

These Rules are established on the basis of Article 17 of the Articles of Association of Iceland Seafood International hf., Article 70 of the Act on public limited companies no. 2/1995 and the Corporate Governance Guidelines from Iceland Chamber of Commerce.

### **1. Terms of Appointment and allocation of responsibilities within the Board of Directors**

- 1.1. A Board of Directors (BOD) consisting of 3 to 5 members and up to two alternate members, shall be elected at the Annual General Meeting (AGM) for a one-year term.
- 1.2. The newly elected BOD shall meet within two weeks following the AGM to decide on the division of responsibilities and elect a Chairman.
- 1.3. If a Chairman of the Board has been elected specifically at AGM, then he/she shall direct the first meeting, otherwise the previous Chairman, if re-elected, or failing this the Board member who has sat on the Board the longest. If one or more Board members have equal seniority in Board membership the most senior member shall preside over the first meeting.
- 1.4. A simple majority of votes shall determine the election of officers of the Board.
- 1.5. If more than one member receives an equal number of votes, the outcome shall be decided by lot.
- 1.6. The BOD shall elect sub-committees that operate on behalf of the Board.
- 1.7. A candidate to the Board shall provide the following personal information, when declaring a candidature. This information shall also be included in the Company's corporate governance statement for each board member, to ensure that shareholders are informed of main points relating to him/her:
  - Name, education, chief occupation and professional experience.
  - Date of appointment.
  - Other commissions of trust, e.g. membership on boards of other companies.
  - Shares in the Company, whether direct ownership or through associated parties.
  - Share-option agreements with the Company.
  - Connections with principal clients and competitors of the Company and major shareholders in the Company.

### **2. Board Meetings**

- 2.1. The Board's regular meeting shall be held as often as deemed necessary, but at least 10 meetings per annum.
- 2.2. The Chairman, or the CEO acting on the Chairman's behalf, shall call Board meetings. Board meetings shall be convened with at least 7 days' notice, However, a meeting can be called on a shorter notice either a) if the issue to be discussed at the meeting may not await a regular meeting or b) if the

availability of all Board Members to attend has been confirmed in advance by the CEO on behalf of the Chairman.

- 2.3. Every effort shall be made to ensure the meeting documents are sent at least two days prior to the meeting. The CEO shall prepare Board meetings in consultation with the Chairman.
- 2.4. Board Meetings shall generally be held at the company's place of business unless the Chairman decides otherwise. Meetings may, however, be held by the means of teleconference equipment or electronic media. Such meeting shall be subject to the provisions of the Act on public limited companies.
- 2.5. The Chairman shall call an extraordinary meeting with at least three days' notice. If items arise demanding urgent action, a meeting may be called at a shorter notice. The Board can take decisions between meetings via email, such decisions shall be discussed and approved at the next board meeting.
- 2.6. Notice of Board meeting shall generally be in writing, and shall specify the agenda of the meeting. Documents concerning individual items of business on the agenda of a Board Meeting shall be sent to the Board Members no later than two working days before regular Board Meetings, unless otherwise decided by the Chairman. In special circumstances the Chairman may decide to distribute documents only on the Board Meeting itself and request Board Members to return them at the end of the Board Meeting.
- 2.7. If the CEO is not serving on the Board, he shall attend all Board meetings and shall have the right to speak and submit motions.
- 2.8. The BOD can call on any senior officers of the company to participate in any specific items on the agenda and the Minutes shall reflect their attendance and participation.
- 2.9. The Chairman shall call a Board meeting if requested by any Board member or the CEO. The meeting shall be called within seven days from the date the request is received by the Chairman, and the meeting must be held within two weeks,

### **3. Legitimacy of resolution and chairing of meetings**

- 3.1. A quorum is present if a majority of the Board members, including alternate members, are in attendance.
- 3.2. The Chairman of the Board shall direct meetings. In the event the Chairman becomes incapacitated, the Board member who has served on the Board the longest shall direct the meeting. In circumstances where the Chairman is unwilling to call a Board Meeting in accordance with clause 2.10, then any Board member shall be able to request that the CEO call a meeting within 7 days, and the Board member who has served on the Board the longest time shall chair that meeting.
- 3.3. A simple majority of votes shall determine the outcome of all matters. In the case of a tie the Chairman's vote shall determine the outcome.

### **4. Disqualification**

- 4.1. Board Members shall not participate in dealing with items connected to their own business or business with companies in which they own a qualifying holding, where they are Board Members, hold positions of responsibility or in other respects have substantial interests at stake. The same shall apply to

participation by Board Members in dealing with items concerning parties personally or financially connected to them.

- 4.2. If a Board Member is deemed disqualified due to circumstances referred to In Article 4.1., the Board member shall not have access to documentation concerning the handling of this item. Furthermore, the member shall withdraw from the meeting while the discussion and a decision on the matter takes place.
- 4.3. Board Members and the CEO shall not take part in any process of negotiation between the Company and themselves, lawsuits brought against them, negotiations between the Company and any third party or lawsuits against any third party, in which they have a substantial interest which may be contrary to the Company's interests, unless a mutual decision is reached between the respective parties to do so. Board Members and the CEO are under an obligation to report such incidents.
- 4.4. Any agreements which a Board Member or the CEO may enter into with the Company, and any agreements between the Company and a third party, must be submitted to the Board for approval (or rejection) if the Board Member or the CEO have a substantial interest in such agreements.
- 4.5. Sales and purchase of seafood which relates to normal trading between the Company and Suppliers where Board members may have interest, is exempted from restrictions in clauses 4.3 and 4.4.

### **5. Minutes and Board Meeting**

- 5.1. The Chairman shall be responsible for keeping Minutes of all Board meetings. The Chairman may, however, assign this responsibility to another person.
- 5.2. The following shall be recorded in the Minutes:
  - (i) Name and ID number of the Company.
  - (ii) Meeting place, date and time.
  - (iii) Number of the Board meeting.
  - (iv) Attendance at the meeting
  - (v) If and when third parties attend, e.g. the Company's auditor, and when they exit the meeting.
  - (vi) Name of the Chair and Secretary of the meeting. The Agenda of the meeting.
  - (vii) Documents made available to Board members before the meeting or handed out or presented at the meeting. A copy shall be kept with the minutes.
  - (viii) Conclusion of each agenda item of the meeting, e.g. decisions made, items postponed, inquiries made during the meeting.
  - (ix) Whether and why a board member, the CEO or another person leaves the meeting during a discussion or decision-making of an agenda item and whether the relevant party had access to documentation related to the discussion or decision-making. Any Board Member may demand that his/her statement be entered in the Minutes. A special note shall be made in the Minutes of cases where a Board Member has withdrawn from the meeting as a result of disqualification to address a particular matter.

- 5.3. If the Minutes have not been completed at the end of a Board Meeting, they shall be sent to Board Members as soon as possible for their approval and signing prior to the next Board Meeting.
- 5.4. The Minutes shall be confirmed by all those present at the Board Meeting. Board Members who were not present at a Board Meeting shall attest by their signature that they have acquainted themselves with the Minutes of that Board Meeting.
- 5.5. Minutes entered in the Company's Book of Minutes shall be regarded as full proof of what has transpired at Board Meetings.

### **6. Reports and other information from the CEO**

- 6.1. The CEO shall ensure that the Board regularly receives precise information related to finance, structure and operations of the Company and the subsidiaries in order for the Board to be able to perform its duties.
- 6.2. The Board may require the CEO to provide Board Members with additional documents and information related to specific tasks of the Board. The form and quality of the information shall be decided by the Board each time.

### **7. Shareholders' Meetings**

- 7.1. The Chairman, the CEO, the majority of Board Members and a member of each subcommittee of the board shall attend all Shareholders' Meetings. If the Chairman or the CEO is unable to attend in person, they shall participate with the assistance of electronic media if possible. In such cases, the provisions of Article 80 a. of Act no. 2/1995 on public limited companies must be observed.
- 7.2. All Shareholders' Meetings shall be called in accordance with applicable laws, regulations and Articles of Association of the Company.
- 7.3. All Shareholders' Meetings notices, including the agenda, shall give the shareholders satisfactory information on the items to be discussed at the Shareholders' Meeting.
- 7.4. All communication with the Company's shareholders shall be clear, honest and unitary. The Board shall be informed of shareholders proposals and questions and the Board shall supervise the Company's reactions thereto.
- 7.5. The Board shall ensure that the interests of all shareholders are always protected and that shareholders receive equal treatment. All shareholders shall have the same access to information on the interests of the Company.

### **8. Candidates to the Board and New Board Members**

- 8.1. New Board Members shall be given an introduction to the Company affairs, including its policies, goals, risks and operations as well as the Board's work and procedures. New Board Members shall receive relevant introduction of the Company for them to be able to perform their duties as Board Members.

### **9. Confidentiality**

- 9.1. Board Members are bound by strict confidentiality regarding the affairs of the Company, the Company's customers, and other matters which may come to their knowledge in the course of their work as Board Members.
- 9.2. Board Members shall not disclose confidential information unless required to do so by law or by any competent court or authority. Board members undertake that they will not take undue advantage, whether for their own benefit or for that of other parties outside the Company, of any information or ideas to which they may have gained access resulting from their work for the Company.
- 9.3. Board Members shall store all documents and information they receive in relation to their duties in a secure manner.
- 9.4. Board Members, other than the Chairman, shall not express their opinions to the media or address the public in any other manner regarding the Company's affairs, except with the consent of the Chairman.
- 9.5. The Board Members' duty of confidentiality shall remain in force after a Board Member leaves or resigns from the Board. Other participants in a Board meeting shall be subject to the same duty of confidentiality.

### **10. The Board's role and duties**

- 10.1. The Board is the supreme authority in the affairs of the Company between Shareholders' Meetings.
- 10.2. The Company's signature is written by the Board. Joint signatures of the majority of the Board bind the Company. Only the Board may grant powers of procuration.
- 10.3. The Board shall conclude a contract of employment with the CEO and supervise his/her work, as further outlined in Clause 12 of these Rules. The Chairman shall handle such contracts in accordance with a detailed mandate from the Board. Similarly, the Board terminates employment of a CEO.
- 10.4. The Board shall continuously and precisely supervise all aspects of the Company's operations and ensure that the Company's organization and activities are always in good and proper order.
- 10.5. The Board shall establish goals for the Company in accordance with the Company's objectives pursuant to the Articles of Association and shall formulate the policy and strategy required to achieve these goals.
- 10.6. The Board shall ensure adequate supervision of accounting and disposal of the Company's financial assets and shall, at least once a year, confirm the Company's operating plan and budget.
- 10.7. The Board can appoint certain tasks to Board Members as considered necessary, which shall then have full access to any of the Company's personnel and third parties as considered necessary.
- 10.8. Board Members shall familiarize themselves with all relevant information needed to have full understanding of the Company's operations and be able to take informed decisions.
- 10.9. A Board Member shall only act according to his own conviction, not the instructions of those who have elected him.
- 10.10. Board Members shall familiarize themselves with and be bound by the provisions of statutory law.

- 10.11. The Board shall define, at least once a year, the risk factors that the Company has to address, including their nature and extent. It shall also define remedial action to the risks in question. Furthermore, the Board shall regularly verify the effectiveness of internal control and risk management.
- 10.12. The Board shall set a policy for social responsibility for the Company and a written code of ethics for the Company's Board members, Sub-Committee members, its managers and employees.
- 10.13. The Board is responsible for publishing annually a statement on the Company's governance for the preceding year in a separate chapter in its annual accounts.
- 10.14. The responsibility, authority and tasks of the Board shall, in all respects other than provided in these Rules, be governed by the Act on Public Limited Companies no. 2/1995, the Act on Annual Accounts no. 3/2006, and other applicable legislation as well as the Company's the Articles of Association.

### **11. Performance assessment**

- 11.1. The Board shall annually review and evaluate the development of the Company and whether this is consistent with its goals.
- 11.2. The Board shall conduct an annual assessment of its work, size, composition and procedures. The Board shall seek ways to improve its workings in accordance with the findings of these assessments.
- 11.3. The Board shall annually evaluate the work of the Company's CEO and the Company's operations in general. Any Board member who is also one of the Company's day-to-day managers shall not be present for the evaluation of the performance of the CEO. The Chairman of the Board shall present the results of the assessment to the CEO and discuss with him/her how to address weaknesses and/or further improve strengths.

### **12. The Chairman's role and duties**

- 12.1. The Chairman is responsible for the Board performing its duties in an orderly and efficient manner and in conformity with legislation, regulations and good corporate governance and that the Board is provided with the best possible working conditions.
- 12.2. The Chairman shall keep all Board Members informed of issues concerning the Company and encourage the activity of the Board in all decision-making.
- 12.3. The Chairman shall ensure that the Board generally receives exact and clear information to be able to perform its duties.
- 12.4. The Chairman shall ensure that new Directors receive necessary information and guidance in the procedures of the Board and the Company's affairs, including the Company's policies, its objectives, risk parameters and operations;
- 12.5. The Chairman shall ensure that the Board regularly updates its knowledge of the Company and its operations, in addition to ensuring that the Board generally receives, in the course of its work, detailed and explicit information and data in order to be able to perform its work;

- 12.6. The Chairman shall ensure that Directors gets proper guidance regarding the main issues involving corporate governance, e.g. regarding their statutory duties and responsibilities, or ensure that Directors attend courses of that type;
- 12.7. The Chairman shall take responsibility for relations between the Board and shareholders;
- 12.8. The Chairman shall take the initiative in the preparation and revision of the Board's rules of procedure;
- 12.9. The Chairman shall organise the agenda for the meetings of the Board, together with the Company's CEO, and supervise their convening and chairing. The Chairman of the Board shall ensure that Board meetings allow ample time for discussions and decision-making, in particular for larger and more complicated issues;
- 12.10. The Chairman shall follow progress in the execution of Board decisions within the Company and confirm their implementation to the Board;
- 12.11. The Chairman shall ensure that the Board makes an annual assessment of their work and that of the sub-committees.
- 12.12. The Chairman shall not take on any work or projects for the Company other than those considered a natural part of his/her duties as chairman of the Board, with the exception of specific projects that the Board has entrusted to him/her.

### **13. The CEO's role and duties**

- 13.1. The Board is responsible for the appointment of a CEO whose responsibilities include to manage the Company's daily operations.
- 13.2. The CEO is responsible for daily operations and is obliged to follow the Board's policy and instructions in that regard. The daily operations do not include measures which are unusual or extraordinary. The CEO may only take such measures if specially authorized by the Board, unless it impossible to wait for the Board's decision without substantial disadvantage to the Company's operations. In such an event the CEO shall inform the Board of his/her measures, without delay.
- 13.3. The CEO shall ensure that the accounts of the Company conform to the law and accepted practices and that the treatment of the Company's property is secure. The CEO shall provide any information that may be requested by the Company's Auditors.
- 13.4. The CEO shall inform the Board on his/her business activities which are not related to the Company.
- 13.5. The CEO shall provide the following personal information, to be included in the Company's corporate governance statement, to ensure that shareholders are informed of main points relating to him/her:
  - Name, education, chief occupation and professional experience.
  - Date of appointment.
  - Other commissions of trust, e.g. membership on boards of other companies.
  - Shares in the Company, whether direct ownership or through associated parties.
  - Share-option agreements with the Company.

- Connections with principal clients and competitors of the Company and major shareholders in the Company.

13.6. The CEO's roles and duties as described herein are not exhaustive, as other specific tasks and duties the CEO has may further be outlined in other Clauses of these Rules, his/her employment contract and applicable law and rules.

#### **14. Definitions**

14.1. When referred to in these rules ("the Rules"):

"the Company" shall mean Iceland Seafood International hf.,  
"the Board" shall mean the Board of Directors of the Company,  
"the Chairman" shall mean the Chairman of the Board,  
"Shareholders' Meetings" shall mean the Company's Annual General Meeting and Extraordinary General Meetings,  
"Annual General Meeting" shall mean the Company's Annual General Meeting,  
"Articles of Association" shall mean the Company's Articles of Association.

#### **15. Committees appointed by the BOD and duties.**

##### **15.1. The Audit Committee**

15.1.1. The Audit Committee shall operate independently on behalf of the BOD. The BOD shall elect the members of the Audit Committee each year. The Audit Committee shall operate in accordance with Rules of Procedure approved by the BOD. The BOD is responsible for the operation of the Audit committee.

##### **15.2. The Remuneration Committee**

15.2.1. The Remuneration committee shall operate independently on behalf of the BOD, elected by the BOD each year. The role of the Remuneration Committee includes to assist and advise the BOD on matters relating to the remuneration of the BOD and senior management. The Remuneration Committee shall operate in accordance with the Rules of Procedure as approved by the BOD. The BOD is responsible for the operation of the Remuneration Committee.

#### **16. MISCELLANEOUS**

16.1. These Rules enter into force on the date of the adoption by the Board.

16.2. These Rules shall be reviewed annually.

16.3. Only the Board may amend these Rules. A majority vote of the Board is required to amend these Rules.

16.4. The original of these Rules, as amended (if applicable), shall at all times be available at the Company's website and shall be reviewed annually.



- 16.5. At the time of the adoption of these Rules, all Board Members shall sign the original thereof. If the Board approves any amendments to the Rules all Board Members shall sign an original copy of the Rules as amended. The Rules shall be presented to new Board Members, who shall sign the original thereof to confirm their receipt of the Rules.

**Adopted by the Board of Directors of Iceland Seafood International hf. on 21 June 2022.**