



Minutes of the Annual General Meeting of Arion Bank hf.

The Annual General Meeting of Arion Bank was held at the Bank's head office on Wednesday 13 March 2024 at 4:00 p.m. Shareholders were also given the opportunity of attending by electronic means.

Opening the meeting

Brynjólfur Bjarnason, Chairman of the Board of Directors of Arion Bank hf., began the meeting by welcoming present and calling the meeting to order. The chairman then proposed that Guðbjörg Helga Hjartardóttir, attorney, be elected as chair of the meeting and no objections were raised. Guðbjörg then took over the duties of chairing the meeting.

The chair proposed that Hrafnhildur Árnadóttir, lawyer in the legal department of Arion Bank hf., be elected as secretary to the meeting and no objections were raised. The secretary took over the duties of recording the minutes.

The chair went over the summons to the meeting. She stated that the summons to the meeting had been given with sufficient notice pursuant to Article 88 a. of the Act on Public Limited Companies and the provisions of the Bank's Articles of Association. The summons to the meeting had been published in an announcement in the Nasdaq stock exchange system and on the Bank's website on 20 February 2024. The summons to the meeting had also been published in a daily newspaper in Iceland and Sweden on 21 February 2024. The proposals to be discussed the meeting, and the notes to the proposals, had been published on the Bank's website and where applicable in an announcement in the Nasdaq system, and had also been made available to shareholders at the Bank's headquarters.

The chair declared the meeting to be properly constituted to discuss the items on the agenda.

The chair stated that the meeting was an annual general meeting for operating year 2023.

The chair then briefly described the voting arrangements at the meeting, that voting was to be conducted electronically and solely via the electronic voting system Lumi AGM. It was also noted that shareholders had the option of submitting questions and comments digitally via the system.

The meeting's agenda was as follows:

- 1. Report of the Board of Directors on the Bank's operations, activities and financial situation during the last financial year**
- 2. Approval of the Bank's annual financial statements and consolidated accounts for the last financial year**
- 3. Decision on payment of a dividend**
- 4. Election of the Bank's Board of Directors, Chairman of the Board and Vice-Chairman**
- 5. Election of an auditing firm**
- 6. Decision on remuneration to the Bank's Board of Directors and compensation to members of the Board's sub-committees**
- 7. Decision on remuneration to members of the Bank's Nomination Committee**
- 8. Election of two members of the Bank's Nomination Committee**
- 9. Election of one member of the Bank's Audit Committee**



10. Proposal to amend the Bank's Remuneration Policy

11. Proposal to renew the Bank's authorisation to purchase own shares and a corresponding amendment to the Articles of Association

12. Proposals to amend the Bank's Articles of Association

13. Other business

The chair proposed that the items "Report of the Board of Directors", and "Approval of the Bank's annual financial statements", i.e. items 1 and 2, be discussed together after the presentation of the annual financial statements. No objections were raised. The chair also announced that the Bank's annual and sustainability report and Pillar 3 Risk Disclosures were available in digital format on the Bank's website.

1. Report of the Board of Directors on the Bank's operations, activities and financial situation during the last financial year

Brynjólfur Bjarnason, Chairman of the Board of Directors of Arion Bank hf., presented the report of the Board of Directors on the operations, activities and financial situation of the Bank in the last financial year.

The chair announced that 140 shareholders or their representatives attended the meeting, with a total of 1,449,412,105 votes, representing 62.38% of share capital in Arion Bank hf.

2. Approval of the Bank's annual financial statements and consolidated accounts for the last financial year

Benedikt Gíslason, CEO of Arion Bank hf., presented the Bank's annual financial statements for the last financial year.

At the end of the CEO's speech the chair gave the shareholders the opportunity to comment on the Bank's annual financial statements and the report of the Board of Directors.

No questions or comments were received.

The following proposal had been presented to the meeting:

The Board of Directors proposes that the Annual Financial Statements and consolidated accounts for the year 2023 will be approved.

The proposal was put to the vote and approved unanimously by all casted votes.

3. Decision on payment of a dividend

The chair presented the following proposal of the Board:

The Board of Directors proposes that a dividend of ISK 9.0 per share will be paid to the Bank's shareholders, equal to approximately ISK 13 billion, taking into account own shares held by the Bank.

If approved by the shareholders, the Bank's shares traded on and after 14 March 2024 (Ex-date) will be ex-dividend.

The right to a dividend will be paid to shareholders registered in the Bank's shareholders registry at the end of 15 March 2024 (Record date).

The payment date of the dividend will be 21 March 2024.

The chair gave the shareholders the opportunity to discuss this matter. No comments or queries were received.



The proposal was put to the vote and approved unanimously by all casted votes.

4. Election of the Bank's Board of Directors, Chairman of the Board and Vice-Chairman

The chair said that by law and according to the Bank's Articles of Association, a board of directors must be elected at an annual general meeting. According to the Bank's Articles of Association the Board of Directors should have 5-8 members and the Alternate Board should have up to three members, and the chair informed the people attending the meeting that the Board of Directors had decided that the election would be such that the Board of Directors would have five members and the Alternate Board two members.

The chair noted that according to the Bank's Articles of Association, prospective candidates to the Board of Directors should announce their candidacies to the Board no later than five days before the annual general meeting.

The following people announced they wished to stand for election to the Board of Directors:

- Gunnar Sturluson
- Guðrún Johnsen
- Kristín Pétursdóttir
- Liv Fiksdahl
- Paul Horner
- Peter Franks
- Steinunn Kristín Þórðardóttir

The chair said that information on candidates, which must be provided in accordance with Article 63 a. of the Act on Public Limited Companies, i.e. name, information on main occupation, other board engagements, education, experience and information on common interests with the main clients and competitors of the company had been included in the Nomination Committee's proposals, which had been published on the Bank's website.

The chair said that the Nomination Committee proposed in its report that Paul Horner, Kristín Pétursdóttir, Gunnar Sturluson, Liv Fiksdahl, and Steinunn Kristín Þórðardóttir be elected to the Board of Directors.

Subsequently, the election for the board of directors was conducted. The chair then addressed that according to the Bank's Articles of Association the election of the Board of Directors should be made by majority voting.

The chair asked the shareholders to select the names of the five candidates they wished to vote.

The chair announced the results of the election, which were the following:

- Kristín Pétursdóttir received 844,121,088 votes.
- Paul Horner received 843,904,360 votes.
- Gunnar Sturluson received 843,866,279 votes.
- Liv Fiksdahl received 843,723,978 votes.
- Steinunn Kristín Þórðardóttir received 843,656,863 votes.
- Guðrún Johnsen received 274,119 votes.
- Peter Franks received 230,624 votes.

Kristín Pétursdóttir, Paul Horner, Gunnar Sturluson, Liv Fiksdahl, and Steinunn Kristín Þórðardóttir were therefore duly elected to the Board of Directors.



Next was the election of the Chairman of the Board of Directors.

The chair announced that the Nomination Committee had proposed that Paul Horner be elected as Chairman of the Board. Next was the election of the Chairman from the elected members of the Board of Directors. Paul Horner was elected as Chairman of the Board of Directors.

Finally, there was the election of the Vice Chairman of the Board of Directors.

The chair announced that the Nomination Committee had proposed that Kristín Pétursdóttir be elected as Vice Chairman. Next was the election of the Vice Chairman from among the newly elected members of the Board of Directors, excluding the Chairman. Kristín Pétursdóttir was elected as Vice Chairman of the Board of Directors.

Next was the election of the Alternate Board of Directors.

The chair said that according to the Bank's Articles of Association, prospective candidates to the Alternate Board of Directors should announce their candidacies no later than five days before the annual general meeting.

The following people announced they wished to stand for election to the Alternate Board of Directors:

- Sigurbjörg Ásta Jónsdóttir
- Einar Hugi Bjarnason

The chair said that the Nomination Committee proposed in its report, that both the above candidates be elected to the Alternate Board of Directors.

The chair announced that since no other candidacies had been announced, Sigurbjörg Ásta Jónsdóttir and Einar Hugi Bjarnason, were duly elected to the Alternate Board of Directors without an election.

The following people now serve on the Board of Directors of Arion Bank:

- Gunnar Sturluson
- Kristín Pétursdóttir
- Liv Fiksdahl
- Paul Horner
- Steinunn Kristín Þórðardóttir

and the Alternate Directors are:

- Sigurbjörg Ásta Jónsdóttir
- Einar Hugi Bjarnason

5. Election of an auditing firm

The chair presented the following proposal of the Board:

The Board of Directors proposes that Deloitte ehf. will be elected to continue to act as the Bank's external auditors until the next AGM. This proposal is based on an agreement between Arion Bank and Deloitte from December 2021 and Article 90 of the Act on Financial Undertakings, no. 161/2002.

The chair gave the shareholders the opportunity to discuss this matter. No comments or queries were received.



The proposal was put to the vote and approved unanimously by all casted votes.

6. Decision on remuneration to the Board of Directors and compensation to members of the Board's sub-committees

The chair announced that the following Board proposal had been made on remuneration to the Board of Directors, members of Board sub-committees and alternate Directors:

The monthly salary of Board members be ISK 565,000, the monthly salary of the Vice-Chairman be ISK 847,500 and the monthly salary of the Chairman be ISK 1,130,000. Board members residing outside of Iceland will receive a further ISK 365,000 for each Board meeting they attend in person.

In addition, it will be permitted to pay those Board members who serve on the Board's sub-committees a maximum of ISK 235,000 a month for each committee and the chairmen of Board sub-committees ISK 352,500 a month.

Alternate Directors shall receive a payment of ISK 565,000 per year. In addition, alternate Directors shall be paid ISK 282,500 for each meeting attended but cannot exceed ISK 565,000 per month.

For Board members residing outside of Iceland, these figures shall be paid in the equivalent amount in their respective currency, fixed at the average three-year official exchange rate prior to the date of the 2024 AGM.

The chair addressed that in the Board's report with the proposal refers to the Bank's Nomination Committee's report, as the proposal was based on the Nomination Committee's proposals. The chair briefly outlined the report of the Nomination Committee regarding the proposal.

The shareholders were given the opportunity to comment on the proposal, but no one wished to discuss the matter. Votes were then cast on the proposal, which was approved with a majority of votes.

7. Decision on remuneration to members of the Bank's Nomination Committee

The chair announced that the following proposal had been made by the Board:

The Board proposes that remuneration to members of the Bank's Nomination Committee shall be fixed hourly rate of ISK 27,500.

The chair gave the shareholders the opportunity to discuss this proposal. No one wished to discuss the matter. The proposal was then put to the vote. The proposal was approved with a majority of votes.

8. Election of two members of the Bank's Nomination Committee

The chair explained to shareholders that under this item on the agenda, two members of the Bank's Nomination Committee were due to be elected. The chair explained that according to the Bank's Articles of Association and the rules of the Nomination Committee, the Bank's shareholders should be given the opportunity to elect two of the three members of the Nomination Committee. The third committee member shall be the Chairman of the Board of Directors or another Board member appointed by the Board.

The chair announced the names of the candidates to shareholders, which were the following:

- Júlíus Þorfinnsson
- Auður Bjarnadóttir



The chair announced that since no other nominations had been received, the above were duly elected to the Nomination Committee.

9. Election of one member of the Bank's Audit Committee

The chair addressed that the election of one member of the Bank's Audit Committee was a new agenda item, in accordance with recent amendments to Act no. 3/2006 on Annual Accounts which require that any external members to a company's audit committee be appointed by the annual general meeting.

The Board of Directors had proposed that Heimir Þorsteinsson, ID. no. 200670-3889, be elected to the Bank's Audit Committee. It was noted that Heimir had been a member of the committee the past few years.

The chair gave shareholders the opportunity to discuss the proposal. No one wished to discuss the matter. The proposal was put to the vote and approved unanimously.

10. Proposal to amend the Bank's Remuneration Policy

The chair announced the following Board's proposal to amend the Bank's Remuneration Policy:

The Board of Directors proposes that the Remuneration Policy will be amended. Firstly, it is proposed that the Remuneration Policy be amended to reflect current legal requirements under Act No. 25/2003 on Disclosure in Financial Services and a Classification System for Sustainable Investments, which implemented the EU's Sustainable Finance Disclosure Regulation ("SFDR") into Icelandic law. According to Article 5 of the SFDR, Arion Bank is required to describe in its remuneration policy how the policy is consistent with the integration of sustainability risks. Secondly, amendments to chapter I of the Remuneration Policy are proposed in accordance with Article 57(a) of Act No. 161/2002 on Financial Undertakings. Finally, it is proposed that the policy be amended by replacing references to "starfsfólk" by "starfsmenn", based on gender neutrality. This amendment only relates to the Icelandic version of the Remuneration Policy.

The chair noted that a copy of an updated Bank's Remuneration Policy was made available on the bank's website prior to the meeting.

The chair then gave shareholders the opportunity to comment on the proposal.

Then the proposal was put to a vote. The proposal was approved and passed with a majority of votes.

11. Proposal to renew the Bank's authorisation to purchase own shares and a corresponding amendment to the Articles of Association

The chair announced that a proposal had been made to renew the Board's authorisation to purchase own shares and a corresponding amendment to the Articles of Association.

The Board of Directors proposes that the authorisation to purchase the Bank's shares be approved. It is further proposed that should the proposal be approved, the authorisation will be recorded in Annex no. 1 to the Articles of Association of the Bank, replacing the current Annex no. 1, and thus be an integral part of the Articles of Association in accordance with Article 7.1 of the Articles of Association. The proposal reads as follows:

"The Annual General Meeting of Arion Bank hf. held on 13 March 2024 authorises the Board of Directors, based on Article 55 of the Company Act, No. 2/1995, to acquire on behalf of the Company own shares, causing the Company and its subsidiaries to hold up to 10% of issued share capital in the Company. The authorisation shall be used to set up a formal share repurchase program or for the purpose of offering shareholders generally to sell their shares to the Company, e.g. through auction, provided equal treatment of shareholders is ensured should such offer be made. Shares acquired by the Company hereunder may inter alia be used for the



purpose of meeting the Company's obligations under share option agreements with its employees, and for payment of variable remuneration as per the Company's Remuneration Policy and variable remuneration framework. The repurchase of shares under this authorisation is conditional upon the prior approval of the Financial Supervisory Authority in accordance with Article 77 of Regulation (EU) on Prudential Requirements for Credit Institutions and Investment Firms, No. 575/2013 (CRR).

This authorisation shall remain in effect until the Company's Annual General Meeting in 2025 or 13 September 2025, whichever occurs first. Older authorisations to purchase own shares are cancelled with the approval of this authorisation. Such cancellation shall, however, not affect any repurchase transactions initiated and published prior to that date."

The chair read the Board's explanatory note with the proposal. The chair gave the shareholders the opportunity to discuss this proposal. No questions or comments were received.

The proposal was then put to the vote. The proposal was approved with a majority of votes.

12. Proposal to amend the Bank's Articles of Association

The chair stated that for the Annual General Meeting there were proposals to amend the Bank's Articles of Association. The proposals derive primarily from recent amendments to Act No. 3/2006 on Annual Accounts and a request by the Resolution Authority that the Bank's Articles of Association are to refer to Act No. 70/2020 on the Resolution of Credit Institutions and Investment Firms:

The Board of Directors of Arion Bank proposes that the Annual General Meeting of Arion Bank approves the following amendments to the Bank's Articles of Association:

- (a) *That the following shall be added to Article 16.2 as a new item (ix) (the numbers of any subsequent items to be updated accordingly):*

"Appointment of one member of the Company's Audit Committee, if applicable."

- (b) *That the following shall be added as a new Article 24, to read as follows (the numbers of any subsequent Articles to be updated accordingly):*

24 Issuance of instruments in relation to resolution procedures

"The Company is authorised to issue the amount of new common equity tier 1 instruments, in accordance with the Act No. 161/2002 on Financial Undertakings, required to enforce a decision of the Resolution Authority of the Central Bank of Iceland in accordance with Chapter VI of the Act No. 70/2020 on Resolution of Credit Institutions and Investment Firms or bail-in according to articles 54 and 55, according to part E of the same act. Articles 3.1 and 3.6 requiring shareholder approval for the increase and reduction of share capital, and Article 3.2 on priority rights of shareholders to subscribe to new shares, shall not apply to changes in share capital in accordance with this Article 24. Moreover, Article 2.1 of these Articles of Association, regarding the Company's share capital, shall be updated without undue delay to reflect the relevant change in share capital in accordance with this Article and does not require further shareholders' approval."

- (c) *That Article 25 (previously Article 24) be amended to read as follows:*

"The provisions of Act No. 2/1995 on the Public Limited Companies, Act No. 70/2020 on Resolution of Credit Institutions and Investment Firms and other acts as appropriate shall apply to the Company's winding-up, its merger with other companies or division into two or more legal entities. A decision on such a measure can only be taken by a shareholders' meeting by the same power of votes as is required for amendments to these Articles of Association."

- (d) *That Article 26 (previously Article 25) be amended to read as follows:*



“The handling of any aspects not provided for in these Articles of Association shall be governed by the current provisions of the Act No. 2/1995 on Public Limited Companies, Act No. 161/2002 on Financial Undertakings, Act No. 70/2020 on the Resolution of Credit Institutions and Investment Firms and provisions of other legislation as applicable.”

The chair noted that a draft of updated Articles of Association had been made available on the Bank’s website prior to the meeting.

The chair then gave shareholders the opportunity to discuss these proposals. No comments or queries were received.

The chair proposed that the proposals be put to a vote together. No objections were raised. The proposals were then put to the vote. The proposals were approved with a majority of votes.

13. Other business

The chair gave the Board of Directors and representatives of the shareholder the opportunity to raise further questions or to comment.

No comments or questions were received and no other matters were raised.

The newly elected Chairman of the Board of Directors, Paul Horner, addressed the meeting and thanked the shareholders for the support.

The people attending the meeting were then given the opportunity hear the minutes read out aloud if they wished. No shareholder asked for the minutes to be read aloud and the chair and secretary were asked to complete the minutes.

No further business was discussed, and the meeting was adjourned at 5:40 p.m.

Hrafnhildur Árnadóttir, lawyer
Secretary

Guðbjörg Helga Hjartardóttir, lawyer
Chair