

Hagar hf. - Annual General Meeting May 27th, 2025

Annual General Meeting of Hagar hf., ID. 670203-2120, will be held on Tuesday May 27th, 2025, commencing at 15:00 at Nauthóll, Nauthólsvegi 106 in Reykjavík.

Agenda:

- 1) The company's Board of Directors report of the operations in the past year
- 2) The company's Financial Statements, and Consolidated 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 2024/25
- 4) Amendment to the company's articles of association
 - > Article 3.18 on the AGM's agenda
- 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) Election of three representatives of the Nomination Committee
- 8) Election of the company's Board of Directors and auditor
- 9) Election of an external member of the audit committee
- 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, and Consolidated Financial Statements, for the financial year 2024/25, 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 2024/25 about 50,0% of the profit for the year, without effect of changes in value of investment property and share of profit of associates, or a total of 2,504 m.ISK, as stated in the company's Annual Statements. The dividend amounts to 2.28 ISK per outstanding share.

If the Annual General Meeting approves the proposal the Ex-Date is May 28th, 2025, the Record Date is May 30th, 2025, and the Payment Date is June 5th, 2025.

3) Amendment to the company's articles of association (agenda item 4)

Hagar's Board of Directors proposes to the Annual General Meeting that Article 3.18 of the company's Articles of Association be amended so that the agenda of the Annual General Meeting will be changed as follows, with additions in bold:

Agenda item 5) A decision shall be made regarding remuneration for board members **and subcommittees.**

Agenda item 6) Proposals from the Board of Directors regarding the remuneration policy **and the report of the Remuneration Committee.**

Agenda item 9) Election of an external committee member of the Audit Committee.

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 3,5%, in line with the increase in the general labour market and shall be as follows: Chairman of the Board 826,000 ISK per month, vice chairman 608,000 ISK per month and board members 413,000 ISK per month.

The Board of Directors proposes an increase in remuneration for participation in subcommittees, as these have remained unchanged since 2018. It is proposed that remuneration for the Audit Committee be increased by 22.0%, to ISK 110,000 per month, and that the chairman's remuneration be double this amount. It is further proposed that remuneration for the Remuneration Committee be increased by 5.6%, to ISK 95,000 per month, with the chairman's remuneration also being double this amount. For comparison, the wage index has risen by 59.0% since 2018, when remuneration for participation in board subcommittees was last adjusted.

The Board also proposes that members of the Nomination Committee be paid in accordance to issued invoice, 27 thousand ISK per hour or an increase by 8,0% from the previous operating year. This adjustment aligns with the rise in the wage index since 2023, when remuneration for participation in the Nomination Committee was last adjusted.

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, as it remains 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, is also attached.

6) Election of three representatives of the Nomination Committee (agenda item 7)

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., two of whom are currently serving on the committee. The majority of these members are independent of the company and its daily management.

- Björn Ágúst Björnsson, engineer
- Kristjana Milla Snorradóttir, human resources manager
- Tryggvi Þór Haraldsson, former CEO

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.

7) Election of the company's Board of Directors and auditor (agenda item 8)

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 board candidates, along with the committee's report, is attached.

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.

8) Election of an external member of the audit committee (agenda item 9)

Hagar's Board of Directors proposes that Hannes Ágúst Jóhannesson, certified public accountant, be elected as an external member of the audit committee, but he has been a member of Hagar's audit committee since 2023.

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 Tuesday May 13th, 2025. 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 Saturday May 17th, 2025, at 15:00, to the e-mail address adalfundur@hagar.is, as provided for in the 1st and 2nd 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 22nd, 2025. 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 Saturday May 17th, 2025, 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.