

ICELANDAIR GROUP HF. – MINUTES FROM THE ANNUAL GENERAL MEETING

Date Thursday 9 March 2023 at 4:00 PM

Location Electronic Meeting – Stream from Hilton Reykjavik Nordica

Agenda

1. The Board of Director's report on the Company's operations during the preceding year.
2. Confirmation of annual accounts and decision on the handling of profit or loss of the financial year
3. Decision on payments to Board Members
4. Proposals of the Board of Directors regarding the Remuneration Policy
5. Report and proposal from the Nomination Committee regarding Board Membership
6. Election of Board Members
7. Election of two members of the Nomination Committee
8. Election of Auditors
9. Changes to the Articles of Association
10. Authorization to purchase treasury shares
11. Any other lawfully submitted matters

The following took place

The Chairman of the Board of Directors, Mr. Guðmundur Hafsteinsson, announced the Annual General Meeting open and proposed that Mr. Ólafur Arinbjörn Sigurðsson, attorney at law, would be elected as the Chair of the Meeting. The proposal was agreed to unanimously.

The Chair proposed that Mr. Ari Guðjónsson, the Company's General Counsel, would be elected the Secretary of the Meeting. The proposal was agreed to unanimously.

The Chair announced that the Meeting had been in accordance with the Company's Articles of Association and the Icelandic Company Act no. 2/1995, and declared the meeting lawfully convened.

The meeting was attended by shareholders holding 18,662,543,831 shares of 41,120,247,172 outstanding shares in the Company, which equals to 45% of the Company's voting share.

The Chair announced that the Company's Annual Report contained detailed information regarding the Company's shareholders and changes of the share registry from the last Annual General Meeting in accordance with Article 84 (4) of the Icelandic Company Act no 2/1995.

1. *The Board of Director's report on the Company's operations during the preceding year*

The Chairman of the Board of Directors, Mr. Guðmundur Hafsteinsson, presented the board's report on the Company's operations during the preceding year.

2. *Confirmation of annual accounts and decision on the handling of profit or loss of the financial year*

The Company's CEO, Mr. Bogi Nils Bogason, presented the Company's audited Consolidated Financial Statements for 2022, and held a presentation on the Company's operations with input from Tómas Ingason, Chief Revenue Officer, and Sýlvía Kristín Ólafsdóttir, Chief Customer Officer. The Statements had been published in the NASDAQ OMX Iceland stock exchange on 2 February 2022.

The Board submitted the audited Consolidated Financial Statements of 2022 and Icelandair Group's Financial Statements for the approval of the meeting.

The Chair opened for comments or questions on the Board of Director's Report and the Annual Accounts but none were made.

The shareholders voted on the proposal, which was approved unanimously. The Financial Statements were approved which included that no dividend would be paid for the financial year 2022.

3. *Decision on payments to board members*

The following proposal on remuneration to Board Members was brought before the meeting:

“The Board of Directors proposes to the Annual General Meeting that remuneration to Board Members and Sub-Committee Members shall be unchanged from the last AGM: Each Board Member will receive ISK 380,000 per month, the Chairman will receive ISK 760,000 per month, the Deputy Chairman will receive 570,000 per month, Sub-Committee Members will receive ISK 120,000, the Chairman of the Audit Committee will receive ISK 275,000 per month and the Chairman of the Compensation Committee will receive 150,000 per month. The Board of Directors will decide on compensation for the members nominated by shareholders in the nomination committee. Compensation will be paid on hourly basis”

The Chair opened for comments and questions but none were made. The proposal was approved.

4. *Proposals of the Board of Directors regarding the Remuneration Policy*

The board proposed that the Remuneration Policy, which was published in advance of the AGM on the Company's website, would be agreed.

The Chair opened for comments and questions but none were made.

The proposal was approved.

5. *Report and proposal from the Nomination Committee regarding Board Membership*

Hjörleifur Pálsson, the Chairman of the Nomination Committee, presented the committee's report and proposal regarding board membership.

The Chair opened for comments and questions but none were made.

6. *Election of the Board of Directors*

The following individuals declared their candidacy for the Board of Directors of the Company before the deadline for declaring candidacy expired on 2 March 2023:

- Guðmundur Hafsteinsson
- John F. Thomas
- Nina Jonsson
- Matthew Evans
- Svafa Grönfeldt

According to the Company's Articles of Association the Annual General Meeting elects five members for the Board of Directors. As five have declared candidacy, the Chair declared them elected to the Board of Directors without a ballot at the meeting.

7. *Election of two members of the Nomination Committee*

The following individuals declared their candidacy for the Board of Directors of the Company before the deadline for declaring candidacy expired on 2 March 2023:

- Helga Árnadóttir
- Hjörleifur Pálsson

Since no other individuals declared their candidacy the Chair announced that they should be deemed as rightfully elected as Nomination Committee members.

8. *Election of Auditors*

The Board proposed to the Meeting that KPMG ehf. would be the company's auditors.

The Chair opened for comments, questions or other proposals but none were made. The proposal was approved.

9. *Changes to the Articles of Association*

The Board of Directors proposed that the following changes would be made to the Articles of Association:

1. Articles 2.6 and 2.7 will be removed and replaced with the following:

“2.6 The Company’s shares are electronically registered in a securities depository as provided for by Act No. 7/2020, on Securities Depositories, Settlement and Electronic Registration of Title to Financial Instruments.

2.7 A statement from the securities depository concerning title to shares in the Company constitutes a valid share register and a valid proof of title to shares in the Company. Any notices to the shareholders and allocation of rights, such as dividends, shall be addressed or allotted to the party recorded in the Company’s register of shares as the owner of the respective shares”

These changes are proposed to align the articles with the Icelandic Act no 7/2020 on Securities Depositories, Settlement and Electronic Registration of Title to Financial Instruments.

2. Articles 4.6 and 4.7 will be changed as follows:

“4.6 The Board of Directors may decide that a shareholders’ meetings will be held by electronic means, either in full or in part.

4.7 If the Board of Directors feels that the meeting can be held, either in full or in part, electronically with suitable equipment and thereby allowing shareholders to participate electronically, the invitation to the meeting shall clearly give information regarding the technical equipment and information on how shareholders notify the Company of their electronic participation and where they can receive information, instructions and a password for participation. An inserted password into a computer system is deemed to be equal to the shareholder’s signature and is viewed as valid participation in the shareholders’ meeting.”

As a result of these changes shareholders’ meetings could be held as partly electronic but not necessarily fully electronic as currently stated in the Articles of Association.

3. The following item will be added to article 4.13 as a matter that shall be addressed at annual general meetings:

“6. Election of two members of the Nomination Committee in accordance with the provisions of Clause 4.29.”

The change is proposed to update article 4.13 in accordance with the provisions of article 4.29.

4. Article 4.17 will be changed as follows:

“4.17 Shareholders’ meetings shall be called for with a minimum of three weeks’ notice and no more than six weeks’ notice.”

These changes are proposed to align the articles with recent changes to the Icelandic Companies Act no 2/1995.

5. Articles 15.2 and 15.3 will be removed since these special provisions on increase of share capital have elapsed.

The proposal was approved.

10. Authorization to purchase treasury shares

The following proposal was brought before the meeting regarding purchase of treasury shares:

“The Board of Directors of Icelandair Group proposes to the Annual General Meeting that the Company will be authorized to purchase in the next 18 months up to 10% of its own shares in accordance with Article 55 of the Icelandic Companies Act No 2/1995 in order to establish a market making agreement for issued shares in the Company or to set up a formal buy-back programme. It is not allowed to purchase such shares at a higher rate than the last spot market rate or the highest bid in the trading system of a regulated market where the shares are traded.”

The Chair opened for comments and questions but none were made. The proposal was approved.

11. Any other lawfully submitted matters

The Chair informed that no other matters had been rightfully proposed to the Company’s Board of Directors before the meeting but invited attendants to speak about the Company’s matters.

These minutes were read out loud at the end of the meeting and no comments were made.

The meeting was closed at 5.20 pm.

Ólafur Arinbjörn Sigurðsson
Chair

Ari Guðjónsson
Secretary