

Corporate Governance Statement – Operating year 2023

Eyrir Invest hf. (hereinafter referred to as “Eyrir” or “the Company”) is an investment company that focuses on investments in companies and ventures that are scalable, have the potential of international growth and have positive social and environmental impact. Eyrir places great emphasis on aligning execution with quality long-term strategic planning. The Company began its operation on 8 June 2000.

Corporate Governance

The Corporate Governance of Eyrir is in accordance with legal requirements, such as the Act No. 2/1995 on Limited Liability Companies, Act no. 3/2006 on Financial Statements and Act no. 44/2005 on Competition (which are accessible on Alþingi’s website, www.althingi.is). The corporate governance also takes into account updated Guidelines on Corporate Governance, issued in February 2021 by the Iceland Chamber of Commerce, NASDAQ OMX Iceland and the Confederation of Icelandic Employers.

The Board has adopted rules of procedure where the Board's tasks are laid out and its role in relation to the CEO. Current rules of procedure were confirmed by the Board on June 8, 2023.

The rules of procedure and Articles of Association are accessible at the Company's website (www.eyrir.is).

Departs from the Guidelines

The Board of Directors has not established a nomination committee as it deems it not necessary.

Internal Control and the Company’s Risk Management

Effective internal control provides reasonable assurance regarding achievement of Eyrir’s objectives. It reduces, to an acceptable level, the risk of not achieving its objective.

The Company’s risk management system aims to identify and analyse Eyrir’s main risks. Risks that exceed the acceptable levels set by Eyrir are dealt with. Effective internal control mitigates risks and plays an important role in the Company achieving its goals.

The Financial Statements

The Company prepares interim financial reports and financial statements in accordance with laws, regulations and the International Financial Reporting Standards (IFRS). To ensure that Eyrir Invest's financial statements are in accordance with general accepted accounting principles the Company emphasizes that the Board members are well informed about evaluation of individual items of the financial statements. The Board members are obligated to seek clarification and provide comments regarding the Company's financial statements if the Board member deems it appropriate.

Vision, goals and values of the Company

Employees shall be guided by the vision, goals and values of the Company in their work. The Company's values take into account its goals and vision and are the basis of the desired corporate culture.

- Integrity - We act responsibly and are trustworthy in all our interactions

- Long-term thinking - We consider scenarios that might occur in the future and are constantly watching out for new opportunities
- Courage - We are proactive and exercise leadership when necessary
- Endurance - We possess stamina and patience to support the projects we believe in

The vision, goals and values of Eyrir Invest were approved at a board meeting on 12 November 2011. It's the Board's opinion that values, which are respected are the basis for the Company's success and future growth. The Company's values apply to all employees and board members.

The Board of Directors and the CEO

The Board of Directors of Eyrir Invest bears principal responsibility for the operation of the Company in which it carries out the supreme authority between shareholders' meetings. The Board has oversight over the Company's activities and operations. The Board administers the recruitment of the CEO to manage the day-to-day operation of the Company. The CEO must follow the policies and instructions laid down by the Board.

The Board of Directors is comprised of five members, elected annually. Three men and two women sit on the Board. The Board members have diverse educational backgrounds and professional expertise, as well as extensive knowledge and experience.

Friðrik Jóhannsson, Chairman of the Board

Friðrik, born 1957, is a private investor and works with private equity firm Alfa Framtak. Friðrik has 40 years of experience in the financial sector, and has managed companies in asset management, insurance, investments and investment banking. He has served on over 30 boards of public and private enterprises, among which are Marel, Eimskip and NASDAQ Iceland as chairman. Friðrik has a Cand. Oecon. degree from the University of Iceland and is a certified public accountant. Friðrik is independent of the Company, its day-to-day managers, and major shareholders.

Elín Sigfúsdóttir

Elín, born 1955, has over 30 years of experience in finance and banking. She served as an executive director for the corporate banking division Búnaðarbanki Íslands and Landsbankinn and later as the CEO of Landsbanki. She has served on the board of numerous companies. Currently she is on the board of Orf Genetics, Bioeffect and two non profit organisations, previous boards memberships include Búnaðarbanki Íslands and Norðlenska. She holds a Cand.Oecon. degree from the University of Iceland. Elín is independent of the Company, its day-to-day managers, and major shareholders.

Hrund Gunnsteinsdóttir

Hrund, born 1974, has a broad-based international experience as a manager, consultant and an entrepreneur in areas ranging from innovation, education and served as a board member of numerous companies. She is part of the World Economic Forum Expert Network. She is part of Young Global Leaders and Cultural Leaders at World Economic Forum and is a Yale Greenberg World Fellow. Hrund has a Diploma from Harvard Kennedy School, an MSc degree from the London School of Economics and a BSc from University of Iceland. Hrund is independent of the Company, its day-to-day managers, and major shareholders.

Ólafur Steinn Guðmundsson

Ólafur Steinn, born 1969, has held various senior level management positions within R&D in the pharmaceutical industry in the US. He is an active investor in pharmaceutical and biotechnology companies. Ólafur Steinn is also associated with the Pharmaceutical Chemistry department at Purdue University in the US. He holds a doctorate degree in Pharmaceutical Chemistry from The University of Kansas and a Pharmacy degree from University of Iceland. Ólafur Steinn owns a company that is a 3% shareholder in Eyrir. Ólafur Steinn has been on the board of Eyrir Invest since 2008 and is dependent of the Company. He is independent of its day-to-day managers, and major shareholders.

Stefán Árni Auðólfsson

Stefán Árni, born 1972, is a partner of LMG slf., legal services, practicing mainly in the field of Contracts and Corporate law. He has served as a board member of listed and unlisted companies and has been involved in the restructuring of various companies. Stefán Árni has a LL.M. degree from Kent University and a Cand. Jur degree from the University of Iceland and has concluded an examination in securities trading. Stefán Árni is independent of the Company, its day-to-day managers, and major shareholders.

The Board formally assesses its performance on a yearly basis.

The Management

The CEO shall carry out the day-to-day operations of Eyrir in accordance with the policies and instructions laid down by the Board.

Signý Sif Sigurðardóttir has been Eyrir Invest's CEO since May 2023.

Signý, born 1978, joined Eyrir Invest in the year 2021 as the Managing Director of Funding. Prior she worked at Landsvirkjun as Head of Treasury. Signy has a M.Sc degree in Operations Research from Columbia University and a B.Sc degree in Industrial Engineering from University of Iceland. She has concluded an examination in securities trading.

Sub-committees

Sub-committee members are appointed by the Board of Directors for a term of one year.

Audit committee

The Audit Committee is composed of all Board Members, unless the Board of Directors decides otherwise. The majority of the Audit Committee shall be independent of the Company, Executive Management and the Company's Auditor. At least one member shall be independent of major shareholders. The Members of the Audit Committee shall possess the knowledge and expertise needed to perform the tasks of the Audit Committee. At least one member shall have solid knowledge and experience in the field of accounting or auditing. The Audit Committee Chapter is available on www.eyrir.is.

During the year 2023, Audit Committee meetings held two meetings.

Remuneration Committee

All Board Members comprise the Remuneration Committee. The Board of Directors evaluates, at least once a year, the performance of the CEO.

It is Eyrir's policy to attract highly competitive professionals and offer competitive compensation. Eyrir Invest encourages its employees to increase their knowledge consistently, particularly by continuous education.

The remuneration policy of the Company is accessible at the Company's website.

During the year 2023, the Remuneration Committee held one meeting.

Information on infringements of laws and regulations

Eyrir Invest has not been sentenced for violating any rules and regulations by appropriate arbiters and/or supervisory bodies.

Communications between shareholders and the Board

Communication between the Board and shareholders take place at shareholders meetings. The current Articles of Association were approved at an Annual General Meeting on 10 May 2023 and according to the Articles the AGM shall be held before the end of August each year.