

Reginn hf.'s Remuneration Policy

Article 1 Objectives

The objective of Reginn hf.'s Remuneration Policy is to attract the most qualified managers and employees at all times, and thereby maintaining the company's competitive position.

In order to achieve the company's objectives, the Board of Directors must have the authorisation to offer competitive wages and other payments to managers and employees as is generally the norm in comparable companies, meaning companies that operate in the same market.

On the determination of remuneration terms, account shall be taken of responsibilities and achievements, the company's Equality Policy, and equal rights issued considered.

The policy shall encourage responsibility in operations, and thus, be part of safeguarding the long-term interests of shareholders, customers, staff and other stakeholders.

Article 2 Remuneration Committee

The Company's Board shall choose two to three of its members to serve on the Remuneration Committee.

The role of the Committee is to guide the Board of Directors and management regarding the remuneration of the company's senior management, and advise on the remuneration policy, which is reviewed annually and submitted to the Annual General Meeting. The role of the Committee is detailed in the Rules of Procedure of the Remuneration Committee, established by the Board of Directors.

The Committee shall ensure that the remuneration of the company's senior management is in accordance with the Remuneration Policy, and submit an annual report thereof in connection to the Annual General Meeting.

Article 3 Remuneration of Board members

Board members shall be paid a fixed monthly fee for their work in accordance with the decisions of the Annual General Meeting each year, as provided for in Article 79 of Act

no. 2/1995 on Public Limited Companies. The Board submits a proposal on the remuneration for the coming year and the remuneration of Board members must take into account the responsibility that comes with the work, the complex environment in which the company operates, and the work contribution required for the work.

The Chairman's remuneration shall be double the remuneration received by other Board members.

The Annual General Meeting shall also determine compensation for membership in the Board's sub-committees.

The company shall ensure effective professional risk insurance at all times for the activities of Board members and senior management for their work for the company.

Article 4 CEO terms of employment

A written Contract of Employment must be drawn up for the CEO. The CEO's base wages and other payments shall be in accordance with their qualifications, responsibilities and scope of the position, and must always be competitive with similar companies and companies registered on the market.

The CEO's terms shall be reviewed annually, and such review shall take into account the Remuneration Committee's assessment of the CEO's performance, the development of wage terms in general in similar companies, and the company's performance.

At the end of employment, no payments shall generally be made other than those included in the Employment Contract.

Article 5 Employment terms

A written Contract of Employment must be drawn up for employees of the company.

The terms and conditions of senior management shall take into account the terms and conditions of senior management at similar companies in scope and nature. These terms shall be based on the performance of the relevant employee, the company's performance, important milestones in the company's operations and activities, including whether the set goals have been achieved.

At the end of employment of senior management and other employees, no payments shall generally be made other than those included in the Employment Contract.

However, the CEO is permitted to submit a proposal to the Board for a deviation from this.

Article 6 Incentive pay

Bonuses

The Company's Board is permitted to hand out performance-based payments to employees, managers, and the CEO on the basis of a special bonus plan agreed upon by the Board after consultation with the Remuneration Committee.

A bonus refers to allowances and payments, usually defined with regard to the positive results of the company as a whole or its defined projects, which are not part of the employee's fixed terms of employment, where the final amount or extent of the payment is not known precisely in advance. Bonuses shall be based on the performance of the relevant employees, the company's performance, important milestones in the company's operations and activities, i.e. whether the set goals have been achieved. Such bonuses shall only be available to employees who work for the company when the bonus is paid. The sum of an employee's bonus can, on an annual basis, amount to a maximum of three months' salary of the employee in question.

This is only an authorisation and not an obligation of the company to pay a bonus.

Stock options

The company's Board of Directors is permitted, but not obliged, to enter into stock option agreements with the company's CEO and senior management, after receiving the opinion of the Remuneration Committee. The Board is authorised to allocate up to 24,000,000 shares at nominal value (or 1.33% of the total share capital, based on the issued share capital on 12 March, 2024), provided that the company's Shareholders' Meeting has authorised the Board in its Articles of Association to increase the share capital to meet the purchase options that may be exercised based on the company's stock option system. The Board of Directors shall, within the aforementioned framework, determine the number of shares covered by stock options and the main terms of stock option agreements, such as stock price and vesting period. The Board of Directors must observe the provisions of Art. 79(a) of Act no. 2/1995 on Public Limited Companies in the preparation and execution of stock option agreements."

Article 7 Indemnity of the Board of Directors and senior management

The company shall ensure effective professional risk insurance at all times for the activities of Board members and senior management, both present and past, for their work for the company. The company must ensure their indemnification of claims that may be imposed on them or which may result from their work for the company to the extent that such claims are not due to the culpable act of the party in question that can be attributed to intent or gross negligence.

The company pays insurance premiums for professional risk and normal defence costs in the event of claims or investigations of the above nature, reserving the right to recourse in the event that later information is found that the person in question had, in the case in question, been found to have caused the event intentionally or through gross misconduct violated his obligation of confidentiality with respect to the company or the provisions of law.

Article 8 Approval of Remuneration Policy, provision of information, etc.

The Company's Remuneration Policy must be approved by the Board and addressed by the Annual General Meeting, and reviewed each year and submitted to the Annual General Meeting for approval or rejection.

The policy serves as guidance for the Company and its Board, unless otherwise provided for by law. All significant deviations from the Remuneration Policy must be recorded in the Board's minutes book and justified. Deviations must be reported at the next Annual General Meeting of the Company.

The Board is required to provide information on the terms of the executive management and the Board of Directors of the Company as well as to explain the execution of the Remuneration Policy. The wages and other remuneration of the Board and the executive managers of the company are to be reported each year in the company's Annual Financial Statements.

This Remuneration Policy is to be published on the company's website.

So approved at the company's Annual General Meeting on 12 March 2024.