



# Rules of Procedure for the Remuneration & Governance Committee of Landsbankinn hf.

## **1. APPOINTMENT AND DISCLOSURE TO THE BOARD OF DIRECTORS**

The role of the sub-committees of the Board of Directors of Landsbankinn hf. (hereafter “Landsbankinn” or “the Bank”) is to assist the Board of Directors in carrying out its legally constituted duties. The sub-committees are appointed by the Board of Directors and operate under its authority. The sub-committees do not take independent decisions on behalf of the Bank or of the Board of Directors. The sub-committees do not influence the role or decision-making authority of the Board of Directors, of the Bank’s day-to-day managers, or of committees operating within the Bank.

The Remuneration & Governance Committee (hereafter “the Committee”) is a sub-committee of the Board of Directors of Landsbankinn.

The Committee shall be appointed by the Board and comprises three Directors. The Committee shall be constituted in such a way as to enable it to exercise professional and independent judgement on a remuneration policy and its implementation as well as governance practices. The majority of Committee members must be independent of the Bank and its day-to-day managers. The Chairman of the Board of Directors shall sit on the Committee as its chair. The Committee divides responsibility for other tasks among its members.

The Committee Chairman shall regularly appraise the Board of Directors of the Committee’s work and when individual matters before the Board have previously been discussed by the Committee. The Committee shall submit a yearly report on its work to the Board of Directors. The Committee shall advise the Board of Directors on issues specified in these Rules of Procedure.

Directors of the Board shall have access to minutes of Committee meetings through the Bank’s document management system. Information and data from the Committee is to be available to Directors in good time for Board meetings, and between such meetings. All Directors shall receive the same information. Moreover, information must be available when needed and be as up-to-date and accurate as possible.

## **2. MEETINGS**

The Committee shall meet as often as necessary yet no less frequently than four times yearly.

## **3. ROLE**

**The Committee’s role, as it relates to remuneration, is to:**

- 3.1. Submit to the Board of Directors a draft remuneration policy for the salaries and terms of employment of the CEO, other senior executives, as well as Directors of the Board, in accordance with laws, rules and good corporate governance.
- 3.2. Support the Board of Directors in overseeing implementation of the approved remuneration policy.
- 3.3. Present the Board of Directors with a substantiated proposal for salaries to Directors in the coming operating year. The Board of Directors deliberates on the Committee’s proposal and submits a final proposal on remuneration to the AGM.

- 3.4. Guide the Board of Directors and CEO in determining the terms of employment of senior executives.
- 3.5. Deliberate on the salary and terms of employment of the CEO and submit a proposal on the matter to the Board.
- 3.6. Negotiate termination of employment agreements with the CEO, as and when necessary.
- 3.7. Ensure that salaries and other terms of employment comply with current laws, rules and best practices.
- 3.8. Ensure that the terms of employment of the Bank's senior executives are within the framework provided by the remuneration policy and report on its implementation yearly in connection with the Bank's AGM. The conclusions of the report shall be included in the report of the Board of Directors that accompanies the annual financial statement.
- 3.9. Discuss developments in collective bargaining agreements, salary expenses, breakdown of salaries, other remuneration and the number of employees.
- 3.10. Assist the Risk Committee in determining whether incentives, including bonuses, that may be provided for in the Bank's remuneration policy comply with its risk policy.
- 3.11. Monitor that Landsbankinn's human resources develop in line with the Bank's strategy, changes in its operation and external environment.
- 3.12. Submit a proposal on the salary and terms of employment of the Chief Audit Executive to the Board of Directors.
- 3.13. Oversee remuneration to the Managing Director of Risk Management and the Chief Compliance Officer.
- 3.14. Review proposals from subsidiaries regarding their remuneration policies, as well as proposals concerning remuneration to the boards of subsidiaries.
- 3.15. Monitor payments relating to the sale of pension agreements and insurance contracts

**The Committee's role, as it relates to corporate governance is to:**

- 3.16. Review the Rules of Procedure of the Board of Directors and prepare proposals to the Board for their revision.
- 3.17. Maintain oversight of the Board's policies with regard to alignment and simplification and to submit opinions or proposals to the Board in that respect.
- 3.18. Review the Board's policies, other than those reviewed by other Board subcommittees in accordance with their rules of procedure and to submit opinions or proposals to the Board in that regard.
- 3.19. Formulate and review policies applicable to the Group, including internal governance, and to submit opinions or proposals to the Board of Directors in that respect.
- 3.20. Prepare a proposal for the Board's learning programme and assess whether it meets needs and requirements.

- 3.21. Review the framework for the Board's self-evaluation.
- 3.22. Consider nominations of board members to subsidiaries and associates.
- 3.23. Address other matters relating to corporate governance that are not assigned to other subcommittees or to the Board under their rules of procedure, and to submit opinions or proposals to the Board in that regard.

Thus adopted at a meeting of the Board of Directors of Landsbankinn on 4 March 2026.