

## Hagar hf. - Annual General Meeting June 1<sup>st</sup>, 2023

Hagar's, ID. 670203-2120, Annual General Meeting will be held on Thursday June 1<sup>st</sup> 2023 commencing at 15:00 at the Hilton Reykjavík Nordica (Vox Club), Suðurlandsbraut 2 in Reykjavík.

### **Agenda:**

- 1) The company's Board of Directors report of the operations in the past year.
- 2) The company's Financial Statements for the past operating year, along with the auditor's report, submitted for approval.
- 3) Decision on the disbursement of the company's profit in the financial year 2022/23.
- 4) Proposal to reduce the share capital and change articles of association.
  - Article 2.1 on changing the company's share capital as the share capital will be reduced from 1,132,676,082 ISK nominal value to 1,106,428,863 ISK nominal value and own shares of nominal value 26,247,219 ISK will be invalidated
  - Article 3.18, 2. sentence about financial statements will be amended stating that both the financial statements for the parent company and the consolidated financial statements for the Group will be submitted for approval.
- 5) Decision on remuneration to board members and subcommittees.
- 6) The Board's proposal on remuneration policy and the report of the Remuneration Committee.
- 7) The Board's proposal for a change in the rules of procedure of the Nomination Committee.
- 8) Election of the Nomination Committee.
- 9) Election of the company's Board of Directors and auditor.
- 10) Decision on the Board's authorisation to purchase own shares.
- 11) Discussions and voting on other issues that are legally presented.

## Hagar hf. - Board of Directors proposals:

### 1) Annual Statements (agenda item 2)

Hagar's Board of Directors proposes the Annual General Meeting to approve the company's Financial Statements for the financial year 2022/23, together with the auditor's report.

### 2) Disbursement of profits (agenda item 3)

Hagar's Board of Directors proposes to the Annual General Meeting that dividends should be paid to shareholders for the financial year 2022/23 about 50,0% of the profit for the year, or a total of 2,475 m.ISK, as stated in the company's Annual Statements. The dividend amounts to 2.24 ISK per share.

If the Annual General Meeting approves the proposal the Ex-Date is June 2<sup>nd</sup>, 2023, the Record Date is June 5<sup>th</sup>, 2023, and the Payment Date is June 13<sup>th</sup>, 2023.

### 3) Proposal to reduce share capital and change articles of association (agenda item 4)

Hagar's Board of Directors proposes to the Annual General Meeting to reduce the company's share capital to invalidate its own shares. This implies that the following amendment will be made to Article 2.1 of the Company's Articles of Association:

- The company's share capital will be reduced from 1,132,676,082 ISK nominal value to 1,106,428,863 ISK nominal value and own shares nominal value ISK 26,247,219, consequently invalidated.

Hagar's Board of Directors proposes to the Annual General Meeting to amend 2. sentence in article 3.18 of the Company's Articles of Association stating that both the financial statements for the parent company and the consolidated financial statements for the Group will be submitted for approval. After amendment the 2. sentence of article 3.18 will be as follows:

- The company's financial statements, as well as the consolidated financial statements, for the past operating year along with the auditor's report, shall be submitted for approval.

### 4) Remuneration to board members and subcommittees (agenda item 5)

Hagar's Board of Directors proposes to the Annual General Meeting that the remuneration of the Board of Directors for the forthcoming operating year be increased by 5% and be as follows: Chairman of the Board 772,000 ISK per month, vice chairman 568,000 ISK per month and board members 386,000 ISK per month. The Board of Directors proposes that the payment for sitting on subcommittees to be unchanged, or 90,000 ISK per month and that the payment to the chairman of subcommittees will be double that amount. The Board also proposes that members of the Nomination Committee be paid in accordance to issued invoice, 25 thousand ISK per hour.

## **5) Remuneration policy and report of the Remuneration Committee (agenda item 6)**

Hagar's Board of Directors proposes to the company's Annual General Meeting that the attached remuneration policy be approved, but it is unchanged from the previous year. The report of the Remuneration Committee on the implementation of the remuneration policy for the past operating year, which will be presented at the Annual General Meeting, can be found in Icelandic on the company's website.

## **6) The Board's proposal for a change in the rules of procedure of the Nomination Committee (agenda item 7).**

Hagar's Board of Directors proposes to the company's Annual General Meeting that articles 2.3 and 2.4 in the rules of procedure of the nomination committee will be changed in a way that directors will not be allowed to sit on the company's nomination committee.

## **7) Election of the Nomination Committee (agenda item 8)**

Hagar's Board of Directors proposes to the Annual General Meeting that the following three representatives will be elected to the company's Nomination Committee. The majority of them are independent of the company and its day-to-day management.

- Björg Sigurðardóttir, accountant
- Björn Ágúst Björnsson, engineer
- Kristjana Milla Snorradóttir, human resources manager

According to the Nomination Committee's rules of procedure, shareholders may submit a proposal about individuals who can be elected to the Nomination Committee, and by a written proposal submitted to the Board of Hagar no later than ten days before the Annual General Meeting.

## **8) Election of the company's Board of Directors and auditor (agenda item 9)**

Candidacy for a seat on the Hagar's Board of Directors shall be received in writing to the company's Board at least five days before the start of the Annual General Meeting. Candidate information will be published after that deadline.

The Nomination Committee's proposals for candidates for the Board have been presented. The report of the Nomination Committee, which was published on May 10<sup>th</sup>, can be found in Icelandic on the company's website.

Hagar's Board of Directors proposes to the company's Annual General Meeting that PricewaterhouseCoopers Ltd., Id. 690681-0139, will be elected as company's auditor for the coming operating year. The company's auditor will be paid in accordance with issued and approved invoices.

## **9) Decision on the Board's authorization to purchase own shares (agenda item 10)**

Hagar's Board of Directors proposes to the company's Annual General Meeting that the company be authorized to purchase up to 10% of the company's total share capital over the next 18 months, for the purpose of establishing a market making program with shares in the company and / or to set up a formal buy-back program, cf. Article 116 of the Act on Securities Transactions or on the basis of item 1. Paragraph 3 of Article 115 and the second paragraph of Article 119 of the Act on Securities Transactions and regulations issued based on the same provisions.

Shareholders who will not themselves be able to attend the meeting and do not allow another party to attend the meeting on their behalf may participate in voting at the meeting in writing. Further instructions and a ballot paper can be found on the company's website.

The final agenda and proposals will be published on Thursday May 18<sup>th</sup> ,2023. It must be pointed out to shareholders, if they intend to have items on the agenda, or to present proposals at the meeting, to submit such matters in final form and in writing to the company's Board no later than 10 days before the meeting, i.e. no later than Monday May 22<sup>nd</sup> ,2023, at 15:00, to the e-mail address [adalfundur@hagar.is](mailto:adalfundur@hagar.is), as provided for in the 1<sup>st</sup> and 2<sup>nd</sup> paragraphs of Article 86 of the Public Limited Companies Act, cf. Act no. 2/1995. A revised schedule may appear on that day.

Shareholders are advised that it is possible to announce a candidacy for the Board of Directors in writing at least 5 days before the Annual General Meeting, i.e. no later than 15:00 on May 27<sup>th</sup> ,2023. Information on candidates for the Board will be announced no later than 2 days before the meeting.

The Board would also like to point out that according to the procedure rules of the Nomination Committee, shareholders may submit a proposal for individuals to be elected to the Nomination Committee and such a written proposal shall be submitted to the Board of Hagar no later than 10 days before the Annual General Meeting, i.e. no later than Monday May 22<sup>nd</sup> ,2023, at 15:00.

The company's Board wishes to emphasize that the representatives of shareholders attending the meeting, i.e. representatives of companies, pension funds, investment funds, individuals or other shareholders must submit a power of attorney when registering for the meeting. Individuals will also be asked to present identification.

Hagar's Board of Directors.