
Proposals submitted to the Annual General Meeting of Siminn hf.

12. mars 2020

- 1. Report of the Board of Directors on the Company's activities during the past year**
- 2. Confirmation of annual accounts and decision on how to handle the company's profit or loss during the financial year**

The Board of Directors of Siminn hf. proposes to the Annual General Meeting that the annual accounts for 2019 be confirmed.

Reference is made to the annual accounts for the disposal of profits and other changes in equity accounts.

3. Decision on payment of dividends

The Board of Directors of Síminn hf. proposes to the Annual General Meeting that dividends be paid out to shareholders for the financial year 2019, which amounts to kr. 0,057144 per share. Thus, the total payment amounts to ISK 500 million, which includes 16,3% of the profit for the year 2019.

Record date will be March 16, 2020, so that shareholders specified in the Company's register of shareholders at the end of the Record date are entitled to dividends for the operating year 2019. The ex-date date, that is, the date the transaction commences with the company's shares without the right to dividend for the fiscal year 2019, will be March 13, 2020 next business day after the AGM. The payout date will be 7 April 2020. A proposal for a dividend payment is in accordance with the dividend policy of the company.

4. Proposal for amendments to the Articles of Association of the Nomination Committee and changes in the rules of procedure for the Nomination Committee

Proposal for Nominating Committee:

The Board of Directors proposes amendments to the nomination committee's appointment. Instead of the board appointing one member to the committee, all members are elected at the AGM, however, the board submits nominations, and at the same time, shareholders can submit nominations that will then be elected at the meeting, if more members are nominated than are members of the committee. It is also stated that if a member is absent then the board can appoint a new party until the next AGM, so that no new shareholders meeting would have to be called in such circumstances

With reference to the foregoing, an amendment is proposed to Article 10.12 of the Company's Articles of Association, which reads as follows:

"In the company, a nomination committee shall be appointed, consisting of three individuals and each gender shall be represented on it. Three persons shall be elected to serve on the nomination committee at the AGM each year, while the Board shall nominate three persons at the same time as the notice of the AGM. Shareholders may submit proposals for individuals to serve on the nomination committee, and such proposals shall be received by the company no later than seven days before the AGM. If the results of elections in the nomination committee are such that both genders are not represented, the election shall be repeated and carried out in the same manner as specified in Article 15.2. If a member is absent, the board may appoint a member in its place until the next annual general meeting. A shareholders' meeting shall adopt the rules of procedure of the nominating committee, which shall specify in more detail the functions and procedures of the committee. "

secondly, an amendment to para 5) is proposed in Article 11.2, which reads as follows:

„5) Election of three members to a nomination committee.“

The proposal entails that it is compulsory to elect three members of the nomination committee at the AGM.

Thirdly, an amendment to Article 11.4. is proposed and noted that the Board of Director's proposal for nomination shall be submitted no later than 21 days before the AGM.

"The Company's annual accounts, the report of the board, the auditor's report, information on the total number of shares and votes on the date of the meeting, the proposal of the board of directors on remuneration policy, the proposals of the board for nomination of the members of the nomination committee, the proposals and the report

of the nomination committee, shall be available to the shareholders at the Company's headquarters, no later than 21 days before the AGM. Proposals and report from the nomination committee for proposals to the Board, received from publication of the meeting invitation and until each deadline for submitting a proposal to the Board, must be available on the Company's website no later than 2 days before the AGM and the same applies to an extraordinary meeting when the election to the Board is on the agenda of a special meeting. "

If the amendments to the Articles of Association that have been described are approved, consecutive changes will be made to the rules of procedure of the Nomination Committee, which are submitted to the AGM for approval.

The changes consist in the fact that in Articles 2.1-2.2. and Articles 3.1-3.4, in addition to Articles 3.6 and 5.1, are amended to reflect that the Committee is comprised of three individuals who are all elected by shareholders instead of two previously, and a third party appointed by the Board. It is assumed that all members of the committee are independent of the company.

It is also assumed that the board submits nominations to the committee when convening a AGM, and shareholders can submit nominations to the committee no later than seven days before the general meeting. The Board may, however, nominate one party if a member is absent prior to the expiry of the term, and such appointment shall remain in force until the next AGM.

5. Election of persons to the Nomination Committee

6. Election of the Board of Directors of the Company

7. Election of a statutory auditor or audit firm

The Board of Directors of Síminn hf. proposes to the AGM that KPMG ehf. will be the company's auditing firm and that Árni Claessen will carry out the audit on behalf of KPMG ehf.

8. Decision on remuneration to the members of the Board of Directors for their work as well as remuneration of the members of the subcommittees and the nominating committee

The Board of Directors of Síminn hf. proposes to the annual general meeting that the remuneration to the Board and Committee be as follows:

The salary of the chairman of the Board will be ISK 720.000 kr. a month
The salary of the vice-chairman will be ISK 540.000 kr. a month

The remuneration of board members will be ISK 360.000 kr. a month
The salary of the Chairman of the Audit Committee shall be ISK 200.000 kr. a month
The remuneration of the members of the Audit Committee shall be ISK 85.000 kr. a month
The salary of the Chairman of the Remuneration Committee shall be ISK 120.000 kr. a month
The remuneration of the members of the Remuneration Committee shall be ISK 60.000 kr. a month
The salary of the Chairman of the Nomination Committee shall be ISK 120.000 kr. a month
The remuneration of the members in the Nomination Committee shall be ISK 60.000 kr. a month

9. Proposal to reduce share capital and amend the Company's Article of Association

The Board of Directors submits the following proposal for a resolution on the reduction of the Company's share capital:

„The Annual General Meeting of Siminn hf., held on March 12, 2020, agrees to reduce the Company's share capital from kr. 9,250,000,000 nominal value to 8,750,000,000 ISK at nominal value, to offset own shares on the basis of Act no. 2/1995, on Public Limited Companies. The company's share capital thus decreases by ISK. 500,000,000 nominal value. The reduction includes own shares of the company that it has purchased on the market in accordance with the Board's repurchase plans for which the Annual General Meetings in 2018 and 2019 approved. "

If the proposal is approved by the AGM, the amount of share capital in the Company's Articles of Association will be adjusted accordingly. Article 4.1 in the Company's Articles of Association will be amended in the following way:

„Th Company's share capital is 8.750.000.000, - Eight billion and seven hundred and fifty million.“

10. Proposal of the Board of Directors on the Company's Remuneration Policy

Proposal by the Board of Directors of Siminn hf. that the remuneration policy is available at the company's office and is accessible on its website:

<https://www.siminn.is/umsimann/fundir>

No changes to the current remuneration policy are proposed.

11. Proposal to authorize the company to purchase own shares in accordance with Art. Article 55 the act on Public Limited companies.

The Board of Directors of Siminn hf. proposes to the AGM that the following proposal on the purchase of own shares be approved and replace the current authorization of the Board of Directors to purchase own shares granted at the Company's AGM on March 21, 2019.

„The AGM of Siminn hf., held on March 12 2020, authorizes the Board of Directors of the Company to purchase one-time or more often over the next 18 months shares in the Company so that, together with its subsidiaries, other up to 10% of its share capital, in other words, fulfills its legal requirements; a maximum of kr. 875.000.000 nominal value, for the purpose of establishing market making for shares in the company and / or for setting up a formal share-buy back program. The consideration for purchased shares shall not exceed the value of the last independent transaction or the highest available independent bid in those trading systems where trading of the shares is higher, whichever is higher. However, such purchases are permitted if they are made by market makers according to Article 116 of the Act on Securities Transactions or on the basis of Point 1 of Art. Paragraph 3 Article 115 and paragraph 2 Article 119 of the Act on Securities Transactions and Regulations issued on the basis of Art. same law. This authorization is based on the provisions of Art. 55 of Act no. 2/1995. Other prior authorizations for the purchase of own shares will lapse upon approval of this authorization.“

If the proposal of the Board of Directors is approved, the authorization will be mentioned in a separate annex to the Articles of Association of the Company, and the Annex shall form part of the Articles of Association the time the authorization is valid, cf. Article 8.1 of the Company's Articles of Association.

12. Proposals from shareholders that shall be included in the agenda

13. Other matters