

Landsvirkjun's Community Engagement Policy

1. Introduction

The purpose of Landsvirkjun's Community Engagement Policy is to promote the positive social impacts and benefits of Company operations alongside the responsible utilisation of natural resources.

Landsvirkjun's Board of Directors sets the Policy based on the CEO's proposal.

2. Scope

The Policy covers all aspects of Landsvirkjun's operations.

3. Definitions

- 3.1. Stakeholder:** Individuals, groups or organisations with a vested interest; may be influenced by or have an interest in certain decisions or activities. These include NGOs, businesses, employees, consumers, public institutions, municipalities, etc.
- 3.2. Local community:** Communities surrounding Landsvirkjun's power stations.
- 3.3. Social impact:** The impact of operations on society.

4. Policy

Landsvirkjun is a good neighbour. Our guiding principles are honesty, respect, and a commitment to benefitting the local community in all aspects of operations, from project planning to the operation of power stations.

We actively participate in society and support issues and projects that positively impact society.

We encourage constructive communication and cooperation and share knowledge on Company activities through various platforms.

As a leading force within society, we promote energy-related innovation with sustainability as our guiding principle.

5. Implementation, criteria, and information dissemination

5.1. Implementation

The CEO is accountable to the Board of Directors for implementing the Community Engagement Policy.

Consultation and collaboration with Landsvirkjun's employees and stakeholders are a priority. The implementation of the Community Engagement Policy is in accordance with the role and responsibilities of Landsvirkjun's Community and Environment Division (SKI-0144). Subsequent to the approval of the Policy, a procedure for the execution of the Policy will be developed, implemented and documented in the Company's management system.

5.2. Main objectives and criteria

- Increase public knowledge of Landsvirkjun's operations and inspire positive public perception.
 - Public knowledge of the Company
 - Percentage of positive perception
- Support local communities near our power stations by purchasing their goods and services whenever possible.
 - Proportion of procurement contracts with local suppliers
- Foster constructive and regular dialogue with local stakeholders.



- Percentage of planned communication in completed communication plans
- Encourage and promote energy-related innovation.
 - Number of energy-related innovation projects supported by or participated in by Landsvirkjun at any time.

5.3. Information dissemination

The progress of our Community Engagement Policy is shared using a dashboard where the progress of each indicator is displayed. The results are reviewed at an annual management review meeting, and information is subsequently published on Landsvirkjun's website.

6. Review

Landsvirkjun's Board of Directors reviews this Policy at least every other year.

7. Entry into force

This Policy is valid when approved by the Board of Directors.

February 18th 2022

Landsvirkjun's Board of Directors