

Eimskipafélag Íslands hf.  
Korngörðum 2  
104 Reykjavík

Reykjavík, 12 July 2018

### **Amendment proposal at the shareholders' meeting of Eimskipafélag Íslands hf. on 24 July 2018**

Gildi Pension Fund, with reference to the notice calling for a shareholders' meeting in Eimskipafélag Íslands hf. on 24 July 2018, hereby submits the following amendment proposal.

**Gildi Pension Fund suggests the following amendment to the proposal to grant the Board of Directors an authorization to purchase own shares, as per item 2 on the agenda. The proposal is as follows:**

The word "or" added (underlined below) and the words "or for purchasing shares in individual transactions" deleted (marked below) as follows:

"The Shareholder Meeting of Eimskipafélag Íslands hf. held on 24 July 2018 grant the Board of Directors the authorization to acquire up to 18,000,000, in one or more transactions, own shares each in the nominal amount of one Icelandic krona. This authorization may be used for setting up formal share repurchase programs or for the purpose of offering shareholders generally to sell their shares to the Company, through auction, provided equal treatment of shareholders is safeguarded when such offer is made, ~~or for purchasing shares in individual transactions~~. This authorization has a fixed term of 18 months and is limited so that the ownership of the Company, and subsidiaries, do not exceed 10% of the Company's share capital. The purchase price shall be in accordance with Article 55, paragraph 3 of Act No. 2/1995. Other older authorizations to purchase own shares are cancelled by accepting this authorization."

### **Arguments for proposal:**

The proposal submitted by the Board of Directors grants an authorization to purchase own shares through formal repurchase programs, by general offers to shareholders or by purchasing shares in individual transactions. The last item of the proposal in effect grants a general, unrestricted authorization to purchase own shares. The amendment proposal amends the submitted proposal by the Board of Directors so that it would be limited to formal repurchase programs or general offers to shareholders provided equal treatment of shareholders is safeguarded.

If the Company has funds available for distribution to shareholders it is appropriate that they are distributed through general means where shareholders and other market participants are notified in advance of how such transactions are carried out. This could for example be carried out by making dividend payments, through repurchase programs where the process and size is notified in advance or with general offers to shareholders where the same is set forth.

It is important that authorizations to the Board of Directors to purchase own shares are reasoned, clear and defined with respect to scope and purpose. The proposal is submitted to further define and limit the authorization to the Board of Directors to purchase own shares with equal treatment of shareholders in mind.

Sincerely,  
Gildi Pension Fund

A handwritten signature in blue ink, reading "Arni Guðmundsson", is written over a horizontal line.

Árni Guðmundsson Managing Director