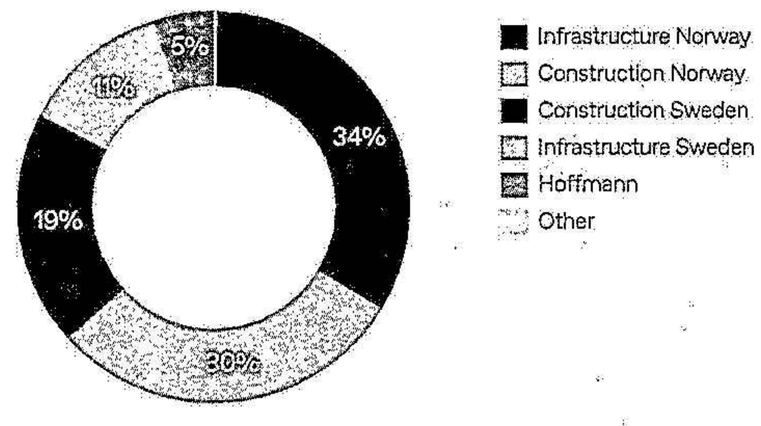
Greenhouse gas emissions (scope 1–3) by emission category

Based on 2021 emissions



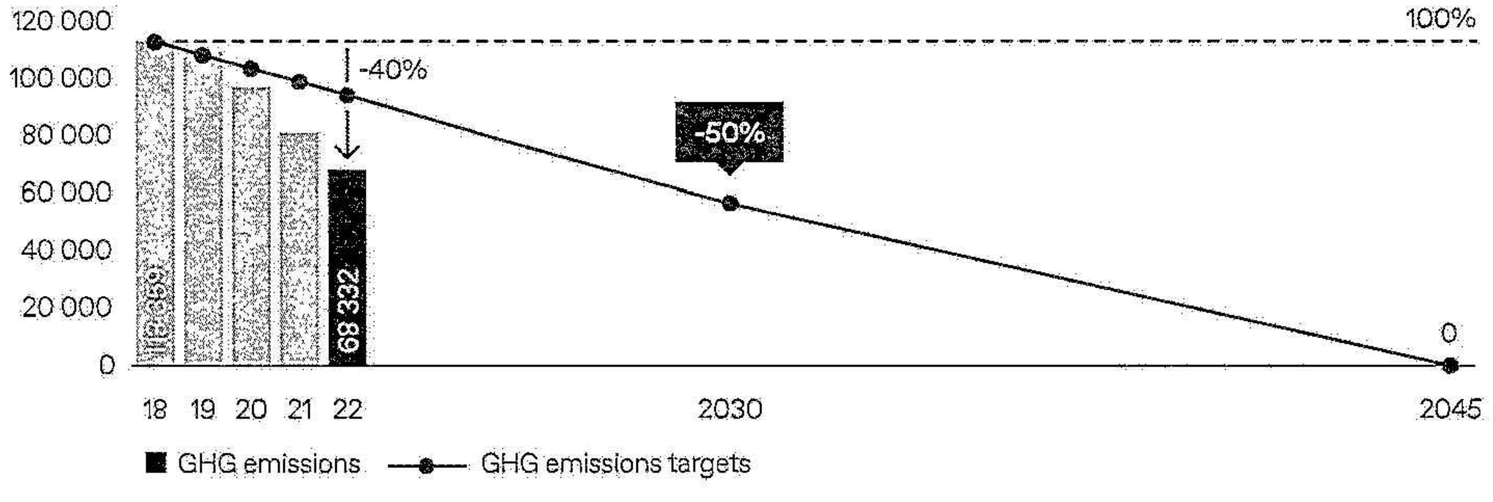
Greenhouse gas emissions (scope 1-3) by business area

Based on 2021 emissions



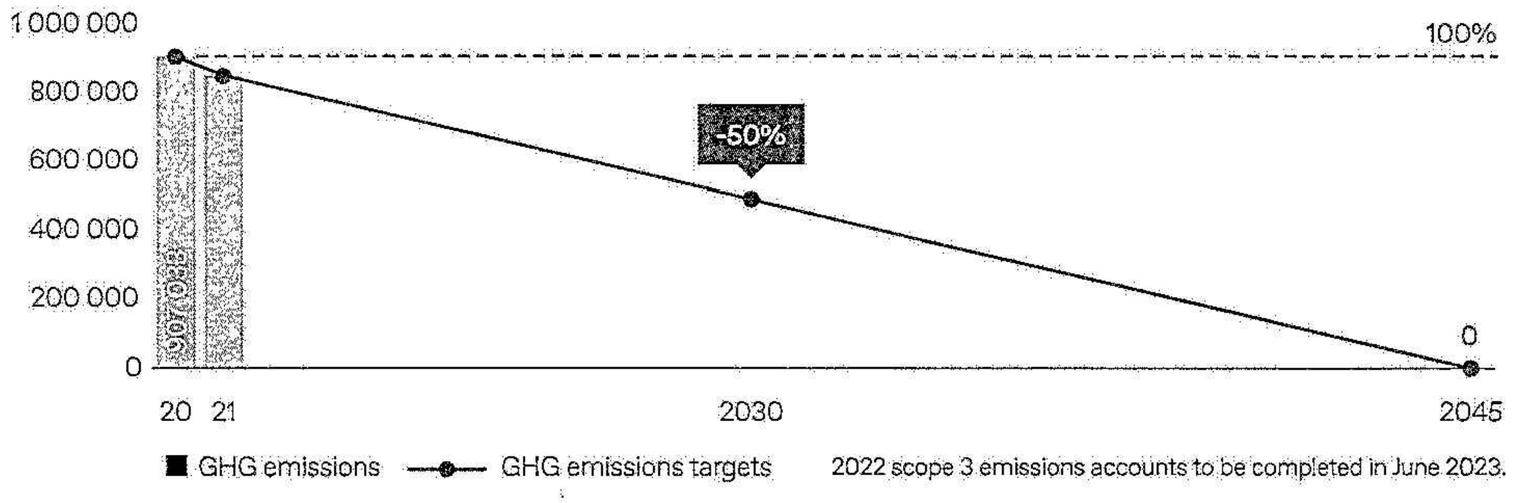
Scope 1+2 | Greenhouse gas emissions and targets

Emissions from Veidekke's own operations



Scope 3 | Greenhouse gas emissions and targets

Emissions from Veidekke's value chain



2022 scope 3 emissions accounts to be completed in June 2023.

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This is Veidekke

Veidekke is one of Scandinavia's largest construction groups, with nearly 8 000 employees. The group is headquartered in Oslo and has operations in all major growth areas in Norway, Sweden and Denmark.

Veidekke provides services related to construction, civil engineering, road maintenance and asphalt and aggregates. An organisation into five business areas is intended to ensure proximity to the customer, good solutions and efficient project execution.

The group places emphasis on giving shareholders a competitive return and aims to pay out more than 70% of the annual profit in dividends. The Veidekke share is listed on the Oslo Stock Exchange.

Passion for clients' projects

Veidekke is a streamlined construction company with solid market shares in Scandinavia and a robust financial position. The group assists clients with their major construction and infrastructure projects, by developing, constructing, and maintaining buildings and infrastructure and producing asphalt and aggregates.

Veidekke seeks to get involved in the client's project from an early stage of planning, and to assist throughout the development until completion.

Through close collaboration throughout the project Veidekke is able to help clients arrive at the best, most forward-looking and sustainable solutions which add value for the client and the project's users.

An active contributor to the green shift

Veidekke strives to reduce greenhouse gas emissions from its own operations and from the entire construction value chain. Working towards this goal, Veidekke and customers share common interests, and the group sees new market opportunities in being able to help customers achieve their climate goals. Through innovation, collaboration and selective investments, Veidekke supports new, climate-friendly solutions and develops cutting-edge expertise which is put to use in practical solutions that help customers cut their emissions.

The group has set a target of reducing Veidekke's own greenhouse gas emissions in line with the Paris Agreement and to reach net zero emissions by 2045. Climate budgets have been set for each operational unit. In August 2022, as the first construction company in Scandinavia, Veidekke had its short-term and long-term climate targets validated by the highly reputed Science Based Target initiative (SBTi).

Risk assessment

When unforeseen events occur in construction projects, they often lead to delays and additional costs. It is in the interest of all parties to identify risk elements early, so that any uncertainty can be considered in the planning process. Risk management is therefore a key expertise at Veidekke.

Veidekke carries out many large projects that run over several years, and where a strong ability to calculate, manage and handle risk is a prerequisite to achieving commercial success. Risk management is a key factor in the process of deciding which projects best match Veidekke's expertise and resources, and for which the company wishes to initiate dialog with the customer in order to submit a tender.

A culture built on expertise, involvement and commitment

In Veidekke, the drivers of value creation are its people. Building schools, bridges and tunnels is teamwork, and the most effective teams are those that engage employees at all levels to take ownership of the planning and execution of their own tasks.

Construction and civil engineering projects are complex. A large variety of specialised expertise is involved in the planning and execution and must be secured the required resources, in order to ensure completion of an end product of optimum quality. Through dialog with the customer from an early planning stage, Veidekke can provide solutions that don't just take account of budgets, but also of users, surroundings, the environment, and the climate. By involving relevant specialist skills at any level at the right time, Veidekke ensures efficiency and good flow in the execution of the project.

Involvement and commitment are key to good commercial understanding – and this applies both to Veidekke as a company and to its employees, who must be able to see how they can best contribute to solid, efficient and profitable projects. This is one of the reasons why Veidekke invites all employees to take part in the company's value creation as shareholders. Nearly half of all Veidekke employees are shareholders, owning a combined share of 12% of the company.

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Key figures

Figures in NOK million	2022	2021	2020
Revenue	38 658	37 592	38 140
Pre-tax profit	1 467	1 342	1 134
Construction Norway	530	507	532
Infrastructure Norway	496	462	244
Construction Sweden	140	166	175
Infrastructure Sweden	290	133	128
Denmark	213	200	200
Other	-203	-127	-145
Profit margin	3.8%	3.6%	3.0%
EBITDA	2 446	2 282	2 122
Operating profit (EBIT)	1 508	1 364	1 213
Operating margin	3.9%	3.6%	3.2%
Shareholders' profit share[1]	1 092	1 029	2 189
Profit per share	8.1	7.1	5.8
Profit per share (IFRS)[1]	8.1	7.1	15.6
Net interest-bearing assets[1]	2 840	3 709	3 078
Cash flow from operations[1]	1 409	2 194	2 270
Cash flow from investing activities[1]	-701	-282	5 664
Return on equity past 12 months (IFRS)[1]	43%	38%	53%
Total order book	41 334	38 084	37 460
LTI rate	3.0	4.6	4.4
Sickness absence	5.5%	4.6%	5.1%
CO_2 emissions scopes 1 and 2 (tonnes)	68 332	81 290	97 367
CO_2 emissions scope 3 (tonnes)[2]		851 645	907 003

[1] Includes the property development operation before it was spun off in September 2020.
[2] Scope 3 CO_2 emissions figures for 2022 will be available approx. mid-year 2023.

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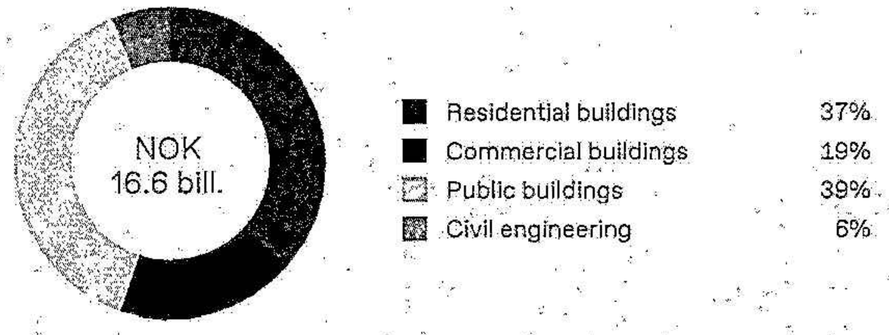
Construction Norway

Key figures

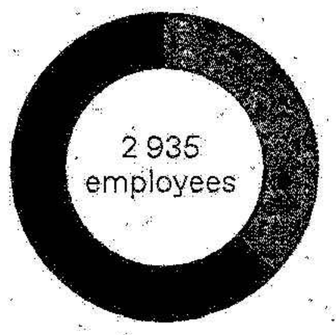
NOK million	2022	2021	2020
Revenue	13 370	13 514	14 638
Pre-tax profit	530	507	532
Profit margin	4.0%	3.8%	3.6%
Order book	16 584	13 537	13 358
CO_2 emissions scopes 1 and 2 (tonnes)	9 082	10 234	11 777

Order book by market segment



Employees

Veidekke total: 7 933



Veidekke's Norwegian construction operation is one of the country's largest contractors, with a 10% market share and an ambition to be the preferred contractor in the markets served by the company. Repeat customers account for a large part of the revenue.

The business unit has significant market positions in Oslo and central Eastern Norway as well as in the Agder, Rogaland, Bergen, Sunnmøre and Trøndelag regions. Expertise in the product categories residential, office, logistics, educational and healthcare buildings helps reduce risk in the projects and increase profitability.

By linking the group's standardised processes with the expertise required for the relevant building type, Construction Norway ensures project execution and solutions that add value for the client. During construction the company applies "involved planning", a LEAN approach that enables efficient and streamlined production. Customer surveys along the way contribute to continuous evaluation and adjustments to address customer needs.

Projects undertaken by Construction Norway should rely on sustainable production from start to finish and throughout its lifetime. The major greenhouse gas emissions in the value chain are related to materials, such as concrete, steel, windows and glass facades, and transport services. The construction operation is working to reduce its carbon footprint by using more massive wood and low-carbon concrete in construction and through rehabilitation and reuse of materials. Buildings are constructed in accordance with environmental certification standards such as BREEAM and Nordic Ecolabel (Svanen).

In 2022, Veidekke established the company Veidekke Sirkulær AS, which is affiliated with the Oslo construction operation and will handle ongoing circular projects and initiate new climate solutions in the construction and civil engineering industry. The company is currently running a pilot project at Ulven, Oslo, where all virgin stone normally used to produce new concrete is replaced with crushed concrete from a demolition project. In late 2022, Veidekke's competitiveness in Bergen was bolstered through the acquisition of Constructa Entreprenør AS. With strong positions in the commercial, residential and public building segments in Bergen, Constructa complements the group's construction activities in the area.

Veidekke trains skilled workers in core construction industry trades and offers apprenticeships around the country. Veidekke's Norwegian construction and infrastructure operations share a joint new-employee programme and systems for role-based training, tailored to the various roles in the project organisation. The intention is to ensure that employees have relevant professional development and career opportunities, and that Veidekke has Norway's best project managers and project teams.

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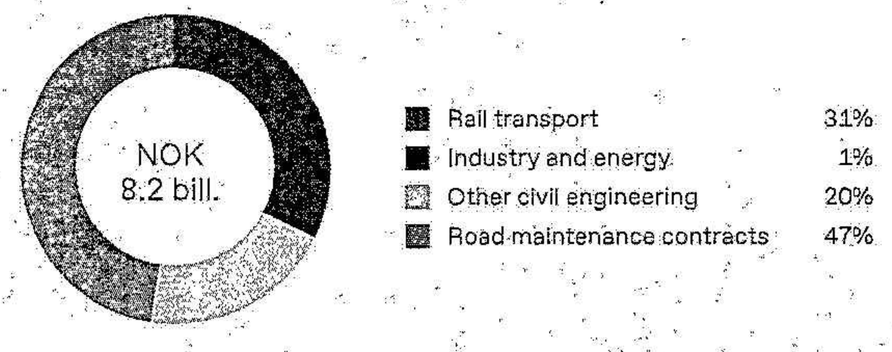
Infrastructure Norway

Key figures

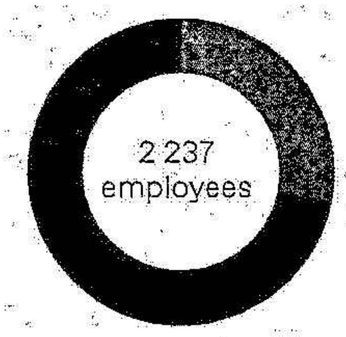
NOK million	2022	2021	2020
Total revenue	9 583	9 147	8 847
Civil engineering	6 333	5 821	5 933
Asphalt, aggregates	3 251	3 327	2 914
Total pre-tax profit	496	462	244
Civil engineering	485	285	161
Asphalt, aggregates	11	177	83
Total profit margin	5.2%	5.1%	2.8%
Civil engineering	7.7%	4.9%	2.7%
Asphalt, aggregates	0.3%	5.3%	2.8%
Order book	8 242	7 477	7 206
CO_2 emissions scopes 1 and 2 (tonnes)	50 492	61 817	72 496

Order book by market segment



Employees

Veidekke total: 7 933



Veidekke is a nationwide Norwegian civil engineering contractor with expertise in the construction of roads, railways, power plants, industrial facilities, and airports. The company is also Norway's largest asphalt producer and contractor, the second largest aggregates producer, and a major player in the maintenance of public roads in Norway. The business area also comprises companies that specialise in foundations, rock drilling and smaller construction assignments.

Infrastructure Norway was established in the spring of 2020, through a merger of Veidekke's civil engineering and industrial operations in Norway. Veidekke took the step of gathering technical expertise in one entity in order to approach the Norwegian civil engineering market in a more efficient and coordinated manner.

Civil engineering and asphalt operations entail significant greenhouse gas emissions as well as dust and noise, and Veidekke has set ambitious goals to reduce negative consequences for the climate, the environment and the surroundings. The largest greenhouse gas emissions in the value chain are related to direct purchases of diesel and gas, materials such as concrete, steel and bitumen as well as transport services. Infrastructure Norway is striving to reduce the carbon footprint by changing energy carriers at the asphalt factories, developing more environmentally friendly asphalt with a plant-based binding agent, using slimmer constructions and making conscious choices of materials, such as low-carbon concrete. Infrastructure Norway delivers civil engineering projects in accordance with certification standards such as BREEAM Infrastructure.

In 2022, Veidekke organised its green growth initiatives as a new business area, Green Incubator, tasked with finding green business opportunities. Infrastructure Norway has established offshore wind as a new initiative, with ambitions to take part in the floating offshore wind value chain.

Veidekke trains skilled workers in core trades and recruits recent graduates and experienced engineers and other specialists. Veidekke's Norwegian construction and infrastructure operations share a joint new-employee programme and systems for role-based training, tailored to the various roles in the project organisation. The intention is to ensure that employees have relevant professional development and career opportunities, and that Veidekke has Norway's best project managers and project teams.

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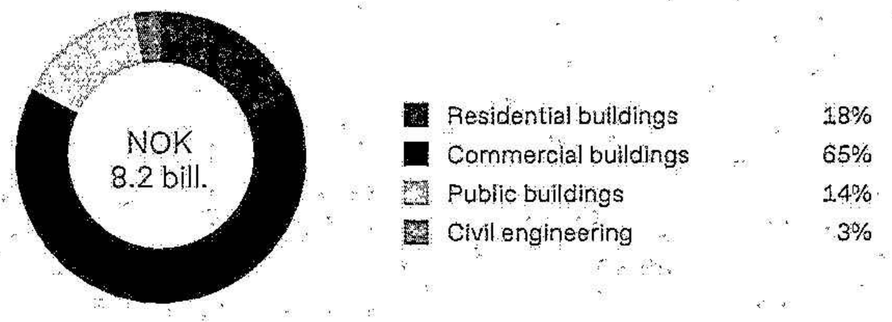
Construction Sweden

Key figures

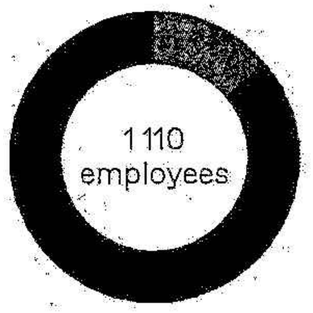
NOK million	2022	2021	2020
Revenue	8 858	8 544	7 867
Pre-tax profit	140	166	175
Profit margin	1.6%	1.9%	2.2%
Order book	8 158	9 483	8 885
CO_2 emissions scopes 1 and 2 (tonnes)	651	1 020	880

Order book by market segment



Employees

Veidekke total: 7 933



Veidekke is one of Sweden's largest construction contractors, accounting for 4% of the total Swedish market. The business is concentrated on the growth regions around Stockholm, Gothenburg and Malmö.

Veidekke has a broad portfolio of construction projects in Sweden, with an emphasis on the market segments residential buildings, offices, hotels, healthcare buildings and schools. The company places great emphasis on product expertise and the ability to compose teams with the right competence and relevant experience for the specific assignment.

The subsidiary BRA has a strong position in the Gothenburg private commercial buildings market. BRA specialises in office and logistics buildings and the majority of the projects are with repeat customers.

Construction Sweden has developed Enkelt & Greit ("Simple & Straightforward"), a concept to ensure sustainable and safe execution, saving clients' time and money by cutting the time from idea to handover. This concept has met considerable interest, and the business area has started building a portfolio of prospective projects, in close collaboration with clients.

Construction Sweden is working to achieve its environmental goals by cutting consumption of energy and materials and limiting waste. The largest greenhouse gas emissions in the value chain are related to materials such as concrete, steel, windows and glass facades, and transport services. Construction Sweden has a special focus on rehabilitation, reuse and massive wood construction and is currently building one of the world's largest massive wood projects, the residential high-rises Cederhusen in Stockholm. Construction Sweden builds in accordance with certification standards such as BREEAM, Nordic Ecolabel (Svanen) and Miljöbyggnad.

Construction Sweden offers apprenticeships and trains skilled workers in core trades. The unit also offers trainee programs for recent graduates with relevant university degrees, primarily in engineering subjects.

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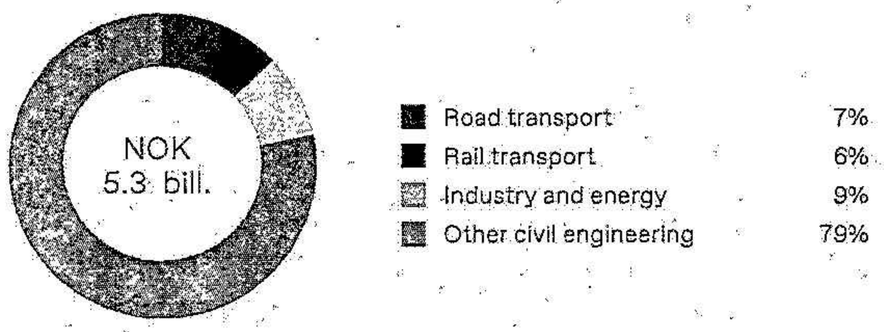
Infrastructure Sweden

Key figures

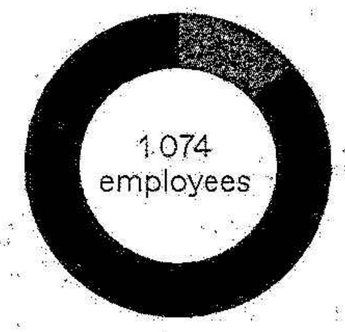
NOK million	2022	2021	2020
Revenue	5 247	4 345	4 426
Pre-tax profit	290	133	128
Profit margin	5.5%	3.1%	2.9%
Order book	5 277	4 774	5 495
CO_2 emissions scopes 1 and 2 (tonnes)	6 516	6 242	9 503

Order book by market segment



Employees

Veidekke total: 7 933



Veidekke has solid positions in the Swedish markets for infrastructure, extraction, heavy industry, energy and recycling facilities/landfills and also produces and lays asphalt. Most of the business takes place in the metropolitan regions of Stockholm, Gothenburg and Malmö, and in addition, Veidekke is an established supplier to the mining industry further north in Sweden.

High professional expertise and a predilection for collaboration characterises Veidekke's Swedish infrastructure business. To arrive at the best and most sustainable solutions, Veidekke seeks collaboration with clients from an early stage of a project. Infrastructure Sweden often works in collaborative contracts, where cooperation with clients and suppliers is aimed at creating synergies that benefit the project and all parts of the project organisation.

In 2022, Infrastructure Sweden sold an industrial plot in Snebro, south of Stockholm, formerly used as a mass handling site. Mass handling in centrally located areas is a core activity in Veidekke's industrial operations, which strategy is to operate from locations that can later be applied for property development purposes.

The largest greenhouse gas emissions in the value chain of the infrastructure operation are related to direct purchases of diesel and gas, to materials such as concrete, steel and bitumen, and to transport services. To reduce the carbon footprint, Infrastructure Sweden is replacing energy carriers at the asphalt factories, using slimmer constructions, increasing reuse and making conscious choices of materials. Infrastructure Sweden delivers civil engineering projects in accordance with certification standards such as BREEAM Infrastructure.

Infrastructure Sweden trains its own skilled workers in the core trades and offers trainee programmes for recent graduates with relevant university degrees, primarily in engineering subjects.

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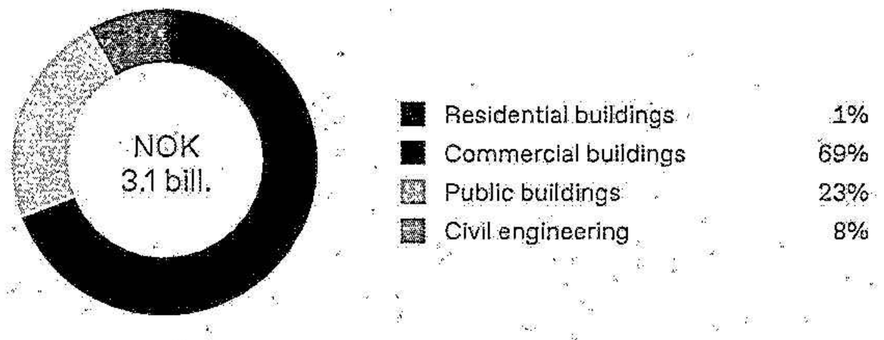
Denmark/Hoffmann AS

Key figures

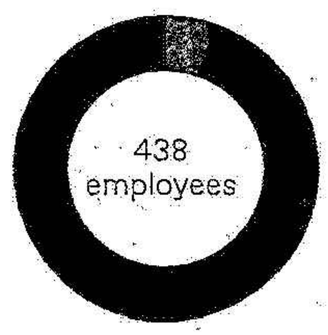
NOK million	2022	2021	2020
Revenue	2 420	2 362	2 652
Pre-tax profit	213	200	200
Profit margin	8.8%	8.5%	7.5%
Order book	3 074	2 813	2 516
CO_2 emissions scopes 1 and 2 (tonnes)	1 537	1 889	2 513

Order book by market segment



Employees

Veidekke total: 7 933



Representing Veidekke in the Danish market, Hoffmann AS is a construction company with a long and proud history. The company specialises in the development and construction of commercial building projects, primarily offices, hotels and shopping centres, in close collaboration with the client. Hoffmann places great emphasis on partnering to find optimum solutions, working with clients and consultants to improve the project and make it more profitable for the client. Projects in which Hoffmann collaborates closely with the client from an early stage, through planning and engineering, until the building is completed, make up 80% of the revenue.

In recent years, Hoffmann has expanded its portfolio of public sector projects, e.g. through a four-year strategic framework agreement entered into with the Danish Building and Property Agency. Hoffmann also operates separate business units specialising in technical installations and rehabilitation of commercial buildings and homes.

Hoffmann's vision is to contribute to sustainable societal development and to build a better future where people thrive and enjoy life, and the corporate culture is built around succeeding together.

Hoffmann offers apprenticeships and trains skilled workers in its core trades. The company also offers a programme in which project managers, who are hired while they are recent graduates, receive systematic training and development.

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Letter to shareholders:

Determination, improvements, and great opportunities

2022 was yet another year of unforeseen global events that brought rising interest rates, energy prices at all-time highs, restricted commodity supplies and galloping inflation. Despite these circumstances, however, Veidekke's determined and painstaking pursuit of improvements throughout the group secured an annual profit in line with the expectations we communicated to the market in May 2021.

We believe that we can do even better and are maintaining our aim of achieving a 5% margin by 2025. The scope for improvement is particularly great in Construction Sweden and the Norwegian asphalt operation, which have both under-performed in recent years.

Veidekke is in a good position at the start of 2023. Our order book is large and of high quality, our balance sheet is strong, and our financial position is robust. On this basis, the board of directors is proposing to distribute 96% of the annual profit for 2022 as a dividend to shareholders.

The robust order book, as well as our own forecasts and strong balance sheet also mean that we are starting 2023 well-equipped to navigate a highly uncertain market, and well-positioned to exploit market opportunities for further profitable growth.

Going forward, we will continue to select projects we can execute successfully and continue to manage risk proactively as we do so, in order to improve future project margins.

Two years ago, we finalised our strategy for the period to 2025. Today, Veidekke is a streamlined construction group with a clear strategy for selecting the right projects, managing risk, operating efficiently, and completing projects profitably. The group's organisational structure – with its focus on

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operational execution and flat project management structures – reflects this strategy.

Our strategy, which we have called "Performance with Meaning", serves a clear purpose: to deliver good results where the customer's projects intersect with our staff and suppliers, and Veidekke's proactive approach to the green shift. We are delivering on many of our adopted parameters: the annual profit margin is close to target, we have an attractive dividend policy, our liquidity is robust, and our balance sheet is strong. Sustainability and social responsibility are also firmly embedded in the strategy.

As one of Scandinavia's largest construction groups, we have a particular responsibility to operate sustainably. Our staff throughout the group are working to improve sustainability, and we have adopted ambitious climate targets. We plan to halve our greenhouse gas emissions by 2030 and achieve net-zero direct and indirect emissions by 2045. We reached an important milestone in 2022, when Veidekke became the first construction company in Scandinavia to have both its short- and long-term targets validated by the Science Based Targets initiative. How we report our environmental impact is very important to us, and confirmation from independent evaluators is encouraging in this regard.

While strong reporting mechanisms provide valuable insights, being able to identify commercial opportunities for Veidekke related to the green shift, is even more important. Sustainability lies at the heart of our operations. Electrification of our machinery fleet and fossil-free construction sites are only the first steps towards reducing our greenhouse gas emissions from operations in the short term. In 2022, Construction Norway launched a new initiative, Veidekke Circular, which will seek out circular business opportunities in the construction industry. The first project is a solution for recycling concrete, for which the potential is very large. The infrastructure operation has established an incubator unit to pursue green shift-related business opportunities in construction and civil engineering. We are also considering how we can position the group in the offshore wind power sector, which will become a major market if current political ambitions are to be achieved.

This annual report contains a sustainability report based on the updated materiality analysis we completed at the end of 2021. The material topics relate to Veidekke's environmental, social, and governance impacts. The report also presents a climate-risk analysis prepared in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

The majority of Veidekke's direct greenhouse gas emissions stem from the asphalt operation, and we are working hard to reduce these. Veidekke has secured the support of the Norwegian Public Roads Administration for laying our new and more environmentally-friendly asphalt on selected sections of road. Replacing crude-oil-based binding agents with a plant-based alternative allows us to reduce asphalt-related emissions by up to 80%. Although the road to full commercial breakthrough is long, the potential of this innovative product is correspondingly great.

We also recognise the growing importance of energy efficiency. Our Danish operation has a strong position in the Danish construction industry, and often wins competitive tenders due to its specialisation in technical disciplines.

Going forward, Veidekke will continue to prioritise customers and projects where the group's expertise can help reduce the climate footprint. We will also continue building our skills through innovation, cooperation, and selective investment to promote climate-friendly solutions.

It is people who execute Veidekke's projects and run its operations. We want to keep our team of committed, motivated and inspired employees, and in future we will need even more of them. Our industry is still male-dominated, and we have everything to gain from recruiting more women and becoming generally more diverse. Going forward, we will intensify our efforts, because the measures taken have so far proven not effective enough.

We expect our staff to contribute their expertise, drive, and determination. But we never want them to risk their life or health. This is why occupational health and safety is a key priority for Veidekke, and why all of the group's tools, systems, training, equipment, and attitudes have a safety focus. Last year, we were able to report achievement of our zero-serious-injuries target for the first time. Unfortunately, we cannot do the same this year. Although two serious injuries represent a small number for a large group of companies, they are still two injuries too many. Safety always comes first on our project and construction sites, at our factories and at our landfill facilities, and our safety focus can never be relaxed.

Our strong performance in 2022 and momentum going into 2023 is result of our 8 000 employees' drive and determination, as well as the many improvements we have made to our products, organisational structure, and operations. Our staff, customers, partners, and shareholders give us the best possible basis for further improving profitability in 2023 and continuing on the course we have staked out for the period to 2025.

Jimmy Bengtsson
Group CEO

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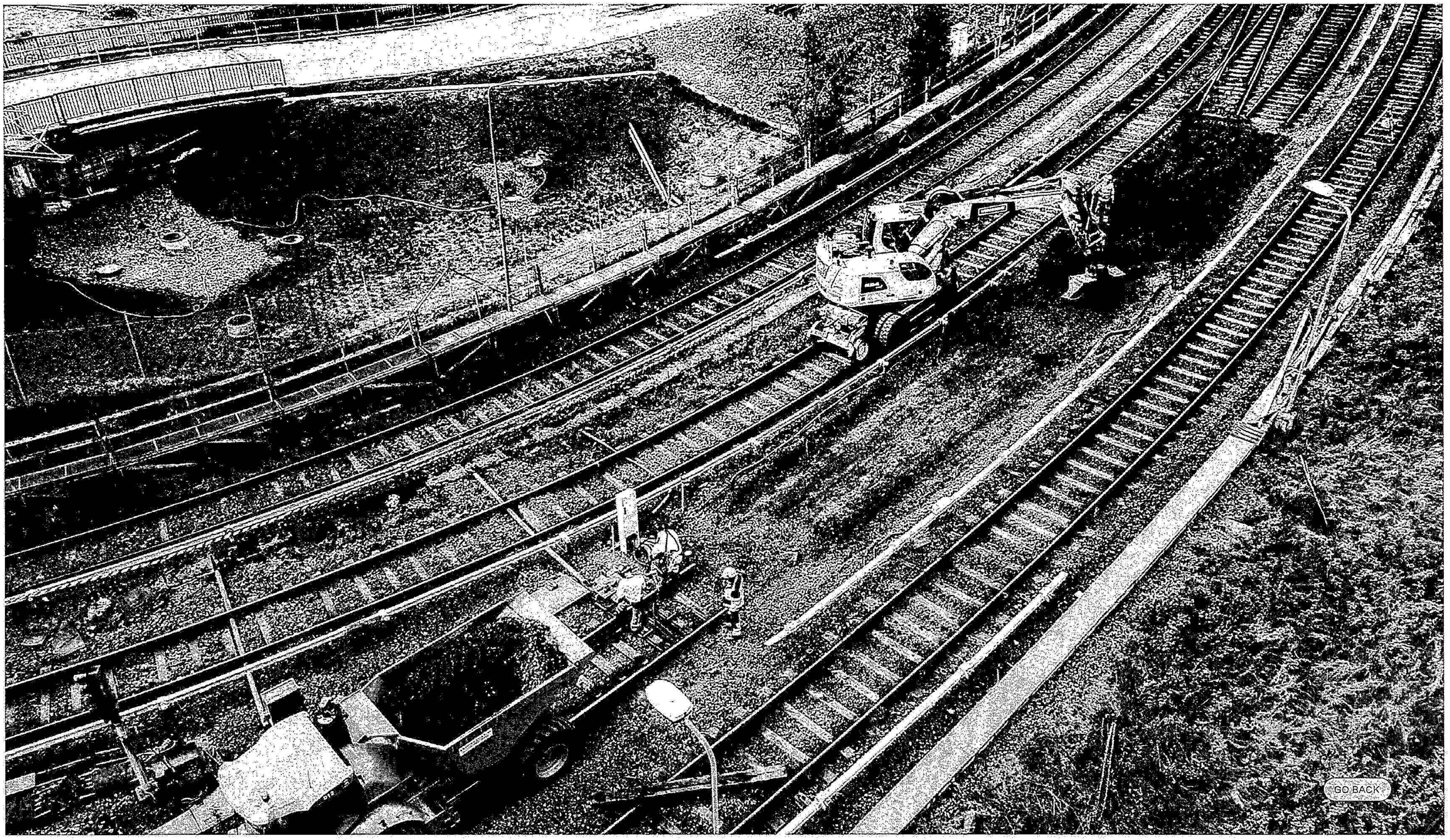
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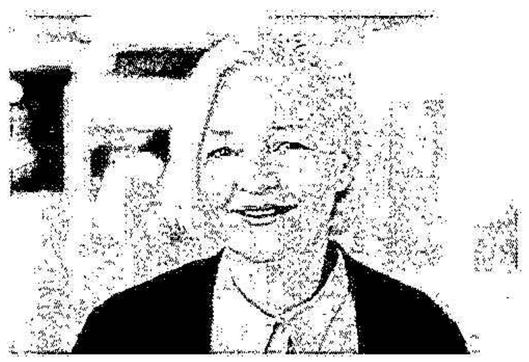
The board

	Gro Bakstad	Daniel Kjørberg Siraj	Hanne Rønneberg	Per-Ingemar Persson	Klara-Lise Aasen
					
Position (year elected)	Board member since 2010, board chair since 2022	Board member since 2018[1]	Board member since 2020	Board member since 2020	Board member since 2021
Committees	Remuneration committee (chair)	Audit committee Remuneration committee	Audit committee Project committee	Remuneration committee Project committee (chair)	Audit committee (chair)
Born	1966	1975	1959	1956	1974
Number of shares	15 500	OBOS BBL: 26 341 564	1 700	55 740	438
Other board assignments	– DNB Bank ASA	– Construction City Cluster (chair) – Solon Eiendom – Hovinbyen Sirkulære Oslo (chair)	– Multiconsult ASA – CICERO Center for Intl. Climate Research – Oslobygg KF	– Assemblin Group AB – Bonava AB	–
Education	– Graduate economist, NHH – State authorised public accountant, NHH	– Candidate of Law, University of Oslo (2001)	– Graduate engineer, NTH	– Graduate engineer, Lund University	– State authorised public accountant, NHH
Experience	– CEO of Vy (2020–) – EVP Norway Post (2012–2020) – EVP/CFO Norway Post (2006–2012) – Various positions in finance (Arthur Andersen, Ocean Rig, Procorp)	– CEO of OBOS (2015–) – EVP Strategy/Business Development and Housing Development OBOS (2010–2015) – Assistant lawyer, lawyer and business developer in OBOS (2004–2010) – Political adviser for city council and city councillor, City of Oslo (2000–2004) – Former board member of AF Gruppen ASA (2014–2018) and BWG Homes ASA (2012–2014)	– Extensive management experience from production of building materials, contracting and research. Currently works as a special adviser in SINTEF and a board member in the private and public sectors	– Self-employed – EVP Veidekke/CEO Veidekke Sweden AB – CEO Skanska Sweden AB – CEO NVS Installation AB	– Branch Manager at Bank Norwegian, branch of Nordax Bank (2022–) – CEO (2021–2022) and CFO, Bank Norwegian ASA (2020–2022) – Executive Vice President and Head of Group Financial Management, DNB (2017–2020) – Finance and risk management positions at Nordea (2006–2017)

[1] Daniel Kjørberg Siraj resigned from Veidekke's board effective 20 February 2023.

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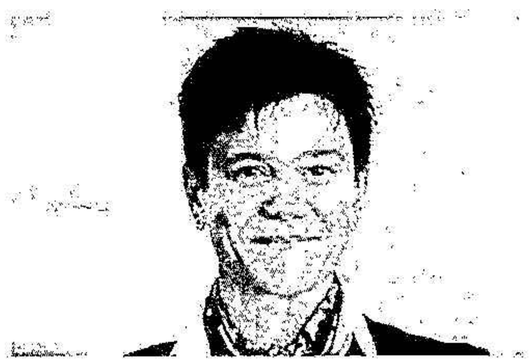
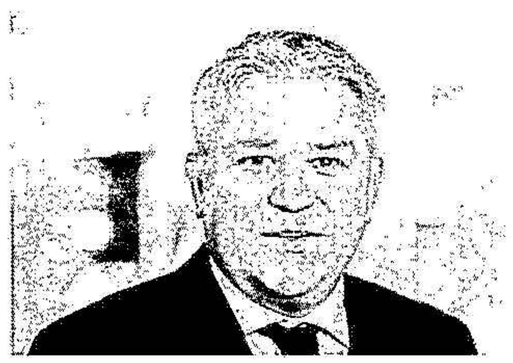
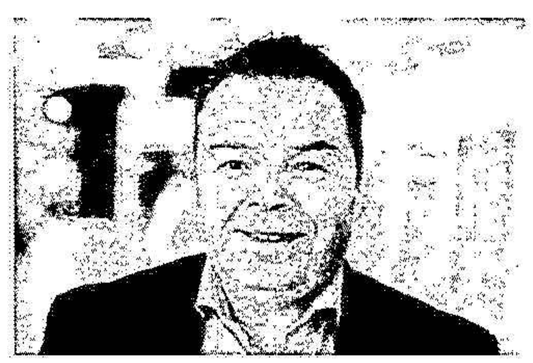
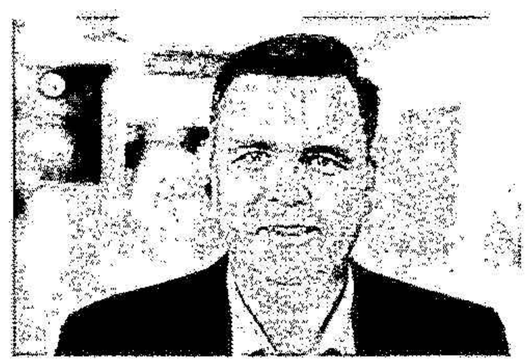
Board of directors cont.

	Carola Lavén	Pål Eitrheim	Inge Ramsdal	Odd Andre Olsen	Arve Fludal
					
Position (year elected)	Board member since 2021	Board member since 2022	Board member, elected by employees, since 2008	Board member, elected by employees, since 2011	Board member, elected by employees, since 2015
Committees	Audit committee Remuneration committee	Project committee	Remuneration committee	Audit committee	Project committee
Born	1972	1971	1962	1961	1970
Number of shares	-	-	8 720	5 230	3 199 shares; 3 000 options
Other board assignments	– Confederation of Swedish Enterprise – Besqab – Ersta Diakoni – FAM förvaltning (incl. Grand Group AB)	– Confederation of Norwegian Enterprise (NHO)	– Norwegian Union of General Workers (board member)	–	– Veidekke fellestjenester AS – Block Berge Bygg AS
Education	– Graduate engineer, KTH Stockholm	– Master's degree Comparative Politics from the University of Bergen and University College Dublin	– Skilled worker	– Skilled worker	– Builder
Experience	– CEO Besquab ab (2020–) – Deputy CEO/Investment Director, Castellum ab (2019–2020) – Head of business area, NCC Property Development Nordic (2013–2019) – Experience from Atrium Ljungberg, Drott and Skanska	– EVP renewable energy at Equinor ASA	– Employee representative in Veidekke – Former crane operator and concrete worker in Veidekke Entreprenør AS	– Chief employee representative in Veidekke – Former formwork carpenter in Veidekke Entreprenør AS	– Employee representative in Veidekke – Site manager, Building Construction Norway and Head of The Veidekke Employee Share Trust

NTH = Norwegian Institute of Technology, currently NTNU = Norwegian University of Science and Technology. NHH = Norwegian School of Economics. BI = BI Norwegian Business School

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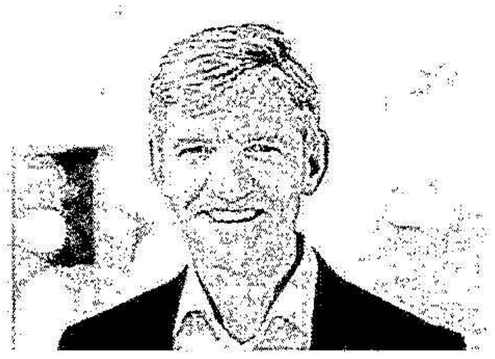
Corporate management

	Jimmy Bengtsson	Hans Olav Sørlie	Øivind Larsen	Charlotta Nilsén	Marcus C. Nilsson
					
Position (year appointed)	Group CEO (2019)	EVP (2018)	EVP (2018)	EVP (2021)	EVP (2021)
Areas of responsibility		Veidekke Construction Norway	Veidekke Infrastructure Norway	Veidekke Construction Sweden	Veidekke Infrastructure Sweden
Born	1966	1965	1963	1972	1971
Employed at Veidekke since	2015	2003	1988–2001, 2016	2014	2011
Number of shares	62087	84937	21 947	5 100	20 093
Share options	3 000	4 000	2 000	0	1 000
Education	– Graduate engineer, Royal Institute of Technology in Stockholm	– Graduate engineer, NTH	– Graduate engineer, NTH	– Graduate engineer, Lunds university, Faculty of engineering	– Four-year technical high school
Selected work experience	– EVP, Construction Sweden, corporate procurement, country manager Sweden – CEO, Arcona AB – Various positions with Skanska AB	– Director, Region East, Veidekke Entreprenør AS – District manager Oslo, Veidekke Entreprenør AS – Department manager, District Oslo, Veidekke Entreprenør AS	– Director, Civil engineering, Veidekke Entreprenør AS – Director, Business development, Veidekke Entreprenør AS – Bank manager, Hjartdal og Gransherad Sparebank	– Director of construction operation Veidekke (Bygg Bostäder) – Regional manager, Veidekke Bostad – Market area manager, Riksbyggen – Business manager, NCC	– Director of civil engineering operation, Veidekke Sweden – Regional manager, Veidekke Sweden – Positions in Svevia and YIT

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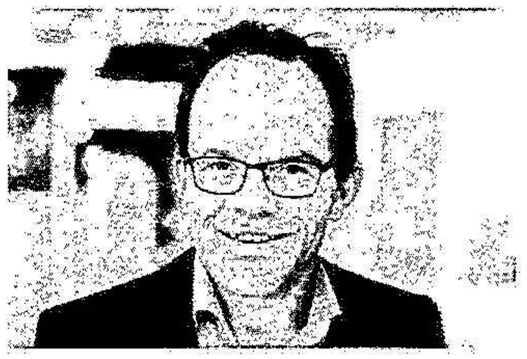
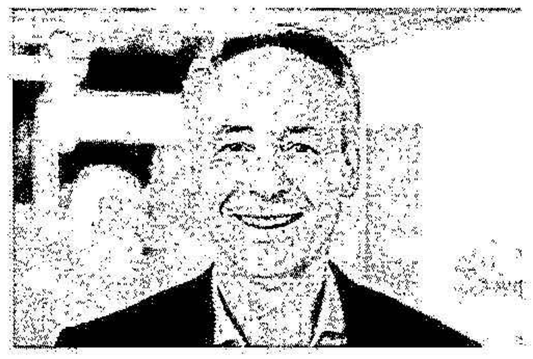
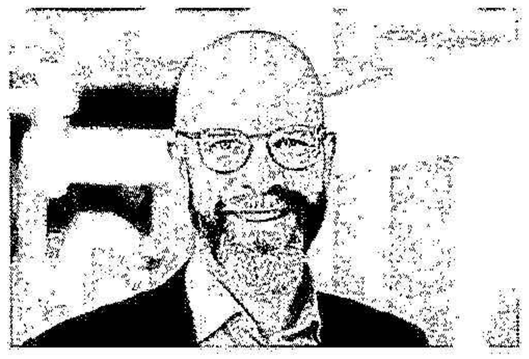
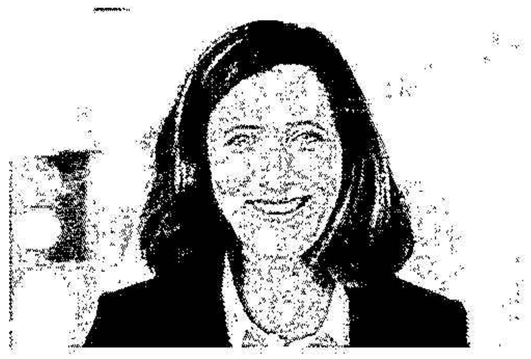
Corporate management cont.

	Jørgen Wiese Porsmyr	Terje Larsen	Lars Erik Lund	Anne Thorbjørnsen	Kristina Andreasson
					
Position (year appointed)	EVP (2006)	EVP (2013)	EVP (2016)	EVP (2018)	EVP (2020)
Areas of responsibility	CFO	Risk management and IT	Strategy and sustainability	HR and OHS	Communications and branding
Born	1972	1961	1969	1969	1978
Employed at Veidekke since	1995	2001	2016	1995	2013
Number of shares	119 657	115 273	16 157	38 252	4 677
Share options	3 000	3 000	500	3 000	2 000
Education	– Graduate economist, NHH	– MBA, University of Wisconsin – Graduate economist, BI	– Graduate economist, NHH	– Sociology, Vestfold University College – MBA, BI	– Bachelor of Honours, Marketing & Advertising, University of the Arts, London
Selected work experience	– EVP project development Scandinavia, Veidekke ASA (2013–2020) – EVP, Industry and Denmark/Hoffmann, Veidekke ASA (2013–2020) – EVP/CFO, Veidekke ASA (2006–2013)	– CFO, Veidekke ASA – Financial director, ABB Installasjon – CFO, Asea Brown Boveri Inc., Philippines	– Statoil, senior advisor communications – Crux Kommunikasjon, founder and partner – Burson-Marsteller, Director corporate communication	– HR director, Veidekke ASA – HR manager, Veidekke Entreprenør AS – Acting regional dir., Veidekke Entreprenør AS, Region South	– Head of communication and marketing, Veidekke Sweden – Head of communication, Veidekke Property Development Sweden – Head of Management & Strategy, Kaplan RM, part of Accenture Interactive

NTH = Norwegian Institute of Technology, currently NTNU = Norwegian University of Science and Technology. NHH = Norwegian School of Economics. BI = BI Norwegian Business School

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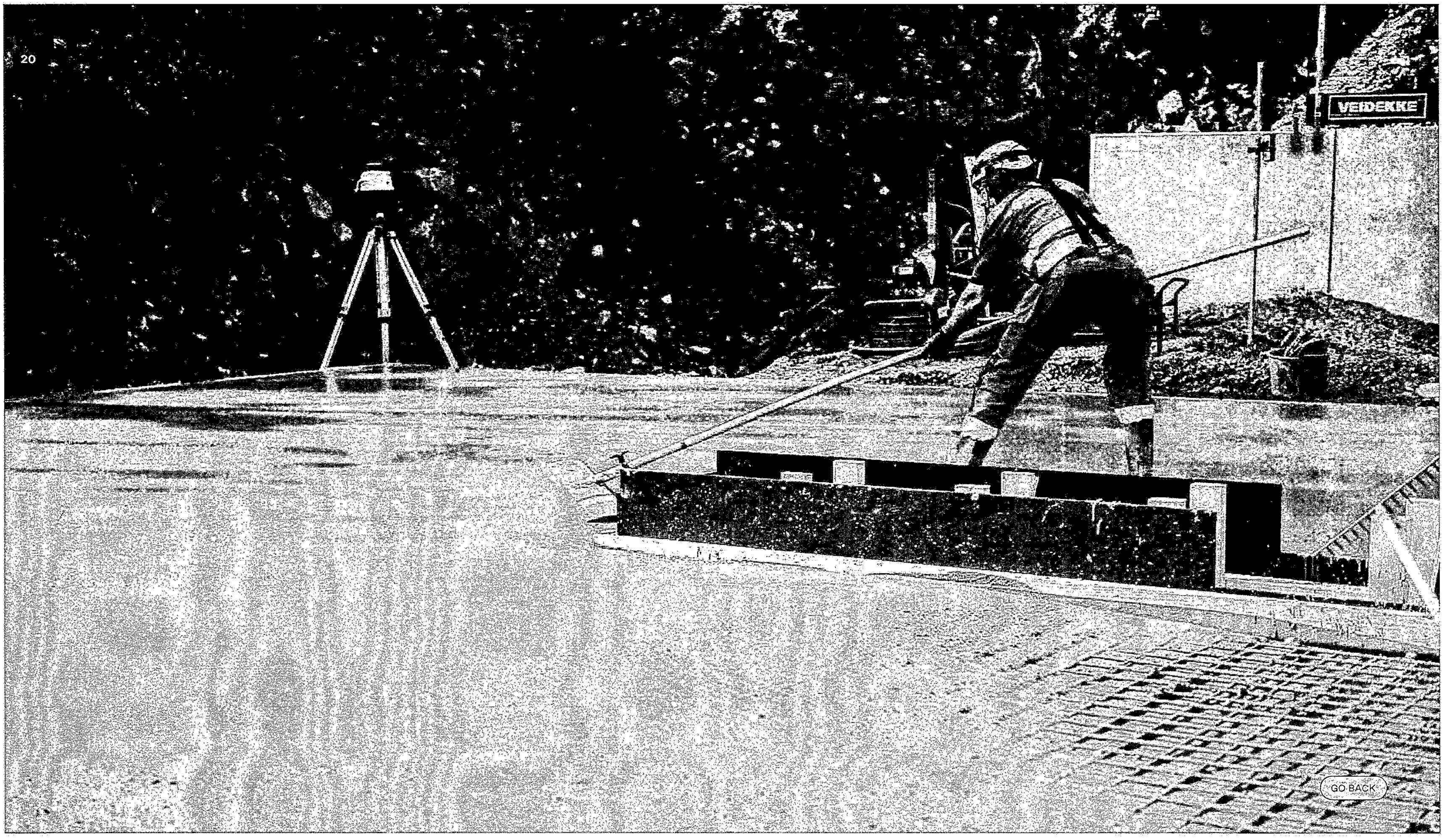

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The board of directors' report

With close to 8 000 employees, Veidekke is one of Scandinavia's largest contractors. In addition to undertaking all types of construction and civil engineering assignments, the group also maintains roads and produces asphalt and aggregates. In all of its business areas, Veidekke emphasises stakeholder involvement, local experience, and close cooperation with the client from an early project phase. Value-generating cooperation is a key component of the group's business philosophy and serves to ensure that construction and development projects benefit their users. Veidekke is headquartered in Oslo, Norway, and has operations in major growth centres in Norway, Sweden, and Denmark. Veidekke is listed on the Oslo Stock Exchange.

2022 highlights

Group revenue for 2022 totalled NOK 38.7 billion, up 5% from 2021 (adjusted for foreign exchange effects). Infrastructure Norway, Infrastructure Sweden, and Construction Sweden increased revenue compared to 2021, while the performances of Construction Norway and Denmark were on a par with last year.

The pre-tax profit amounted to NOK 1 467 million, compared to NOK 1 342 million in 2021. Overall, Veidekke improved its profit margin to 3.8% in 2022, from 3.6% in 2021. With the exception of Construction Sweden, all of the business areas improved their profitability year-on-year. The greatest profit improvement was achieved by Infrastructure Sweden as a result of a NOK 130 million gain on the sale of a former landfill site. Several entities within Construction Norway improved their profitability, contributing to an increase in the overall margin compared to last year. The Danish operation maintained its high profitability and delivered results on a par with 2021. Overall, Infrastructure Norway delivered a stronger result than in 2021, although performances varied within the business area. While the civil engineering and road maintenance operations achieved strong profitability and significantly improved profits, the asphalt operation experienced a weak year and made a loss.

The 2022 order intake of NOK 39.0 billion brought the group's order book to NOK 41.3 billion at year-end, up 9% from the beginning of the year. During 2022, the order book grew in the segments commercial buildings, railway infrastructure and other civil engineering projects, while the segments road maintenance contracts, public buildings and other civil engineering projects were on a par with 2021. The order book shrank for the segments residential units and road infrastructure projects.

The group's net interest-bearing assets totalled NOK 2.8 billion at the end of 2022, compared to NOK 3.7 billion at the end of the previous year. The statement of financial position totalled NOK 17.6 billion at year-end, compared to NOK 17.3 billion in 2021.

In 2022, Veidekke launched two new focus projects, Veidekke Circular and Veidekke Green Incubator, as part of fulfilling its objective of playing a proactive role in the green shift. Veidekke is also participating in a large-scale feasibility study that aims to identify the best solutions for constructing floating offshore wind turbine foundations. Towards the end of the year, Veidekke reinforced its position in the Bergen region through the acquisition of Constructa Entreprenør.

The profit per share is NOK 8.1 for 2022. Based on the group's strong financial position and robust order book, the board of directors is proposing to pay an ordinary dividend of NOK 7.75 per share for the financial year 2022. This corresponds to a distribution ratio of 96%.

The group's LTI rate (the number of absences due to injury per million hours worked by own staff) was 3.0 in 2022, compared to 4.6 in 2021. Two serious injuries were recorded in 2022. The sick leave rate for the year was 5.5%, up from 4.6% the previous year.

Operations in 2022

Construction Norway

NOK million	2022	2021	2020
Revenue	13 370	13 514	14 638
Pre-tax profit	530	507	532
Profit margin%	4.0%	3.8%	3.6%
Order book	16 584	13 537	13 358

Construction Norway generated revenues of NOK 13.4 billion in 2022, on par with the previous year.

The pre-tax profit totalled NOK 530 million, compared to NOK 507 million in 2021. The 2022 profit margin was 4.0%, up from 3.8% in 2021. Systematic improvement efforts have boosted project profitability. While several operations – including that in Oslo – achieved strong profitability, revenues varied across the business area, and considerable potential remains for improving profitability, particularly in south-western Norway.

In December 2022, Veidekke completed the acquisition of Constructa Entreprenør AS in Bergen. The company has approx. 140 employees, of whom 85 are skilled workers, and annual revenues of around NOK 750 million. As a result of the merger, Veidekke's Bergen operation will have approx. 350 employees and revenues of around NOK 1.8 billion.

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At year-end 2022, the construction order book stood at NOK 16.6 billion, up 23% over the course of the year. While the order book for residential, commercial, and public buildings grew, there was a drop in orders for other civil engineering projects. At year-end, the order book composition was 39% public buildings, 37% residential units, 19% commercial buildings, and 6% civil engineering-related projects.

Major contracts signed in 2022:

- Psychiatric facility, Drammen Hospital. Hospital building at new Drammen Hospital for South-Eastern Norway Regional Health Authority. Contract value NOK 777 million.
- New Trondheim central station. Train station in Trondheim for Bane NOR Eiendom AS. Contract value NOK 722 million.
- Cissi Klein Upper Secondary School. Upper secondary school in Trondheim for Trøndelag county municipality. Contract value NOK 660 million.
- Ulven D1A. Residential project at Ulven in Oslo for OBOS. Contract value NOK 523 million.
- Vollebekk B1 BT6. Apartments in Oslo for OBOS Nye hjem. Contract value NOK 505 million.

Infrastructure Norway

NOK million	2022	2021	2020
Total revenue	9 583	9 147	8 847
Civil engineering	6 333	5 821	5 933
Asphalt, aggregates	3 251	3 327	2 914
Total pre-tax profit	496	462	244
Civil engineering	485	285	161
Asphalt, aggregates	11	177	83
Total profit margin	5.2%	5.1%	2.8%
Civil engineering	7.7%	4.9%	2.7%
Asphalt, aggregates	0.3%	5.3%	2.8%
Order book	8 242	7 477	7 206

Infrastructure Norway generated revenue of NOK 9.6 billion in 2022, up 5% on 2021. The pre-tax profit was NOK 496 million, up from NOK 462 million in 2021. The profit margin for the year was 5.2%, compared to 5.1% the previous year. The civil engineering operation delivered a strong improvement on last year, while the asphalt operation experienced a weak year.

The civil engineering operation achieved revenues of NOK 6.3 billion, up 9% on 2021. The pre-tax profit was NOK 485 million, up significantly from NOK 285 million last year. The profit improvement is attributable to higher profitability in the road maintenance operation and the portfolio of major civil engineering projects. The annual profit margin was 7.7%, compared to 4.9% in 2021. Like last year, the operation was involved in one major ongoing dispute at year-end, concerning an older, concluded civil engineering project. The case is considered to have potentially large financial consequences.

The asphalt and aggregates operations achieved combined revenues of NOK 3.3 billion in 2022, on a par with last year. The pre-tax profit was NOK 11 million, down from NOK 177 million in 2021, when the result included a gain of NOK 29 million on the sale of the group's operation in Rogaland. The remainder of the drop in profits is attributable to the asphalt operation, which made an annual loss, primarily due to reduced tonnages. The profit margin for the year fell to 0.3%, from 5.3% in 2021.

At year-end 2022, the infrastructure order book totalled NOK 8.2 billion, up 11% during the course of the year. The order book was composed of maintenance contracts (47%), transport infrastructure contracts (33%) and other civil engineering projects (20%).

Major contracts signed in 2022:

- Hestnes tunnel. Rock tunnel Kleverud–Espa in Innlandet for Bane NOR. Contract value NOK 1.3 billion.
- K2B Lysaker–Vækerø. Tunnel forming part of the Fornebu Line in Oslo for the City of Oslo. Contract value NOK 1.1 billion.
- Kattås water treatment facility for Asker og Bærum Vannverk IKS. Contract value NOK 601 million.
- D&V Vesterålen. Road maintenance contract for Nordland county municipality. Contract value NOK 460 million.
- D&V Mandal. Road maintenance contract. Contract value NOK 238 million.

Construction Sweden

NOK million	2022	2021	2020
Revenue	8 858	8 544	7 867
Pre-tax profit	140	166	175
Profit margin%	1.6%	1.9%	2.2%
Order book	8 158	9 483	8 885

Construction Sweden recorded revenues of NOK 8.9 billion in 2022, amounting to an increase of 9% on 2021 in the local currency. While the subsidiary BRA in Gothenburg boosted revenue substantially, earnings fell for many of the operation's other entities. The pre-tax profit was NOK 140 million, down from NOK 166 million in 2021. The decrease is linked to low profitability of operations in and around Stockholm. However, the subsidiary BRA in Gothenburg improved its profits year-on-year. The profit margin was 1.6%, compared to 1.9% the previous year.

Following several years of weak profitability for Construction Sweden, parts of the operation are now being restructured. Measures have been implemented to improve profitability over time, primarily in operations situated in and around Stockholm. The subsidiary BRA in Gothenburg was highly profitable in 2022.

At year-end 2022, Construction Sweden's order book totalled NOK 8.2 billion, compared to NOK 9.5 billion last year. Measured in the local currency, this equates to an 11% decrease. While the order book shrank

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for many segments, it grew for BRA in Gothenburg, which accounted for half of the order book at year-end. The order book comprised commercial buildings (65%), residential units (18%), public buildings (14%) and civil engineering-related projects (3%).

Major contracts signed in 2022:

- Elgiganten Jönköping. Logistics building for Catena. Contract value NOK 652 million.
- MHC GoCo. Commercial building in Gothenburg for Majira Real Estate 3 AB. Contract value NOK 500 million.
- Geely building 46. Commercial building in Gothenburg for Geely Gothenburg Investment AB. Contract value NOK 431 million.
- Catena Menigo. Logistics building outside Gothenburg for Catena. Contract value NOK 383 million.
- Rausgård. Office premises in Malmö for Bastionen Skåne AB. Contract value NOK 301 million.

Infrastructure Sweden

NOK million	2022	2021	2020
Revenue	5 247	4 345	4 426
Pre-tax profit	290	133	128
Profit margin%	5.5%	3.1%	2.9%
Order book	5 277	4 774	5 495

Infrastructure Sweden achieved revenues of NOK 5.2 billion in 2022, up 15% on 2021 in the local currency. The pre-tax profit was NOK 290 million, compared to NOK 133 million in 2021. The result includes a gain of NOK 130 million on the sale of a former landfill site outside Stockholm. The industrial operation also made a positive profit contribution. The profit margin for the year was 5.5%, up from 3.1% the previous year. Net of the sale gain, the profit margin was on a par with 2021.

At year-end 2022, Infrastructure Sweden's order book totalled NOK 5.3 billion, compared to NOK 4.7 billion last year. Measured in the local currency, this equates to a 14% increase. The order book comprised transport infrastructure contracts (13%), industrial and energy contracts (9%) and other civil engineering projects (79%).

Major contracts signed in 2022:

- Sickla Betong. Water treatment facility in Stockholm for Stockholm Vatten och Avfall. Contract value NOK 1.4 billion.
- Östberga tunnel. Tunnel forming part of a new sewage treatment system in Stockholm for Stockholm Vatten och Avfall AB. Contract value NOK 577 million.

Danmark/Hoffmann

NOK million	2022	2021	2020
Revenue	2 420	2 362	2 652
Pre-tax profit	213	200	200
Profit margin%	8.8%	8.5%	7.5%
Order book	3 074	2 813	2 516

Veidekke's Danish operation generated revenues of NOK 2.4 billion in 2022, on a par with 2021. Measured in the local currency, revenues fell by 3%. The decrease is attributable to reduced activity in the Copenhagen region.

The pre-tax profit amounted to NOK 213 million, up from NOK 200 million last year. The profit margin improved from 8.5% in 2021 to 8.8% in 2022. The project portfolio was robustly profitable.

At year-end 2022, the order book totalled NOK 3.1 billion, up 4% from 2021 measured in the local currency. The order book comprised commercial buildings (69%), public buildings (23%), civil engineering projects (8%) and residential units (1%).

Major contracts signed in 2022:

- Fisketorvet. Commercial building in Copenhagen for Uniball Rodamco. Contract value NOK 306 million.
- BII. Office building in Copenhagen for BioInnovation Institute Foundation. Contract value NOK 155 million.
- Test facility Novo Nordisk. Commercial building in Copenhagen for Novo Nordisk. Contract value NOK 140 million.
- Amagerfælledvej. Offices in Copenhagen for the Danish Building and Property Agency. Contract value NOK 111 million.

Other operations/Other

The category "Other operations/Other" comprises unallocated costs linked to administration of the group, the sale of administrative services to the group's Norwegian operations, the group's financial management activities, the group's ownership role in public-private partnerships (PPPs) and the elimination of intra-group profits. Other operations/other recorded a loss of NOK 203 million in 2022, compared to a loss of NOK 127 million in 2021.

Strategic objectives

Veidekke operates in all growth areas in Scandinavia and aims to be a leader in its local markets in terms of profitability and size. In its capital markets update in May 2021, the group presented its strategy and objectives for the period to 2025.

Veidekke's group strategy for the period to 2025 – Performance with Meaning

Performance with Meaning represents Veidekke's strategy for delivering outstanding financial results, and is founded on three key principles:

- We are participating proactively in the green shift.
- We put people first.
- We are passionate about customer projects.

We are participating proactively in the green shift

Climate change affects everyone. Veidekke is participating proactively in society's transition to climate neutrality by contributing to the green shift. As a major stakeholder in an industry that accounts for a large proportion of global energy consumption and associated greenhouse gas emissions, Veidekke is working to

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reduce the climate footprint of its operations by selecting, developing, planning, and executing projects in a way that generates financial value for customers, employees and shareholders while also supporting positive climate and environmental development.

We put people first
Veidekke's ability to generate value rests on the collective expertise of its workforce. The company is a specialist enterprise in the labour-intensive construction industry, and as an expert on complex construction and infrastructure projects Veidekke's most important resource is its staff and their skills. Skills development and the recruitment of recent graduates and experienced workers therefore has high priority. Employee participation is part of Veidekke's DNA, and mandates the involvement of staff, colleagues and partners in all decisions and choices with consequences for others.

We are passionate about customer projects
Veidekke's customer pledge is fulfilled in the development, planning and execution of customer projects. Value-generating cooperation with staff, customers, and suppliers – based on trust and participation – lies at the heart of the group's business philosophy. The projects Veidekke develops and executes should be of value to users, satisfy their requirements, and have the least possible impact on climate and nature. Veidekke therefore provides wise climate options and welcomes the involvement of stakeholder groups. This approach has boosted value creation in the form of customer value, strong market positions and long-term, sustainable profitability.

Veidekke's objectives for the strategy period
Veidekke will prioritise selective growth in profitable positions until 2025 and is targeting a profit margin of more than 5% in 2025. Veidekke delivered close to its margin target of 4% in 2022 and improved both revenue and profit margins.

Veidekke seeks to provide a safe workplace. In 2014, the group adopted two specific targets: zero serious occupational injuries and a 20% annual reduction in the total number of injuries. Some 240 injuries were recorded in 2022 – 20% fewer than in 2021. Two of the injuries were classed as serious. See page 164 of the sustainability report.

Veidekke has adopted the targets of halving greenhouse gas emissions from its operations by 2030 and achieving net zero emissions by 2045. The targets, which apply to both the group's own operations (scope 1 and 2) and the rest of the value chain (scope 3), are in accordance with the Paris Agreement and the emissions pathway that limits global warming to 1.5°C. In 2022, Veidekke became the first construction company in Scandinavia to have both short- and long-term targets validated by the Science Based Target initiative. The group has adopted a climate plan for the transition to a zero-emission society that identifies priority measures for achieving its climate targets successively, year by year. In 2022, Veidekke's scope 1 and 2 emissions amounted to 68 000 tonnes, down 16% on 2021 and down 40% compared to the base year (2018). Further details on Veidekke's greenhouse gas emissions can be found on pages 153–157 of the sustainability report.

Veidekke aims to pay its shareholders a high and attractive dividend, defined in the group's dividend policy as more than 70% of the profit per share. Over the past five years, the dividend ratio has been 95% (excluding the extraordinary dividend occasioned by the sale of Veidekke's property development operation). The board of directors is proposing a dividend of NOK 7.75 per share for the financial year 2022, corresponding to a distribution ratio of 96% of the profit per share.

Organisation
At the end of 2022, Veidekke had 7 933 permanent employees. Turnover (resignations only) amounted to 9.8%, compared to 8.8% in 2021. The overall turnover rate for the group was 12.5% in 2022, compared to 11.8% in 2021.

Number of employees

	Skilled workers	Administrative staff	Total
Norway	3 055 (2 933)	2 256 (2 213)	5 311 (5 146)
Sweden	830 (846)	1 354 (1 395)	2 184 (2 241)
Denmark	240 (219)	198 (190)	438 (409)
Total	4 125 (3 998)	3 808 (3 798)	7 933 (7 796)

Last year's figures in brackets.

A significant share of the group's value creation takes place through sub-contractors with other expertise than Veidekke's own. In addition to the group's own employees, approximately 15 000 people work for Veidekke at any given time.

Skills-building and recruitment
Veidekke's projects are complex and demand strong expertise and skills. Employees working on projects are exposed to new tasks and challenges and can develop their abilities with the strong support of management and more experienced colleagues. This makes projects one of the most important learning arenas for company staff. Project management teams are composed of individuals with complementary skills, who must work together to secure an optimal project outcome. To ensure high performance, teams must exploit both individual capabilities and collective expertise, and work well together.

Veidekke arranges role-specific training and networking groups to supplement the knowledge acquired through project involvement and new responsibilities. HR competence centres in Norway and Sweden organise and facilitate learning and development adapted to individual roles and responsibilities. This covers the company's core subjects, project management, processes, systems, and leadership development. The networking groups engage in more specialised skills development in key areas, such as calculation, residential construction, and design work. To keep up with innovation and technology development, Veidekke

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also collaborates with leading academic groups at universities, university colleges and technical colleges. The Horizon programme for senior executives is run in collaboration with BI Norwegian Business School, and 64 senior Veidekke executives have completed or are enrolled in the programme.

The group has a long-term strategy of educating and hiring its own skilled workers. In Norway, Veidekke is among the companies with the largest apprentice programmes, having 281 apprentices at the end of 2022. Passing the trade examination qualifies apprentices for a permanent position after completion of their apprenticeship. In 2022, the group continued its campaign to strengthen recruitment to vocational trades, including through traditional and social media advertising designed to inspire women to apply for vocational training.

Through its programme for recent graduates, Veidekke recruits primarily younger technical personnel. The programme combines practical project work with theoretical training. It is a strong recruitment base for future managers, and many of the participants subsequently take up management positions in the group. In 2022, the group recruited a total of 55 recent graduates from universities and university colleges.

In Sweden, Veidekke has over several years been improving its ranking among students and young engineers with work experience in Universum's annual "Sweden's best employer" survey. In 2022, Veidekke climbed to 8th place – the highest ranking achieved by any employer in the construction industry. In the annual Universum surveys carried out in Norway, Veidekke achieved its best-ever ranking among young people with work experience (13th) and moved up one place from last year among engineering/natural sciences students (to 16th). While the group aims to top the rankings among construction companies, further work is needed to achieve this.

Working environment and diversity
All Veidekke employees must be met with respect and be given the opportunity to use their skills in cooperation with others. The group practises zero tolerance for harassment and conduct which may be perceived as threatening or degrading. This year's OHS week focused on the working environment and diversity to raise awareness of the importance of building an inclusive working environment in which all staff can be themselves. The group's ethical guidelines encourage staff to report actions which may be contrary to laws, regulations and internal routines, and procedures have been developed for the reporting and addressing of censurable conditions. Reports may be made internally or externally via an online whistleblowing portal. Veidekke received and processed three reports concerning the working environment in 2022. Of these, none concerned discrimination, and none was deemed very serious.

Maintaining and improving the group's corporate culture is an ongoing task. Veidekke conducts two-yearly employee surveys and regular occupational health surveys to identify important factors affecting the working environment. High reported levels of staff commitment and satisfaction indicate good framework conditions for productivity and personal development.

The fact that the proportion of women in the construction industry is low represents a major industry challenge which is also reflected in Veidekke. At year-end 2022, 13% of all Veidekke employees were women – the same figure as at the end of 2021. Women comprise just under 24% of administrative staff and close to 3% of skilled workers. The group is working to increase the diversity of its workforce, with a particular focus on improving the gender balance, and has adopted a strategy for achieving its target of increasing the proportion of women operational managers to more than 20%. In 2022, the proportion of female operational managers was 10.1%, which is on a par with the previous year. A further objective is that all management teams above project level should include at least one woman, although Veidekke is far from achieving this at present. Other targets include that women should account for 40% of new hires from universities and university colleges and 50% of students working summer jobs. The proportion of women trainees increased by some 14 percentage points in 2022, to 49%. The percentage of women among students in summer jobs was 26%. Among apprentices, the proportion of women increased somewhat, from 10.1% in 2021 to 11% in 2022.

See page 176–177 for the company's reporting on the activity duty and duty to issue a statement.

Management
In 2022, the group management team comprised the Group CEO, four EVPs for the operational areas (including one woman) and five EVPs for the staff functions (including two women). The group management team is presented on pages 18–19.

Occupational health and safety (OHS)
As at year-end, Veidekke's operations in Norway, Sweden and Denmark had recorded two serious occupational injuries, meaning that the zero-serious-injuries target adopted in 2014 and achieved in 2021 was not achieved in 2022. Veidekke has not suffered a fatal workplace accident since 2018, and the frequency of injuries has fallen considerably in recent years. In total, the group registered 240 injuries in 2022. The improvement compared to 2021 (297 injuries) is in line with the target of a 20% annual reduction in injury numbers. The LTI rate fell from 5.5 in 2021 to 3 in 2022.

The group's sick leave rate was 5.5% in 2022, up from 4.6% in 2021. The increase is primarily attributable to higher short-term sick leave linked to a large number of employees contracting respiratory illnesses in the final quarter of 2022. The national sick leave rates were 3.4% (2021: 5.7%) in Norway, 5.1% (2021: 4.1%) in Sweden and 4.1% (2021: 2.8%) in Denmark.

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Veidekke has been intensifying its injury-prevention efforts for a number of years, through a wide-ranging and ambitious programme to improve and standardise key group OHS processes. For further details of the group's OHS work, see page 136 of the sustainability report.

External environment and climate impact
Veidekke seeks to prevent and limit pollution, preserve natural diversity, reduce resource use, and help promote a circular economy. The group's management systems are designed to provide insight into Veidekke's climate and environmental impact and facilitate improvements to processes and products in all supply chains and throughout product lifecycles. Environmental considerations are integrated into all group operations, from planning to execution, as well as the purchasing of products and materials. Relevant measures include transitioning to renewable energy carriers and circular solutions in asphalt production, fossil-free and zero-emission construction sites, electrification of machinery and vehicles, increased use of solid wood products and low-carbon concrete, environmental certification of construction and civil engineering projects, various forms of reuse and circular solutions. Veidekke is also investing in innovation to develop new products that generate fewer greenhouse gas emissions and have a smaller environmental footprint.

The 2022 CDP Climate Change investor survey awarded Veidekke an 'A-' rating. The survey evaluates more than 15 000 companies all over the world in terms of their overall understanding, awareness and management of environmental risk, as well as best practice in the area of environmental leadership and reduction of greenhouse gas emissions. The criteria for the top 'A' rating are constantly becoming stricter.

Natural diversity is under heavy pressure and in need of protection, meaning that commodities, products and packaging must be harvested and produced sustainably. Veidekke has developed a zero-deforestation policy containing obligations for the entire supply chain. The group will report transparently and regularly on matters relevant to natural diversity, including through CDP Forest.

Veidekke imposes environmental requirements on its partners. The group's contribution extends beyond its own operations, encompassing activities in trade organisations, educational initiatives, research and development, and cooperation with authorities. Such cooperation facilitates mutual learning and quicker development and has positive effects with potential of reaching far beyond Veidekke's own operations and industry. Veidekke's work related to the external environment is discussed further on pages 125–135 of the sustainability report

Corporate governance
Good corporate governance is a board responsibility. Veidekke reports in accordance with the Norwegian Code of Practice for Corporate Governance dated 14 October 2021. A statement on the group's corporate governance work is provided on pages 104–110 of this report and will be considered at the ordinary general meeting on 10 May 2023.

Veidekke emphasises compliance with the requirements of the Transparency Act and gives high priority to workers' rights. The group's approach to these topics, and results achieved, are discussed on pages 139–141 and page 165 of the sustainability report. A formal statement is also published on the Veidekke website in accordance with official guidelines and deadlines.

Remuneration of senior executives
Veidekke's board issues a statement on executive remuneration and benefits in accordance with section 6-16a of the Public Limited Liability Companies Act. The statement was approved at the general meeting on 11 May 2022 and will also be presented to and considered at the ordinary general meeting on 10 May 2023.

The board of directors' remuneration committee prepares matters and proposals on all material aspects of the Group CEO's remuneration and benefits. The committee advises the Group CEO on the remuneration and benefit arrangements of other group executives.

Shareholder and stock exchange matters
In 2022, approximately 17.9 million Veidekke shares were traded on the Oslo Stock Exchange, equating to a turnover rate of 13.3%. Over the course of the year, the share price fluctuated between NOK 80.9 and NOK 136.40. The annual return including dividends was -22%. In contrast, the return achieved by the Oslo Stock Exchange Benchmark Index was -1%. All of Veidekke's shares are freely transferable; see section 5-8a of the Securities Trading Act.

At year-end, Veidekke had 12 474 shareholders, the largest of which were OBOS BBL (19.5%), Folketrygd-fondet (10.2%) and IF Skadeförsäkring AB (3.7%). The proportion of foreign shareholders was 23.9%.

Veidekke encourages its employees to participate in the group's value creation through share ownership. The employee share programme gives all employees an annual opportunity to purchase Veidekke shares at a discount. At year-end 2022, approximately 12% of Veidekke was owned by employees.

The board of directors is proposing a dividend of NOK 7.75 per share in respect of the financial year 2022. The proposal is in line with Veidekke's dividend policy and the objective of giving shareholders a

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competitive return on their investment. The proposed dividend equates to a distribution ratio of 96%.

Further information on the programmes, share price developments and other matters relating to the Veidekke share can be found on pages 114–116 of this report.

Financial situation and capital structure
Veidekke seeks to maintain a strong financial position. This is dependent on stable operations, low financial risk exposure and proper management of financial risk parameters. Financial developments are an important factor in the group's strategy process, and Veidekke issues guidance on financial risk management in its finance policy.

The group's net interest-bearing assets totalled NOK 2 840 million at the end of 2022, compared to NOK 3 709 million at the beginning of the year. Cash flow from operational activities amounted to NOK 1.4 billion for the year, compared to NOK 2.2 billion in 2021. Net investment activity amounted to NOK 701 million in 2022, compared to NOK 282 million the preceding year.

The group's total assets amounted to NOK 17.6 billion at year-end, compared to NOK 17.3 billion in 2021. Total equity stood at NOK 3.0 billion (2021: NOK 2.9 billion), corresponding to an equity ratio of 17% (2021: 17%).

Veidekke's borrowing facilities comprise a NOK 1.75 billion overdraft facility with a rolling 364-day maturity period, provided by DNB, and a NOK 0.75 billion credit facility that matures at the end of 2025, provided by SEB.

At the beginning of 2022, Veidekke completed a voluntary buy-back of its VEI10 bond loan, which has a maturity date of 19 March 2025. As at 31 December 2022, the loan had an outstanding volume of NOK 193 million.

Risks and uncertainties
Risk management is a key aspect of Veidekke's business, which primarily involves the execution of individual projects. Veidekke seeks to identify risks early on, so that risk-reduction measures can be implemented. Relevant categories include operational risk, climate risk, reputational risk, and financial risk. The board of directors and senior executives are covered by Veidekke's board liability insurance. This insurance cover is provided by an insurer with a robust rating.

Operational risk
Veidekke's operations primarily involve the execution of individual projects. Constant growth in project size and complexity means an increasing need for effective and systematic risk management in all parts of the business and during all project phases. Veidekke gives high priority to risk management and has dedicated staff working on uncertainty management during both tender and execution phases. Projects where the earnings estimates have a large margin of error are reviewed by group management and projects with a contract value exceeding NOK 800 million are reviewed by the board's project committee. Having the necessary expertise to ensure optimal assignment execution, and putting together a reliable team, is key when deciding which projects to tender for. At the tender preparation stage, risks are identified and assessed, and plans are made for managing risk during the execution phase.

Certain forms of contract permit differing interpretations of contractual performance, giving room for disagreement between the contractor and client regarding final payment. Although Veidekke seeks to reach agreement with clients through negotiations, some disputes do end up in the court system. At year-end, Veidekke was involved in one major dispute before the courts.

Climate risk
Climate change and climate policy are changing society and the economy in ways which may have a significant impact on the construction and civil engineering industry. Phenomena such as extreme weather, flooding and drought can cause physical damage to nature, infrastructure and buildings, and steps taken by society to counter climate change may impact market conditions, government policy, regulatory frameworks, technology and reputation.

Climate change entails strategic and financial risk for Veidekke, and climate change considerations have therefore been integrated into the group's strategy work and risk management activities. Veidekke supports the Task Force on Climate-related Financial Disclosures (TCFD) and seeks to address climate risk in accordance with TCFD recommendations. Veidekke has also conducted a climate risk analysis containing recommended measures to alleviate risk and exploit opportunities linked to physical risk and transition risk.

Reputational risk
Veidekke and its subsidiaries are well-known, well-established brands. Veidekke has a large customer base, works with numerous suppliers at any given time and hires many new employees every year. The group is therefore focused on long-term brand-building, professional customer service and reliable external communications as instruments for maintaining confidence in, and the attractiveness of, the group, its brands and its products. Key measures include adopting ethical guidelines, compliance with laws and the management of potential reputational risks. Ongoing quality assurance is also key to reducing reputational risk, and the group has therefore adopted procedures and routines designed to ensure a high level of quality in all parts of the group. Read more about corporate governance on pages 104–110.

Financial risk
Veidekke is primarily exposed to financial risks related to trade receivables, liquidity, and interest-bearing debt.

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Credit risk
Credit risk is the risk of financial loss because a customer or counterpart under a financial instrument is unable to meet its contractual obligations. The group's credit risk primarily arises with regard to the settlement of outstanding accounts – the principal risk linked to the group's trade debtors. Credit risk related to trade debtors is linked to clients' payment capacity, i.e. not their willingness to pay, which influences project risk. Veidekke's high percentage of public-sector clients helps reduce its credit risk. Further, credit risk is managed through contractual drafting and strong credit management procedures.

Liquidity risk
Liquidity risk is the risk that Veidekke may be unable to meet its payment obligations as they fall due. Strong liquidity is an important prerequisite for the group's profitability and its ability to invest and take on risk in capital-intensive business areas. Management of liquidity risk is an aspect of the group's financial flexibility objective and has high priority. The management, measurement and control of liquidity starts at the project level and is extended throughout all levels of the group.

Foreign exchange risk and commodity price risk
Veidekke has some exposure to foreign exchange risk through its purchasing of construction materials and bitumen for use in asphalt production. The group does not engage in much hedging linked to input factors for use in future production and hedging only occurs after an order has been placed. Hedging contracts are normally entered into in connection with major asphalt delivery agreements with a long-time horizon (exceeding one year). Under contracts with the Norwegian Public Roads Administration – the asphalt operation's largest customer – the majority of bitumen price risk is carried by the Public Roads Administration. When material foreign exchange risk arises, it is hedged through forward contracts and other measures.

Interest rate risk
Veidekke's interest rate risk arises in relation to the group's debt portfolio and is managed at group level. The different operations are exposed to interest rate risk, and some partly-owned subsidiaries use interest rate derivatives to reduce material long-term interest rate risk. Veidekke has issued a fixed-rate bond loan with an outstanding volume of NOK 193 million (reduced from NOK 600 million at the start of the year). The bond, which matures in 2025, carries a fixed coupon rate of 3.20%.

The group has substantial excess liquidity, with NOK 1.8 billion invested in short-term bond and money market funds. The return on the investment is sensitive to changes in market interest rates, and an increase in market rates normally reduces the value of these asset classes. Interest-rate duration measures the sensitivity of a fund to interest-rate changes: the longer the duration, the more sensitive the fund. Veidekke's investments in these asset classes comprise holdings in funds of investment-grade credit quality with short and medium durations. Accordingly, the portfolio has moderate price sensitivity to changes in market interest rates. For further information on the investments, see note 28.

For further information on the company's financial risks, see note 29.

The market
Production in the Scandinavian construction markets increased by approximately 5% in 2022 (measured in fixed prices), thanks to a high number of project starts throughout most of 2021 and in the first half of 2022. This development was driven particularly by fundamental factors like increased migration to major cities, very strong labour markets and low interest rates.

However, falling demand in 2022 – especially in the second half of the year – resulted in a declining number of construction project starts. Higher interest rates and concerns about an economic downturn in Scandinavia and internationally drove the decline in demand, as did increasing inflation triggered by high energy prices and sanctions resulting from the conflict in Ukraine.

Veidekke expects rising interest rates to reduce the number of building starts going forward. Current forecasts for the Scandinavian economy indicate that other fundamental drivers, like population growth and labour markets, will remain strong and will help dampen the downturn. The most severe downturn is expected in the residential sector, where activity has been especially high in recent years. Activity levels in the infrastructure market are expected to remain high, with accelerating growth in the water, sewerage, and energy segments.

The construction market is expected to be most resilient in Norway, where the economy is supported by high activity in the energy sector and expansive government spending. Construction-cost inflation is expected to diminish in 2023, although uncertainty remains high due to the conflicts which continue to impact European energy markets.

Events after the balance sheet date
No events with a material effect on the issued accounts have occurred after the balance sheet date.

The parent company Veidekke ASA
The primary task of Veidekke ASA is to exercise ownership of the operational entities in the group. The company has 50 (2021: 47) employees, including 20 (2021: 19) women. Veidekke ASA issues its accounts in accordance with the Norwegian Generally Accepted Accounting Principles (NGAAP).

Veidekke ASA performs group functions on behalf of its subsidiaries, in the form of services in areas such as financial management, IT infrastructure, insurance, HR, OHS, communications and information. These services are invoiced to the relevant subsidiaries in full or in part.

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Veidekke ASA generated operating revenues of NOK 120 million (2021: NOK 93 million) in 2022 and made an operating loss of NOK 163 million (2021: NOK -143 million). Dividends and group contributions from subsidiaries amounted to NOK 1 357 million (2021: NOK 1 061 million). The company accounts show an annual pre-tax profit of NOK 1 120 million (2021: NOK 933 million).

The board of directors is proposing an ordinary dividend of NOK 7.75 per share in respect of the 2022 financial year. This equates to a distribution ratio of 96% of the profit per share, in line with the minimum distribution target of 70% under the dividend policy. The parent company, Veidekke ASA, achieved an annual profit of NOK 1 115 million (2021: NOK 924 million). At the company's annual general meeting on 10 May 2023, the board will propose the following allocation of the annual profit:

	NOK millioner
Allocated to dividend	1 046
Transferred to other equity	70
Profit for the year	1 115

A statement on corporate governance has been prepared in accordance with section 3-3b of the Norwegian Accounting Act and is included in this report. An account of Veidekke's social responsibility work has been prepared in accordance with section 3-3c of the Norwegian Accounting Act and is also included in this report.

Going concern

Pursuant to section 3-3a of the Norwegian Accounting Act, the board of directors confirms that the company is a going concern and that the annual accounts for 2022 have been prepared on this basis.

Oslo, 23 March 2023
The board of directors of Veidekke ASA

Gro Bakstad Chair	Hanne Rønneberg	Per-Ingemar Persson	Klara-Lise Aasen	Carola Lavén
Pål Eitrheim	Inge Ramsdal	Odd Andre Olsen	Arve Fludal	Jimmy Bengtsson Group CEO

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Income statement Veidekke group

Figures in NOK million	Note	2022	2021
Revenue	3, 4, 5, 9, 33	38 658	37 592
Subcontractors		-18 618	-18 687
Cost of materials		-5 814	-5 582
Personnel expenses	5, 6, 22, 31	-7 312	-7 209
Other operating expenses		-4 506	-3 834
Depreciation	11, 12, 13	-938	-919
Operating expenses		**-37 188**	**-36 231**
Share of net income from joint ventures	16	37	2
Operating profit		**1 508**	**1 364**
Financial income	7, 30	45	70
Financial costs	7, 30	-87	-92
Profit before tax		**1 467**	**1 342**
Income tax expense	23	-308	-313
Profit for the year		**1 159**	**1 029**

Figures in NOK million	Note	2022	2021
Profit for the year			
Equity holders of Veidekke ASA		1 092	958
Non-controlling interests		67	71
Total		**1 159**	**1 029**
Profit per share (NOK) (ordinary/diluted)	9	8,1	7,1

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Consolidated statement of comprehensive income

Figures in NOK million	Note	2022	2021
Profit for the year		1 159	1 029
Value adjustment pension after tax	22, 23	33	- 39
Net items that will not be reclassified subsequently to profit or loss		33	- 39
Currency translation differences		4	- 82
Fair value adjustment of financial assets after tax	23, 30	91	46
Net items that will be reclassified subsequently to profit or loss		95	- 36
Total other income and expenses after tax		128	- 75
Comprehensive income		1 287	954
Comprehensive income attributable to			
Equity holders of Veidekke ASA		1 218	886
Non-controlling interests		68	68
Total		1 287	954

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Statement of financial position Veidekke group

Figures in NOK million	Note	31.12.2022	31.12.2021
ASSETS			
Non-current assets			
Goodwill	10, 14	2 016	1 758
Other intangible assets	11	137	150
Rights of use assets	13	857	896
Land and buildings	12	740	689
Plant and machinery	12	1 724	1 599
Asphalt and aggregates plants	12	626	600
Investments in joint ventures	15	278	150
Financial assets	17, 30	524	479
Total non-current assets		6 901	6 323
Current assets			
Inventories	18	639	590
Trade receivables	19, 30	3 852	3 533
Contract assets	19, 30	2 729	2 056
Other receivables		286	460
Financial investments	20, 30	523	539
Cash and cash equivalents	20	2 714	3 814
Total current assets		10 743	10 992
Total assets		17 644	17 315

Figures in NOK million	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
Equity			
Share capital	9, 21	67	67
Other equity		2 906	2 781
Non-controlling interests		22	17
Total equity		2 995	2 865
Non-current liabilities			
Pension liabilities	22	565	596
Deferred tax liabilities	23	674	581
Bonds	24, 30	193	600
Debts to credit institutions	24, 30	194	162
Other non-current liabilities	24, 30	687	1 358
Total non-current liabilities		2 313	3 297
Current liabilities			
Debts to credit institutions	30	14	13
Trade payables	25, 30	6 093	5 748
Contract liabilities	19, 30	1 984	1 936
Public duties		941	900
Warranty provisions	26	989	975
Taxes payable	23	161	206
Other current liabilites	25	2 153	1 374
Total current liabilities		12 336	11 153
Total equity and liabilities		17 644	17 315

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Statement of changes in equity Veidekke group

		Equity holders of Veidekke ASA							Minority	
Figures in NOK million	Note	Share capital	Other paid-in capital[1]	Re-evaluation of pensions	Currency translation differences	Other retained earnings	Fair value adjustments[2]	Total	Non-controlling interests	Total
Equity at 1 January 2021		67	419	-46	54	2 514	-156	2 853	25	2 877
Profit for the year		-	-	-	-	958	-	958	71	1 029
Other comprehensive income		-	-	-39	-79	-	46	-72	-3	-75
Share-based transactions employees	6	-	-	-	-	-38	-	-38	-	-38
Transactions, non-controlling interests		-	-	-	-	-	-	-	22	22
Change, non-controlling interests, housing cooperatives in Sweden	24	-	-	-	-	-76	-	-76	-38	-114
Dividend	21	-	-	-	-	-776	-	-776	-60	-836
Equity at 31 December 2021		67	419	-85	-25	2 581	-110	2 848	17	2 865
Equity at 1 January 2022		67	419	-85	-25	2 581	-110	2 848	17	2 865
Profit for the year		-	-	-	-	1 092	-	1 092	67	1 159
Other comprehensive income		-	-	33	1	-	91	125	2	128
Share-based transactions employees	6	-	-	-	-	-31	-	-31	-	-31
Additions, acquisitions of operations, non-controlling interests		-	-	-	-	-	-	-	8	8
Transactions, non-controlling interests	24	-	-	-	-	-112	-	-112	-21	-133
Purchase of own shares	21	-	-	-	-	-5	-	-5	-	-5
Dividend	21	-	-	-	-	-945	-	-945	-50	-995
Equity at 31 December 2022		67	419	-52	-24	2 581	-19	2 973	22	2 995

[1] Paid-in capital over and above nominal value of shares.
[2] Financial assets and derivatives defined as hedging instruments, which are both measured at fair value in other comprehensive income. See note 30 details.

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Statement of cash flows Veidekke group

Figures in NOK million	Note	2022	2021
Operating activities			
Pre-tax profit		1 467	1 342
Net interest items	7	60	55
Tax paid	23	-290	-128
Depreciation and impairments operating assets	10, 11, 12	591	584
Depreciation rights of use assets	13	348	335
Net gains from sale of property, machinery etc.	12	-247	-118
Gains from sale of operations	7, 14	-1	-29
Share-based transactions directly over equity	6	-31	-38
Profit and loss items without cash effect		-57	43
Generated from this year's activities		**1 839**	**2 046**
Change in trade receivables	19	-790	868
Change in other current receivables		51	-91
Change in trade payables etc.	25	219	-348
Change in other current liabilities	25	90	-281
Net cash flow from operating activities (A)		**1 409**	**2 194**
Investing activities			
Acquisition of tangible, non-current assets	11, 12	-785	-751
Disposal of tangible, non-current assets	12	356	278
Acquisition of subsidiaries	14	-299	-75
Sale of operations	14	3	135
Interest received	7	8	24
Net cash flow other investments	17	16	108
Net cash flow from investing activities (B)		**-701**	**-282**

Figures in NOK million	Note	2022	2021
Financing activities			
New long-term debt	24	37	-
Repayment of non-current debt	24	-448	-53
New short term liablitities	25	1	-
Repayment of current liabilities	25	-	-16
Payment of principal IFRS16 leases	13	-343	-330
Payment of interest IFRS16 leases	13	-29	-27
Interest paid	7	-26	-52
Purchase of own shares	21	-5	-
Dividend paid to non-controlling interests		-50	-60
Dividend paid, group	21	-945	-776
Cash flow from financing activities (C)		**-1 808**	**-1 314**
Total net change in cash and cash equivalents (A+B+C)		**-1 100**	**598**
Cash and cash equivalents at 1 January		**3 814**	**3 219**
Exchange rate adjustments cash and cash equivalents		-	-3
Cash and cash equivalents at 31 December		**2 714**	**3 814**

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Notes Veidekke group

Note 01. General information

Veidekke ASA is a one of Scandinavia's largest construction companies, headquartered in Oslo and listed on the Oslo Stock Exchange. The consolidated accounts include Veidekke ASA and its subsidiaries and the group's investments in associates and joint ventures. The group's operations are further described in note 3 Segment information. The main office's address is Veidekke ASA, Skabos vei 4, 0214 Oslo, Norway.

Note 02. Accounting policies – Veidekke Group

General
The most important accounting principles used in the preparation of the consolidated accounts are described below. These principles have been applied identically in all presented periods. The consolidated accounts are prepared on the basis of historical cost, with the exception of certain financial instruments and derivatives measured at fair value on the balance-sheet date. Transactions involving gradual acquisition are measured at fair value on the transaction date, provided that the transaction results in a change of control of the undertaking. Unless otherwise specified, all financial information in financial statements and notes is presented in millions of Norwegian kroner. All sums specified in notes are rounded to the nearest NOK 1 million.

Basis for preparation of the accounts
Veidekke's consolidated accounts have been prepared in accordance with EU-approved International Financial Reporting Standards (IFRS) and Interpretations, together with the disclosure requirements stipulated by the Norwegian Accounting Act. Only standards that are effective on 31 December 2022 have been applied.

Material accounting assessments, estimates and assumptions
Veidekke's operations primarily consist of construction work. For its projects, Veidekke recognises revenue using the percentage of completion method, based on the anticipated final profit (final outcome) and stage of completion. This means that income is recognised as work progresses.

The use of reasonable estimates and discretionary assessments is a key element in the preparation of the consolidated accounts. The percentage of completion method is based on estimates and assessments, entailing a degree of uncertainty in the accounting. For projects under construction, there is uncertainty associated with the progress of ongoing work, disputes, final outcome, etc. For completed projects, there is uncertainty about hidden deficiencies, including guarantee work, and the outcome of possible disputes with clients and suppliers.

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Areas with significant estimation uncertainty

Accounting items with significant estimation uncertainty	Estimates / assumptions	Discussed in the following notes	Carrying amount
Trade receivables/ Contract assets/ Trade payables (creditors)/ Warranty provisions	At 31 December 2022, project assessments had been carried out for all projects, focusing on the expected coverage contribution of the individual project on completion. The assessment is based on estimates, experience, professional judgement and interpretation of contracts. The revenue recognition method for additional claims against the client and disputed amounts with a high level of uncertainty is based on assessments of the most likely outcome and elements that can be measured reliably. Additional requirements are recognised only once it is considered highly probable that a substantial portion of this income will not be reversed at a later date.	9, 20, 26, 27, 33	Most of the group's current assets and current liabilities are related to projects.
Goodwill	Calculation of the present value of future cash flow. The main assumption in this calculation is expected future earnings.	11	NOK 2 016 million (2021: NOK 1 758 million)
Pension liabilities	A large proportion of the group's pension liabilities are calculated by an actuary, based on a number of actuarial assumptions.	23	NOK 565 million (2021: NOK 596 million)

1. Consolidation

Consolidated accounts

The consolidated accounts include Veidekke ASA (the parent company) and all of its subsidiaries. The consolidated accounts show the group's profit and financial position as if they are one legal entity and are a collective statement of all the companies in the group. The companies' accounts are consolidated line by line. The consolidated accounts are drawn up in accordance with uniform accounting standards.

Subsidiaries are defined as companies in which Veidekke has a controlling interest. Controlling interest is normally achieved, directly or indirectly, when the group owns more than 50% of the shares in the company, or when the group is in a position to exercise actual control over the company. Control of a company can also be achieved through agreements or articles of association. In assessing control, currently exercisable voting rights are taken into account. Veidekke currently controls more than 50% of the voting rights in all subsidiaries. In terms of accounting, "control" is defined as when one company has influence over another company, is exposed or has rights to variable returns from the company, and has the ability to affect those returns to a significant degree by using its power to control activities in the company. Group formation can be achieved by establishing new companies, by purchasing companies or through mergers. Subsidiaries are consolidated in the accounts when a controlling interest is achieved and continue to be consolidated until control ceases.

Partly owned subsidiaries are incorporated in the consolidated accounts in their entirety. The non-controlling share of the subsidiary's equity constitutes part of the group's equity. The share of the profit attributable to non-controlling interests is included in the consolidated profit for the year. The non-controlling interests' share of profit and equity are presented as separate items in the accounts. When purchasing a subsidiary with non-controlling interests, 100% of the identifiable assets and liabilities are entered in the consolidated statement of financial position, whereas in terms of goodwill a decision can be made for each individual acquisition as to whether only the parent's (Veidekke's) share of goodwill is entered, or whether the non-controlling party's share of goodwill will also be recognised.

When Veidekke acquires a non-controlling interest in a subsidiary, the purchase price beyond the non-controlling party's share of the book value is recorded as a reduction in the equity of the owners of the parent company. If an option agreement has been entered into with non-controlling interests regarding purchase of the remaining shares, an equity transaction between the non-controlling interest and Veidekke is recognised at each balance sheet date as if Veidekke had acquired the shares.

See also the section on options in non-controlling owner interests on page 39. In connection with the sale of shares in a subsidiary where the controlling interest is retained, this must be accounted for as an equity transaction. Such transactions, therefore, involve no change in goodwill or other assets or liabilities and thus are not recognised in profit and loss. All intra-group transactions and balances are eliminated, as are intra-group profits and unrealised gains. The accounts of the subsidiaries have been restated to ensure consistency with the group's accounting principles.

Step acquisitions and disposals

In connection with the purchase and sale of companies, it will normally be assessed whether the transaction is an asset transaction or a business transaction. In Veidekke's construction and industrial operations, the purchase and sale of companies will normally be treated as a business transaction.

When a business is acquired in steps such that the status changes from having a non-controlling stake in the company to having a controlling stake (i.e. becoming a subsidiary), the previously held stake is valued at fair value and the gain or loss is recognised in the income statement. The fair value of the previous non-controlling ownership interest is included in the calculation of goodwill.

When part of a subsidiary is sold such that Veidekke retains more than 50% of the shares, no gain or loss is recognised in the income statement. If the sale results in a loss of control, normally when there is a stake of 50% or lower, the gain or loss is recognised in the income statement as if the entire company had been sold. This means that the remaining ownership interest is accounted for at fair value.

In connection with step acquisitions in a company that is regarded as an asset, such that Veidekke's status changes from having a non-controlling stake in a company to it becoming a subsidiary, the

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original cost price is allocated to the identifiable assets and liabilities based on their relative fair value on the acquisition date.

When shares in a subsidiary that is regarded an asset are sold and more than 50% of the shares are retained, no gain or loss is recognised in the income statement. If the sale results in loss of control, normally when there is a stake of 50% or lower, a gain or loss is recognised in the income statement corresponding to the realised asset.

Business combinations
Business combinations may be achieved through the acquisition of a company's operations, the acquisition of companies, or mergers. Business combinations are accounted for using the purchase method, where identifiable assets and liabilities are valued and recognised at fair value. Identifiable assets also include intangible assets, such as patents, licences, trademarks, logos, and customer portfolios.

That part of the price that exceeds the fair value of identifiable assets and liabilities constitutes goodwill. Only acquired goodwill is recorded in the income statement, and acquisition costs are expensed. Identifiable excess value in connection with acquisitions is included in the calculation of deferred tax, whereas no provision is made for deferred tax in the case of goodwill. The fair value of tangible assets is depreciated systematically, while goodwill and intangible assets with an undetermined lifespan are tested annually for impairment.

Conditional consideration is recognised in the statement of financial position at fair value on the acquisition date. Any subsequent changes in the conditional consideration are recognised in the income statement.

Excess value and goodwill are determined at the time of group establishment. If there are subsequent changes in ownership, the changes will not affect goodwill or identified excess value, as these are locked from the acquisition date. However, the change in ownership will affect allocations between controlling and non-controlling interests.

Joint ventures
Veidekke is also engaged in operations with other enterprises, called joint ventures. These operations are managed through separate legal entities, which may be limited companies or general partnerships. Joint venture companies are used for investments in PPP (public–private partnership) companies and in some property development projects. Joint control is governed by an agreement and requires unanimity among the participants on important decisions. Veidekke uses the equity method to account for joint ventures, and the activities are included from the date that joint control of the company commences and until the joint control ceases. The accounts of joint ventures are adapted to IFRS, in keeping with Veidekke's accounting policies, before they are incorporated in the consolidated financial statements.

Under the equity method, investments are measured as the share of the equity in the company, and the share of the profit of the associated company is recognised in the income statement. Any share of other income and expenses is included in the financial statements. When a portion of a company is acquired, the investment is reported at original cost, i.e. the share of the equity measured at fair value on the acquisition date, including goodwill. The share of the profit is recognised on a separate line under operating profit on the income statement. The investment is classified as non-current assets in the statement of financial position. Any subordinated loan is presented as part of the investment. Profit less distributions is added to the investment in the statement of financial position. When calculating the share of the profit, depreciation of the fair value of tangible and intangible assets on the acquisition date and internal gains are taken into account.

Negative equity in the company is recognised when the group is obligated to cover such loss, or when there are agreements making it likely that Veidekke will have to inject new equity into the company.

Joint operations
Veidekke also runs operations along with other enterprises through working partnerships. A working partnership is a collaboration between two or more participants who undertake a construction project together, and where they share the risk in the project (profit and loss) and the participants are jointly responsible for the working partnership's liabilities. Separate accounts are kept for working partnerships. Activities within a working partnership are often organised as a general partnership. A working partnership is a jointly controlled activity, and it is regarded as joint operations. This means that the participants control operations jointly, as laid down in an agreement, and requires unanimity on important decisions.

For working partnerships and jointly controlled operating arrangements, Veidekke recognises its share of assets, liabilities and revenues in line with the arrangements specified in the agreement (usually in line with its interest in the project). This means that Veidekke's share of the partnership's accounts is included, and each line in the income statement and statement of financial position is incorporated. Intra-group transactions are eliminated with a proportionate share.

Associates
Veidekke has investments in associates. Associates are companies in which the investing company has significant influence over financial and operating policies, but which are not subsidiaries or joint ventures. Significant influence will normally mean that the investing company holds between 20% and 50% of the shares in the company.

Associated companies are accounted for using the equity method from the date that significant influence commences until the significant influence ceases.

Put options non-controlling interests
The present value of the future purchase price related to non-controlling interests' put options is accounted for as liabilities (see note 24). The liabilities are recognised using estimated value, and the estimate may change in future periods since the amounts to be paid relate to future fair value and/or future profits. Any changes in the estimated purchase price of the shares (put option) are recognised as an equity transaction.

At each balance sheet date, a transaction between the non-controlling ownership interest and Veidekke is recognised as if Veidekke had taken over the non-controlling owner's shares at the estimated purchase price.

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Translation of foreign operations
The group presents its financial statements in Norwegian kroner, which is the functional currency of the parent company and its Norwegian subsidiaries. The accounts of foreign companies with a different functional currency are converted as follows:

- Assets and liabilities are converted at the exchange rate on the balance sheet date.
- Income statement items are converted at the average exchange rate for the month.
- Currency translation differences are recognised in other income and expenses in total comprehensive income. Translation differences are recorded on an ongoing basis against other income and expenses in total comprehensive income. In the case of disposal of a foreign entity, the accumulated currency translation differences are recognised in the income statement. Sale and liquidation of a company, repayment of capital etc. count as disposal.

Goodwill on the purchase is considered part of the foreign entity and is treated as an item in foreign currency.

2. Revenue recognition
Construction projects
Veidekke's operations consist largely of the execution of all kinds of construction and civil engineering projects lasting anything from a few months to three or four years. For reporting of projects Veidekke primarily uses the stage of completion method, based on the estimated final profit. This means that income is reported in line with production, based on degree of completion.

The revenue recognition for additional claims against the client and disputed amounts with a high level of uncertainty is based on assessments of the highly probable outcome of the dispute and elements that can be measured reliably. Additional claims are only recognised once it is considered highly probable that a substantial portion of this income will not be reversed at a later date.

Provision is made for guarantee work based on historical experience and identified risks. The guarantee period is normally from three to five years. For projects that are expected to make a loss, the whole loss is recognised in the income statement as soon as it is identified. A project is defined as loss-making if the cost-coverage contribution is negative. The cost-coverage contribution only includes project-related costs, not other fixed costs. Costs related to tenders and other costs related to obtaining projects are recognised as expenses as they are incurred. The stage of completion is determined on the basis of the work completed and is normally calculated as the ratio of accrued expenses to date to estimated total expenses for the project. Accrued expenses to date are equal to book expenses adjusted for time lag in invoicing (Accrued but not recorded). Income to date is equal to total anticipated expenses plus project contributions multiplied by the stage of completion. Accrual accounting is used for both income and expenses.

Non-invoiced earned income is booked as Contract assets (Work done, but not invoiced). Unearned invoiced income (pre-agreed payment plans) is booked under trade receivables (Work invoiced in advance). Only one of these items may be applied per project. If the item Work invoiced in advance is a larger negative amount than invoiced trade receivables for the project, the surplus is recorded as advance payment from customers (Contract liabilities). Each project thus shows either a net receivable from the customer or a net debt to the customer. While the right to issue an invoice normally arises once work has been completed, contracts often specify an invoicing schedule. Cost accruals (Accrued, not recorded) are entered under Trade payables, while provisions for guarantee work on completed projects are entered under Warranty provisions etc. Please refer to note 8 Projects in progress, note 19 Trade receivables and contract balances, note 25 Trade creditors and other current liabilities, note 26 Warranty allocations etc., and note 32 Project-related disputes and claims.

Long-term contracts for the operation and maintenance of public roads
Operation and maintenance contracts usually have a term of five years. For road operation and maintenance contracts, revenue is recognised on a percentage of completion basis in line with completed tasks and related costs. For each contract, a final-profit assessment/cost-coverage contribution assessment is prepared for the entire contract period at the end of the period. If a contract is expected to result in a net loss in the remaining contract period, the loss is recognised as soon as it is identified. The loss recognition shall cover the remaining ordinary term.

PPP projects
Veidekke has ownership shares in companies that have entered into PPP contracts (Public-Private Partnerships) for the construction of roads and schools with a subsequent operation and maintenance period. The PPP contracts are accounted for according to IFRIC 12 Service Concession Arrangements (The Financial Asset Model), as a financial asset at cost amortised over the contract period. This is discussed in more detail in note 16.

Veidekke's owner function in the PPP companies is reported in the business area "Other operations". Profit is recognised in income over the entire lease period in line with the ownership interest. Services in the form of construction or operation are reported under the business areas Construction or Infrastructure. Construction services are accounted for as an ordinary building construction project. Deliveries related to maintenance are expensed as they are incurred.

Other operations
Income from sales of products (aggregates, asphalt, etc.) is recognised on delivery. For leasing operations the agreed rental fee is recognised on a straight-line basis. This also applies to services rendered, consultancy work, etc. Sales of non-current assets are recognised in the income statement on delivery.

3. Financial instruments
A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Veidekke recognises financial assets and financial liabilities in the statement of financial position when the enterprise becomes a party to the provisions of the contract.

Financial assets
The group classifies financial assets in the following five categories:

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1. Financial assets measured at amortised cost
The group measures financial assets at amortised cost if the following two conditions are met:

The financial asset is held in a business model the objective of which is to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of the principal and interest on the principal amount outstanding.

The subsequent measurement of financial assets measured at amortised cost is done using the effective interest rate method adjusted for any provisions for losses. Gains and losses are recognised in profit or loss when the asset is discounted, modified or written down.

On initial recognition of a financial asset measured at amortised cost, Veidekke measures it at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

2. Financial assets measured at fair value with changes in fair value recognised through Other comprehensive income
The group measures debt instruments at fair value with value changes recognised through other comprehensive income if two conditions are met: the financial asset is held in a business model whose objective is both to collect contractual cash flows and sales, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of the principal and interest on the principal amount outstanding. The debt instrument is measured at fair value with value changes through other comprehensive income. In the event of derecognition, the accumulated change in fair value that has been recognised in other comprehensive income is transferred to profit or loss.

Veidekke has no financial assets in this category.

3. Financial assets measured at fair value with value changes recognised through profit or loss
Financial assets which are not equity instruments are measured at fair value with value changes through profit or loss.

4. Equity instruments measured at fair value with value changes through Other comprehensive income
The group may choose to identify equity instruments at fair value with value changes through other income and costs as long as they meet the definition of equity in IAS 32 Financial instruments.

Veidekke has no financial assets in this category.

5. Derivatives measured at fair value defined as hedging instruments
Derivatives are recorded in the statement of financial position at fair value, adjusted for net changes in fair value recognised through Other comprehensive income. This only applies to derivatives whose hedging is documented and effective. This category contains forward foreign exchange contracts and interest rate swaps.

Impairment of financial assets
If there are indications of impairment relating to loans and receivables that are measured at amortised cost, the need to record an impairment loss shall be considered. The impairment amount is calculated as the difference between the asset's recognised value and the present value of anticipated future cash flows. The impairment amount is charged to income.

Veidekke has two types of financial risks relating to the group's trade receivables: credit risk and project risk.

Credit risk relates to the customer's ability to pay. This risk has always been low at Veidekke in part because contracts normally require guarantees related to the underlying contract. Provision for such losses is made using a separate "Provision for bad debts" account. The group applies a simplified method for calculating provisions for bad debts, assessing each provision based on the anticipated credit loss over the reporting period, rather than on a 12-month anticipated loss. The group has developed a provision matrix based on historic credit losses, adjusted for forward-looking factors specific to each customer and the general economic situation.

Project risk relates to a customer's willingness to pay, and is managed as part of the project assessment. In the accounts, any drop in value is presented as a reduction in trade receivables. In the note, such risk is incorporated into the assessment of the item Work invoiced in advance.

For details, see notes 19 and 30.

If a financial asset measured at fair value with changes in value recognised through other comprehensive income with reclassification of accumulated gains and losses in profit or loss based on objective criteria has been the object of impairment, the loss is expensed in the income statement as impairment. A reversal of the impairment of equity instruments classified in this category is not recognised in the income statement, but is recognised directly in the group's other comprehensive income.

Financial liabilities
On initial recognition, financial liabilities are classified as loans and liabilities, or derivatives defined as hedging instruments in an effective hedge. Derivatives are initially recognised at fair value. Loans and liabilities are recognised at fair value adjusted for directly attributable transaction costs. Derivatives are financial liabilities when the fair value is negative and are accounted for in a similar way as derivatives that are assets.

Financial liabilities – loans
Loans are reported in the accounts by recognising the amount received less directly related transaction costs. The loan is then measured at amortised cost using the effective rate of interest method. Effective interest rates are presented as financial costs in the income statement.

Derivatives and hedging transactions
On initial recognition, derivatives are recognised at fair value. Thereafter, the item is valued at each balance sheet date. On entering into a derivative agreement, the group defines whether this is a fair value hedge of an accounting item or hedging of an obligation it has entered into (a cash flow hedge). Changes in the fair value of derivatives that are both defined as hedging and satisfy the requirements for hedging are recognised in total comprehensive income. Such items are reversed and recognised as income or expenses during the period the hedged obligation or transaction affects the income statement. Changes

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in the fair value of derivatives that do not qualify as hedging or where there are inefficiencies in the hedge are recognised as they occur.

Derecognition of financial assets and obligations
A financial asset is derecognised if the right to receive cash flows from the asset no longer exists. Similarly, a financial liability is derecognised if the liability has been fulfilled, cancelled or has expired as agreed.

Financial income and expenses
Financial income includes interest income on financial investments, dividends received and group contributions, currency gains, value increases and gains from financial assets. Financial expenses include interest charges on loans, currency losses, impairment and losses on the sale of financial assets. All loan expenses are recognised using the effective rate of interest method.

Interest expenses in connection with loans to key staff
Financial Veidekke has provided loans to key staff in connection with the group's former share programme. These loans are recognised at amortised cost. Interest expenses are measured using the effective rate of interest method based on estimated market interest rates and are classified as payroll expenses. Interest on these is currently at 0.8%, and the difference between the nominal value of the loans and their fair value, based on discounting the future cash flow by the estimated market interest rate, represents a prepaid benefit to employees. These prepaid benefits are recognised in the income statement over the period from when a loan is granted until it is paid off.

4. Other princliples
Classification
Assets and liabilities relating to the supply of goods (projects) are classified as current assets and current liabilities.

Amounts due to credit institutions that are taken up to finance non-current assets (investments) and where there is an unconditional right to defer payment for more than 12 months from the balance sheet date are classified as non-current liabilities. Loans that are taken up to finance working capital (current assets) are classified as current liabilities. Other receivables and amounts due for payment after more than a year are classified as non-current assets and non-current liabilities.

Warranty allocations are closely related to the supply of goods and are therefore classified as current liabilities even if it is likely that large parts of the item will be due for payment after more than 12 months.

Pensions
Veidekke has both defined-contribution and defined-benefit plans. In defined-contribution plans the employer makes a contribution to the employee's pension savings. The future pension depends on the size of the contribution and the return on the pension assets. In defined-contribution pensions the cost to the company is equal to the contributions for the year, and the company's only commitment is to make an annual contribution. Thus, no liability is recorded in the statement of financial position. In the case of defined-benefit plans, the company commits itself to providing a pension of a specified size. An actuarial calculation is made each year of the pension costs and pension liabilities. Pension liabilities equal the present value of the accrued pension rights. The employees' pension rights are recognised as costs as they are earned, and provision is made for pension liabilities in the statement of financial position. The pension calculation takes into account estimated wage growth, and pension costs are recognised on a straight-line basis over the employment period. Here, Veidekke bears the risk for the return on the pension assets.

Defined-benefit plans are measured at the present value of the future pension payments that for accounting purposes are regarded as accrued on the balance sheet date. The pension assets are recognised at fair value. The net of pension liabilities and pension assets is recognised as non-current debt. Pension assets consist of a premium fund and a share of the life assurance company's funds (premium reserves). Pension costs consist of the present value of the year's earning plus interest on the net pension liabilities. This means that the cost is calculated using the same discount rate for pension liabilities as is used to calculate expected return on pension assets. In defined-benefit plans, an annual difference arises between the estimated and actual return on pension assets and between estimated and actual pension liabilities, called actuarial gains and losses. Actuarial gains and losses may arise as a result of discrepancies and changes in the assumptions on which estimates were based. Actuarial gains and losses are recognised in total comprehensive income. In most of the Norwegian Veidekke companies, there are contractual early retirement schemes (AFP) for their employees. The AFP pension scheme is a defined-benefit multi-company scheme, and because the administrator is not in a position to procure reliable calculations concerning accrued rights, the accounting for the scheme will be conducted as for a defined-contribution scheme. This is discussed in more detail in note 22.

Tax
Income taxes are tax on the group's profit. Tax is treated as an expense in the accounts. Tax payable and deferred tax relating to items recorded as other income and expenses in total comprehensive income are recognised in total comprehensive income. The income tax expense for the year consists of payable tax, changes in deferred tax and adjustments from previous years. Payable tax is calculated based on the company's taxable profit for the year. Deferred tax is a provision (accrual) for future payable tax.

Deferred tax liabilities/assets are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences arise because some items are accrued differently in the financial accounts and the tax accounts. Both tax-increasing and tax-reducing timing differences occur. Deferred tax is calculated on net temporary differences, i.e. by offsetting tax increasing against tax-reducing differences within the same tax jurisdictions. Deferred tax is measured on the basis of the current future tax rate in those companies in the group where temporary differences have arisen. Deferred tax is recognised at the nominal rate and is classified as a non-current asset or non-current liability.

Deferred tax assets relating to loss carry-forwards are recognised in the accounts when it is probable that the company will be able to make use of the advantage. Tax payable and deferred tax are

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recognised in the income statement, unless the tax is related to a transaction or event that has already been recognised in total comprehensive income or directly in equity, or it is related to a merger.

Goodwill
Goodwill arises when the group acquires a business. Goodwill includes synergies, organisation, know-how, market position, etc. Goodwill is calculated as the fair value of the purchase price at the time of the acquisition less the fair value of the acquired company's identified assets, liabilities and contingent liabilities. If the acquisition does not involve 100% ownership for the parent company, the entire fair value can be used as the basis for determining goodwill. This entails the non-controlling party's share of goodwill being recognised as goodwill as well. The principle used for measurement of non-controlling interests is determined separately for each business combination. Goodwill is not amortised, but is tested for impairment at least annually. See note 10 Goodwill.

Other intangible assets
Intangible assets with a determinable useful life are measured at original purchase price less accumulated amortisation and impairment losses. This applies, among other things, to extraction rights for aggregates, for which amortisation is determined based on actual extractions. Investments in IT systems are capitalised and recorded under Other intangible assets, and normally depreciated over a period of up to eight years.

Tangible non-current assets
Tangible non-current assets consist of plants, buildings, machinery and equipment, etc. Veidekke records tangible non-current assets in the statement of financial position using a historical cost model. This means that tangible non-current assets are measured at original cost less accumulated depreciation and impairments. Tangible non-current assets are recognised when it is probable that future economic benefits linked to the asset will accrue to the company and the original cost can be measured reliably. This applies both to first-time purchases of operating equipment and to subsequent changes, conversions, overhauls, etc. Other repairs and maintenance are recognised as expenses as they arise. Tangible non-current assets are depreciated on a straight-line basis over their estimated useful lives.

The estimated expected useful lives for the current period and comparable periods are as follows:

- Vehicles:	5 years
- Machinery etc.:	5–8 years
- Asphalt plants and quarries:	15 years
- Buildings:	20–50 years

The depreciation period and residual value are assessed annually. Gains and losses on disposals of non-current assets are recognised in profit and loss and represent the difference between sales price and carrying value. Gains on sales of non-current assets are presented under operating revenues, while losses on sales of assets are presented under other operating expenses.

Impairment of non-current assets
If there is an indication of impairment in value of a tangible, non-current asset, the recoverable amount is calculated. An impairment loss is recognised if the recoverable amount of a non-current asset is less than its carrying amount. The recoverable amount is the higher of net sales value and value in use. Value in use is the present value of the future cash flows that the asset is expected to generate. If there is an indication that the asset is impaired in value, the recoverable amount is used and the necessary impairment is recorded.

Intangible non-current assets with an indeterminable life and goodwill are tested for impairment each year, and any impairment is recorded. Impairment testing may also be performed on a quarterly basis if there are indications of impairment. The value in use is calculated for each cash-generating unit (CGU). If a CGU is impaired, goodwill is written down first, and other assets are then written down proportionately. If the value of impaired intangible non-current assets rises again later, the impairment may be reversed; however, impairment of goodwill is not reversed. The calculation of the value in use of a CGU is based on future estimated cash flows for the unit, discounted at a suitable rate in light of the group's required rate of return. The calculation is based on the CGU's budgets and forecasts, including terminal value. Maintenance costs and replacement investments are also taken into account, but not investments for expansion. Finance expenses and tax are not included in the calculation.

A cash-generating unit is determined as the smallest identifiable group of assets that generates incoming cash flows and that in all essence is independent of incoming cash flows from other assets or groups of assets. Units with significant synergies and that perform similar types of activities are considered as one cash-generating unit. Within construction operations a cash-generating unit will normally be on the company level, whereas for industrial operations, they will normally encompass business units, for example Asphalt or Aggregates.

The group as a lessee
When a contract is entered into, consideration is given to whether the contract constitutes or contains a lease agreement. A contract constitutes or contains a lease agreement if it transfers the right to control the use of an identified asset for a period of time in return for payment. Lease agreements are recognised in the accounts on the implementation date.

On the effective date of a lease, Veidekke calculates its obligation in its capacity as lessee as the present value of future lease payments. It also undertakes a corresponding asset calculation based on the right to use the underlying asset during the lease period (the usage right asset). The lease obligation is valued at the present value of the remaining lease payments, discounted using a marginal borrowing rate. Future lease payments are booked as repayments of the lease obligation and interest costs. The effective date of a lease is defined as the date when Veidekke takes control of the leased object.

Leased assets are depreciated on a linear basis over the lease period, while the lease obligation increases in accordance with the interest rate and is reduced by completed lease payments. Depreciation of leased assets and interest costs on lease obligations is incorporated into the income statement.

Lease periods include an extension option if it is reasonably certain that the option will be exercised and there are financial incentives for extending the lease agreement. The exercise of options

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is associated with estimation uncertainty and discretionary assessment.

Veidekke has utilised an exception permitted by the standard and does not recognise short-term leases (less than 12 months' duration) or leases of low-value assets in the statement of financial position. Lease payments under lease agreements of this kind are expensed on a linear basis over the lease period. Lease obligations are not shown on separate lines in the statement of financial position, but are specified in a separate note. Lease obligations are not treated as interest-bearing debt because the majority of such obligations concern future rent payments, not the financing of operating assets. In notes and the cash flow statement, agreements of this type are referred to as IFRS 16 Lease agreements.

The group as a lessor
Lease agreements are classified as either operational or financial lease agreements. A lease agreement is classified as an operational lease agreement if it does not transfer all material risks and benefits associated with ownership of the underlying asset. Lease payments under operational lease agreements are recognised as income on a linear basis over the lease period.

Currency transactions
Transactions involving foreign currency are converted at the exchange rate at the time of the transaction. Monetary items in foreign currency are assessed at the exchange rate on the balance sheet date, and related currency gains or losses are recognised in the income statement. Monetary items are items that will be settled at a fixed nominal amount. This applies to liquid assets, receivables, debts, etc. For non-monetary items, the exchange rate at the time of the transaction is taken as the basis for the original cost. This applies to tangible non-current assets, inventory, etc

Inventories
Inventories consist of project inventories in addition to raw materials/ inventory for the infrastructure operation. Project inventories are included in project valuations. The inventory for infrastructure operations is measured at the lower of total production costs and net sales price.

Warranty allocations etc.
An allocation is made in the accounts when the group has an obligation (legal or self-imposed) as a result of a previous event, and it is probable that a financial settlement will take place as a result of that obligation, and the amount can be measured reliably. Allocations are made for confirmed work under guarantee and for probable concealed deficiencies. See note 26.

Cash and cash equivalents
These consist of cash and bank deposits, including deposits subject to special conditions, and short-term liquid investments which can be converted into cash immediately. Investments in short-term money market funds are classified as cash and cash equivalents if the intention of the investment is to ensure liquidity for the payment of current liabilities. Only money market funds with very high security are classified as cash and cash equivalents. See note 20.

Share discounts
Veidekke purchases its own shares and then sells them to the employees at a discount with a lock-in period. These sales of shares are reported in accordance with IFRS 2 on share-based payments. The discount is recognised in the income statement at fair value at the time of issue, taking into account the lock-in period. The discount is calculated according to an option-pricing model. The fair value of the discount is charged to personnel expenses. See note 6.

Proposed dividend
Proposed dividends are not recognised as liabilities in the accounts until they have been approved by the Annual General Meeting.

Disputes and claims related to projects
Veidekke's profits from projects are strongly influenced by estimates, entailing some uncertainty. See the discussion on page 37 under "Estimates". See also note 32 Project-related disputes and claims.

Borrowing costs
Borrowing costs that are directly attributable to the procurement, manufacturing or production of a qualified asset are recorded as part of the acquisition cost of the asset concerned.

In connection with the purchasing of operating equipment where it takes a long time before the operating equipment can be used for its intended purpose, interest is capitalised. This concerns, for example, construction of an asphalt plant. Other borrowing costs will be entered in the income statement as they incur.

Earnings per sharee
Earnings per share is calculated by dividing the profit for the period attributable to the owners of the parent company by the weighted average number of outstanding shares in the period.

Own shares
When the company buys back its own shares, the purchase price including directly attributable costs are deducted from equity. Own shares are recognised as a reduction in Share capital and Other equity. Any loss or gain on a transaction involving own shares is recorded directly against equity.

Statement of cash flows
The statement of cash flows is prepared using the indirect method.

Acquisitions and sales of companies are treated as investment activities. Acquired/sold companies' holdings of cash and cash equivalents are included/ deducted. This effect is therefore shown net, together with the cash payment made in the transaction. Lease agreements pursuant to IFRS 16 are classified as follows: depreciation is included in operational cash flow, and cash payments related to lease payments are divided into repayment of debt and paid interest and are treated as financing activity.

IFRS standards not yet effective
The International Accounting Standards Board (IASB) has adopted a number of interpretations and changes to existing standards and interpretations which had not yet entered into force at the time the accounts were closed on 31 December 2022. Veidekke has concluded that these interpretations and changes are unlikely to have a material effect on the group's financial position, profit/loss or note information going forward.

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Note 03. Segment information

The segment structure mirrors the group's operational structure, which consists of five operational areas. This division reflects the type of delivery made and the market being served, and as reported to the Group CEO and corporate management accordingly.

Construction Norway is among the country's largest construction contractors. Its project portfolio includes apartment complexes and non-residential buildings such as schools, healthcare facilities, cultural buildings, office buildings, hotels and shopping centres. The operation is concentrated around Norway's major population centres.

Infrastructure Norway is a national civil engineering operation with projects in the road maintenance, railways, power production and airport segments. The operation is Norway's largest asphalt producer and contractor, the country's second-largest producer of aggregates and an important player in the operation and maintenance of the Norwegian public roads network.

Construction Sweden is a large, well-established construction operation with a broad portfolio of construction projects, including residential units, offices, schools and cultural buildings. The operation is concentrated in growth regions around Stockholm, Gothenburg and Malmö.

Infrastructure Sweden has a strong position in the market segments infrastructure, extractive industries, heavy industry, energy and recycling facilities/landfill, as well as asphalt-laying. Most activities are focused on the major metropolitan areas around Stockholm, Gothenburg and Malmö, although the operation is also a well-established supplier to the mining industry in northern Sweden.

Denmark consists of the wholly-owned subsidiary Hoffmann AS. The majority of Hoffman's projects involve commercial buildings. Hoffmann gives particular priority to close consultation with clients from an early stage, throughout the planning, design and execution phases.

"Other" comprises undistributed costs linked to administration and financial management of the group, the group's ownership role in public-private partnership (PPP) projects and shared services in the areas of HR, accounts and payroll. Revenue and internal profits between the segments are eliminated under "Elimination".

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Business areas

	Construction Norway		Infrastructure Norway		Construction Sweden		Infrastructure Sweden		Denmark		Other operations		Eliminations		Group	
Figures in NOK million	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21
Income statement																
Revenue	13 370	13 514	9 583	9 147	8 858	8 544	5 247	4 345	2 420	2 362	193	162	-1 012	-482	38 658	37 592
Operating expenses	-12 732	-12 845	-8 595	-8 190	-8 617	-8 285	-4 826	-4 076	-2 190	-2 138	-300	-253	1 009	474	-36 250	-35 312
Share of net income from joint ventures	-	-	10	2	1	-6	-	-16	-	-	27	22	-	-	37	2
Depreciation	-171	-180	-450	-458	-98	-92	-130	-117	-23	-24	-68	-51	2	2	-938	-919
Operating profit	467	489	548	502	144	160	291	137	208	200	-149	-119	-2	-6	1 508	1 364
Financial income	82	27	6	11	6	19	5	6	6	1	15	115	-75	-109	45	70
Financial costs	-19	-10	-58	-50	-10	-13	-6	-10	-1	-1	-68	-117	75	109	-87	-92
Profit before tax	530	507	496	462	140	166	290	133	213	200	-202	-121	-2	-6	1 467	1 342
Statement of financial position																
Non-current assets	1 644	1 371	2 777	2 565	807	917	610	593	237	220	896	778	-70	-121	6 901	6 323
Current assets	2 702	2 198	2 010	2 119	1 705	1 356	662	588	357	270	2 008	1 727	-1 416	-1 080	8 028	7 178
Cash and cash equivalents	2 618	3 033	9	237	661	949	508	382	1 306	1 249	1 294	1 282	-3 682	-3 318	2 714	3 814
Total assets	6 963	6 602	4 796	4 921	3 174	3 222	1 781	1 563	1 900	1 739	4 197	3 787	-5 168	-4 519	17 644	17 315
Equity	762	1 121	973	914	306	390	270	259	454	416	15	-172	215	-63	2 995	2 865
Non-current liability	985	925	837	1 051	83	696	90	92	41	107	4 025	3 777	-3 748	-3 350	2 313	3 297
Current liabilities	5 216	4 556	2 985	2 955	2 785	2 136	1 421	1 212	1 405	1 216	157	183	-1 634	-1 105	12 336	11 153
Total equity and liabilities	6 963	6 602	4 796	4 921	3 174	3 222	1 781	1 563	1 900	1 739	4 197	3 787	-5 168	-4 519	17 644	17 315
Key figures																
Operational cash flow	307	203	1 026	798	-19	451	130	197	217	85	-251	461	-	-	1 409	2 194
Cash flow from investments	-233	-57	-417	-168	-53	11	91	-15	-10	6	-79	-58	-	-	-701	-282
Number of employees	2 935	2 821	2 237	2 193	1 110	1 172	1 074	1 069	438	409	139	132	-	-	7 933	7 796
Order book	16 584	13 537	8 242	7 477	8 158	9 483	5 277	4 774	3 074	2 813	-	-	-	-	41 334	38 084
- due for completion within 12 months	11 794	9 148	3 527	3 523	5 337	6 082	2 714	2 641	2 327	1 644	-	-	-	-	25 699	23 039

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Geographical segments
The geographical distribution of the group's activities corresponds to the geographical location of the resources used for the respective activities. This corresponds in the main to the location of the customers.

The statement has been prepared in accordance with the accounting policies used in the income statement (IFRS).

	Norway		Sweden		Denmark		Shared		Group	
Figures in NOK million	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Income statement										
Revenue	22 508	22 385	13 737	12 841	2 420	2 362	-7	3	38 658	37 592
Operating profit	1 015	991	435	297	208	200	-150	-125	1 508	1 364
Profit before tax	1 026	969	431	300	213	200	-203	-127	1 467	1 342
Statement of financial position										
Total non-current assets	4 421	3 935	1 417	1 510	237	220	826	658	6 901	6 323
Number of employees	5 172	5 014	2 184	2 241	438	409	139	132	7 933	7 796
Order book	24 826	21 014	13 435	14 257	3 074	2 813	-	-	41 334	38 084
- due for completion within 12 months	15 321	12 671	8 051	8 723	2 327	1 644	-	-	25 699	23 039

Intra-group sales by segment

	Construction Norway		Infrastructure Norway		Construction Sweden		Infrastructure Sweden		Denmark		Other operations		Eliminations		Group	
Figures in NOK million	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21	At 31 Dec. 22	At 31 Dec. 21
External revenue	13 071	13 404	9 424	8 982	8 739	8 538	4 998	4 338	2 420	2 362	13	3	-7	-35	38 658	37 592
Internal revenue	298	110	159	166	119	5	249	7	-	-	180	159	-1 006	-447	-	-
Total revenue	**13 370**	**13 514**	**9 583**	**9 147**	**8 858**	**8 544**	**5 247**	**4 345**	**2 420**	**2 362**	**193**	**162**	**-1 012**	**-482**	**38 658**	**37 592**

All intra-group sales in continued operations are eliminated at the group level.

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Note 04. Revenue

Ordinary revenue is solely from contracts with customers. For geographical distribution of revenue, see note 3 Segment information.

2021, figures in NOK million	Construction Norway	Infrastruct. Norway	Construction Sweden	Infrastruct. Sweden	Denmark	Other/ Eliminations	TOTAL	Order book
Service area								
Appartments and small houses	4 935	-	2 136	-	41	-	7 111	7 593
Commercial buildings	2 494	-	5 230	-	998	-	8 723	10 528
Public buildings	4 795	427	1 150	-	1 176	-	7 548	8 199
Transport – road	-	8	-	519	-	-	528	466
Transport – rail	-	2 335	4	612	-	-	2 951	2 871
Asphalt and aggregates	-	3 396	-	762	-	-	4 158	-
Other civil engineering	1 124	1 611	326	3 197	204	-	6 462	7 822
Maintainance contracts	-	1 691	-	-	-	-	1 691	3 854
Eliminations/Other	-	-	-	-	-	-832	-832	-
Total ordinary revenue	13 348	9 468	8 846	5 090	2 419	-832	38 339	-
Other revenue	22	115	12	157	1	13	320	-
Total revenue	13 370	9 583	8 858	5 247	2 420	-819	38 658	-
Total order book	16 584	8 242	8 158	5 277	3 074	-	-	41 334

2020, figures in NOK million	Construction Norway	Infrastruct. Norway	Construction Sweden	Infrastruct. Sweden	Denmark	Other/ Eliminations	TOTAL	Order book
Service area								
Appartments and small houses	5 728	-	2 605	-	101		8 434	8 158
Commercial buildings	2 772	-	3 750	-	1 498		8 020	8 206
Public buildings	3 662	-	2 017	-	539		6 218	8 043
Transport – road	90	414	-	602	-	-	1 106	706
Transport – rail	195	1 972	-	239	-	-	2 406	1 854
Asphalt and aggregates	-	3 214	-	691	-		3 905	-
Other civil engineering	1 049	2 087	154	2 804	216		6 309	7 233
Maintainance contracts	-	1 311	-	-	-		1 311	3 885
Eliminations/Other	-	-	-	-	-	-320	-320	-
Total ordinary revenue	13 495	8 998	8 526	4 337	2 355	-320	37 390	-
Other revenue	19	149	18	9	7	1	202	-
Total revenue	13 514	9 147	8 544	4 345	2 362	-320	37 592	-
Total order book	13 537	7 477	9 483	4 774	2 813	-		38 084

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Specification of other revenue, figures in NOK million	2022	2021
Gains from sale of operating equipment[1]	254	111
Rental income	24	33
Other revenue	42	59
Other revenue	320	202

[1] Only gains are presented under other revenue. Any losses are presented under other operating expenses. In 2022, the sale of a site by Infrastructure Sweden generated a gain of NOK 130 million. For further information, see note 14.

Timing of revenue recognition, figures in NOK million	2022	2021
Goods transferred at a point in time[1]	1 019	850
Goods and services transferred over time	37 639	36 742
Total	38 658	37 592

[1] Consists primarily of aggregates related activities, as well as gains on the sale of equipment.

Remaining performance obligations, figures in NOK million	2022	2021
Within one year	26 000	23 104
More than 1 year	15 635	15 270
Total[1]	41 635	38 374

[1] The difference compared to the "total order book" is due to the exclusion of asphalt orders from the group's official order book.

Note 05. Payroll costs

Figures in NOK million	2022	2021
Payroll	5 591	5 564
Pension costs[1]	564	571
Employer's National Insurance contributions	1 014	993
Other payroll costs	144	81
Personnel expenses	7 312	7 209
Number of full time equivalents	7 733	7 772
Number of employees at 31 December	7 933	7 796

[1] See note 23.

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Note 06. Share issues to employees

Veidekke sells shares to employees at a discount to the current market price every year. The shares are subject to a two-year lock-in period. Purchase of shares can be financed with cash payment or with an interest-free loan from Veidekke which is repaid over the year.

Two offers were made in 2022, in February for all employees and in November for key staff. In the November 2022 offer for key staff, the lock-in period was three years and an interest-free loan with a 15-year repayment profile was offered.

The share programmes are recognised in the accounts in accordance with IFRS 2 on share-based payment. The discount expensed in the income statement is calculated as the difference between the market price and the purchase price on the purchase date, reduced by the value of a sale option based on the lock-in period and historical share price fluctuations. The option is calculated using the Black-Scholes model.

Loans to key staff follow the conditions applicable at all times. The interest rate as of 31 december 2022 is 0.8% and the loans are repaid over 15 years. The loans are terminable after 10 years, and are secured by a charge over the shares. The loans linked to the share purchase scheme for all staff are interest-free and secured by a charge over the shares. The loan period was 10 months. The calculated interest cost linked to the long-term loans is classified as a payroll cost. Reference is made to notes 5 and 31.

Sale of shares to employees

Figures in NOK million	2022	2021
Number of shares sold to employees (acquired in the market)	1 918 314	1 836 174
Expensed discount after tax	9	5
Discount entered directly as a reduction in equity related to the group's share programme	23	33

Share loans to employees

Figures in NOK million, except number of executives and employees	2022	2021
Loans to key staff for purchases of shares in Veidekke ASA	122	97
Expensed change in the present value of share loans	3	2
Number of key staff with long-term loans	851	517

Employee share options

In May 2019, the annual general meeting approved a new three-year option programme for key staff. The number of options which may be allocated through the programme every year is capped at 1% of the number of shares in the company on the grant date. The option programme has now ended, but previous allocations are running as outlined below.

The options vest over 1–3 years (25% after the first year, 25% after the second year and 50% after the third year), and must be exercised within five years. The programme requires participants to be employed by the company during vesting, and to keep the shares for at least one year after exercising the options. A total of 1.6 million options remained unexercised as at 31 December 2022, adjusted for exercised options and employees who have left the group. The expensed option cost for 2022 is NOK 6 million and direct recognition against equity is NOK 7 million.

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Issued options	2021 programme	2020 programme	2019 programme	Total
Number of options subscribed for			657 000	657 000
Correction for number of employees departed			-9 000	-9 000
Correction for number of options exercised				-
Number of issued options as at 31 December 2019			**648 000**	**648 000**
Exercise price at 31 December 2019 (NOK per share)			86.05	
Number of options subscribed for		887 000		887 000
Correction for number of employees departed		-3 000	-78 750	-81 750
Correction for number of options exercised[1]			-62 740	-62 740
Number of issued options as at 31 December 2020		**884 000**	**506 510**	**1 390 510**
Exercise price at 31 December 2020 (NOK per share)		6.86	63.55	
Number of options subscribed for	981 900			981 900
Correction for number of employees departed	-2 000	-22 625	-25 250	-49 875
Correction for number of options exercised[2]		-151 805	-148 840	-300 645
Number of issued options as at 31 December 2021	**979 900**	**709 570**	**332 420**	**2 021 890**
Exercise price at 31 December 2021 (NOK per share)	122.01	62.11	57.80	
Correction for number of employees departed	-48 750	-38 000	-16 000	-102 750
Correction for number of options exercised[3]		-134 250	-164 800	-299 050
Number of issued options as at 31 December 2022	**931 150**	**537 320**	**151 620**	**1 620 090**
Exercise price at 31 December 2022 (NOK per share)	115.01	55.11	50.80	

[1] For share options exercised during 2020, the weighted average share price at the time of exercise was NOK 86.05 per share
[2] For share options exercised during 2021, the weighted average share price at the time of exercise was NOK 60.77 per share
[3] For share options exercised during 2022, the weighted average share price at the time of exercise was NOK 53.29 per share.

The Black-Scholes option pricing model is used to value the options. The following assumptions are applied:

	2021 programme	2020 programme	2019 programme
Number of options subscribed for	981 900	887 000	657 000
Share price	115.80	88.70	86.80
Risk-free interest rate	0.76%	-0.02%	1.34%
Historic volatility	29%	28%	24%
Expected option duration (years)	3.22	3.23	3.25
Expiration date	May 2026	May 2025	May 2024
Expected dividend yield	0%	0%	0%

Note 07. Financial income and financial costs

Figures in NOK million	2022	2021
Interest income	6	23
Other interest income from non-financial institutions	15	6
Foreign currency gains	14	13
Received share dividends	8	6
Value appreciation/gains on sales of financial instruments	1	16
Other financial income	2	6
Financial income	**45**	**70**
Interest costs	-35	-38
Interest charges from non-financial institutions	-4	-2
Interest costs leases – IFRS16[1]	-29	-26
Foreign currency losses	-9	-14
Impairment/losses on sales of financial instruments	-6	-
Other financial costs	-4	-11
Financial costs	**-87**	**-92**
Financial income / financial costs	**-42**	**-22**

[1] See note 13 IFRS 16 Leases.

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Note 08. Construction projects in progress

The note applies to all contruction projects, with the exception of road maintenance, asphalt and aggregates.

Figures in NOK million	2022	2021
Total income from construction projects	32 490	32 174
Details of projects in progress at 31 December		
Accumulated income included in the financial statements	44 006	45 210
Accumulated costs included in the financial statements	-40 575	-41 895
Accumulated profit included in the financial statements	3 430	3 315
Loss-making projects in progress - remaining income[1]	1 128	1 433
Trade receivables in construction projects	3 348	3 105
Contract assets in construction projects[2]	2 577	1 995
Individual elements incl. in item Contract assets in the Statement of financial position		
Due from customers[3]	1 213	1 015
Earned, not invoiced income	1 364	980
Contract liabilities (advance payments from customers)[2]	1 833	1 936

[1] Anticipated losses on these projects have been charged to income.
[2] See note 19 for detailed information on contract assets and contract liabilities
[3] The balance is money retained as security in favour of the contracting client. Included in the item Accounts receivable in the Statement of financial position; see note 19.

Order book in construction projects

Figures in NOK million	2022	2021
Total order book	37 480	34 199
- of which due to be completed within the next 12 months	24 539	21 692

Note 09. Earnings per share

Figures in NOK million	2022	2021
Earnings per share (NOK)	8.1	7.1
Profit for the year	1 159	1 029
Equity holders of Veidekke ASA's share of the group's the profit for the year	1 092	958
Average number of shares (million)	135.0	135.0
Number of shares at 1 January (million)	135.0	135.0
Number of shares at 31 December (million)[1]	134.9	135.0
Dilution effect of issued options	0.4	0.6
Time-weighted average number of shares owned after dilution	135.4	135.5
Diluted earnings per sharee (NOK)	8.1	7.1

[1] Veidekke owned 52 445 own shares as at 31 December 2022 (0 as at 31 December 2021).

In 2019, Veidekke introduced an option programme for employees. As at 31 December 2022, there are 1.6 million options outstanding options associated with this program. See note 6 for more information on the share and option programmes for staff.

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Note 10. Goodwill

Figures in NOK million	2022	2021
Carrying amount at 1 January	**1 758**	**1 824**
Original cost at 1 January	1 783	1 838
Additions, business acquisitions	289	15
Disposals, business divestments	-	-12
Currency translation differences accumulated original cost	-14	-58
Original cost at 31 December	**2 058**	**1 783**
Accumulated impairment at 1 January	-24	-13
Impairment for the year	-18	-11
Accumulated impairment at 31 December	**-42**	**-24**
Carrying amount at 31 December	**2 016**	**1 758**

The group has recognised goodwill from the acquisition of a total of 60 businesses. Each goodwill item is allocated to a cash-generating unit (CGU). A cash-generating unit is the lowest level at which independent cash flows can be measured. When an acquired business continues to be operated as an independent unit, this business is designated as a cash-generating unit. Units with significant synergy effects and which carry out similar activities, are together considered as a single cash-generating unit. This is the case when acquired operations are integrated with an existing Veidekke company or is operatively closely linked to an existing Veidekke company. In these cases, the combined business is considered the cash-generating unit for which goodwill is measured and followed-up. The group has recorded 37 cash-generating units associated with capitalised goodwill.

The group's largest goodwill items, plus the goodwill for each business area, are specified in the table below:

Goodwill per business area attributed to the cash generating units:

Figures in NOK million	2022	2021
Construction Norway		
Constructa Entreprenør AS	259	-
Leif Grimsrud AS	177	177
Veidekke Entreprenør AS, Construction business area South (Agder og Block Berge Bygg)	108	108
Veidekke Entreprenør AS, Construction Norway (Reinertsen)	88	88
Grande Entreprenør AS	69	69
Other	145	145
Infrastructure Norway		
Asphalt	119	119
Aggregates	72	72
Båsum Boring AS	49	49
Other	94	94
Construction Sweden		
Billström Riemer Andersson AB (BRA)	295	301
Arcona AB	100	97
Construction business area West	62	64
Other	61	66
Infrastructure Sweden		
Berggren og Bergman	44	45
Brinkab	41	42
Other	92	95
Denmark		
Hoffmann A/S	138	126
Total goodwill	**2 016**	**1 758**

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Testing goodwill for impairment

Goodwill is not amortised, but is tested for impairment in the fourth quarter each year. In the event of a particular indication of possible impairment, testing is carried out on a quarterly basis. Testing is carried out by comparing the estimated recoverable amount with capital invested for the unit in question. The recoverable amount is calculated on the basis of the unit's expected future discounted cash flows. The cash flows are calculated on the basis of the business unit's expected earnings for the next three years, adjusted for any capital injection needs. Expected cash flow is also calculated for years four and five, based on nominal growth in earnings and the unit's terminal value after five years. The sum total is the unit's recoverable amount. Capital invested is the unit's total assets less interest-free liabilities. When the recoverable amount exceeds capital invested, the carrying value of the goodwill is upheld. When the recoverable amount is lower than capital invested, the carrying value is impaired to the estimated recoverable amount.

Assumptions used in impairment testing

1. Revenue and profit margin in the next three years

Impairment tests are based on the management's approved budget and strategy for the next three years. These are estimated on the basis of current revenue and margins, and expected market development.

2. Revenue and profit margin in the subsequent periods

Assumed annual growth used in the cash flows for years four and five is marginally higher than the growth expected in the Scandinavian economy, as growth in the construction and civil engineering market is expected to be higher than GDP growth. The calculations are based on nominal growth of 2.5% per year from year four onwards. This calculation assumes a terminal value after five years based on the Gordon model.

3. Discount rate

The discount rate is based on the weighted average cost of capital (WACC) method. The nominal discount rate before tax is based on the group's estimated cost of capital calculated as a weighted average of the cost for the group's equity and the cost of its debt. The discount rate takes into account the debt interest rate, risk-free rate, debt ratio, risk premium and a liquidity premium. The discount rates applied to cash flow and terminal value are presented in the following table:

	Norway	Sweden	Denmark
Discount rate (WACC) before tax used on cash flows	9.4%	9.2%	7.9%
Before-tax discount rate for calculation of the terminal value	10.4%	10.2%	8.9%

4. Investment needs / reinvestment

The unit's anticipated future investment needs in order to maintain current levels are reflected in the calculations. These are based on management's approved budget and strategy for the next three years. For the period beyond the next three years, reinvestment needs are assumed to correspond to expected depreciation. Changes in working capital needs have been assessed and in all essence set at NOK 0. Building construction operations are generally not very capital-intensive, while more capital is required in civil engineering and industrial operations.

Assessment of the assumptions forming the basis for last year's estimates

The assumptions used in the calculations at the end of 2021 were largely achieved. An impairment totalling NOK 18 million was made due to failure to achieve targets in two smaller units in Construction Sweden

Details of goodwill items with a carrying amount exceeding NOK 100 million[1]

Figures in NOK million	CGU revenue for 2022[2]	CGU margin achieved in 2022	Revenue growth after 2022[3]	Impairment indicator: Profit margin over time[4]
Construction Norway – Leif Grimsrud AS	947	2.3%	2.5%	2.3%
Construction Norway – Veidekke Entreprenør AS, business area South	1 796	2.6%	2.5%	1.5%
Infrastructure Norway – Veidekke Industri AS, business area Asphalt	2 803	-2.1%	2.5%	1.3%
Veidekke Denmark – Hoffmann A/S	2 420	8.8%	2.5%	1.2%
Construction Sverige – Arcona AB	1 705	-0.3%	2.5%	1.2%
Construction Sweden – BRA AB	3 954	6.3%	2.5%	1.9%

[1] Constructa Entreprenør AS is not included in the table, as this business was purchased in December 2022.
[2] Revenue in the cash-generating unit (CGU) which the goodwill will be measured against.
[3] Expected growth in revenue used in tests at 31 December 2022.
[4] "Break-even" level. If the future expected profit margin (over time) is lower than the stated profit margin in the table, this indicates that goodwill impairment is necessary.

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Sensitivity analysis for goodwill items with a value of over NOK 50 million

The group has carried out sensitivity analyses to assess the calculated present values for each cash-generating unit with goodwill in excess of NOK 50 million. This does not indicate the need for impairment in the event of a negative change in the assumptions. The sensitivity analysis is based on the financial assumptions described above. Calculations are made on the basis that one of the estimated financial assumptions changes and that the remaining assumptions remain the same. The sensitivity calculations are based on a reasonable outcome range. A reduction in revenue of over 20% is considered unlikely. However, if this were to occur, such a reduction could have a significant impact on the units' performance and would most likely result in impairment.

The following table shows impairment for changes in the assumptions used in the sensitivity analysis

	Discount rate		Revenue[1]		Profit margin	
Change in assumption	+100 bp	+200 bp	-10%	-20%	-20%	-40%
Impairment need	-	-	-	-	-	-

[1] Margins maintained.

Note 11. Other intangible assets

Other intangible assets include extraction rights in the business area Aggregates, customer portfolios and investments in IT systems. Depreciation of the right to extract aggregates is determined on the basis of extraction of gravel. Customer relations are depreciated on a straight-line basis over four to five years, while IT systems are depreciated on a straight-line basis over five to eight years.

Figures in NOK million	2022	2021
Carrying amount at 1 January	**150**	**130**
Original cost at 1 January	285	267
Additions, acquisitions of companies/ongoing operations	10	42
Original cost sold operations, disposal	-3	-31
Reclassification/other changes	1	16
Translation differences original cost	-4	-9
Original cost at 31 December	**291**	**285**
Accumulated depreciation/impairment at 1 January	-135	-137
Accumulated depreciation sold operations	1	9
Depreciation for the year	-22	-14
Reclassification/other changes	-1	-
Translation differences depreciation	3	7
Accumulated depreciation / impairment at 31 December	**-154**	**-135**
Carrying amount at 31 December	**137**	**150**

Distribution of other intangible assets:

Figures in NOK million	2022	2021
IT systems	80	82
Rights to extract aggregates	51	58
Other intangible assets	6	10
Carrying amount at 31 December	**137**	**150**

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Note 12. Plant, machinery, land and buildings

	2022				2021			
Figures in NOK million	Plant and machinery	Asphalt and aggregates plants	Land and buildings	Total	Plant and machinery	Asphalt and aggregates plants	Land and buildings	Total
Carrying amount at 1 January	**1 599**	**600**	**689**	**2 889**	**1 640**	**582**	**739**	**2 961**
Original cost at 1 January	4 762	1 543	1 028	7 333	4 747	1 499	1 064	7 311
Additions, running operations	633	111	31	774	511	143	57	711
Additions, acquisition of companies	33	-	39	72	61	-	21	82
Disposals original cost	-796	-6	-8	-811	-405	-20	-90	-515
Disposals original cost, disposed operations	-	-	-	-	-43	-73	-6	-121
Reclassification/other changes	-16	-	7	-9	-45	-	-1	-47
Translation differences original cost	-22	-3	2	-23	-65	-6	-17	-87
Original cost at 31 december	**4 593**	**1 645**	**1 097**	**7 336**	**4 762**	**1 543**	**1 028**	**7 333**
Accumulated depreciation/impairments at 1 January	-3 163	-944	-338	-4 444	-3 107	-917	-326	-4 350
Accumulated depreciation, disposed operating equipment	721	6	5	732	321	21	14	355
Accumulated depreciation, disposed operations	-	-	-	-	24	30	3	57
Depreciation for the year	-446	-83	-20	-550	-451	-79	-28	-558
Impairment for the year	-	-	-1	-1	-1	-	-	-1
Reclassifications/other changes	4	-	-	3	11	-	-5	5
Translation differences, depreciation	15	1	-3	13	40	2	5	47
Accumulated depreciation at 31 December	**-2 869**	**-1 020**	**-358**	**-4 247**	**-3 163**	**-944**	**-338**	**-4 444**
Carrying amount at 31 December	**1 724**	**626**	**740**	**3 089**	**1 599**	**600**	**689**	**2 889**
Depreciation method	Straight line	Straight line	Straight line		Straight line	Straight line	Straight line	
Depreciation rate	15–25%	7%	2–5%		15–25%	7%	2–5%	

As at 31 December 2022, the group has entered into contracts worth NOK 205 million on delivery of operating equipment, which are due for delivery in 2023.

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Additions and disposals (sales price)

	2022		2021	
Figures in NOK million	Additions	Disposals	Additions	Disposals
Plant and machinery	633	188	511	162
Asphalt and aggregates plants	111	3	143	11
Land and buildings	31	165	57	105
Additions and disposals (sales price)	774	356	711	278

Net gain (loss) on sale of operating equipment[1]

Figures in NOK million	2022	2021
Plant and machinery	112	78
Asphalt and aggregates plants	3	12
Land and buildings[2)]	132	28
Total net gain on sales	247	118

[1] Gains on sale of operating equipment are included in revenues. Losses on sale of operating equipment are included in operating expenses.
[2] In 2022, the sale of a site by Infrastructure Sweden generated a gain of NOK 130 million. For further information, see note 14.

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Note 13. Leases (IFRS 16)

The group as a lessee

The group leases various assets, mainly office premises and other land and buildings. Other leased assets include machinery, equipment and vehicles.

Leased assets

	2022			2021		
Figures in NOK million	Machinery etc.	Properties	Total	Machinery etc.	Properties	Total
Carrying value of leased assets at 1 January	205	692	896	189	579	768
Acquisition cost at 1 January	412	1 099	1 511	357	866	1 224
Addition of leased assets	223	90	312	202	282	484
Termination of leases	-127	-18	-145	-137	-37	-174
Translation differences	-2	-6	-8	-11	-12	-23
Acquisition cost at 31 December	505	1 166	1 671	412	1 099	1 511
Accumulated depreciation and impairments at 1 January	-207	-407	-614	-169	-287	-456
Depreciation	-168	-179	-348	-172	-163	-335
Termination of leases	127	18	145	128	37	165
Translation differences	-	3	4	6	6	11
Accumulated depreciation and impairments at 31 December	-248	-566	-814	-207	-407	-614
Carrying value of leased assets at 31 December	257	600	857	205	692	896
Lower of remaining lease period and economic life	1–5 years	1–10 years		1–5 years	1–10 years	
Depreciation method	Straight line	Straight line		Straight line	Straight line	

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Lease obligations

Figures in NOK million	2022	2021
Total lease obligations at 1 January	**907**	**776**
New/amended lease obligations recognised during the period	312	484
Payment of principal	-343	-330
Payment of interest	-29	-27
Interest cost linked to lease obligations	29	27
Terminations of leases	-	-9
Translation differences	-4	-14
Total lease obligations at 31 December	**872**	**907**
- of which long-term lease obligations (note 24)	554	634
- of which short-term lease obligations (note 25)	318	274
Undiscounted lease obligations and payment dates		
Less than 1 year	325	280
1–2 years	210	208
2–3 years	108	182
More than 3 years	302	326
Total undiscounted lease obligations, 31 December	**946**	**996**
Net cash flow from lease obligations	**-372**	**-357**
Average discount rate	3.3%	3.2%

The lease agreements do not contain restrictions on the group's dividend policy or financing options. The group has no material residual-value guarantee liability linked to its lease agreements.

Other lease costs recognised in the income statemetn

Figures in NOK million	2022	2021
Operating expenses during the period linked to short-term lease agreements (including short-term lease agreements of low value)	506	580
Operating expenses during the period linked to low-value assets (excluding short-term lease agreements above)	128	80
Variable lease payments expensed during the period	-	10
Total lease costs included in other operating expenses	**634**	**659**

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Applied practical solutions
Veidekke leases various machinery and equipment in connection with construction and civil engineering projects. Which type of equipment is required in a project varies greatly, because of different needs at different stages of the construction process. A large proportion of this equipment has a lease period of less than 12 months. The group has decided not to recognise leases with a period of less than one year and therefore does not recognise lease obligations and leased assets for any of these lease agreements. The lease payments are instead expensed as they arise. The group also does not recognise lease obligations and leased assets where the underlying asset is of low value – see the overview in the table above.

Options to extend lease agreements
The group's lease agreements related to buildings have lease periods of between one and ten years. Several agreements include an option to extend the lease which may be exercised in the last period of the agreement. When entering into an agreement, the group assesses whether it is reasonably certain that the option to extend will be exercised.

Purchase options
The group leases machinery, equipment and vehicles for lease periods of between three and five years. Some of these lease agreements include an option to purchase the assets at the end of the lease period. When entering into an agreement, the group assesses whether it is reasonably certain that the purchase option will be exercised.

The group as a lessor
Veidekke has lease agreements related to the the leasing out of properties, current assets, etc. The table below shows revenues from the lease activities.

Veidekke's revenues from lease activities

Figures in NOK million	2022	2021
Lease income this year	24	16
Lease income next year	15	10
Total lease income after two year	48	10

The group has classified all these leases as operating leases, because they essentially do not transfer the risks and benefits associated with ownership of the properties or machines to the lessees.

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Note 14. Acquisitions and divestments

Acquisitions in 2022

In 2022, Construction Norway took over all the shares in Constructa Entreprenør AS. The company operates a construction business centred on Bergen, Norway, focusing primarily on commercial buildings and public buildings. The purchase price of the shares was NOK 383 million, of which approximately 40% was settled in the form of shares in Veidekke ASA. The company's accounts for 2022 showed revenue of NOK 785 million and a pre-tax profit of NOK 41 million. On the takeover date, the company had bank deposits of NOK 130 million. Goodwill of NOK 259 million was recognised for the company in connection with the purchase. In addition, NOK 17 million was allocated to excess value in the form of property and machinery. Constructa Entreprenør AS was consolidated into Veidekke's group accounts as of 1 December 2022, and is included in the group accounts for 2022 with sales of NOK 44 million and a pre-tax profit of NOK 4 million.

Accounting effects of the acquisition of Constructa Entreprenør AS

Figures in NOK million	2022
Consideration for the shares	383
Net value recognised in the statement of financial position on the acquisition date	107
Net identified excess value	17
Goodwill recognised in the statement of financial position	259
Total value recognised in the group accounts	**383**

Figures in NOK million	
Purchase price paid for the shares	-383
Taken over liquid assets in the company	130
Net cash flow from the purchase	**-253**

In addition to the acquisition of Constructa Entreprenør AS, two smaller acquisitions were also made in 2022, involving total consideration of NOK 11 million.

Divestments in 2022

Infrastructure Sweden sold an industrial site in Snebro at Nykvarn – south of Stockholm – in 2022, to the logistics company NREP Logicenters. The transaction generated an accounting gain of NOK 130 million, which has been included in Infrastructure Sweden's profit. The income is shown on the operating income line in the accounts. The sale has been treated as a sale of an operating asset.

Acquisitions in 2021

There were no material acquisitions in 2021.

Divestments in 2021

Infrastructure Norway sold its asphalt and aggregates operation in Rogaland in 2021. The background was an assessment of the group's asphalt and aggregates positions in Norway, and the fact that Veidekke had not achieved satisfactory profitability for the Rogaland asphalt operation. The divested business had revenues of NOK 125 million in 2020, with a slightly negative result. The business was sold for NOK 135 million and generated an accounting pre-tax profit of NOK 29 million. The sale was treated as sale of business.

Cash-flow effects of acquisitions and divestments

Figures in NOK million	2022	2021
Payments for acquisitions current year	-264	-10
Deferred payments for previous acquisitions, paid	-35	-65
Divestments	3	135
Net cash flow, acquisitions and divestments	**-296**	**60**

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Note 15. Investments in associates and joint ventures

This balance sheet item mainly comprises investments in PPP companies. The movements for the year for investments in associates and joint ventures are presented in the table below:

	Joint ventures		Associates		Total	
Figures in NOK million	2022	2021	2022	2021	2022	2021
Carrying value of investment at 1 January	135	172	15	24	150	197
Share of the profit for the year	31	2	6	1	37	2
Reclassification to current liabilities	-	16	-	-	-	16
Dividends received	-22	-24	-	-2	-22	-26
Acquisition of companies/capital increases	52	3	3	-	54	4
Disposal of companies	-4	-77	-3	-8	-7	-85
Change in value recognised in total comprehensive income	68	49	-	-	68	49
Currency translation differences	-1	-6	-1	-1	-2	-7
Carrying value of investment at 31 December	**258**	**135**	**21**	**15**	**278**	**150**

See note 16 Public-private partnership (PPP) projects for more information about the joint ventures reported under the business area Other.

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Note 16. Public–private partnership (PPP) projects

Veidekke has interests in five PPP projects: four school projects and one road project.

PPP (Public–Private Partnership) projects are a collaboration between a public and a private operator on a construction project, where a municipality or government agency orders a service, which in Veidekke's case relates to the lease of a road or school for an agreed lease period. Veidekke establishes a limited liability ("AS") company, which then acts as contracting client, performs the project planning and design, and is responsible for the construction, financing, operation and maintenance during a given lease period. In connection with the school projects, Veidekke Entreprenør AS (Construction Norway) is responsible for both the construction and the operation and maintenance of the buildings during the lease period, while for the road project, the construction work is carried out by Veidekke Entreprenør AS (Construction Norway), while Veidekke Industri AS (Infrastructure) undertakes the operation and maintenance work. The actual construction and operation are accounted for in the same way as for ordinary projects and are included in the respective business area's income statement. Figures for the performance of the owner role for the five projects are reported under the segment Other operations. The PPP contracts are accounted for as financial assets according to IFRIC 12 Service Concession Arrangements (The Financial Asset Model), based on amortised cost. Income from the operation and maintenance contract is recognised over the operation period, as the work is done.

Overview of PPP contracts	Lease period	Construction contract	Ownership share	Status	Legal owner
Rykkinn school	2016–2041	0.2 billion	50%	Lease period	Skuleveg AS
Jessheim secondary school	2017–2042	0.8 billion	50%	Lease period	Skulebygg AS
Gystadmarka school	2018–2043	0.2 billion	50%	Lease period	Skuleplass AS
Justvik school	2018–2043	0.1 billion	50%	Lease period	Skulegard AS
E39 Lyngdal-Flekkefjord	2006–2031	1.2 billion	50%[1]	Lease period	Allfarveg AS

[1] Veidekke's share of profit is 68%.

The value of investments in the statement of financial position includes the negative value of hedging reserves. In the financial statements, the PPP companies are included on the following lines in the accounts:

Figures in NOK million	2022	2021
Income statement		
Share of net income from joint ventures	27	22
Profit before tax	27	22
Statement of financial position		
Investments in joint ventures	164	88
Non-current assets	164	88
Current assets	-	-
Total assets	164	88
Equity	164	88
Non-current liabilities	-	-
Current liabilities	-	-
Total equity and liabilities	164	88

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Financial Instruments – financing of PPP projects

Dedicated funding has been obtained for all the projects in the construction and lease period. To ensure predictability in the lease period, interest rate agreements have been entered into. These agreements run over the lifetime of the projects. The rental income from the state or municipality is largely determined at the signing of the contract, making it expedient to hedge the project's interest expense over the same period in order to reduce the overall financial risk. Hedging ensures that any subsequent changes in interest rates will not have a significant impact on the profitability of the projects. The interest hedges are designed to satisfy the requirements for hedge accounting. Key figures for loans and interest rate swaps are shown in the tables below.

PPP school projects

Veidekke's share of interest rate derivatives entered into to cover obligations related to the construction and leasing of schools.

Figures in NOK million	Nominal value	Due date	Fair value[1]	Recognised value[2]
Financing – fixed rate loans	74	July 2041	0	0
Financing – fixed rate loans	320	August 2042	5	0
Financing – fixed rate loans	97	December 2042	8	0
Financing – fixed rate loans	41	December 2042	3	0

[1] Fair value is Veidekke's share of the market value of the financial instrument on 31 December 2021. A positive figure means that the applicable interest rate is higher than it was at the time the contract was signed and indicates, theoretically, what will be refunded by the counterpart beyond the principal amount in the event of termination of contract.

[2] According to the loan agreement, Veidekke cannot receive any refund in case of early repayment, and the financial instruments are therefore valued at NOK 0.

PPP project National highway E39 Lyngdal–Flekkefjord

The ownership role in the PPP project E39 is exercised through Veidekke's 50% stake in the company Allfarveg AS. The table below shows Veidekke's share of the interest rate derivative.

Figures in NOK million	Nominal value	Due date	Fair value	Recognised value
Hedging – interest rate swaps	403	August 2030	-34	-27

Specification of the item in the statement of financial position Investment in the joint venture Allfarveg AS:

Figures in NOK million	2022	2021
Carrying value at 1 January	55	21
Recognised profit	17	13
Dividends	-11	-8
Adjustments for fair value of long-term interest rate swaps	29	29
Carrying value at 31 December	**90**	**55**

Total hedging reserve on the PPP projects:

Figures in NOK million	2022	2021
Hedging reserve at 1 January	-97	-155
This year's changes in the hedging reserve	70	58
Hedging reserve at 31 December	**-27**	**-97**
Adjustment of hedging reserve by not including negative equity	-	3
Hegding reserve at 31 December included in the financial statements	**-27**	**-94**

The table shows Veidekke's share of interest rate derivatives related to PPP projects. The fair value of all the interest rate derivatives has been reduced by NOK 27 million after tax at 31 December 2022.

A sensitivity analysis has been conducted of the effect of a possible change in interest rates by 100 basis points up or down. A change of this magnitude would have an effect on equity in the order of +NOK 11 million/-NOK 26 million.

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Note 17. Financial assets

Figures in NOK million	2022	2021
Financial investments	313	303
Other non-current receivables	70	62
Shareloans to employees	122	97
Other shares	19	17
Financial assets	524	479

Financial investments totalling NOK 313 million relate to the coverage of pension liabilities, and are subject to security pledge. Just over 80% of the portfolio is invested in a high-yield bond fund, while the rest is invested in a stock mutual fund. These investments are classified as financial assets measured at fair value with value changes recognised through net profit and loss. One-third of the portfolio enjoys some protection because a change in the value of the investment is compensated for by a corresponding change in the pension liabilities.

Share loans to employees can be subdivided into the following categories:

Figures in NOK million	2022	2021
Loans to employees at fair value	100	86
Long-term advance to employees	22	11
Carrying value of share loans to employees	122	97

Loans to employees are recognised at fair value in accordance with the principles of IAS 39. The interest rate as of 31 december 2022 is 0.8%. Carrying value is estimated by discounting the expected future repayments by an estimated market interest rate. The difference between the carrying value and the nominal value of the loans is treated as advance payments to employees. Satisfactory security has been furnished for the loans. See note 6.

Note 18. Inventory

Inventory includes project inventories in construction and infrastructure projects, such as materials, raw materials (aggregates and bitumen), spare parts and small equipment.

Figures in NOK million	2022	2021
Infrastructure Norway, Asphalt and Aggregates	144	200
Infrastructure Norway, Civil engineering	214	178
Construction Norway	169	106
Infrastructure Sweden	14	55
Construction Sweden	41	16
Other	57	35
Total inventory	639	590

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Note 19. Trade receivables and contract balances

Trade receivables are invoiced receivables in which Veidekke has an unconditional right to payment, while contract assets represent a conditional right to payment. These terms are explained in more detail in the section on contract balances.

Trade receivables and contract assets in the statement of financial position at 31 December consist of the following elements:

Figures in NOK million	2022	2021
Invoiced trade receivables	6 942	6 661
Provisions for bad debts	-16	-26
Work invoiced in advance	-3 074	-3 103
Trade receivables	**3 852**	**3 533**
Work done, but not invoiced	1 516	1 042
Due from customers	1 213	1 015
Contract assets	**2 729**	**2 056**
Trade receivables and contract assets	**6 581**	**5 589**

Maturity structure of invoiced trade receivables at 31 December:

Figures in NOK million	2022	2021
Receivables not due for payment	4 042	4 082
Less than 30 days since due date	620	622
30–60 days since due date	173	49
60–90 days since due date	60	50
90–80 days since due date	326	86
More than 180 days since due date[1]	1 722	1 773
Invoiced trade receivables	**6 942**	**6 661**

[1] Receivables that are overdue by more than 180 days comprise significant sums. These are generally related to disputes, which take time to resolve and which, in some cases, have to be resolved in a court of law. Any impairment of a receivable based on project risk is included in the evaluation of the project's likely outcome (estimated final result) and is listed as "Work invoiced in advance" in the table above. The amount listed therefore does not express the real risk of loss. See note 32 Project-related disputes and claims.

Changes in the provision for impairment related to credit risk from trade receivables:

Figures in NOK million	2022	2021
Provisions at 1 January	26	36
Currency translation differences	-	-1
Provisions made during the year	3	7
Provisions used during the year	-7	-8
Provisions reversed during the year	-6	-7
Provisions at 31 December	**16**	**26**

Provisions are mainly made on a group basis.

Credit risk exposure

Credit risk is the risk that Veidekke will incur a loss as a result of a customer's inability to fulfil their obligations (bankruptcy risk).

Figures in NOK million	2022	2021
Trade receivables and contract assets	6 581	5 589
Of which:		
Received bank guarantees to trade receivables and contract assets	447	447
Other guarantees	200	53
Receivables from public authorities (state and municipal level)[1]	2 845	2 390
Total trade receivables and contract assets with minimal risk	**3 493**	**2 889**
Maximum unhedged credit risk in the trade receivables and contract assets	**3 088**	**2 700**

[1] It has been assumed that the credit risk linked to receivables from public authorities (state and municipal level) in Scandinavia is minimal.

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Contract balances

Revenue recognition, invoicing and payments from customers are generally done at different times, resulting in trade receivables, uninvoiced receivables (contract assets) and prepayments from customers (contract liabilities) in Veidekke's statement of financial position.

In the infrastructure operations and in some parts of the building construction operations, invoicing normally occurs after the work has been done, either at fixed intervals or as milestones are reached. This entails a time lag in invoicing for work that has been done, which in turn results in recognition of a contract asset.

The construction operations generally use fixed payment plans, and if the payment exceeds the work that has been done, the difference is classified as a contract liability in the statement of financial position.

On the balance sheet day, all projects are reviewed, and for each project either a net asset or a net liability to the customer is recognised. The table below provides information on receivables, contract assets and contract liabilities from contracts with customers at year-end.

Figures in NOK million	2022	2021
Trade receivables	3 852	3 533
Contract assets	2 729	2 056
Contract liabilities	-1 984	-1 936

Contract assets consist of fulfilment of performance obligations, mainly from construction projects and other projects in which progress is measured over time. Contract assets are reclassified as trade receivables when Veidekke has the right to invoice based on work done.

Due from customers is also classified as contract assets. This is money that is withheld as security for the client and that is settled when the project is finished.

Contract assets

Figures in NOK million	2022	2021
Statement of financial position at 1 January	2 056	2 961
Invoiced receivables throughout the year	-1 858	-3 203
Work done this year, not invoiced	2 530	2 298
Statement of financial position at 31 December	**2 729**	**2 056**

Contract liabilities primarily consist of prepayments from construction contract customers, where income is earned over time. The contract liabilities as at 31 December 2021 have largely been recognised as income in 2022.

Contract liabilities

Figures in NOK million	2022	2021
Statement of finanacial position at 1 January	-1 936	-1 912
Recognised as income during the year	1 936	1 912
Acquisition of companies	-61	-
Advances received	-1 923	-1 936
Statement of financial position at 31 December	**-1 984**	**-1 936**

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Note 20. Cash and cash equivalents

The group's cash and cash equivalents comprise bank deposits and money market funds.

Figures in NOK million	2022	2021
Investments in money market funds	1 294	1 872
Bank deposits[1]	1 421	1 942
Total cash and cash equivalents	2 714	3 814

[1] Of which NOK 74 million (31) in restricted cash.

Veidekke has developed a strategy and a plan for managing and investing its excess liquidity to secure a higher return for the company than could currently be achieved on bank deposits, taking into account the need for necessary liquidity/accessibility and low risk. The investments in various money market funds are highly secure and can be liquidated on short notice. The funds are therefore classified as cash equivalents.

In addition to a NOK 1 294 million investment in money market funds, Veidekke has invested NOK 523 million in bond funds, classified as short-term financial investments in the statement of financial position. The bond funds have a well-diversified portfolio, and are considered to have high liquidity, but to be less accessible than money market funds and bank deposits.

Note 21. Number of shares, shareholders etc.

The following table lists Veidekke ASA's largest shareholders at 31 December 2022:

	Number of shares	Ownership share
OBOS BBL	26 341 564	19.5%
Folketrygdfondet	13 784 550	10.2%
If Skadeförsäkring AB	5 041 200	3.7%
Verdipapirfond ODIN Norge	4 622 958	3.4%
Vanguard	3 712 435	2.8%
Pareto Aksje Norge Verdipapirfond	3 050 288	2.3%
Must Invest AS	3 000 000	2.2%
Danske Invest	2 924 390	2.2%
MK Pensjon PK	2 748 284	2.0%
DNB Asset Management	2 014 639	1.5%
Swedbank Robur Fonder	1 700 000	1.3%
Constructa AS	1 647 954	1.2%
BlackRock	1 639 782	1.2%
Storebrand Asset Management	1 609 634	1.2%
RBC Global Asset Management	1 491 106	1.1%
Dimensional Fund Advisors	1 490 687	1.1%
Arctic Fund Management	1 452 713	1.1%
Holberg funds	1 270 000	0.9%
KLP Kapitalforvaltning AS	1 047 753	0.8%
Forsvarets Personellservice	973 250	0.7%
Sum 20 largest shareholders	**81 563 187**	**55.8%**
Own shares	52 455	0.0%
Others	53 340 625	39.5%
Total	**134 956 267**	**100.0%**

Change in number of shares	
Number of shares at 1 January 2022	134 956 267
Number of shares at 31 December 2022	134 956 267

Each share has a nominal value of NOK 0.50.

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Shares owned by board members and members of the corporate management at 31 December 2022:

THE BOARD OF DIRECTORS	Number of shares
Gro Bakstad, board chair	15 500
Daniel Kjørberg Siraj[1]	-
Hanne Rønneberg	1 700
Per Ingemar Persson	55 740
Klara-Lise Aasen	438
Carola Lavén	-
Pål Eitrheim	-
Inge Ramsdal	8 720
Odd Andre Olsen	5 230
Arve Fludal[2]	3 199
Shares owned by board members	**90 527**

[1] Daniel Kjørberg Siraj has no private shareholding, but represents the shareholding of OBOS BBL: 26 341 564 aksjer

[2] Arve Fludal also owns 3 000 options

MEMBERS OF THE CORPORATE MANAGEMENT	Number of options	Number of shares
Jimmy Bengtsson	3 000	62 087
Jørgen Wiese Porsmyr	3 000	119 657
Terje Larsen	3 000	115 273
Lars Erik Lund	500	16 157
Anne Thorbjørnsen	3 250	38 252
Kristina Andreasson	2 000	11 677
Hans Olav Sørlie	4 000	84 937
Øivind Larsen	2 000	21 947
Charlotta Nilsen	-	5 100
Marcus C Nilsson	1 000	26 093
Total shares owned by corporate management	**21 750**	**501 180**
Total shares owned by board members and corporate management	**24 750**	**591 707**

As at 31 December 2022, Veidekke employees own approximately 12% of the shares (11.5% as at 31 December 2021).

Own shares

Veidekke owned 52 455 own shares as at 31 December 2022 (0 as at 31 December 2021).

Dividend

The dividend for the financial year 2021, which was paid in 2022, amounted to NOK 945 million (NOK 7.00 per share). The proposed dividend for the financial year 2022 amounts to NOK 1 046 million (NOK 7.75 per share).

Payment of dividends to Veidekke ASA's shareholders does not affect the company's tax payable or deferred tax.

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Note 22. Pensions

Veidekke now mostly has defined-contribution pension schemes. However, defined-benefit pension plans still exist for a few employees. For the defined-contribution plans, the cost is equal to the contribution in the period for employees plus taxes. Here, each individual's future pension depends on the annual contribution and the return on the pension assets. In the remaining defined-benefit plans, Veidekke is responsible for paying an agreed pension to an employee on the basis of expected final salary. The cost in the period under this scheme shows the employees' pension earnings in the financial year plus taxes.

Norway

In Norway, Veidekke has the following pension schemes:

- General pension scheme
- Contractual early retirement scheme (AFP)
- Early retirement scheme for some executives
- Additional pension for employees with salaries exceeding 12G

General pension schemes

Veidekke has a defined-contribution scheme, whereby Veidekke pays a monthly contribution into the individual employee's pension account. The size of the contribution depends on the employee's salary. The contribution is 5.5% of pay for salaries up to 7.1G and 11% for salaries between 7.1G and 12G. As of 1 July 2022, the arrangement was adjusted so that salary below 1G also qualifies for pension contributions. The employees can choose the risk profile for the management of their pension funds. In the event of death, the pension account accrues to the employee's survivors.

Employees born in 1957 or earlier and who were working for Veidekke on 31 December 2012 are members of a defined-benefit pension scheme. Veidekke's pension plan is a supplemental pension which, together with the national insurance pension, provides a retirement pension totalling approximately 60% of an employee's salary on retirement, assuming a full service period. The scheme has previously been financed by funds accumulated in a life insurance company.

In 2021, the scheme was revised through the issue of paid-up policies to retired staff in respect of accrued pension rights. In total, paid-up policies with a value of NOK 639 million were issued. In the statement of financial position, pension assets and pension liabilities are presented net, meaning that the change has had little effect on the accounts. For the affected retired staff, discontinuation of the scheme means that Veidekke no longer guarantees the scheme. Their accrued pension rights are unchanged.

The part relating to the pension scheme for salaries exceeding 12G is financed through operations. Veidekke has investments in mortgaged bond and equity funds related to this scheme. See note 17 and 27.

Prior to 1 January 2013 Veidekke had a defined-benefit pension scheme for all its employees. In connection with the transition to a defined-contribution pension, a compensation scheme was introduced for employees who would lose out as a result of the switch to the new pension plan. Provisions are made for this.

Contractual early retirement scheme (AFP)

The private-sector AFP early retirement scheme is a life-long supplement to the public retirement pension scheme and is paid no earlier than age 62. The Norwegian group companies have AFP early retirement pensions for their employees. Employees must satisfy a number of conditions to be eligible for early retirement under the AFP scheme.

The AFP scheme is a defined-benefit, multi-employer pension plan and is financed through premiums, which are determined as a percentage of the salary. There is currently no reliable measurement and allocation of liabilities and assets in the scheme. For accounting purposes, the scheme is treated as a defined-contribution plan for which premium payments are expensed as incurred, and no provisions are made in the accounts. If the scheme had been capitalised, its implementation would have had significant impact on the accounts. The premium for 2022 was 2.6% of reported salaries between 1G and 7.1G.

Early retirement scheme for executives

Veidekke has an early retirement scheme for some of its senior executives in Norway covering retirement between the ages of 64 and 67. It is a defined-benefit plan and has seven members. These individuals have the right to retire at the age of 64, with an early retirement pension that is 60% of their final salary (including national insurance benefits and contractual early retirement pension payments), financed through operations. The scheme is closed. Veidekke's Group CEO has a separate agreement. For further details, see note 31.

Pensions on salaries above 12G

Veidekke has a pension savings scheme for employees in Norway with salaries exceeding 12G where 20% of the salary above 12G is saved. The pension is paid from 62 years at the earliest and for a maximum of 15 years from when it is first drawn.

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Denmark and Sweden

Veidekke has defined-contribution pension schemes for its employees in Denmark and Sweden whereby the company makes a monthly contribution to the scheme, while the employees bear the risk for the return on the pension funds. The pension funds are placed in life insurance companies, which manage the funds and administer the schemes. The pension schemes cover retirement and disability pension.

In Denmark Veidekke pays two-thirds of the contributions, while the employee pays the remaining third. The employer's contribution constitutes between 8% and 10% of the salary. The retirement age in Denmark is between 65 and 69 years, depending on year of birth. Going forward, the retirement age will be adjusted based on the average life expectancy of the population. The payment of the retirement pension is very flexible, and, in the event of death before retirement, the pension is payable to surviving dependants. There is a corresponding defined-contribution scheme for the management of the Danish company, but in this scheme the employer's contribution is 10% of the salary.

In Sweden, Veidekke has a collective pension scheme, where the majority of employees have a defined-contribution pension plan. The pension plan comprises retirement pension, sickness pension, family pension and debt insurance. The administrative staff have two different schemes: ITP1 for people born after 1979 and ITP2 for people born before 1979. The skilled workers have a SAF-LO scheme. All the pension schemes are premiums-based, with savings varying between the schemes. The premiums also vary depending on income and age.

On average Veidekke pays 15% of the salary towards pensions. The employees do not pay into the schemes. The schemes are recognised in the accounts as defined-contribution schemes. The employees have great flexibility in their pension and can choose where the pension funds are invested and with which insurance company. Employees may decide themselves when they wish to begin drawing their pension, based on their year of birth. The retirement age is from 65 to 69 years.

Overview of pension costs and pension liabilities

Figures in NOK million	2022	2021
Pension costs		
Current service cost	10	17
Interest cost on net pension liabilities	6	6
Gain on liquidation of pension scheme	4	-6
Total cost defined-benefit schemes	20	17
Cost of defined-contribution and deposit schemes	544	554
Pension costs	564	571
Composition of net pension liabilities		
Pension liability – defined-benefit schemes	-477	-604
Pension assets	111	201
Unrecognised pension assets	-2	-7
Net pension liability defined-benefit schemes	-367	-410
Pension liability – other schemes	-195	-182
Pension liability at 31 December	-565	-596
Pension assets at 31 December	3	3

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Figures in NOK million	2022	2021
DETAILS LIABILITIES DEFINED-BENEFIT SCHEMES		
Change in gross pension liability during the year		
Gross pension liability at 1 January	-604	-1 210
Acquisition of new companies	-	-14
Accruals during the year (present value)	-11	-16
Interest cost	-10	-12
Gains on liquidation of pension scheme	-4	6
Issuance of paid-up policies upon liquidation of pension scheme	22	639
Actuarial gains and losses recognised in comprehensive income	106	-48
Payroll tax of employer's contribution	1	3
Benefits paid during the year	23	40
Other changes	-	8
Gross pension liability at 31 December	**-477**	**-604**
Change in pension assets during the year		
Pension assets at 1 January	201	839
Expected return	3	6
Issuance of paid-up policies – liquidation of pension scheme	-22	-639
Grants	9	24
Repayment, pension premium	-2	-
Year's actuarial gains and losses recognised in total comprehensive income	-69	2
Payroll tax of employer's contribution	-1	-3
Benefits paid during the year	-7	-28
Premium assets at 31 December	**111**	**201**
Change in unrecognised asset ceiling during the year		
Unrecognised asset due to asset ceiling at 1 January	-7	-3
Year's actuarial gains and losses recognised in total comprehensive income	5	-4
Unrecognised asset due to asset ceiling at 31 December	**-2**	**-7**

Overview of net pension liabilities and actuarial gains and losses

Figures in NOK million	2022	2020
Gross pension liabilities	-477	-604
Pension assets	111	201
Impact of unrecognised asset ceiling	-2	-7
Net pension liability defined-benefit schemes	-367	-410
Overview of actuarial gains and losses - defined-benefit schemes		
Liabilities:		
Changes in economic assumptions	40	29
Changes in population and demographic assumptions	8	-88
Pension assets:		
Actual return v. actuarial assumption	-6	9
Year's actuarial gains and losses recognised in total comprehensive income before tax	42	-50
Year's actuarial gains and losses recognised in total comprehensive income after tax	33	-39
Financial assumptions		
Discount rate/return on pension investments	3.2%	1.5%
Annual wage growth	3.8%	2.5%
Annual adjustment of G (National Insurance Scheme basic amount)	3.5%	2.3%
Annual adjustment of pensions under payment	1.8%	1.5%
Mortality table	K2013F	K2013F
Pension assets		
Investment		
Property	14%	13%
Bonds	47%	47%
Short-term investments	35%	28%
Shares	4%	12%
Total investments	100%	100%
Return		
Book return	0.5%	4.6%
Adjusted return	-3.1%	3.7%

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Pensions 2023
The estimated premium for defined-benefit plans for 2023 is NOK 17 million, wheras the cost is expected to be NOK 20 million.

Sensitivity analysis
Any changes made in the economic assumptions that are categorised as probable will not have a significant impact on the ordinary income statement. The effect on the statement of financial position may be larger, as pension liabilities are recognised at fair value. Changes in actuarial assumptions may entail differences in the group's equity of up to NOK 40 million.

Note 23. Tax costs and deferred tax

Figures in NOK million	2022	2021
Income tax expense		
Tax payable	222	335
Change in deferred tax	85	-21
Total tax expense	308	313
Reconciliation of the group's tax rate		
Pre-tax profit	1 467	1 342
Calculated income tax expense based on Norway's current tax rate (22%)	323	295
Actual income tax expense	308	313
Difference	15	-18
Explanation difference income tax expense		
Tax from activity in joint ventures	7	6
Tax-exempted sales of companies	32	12
Other permanent differences:		
Non-deductible expenses	-13	-11
Effect of lower tax rate in Sweden	6	4
Addition to the purchase price for business acquisitions, non-deductible cost	-22	-24
Other items	4	-6
Total	15	-18
Group tax rate	21%	23%

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Deferred tax liabilities

Figures in NOK million	2022	2021
Deferred tax		
Current items[1]	937	780
Total current items	**937**	**780**
Operating equipment – additional depreciation	221	206
Other non-current items	21	14
Provisions for liabilities	-229	-280
Pension liabilities	-117	-122
Total non-current items	**-104**	**-182**
Losses carried forward	-160	-18
Net deferred tax liabilities	**674**	**581**

[1] In Norway and Denmark construction projects in progress are not taxed until completion and handover. Given stable order levels, this will provide a permanent tax credit of approx. NOK 900 million.

Change in deferred tax liabilities

Figures in NOK million	2022	2021
Current items	157	-110
Operating equipment - additional depreciation	15	31
Other non-current items	7	-45
Provisions for liabilities	51	14
Pension liabilities	5	-13
Losses carried forward	-142	103
Change in deferred tax	**93**	**-20**
Currency translation differences	-3	8
Deferred tax in connection with acquisition/sale of companies	-19	2
Change in deferred tax recognised in total comprehensive income	14	-11
Change in deferred tax liabilities in the income statement	**85**	**-21**

Presentation of deferred tax in the statement of financial position

Figures in NOK million	2022	2021
Deferred tax liabilities	674	581
Recognised deffered tax liabilities	**674**	**581**

Presentation of payable tax in the statement of financial position

Figures in NOK million	2022	2021
Tax payable	161	206
Recognised tax payable	**161**	**206**

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Taxes incorporated into total comprehensive income

	2022			2021		
Figures in NOK million	Pre-tax profit	Income tax expense	Post-tax profit	Pre-tax profit	Income tax expense	Post-tax profit
Statement of comprehensive income						
From the income statement, continued operations	1 467	308	1 159	1 342	313	1 029
Other income and expenses recognised in comprehensive income:						
Value adjustment pensions	42	9	33	-50	-11	-39
Currency translation differences	4	-	4	-82	-	-82
Fair value adjustments of financial assets	96	5	91	46	-	46
Total comprehensive income	**1 608**	**322**	**1 287**	**1 257**	**303**	**954**

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Note 24. Non-current liabilities

Non-current liabilities to bondholders and credit institutions, etc.

Figures in NOK million	2022	2021
Bonds[1]	193	600
Non-current loans from credit institutions	194	162
Total non-current interest bearing liabilities	**387**	**762**

[1] At 31 December 2022 Veidekke had one bond loan: a seven-year loan of NOK 193 million, expires in 2025. The loan is listed on the Oslo Stock Exchange under the ticker VEI10.

Other non-current liabilities

Figures in NOK million	2022	2021
Non-current liabilities, leases IFRS 16[1]	554	634
Deferred payment business acquisitions[2]	-	301
Option agreements[3]	111	392
Other non-current liabilities	22	31
Total other non-current liabilities	**687**	**1 358**

[1] See note 13 Leases (IFRS 16).
[2] See note 14 Acquisitions and divestments and note 25 Trade creditors and other current liabilities.
[3] For certain partly owned subsidiaries, there are option agreements with the non-controlling interests whereby Veidekke has a right to buy remaining shares and the non-controling interests have a right to sell the same shares. The subsidiaries to which this applies are Båsum Boring AS (70%), Seby AS (70%), Tore Løkke AS (80%), Grande Entreprenør AS (80%), Geo Fundamentering & Bergborig AS (87.5%), Leif Grimsrud AS (80%), Hande AS (68%), BRA AB (90.1%) og Veitech AB (90.1%). Veidekke's ownership share in brackets. Certain liabilities have been classified as current liabilities; see note 25.

Instalment profile details can be found in note 30.

Note 25. Trade creditors and other current liabilities

Figures in NOK million	2022	2021
Trade payables		
Trade payables	3 001	2 872
Provision for accrued costs	3 092	2 875
Total trade payables	**6 093**	**5 748**
Contract liabilites (see note 19)		
Total contract liabilites	**1 984**	**1 936**

Contract liabilities include both forward payment plans in construction projects and advance payments from customers.

Figures in NOK million	2022	2021
Current lease obligations IFRS 16[1]	318	274
Accrued holiday pay including employer's contribution	597	583
Deferred payment, business acquisitions and option agreements[2]	753	-
Other current items	484	518
Total current liabilites	**2 153**	**1 374**

[1] See note 13 IFRS 16 leases
[2] See note 24 Non-current liabilities.

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Note 26. Warranty allocations etc.

Provision is made for guarantee work under the item Warranty provisions etc., for example to remedy any defects or omissions on completed projects. Warranty provisions etc. also covers other liabilities, such as claims from subcontractors, claims from third parties, etc. Provisions are made to cover both accrued warranty liabilities and contingent liabilities. Among other things the provisions must cover future expenses for the remedy of hidden defects, i.e. defects and omissions that have not been detected. In addition, they must also cover issues that are detected, but where there is uncertainty regarding the scope, responsibility, costs, etc. (disputes).

Figures in NOK million	2022	2021
Warranty provisions etc. at 1 January	975	1 037
Currency translation differences	4	-27
+ new warranty provisions (additions)	455	429
- reversed warranty provisions (disposals)	-142	-219
- actual claims expenses (consumption)	-304	-244
Warranty provisions etc. at 31 December	**989**	**975**

Liability for material defects
All projects shall be handed over to the customer in accordance with the contract. If defects or omissions are detected in projects that have been handed over, the contractor may be liable to remedy them at no extra charge. The projects have different warranty periods, but the norm is three to five years.

Note 27. Security, guarantee liabilities and joint and several liability

Figures in NOK million	2022	2021
Mortgages[1]		
Recorded liabilities secured by mortgages etc.	477	407
Book value of mortgaged assets	494	381
Guarantees		
Guarantees to joint ventures and associates	50	-
Guarantees to other companies	6	-

[1] Excludes usage right assets, non-current liabilities and current liabilities pursuant to IFRS 16. See note 13 Leases

The group has given a negative pledge for loans and guarantees. As a result of its participation in partnerships and joint ventures, Veidekke could become liable for other participants' inability to fulfil their obligations. However, Veidekke is not liable until the company in question is unable to meet its obligations.

Veidekke has pledged financial assets with a carrying amount of NOK 313 million at 31 December 2022 to cover pension liabilities incurred. See note 17 Financial assets.

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Note 28. Capital management

The purpose of effective capital management is to secure financial leeway to implement measures in support of Veidekke's operations and strategy. Veidekke seeks to maintain a robust financial position that supports profitability and value creation throughout the group and thus generates a return for shareholders. Important elements in a robust capital structure include equity, the level and development of net interest-bearing assets, ongoing cash flow and financial limits. The liquidity of the Veidekke group is characterised by seasonal fluctuations, and capital management is designed with these fluctuations in mind.

Net interest-bearing assets amounted to NOK 2.8 billion at year-end 2022. Veidekke's construction projects largely involve client financing in the form of front-loaded payment plans. Accordingly, large parts of the group operate with negative working capital. The combination of construction-project working capital, group profits and available borrowing facilities allows Veidekke to finance capital-intensive activities such as the industrial operation and project development.

The group has substantial excess liquidity. At year-end, cash and cash equivalents and financial investments amounted to NOK 3.2 billion, including NOK 1.8 billion in short-term investments in bond and money market funds. These funds are expected to generate a somewhat better return than bank deposits with very low anticipated risk. Although the investments are considered to be low-risk, rising market interest rates and stock-market turbulence resulted in a weak return in 2022. The return for 2022 totalled NOK 6 million, corresponding to a return of 0.3%. The investments are highly liquid.

The group's total available credit amounted to NOK 2.5 billion. Veidekke also had a NOK 193 million unsecured bond loan. The group had no outstanding certificate loans as at 31 December 2022. Veidekke has no official credit rating but monitors quantitative and qualitative factors with an effect on its creditworthiness. For further information on Veidekke's financial borrowing limits and the bond loan, see note 29.

Veidekke can optimise its capital structure by paying dividends to shareholders and repurchasing shares. Veidekke's dividend policy is to provide shareholders with a regular return proportionate to the group's financial performance, and for paid dividends to total at least 70% of post-tax profits. In its capital markets update in May 2021, Veidekke stated that it envisaged distributing more than 70% in the short term, based on its strong financial position following the sale of the property development operation in 2020. The average distribution ratio over the past five years is 95% (excluding the extraordinary dividend paid out in connection with the sale of the property development operation). For the financial year 2022, the board of directors has proposed a dividend of NOK 7.75 per share, equating to a distribution ratio of 96%. The group's equity ratio is a potential limiting factor with regard to dividend distributions, as some public-sector clients demand a certain level of equity ratio in connection with competitive tenders.

In periods when the group's financial position is strong, Veidekke may supplement its dividend policy with share repurchasing. The general meeting has authorised the board of directors to repurchase up to 10% of the company's share capital, although share repurchases are only considered when the share price is deemed to be below actual fundamental value. Although Veidekke has prioritised dividends and operational investment over share repurchases in recent years, the company bought back 2.5 million shares at a fixed price towards the end of 2022. The purposes of the repurchase were to secure shares for settlement of the employee share purchase programme and to part-finance the acquisition of Constructa Entreprenør AS.

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Note 29. Financial risk

Veidekke seeks to maintain a robust financial position, necessitating effective operation, low financial risk exposure and appropriate management of parameters with an impact on financial risk. The group's financial policy includes guidelines on financial risk management.

Veidekke has a centralised finance function mandated to ensure short- and long-term financial capacity and to manage financial risk in cooperation with the group's individual operations.

The finance function is responsible for making financing arrangements and managing interest rate risk and foreign exchange risk, while the operations undertake ongoing risk management, including management of credit risk and trade debtors. Veidekke's primary categories of financial risk are trade debtors, liquidity and interest-bearing debt.

1. Credit risk

Credit risk is the risk of financial losses due to non-performance of contractual obligations by a customer or financial asset counterparty. The group's credit risk relates primarily to the payment of receivables, with trade debtors presenting the greatest risk. Credit risk linked to trade debtors concerns the payment capacity of customers, rather than their willingness to pay (project risk). The group has a significant proportion of public-sector clients (approximately 35%), who are deemed to present very low credit risk. Veidekke seeks to manage credit risk linked to private-sector clients (approximately 65%) through proactive drafting of client contracts and by ensuring that the operations apply robust credit monitoring procedures.

Veidekke's management systems include contract drafting procedures which also function as risk management measures and require agreed payment schedules to match planned progress. In addition, works contracts are largely based on national standards, such as Norwegian Standards, which include provisions requiring the client to provide security for the contract sum. (Norwegian Standards require the provision of security for up to 17.5% of the contract sum during the construction period.) Together, these two measures help reduce credit risk in ordinary construction projects. Sweden does not have a national standard provision on bank guarantees, and risk is therefore somewhat higher there. The asphalt and aggregates operations, which serve a large number of customers, prioritise credit assessment procedures, timely invoicing, guarantee provision and active follow-up of unpaid receivables.

The group has no material credit risk linked to any individual counterparty. The group has issued few guarantees relating to third-party debt, except as discussed in note 27 Provision of security. There will always be a risk that a customer may be unwilling to pay owed sums, but this is regarded as an operational risk and is managed in the context of ordinary project assessment. For further information, see note 19 Trade debtors and note 32 Project-related disputes and claims.

2. Liquidity risk

Liquidity risk is the risk that Veidekke may be unable to meet its payment obligations as they fall due. Robust liquidity is a key prerequisite for Veidekke's profitability and ability to invest and take on risk in capital-intensive business areas. Managing liquidity risk serves the objective of financial flexibility, and has high priority. Liquidity is managed, measured and controlled at project level and throughout the organisation. At year-end, cash and cash equivalents and financial investments amounted to NOK 3.2 billion, including NOK 1.8 billion in short-term investments in bond and money market funds. These funds are expected to generate a somewhat better return than bank deposits with very low anticipated risk. For more information on the investments, see note 28. The group also has substantial capacity to fulfil ongoing performance guarantees issued in connection with construction projects. Veidekke's substantial available liquidity and financial borrowing capacity mean that the company is well-equipped to handle financial uncertainty. Veidekke's borrowing facilities comprise a NOK 1.75 billion overdraft facility with a rolling 364-day maturity period, provided by DNB, and a NOK 0.75 billion credit facility that matures at the end of 2025, provided by SEB. Both agreements are based on a negative pledge and require Veidekke's key financial figures (covenants) to fulfil the following condition:

Net interest-bearing debt divided by EBITDA over the preceding four quarters shall not exceed 3.0.

As of 31 December 2022, this ratio totalled -1.16. Net interest-bearing debt is defined as the group's short-term and long-term interest-bearing debt minus liquid assets and interest-bearing receivables, while EBITDA is defined as the group's operating profit/loss plus depreciation and amortisation. See note 20 for information on liquid assets, note 24 on long-term interest-bearing debt, note 27 on provision of security and guarantee liability and note 30 on sensitivity analysis and maturity structure.

3. Market price risk

Shares and bonds

The group is exposed to price risk on investments in equity instruments. This investment category, which includes shares, is not normally part of the group's investment strategy. Instead, Veidekke gives priority to investments in companies and projects where the group can exert significant influence on future operations and developments.

The carrying value of financial assets at fair value was NOK 524 million as of 31 December 2022. This item primarily comprises a bond fund investment made to cover pension liabilities. Financial investments totalling NOK 313 million relate to the coverage of pension liabilities, and are subject to security interests. Four-fifths of the portfolio is invested in a high-yield bond fund, while the rest is invested in a stock mutual fund. These investments are classified as financial assets measured at fair value with value changes

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recognised through other comprehensive income. One-third of the portfolio enjoys some protection because a change in the value of the investment is compensated for by a corresponding change in the pension liabilities. The value of the financial investments may be affected by financial turbulence and market fluctuations.

The carrying value of financial investments at fair value was NOK 523 million as of 31 December 2022, comprising a short-term investment in a bond fund. The investments are linked to excess liquidity.

Hedging of raw material costs
Veidekke undertakes little hedging of input factors used in production, and any hedging is only done once an order has been received.

The petroleum product bitumen is a key input factor for the asphalt operation (part of Infrastructure Norway), and the price of bitumen is closely linked with oil prices. Bitumen costs are rarely hedged, and only in the case of orders with long delivery deadlines. Contracts with the group's largest customers, the Norwegian Public Roads Administration and county municipalities, assign most of the risk associated with changes in the price of bitumen to the customer. As regards deliveries to other customers, the period of time between receipt of an order and delivery is normally short, thus reducing the risk of price changes. Nevertheless, Veidekke may has some exposure in the event of rapid, substantial price changes. As of 31 December 2022, the group had entered into a total of two hedging contracts, both related to major asphalt contracts scheduled for delivery in 2023.

4. Interest rate and currency risk
Veidekke's interest rate risk relates to the group's debt portfolio and is managed at group level. The different operations are exposed to interest rate risk, and some partly-owned companies use interest-rate swaps to reduce material long-term interest rate risk. Veidekke has issued a fixed-rate bond loan with an outstanding volume of NOK 193 million. The bond, which matures in 2025, carries a fixed coupon rate of 3.20%. The fixed-rate bond loan was reduced from NOK 600 million at the start of 2022. The early redemption resulted in a premium-related charge of NOK 13 million in the income statement for 2022.

The value of the group's interest-rate swaps is determined using the forward rate on the balance-sheet date, and is confirmed by the financial institution acting as the counterparty.

Veidekke has ownership interests in five PPP companies: the school projects Skuleveg AS (50%), Skulebygg AS (50%), Skulegard AS (50%) and Skuleplass AS (50%) and the road project Allfarveg AS (50%). For all these projects, agreements have been signed which secure long-term financing at a fixed rate of interest. Interest rate risk has been eliminated by ensuring that agreed financing is in accordance with signed leases. Reference is made to separate discussion of the PPP projects in note 16.

The interest rate level is believed to have a significant impact on the demand for Veidekke's products, particularly from private customers. The general market risk therefore also comprises indirect interest rate risk. Rising interest rates will usually mean lower activity for the group's construction activities.

The investments in the money and bond markets are sensitive to changes in market interest rates, and an increase in market rates normally reduces the value of these asset classes. Interest-rate duration measures the sensitivity of a fund to interest-rate changes: the longer the duration, the more sensitive the fund. Veidekke's investments in these asset classes comprise holdings in funds of investment-grade credit quality with short and medium durations. Accordingly, the portfolio has moderate price sensitivity to changes in market interest rates.

Veidekke's operations are largely national, and project cash flow is usually denominated in the national currency. Foreign exchange risk arises in connection with purchases of input factors denominated in foreign currencies. When material foreign exchange risk arises, it is hedged through forward contracts or similar instruments. Equity in foreign subsidiaries is not hedged, and any exchange rate fluctuations therefore affect the group's overall profit/loss. Total net agio recognised in the income statement for 2022 was NOK 5 million (NOK -1 million).

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Note 30. Financial instruments

The carrying value of assets and liabilities can be broken down into the following categories:

2022						Fair value				
Figures in NOK million	Statement of financial position at 31 December 2022	Financial assets and liabilities measured at fair value through profit and loss	Financial assets and liabilities measured at amortised cost	Financial assets and liabilities measured at fair value through OCI	Other financial liabilities	Level 1	Level 2	Level 3	Total	Cost of assets measured at fair value
Non-current financial assets	524	313	211	-	-	-	313	-	313	286
Trade receivables and contract assets	6 581	-	6 581	-	-	-	-	-	-	-
Financial investment, bond fund	523	523	-	-	-	-	523	-	523	565
Other receivables	286	-	286	-	-	-	-	-	-	-
Cash and cash equivalents[1]	2 714	1 294	1 421	-	-	-	1 294	-	1 294	1 298
Total financial assets	10 628	2 130	8 498	-	-	-	2 130	-	2 130	2 148
Bond debts and debt to credit institutions	387	-	-	-	387	-	196	-	196	-
Other non-current liabilities	687	-	-	-	687	-	-	-	-	-
Debt to credit institutions (current)	14	-	-	-	14	-	-	-	-	-
Tax payable	161	-	-	-	161	-	-	-	-	-
Other financial current liabilities[2]	11 172	-	-	-	11 172	-	-	-	-	-
Total financial liabilities	12 421	-	-	-	12 421	-	196	-	196	-

[1] Cash and cash equivalents comprise of bank deposits and deposits in money market funds. See note 20.
[2] Other financial current liabilities comprise the items trade payables, contract liabilities, public duties and other current liabilities in the statement of financial position.

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2021						Fair value				
Figures in NOK million	Statement of financial position at 31 December 2021	Financial assets and liabilities measured at fair value through profit and loss	Financial assets and liabilities measured at amortised cost	Financial assets and liabilities measured at fair value through OCI	Other financial liabilities	Level 1	Level 2	Level 3	Total	Cost of assets measured at fair value
Non-current financial assets	479	303	176	-	-	-	303	-	303	275
Trade receivables and contract assets	5 589	-	5 589	-	-	-	-	-	-	-
Financial investment, bond fund	539	539	-	-	-	-	539	-	539	555
Other receivables	460	-	460	-	-	-	-	-	-	-
Cash and cash equivalents[1]	3 814	1 872	1 942	-	-	-	1 872	-	1 872	1 873
Total financial assets	10 882	2 714	8 168	-	-	-	2 714	-	2 714	2 704
Bond debts and debt to credit institutions	762	-	-	-	762	-	635	-	635	-
Other non-current liabilities	1 358	-	-	-	1 358	-	-	-	-	-
Debt to credit institutions (current)	13	-	-	-	13	-	-	-	-	-
Tax payable	206	-	-	-	206	-	-	-	-	-
Other financial current liabilities[2]	9 958	-	-	-	9 958	-	-	-	-	-
Total financial liabilities	12 298	-	-	-	12 298	-	635	-	635	-

[1] Cash and cash equivalents comprise bank deposits and deposits in money market funds. See note 20.
[2] Other financial current liabilities comprise the items trade payables, contract liabilities, public duties and other current liabilities in the statement of financial position.

The section on the right in the table above shows financial instruments recorded at fair value according to valuation method.

The different levels are defined as follows:
Level 1: Fair value is measured using market prices from active markets for identical financial instruments. No adjustment is made for these prices.
Level 2: Fair value is measured using other observable input than that used in level 1, either directly (prices) or indirectly (derived from the prices).
Level 3: Fair value is measured using input that is not based on observable market data.

The carrying value of bank deposits and liabilities to credit institutions is virtually the same as their fair value, since these instruments have a short maturity term. Correspondingly, the carrying value of trade receivables, contract assets, contract liabilities and trade payables are virtually the same as the fair value, as they are agreed upon under market terms. Unpaid government charges, tax payable and current liabilities have a short maturity, and capitalised liabilities are virtually the same as the fair value. The fair value of the group's interest rate hedging is estimated using the forward rate on the balance sheet date and is confirmed by the financial institution with which the agreement is signed.

For details concerning maturity structure and credit risk for trade receivables and contract assets, see note 19 Trade receivables and contract balances.

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Financial instruments at fair value[1]

Veidekke's financial instruments recorded at fair value are reconciled in the following table:

	2022				2021			
Figures in NOK million	Non-current financial assets	Financial investment, bond fund	Cash and cash equivalents, money market funds	Total financial instruments measured at fair value	Non-current financial assets	Financial investment, bond fund	Cash and cash equivalents, money market funds	Total financial instruments measured at fair value
Financial instruments at 1 January	303	539	1 872	2 714	320	540	1 262	2 123
Additions	7	-	-	7	2	-	600	602
Sales/disposal	-	-	-601	-601	-37	-	-	-37
Reinvested return	3	9	26	38	1	11	11	24
Pre-tax gains (losses) recogn. in the income statement	-1	-25	-3	-29	16	-13	-1	2
Financial instruments at 31 December	313	523	1 294	2 129	303	539	1 872	2 714

[1] Veidekke's share of financial instruments in joint ventures is not included.

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The group's long-term financing

Maturity structure and contractual cash flows for the group's non-current liabilities are presented in the following table:

2022		Maturity structure					
Figures in NOK million	Carrying value at 31 December 2022	2023	2024	2025	2026	After 2026	Total contractual cash flows
Bond loans[1]	193	6	6	199	-	-	212
Debt to credit institutions[2]	194	74	47	46	22	14	203
Other non-current liabilities[3]	687	39	231	143	329	-	743
Total	1 074	120	284	388	351	14	1 157

2021		Maturity structure					
Figures in NOK million	Carrying value at 31 December 2021	2022	2023	2024	2025	After 2025	Total contractual cash flows
Bond loans[1]	600	19	19	19	619	-	677
Debt to credit institutions[2]	162	44	64	27	20	13	168
Other non-current liabilities[3]	1 358	39	228	601	228	344	1 440
Total	2 120	102	311	648	867	356	2 285

[1] In first quarter 2022, Veidekke implemented a voluntary buy-back of its VEI10 bond loan, which has a maturity date of 19 March 2025. As at 31 December 2021, the loan had an outstanding volume of NOK 600 million, of which a total of NOK 407 million was bought back at a price of NOK 103.20. As at 31 December 2022, the bond loan stands at NOK 193 million. As a result of the premature redemption the income statement in 2022 was charged with NOK 13 million related to share premiums.

[2] The group has a long-term credit facility with DNB with a credit limit of NOK 1.75 billion and one with SEB of NOK 0.75 million, none of which had been utilised on 31 December 2022. The two parts of the facilities have different maturities, which for the larger facility, of NOK 1 750 million, is one year, and for the other, of NOK 750 million, is until December 2025.

[3] Includes non-current liabilities related to leases in accordance with IFRS 16, ref. note 13.

Effective interest rates for selected financial instruments:

Figures in NOK million	2022[1]	2021[1]
Liquidity	0.3%	0.0%
Current interest-bearing liabilities	4.6%	2.3%
Non-current interest-bearing liabilities[2]	3.7%	3.0%

[1] Average effective interest rate is calculated as the average of the rates applicable through the year.
[2] Effective interest rate on long-term interest-bearing debt excluding the premium by redemption of its bond loan is 6.9%.

Interest rate derivatives

The group uses interest rate derivatives to hedge against fluctuations in profit as a result of changes in interest rates, i.e. interest rate swaps as cash flow hedging of loans. At 31 December 2022 the group had no such interest rate derivatives that are consolidated in the financial statements.

The group's net interest-bearing position

Figures in NOK million	2022	2021
Cash and cash equivalents	2 714	3 814
Interest-bearing financial assets	5	130
Interest-bearing bonds	523	539
Interest-bearing other receivables	-	1
Total interest-bearing assets	**3 242**	**4 485**
Bonds, non-current	193	600
Debt to credit institutions, non-current	194	162
Debt to credit institutions, current	14	13
Total interest-bearing debt	**402**	**776**
Net interest bearing position	**2 840**	**3 709**

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The group's short-term financing

Maturity structure and expected cash flow for the group's current liabilities are presented in the following table:

2022		Maturity structure				
Figures in NOK millionr	Carrying value at 31 December 2022	Payable on demand/due date not set	0–3 months	3–12 months	Over 12 months	Anticipated cash flow
Current liabilities to credit institutions	14	-	8	6	-	14
Trade payables[1]	6 093	3 324	2 704	50	16	6 093
Unpaid government charges	941	-	793	87	62	941
Tax payable	161	-	79	81	-	161
Contract liabilities and other current liabilities[2]	4 137	1 310	1 102	1 633	99	4 144
Total current financial liabilities	**11 347**	**4 633**	**4 686**	**1 857**	**176**	**11 354**

2021		Maturity structure				
Figures in NOK millionr	Carrying value at 31 December 2021	Payable on demand/due date not set	0–3 months	3–12 months	Over 12 months	Anticipated cash flow
Current liabilities to credit institutions	13	-	5	8	-	13
Trade payables[1]	5 748	2 997	2 720	32	-	5 748
Unpaid government charges	900	-	778	83	40	900
Tax payable	206	1	29	176	-	206
Contract liabilities and other current liabilities[2]	3 310	1 176	1 186	935	19	3 316
Total current financial liabilities	**10 177**	**4 175**	**4 717**	**1 234**	**58**	**10 184**

[1] When the due date is not set for trade payables, this is largely related to project accrual due to invoices not having been received.
[2] Includes current liabilities related to IFRS 16, ref. note 13.

Specification of "Fair value adjustment" in the statements of changes in equity

Figures in NOK million	2022	2021
Hedge reserves, joint ventures[1]	-25	-93
Interest rate swap agreements, wholly-owned companies	2	-16
Foreign exchange forward contracts	5	-1
Total	-19	-110

[1] NOK -27 (-84) million is related to PPP E39 Lyngdal Flekkefjord. See note 16.

Specification of the accounting item in other comprehensive income

Revaluation of financial assets at fair value

Figures in NOK million	2022	2021
Fair value adjustments hedge reserves, joint ventures	68	49
Interest rate swap agreements, wholly-owned companies	17	-1
Fair value adjustments of financial assets available for sale	6	-2
Total	91	46

Sensitivity analysis of cash flow, financial instruments

Veidekke's financial position is generally strongest at year-end. Some parts of the business experience seasonal fluctuations which also affect the group's financial instruments. The group's contract types and payment terms may vary considerably. Overall, this means that the calculation of sensitivity to interest-rate changes is associated with a number of risk factors. The group's interest-bearing debt is limited to an outstanding fixed-rate bond loan, some financial leasing and smaller local borrowings. The group is expected to have substantial excess liquidity going forward. Minor changes in interest-rate levels – whether positive or negative – are not expected to have a material impact on profits, and therefore no detailed calculations have been prepared. Veidekke also has investments in joint ventures which have entered into fixed-rate agreements. See note 16 for a sensitivity analysis focused on altered interest rate.

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Note 31. Executive remuneration

In accordance with amendments to the Public Limited Liability Companies Act, where a new section 6-16 (b) with associated new regulations has been added, Veidekke will publish a separate report on the group's website.Allocation and payment of remuneration to members of the corporate management team has been carried out in accordance with Veidekke's guidelines for executive remuneration, as adopted by the 2021 Annual General meeting. The complete guidelines are available at veidekke.com.

Compensation to the group chief executive and corporate management

	2022				2021
Figures in NOK thousand	Salary	Paid bonus	Car, phone, interest rate advantage etc.	Total compensation	Total compensation
Group CEO					
Jimmy Bengtsson	4 492	1 306	553	6 351	5 768
Corporate management					
Jørgen Wiese Porsmyr	3 264	749	234	4 247	4 023
Terje Larsen	2 886	666	190	3 743	3 527
Lars Erik Lund	2 589	595	202	3 386	3 148
Anne Thorbjørnsen	2 337	519	243	3 098	2 795
Kristina Andreasson	2 194	519	88	2 800	2 113
Hans Olav Sørlie	3 071	702	230	4 004	3 817
Øivind Larsen	3 071	1 002	279	4 352	3 817
Charlotta Nilsén[1]	3 030	315	62	3 407	1 360
Marcus C. Nilsson[1]	2 759	315	234	3 307	1 653
Mats Nyström[2]	-	-	-	-	2 412
Total Group CEO/corporate management	**29 692**	**6 687**	**2 316**	**38 696**	**34 434**

[1] Member of corporate management as of 1 July 2021.
[2] Member of corporate management until 30 June 2021. Salary stated in the table is for the period up to departure. In addition, NOK 7.3 million was paid in various benefits in the period after departure.

Salaries and remuneration are only stated for the period serving in the group management.

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2022 Figures in NOK thousand	Defined benefit scheme - year's cost	Present value of pension liabilities	Premium pension plans[1]	Pension balance 31 Dec.[2]	Share loans	Earned bonus
Group CEO						
Jimmy Bengtsson	260	704	1 442	5 548	232	1 278
Corporate management						
Jørgen Wiese Porsmyr	1 709	26 030			235	812
Terje Larsen	2 938	24 213			263	716
Lars Erik Lund			329	1 815	838	644
Anne Thorbjørnsen			361	2 050	469	563
Kristina Andreasson			523	1 097	-	563
Hans Olav Sørlie			522	4 710	785	769
Øivind Larsen			423	1 917	469	955
Charlotta Nilsén			1 098	1 295	440	322
Marcus C. Nilsson			1 123	1 484	440	901
Total Group CEO/corporate management	4 907	50 947	5 821	19 916	4 171	7 523

[1] This year's cost for provision arrangements
[2] Relates to provision arrangements for salary exceeding 12G

2021 Figures in NOK thousand	Defined benefit scheme - year's cost	Present value of pension liabilities	Premium pension plans[1]	Pension balance 31 Dec.[2]	Share loans	Earned bonus
Group CEO						
Jimmy Bengtsson	333	578	1 974	4 106	255	1 306
Corporate management						
Jørgen Wiese Porsmyr	1 450	27 439			251	749
Terje Larsen	2 308	25 650			335	666
Lars Erik Lund			566	1 584	893	595
Anne Thorbjørnsen			576	1 786	503	519
Kristina Andreasson			574	574	-	519
Hans Olav Sørlie			1 148	4 285	897	702
Øivind Larsen			655	1 592	503	1 002
Charlotta Nilsén[3]			405		471	331
Marcus C. Nilsson[3]			396		471	331
Total Group CEO/corporate management	4 092	53 666	6 293	13 927	4 581	6 719

[1] This year's cost for provision arrangements
[2] Relates to provision arrangements for salary exceeding 12G
[3] Member of corporate management as of 1 July 2021

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Compensation to the board of directors

Figures in NOK thousand	2022 Fees	2022 Loan for share purchases	2021 Fees	2021 Loan for share purchases
Gro Bakstad[1]	421	-	389	-
Daniel Kjørberg Siraj	405	-	341	-
Hanne Rønneberg	445	-	368	-
Per Ingemar Persson	458	-	368	-
Klara-Lise Aasen[2]	390	-	-	-
Carola Lavén[2]	370	-	-	-
Inge Ramsdal (elected by employees)	370	-	304	-
Odd Andre Olsen (elected by employees)	390	-	358	-
Arve Fludal (elected by employees)	370	70	314	75
Pål Eitrheim[3]	-	-	-	-
Svein Richard Brandzæg[4]	689	-	667	-
Ingolv Høyland[5]	370	-	358	-
Ingalill Berglund[6]	-	-	358	-
Total board of directors	**4 675**	**70**	**3 825**	**75**

[1] Board chair from 11 May 2022
[2] Board member from 5 May 2021
[3] Board member from 11 May 2022
[4] Board chair until 11 May 2022
[5] Board member until 11 May 2022
[6] Board member until 5 May 2021

Veidekke has established audit, compensation and project committees. Compensation for participation in committees is included in the board members' fees. One of the reasons for increased compensation is that the board has been expanded from 10 to 11 members during the period. For an overview of corporate management and board shareholdings, see note 21.

Remuneration to auditors

Figures in NOK thousand	2022	2021
Statutory audit	12 294	12 528
Tax-related assistance	318	259
Other services in addition to auditing	712	797
Total remuneration to auditor	**13 324**	**13 584**

Remuneration excludes VAT.

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Note 32. Project-related disputes and claims

Through its ongoing operations, Veidekke is involved in disputes with clients regarding the interpretation and understanding of signed contracts. This applies particularly to complex projects where the contract terms are demanding and large sums of money are involved. Veidekke strives to resolve these kinds of disputes outside the courts whenever possible, but some cases must nevertheless be decided by arbitration or in court. Disputes may be Veidekke's claims on customers (additional claims) and customers' claims on Veidekke (remedy of defects, compensation, etc.). Thorough assessments are conducted in connection with disputed claims to ensure the most correct reporting in the accounts.

Reference is made to the Group's accounting policies: "The revenue recognition for additional claims against the client and disputed amounts with a high level of uncertainty is based on assessments of the likely outcome of the dispute. The degree of uncertainty in the estimates will affect the proportion of the claim that is recognised in the income statement."

At year-end, Veidekke was involved in five (2021: six) ongoing court cases valued at more than NOK 25 million. One of the disputes is considered to have potentially large financial consequences, as Veidekke has a significant final settlement claim and the developer can demand daily fines in the project. The final settlement claim is scheduled for legal processing in 2023. In a Supreme Court judgment handed down in 2022, Veidekke was unsuccessful in a claim for extended construction time. Veidekke's assessment of the dispute has been taken into account in the preparation of the accounts for 2022. Three cases valued at more than NOK 25 million were resolved during the year through either a court judgment or negotiations with the client.

Note 33. Related-party transactions

Veidekke's related parties include associates and joint ventures (see note 16), Veidekke's shareholders, members of the board and key staff in Veidekke (see note 31). Veidekke has stakes in associates and joint ventures, and these are reported in Veidekke's accounts using the equity method.

Transactions with associates and joint ventures

Figures in NOK million	2022	2021
Revenue	123	101
Statement of financial position at 31 December		
Receivables	32	49
Liabilities	-	6

OBOS BBL has a 19.5% stake in Veidekke and is also a major business partner. The collaboration with OBOS comprises deliveries from Veidekke's construction operation to companies in the OBOS Group. In addition, in 2022 Veidekke and OBOS entered into a joint ownership arrangement relating to the company Ulven B1 Næringstomt AS, which will own Veidekke's new headquarters at Ulven in Oslo. Veidekke has signed an eight-year lease starting on the completion date. Construction work started in 2022 and is expected to conclude in the autumn of 2024.

In 2022, Veidekke and OBOS also entered into an agreement to jointly develop the residential area Wendelstrand outside Gothenburg. The project includes approx. 200 homes, and Veidekke has a 20% stake in the project.

Transactions with selected parties

	Revenue		Receivables	
Figures in NOK million	2022	2022	31.12.2022	31.12.2021
OBOS	1 821	2 141	161	263

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Note 34. Events after the reporting date

No events have occurred after the balance sheet date which have had a material effect on the issued accounts.

Note 35. Alternative performance measures

Veidekke generally reports its financial results in line with International Financial Reporting Standards (IFRS). In addition, the following alternative performance measures are also reported:

Net interest-bearing position
The key figure expresses the group's financial position and has been prepared based on the total liquid assets and interest-bearing receivables at the time of assessment, less interest-bearing debt (both current and non-current). The key figure is included in the covenants calculation in the loan agreement.

Order book
The order book provides an indication of future activity in the group's construction operations. The order book is defined as contracted and signed contracts on the measurement date. This key figure also includes road maintenance contracts in Infrastructure in Norway's Road Maintenance unit.

Invested capital
The return on invested capital is calculated by dividing the pre-tax profit/loss plus interest costs over the previous 12 months by the average invested capital over the same period.

The average invested capital is calculated by averaging invested capital over the four preceding quarters.

Invested capital comprises equity and interest-bearing debt. Interest-bearing receivables and cash are excluded from the definition of interest-bearing debt.

Return on equity
This key figure indicates the return on equity during the period. It is calculated by dividing the post-tax profit by average equity.

$$\frac{\text{Post-tax profit last 12 months}}{\text{Average equity last 12 months}}$$

Average equity over the last 12 months is calculated by averaging equity over the preceding four quarters|.

Note 36. Corporate structure

This is an alphabetical overview of all subsidiaries in the Veidekke group, excluding pure holding companies and inactive companies. Specified ownership shares represent the proportion owned by Veidekke ASA or by a directly or indirectly owned subsidiary.

				Ownership share[1]	
Company name	Business area	Head office	Country	2022	2021
AB Berggren & Bergman	Infrastructure Sweden	Luleå	Sweden	100%	100%
Amrock AS	Infrastructure Norway	Oslo	Norway	100%	100%
Arcona AB	Construction Sweden	Solna	Sweden	100%	100%
Arcona X AB	Construction Sweden	Solna	Sweden	100%	100%
Bergmesteren Raudsand AS	Infrastructure Norway	Raudsand	Norway	100%	100%
Billström Riemer Andersson AB	Construction Sweden	Mölndal	Sweden	90%	90%
BRA Bygg AB	Construction Sweden	Mölndal	Sweden	95%	95%
BRA Förvaltning AB	Construction Sweden	Mölndal	Sweden	100%	100%
BRA Knarrholmen AB	Construction Sweden	Mölndal	Sweden	67%	67%
BRA Knarrholmen Drift AB	Construction Sweden	Mölndal	Sweden	100%	100%
BRA Laholm	Construction Sweden	Mölndal	Sweden	100%	100%
BRA Mark AB	Construction Sweden	Mölndal	Sweden	0%	83%
BRA Teknik AB	Construction Sweden	Mölndal	Sweden	0%	100%
Brinkab AB	Infrastructure Sweden	Hudiksvall	Sweden	0%	100%
BSK Arkitekter AB	Construction Sweden	Stockholm	Sweden	100%	100%
BSK Holding AB	Construction Sweden	Solna	Sweden	76%	51%
Båsum Boring AS	Construction Norway	Krøderen	Norway	70%	70%
Constructa Entreprenør AS	Construction Norway	Bergen	Norway	100%	0%
Fastighets AB GTR	Construction Sweden	Stockholm	Sweden	100%	100%
GEO Fundamentering & Bergboring AS	Construction Norway	Rolvsøy	Norway	88%	88%
Grande Entreprenør AS	Construction Norway	Verdal	Norway	80%	80%
Hande AS	Construction Norway	Oslo	Norway	68%	68%
Hoffmann AS	Denmark	Glostrup	Denmark	100%	100%
Hoffmann Ejendomme AS	Other	Glostrup	Denmark	100%	100%
Industrivegen 2 Jessheim AS	Infrastructure Norway	Jessheim	Norway	100%	100%
Knarrholmen Utveckling AB	Construction Sweden	Mölndal	Sweden	100%	100%
Kongsberg Pukkverk og Grus AS	Infrastructure Norway	Kongsberg	Norway	0%	67%
Kynningsrud Grundläggning AB	Construction Norway	Uddevalla	Sweden	100%	100%
Kystmiljø AS	Construction Norway	Halden	Norway	100%	100%

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Company name	Business area	Head office	Country	Ownership share[1] 2022	2021
Leif Grimsrud AS	Construction Norway	Halden	Norway	80%	80%
Lillhagen Byggnads AB	Construction Sweden	Mölndal	Sweden	90%	100%
Nordre Fokserød Utvikling AS	Infrastructure Norway	Sandefjord	Norway	100%	100%
Rauma Bygg AS	Construction Norway	Åndalsnes	Norway	100%	100%
Rudsflata 11 AS	Construction Norway	Grålum	Norway	100%	100%
Seby AS	Construction Norway	Skedsmokorset	Norway	70%	70%
Skuledrift AS	Construction Norway	Oslo	Norway	100%	100%
Veidekke Asfalt AB	Infrastructure Sweden	Klippan	Sweden	75%	75%
Team Veidekke DA	Construction Norway	Oslo	Norway	80%	80%
Tore Løkke AS	Construction Norway	Revsnes	Norway	85%	85%
Valdresbygg AS	Construction Norway	Fagernes	Norway	100%	100%
Veidekke Entreprenad AB	Construction Sweden/ Infrastructure Sweden	Solna	Sweden	100%	100%
Veidekke Entreprenør AS	Construction Norway	Oslo	Norway	100%	100%
Veidekke Fellestjenester AS	Other	Oslo	Norway	100%	100%
Veidekke Framtid AB	Construction Sweden	Solna	Sweden	100%	100%
Veidekke Grundläggning AB	Infrastructure Sweden	Gothenburg	Sweden	100%	100%
Veidekke Industri AB	Infrastructure Sweden	Solna	Sweden	100%	100%
Veidekke Industri AS	Infrastructure Norway	Oslo	Norway	100%	100%
Veidekke Logistikkbygg AS	Construction Norway	Sandefjord	Norway	100%	100%
Veidekke Prefab AB	Construction Sweden	Sala	Sweden	100%	100%
Veidekke Prefab AS	Construction Norway	Klepp	Norway	100%	100%
Veidekke Raudsand AS	Infrastructure Norway	Raudsand	Norway	100%	100%
Veidekke Sverige AB	Construction Sweden/ Infrastructure Sweden	Lund	Sweden	100%	100%
Veitech AB	Infrastructure Sweden	Solna	Sweden	90%	90%
Vestgårdveien 17 AS	Construction Norway	Halden	Norway	100%	100%
Øst AS	Construction Norway	Halden	Norway	100%	100%
Øst Boligprosjekt AS	Construction Norway	Halden	Norway	100%	100%

[1] For subsidiaries which parent company is not directly or indirectly wholly-owned by Veidekke ASA, the real or financial ownership share is less.

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Income statement Veidekke ASA

Figures in NOK million	Note	2022	2021
Revenue		**120**	**93**
Personnel expenses	1, 2	-125	-126
Other operating expenses	3	-138	-99
Depreciation	4	-20	-12
Total operating expenses		**-284**	**-236**
Operating profit		**-163**	**-143**
Dividends and group contributions from subsidiaries	5	1 343	1 061
Other financial income	5	30	63
Reversal of write-down of shares in subsidiaries	6	-	-
Financial costs	5, 6	-90	-48
Profit before tax		**1 120**	**933**
Income tax expense	7	-5	-10
Profit for the year		**1 115**	**924**
Allocation of profit			
Dividends payable		1 046	945
Other equity		70	-21
Total		**1 115**	**924**

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Statement of financial position Veidekke ASA

Figures in NOK million	Note	2022	2021
ASSETS			
Non-current assets			
Deferred tax assets	7	59	64
Operating assets	4	97	108
Investments in subsidiaries	6	2 529	2 502
Investments in associates and joint ventures	8	144	105
Financial investments	9	286	275
Other non-current receivables	9	121	97
Total non-current assets		**3 237**	**3 151**
Current assets			
Receivables from group companies	10	720	471
Financial investments	11	523	539
Other receivables		47	98
Cash and cash equivalents	11	1 294	1 525
Total current assets		**2 584**	**2 632**
Total assets		**5 821**	**5 783**

Figures in NOK million	Note	2022	2021
EQUITY AND LIABILITIES			
Equity			
Share capital		67	67
Other equity		1 211	1 123
Total equity	12	**1 279**	**1 191**
Non-current liabilities			
Pension liabilities	2	265	291
Bonds	13	193	600
Debt to credit institutions	13	32	-
Total non-current liabilities		**490**	**891**
Current liabilities			
Trade payables		58	72
Tax payables	7	-	1
Dividends payable	13	1 046	945
Current liabilities to group companies	10	2 940	2 656
Other current liabilities		8	27
Total current liabilities		**4 052**	**3 701**
Total equity and liabilities		**5 821**	**5 783**

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Statement of cash flows Veidekke ASA

Figures in NOK million	Note	2022	2021
Operating activities		1 120	933
Recognised dividends and group contributions from subsidiaries, not yet paid	5	-1 343	-1 061
Received dividends and group contributions from subsidiaries		1 079	398
Tax paid	7	-7	-
Depreciation	4	35	12
Gains on sale of shares		-7	-
Pensions, difference expensed/paid		4	8
Generated from this year's activities		881	290
Change in other current assets		-14	4
Change in other items		-118	-63
Net cash flow from operating activities (A)		749	231
Investing activities			
Acquisition of tangible non-current assets	4	-10	-39
Paid-in after divestment of property development operations		-	1
Payment, other investments		-49	-2
Received dividends from joint ventures		14	15
Net cash flow from investing activities (B)		-45	-25

Figures in NOK million	Note	2022	2021
Financing activities			
Downpayment of non-current bond loan		-407	-
Repayment of non-current debt		32	-
Change in intra-group balances group cash account		384	249
Dividends paid		-945	-776
Net cash flow from financing activities (C)		-936	-527
Total net change in cash and cash equivalents (A+B+C)		-231	-321
Cash and cash equivalents at 1 January		1 525	1 846
Cash and cash equivalents at 31 December		1 294	1 525
Supplementary information			
Borrowing facility		2 500	2 500
Used committed borrowing facilities at 31 December		-	-

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Notes Veidekke ASA

Accounting policies

Veidekke ASA prepares its financial statements in accordance with Norwegian accounting standards.

The parent company Veidekke ASA is a holding company with no operational activity. Its activities consist of investments in subsidiaries and joint ventures, and its income consists of dividends and group contributions from these companies. In addition, Veidekke ASA invoices its subsidiaries for their share of costs related to administration of the group.

Investments in subsidiaries and joint ventures are accounted for using the cost method. This means that investments are booked at cost price, and only distributions from the companies are recognised in income. Investments are written down if the carrying value exceeds fair value.

Group contributions are recognised in the income statement in the same year as they are accrued by the subsidiary. Dividends from subsidiaries are recognised in the income statement in the same year as they are allocated in the subsidiary (the year before distribution). The dividend proposed in Veidekke ASA was recognised as a liability at 31 December 2022.

With the exception of the date of accounting recognition of dividends and group contributions and the accounting treatment of financial instruments such as share investments, the parent company applies the same accounting principles as the group.

Unless otherwise specified, all amounts are in NOK million.

Note 01. Payroll costs

Figures in NOK million	2022	2021
Payroll	86	87
Pension costs	18	21
National insurance contributions	16	11
Other payroll costs (social benefits etc.)	4	6
Total	125	126
Number of fulltime equivalents	50	47
Number of employees at 31 December	50	47

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Note 02. Pensions

Figures in NOK million	2022	2021
Pension costs		
Current service cost	5	5
Interest cost on net pension liabilities	4	4
Cost of defined-benefit plan	9	9
Cost of defined-contribution and deposit schemes	9	14
Pension costs	18	23
Pension liabilities	265	297
Pension assets	-	-5
Net pension liability	265	291
Change in value (actuarial gains and losses)	30	-29
Change in value after tax recognised directly in equity	23	-22

The company is required by law to have occupational pension arrangements under the Norwegian Mandatory Occupational Pension Act. The company's pension plans comply with the statutory requirements laid down in this Act. See the accounting policies and the presentation of the schemes in note 22 to the consolidated accounts.

Note 03. Remuneration to auditors

Remuneration to the auditors in 2022 amounted to NOK 1.1 million for auditing, and NOK 0.1 for tax services. Equivalent for 2021 NOK 1.0 million for auditing, and NOK 0.1 for auditing-related services. All amounts are stated excluding VAT.

Note 04. Operating assets

Figures in NOK million	Properties	Machinery/ IT systems	IT systems under development	Total 2022	Total 2021
Carrying amount at 1 January	8	29	71	108	80
Original cost at 1 January	11	117	71	198	159
Additions	-	-	10	10	39
Completion	-	-11	11	-	-
Disposal original cost	-	-	-	-	-
Original cost at 31 December	11	106	92	209	198
Accumulated depreciations / impairments at 1 January	-3	-88	-	-91	-79
Depreciation for the year	-	-8	-12	-20	-12
Impairment for the year	-	-	-	-	-
Akkumulerte avskrivninger avhendede driftsmidler	-	-	-	-	-
Accumulated depreciation/ impairments at 31 December	-3	-96	-12	-111	-91
Carrying amount at 31 December	8	10	80	97	108
Depreciation method	Straight line	Straight line	Straight line		
Depreciation rate	2–5%	10–25%	12.5–25%		

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Note 05. Financial income and financial expenses

Figures in NOK million	2022	2021
Dividend and group contributions from subsidiaries	**1 343**	**1 061**
Interest income	9	43
Dividends from joint ventures	14	15
Other financial income	7	5
Total other financial income	**30**	**63**
Interest costs	-70	-44
Foreign currency loss	-4	-4
Impairment of shares	-15	-
Total financial costs	**-90**	**-48**
Net financial items	**1 284**	**1 076**

Note 06. Shares in subsidiaries

Company	Location	Ownership share (%)	Value in the statement of financial position[1]
Veidekke Entreprenør AS	Oslo	100	1 438
Hoffmann A/S	Copenhagen	100	366
Veidekke Industri AS	Oslo	100	415
Veidekke Sverige AB	Lund	100	296
Veidekke Fellestjenester AS	Oslo	100	14
Total			**2 529**

[1] Carrying value in Veidekke ASA's accounts at 31 December 2022 (cost method).

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Note 07. Tax costs and deferred tax

Figures in NOK million	2021	2020
Income tax expense		
Tax payable in the statement of financial position	-	1
Tax payable on group contributions	7	-
Change in deferred tax	-2	9
Total income tax expense	5	10
Reconciliation of the group's tax rate		
22% of profit before tax	247	205
Actual income tax expense	5	10
Difference	241	196
Difference in income tax expense		
Tax-exempted dividends from subsidiaries	244	197
Tax-exempted capital gain on share sale	-	-2
Other permanent differences	-3	1
Total	241	196

Figures in NOK million	2021	2020
Deferred tax		
Temporary differences		
Current items	-10	-8
Gains and loss account	9	11
Operating equipment	-3	-4
Pensions	-265	-291
Basis for deferred tax (- deferred tax asset)	-269	-291
Deferred tax assets 22%	-59	-64
Recognised deferred tax assets	-59	-64

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Note 08. Shares in associates and joint ventures

Company	Location	Ownership share (%)	Carrying amount in NOK million[1]
Allfarveg AS	Oslo	50	66
Skulebygg AS	Oslo	50	21
Skuleplass AS	Oslo	50	11
Ulven B1 Næringstomt AS	Oslo	50	39
Other companies	Oslo	50	8
Total			144

[1] Carrying amount in Veidekke ASA's accounts at 31 December 2022 (cost method).

Note 09. Financial investments and other non-current receivables

Figures in NOK million	2022	2021
Share loans to employees	122	97
Financial assets	286	275
Total	407	372

See note 6 to the group statements for further information on share loans to group employees. The company has invested NOK 286 million in a combination fund consisting of both bonds and shares. The investment is intended to cover incurred pension liabilities and has been pledged. Unrealised gain per 31 December 2022 is NOK 27 million.

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Note 10. Receivables and liabilities with group companies

Figures in NOK million	2022	2021
Trade receivables from group companies	37	32
Outstanding dividends and group contributions	1 340	1 061
Dividends payable offset against current group liabilities	-818	-623
Other liabilities to group companies	161	-
Total receivables from group companies	**720**	**471**
Trade payables to group companies	1	7
Skyldig konsernbidrag	45	-
Current liabilities to group companies related to the group account	3 652	3 268
Dividends payable offset against current group liabilities	-816	-623
Other liabilities to group companies	60	4
Total liabilities to group companies	**2 942**	**2 656**

Note 11. Bank deposits and short-term financial investments

Figures in NOK million	2022	2021
Short-term investment in bond fund[1]	523	539
Short-term financial investments	**523**	**539**
Short-term money market investments[1]	1 294	1 272
Bank deposits and cash equivalents	-	253
Total bank deposits and cash equivalents	**1 294**	**1 525**

[1] Veidekke has made a short-term investment of NOK 1.8 billion in a fixed-income fund and a money market fund. In the statement of financial position, the money market fund is classified as a cash equivalent, while the fixed-income fund is treated as a short-term interest-bearing receivable. For further information on this investment, see notes 17 and 20 to the group accounts.

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Note 12. Reconciliation of equity

Figures in NOK million	2022	2021
Equity at 1 January	1 191	1 234
Profit for the year	1 115	924
Paid dividends	-1 046	-945
Dividends payable	-5	-
Change in value of net pension assets	23	-22
Equity at 31 December	**1 279**	**1 191**

Figures in NOK million	Share capital	Share premium	Other equity	Total equity
Equity at 1 January	67	419	705	1 191
Profit for the year			1 115	1 115
Dividends payable			-1 046	-1 046
Purchase of own shares			-5	-5
Change in value of net pension assets			23	23
Equity at 31 December	**67**	**419**	**792**	**1 279**

Note 13. Non-current liabilities

Veidekke has an overdraft facility with DNB of NOK 1 750 million (rolling 364-day maturity) and a NOK 0.75 billion credit facility with SEB (three-year maturity and two one-year extension options). These facilities remained unused at year-end 2022. Veidekke ASA is responsible for the group's total withdrawals from the group account. For further details, see notes 28 and 29 to the consolidated accounts.

At 31 December 2022 the recorded non-current liability consists of bond loan of NOK 193 million maturing in March 2025.

Note 14. Guarantees

At 31 December 2022 Veidekke ASA has provided guarantees for its subsidiaries totalling approx. NOK 4 900 million in connection with specific construction projects for group companies. The company has a current bank guarantee to cover payroll tax obligations.

Note 15. Other notes

The following requirements are covered in notes to the consolidated accounts:
- Note 21: Number of shares, shareholders etc..
- Note 29: Financial risk
- Note 30: Financial instruments
- Note 31: Executive remuneration
- Note 34: Events after the reporting date

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Declaration in accordance with article 5-5 of the securities trading act

We hereby confirm that, to the best of our knowledge and belief, the group and company financial statements for 2022 have been prepared in compliance with current accounting standards, and that the information in the accounts gives a true and fair view of the group and company assets, liabilities and financial position, as well as the results of their operations in their entirety.

The board of director's annual report gives a true and fair view of the group and company development, result and position, as well as of the main risk and uncertainty factors the group is faced with.

Oslo, 23 March 2023
The board of directors of Veidekke ASA

Gro Bakstad Chair	Hanne Rønneberg	Per-Ingemar Persson	Klara-Lise Aasen	Carola Lavén
Pål Eitrheim	Inge Ramsdal	Odd Andre Olsen	Arve Fludal	Jimmy Bengtsson Group CEO

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Corporate governance

The corporate governance and management principles specify how Veidekke must be led, organised and administered to facilitate the greatest possible value creation over time, for the benefit of shareholders, employees and society at large.

1. Statement on corporate governance

Together with Veidekke's risk management principles, core values and ethical guidelines, the corporate governance principles are the group's most important management parameters. The board of directors is responsible for Veidekke's corporate governance and management and conducts an annual evaluation of principles and practice in this area.

Veidekke is subject to the governance reporting requirements in section 3-3b of the Accounting Act. The company is also subject to Oslo Stock Exchange's corporate governance requirements, and therefore reports in accordance with the current version of the Norwegian Code of Practice for Corporate Governance. This chapter covers the 15 main topics in the Code of Practice and explains any deviations. The company's auditor has reviewed the information in the statement issued pursuant to section 3-3b of the Accounting Act and has concluded that it is consistent with the information provided in the annual accounts.

The corporate governance statement will be considered at the annual general meeting on 10 May 2023.

Deviations from the Code of Practice: None

2. Operations

Veidekke's purpose is defined in its articles of association as "construction and property development activities, and other economic activities related thereto. Activities may be engaged in by the company itself, by subsidiaries in Norway or abroad, through participation in other companies or in cooperation with others." See page 185.

Veidekke ASA is a public limited liability company, listed at the Oslo Stock Exchange (NACE code: Construction), headquartered in Oslo and with operations in Norway, Sweden and Denmark. The operations are managed by the private limited liability companies Veidekke Entreprenør AS, Veidekke Industri AS, Veidekke Sverige AB and Hoffmann A/S, but financial figures are reported in accordance with the following segment structure:

- Construction Norway is one of the country's largest construction contractors.
- Infrastructure Norway executes civil engineering projects all over the country and is a substantial producer of asphalt and aggregates, as well as an important operator in the Norwegian public roads maintenance market.
- Construction Sweden builds residential and commercial buildings and executes renovation projects, primarily in and around Stockholm, Malmö and Gothenburg.
- Infrastructure Sweden executes civil engineering, recycling and asphalting projects all over Sweden.
- Hoffmann A/S in Denmark primarily constructs commercial buildings.

Veidekke's strategy defines three strategic pillars to ensure competitiveness and increased value creation going forward; that Veidekke take an active role in the green shift, put people first and has passion for the customer's project.

Veidekke wishes to promote sustainable social development through responsible business conduct and systematic improvements related to, for example, greenhouse gas emissions, resource consumption, protection of the external environment, occupational health and safety, diversity, skills development, etc. Veidekke supports the UN Sustainable Development Goals and is a member of the UN Global Compact.

The group's efforts in these areas are detailed in its sustainability report, which complies with the GRI 2021 standard from the Global Reporting Initiative and is incorporated into the annual report (pages 118–175).

Veidekke prioritises solid profitability and high dividend payments to shareholders and focuses on continued profitable growth in selected markets towards 2025. Concrete targets have been adopted for the group's profit margins and dividends, as well as strategic goals for the various operations to ensure strong profitability and value creation in all parts of the business.

Deviations from the Code of Practice: None

3. Equity and dividends

Veidekke aims to provide its shareholders with a competitive return on their investment through a combination of dividends and share price appreciation. To achieve this, strategic targets have been set at unit level. The group must have a strong financial position.

As at 31 December 2022, the group's equity ratio was 17% and its net interest-bearing assets totalled NOK 2.8 billion.

Veidekke aims to distribute at least 70% of the group's annual profit to shareholders. A dividend of NOK 7.0 per share was distributed in May 2022, corresponding to a dividend pay-out ratio of 99% for 2021. The board is proposing a dividend of NOK 7.75 per share for the financial year 2022, amounting to 96% of the profit

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per share. The proposal is based on the company's dividend target and its robust financial position. The proposal will be presented for approval at the annual general meeting on 10 May 2023.

At the annual general meeting on 11 May 2022, the board was authorised to:

- Increase the company's share capital in connection with business acquisitions. The share capital may be increased by up to NOK 6.5 million, i.e., approximately 10% of the company's share capital, divided into 13 million new shares with a nominal value of NOK 0.50 each.
- Increase the company's share capital in connection with share and option programmes for employees. The share capital may be increased by up to NOK 1 137 000, i.e., approximately 2% of the company's share capital, divided into 2 274 000 new shares with a nominal value of NOK 0.50 each.
- Purchase the company's own shares to optimise the group's capital structure, and as a means of payment in connection with the acquisition of other undertakings. This authorisation is capped at NOK 6.5 million, i.e. approximately 10% of the company's share capital, divided into 13 million new shares with a nominal value of NOK 0.50 each, where, for one share with a NOK 0.50 denomination, a minimum of NOK 10 and a maximum of NOK 300 should be paid.
- Purchase the company's own shares in connection with share and option programmes for employees. This authorisation is capped at a nominal value of NOK 1 137 000, i.e., approximately 2% of the company's share capital, and the payment per share with a nominal value of NOK 0.50 may not be lower than NOK 10 or higher than NOK 300.

Deviations from the Code of Practice: None

4. Equal treatment of shareholders and transactions with close associates

Veidekke treats all shareholders equally as a matter of principle. Each share carries one vote at the annual general meeting. Any variation of shareholders' pre-emptive rights in connection with capital increases will be explained.

Impartiality rules ensure that resolutions do not favour the main shareholder, namely OBOS (19.5% ownership interest). OBOS is a major property developer and an important client for Veidekke's construction operation, in respect of both residential and office projects. Veidekke and OBOS have jointly owned projects at Ulven in Oslo and Wendelstrand outside Gothenburg. See note 33.

Where Veidekke has engaged in material transactions with major shareholders other than ordinary commercial agreements, independent advisers are engaged to ensure correct valuation.

Board members have a duty to inform the board of potential conflicts of interest. Guidance on this topic is also included in the board's rules of procedure.

Veidekke's management gives high priority to employee co-ownership and seeks to enable as many staff as possible to buy shares in the company. The employee share purchase programme gives staff an annual opportunity to buy discounted Veidekke shares. At the end of 2022, employees owned more than 12% of the company.

Veidekke had an option programme for key staff until 2021, with full accrual being achieved after three years. The exercise period for the former option programme will run until 2026, and as of 31 December 2022 there were 1.6 million outstanding options in the program. In 2021, the option programme was replaced with an annual share purchase programme for senior executives which offers discounted shares with the option of loan financing by Veidekke.

The group complies with Oslo Stock Exchange's insider trading rules and trading restrictions. See page 116 for further details of the insider trading rules applicable to employees.

Deviations from the Code of Practice: None

5. Freely negotiable shares

Veidekke's shares are listed on Oslo Stock Exchange and are freely transferable. The company's articles of association do not contain any trading restrictions.

Deviations from the Code of Practice: None

6. Annual general meeting

Veidekke facilitates shareholder participation in the annual general meeting and gives priority to ensuring that it is an effective meeting place for shareholders and the board. The 2021 ordinary general meeting took the form of a hybrid meeting, where shareholders could meet in person or participate digitally.

The company's next ordinary general meeting will be held on 10 May 2023, and as in the preceding year, shareholders can participate digitally or in person. Notice of the meeting and supporting documents are published on Veidekke's and the Oslo Stock Exchange's websites no later than 21 days before the annual general meeting. Pursuant to section 5-11 of the Public Limited Liability Companies Act, shareholders have the right to submit matters for consideration by the annual general meeting. Such matters must be notified to the board of directors in writing no later than seven days before the deadline for giving notice of the annual general meeting, together with a proposed decision or statement of reasons for the inclusion of the matter on the agenda. Shareholders can participate in the annual general meeting either in person or through an authorised representative (proxy). Proxy forms are distributed with the notice of meeting. Shareholders who are unable to attend the annual general meeting in person or by proxy may vote in advance on the individual agenda items.

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The board of directors, the chair of the nomination committee and Veidekke's auditor attend the annual general meeting, in addition to company management. The minutes of the annual general meeting are published the first working day after the meeting.

Deviations from the Code of Practice: None

7. Nomination committee

Use of a nomination committee is stipulated in Veidekke's articles of association. The nomination committee submits recommendations to the annual general meeting on the election of members to the board of directors and the nomination committee and proposes board and nomination committee fees.

When proposing board candidates, the nomination committee must take into account the board's overall competence and ensure that the board fulfills legal requirements for gender balance and independence. The committee held three meetings in 2022.

The nomination committee consults the CEO, board members and relevant shareholders when preparing recommendations. Shareholders may propose board candidates to the nomination committee. The Veidekke website includes a function for this, and there is no deadline for submitting such proposals.

The nomination committee's chair and other members are elected by the annual general meeting, which also sets the committee members' remuneration.

Under the articles of association, the nomination committee must have at least three members. Nomination committee members should be shareholders or representatives of shareholders, and the majority must be independent of the board of directors and company management. The CEO and other senior executives are barred from membership.

Up until the annual general meeting on 11 May 2022, the nomination committee comprised Harald Norvik (chair), Erik Must, Anne Elisabet Thurmann-Nielsen and Tine Fossland. Following the annual general meeting, the nomination committee comprised Arne Austreid (chair), Erik Must and Tine Fossland, representing, respectively, OBOS, Must Invest AS and Folketrygdfondet, which are all among Veidekke's largest shareholders.

Deviations from the Code of Practice: None

8. The board of directors, composition and independence

The board of directors is Veidekke's highest administrative body and is directly accountable to the annual general meeting. The board consists of seven members elected by the shareholders and three members elected by and from among the employees. In 2003, Veidekke entered into an agreement with its employees that it would not have a corporate assembly. In return, employees were granted increased representation on the board of directors. The shareholder-elected board members are elected for one year at the annual general meeting. Since the group does not have a corporate assembly, the board elects its own chair in accordance with the provisions of the Public Limited Liability Companies Act.

In deciding the composition of the board, emphasis is given to safeguarding shareholder interests and ensuring diversity and breadth of expertise. Relevant aspects are financial, sustainability and other professional expertise that is of particular relevance to Veidekke's business.

Of the shareholder-elected board members, four are women and three are men. Veidekke thus complies with the provisions of the Public Limited Liability Companies Act on gender balance on the boards of listed companies. Efforts are made to have board members from all Scandinavian countries. Five of the shareholder-elected board members are resident in Norway and two in Sweden.

The board's composition ensures that it can act independently of shareholders' special interests. Moreover, the board's rules of procedure include impartiality rules dealing with situations where a board member has a vested interest. Board independence is also ensured through the use of the nomination committee as stipulated in the articles of association.

The shareholder-elected board members are independent of the company's senior executives and significant business associates, with the exception of board member Daniel Kjørberg Siraj, who is Group CEO of OBOS, Veidekke's largest shareholder and an important business partner.

In keeping with the Code of Practice from the Norwegian Corporate Governance Board, board members are encouraged to own shares in Veidekke. See the overview of shareholdings in note 21.

Deviations from the Code of Practice: None

9. The work of the board of directors

The board's main task is to ensure value creation. The board of directors is also responsible for the overall management of the company, including the appointment of the Group CEO, and is tasked with ensuring productive, appropriate organisation of the company's business. The board plays an independent role and is mandated to ensure equal and proper treatment of all shareholders. The board held 13 board meetings in 2022.

The board's work is based on its rules of procedure, which describe its responsibilities and tasks, including agreements with associated parties. The board of directors adopts targets, strategies and budgets, reviews and approves financial and sustainability reports and contributes expertise and experience. All matters of an unusual nature or of great significance to the group must be presented to the board.

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The topics to be discussed at different board meetings are specified in an annual plan, which also includes annual board review of all business areas and such topics as compliance, sustainability, OHS, HR and succession planning.

Ongoing evaluation of the board's work is included in each board meeting. The board also annually carries out a more formal evaluation of its work and competence. In the fourth quarter, members answer an evaluation survey, and the results are reviewed at the board's January meeting, which decides on any follow-up.

Veidekke's board had three sub-committees as at the end of 2022: the audit committee, the remuneration committee and the project committee. Committee members are selected from among the board members. Minutes of subcommittee meetings are sent to the board, and the committee chairs regularly brief the board on the work of their committees.

The audit committee
The audit committee is tasked with facilitating productive cooperation between the board of directors and the administration, as well as between the board and the external auditor, on accounting, financial affairs, sustainability, controls and risk management. The committee reviews periodical financial reports and annual and sustainability reports in advance of board consideration. The committee reports to the board, and its work is governed by board-issued mandates and instructions. The committee holds nine ordinary meetings per year, four of which are related to the group's quarterly reports.

The audit committee is composed of four shareholder-elected and one employee-elected board member. In 2022, the shareholder-elected members comprised Klara-Lise Aasen (chair as of May 2022), Daniel Kjørberg Siraj, Hanne Rønneberg, and Carola Lavén (as of May 2022), and the employee-elected member was Odd Andre Olsen. Gro Bakstad chaired the committee until her nomination as board chair in May 2022.

The remuneration committee
The remuneration committee submits proposals to the board on the salary and other compensation of the Group CEO and advises the Group CEO on salary and compensation arrangements for members of group management. The committee reports to the board, and its work is governed by board-issued mandates and instructions. The committee held seven ordinary meetings in 2022.

The remuneration committee is composed of four shareholder-elected and one employee-elected board member. In 2022, the shareholder-elected members comprised Gro Bakstad (chair as of May 2022), Daniel Kjørberg Siraj, Per-Ingemar Persson, Carola Lavén, and the employee-elected member was Inge Ramsdal. Svein Richard Brandtzæg chaired the committee until his resignation from the board in May 2022.

The project committee
The project committee helps deepen the board's insight into major new projects and assists the Group CEO with decisions on bids for projects valued in excess of NOK 800 million, as well as projects with an unusual content or risk level. The project committee held 12 meetings in 2022.

The project committee is composed of three shareholder-elected members and one employee-elected member. In 2022, the shareholder-elected members comprised Per-Ingemar Persson (chair), Hanne Rønneberg and Pål Eitrheim (as of May 2022) and the employee-elected member was Arve Fludal. Ingolv Høyland was a member of the committee until his resignation from the board in May 2022.

Deviations from the Code of Practice: None

10. Risk management and internal control
The ability to plan, execute and evaluate construction projects lies at the heart of Veidekke's business. Effective structuring and management are critical success factors for the group. The large number of ongoing projects at any given time necessitates systematic reporting by each project to each business area, and then on to management and the board.

The board of directors – roles and participation in board and committee meetings in 2022:

Name	Role	Board member since	Board meetings	Committee involvement/meetings
Gro Bakstad	Chair	2010	13 of 13	Remuneration (chair): 3 av 3 Audit (chair): 4 of 4
Daniel Kjørberg Siraj	Board member	2018	12 of 13	Audit: 9 of 9 Remuneration: 5 of 7
Hanne Rønneberg	Board member	2020	12 of 13	Audit: 9 of 9 Project: 11 of 12
Per-Ingemar Persson	Board member	2020	13 of 13	Remuneration: 7 of 7 Project (chair): 12 of 12
Klara-Lise Aasen	Board member	2021	12 of 13	Audit (chair): 8 of 9
Carola Lavén	Board member	2021	13 of 13	Remuneration: 5 of 7 Audit: 4 of 5
Pål Eitrheim[1]	Board member	2022	8 of 9	Project: 7 of 8
Inge Ramsdal[2]	Board member	2008	13 of 13	Remuneration: 5 of 7
Odd Andre Olsen[2]	Board member	2011	13 of 13	Audit: 9 of 9
Arve Fludal[2]	Board member	2015	13 of 13	Project: 12 of 12
Ingolv Høyland[3]	Board member	2017	4 of 4	Project: 4 of 4
Svein Richard Brandtzæg[3]	Chair	2019	4 of 4	Remuneration (chair): 4 of 4

[1] Elected to the board of directors at the annual general meeting on 11 May 2022.
[2] Employee-elected.
[3] Resigned at the annual general meeting on 11 May 2022.

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Reports are submitted ten times a year, and cover matters such as profitability, liquidity, risk, injuries, employee absence and environmental impact, as well as other financial and non-financial parameters.

Veidekke's framework for the management and monitoring of project uncertainties covers the tender and execution phases and concentrates on uncertainty analysis and management. Uncertainty management is incorporated into financial reports for individual projects, and also includes a quarterly review by management of the project portfolio's development and the individual projects presenting the greatest uncertainties.

Management monitors the project portfolio on an ongoing basis to ensure an acceptable level of risk exposure and a robust basis for profitability. The principles underpinning the uncertainty management framework are reflected in the management systems used by the different operations, in the form of clear guidelines on and procedures for risk management at the tendering phase as well as project execution regarding quality, progress, profitability, health, safety and the environment.

These systems and procedures help ensure the quality of the order book and a consistent high standard of project execution. The development and profitability of the order book is a fixed agenda item for the management teams of the individual companies, group management and the board of directors.

Veidekke's financial policy provides guidelines for the different entities' financial management and activities. The objective is to avoid, limit, control and measure financial risk, promote capital rationalisation and optimise the group's financial resources.

Climate risk is included in the company's risk management activities. Climate change may entail severe damage to nature and infrastructure such as buildings and roads. In addition, stricter climate standards and new technologies may bring about major changes in demand for various products and services, as well as in applicable framework conditions for production. Climate risk may therefore impact the group's operational, financial and market risks. Veidekke reports on climate risk in accordance with the TCFD framework. See page 180.

Planning
Veidekke's financial and strategic planning follows a fixed annual schedule which specifies deadlines for the preparation of framework documents, strategy plans and budgets. The schedule also prescribes ongoing monitoring of the group's operations.

Financial management
The group is managed in accordance with clear financial targets related to profit margin, capital yield and capital structure. These targets are broken down and translated into sub-targets for the individual operations, in the form of profitability and cash flow requirements. Projects are subject to profit margin targets, including targets for financial items.

Financial reporting
Veidekke's group accounts are prepared in accordance with the applicable IFRS regulations. The group adopts accounting policies in line with the regulations, which are communicated to the operations together with other applicable rules, with particular emphasis on changes in new and significant standards. Accounting information is reported through the group's joint reporting system. The reporting system features an overarching chart of accounts and integrated control systems, both intended to promote information consistency. Quarterly and year-end financial reports are expanded to provide mandatory additional information.

In accordance with Veidekke's governance model, accounting information is consolidated and controlled at several levels within the organisation. Each entity has a responsibility to comply with applicable laws and regulations on financial reporting, and to seek assistance from central staff functions when significant assessments or transactions going beyond the ordinary course of business are required. The group has adopted a special procedure which must be followed in connection with the purchase and sale of businesses. Veidekke's external auditor performs expanded checks at project level. Moreover, the audit committee is mandated to engage in-depth with accounting and financial matters, control measures and risk management on behalf of the board. Assessment of project status and risk constitutes the greatest financial reporting-related risk for project-based organisations. Veidekke therefore arranges courses on relevant financial and management systems to ensure that it has the necessary project-reporting expertise.

Sustainability goals
Veidekke has set fixed targets in key sustainability areas, e.g. for reducing occupational injuries and greenhouse gas emissions and increasing the percentage of women in management and in other operations. See the Sustainability Report for more information.

Sustainability reporting
Veidekke prepares a sustainability report in accordance with the GRI 2021 standard from the Global Reporting Initiative. The report is included in the annual report on pages 118–175.

The group supports the TCFD initiative and seeks to address climate risk in line with TCFD's recommendations. The group also reports to CDP Climate (2022: A-) and CDP Forest (2022: B).

Ethical guidelines
Veidekke's ethical guidelines draw up a framework for proper conduct on behalf of the group, detailing both business practice standards and requirements linked to Veidekke's relations with partners, suppliers and other parties.

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All persons who work for or represent Veidekke have a duty to act in accordance with the ethical guidelines and the group's core values; professional, honest, enthusiastic, and ground-breaking. To help ensure that ethical dilemmas are handled well, the individual employee's personal values must align with the group's core values. Other prerequisites to making wise choices is familiarity with laws and regulations and a good understanding of what these entail.

Reporting of censurable conduct
Veidekke has rules in place for the reporting of censurable conduct within the company (whistleblowing) and on the handling of such reports. A whistleblowing mechanism has been established through which reports can be submitted anonymously. The mechanism can be accessed on Veidekke's website, thus also allowing external parties to submit reports.

Compliance risk
Veidekke has adopted measures to help employees handle issues in accordance with applicable laws and regulations. The measures include guidance documents and training.

Deviations from the Code of Practice: None

11. Remuneration of board members
Board and committee remuneration is set by the annual general meeting based on recommendations received from the nomination committee. The remuneration reflects the board's responsibility, expertise and time spent, and is independent of the company's financial results. No board members have share option agreements.

None of the shareholder-elected board members perform special tasks for Veidekke beyond those inherent in their membership of the board and any board committees. See also note 31.

Board members are encouraged to hold shares in Veidekke (see section 8).

Deviations from the Code of Practice: None

12. Remuneration of senior executives
The board of directors is tasked with setting the salary and other compensation of the Group CEO, while the remuneration of other members of group management is determined by the Group CEO in consultation with the board chair. Guidelines for the remuneration of senior executives is presented to the annual general meeting each year. The statement and annual report on executive pay are published on Veidekke's website.

Veidekke seeks to offer competitive pay conditions but does not wish to be a wage-driver, and the salaries of senior executives are therefore set based on a comparison with industry statistics and other relevant businesses. A bonus programme has been established in addition to ordinary salary, under which the maximum individual payout is 50% of annual salary. The bonus is linked to target achievement in accordance with pre-defined criteria. Veidekke's managers also participate in the group's general employee share purchase programme, under which employees receive an annual invitation to buy Veidekke shares at a discount and with financial assistance.

See also Shareholder information on page 114 for further details, as well as notes 31 and 6.

Deviations from the Code of Practice: None

13. Information and communication
All shareholders and other stakeholders in the financial markets are treated equally in terms of access to financial information from Veidekke. Strong emphasis is given to ensuring that all provided financial information is correct, clear and relevant, so that the share price reflects the value of the company.

The company website provides all interested parties with equal and simultaneous access to relevant shareholder information, in Norwegian and English. Access is also provided to the group's financial calendar, which contains dates for the publication of financial information and information about Veidekke's annual general meeting.

Veidekke publishes quarterly reports containing supplementary financial information on the websites of the company and the Oslo Stock Exchange. The presentation of the quarterly results is open to the public and can also be viewed via webcast. The group's Investor Relations team (IR) maintains regular contact with shareholders, potential investors, analysts and the financial markets in general. Extra care is taken in the periods immediately prior to the publication of quarterly figures. The board of directors is updated on IR work on an ongoing basis. See also Shareholder information.

Deviations from the Code of Practice: None

14. Corporate takeover
Any offer to take over the company will be handled in accordance with the principle of equal treatment of shareholders. The board of directors recognises its responsibility to provide shareholders with sufficient information and time to form an opinion on any bid for the company. If a bid for a large, controlling shareholding is received, the board will evaluate the bid and make a recommendation to shareholders to accept or reject it. Once any bid becomes public, the board will not use authorisations or pass other resolutions that obstruct the bid unless this has been approved by the general meeting.

Deviation from the Code of Practice: The board of directors does not have specific guidelines on its conduct in connection with a bid for the company. The board agrees with the wording of the NUES recommendation, but has not found it necessary to adopt such guidelines.

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15. Auditor

Veidekke's external auditor is EY. The external auditor is elected by the annual general meeting, which also approves the audit fee each year. The external auditor is independent of Veidekke ASA and issues an annual written confirmation to the board of directors that stipulated independence requirements are met. Veidekke has guidelines in place on the scope and types of additional services provided by the auditor. The external auditor's remuneration is specified in note 31.

The external auditor normally attends at least two board meetings a year, including the meeting at which the board considers the annual accounts and audit summary. Arrangements are made to ensure that the board has an opportunity to ask the auditor questions without management being present.

The external auditor also attends all meetings of the audit committee, to which the auditor presents the audit plan, interim audit report and report on the annual report and accounts. In these reports, the auditor issues an opinion on the quality of internal controls throughout the group and discusses any accounting problems revealed by the audit.

The external auditor also attends the ordinary general meeting.

Deviations from the Code of Practice: None

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Auditor's report

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VEDLAGT. INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Veidekke ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Veidekke ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise of the statement of financial position as at 31 December 2022 and the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of sigrificant accounting policies. The consolidated financial statements of the Group comprise of the statement of financial position as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been Veidekke ASA's elected auditor for a continuous period starting prior to 2022.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Accounting of projects

Basis for the key audit matter
Revenues and costs from projects in the construction operations are recognised over time in accordance with the progress of the projects. Estimates for the projects' total costs, the outcome of disputes and any other contractual obligations are applied for revenues recognised over time. Progress is estimated on the basis of accrued costs compared with estimated total costs in the project. Project revenue comprises the agreed compensation and variable compensation from additional and change orders. Variable revenue is fully or partly recognised if it is considered to be highly unlikely that any significant reversal of revenue will be made in subsequent periods. The projects can be complex and continue for several years. The accounting for projects has been a key audit matter due to the estimation uncertainty, the projects' complexity and the significance of the amounts involved.

Our audit response
We assessed the application of the accounting principles for revenue recognition over time in addition to completeness and accuracy of the disclosures concerning revenues. We have also considered routines for project monitoring and tested controls related to project evaluations and accounting. We discussed the status on selected projects with project management and the Company's management by region and business unit.

We also visited selected projects. For selected contracts, we tested

- project revenue against agreements and assessed the treatment of variable revenue from additional and change orders in addition to disputes and claims.
- estimated variable compensation against the Company's documentation and management's assessment of the probability that no significant reversals will take place when the uncertainty related to the variable compensation ceases.

We also controlled costs charged to the projects against invoices and timesheets, assessed the determination of estimated total project costs, the estimated final profit against comparable projects and analysed the development in profitability for selected projects and for the total project portfolio. In addition, we have performed analyses of actual revenues and costs on selected finalised projects against project prognoses in order to evaluate management's historical accuracy.

We refer to note 8 on construction projects in progress, note 32 on information regarding disputes and claims related to projects and note 25 on trade payables and other current liabilities.

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Disputes and claims in large infrastructure projects

Basis for the key audit matter
The Group is through its ongoing business involved in disputes with clients regarding the interpretation and understanding of contracts. This particularly applies to infrastructure projects where the contractual amounts are significant, and the projects and contracts are complex. The disputes and claims concern both claims from Veidekke against the customers (due to variable volumes and the settlement of volumes, etc.) as well as claims from customers against Veidekke (remedy of defects, compensations etc.). Management uses a significant degree of judgment in the consideration of such dispute issues, and disputed amounts are only recognized if it is considered to be highly probable that no significant reversals will take place in subsequent periods. Disputes and claims have been a key audit matter due to estimation uncertainty, the disputes' complexity and the significance of the amounts.

Our audit response
We assessed the Company's controls and routines related to the identification, evaluation and follow-up of disputes. We evaluated the Company's assessment of estimates and discussed ongoing disputes with management on various levels in the Group. We reviewed relevant internal and external correspondence, had meetings with the in-house legal department and obtained statements from external and internal lawyers. We assessed management's accuracy in historical disputes against the outcome of these disputes as part of our control of management's judgment in ongoing disputes.

We refer to note 2 for information on areas involving significant estimation uncertainty and note 32 for information regarding disputes and claims related to projects.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and CEO) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of

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directors' report, the statement on corporate governance or the statement on corporate social responsibility, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may

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cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of our audit of the financial statements of Veidekke ASA we have performed an assurance engagement to obtain reasonable assurance whether the financial statements included in the annual report, with the file name VEI-2022-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance

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engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 23 March 2023
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Anders Gøbel
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been prepared for information purposes only.)

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Shareholder information

Veidekke aims to generate value for shareholders in the form of a strong, stable return. This return reflects the group's financial robustness, itself the result of stable, profitable operations.

History
Veidekke was founded in 1936, and has been listed on the Oslo Stock Exchange since 23 June 1986. The Veidekke share is traded on the main exchange under the ticker symbol VEI. All Veidekke shares carry equal rights and are freely transferrable. Veidekke has always had a single share class, with one share carrying one vote.

There is a long-term link between value creation by the company and the return on the share as measured by share price growth and dividends. Veidekke has generated a strong return for shareholders over time. Including dividends, the total return over the past five years is 88%. This equates to an average annual return of 13.5%. In contrast, the Oslo Stock Exchange all-share index grew by 46% over the same period, equating to an average annual return of 7.9%.

Veidekke aims to generate value for shareholders in the form of a competitive return compared to investment alternatives. The return comprises a combination of dividends and share price growth.

Turnover and return
2022 saw a total of 17.9 million Veidekke shares traded on the Oslo Stock Exchange, equating to a turnover rate of 13.3%. In comparison, 27.4 million shares were traded in 2021, corresponding to a turnover rate of 20.3%. There were 89 165 trades involving Veidekke shares during the year, compared to 92 409 the previous year. At the close of 2022, the share price was NOK 96.80, corresponding to a market value of NOK 13 billion. The total return for shareholders in 2022 was -22%, including dividends paid for the financial year 2021. In contrast, the return on the Oslo Stock Exchange all-share index was -1%.

Dividends
Veidekke's dividend policy calls for a pay-out ratio of at least 70% of the profit for the year. Over the past five years, the company has delivered an average pay-out ratio of 95% (excluding the extraordinary dividend paid in connection with the sale of Veidekke's property development operation).

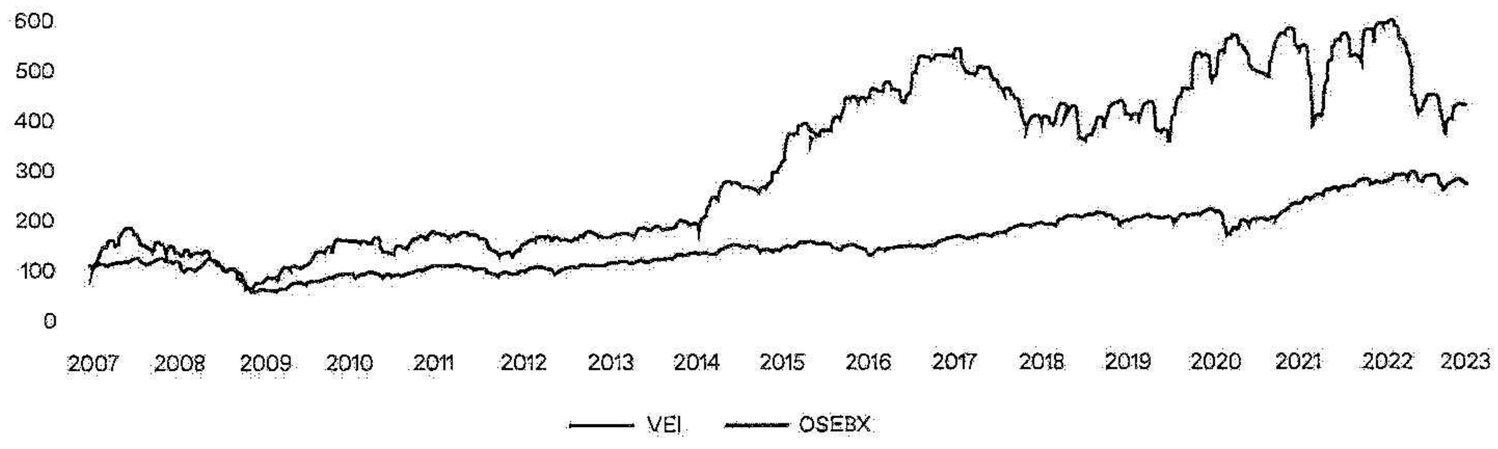
At the general meeting in May 2022, a dividend of NOK 7.0 per share was approved for the financial year 2021.

The board is proposing a dividend of NOK 7.75 per share in respect of the financial year 2022, corresponding to a pay-out ratio of 96% of the profit per share.

Share capital and ownership structure
Veidekke's share capital as at 31 December 2022 amounted to NOK 67 478 133.50, divided into 134 956 267 shares with a nominal value of NOK 0.50 each. There were no changes in share capital in 2022.

At the close of the year, Veidekke had 12 474 shareholders, compared to 11 377 at the beginning of the year. The largest shareholders in the company were OBOS BBL (19.5%), Folketrygdfondet (10.2%) and IF Skadeforsäkring AB (3.7%). There were some adjustments to the shareholdings of Veidekke's ten largest shareholders in 2022. ODIN Fonder's decision to increase its stake by 0.7% – from 2.7% to 3.4% – represented the largest increase, while Lannebo Fonder's decision to sell its 1.9%

Share price development, indexed[1]



[1] The share prices in this chart have been adjusted for dividends. The scale is logarithmic.
Source: Oslo Stock Exchange and Veidekke.

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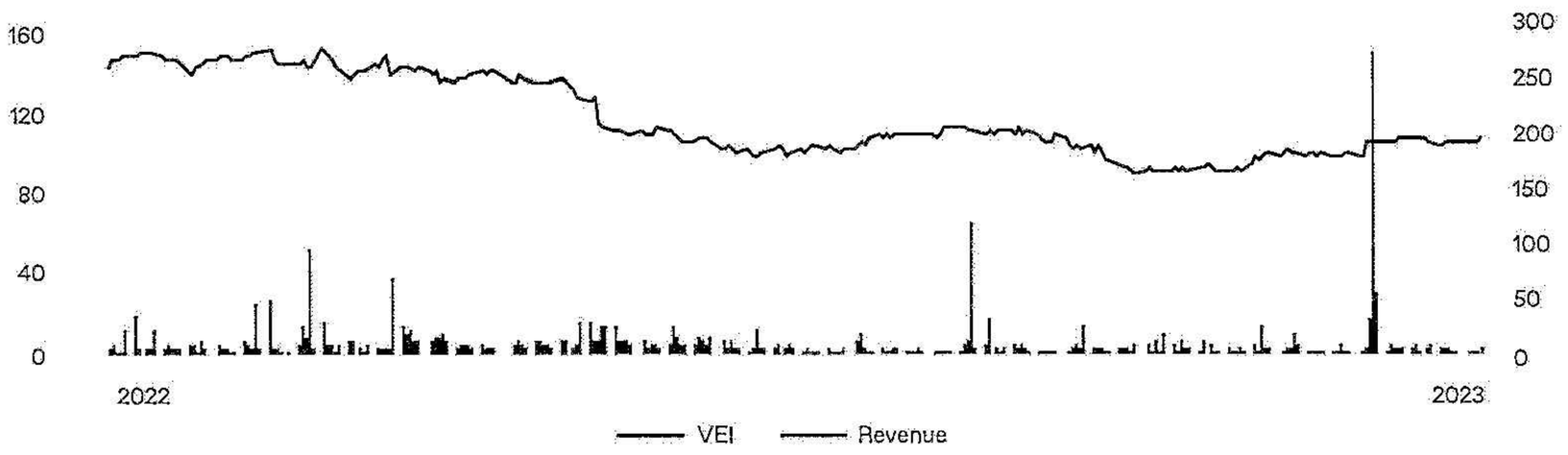
Share price



stake represented the largest decrease. At year-end 2022, employees owned a combined stake of approximately 12% in the company, compared to 11.5% in 2021. Veidekke owned 5 000 treasury shares at the end of 2022. Foreign ownership totalled 23.9% at year-end.

Employee co-ownership

Employee ownership has been a priority for Veidekke since the company's initial listing in 1986. Management encourages broad employee co-ownership through its employee share programme, which gives all employees an annual opportunity to purchase Veidekke shares at a discount. While the share programme was originally reserved for key executives, it was opened up to all employees in 1990. Management firmly believes that employee co-ownership promotes increased commitment, motivation and understanding of the business, and that actively benefiting from the company's value creation gives employees a long-term perspective on the company's development. Co-ownership is also considered an important recruitment tool and an incentive which supports retention of skilled workers.

Veidekke's trainees receive NOK 10 000 in shares when they join the company, as do apprentices who stay with Veidekke after achieving trade certification.

Two share programmes were run in 2022 – one for all employees and one for senior executives. Both programmes allow staff to purchase a limited number of Veidekke shares at a 20% discount. For

Largest shareholders as at 31 December 2022

	Ownership share in %
OBOS BBL	19.5
Folketrygdfondet	10.2
If Skadeförsäkring AB	3.7
ODIN Funds	3.4
Vanguard	2.8
Pareto Asset Management	2.3
Erik Must	2.2
Danske Invest	2.2
MP Pensjon PK	2.0
DNB Asset Management AS	1.5
Total 10 largest	49.8
Employees	12.0
Others	38.2
Total	100.0

A list of the 20 largest shareholders is published on Veidekke's website and updated weekly. The company's share registrar is DNB.

Share distribution as at 31 December 2022

Shareholding	From	Until	No. of shareholders	No. of shares	%
	1	100	3 634	140 739	0.10
	101	1 000	4 544	2 044 508	1.51
	1 001	10 000	3 286	11 467 649	8.50
	10 001	100 000	902	23 326 808	17.28
	100 001		108	97 976 563	72.60
Total			12 474	134 956 267	100.00

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Swedish participants, the offer has been increased to 25% to compensate for tax rules. Share purchases can be financed in two ways: payment in cash or through an interest-free loan from Veidekke which is repaid through salary deductions over the following 10 months. Some 6 907 employees received a share-purchase offer under the all-employees programme in February 2022, and ultimately 2 149 employees bought a total of 1 161 103 shares. The subscription price per share was calculated based on the volume-weighted average share price on Oslo Stock Exchange during the subscription period, less a discount. The 25% discount for Swedish participants resulted in a price of NOK 100.14, while the 20% discount for Norwegian and Danish participants resulted in a price of NOK 106.81. The shares are subject to a two-year lock-in period. In total, 1 129 persons received a share-purchase offer under the senior-executive programme in November 2022, and ultimately 604 employees bought a total of 766 611 shares. The subscription price was calculated based on the volume-weighted average share price on Oslo Stock Exchange during the subscription period less a discount. The 25% discount for Swedish participants resulted in a price of NOK 67.64, while the 20% discount for Norwegian and Danish participants resulted in a price of NOK 72.14. Shares purchased through the senior-executive programme can be financed by a loan with a 15-year repayment period, and are subject to a three-year lock-in period. The interest rate on such loans was 0.8% at year-end.

Veidekke operated an option programme for key staff from 2019 to 2021. Options accrued over a period of three years from the allocation date: 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. Options expire if they are not exercised within five years of the allocation date. Shares purchased through the option programme may not be sold within the first year after exercise of the option. As at year-end, approximately 1.6 million options remained unexercised. Options purchased during the final programme period (2021) will lapse in May 2026.

Inside information

The company's internal insider trading rules are stricter than required by the Norwegian Securities Trading Act. In addition to an expanded statutory duty to investigate, the company observes the duty to obtain clearance for primary insiders, in order to ensure more thorough compliance with the duty to investigate. This is in keeping with Oslo Stock Exchange recommendations. Veidekke has also drawn up internal rules which have been made known to all employees in key positions and senior employee representatives. Among other things, these rules provide that trading in Veidekke shares is prohibited during the four weeks prior to publication of interim results, and that employees must always exercise great caution when buying and selling Veidekke shares.

The investor market

Veidekke's main aim for its investor market work is to build trust by ensuring that all parties are treated equally in terms of equal access to identical financial information. Open dialogue with investors, analysts and other stakeholders in the financial markets helps ensure that the group's values are reflected in the pricing of the Veidekke share.

Interim results are reported in accordance with the financial calendar. Veidekke holds presentations for shareholders, potential investors, brokers, analysts, the press and employees in connection with the publication of annual and interim results. These presentations can be followed via webcast. The company publishes information in Norwegian and English. Veidekke's financial calendar, quarterly reports, analyst presentations, economic activity reports and other important press releases and presentations, information on the Veidekke share, share price developments and shareholder information, as well as up-to-date lists of shareholders and analysts who follow the Veidekke share can be found on veidekke.com.

Key figures for the Veidekke share

	2022	2020	2020	2019 restated	2018
Market price as at 31 December	96.8	131.8	110.8	119.5	96.9
- high	136.4	132.4	133.6	121	99
- low	80.9	103.4	72.95	79.1	75.8
Earnings per share	8.1	7.1	15.6	6.8	4
Market price/earnings (P/E)	12.0	18.6	7.1	17.6	24.2
Market price/book value per share (P/B)	4.4	5.3	5.2	4	3.1
Dividend per share	7.75	7.0	28.25	0	5
Pay-out ratio (%)	96%	99%	181%	0%	125%
Turnover rate (%)	13.26%	19.30%	28.70%	23.70%	33.50%
Earnings yield (%)	7.23%	5.30%	11.60%	4.20%	5.20%
Outstanding shares (average million)	134.9	134.9	134.9	133.7	133.7
Market price as at 31 December (NOK million)	13 307	17 787	14 953	16 127	12 956
No. of shareholders as at 31 December	12 474	11 377	12 140	11 173	11 559

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