

## NOVA KLÚBBURINN HF.

### RULES OF PROCEDURE FOR THE NOMINATION COMMITTEE

#### **1 Objective**

- 1.1 The objective of the Nomination Committee is to establish a transparent and clear procedure for the nomination of Board Members at the Company's Annual General Meeting. The procedure is intended to enable the shareholders to make a more informed decision regarding Board Membership.

#### **2 Goals and role of the Nomination Committee**

- 2.1 The shareholders of Nova Klúbburinn hf. (the "Company") have, in accordance with the guidelines of the Iceland Chamber of Commerce, SA Confederation of Icelandic Enterprise and Nasdaq Iceland on corporate governance (the "Guidelines"), determined that a Nomination Committee (the "Committee") shall be established.
- 2.2 The role of the Committee is to nominate people for appointment to membership to the Company's Board of Directors and shall operate in accordance with these Rules of Procedure. The Committee shall in their operations seek to protect and advance the interest of the Company's shareholders and ensure that all nominees are of sufficient experience and competence to perform the role of Director to the highest of levels. Board members elected to the Company's Board shall also be appointed to the Board of Directors of the Company's subsidiary, Nova hf.

#### **3 Committee members and their appointment**

- 3.1 A shareholder meeting shall appoint two members to the Committee. Both committee members shall be independent of the Company and its daily operations and at least one of them shall be independent of all large shareholders in the Company. Independence of Committee members shall be evaluated with reference to chapter 2.3 of the Guidelines.
- 3.2 A member of the Board of Directors shall not be appointed to the Committee. No directors of the Company's daily operations shall hold a seat in the Committee.
- 3.3 The Company shall announce the names of the members of the Committee publicly on the Company's website no later than three months prior to the Company's Annual General Meeting.
- 3.4 The Committee shall elect its own Chairman at its first regular meeting.
- 3.5 Committee members shall be selected with a view to the functions they are expected to perform. When appointing Committee members, their experience with sitting on boards as well as their knowledge of the relevant legal environment shall be considered.

## **4 Selection of nominees**

- 4.1 The Committee's nominations for potential members of the Board of Directors shall be considered an advisory opinion and is not binding for the shareholders. The Committee shall seek to obtain suggestions from shareholders of, and otherwise identify, potential nominees in a timely manner for review prior to the submission of the final nominees.
- 4.2 The Committee develops candidacies for Board of Directors membership in a timely manner for review. Information on how to submit a candidacy shall be made publicly available on the Company's website no later than three months prior to the Company's Annual General Meeting or any other shareholder meeting where Board members will be elected.
- 4.3 Information on the Committee's selected nominees, along with other candidates, shall be made available to shareholders along with the summons to the shareholder meeting where Board members are to be elected. Information on all candidates shall further be made available to shareholders on the Company's website no later than two days prior to the meeting where Board members are to be elected.
- 4.4 The Committee shall introduce their nominees at the meeting where Board members are to be elected and explain the selection process and the reasons for the results. The Committee's arguments shall further be made available on the Company's website.
- 4.5 When selecting nominees, the Committee shall look to ensure that the nominees possess the necessary diversity and depth of experience, expertise and knowledge necessary to hold a seat on the Board of a telecommunications company and keeping in mind the future goals of the Company.
- 4.6 The Committee shall ensure that its nominees reflect the gender proportions provided for by law cf. Art. 63. Para. 1. of Act No. 2/1995, on Public Limited Companies, or later amendments thereto.
- 4.7 The Committee shall ensure that a majority of their nominees are independent of the Company, the directors of its daily operations and its largest shareholders. The independence of the nominees shall be evaluated with reference to the Guidelines, as they are at any given time.

## **5 Powers and access**

- 5.1 The Committee shall have access to all documentation or information as may be necessary to perform its functions. The Committee may request such information from the Company's Board of Directors, the directors of its daily operations, other staff or committees. Further, the Committee may request a report on specific matters if it deems it necessary to gather information.
- 5.2 The Committee may seek outside council if it deems it necessary to perform its functions. Any outside council shall be independent of the Company, its Board of Directors, its directors of daily operations and large shareholders.

## **6 Committee meetings**

- 6.1 The Committee shall meet as often as necessary, but no less than twice annually, at the summons of the chairman of the Committee. The chairman shall summon a meeting with

no less than two weeks' notice. The meeting shall appoint a secretary to the meeting whose responsibility it is to record minutes of the meeting.

- 6.2 The Committee is competent for resolution if both members are present. The chairman's vote prevails to decide on motions.
- 6.3 Only Committee members shall be permitted to attend the Committee meetings, unless the Committee deems it necessary for others to be present.

## **7 Confidentiality**

- 7.1 Committee members bear a duty of confidentiality towards the Company with regards to all matters concerning the Company, of which they may become privy when executing their duties. Committee members shall not be permitted to disclose information about the Company or its customers to third parties without the express written consent of the Company's Board of Directors or unless so provided for by law.
- 7.2 Duty of confidentiality shall hold in perpetuity, even after membership to the Committee ceases. Committee members shall keep and preserve all documentation securely which they may have in their possession due to their work as Committee members.

Thus, approved at Nova Klúbburinn hf.'s shareholder meeting on (29) March 2023