

# NOMINATION COMMITTEE

Report for Annual General Meeting

Date

3.3.2022

# REPORT OF NOMINATION COMMITTEE

## ROLE OF THE COMMITTEE

The Nomination Committee is a sub-committee of the Board of Directors which shall assist the Board with the process of Board succession planning, identification and nomination of Board candidates, alternate Board candidates as well as members of the Board's committees.

The Nomination Committee reviews and evaluates the structure, size and composition (including the balance of skills, knowledge, experience, diversity, tenure and independence) of the Board and its committees, making recommendations to the Board regarding any changes. The Committee establishes a dialogue with the Company's major shareholders, with the aim of providing insights on the Board composition and to seek shareholders input.

## COMPOSITION

The Nomination Committee shall be composed of three Board Members, unless the Board decides otherwise. The Board appoints the members of the Committee and its Chairman at the first Board meeting following the Annual General Meeting whose term shall be valid until a new Board is elected at the next Annual General Meeting of the Company. The Chairman of the Board of Directors shall not chair the Committee. The majority of the Nomination Committee shall be independent of the Company. The members shall possess the knowledge and expertise needed to perform the tasks of the Committee.

The members of the Nomination Committee are Óskar Magnússon (Chairman), Guðrún Blöndal and Margrét Guðmundsdóttir.

## ACTIVITIES DURING THE YEAR

<i>Date</i>	<i>Main projects</i>
<i>January 10<sup>th</sup> 2022</i>	Preparation meeting. Rules of procedure review, work until AGM discussed and suitability assessment reviewed.
<i>January 27<sup>th</sup> 2021</i>	The Board was informed of the Committees intentions.
<i>January 28<sup>th</sup> 2022</i>	Advertisement published on Nasdaq Iceland where The Nomination Committee advertised for candidacies to the Board.
<i>February 22<sup>nd</sup> 2022</i>	Preparation meeting. Review of those who have declared candidacy to The Nomination Committee. Draft Nomination Committee report reviewed and decision on next steps.

<i>February 23<sup>rd</sup> 2022</i>	A dialogue with Eimskip's largest shareholders to get their opinion on the board composition.
<i>February 25<sup>th</sup> March 3<sup>rd</sup> 2022</i>	A dialogue with Eimskip's largest shareholders to get their opinion on the board composition.
<i>March 3<sup>rd</sup> 2022</i>	Preparation meeting and finalization of the report and proposal to the Board of Directors.

## **THE COMMITTEE'S DEFINITION OF KEY COMPETENCIES AND KNOWLEDGE**

It is the Committee's conclusion that in order to be a strong Board member for Eimskipafélag Íslands general knowledge of extensive operations is the most important asset as well as knowledge of corporate governance. In addition, it is important that the Board is combined of diverse individuals with knowledge of the Company's core business.

The Company's Board of Directors as a whole must be composed of individuals with extensive business knowledge, both domestically and internationally. Board members must have good insight into Icelandic society and business environment, the labor market and business practices. The individuals who make up the Board of Directors need to have a solid career, and successful relations with the government and stakeholders.

## **THE COMMITTEE'S PROPOSAL**

The number of candidates received by the Committee exceeded the number of available seats in the Board of Directors.

Candidates that are not a part of the Committee's proposal of nomination of Board members will not automatically become candidates for the Annual General Meeting and they will not be covered in this report. The general deadline for declaring candidacy to the Board of Directors passes 10 days before the Annual General Meeting, or at 16:00 (GMT) on 7 March 2022.

It is the Committees opinion that The Company's Board of Directors has been successful in recent years during a time of transformation, and the combined knowledge of Board Members has been broad and extensive. Board Members have co-operated well together and made decisions at demanding times without hesitation in a considered and informed way. At the Annual General Meeting in 2021 two new members were elected to the board. The transition of the new members has been successful.

Based on that view and the general criteria mentioned above, the Committee recommends that the remaining Board Members and Alternate Board Members will be re-elected although with the change of seats, that Óskar Magnússon who has been an alternate board member, will become a board member and Baldvin Þorsteinsson, who has been a board member, becomes an alternate board member.

**Therefore, the recommended composition of the Board of Directors is:**

- Guðrún Blöndal
- Lárus Blöndal
- Margrét Guðmundsdóttir
- Ólöf Hildur Pálsdóttir
- Óskar Magnússon

**Recommended candidates to the Alternate Board of Directors are:**

- Baldvin Þorsteinsson
- Jóhanna á Bergi

## **RECOMMENDED CANDIDATES FOR BOARD OF DIRECTORS**

### **Guðrún Blöndal**

Guðrún was born in 1960 and lives in Iceland. Guðrún is a Board member of Landsbankinn hf. and a member of the bank's Audit- and Remuneration Committee. From 2013 to 2018 Guðrún was CEO of Nasdaq CSD Iceland (Nasdaq Central Securities Depository Iceland). In 2012 and 2013 she was a Board member of The Enterprise Investment Fund slhf., Reginn hf., Míla ehf., Vörður Insurance Company and Vörður Life Insurance. Previously from 2002 to 2012 Guðrún was CEO of Arion Custody Services, a leading provider in the Icelandic market of fund services, clearing, settlement, local and global custody services to domestic and foreign financial institution. Prior to this Guðrún held various positions at Kaupthing hf. from 1984 to 2002 such as Executive Director, Corporate Director of Human Resources, Director of Marketing and Director in Asset Management. Guðrún holds a Cand. Oecon degree from the University of Iceland. She is an independent Board member and does neither own shares nor share options in the Company. Guðrún has been a member of the Board of Directors since 6 September 2018 and is a member of the Remuneration- and Nomination Committee. Apart from being a Board member of Landsbankinn hf. she has no interest links with the Company's main clients, competitors or major shareholders.

### **Lárus Blöndal**

Lárus was born in 1961 and lives in Iceland. He is a Supreme Court Attorney and a Partner at Juris Law Offices. Lárus was a Partner at Almenna lögfræðistofan from 1990 to 2008. Lárus is currently a Board member of Orkusalan hf. and the Chairman of the board of ISFI (Icelandic State Financial Investments). He has been a member of the Competition Appeals Committee since 2000 and its Vice-Chairman since 2009 and a member of the National Olympics and Sport Association's executive committee since 2001, becoming its Vice-President in 2006 and its President in 2013. He has previously been a Board member of the Icelandic Bar Association, the University of Iceland's Human Rights Institute, the University of Iceland's Research Centre in Environmental and Natural Resources law, Hótel Borg ehf., Fastus ehf., the Housing Financing Fund, Chairman of the National Olympic and Sport Association's legal committee, and a member of various other official committees and boards. Lárus has been a Supreme Court Attorney since 1998 and a District Court Attorney since 1990. He graduated with a Cand.jur.

degree from the University of Iceland in 1987. Lárus has been on the Board of Directors since 27 March 2014 and currently serves as the Vice-Chairman of the Board and the Chairman of the Audit Committee. He is an independent Board member and owns 3,089 shares in the Company but no share options. He has no interest links with the Company's main clients, competitors or major shareholders.

### **Margrét Guðmundsdóttir**

Margrét was born in 1954 and lives in Iceland. She is a Vice Chairman of the Board of Festi, Board member of Eignarhaldsfélagið Lyng ehf, Hekla hf., Hekla Fasteignir ehf. and Paradís ehf. Margrét was the Chairman of the European Surgical Trade Association from 2011 to 2013 and a member of its Board from 2009 to 2015. She was the Chairman of Félag atvinnurekenda from 2009 to 2013, a member of the Board of Reiknistofa bankanna from 2010 to 2011 and 2016 to 2018, the Board of Isavia from 2017 to 2018 and the Board of SPRON from 2008 to 2009. Margrét was the CEO of Austurbakki, later Icepharma hf., from 2005 to 2016. Prior to that she was the Retail Manager of Skeljungur from 1995 to 2005, Director of various business segments of Kuwait Petroleum (Denmark) A/S from 1986 to 1995 and HR Development Manager at Dansk ESSO (later Statoil) from 1982 to 1986. Margrét was Assistant Secretary General of AIESEC International in Brussels from 1978 to 1979. Margrét holds a Cand. oecon. degree in economics and business administration from the University of Iceland, a Cand. merc. degree from the Copenhagen Business School and Executive education from CEDEP/Insead in France. Margrét owns 13,200 shares in the Company but no share options. Margrét has been a member of the Board since 25 March 2021 and is currently a member of the Remuneration and Nomination Committee. She has no interest links with the Company's main clients, competitors, or major shareholders and will be an independent Board member.

### **Ólöf Hildur Pálsdóttir**

Ólöf was born in 1977 and lives in Iceland and is an independent financial advisor. She was the CFO of atNorth ehf., the largest data center in Iceland, from 2019-2021. Prior to that she worked as an independent Financial Advisor and was a Board member of Reginn hf. and alternate Board member of VÍS hf. Ólöf worked at Arion bank and its predecessors from 1997 to 2017 in various roles e.g. as Head of Credit Structuring and Analysis, Deputy Head of IR, Investment strategist and in Asset Management as a fund manager. Ólöf was also member of the bank's credit committees and asset and liability committee (ALCO). Ólöf holds a Cand. Oecon degree in economics and business administration (finance) from the University of Iceland. Ólöf Hildur owns 30,000 shares in the Company through her holding company, Skaftafell Invest ehf., but no share options. Ólöf Hildur has been a member of the Board since 25 March 2021 and is currently a member of the Audit Committee. She has no interest links with the Company's main clients, competitors, or major shareholders and will be an independent Board member.

### **Óskar Magnússon**

Óskar was born in 1954 and lives in Iceland. He is a well-known writer and has published two collections, short stories and three novels in recent years. He is a farmer and co-owner and chairman of Kerfélagið ehf., the owner of the tourist nature attraction Kerid Crater. Óskar has been a Board member of Samherji hf. since 1998 and is currently the vice-chairman of the Board, as well as the vice-

chairman of Samherji Holding ehf. and board member of several other companies within the Samherji group. He is the chairman of the Icelandic landowners Association. He has previously been a vice-chairman of the Icelandic Bar Association and served on various boards of retail companies. Óskar was Publisher/CEO and a major shareholder of Árvakur hf. from 2009 to 2015, President/CEO of Tryggingamiðstöðin hf. and TM Life Insurance hf. from 2004 to 2007, President/CEO of Vodafone Iceland from 2001 to 2004, Executive Chairman of Baugur from 1998 to 1999 and President/CEO of Hagkaup hf. supermarkets, that later became part of Baugur Corporation, from 1993 to 1998. Óskar has served on the city council in his community as well as being the parish chairman since 2004. Óskar has been a Supreme Court Attorney since 1993. He graduated with an LL.M. degree in International Business Law from George Washington University Law School in 1986, and with a Cand.jur. degree from the University of Iceland in 1983. He owns 14,527 shares in the Company, but no share options. Óskar was a Board member in 2019 and has been an alternate member of the Board since 26 March 2020 and is currently a member of the Nomination Committee. Óskar is not independent of Samherji Holding ehf., which holds, in total, 59.9 million shares in the Company, at the year-end 2020.

## **RECOMMENDED CANDIDATES FOR ALTERNATE BOARD**

### **Baldvin Þorsteinsson**

Baldvin was born in 1983 and lives in the Netherlands. Previously he was the CEO of Iceland Drilling hf. from 2013 to 2016. He is currently a chairman of the Board of Olúverzlun Íslands hf., a Board member of Iceland Drilling hf., and a Board member of the Canadian fishing company Newfoundland Resources Limited Ltd. and the Norwegian fishing company Nergard A/S. He earned a BS degree in Industrial Engineering from the University of Iceland in 2007. Baldvin is currently the Chairman of the Board of Eimskipafélag Íslands hf. and is the Chairman of the Remuneration Committee. Baldvin owns 244,959 shares in the Company but does not have a share options agreement. He is not independent of Samherji Holding ehf., which holds 57.5 million shares in the Company at the year-end of 2021.

### **Jóhanna á Bergi**

Jóhanna was born in 1970 and lives in the Faroe Islands. Jóhanna is the CEO of Atlantic Airways Ltd. and has been since 2015. Jóhanna was the CEO of P/f Faroe Ship, Eimskip's subsidiary in the Faroe Islands, from 2006 to 2015, Sales Director of JFK and Kósin Seafood from 1998 to 2006 and Sales Manager of Faroe Seafood France from 1994 to 1998. She is currently a Board member of the Faroese Confederation of Sports and Olympic Committees, Nordoyatunnilin, Föroya Grunnurin, House of Industry and Visit Faroe Islands. Jóhanna has a master's degree in Management from Robert Gordon University in the UK. She further holds an EE degree from the Danish School of International Marketing and Export. Jóhanna has been an alternate member of the Board since 3 April 2013, is an independent Board member and does neither own shares nor share options in the Company. She has no interest links with the Company's main clients, competitors or major shareholders.



Reykjavík, 3 March 2022

Óskar Magnússon  
Chairman of Nomination Committee

Guðrún Blöndal

Margrét Guðmundsdóttir