

Íslandsbanki Nomination Committee

**Report to the Annual
General Meeting
21 March 2024**

Release date 29 February 2024

On 29 February 2024, the Board of Directors of Íslandsbanki hf. announced that the Annual General Meeting (AGM) would be held on Thursday, 21 March 2024, at 16:00 am local time, in the Ballroom at the Reykjavík Edition hotel, Austurbakki 2, 101 Reykjavík. Remote participation will be available, and all voting at the meeting will be conducted electronically.

In accordance with the bank's Articles of Association, the Nomination Committee has the task of nominating individuals for election to the bank's Board of Directors at its Annual General Meeting (AGM) or, as applicable, at a shareholders' meeting where Board elections are on the agenda.

This report gives an account of the Committee's work and its nominations for the upcoming AGM meeting.

Íslandsbanki's Nomination Committee

The purpose of the Committee is to create a venue for assessing candidates for directors, examining the eligibility of individual candidates to carry out their role; ensuring that the group nominated as directors has suitable breadth of expertise, experience and background, based on the bank's policies, needs, and operations, and that the Board will be sufficiently diverse. The Committee has an advisory role in connection with the election of the Board of Directors.

The Nomination Committee consists of three members, elected by the Board for a one-year term as provided for in the bank's Articles of Association. According to the Committee's Rules of Procedure, the Chairman of the Board of Íslandsbanki shall be one of the Committee members but shall not serve as its chair. The other two members shall be independent of the bank and its day-to-day management. One of them must also be independent of those shareholders of the bank who own qualifying holdings in it, or of any group of shareholders acting in concert who as a group own a qualifying holding.

The Board appointed the following persons to the bank's Nomination Committee in September 2023: Helga Valfells, Committee chair, Hilmar Garðar Hjaltason and Linda Jónsdóttir, Chairman of the Board of Íslandsbanki.

The bank's Nomination Committee consists of the following persons:

- **Helga Valfells, Chair**

Helga Valfells served as a non-executive director and Vice-Chairman of the board of Íslandsbanki from 2013 to 2019. She is a General Partner of Crowberry Capital, a Nordic Venture Capital fund. Helga sits on the board of several early stage tech companies on behalf of Crowberry Capital. She leads Crowberry's fintech investments, and currently sits on the board of four fintechs in Denmark, Finland and Iceland. Helga was a non-executive director and vice Chairman of the board of Icelandic telco Siminn from 2018 to 2021. Prior to founding Crowberry in 2017, Helga was the CEO of NSA Ventures and the Chairman of the Board of VC fund Frumtak from 2010 to 2017. Helga worked as a non-political advisor to the Icelandic minister of business in the wake of the financial crisis and spent six years as a Director at the Trade Council of Iceland. Helga spent her early career in the UK where she worked as an associate in investment banking at Merrill Lynch and as a project manager at Estee Lauder. Helga holds a B.A. degree from Harvard University and an MBA from London Business School.

- **Linda Jónsdóttir, Chairman of the Board**

Linda Jónsdóttir was the Chief Operating Officer of Marel until end of January 2024, having been Chief Financial Officer 2014-2022 and Corporate Director of Treasury, Financing and Investor Relations from 2009-2014. Linda is an accomplished leader and has accumulated a broad experience of management, finance, initial public offerings and operations through her various roles at Marel which has grown exponentially the last few years both by internal growth and by acquisitions. The company has around 7.500 employees in over 30 countries and has an annual turnover of EUR 1.7 billion. Linda also has extensive experience in the Icelandic economy through her prior roles at Icelandic companies like Eimskip and Straumur Burðarás Investment bank. Today, Linda is a board member of the University of Iceland Science Park and has also been on the board of the Iceland Chamber of Commerce and the Iceland Enterprise Investment Fund. Linda has a M.Sc. in Corporate Finance from Reykjavík University, a Cand. oecon in Business Administration from University of Iceland and is a licensed securities broker by the Icelandic Ministry of Finance and Economic Affairs.

- **Hilmar Garðar Hjaltason**

Hilmar Garðar Hjaltason is a consultant and co-owner of Vinnvinn recruitment and consulting. Hilmar has worked in recruitment since 1998. His speciality is executive search and board staffing, where he has built up a vast network and acquired extensive experience in the market. He has developed good connections with Icelandic managers and institutional investors seeking potential managers. Hilmar has worked with a large number of enterprises in all business sectors and in the public sector, been involved in recruiting the CEOs and key managers of many of Iceland's largest companies as well as the recruitment of employees in other large and small undertakings. In addition to his experience in working with selection committees for public bodies as well as the nomination committees of listed companies, Hilmar has worked extensively for large Icelandic corporations on international markets.

The Rules of Procedure of Íslandsbanki's Nomination Committee were approved in their current form at Íslandsbanki's AGM on 16 March 2023. They are available on the [bank's website](#).

Work of the Nomination Committee in preparation for the AGM

The Committee met to arrange the nomination process, familiarise itself with the Board's performance evaluation, conduct interviews with the largest shareholders, the Board and the CEO, on the one hand, and candidates on the other, and to prepare the Committee's nominations for the AGM.

In an announcement in the news system of NASDAQ OMX Nordic on 11 January 2024, the Committee invited applications for persons to serve as directors. The announcement included instructions on how shareholders could send their proposals and individuals announce their candidacy, including the respective nomination deadlines. Furthermore, the relevant information and instructions were simultaneously published on the bank's website. The announcement invited shareholders and other interested parties to submit names of potential candidates and share their views on the Committees work in relation to the Annual General Meeting through a the Committee's dedicated e-mail address nominationcommittee@islandsbanki.is.

The deadline for submitting candidacies to the Nomination Committee was 24 January 2024.

Twelve candidacies for the Board were received but five of them were later withdrawn. Two candidacies for the deputy Board were received.

Neither the work of the Nomination Committee nor its deadline for receiving applications for Board membership restricts the right of candidates to declare their candidacy to the Board at any time prior to the general deadline, which is 4:00 pm on 16 March 2024; i.e. five days before the AGM. Individuals wishing to declare their candidacy are requested to fill out a candidacy form available on the [bank's website](#).

The Committee interviewed current directors, reviewing their individual qualifications, experience and expertise, as well as evaluating other directors, the chairman of the Board and the Board as a whole. Furthermore, the Committee consulted with the CEO to seek his opinion on the key skills and knowledge needed by the company's Board of Directors and to evaluate the composition of the Board, co-operation with it, as well as its success. In addition, the Committee was given access to the results of the Íslandsbanki Board of Directors' performance evaluation, which was used, among other things, as a reference in the Committee's assessment of the Board's activities and composition. Other candidates for the Board were then evaluated and interviews conducted with relevant parties. Seven meetings were held with individual shareholders.

At a meeting with ISFI on 17 January 2024, Anna Þórðardóttir announced her decision to not seek re-election at the Bank's Annual General Meeting on 21 March 2024.

The Committee wants to thank Anna Þórðardóttir and Frosti Ólafsson, who resigned from the Board last January, for their good work on the Board during their tenure.

Competency requirements and criteria set by the Nomination Committee

In its assessment of candidates, the Nomination Committee considered the eligibility requirements for directors laid down in Art. 52 of the Act on Financial Undertakings, No. 161/2002, provisions of the bank's Policy on the Eligibility of Directors', the CEO and Key Employees, and relevant guidelines and recommendations on the eligibility of directors of financial undertakings. In addition to these, the Committee considered the candidates' experience and expertise in the following areas as desirable:

- Risk factors in the operation of financial undertakings
- Professional experience
- Marketing
- International work experience
- Funding of financial undertakings
- Management experience
- Lending
- Financial technology (fintech)
- Strategy
- Commercial banking
- Corporate banking
- Accounting and auditing
- Sustainability
- Corporate governance and human resources
- Leadership skills

In preparing its recommendations for prospective directors, the Committee assessed candidates' qualifications, skills, experience, expertise, and reputation according to current rules on eligibility of directors of financial undertakings. The Committee also assessed the candidates' independence, as provided for in the Guidelines on Corporate Governance published by the Iceland Chamber of Commerce, the Confederation of Icelandic Employers, and NASDAQ OMX Nordic, and estimated the amount of time that

serving as director could be expected to require. The Committee also sought to ensure the diversity of the Board, thereby complying with the bank's Articles of Association, including their provisions on gender equality.

Nominations of the Board of the Icelandic State Financial Investments

Icelandic State Financial Investments has a three-person Selection Committee whose task is to nominate persons on behalf of the state to the Boards of Directors of banks or undertakings falling under the auspices of the agency.

The Board of ISFI is to nominate candidates for election as directors of the bank in proportion to the state's shareholding at the time the election is held. In this instance, the Board of ISFI nominates the persons named below, three directors and one alternate, to the Board of Directors. The Board of ISFI does not nominate other individuals for election as directors. It was therefore the Nomination Committee's task to nominate four candidates for directors and one alternate.

- **Agnar Tómas Möller, director**

Agnar Tómas Möller has extensive experience in financial markets. He previously worked for Kvika Asset Management 2018-2022 and at GAMMA Capital Management, managing bond funds. Prior to that he worked in bond brokerage and risk management at Kaupping bank in 2004-2008. Agnar holds an M.Sc. in Industrial Engineering from the University of Iceland and studies history in the same school. He works for and serves as a member of the board of the investment firm ATM ehf. Agnar holds no shares in Íslandsbanki and is considered independent of the bank and its major shareholders. There are no conflicts of interest with the bank's major customers or competitors.

- **Haukur Örn Birgisson, director**

Over the past two decades, Haukur has worked as an attorney, including as a self employed attorney for 15 years. He has been an attorney at the Supreme Court since 2011. In his work, Haukur has protected the interests and provided advice to small and large companies, individuals, municipalities and foreign companies and tackled numerous legal issues and countless court proceedings. He managed the operations of Iceland Legal, as owner and managing director from the foundation of the law firm in 2008 until 2023. Since then he has been a partner at FIRMA Legal Services. Haukur has a Cand. jur. from the University of Iceland as well as being a licensed Supreme Court Attorney. Haukur holds no shares in Íslandsbanki and is considered independent of the bank and its major shareholders. There are no conflicts of interest with the bank's major customers or competitors.

- **Valgerður Hrund Skúladóttir, director**

Valgerður has worked in IT for the past 30 years. She is the founder of Sensa, an IT services company, and its managing director since its inception (2002). Prior to that she was, among other things, managing director of corporate sales and infrastructure solutions at TækniVal. She has served as director of the IT companies Staki Automation and Talenta, Siminn DK and Sensa A/S and is currently a director of the fintech company Memento and Erit ehf. She sat on the board of Íslandsbanki, Confederation of Icelandic Employers, the Federation of Icelandic Industries and on its Intellectual Property Council, served as Chairman of the Board for the Federation of IT companies (SUT) and is currently a board member of the Reykjavik Forestry Association and an alternate board member of the Board of the Classical Dance School and Business Iceland. Valgerður has a C.Sc. in Electrical Engineering from the University of Iceland and an MBA from the University of Miami. Valgerður

owns 12,659 shares in Íslandsbanki and is considered to be independent of the bank and its large shareholders. There are no conflicts of interest with the bank's major customers or competitors.

- **Herdís Gunnarsdóttir, alternate director**

Herdís Gunnarsdóttir joined the Íslandsbanki Board of Directors as an alternate in April 2016. She became a director in November 2020 and held that position until the bank's AGM in 2021 and again in October 2022. Herdís is the CEO of the Quality and Supervisory Agency of Welfare and has also formerly served as Director of the Icelandic Social Insurance Administration's entitlement division and managing director of the Healthcare Institution of South Iceland. She has broad managerial experience in the healthcare sector and in public institutions and has also worked on independent projects in the fields of policy making and project management. In tandem with her work, she has taught at the university level. Herdís has extensive experience of board work, including serving on the boards of NGOs, labour unions and professional associations and in European co-operation, including as chairman of the board of a pension fund and of European associations. She holds an MBA, an M.Sc. in Paediatric Nursing and a B.Sc. in Nursing from the University of Iceland. Herdís holds no shares in Íslandsbanki and has no interest ties with the bank's key customers or competitors. Herdís is not considered independent of the bank and its major shareholders due to her work for the Icelandic state, which is a major shareholder of the bank.

Nominations for the Board of Directors of Íslandsbanki

The Nomination Committee evaluated the candidates for Board membership with the aim of achieving, through its own group of nominees combined with the nominees of the Board of ISFI, sufficient breadth of expertise, experience and background to comply with the bank's policies, needs, and activities and ensure that the group would be sufficiently diverse.

After evaluating the candidates, the Board's activities during the past year, taking into account the views of the bank's shareholders, and the results of the Board's performance evaluation, the Nomination Committee reached a conclusion on its proposals to the bank's AGM.

The Íslandsbanki Nomination Committee recommends that, in addition to those nominated by the Board of ISFI, the following individuals be elected to the Board of Directors of Íslandsbanki hf. at the bank's AGM on 21 March 2024:

- **Linda Jónsdóttir, Chairman of the Board**

Linda Jónsdóttir was the Chief Operating Officer of Marel until end of January 2024, having been Chief Financial Officer 2014-2022 and Corporate Director of Treasury, Financing and Investor Relations from 2009-2014. Linda is an accomplished leader and has accumulated a broad experience of management, finance, initial public offerings and operations through her various roles at Marel which has grown exponentially the last few years both by internal growth and by acquisitions. The company has around 7.500 employees in over 30 countries and has an annual turnover of EUR 1.7 billion. Linda also has extensive experience in the Icelandic economy through her prior roles at Icelandic companies like Eimskip and Straumur Burðarás Investment bank. Today, Linda is a board member of the University of Iceland Science Park and has also been on the board of the Iceland

Chamber of Commerce and the Iceland Enterprise Investment Fund. Linda has a M.Sc. in Corporate Finance from Reykjavík University, a Cand. oecon in Business Administration from University of Iceland and is a licensed securities broker by the Icelandic Ministry of Finance and Economic Affairs. Linda holds 12.659 shares in Íslandsbanki. Her partner holds 12.659 shares in Íslandsbanki. Linda is considered independent of Íslandsbanki and its major shareholders. There are no conflicts of interest with the Bank's major customers or competitors.

- **Stefán Pétursson, director**

Stefán Pétursson has extensive experience in the corporate and financial market, both as a manager and director. From 1992 to 2010 he worked for the National Power Company Landsvirkjun as funding manager, head of the finance department and CFO for the last eight years. As CFO, Stefán took an active part in formulating the company's strategy, in addition to directing its profitability analyses, finances and funding. He was also on Landsvirkjun's negotiation committee with large customers. From 2010 to 2021 Stefán was CFO of Arion Bank, where he played an important role in rebuilding the bank, formulating its new strategy and strengthening trust in the bank, both nationally and internationally. Stefán also had a key role in the public listing of Arion Bank in Iceland and Sweden and its sale to domestic and foreign investors. Since 2022, Stefán has worked as CFO of the drug development company EpiEndo Pharmaceuticals ehf. The company, which is owned by domestic and foreign investors, is working on the development of a drug to treat COPD which is in phase 2 clinical trials. Stefán has considerable experience of board work, as he was Chairman of the Board of the savings bank Afl sparisjóður and on the board of the Iceland Chamber of Commerce, Valitor, Landfestar, Landeyjar, TIF and other entities. Stefán holds a Cand. oecon. in Business Administration from the University of Iceland and an MBA from Babson College in Boston. He holds no shares in Íslandsbanki and is considered independent of the bank and its major shareholders. There are no conflicts of interest with the bank's major customers or competitors.

- **Helga Hlín Hákonardóttir, director**

Helga Hlín is a partner and a consultant at Strategía consulting services, advising investors, boards of directors and managers, with a focus on strategic planning, structure, and governance as well as management and business consulting. From 1996, Helga Hlín took an active part in the development of the financial market in Iceland and implementing European regulations following the signing of the EEA agreement and participated in, among other things, the establishment and organisation of three financial undertakings. Helga Hlín worked continuously as an executive director and attorney in investment banking at Saga Investment bank, Straumur Burðarás Investment bank, Íslandsbanki, Fjárfestingabanki atvinnulífsins and the Iceland Stock Exchange. There she worked i.a. in corporate and investor finance, asset- and fund management, trading in listed and unlisted securities as well as in various types of derivatives, arranging of tenders and IPO's and listings, acquisitions and mergers, domestic and international funding as well as financial restructuring of companies and banks following the global financial crisis. In 2011, she founded Lixia legal services and worked there as a lawyer until 2014. Helga Hlín also has extensive board experience. She sits on the board of Rue de Net and AÐ-Prif ehf. and previously sat on the boards of companies such as Mark.is, Skeljungur hf., Summa Rekstrarfélag hf., Greiðsluveitan, Iceland Chamber of Commerce, Festi hf., Krónan hf., VÍS hf., WOW air hf. and Meniga Ltd. Helga Hlín holds a Cand. jur. from the University of Iceland along with being a district court attorney and a licensed securities broker by the Icelandic Ministry of Finance and Economic Affairs. She holds no shares in Íslandsbanki and is considered independent of the bank and

its major shareholders. There are no conflicts of interest with the bank's major customers or competitors.

- **Stefán Sigurðsson, director**

Stefán has worked in the financial sector for most of his career. He has an extensive experience in the operation of banks and the activities of financial undertakings, as he has worked as Managing Director of Wealth Management at Íslandsbanki in the years 2008-2014 as a member of the bank's Executive Committee, Executive Director and later Managing Director of Strategic Development at Glitnir and before that as Associate of Corporate Finance at Glitnir in Denmark. He also served as Senior Trader at Íslandsbanki in 1998-2000. Stefán also has comprehensive knowledge of management and strategic planning and was the CEO of SÝN hf. (Vodafone Iceland) in the years 2014-2019. He has vast experience as a manager in implementing strategic changes among senior management and other employees. He is currently based in Denmark and works on own projects and as an independent advisor. Stefán currently is Chairman of the Board at Verðbréfamiðstöð Íslands hf., , and a board member of FÓLK Reykjavík ehf., Isavia ANS ehf., North Ventures ehf. og North Ranga ehf. He has served as board member at Iceland's Chamber of Commerce and Island Fund S.A. in Luxemburg. Stefán has an M.Sc. in Economics from the University of Copenhagen and a B.Sc. in Economics from the University of Iceland. He holds no shares in Íslandsbanki and is considered independent of the bank and its major shareholders. There are no conflicts of interest with the bank's major customers or competitors.

- **Páll Grétar Steingrímsson, alternate director**

Páll Grétar Steingrímsson works as an independent consultant and director at Skrifstofuþjónusta Austurlands ehf. He was an employee of Deloitte in 1988-2021, where he became partner in 1999 and responsible, among other things, for audits at the following companies: Arion Bank, Stefmir, Landsnet, Sjóvá and Íslandsbanki. Páll was a director at Deloitte from 2007-2018. While with Deloitte he was responsible for services to the financial industry in Iceland from 2006 and was on the Deloitte Nordic Financial Service Executive Team from 2016, where he led its audit service. Páll was Vice-chairman of the Institute of State Authorised Public Accountants in Iceland for two years. He is currently chairman of the Audit Committee of the Board of Þorbjörn hf and an alternate member of the Audit Committee of the City of Reykjavík. Páll holds a Cand. oecon. in Business Administration from the University of Iceland and is a Certified Public Accountant. He holds no shares in Íslandsbanki and is considered independent of the bank and its major shareholders. There are no conflicts of interest with the bank's major customers or competitors.

Furthermore, the Nomination Committee proposes, in consultation with ISFI, that Linda Jónsdóttir be re-elected as the Chairman of the Board.

The Nomination Committee is of the opinion that, if the Board is comprised of the individuals nominated by the Nomination Committee and the Board of ISFI, it will have a suitable breadth of expertise, experience and background, in consideration of the bank's policies, needs and activities, with reference to the information on candidates provided above. In addition, that it will satisfy statutory provisions and the bank's Articles of Association which require a minimum of 40% of directors and alternates of each gender and reflects a diverse group of individuals as regards, among other things, their education, professional experience and age.