

EMPLOYMENT TERMS POLICY

ICELANDIC INVESTORS LTD.

The Employment Terms Policy of Icelandic Investors Ltd. (hereafter “the company”), approved at the Annual General Meeting 2020, held on 24 March 2020.

1. Goals

The goal of the employment terms policy is to attract and keep effective employees in a competitive market and enable them to grow in their work. The policy reflects the company's goals for good governance as well as sustainable long-term value creation for shareholders.

The employment terms policy covers all the company's employees and its Board of Directors.

2. Board of Directors

Board members shall accept fixed monthly remuneration accordant with the decision of the company's Annual General Meeting. Reserve board members shall accept a fixed amount for each board meeting they attend.

The Board of Directors shall present a proposal on the remuneration for the coming fiscal year that considers the company's scope, amount of work, and results.

3. Managing director

A written hiring agreement shall be made between the company and the managing director that stipulates his main duties and responsibility. His base salary and other terms of employment shall consider his education and professional experience and shall be competitive. The hiring agreement shall state other provisions on his terms, such as pension contributions, vacation and other prerequisites like the term of notice.

The managing director's base salary shall be reconsidered each year, and the managing director's performance shall be assessed, the development of salaries for similar positions in comparable companies, and the company's general results and operations.

The hiring agreement shall state and stipulate all payments due to the managing director upon the agreement's termination. Under special circumstances, and if accordant with the Act on Financial Undertakings no. 161/2002, a special termination agreement may be made.

4. Directors and other key employees

The managing director hires directors and other key employees of the company in consultation with the company's Board of Directors.

The terms of their hiring agreements shall consider the same factors and criteria as stated in Art. 3, as relevant.

5. Other employees

Directors and other key employees shall, as relevant, keep the above in mind when they decide other employees' terms of work.

6. Bonuses

The company has established a scheme of bonuses accordant with the Rules on Bonus Schemes under the Act on Financial Undertakings of the Financial Supervisory Authority, Iceland, no. 388/2016.

7. Disclosures

Information on the total remuneration of the board members, managing director, and the company's key employees shall be distributed each year at the Annual General Meeting. This also pertains to any postponed payments and irregular agreements in the previous fiscal year.

8. Approval of the employment terms policy

The employment terms policy shall be presented to shareholders for approval at the Annual General Meeting. Each year, the Annual General Meeting shall re-examine and approve the employment terms policy.

The employment terms policy shall be a guideline for the Board of Directors. Any deviation from the policy shall be recorded and logically supported in the Board of Directors' meeting minutes. The company's Board of Directors shall inform the Annual General Meeting of such deviations.