

Rules of Procedure

Board of Directors

SECTION I

General

1. Purpose

These rules of procedure stipulate the role of the Board of Directors (the “Board”) of GEG ehf. (the “Company”), the eligibility of Directors and the set-up of board meetings.

The rules of procedure are established with reference to [the Public Limited Companies Act No. 2/1995] (the “Act”), and are based on guidelines and best practice on internal governance as updated from time-to-time.

2. Organization of the Board of Directors

The Board is elected for a term of one year at the annual general meeting (“AGM”), in accordance with the Company’s Articles of Association.

3. General eligibility of Directors

Directors must, at all times, meet the eligibility requirements set by the Board of Directors.

Directors shall be financially independent and possess sufficient knowledge and experience to be able to perform their duties appropriately, including knowledge of the activities practiced by the Company and its main risk exposures.

Each Director shall act with honesty, integrity, and independence of mind to effectively assess, challenge, and supervise the decision-making of the CEO.

4. Confidentiality

Directors are bound by an obligation of confidentiality concerning any information of which they may become aware in the course of their duties concerning business or private concerns of the Company’s customers, unless obliged by law to provide information.

Directors are further bound by an obligation of confidentiality concerning all information concerning the affairs of the Company, the circumstances of the employees and other information of which they may become aware of in the course of their duties as Directors and shall be kept confidential, unless obliged by law or the Articles of Association to provide the information. The obligation of confidentiality remains even after directorship ceases.

Directors, including Alternates, shall sign a special confidentiality agreement before taking up their duties on the Board and confirm that they have familiarized themselves with these rules.

5. Independence of Directors

There is no requirement for any or for a majority of the Board to be independent of the Company and its day-to-day management. There is no requirement for any Board member to be independent of the Company’s significant shareholders. A significant shareholder is anyone who controls at least 10% of the total share capital or voting rights in the Company, acting on their own or in concert with connected parties.

However, it may be noted by the Board whether any such members meet the definition of “Independent”.

The Board itself evaluates whether a current Director is independent of the Company, or significant shareholders, at any given time and makes the results of such evaluation available in the Company’s corporate governance statement and on the Company’s website. In the case of election of new Directors to serve on the Board it is the Nomination Committee that shall assess the independence of candidates and the Committee shall make its findings available to shareholders on the Company’s website.

Directors shall provide the following information to the Board, or the Nomination Committee when applicable, to facilitate the evaluation of their independence:

1. Name, date of birth, and address,
2. Education, chief occupation, and professional experience,
3. Date of first election to the Board,
4. Other commissions of trust, e.g., membership on boards of other companies,
5. Shareholdings in the Company, whether direct ownership or through associated parties,
6. Connections with principal customers and competitors of GEG and significant shareholders in the Company,
7. Any other links, if any, to the Company, as described in the Guidelines on Corporate Governance, with respect to the evaluation of independence.

Directors must notify the Board of any changes to their circumstances which may have an effect on whether they are considered independent.

6. New Directors

Following the election of a new Director at a shareholders' meeting the Chairman must ensure that the new Director is given appropriate induction and training, information, and a presentation on the working practices of the Board, the affairs of the Company and the main factors deemed necessary with respect to the operations, organization and risk management of the Company. The CEO shall arrange such meetings with the appropriate management and with the participation of other Directors if applicable. Such meetings shall take place not more than a month after the election of the Director in question.

SECTION II

Division of duties, areas of responsibility, and performance assessment

7. The division of duties within the Board

The Chairman of the Board is selected in a board meeting in accordance with the Company's Articles of Association. At the first regular board meeting after the AGM, or the shareholders' meeting at which a new Board has been selected, the Board shall divide its duties as necessary, in accordance with the Company's Articles of Association. At the same board meeting it shall be decided, if the shareholders have not decided otherwise, how Alternates shall be called to serve on the Board. Alternates shall be informed of this decision.

8. Areas of responsibility

The Board of Directors is the supreme authority in the affairs of the Company between shareholders' meetings. The Board is responsible for the Company's affairs and for ensuring that its organization is at all times in correct and good order. The Board shall therefore have a good overview and supervise the Company's activities. Furthermore, the Board monitors whether the Company's subsidiaries comply with applicable rules and guidelines on corporate governance. The Board shall make decisions on all unusual or major arrangements which fall outside the daily operations, but it can also authorize the CEO to make such decisions.

The Board is responsible for the activities, strategic planning and risk policy¹ of the Company, as well as for ensuring that there is an active internal monitoring system in place which is in compliance with any regulatory requirements and/or best practice for prudent corporate management. The Board is responsible for ensuring that there is adequate supervision of accounting and that the handling of the Company's financial assets is in compliance with the relevant laws and rules.

The Board shall know and understand the legal, organisational and operational structure of the Company and ensure that the interconnections between different entities within the Company do not pose challenges for the effective management and oversight of the risks of the group. When setting up structures, the Board shall understand them, their purpose and the particular risks associated with them and ensure that Compliance and

¹ In this text, the concept "risk policy" is treated as being synonymous with the concept "risk strategy" which is introduced in the CRD IV, as incorporated into the Financial Undertakings Act.

Risk are appropriately involved. The Board shall engage in regular discussions on the manner in which it discharges its duties and where its main areas of focus should be.

The Board grants the powers of attorney and represents the Company with the authority to sign on behalf of the Company. The Board can, however, authorize the CEO or others to sign on the Company's behalf.

A. The main tasks of the Board are to:

1. Appoint a CEO and determine his salary and other remuneration. The Board shall provide effective assessment, criticism and supervision of the CEO's decisions. The Board shall also ensure through effective supervision that the CEO complies with those acts and rules which apply to his/her work.
2. Confirm the Company's organizational chart.
3. Assess the Company's capital and liquidity requirement with respect to risk.
4. Devote sufficient time to consideration of risk issues and ensure that adequate resources and time are allocated to effective risk management and risk assessment to enable sufficient overview within the Company of its main risk exposures.
5. Ensure appropriate level of supervision of valuation of assets, the use of internal models and the use of external credit ratings.
6. Establish policies on internal affairs at the Company.
7. Approve the Company's signature rules as proposed by the CEO.
8. Regularly monitor legal proceedings concerning important interests of the Company.
9. Establish criteria on who are to be considered primary insiders.
10. Monitor and ensure to the best of its ability that announcements and information that the Company is obliged or decided to release are correct.
11. Ensure that corporate governance and infrastructure support the effective and prudent management of the Company, separation of different business units and the prevention of conflicts of interest. To that end, Directors should familiarise themselves with best practices of Internal Governance.
12. Investment matters.

B. The following matters shall inter alia be addressed at **regular** Board meetings:

1. Approval of the agenda.
2. Review and approval of last meeting(s) minutes.
3. CEO's report, including reporting from the regular course of business, decisions taken by the CEO, current market issues.
4. Financial reporting on the Company's business. The reporting should be accompanied by an analysis of the business during the reporting period and material conditions, such as significant changes in income and costs, significant organizational changes or material disputes.
5. Sub-committees' reports.
6. Review of Risk reports.
7. Other matters that should be referred to the Board in accordance to law and regulations or decisions by the Board.
8. Evaluate if information provided in the meeting or a decision of the Board may constitute inside information.

C. In addition to the matters addressed at regular Board meetings, the following matters shall be addressed at **quarterly** Board meetings:

1. Review of operating performance.
2. Evaluation of financial forecasts, budget and investments.
3. Internal control unit's regular reports, including Compliance and Internal Audit quarterly reports.
4. Approval of interim report and assessment of matters pertaining to market and finance.
5. Review notifications of commercial dealings of Directors and close family members or parties closely linked to those parties and if applicable approve or refuse such dealings.

- D.** In addition to the matters addressed at regular Board meetings, the following matters shall be addressed at **semi-annual** Board meetings:
1. Approval/review of the Company's risk appetite on the basis of a recommendation from the Board Risk Committee, if formed, and the CEO.
 2. Review a report from Finance on related party transactions.
 3. Review the audit report from the external auditor.
 4. Approval of the semi-annual report of the Company.
- E.** In addition to the matters addressed at regular Board meetings, the following matters shall be addressed **annually** at Board meetings:
1. Review of the rules of procedure for the Board.
 2. Appointment of members of the Board committees and confirmation of procedural rules for the committees.
 3. Approval of meeting dates and work schedule until the next Annual General Meeting.
 4. Discussion with the external auditor of the Group without the presence of the CEO or other member of the executive management in order to review the status of internal control and risk management.
 5. Approve the Company's risk management practices and ensure that internal risk management procedures are reviewed.
 6. Approve an incentive scheme based on a proposal from the Board Remuneration Committee and the Board Risk Committee, if applicable.
 7. Arrange, with the CEO, the preparation of an annual financial statement and the consolidated financial statement of the Company in accordance with the Annual Accounts Act.
 8. Sign the annual financial statement and the consolidated financial statement with the CEO.
 9. Review and approve the corporate governance statement.
 10. Propose a dividends policy at the Company's AGM and submit a proposal on the payment of dividends at the AGM, if applicable.
 11. Submit a proposal at the AGM on the election of an external auditor based on a proposal from the Company Audit Committee, if applicable.
 12. Approve and review the business plan, targets and budget.
 13. Review and approval of key policies.
 14. Assessment of the Board's work, practices and procedures, the Company's activities and the work of the Board committees, the CEO and other employees, as applicable.
 15. Review and approve the Company's Business Continuity Plan
 16. Approve/review the Company's risk policies on the basis of a recommendation from the Board Risk Committee, if formed, and the CEO.
 17. Approve a list of related parties.

Other than specified in these rules of procedure the responsibility, power and duties of the Board of Directors are governed by law, regulations and rules and Guidelines issued by the FME and the Company's Articles of Association.

9. Role of the Chairman of the Board

The Chairman of the Board is responsible for the Board fulfilling its role in an effective and organized manner. The Chairman also sets out a work schedule in which the Board's tasks are prioritized, and also performs a guiding and leadership role.

The Chairman is the spokesperson on ownership issues but can delegate that role to the CEO. The Chairman also represents the Board towards the CEO.

The Chairman is also, inter alia, responsible for:

1. Calling board meetings.

2. Preparing the agenda for board meetings in collaboration with the CEO and ensuring there is a balance on the agenda between regulatory duties and strategic issues and that sufficient time is allocated to discuss important or complex issues.
3. Ensuring that the Board receives precise and clear information and material to enable it to carry out its duties.
4. Chairing board meetings and ensuring that sufficient time is allocated for discussion and decision-making.
5. Enabling the participation of Directors in discussions and decision-making at board meetings.
6. Encouraging open discussions within the Board and also between the Board and the management at board meetings. Further to ensure that dissenting views can be expressed and discussed within the decision-making process.
7. Monitoring the progress of decisions made by the Board within the Company and confirming to the Board that they have been implemented, as applicable.
8. Encouraging good corporate governance and compliance with laws, regulations, guidelines and other concerning the Company and the Board.
9. Encouraging the development of Directors with the goal of maintaining the expertise and qualifications of the Board.
10. Encouraging a good working relationship between the Board and the CEO and other management at the Company.
11. Ensuring that the Board is informed of all communications with the CEO outside board meetings, as considered necessary. The Board shall be informed in writing if considered necessary by the Chairman.
12. Encouraging good relations between the Board and the Company's shareholders. Issues which are intended to be specially presented to the shareholders shall first be discussed by the Board. The Chairman shall ensure that the Board is informed of all communications with shareholders.
13. Ensuring that the Board committees work effectively.
14. Ensuring that Alternates are provided with information on the operations and activities of the Company at least quarterly.

The Chairman of the Board must not assume any other work for the Company other than those considered a natural part of the duties as Chairman, with the exception of specific projects that the Board has entrusted upon him/her to perform.

10. Role of the CEO

The CEO is in charge of the day-to-day operations of the Company and represents the Company in all matters concerning normal operations. The CEO must in this respect comply with the relevant legislation, the Company's Articles of Association and the policies and instructions laid down by the Board. The CEO is responsible for the implementation of the Company's policies.

The CEO can make decisions on unusual or major arrangements in accordance with specific authorization from the Board unless it is impossible to await the decision of the Board without considerable inconvenience or risk to for the Company's operations. In such instances the CEO shall consult the Chairman of the Board if at all possible and the Board shall subsequently be notified of the measure without a delay. The measure shall be documented in the minutes of the next Board meeting.

The CEO is also responsible for:

1. Granting the Board and auditors all necessary information on the operations of the Company which they may request and are entitled to receive by law, and ensuring that the Board is regularly provided with accurate information to perform its duties, in particular regarding the Company's finances, operations, and development. When necessary between Board meetings, the CEO shall report directly to the chairman of the Board;
2. Ensuring that the Company's accounts are prepared in accordance with law and standard practice;
3. Ensuring that the Company's assets are handled in a secure manner;
4. Hiring employees;
5. Laying down the Company's management structure which is confirmed by the Board. The management structure shall ensure clear lines of responsibility and accountability throughout the

Company and complement an effective system of internal control. Key management decisions should be made with the involvement of more than one member of the management.

6. The Company's communication is in conformity with the Company's Communication Policy.

The CEO may establish special management committees to make or advise on key management decisions or to improve the operations of the Company. The Board shall be informed of any decisions to establish or abolish special management committees. The CEO shall approve specific rules of procedure for each special management committee, which set out the main tasks of the committee, how members are appointed, the committee's reporting obligations, and the committee's specific working procedures. The CEO shall inform the Board as appropriate and necessary of the work and the effectiveness of the management committees.

The CEO is permitted to sit on the board of directors or otherwise participate in the management of subsidiaries of the Company.

The CEO shall ensure that members of the executive management are qualified to discharge their duties and fulfil at all times applicable conditions of eligibility with regards to reputation and financial status. Furthermore, the CEO shall be mindful of special eligibility of the executive managers with regards to conflicts of interest.

The CEO decides who can take a seat on the boards of subsidiaries and affiliated companies of the Company. The CEO submits annually to the Board a list of board directorships on behalf of the Company.

The Board may authorize the CEO to appoint a Deputy CEO to assist or perform some of the CEO's functions. Before the appointment is submitted to the Board for approval, the CEO shall provide a description of the duties and role of the proposed Deputy, information on the person suggested for the position and any other information requested by the Board. Appointment of a Deputy CEO does not affect the responsibilities of the CEO.

11. Internal Controls and Risk Management

The Board is responsible for establishing an effective system of internal control and risk management. The system shall be formally documented, and its functionality be verified regularly. The Company's internal control units are Internal Audit, Compliance and Risk Management. It must be ensured that the internal control units have sufficient independence to carry out their duties diligently. The Board shall also ensure the necessary cooperation between the internal control units and the Company's external auditor, as applicable.

The Board underlines the importance of all employees at the Company working in accordance with internal rules and endeavouring to respond promptly to comments made by the internal control units. The Company shall furthermore take appropriate measures in respect of any employees who wilfully or through gross negligence commit serious or repeated violations of the Company's internal rules or who are found guilty of professional misconduct.

12. Performance Assessment

The Board shall annually assess its work, practices and procedures, the Company's activities and the work of the Board committees, as well as the work of the CEO and other employees, as applicable. No later than two months after the AGM it shall be decided how that performance assessments shall be carried out, including whether an outside party shall be brought in to carry out the assessments.

The Board shall constantly evaluate the performance of the Company. To this end the Directors should meet the executive management on a regular basis.

13. Queries from Directors

Queries from Directors should always be raised at board meetings and directed to the CEO or others, depending on their nature. Queries from Directors between meetings shall be sent in writing to the CEO or the Chief Internal Auditor and a copy sent to the Chairman. The CEO or the Chief Internal Auditor shall submit the answer to the query to the whole Board within the time frame specified. The same applies to queries regarding the activities of Board committees.

Between board meetings, Directors are not permitted to request information or direct queries to other employees of the Company without the prior consent of the CEO.

14. Handling of information on individual customers

Discussions and queries about individual transactions and the affairs of individual customers and the disclosure of information on individual customers to Directors shall only take place at board or board committee meetings. Answers shall be presented to all Directors and recorded in the minutes.

If employees receive any such requests, they should notify the CEO. The CEO must inform the Company's employees of this rule as part of their work duties.

15. Queries from employees

Employees of the Company are permitted to direct queries directly to the Board or to draw the Board's attention to issues concerning the Company's activities. Employees should send queries to the CEO who will raise them at the next board meeting. If an employee believes that there may be a conflict of interest, the employee may send the query to the Chairman or a Director, who will raise the matter at the next board meeting. If an employee wishes to raise a topic with the Board anonymously, the employee can direct it to the Chief Internal Auditor who will forward it to the Board.

The CEO and individual Directors are obliged to raise all issues specified in this article with the Board, provided that it can be assumed that the employee wishes the issue to be submitted to the Board or the issue is of such a nature that it should be submitted to the Board.

SECTION III

Organization of board meetings

16. Calling board meetings and agendas of board meetings

The Chairman ensures that board meetings are called with sufficient notice. Meetings shall be held as often as considered necessary, although there shall be a minimum of ten meetings a year. If a Director or the CEO requests that a meeting be held, this shall be done as quickly as possible.

Board meetings must be convened with at least 72 hours notice unless all directors agree on shorter notice. At the first regular meeting after the AGM the Board shall go over its main agenda items for the coming year. The main agenda items shall be reviewed at least annually.

17. Quorate meetings and the attendance of people other than Directors

The Board is competent to make decisions when the majority of Directors attends the meeting. Directors shall announce their non-attendance as soon as possible. Alternates shall be invited to meetings if a Director is unable to attend. An important decision may, however, not be made unless all the Directors are in a position to debate the matter, if possible.

The CEO prepares board meetings in consultation with the Chairman and meetings should usually be held at a place of work of the Company. It is possible to hold meetings with the assistance of teleconferencing equipment and general rules apply to such meetings. The Chairman and the CEO can, however, request that a board meeting be in a conventional manner.

The CEO attends board meetings and has the right to debate and submit proposals, unless the Board decides otherwise on particular instances. The attendance of the CEO at board meetings is subject to the same rules on the ineligibility of Directors. The Board decides, in consultation with the CEO if necessary, whether and when other employees of the Company may attend board meetings. The Board or the CEO can invite other people to board meetings to present specific issues concerning the Company's operations. Discussions without the CEO or other employees present shall, however, take place at least once a year.

18. Meeting material

Material and proposals to be discussed at board meetings should be presented clearly and intelligibly. The Board shall receive the material a minimum of two days in advance if possible. The Board shall receive the meeting agenda prior to receiving the meeting material, if possible, for Directors to review and, if applicable, notify the Board of any potential conflicts of interest or any doubt over eligibility.

Directors are generally prohibited from having in their possession confidential material which is not protected by the Company's systems. Directors are, however, permitted to be in possession of confidential material on paper after the material has been distributed to Directors before the meeting. This material should be handed over to the Company for disposal as soon as the board meeting has been concluded.

Material which contains information on the business position of individual customers of the Company should generally not be sent out of the Company to Directors. However, it is permitted when considered necessary to facilitate a decision in individual cases.

19. Dealing with cases discussed by the Board

Directors shall engage in open and critical discussions, during which dissenting views are discussed in a constructive manner.

The majority of votes decide issues at board meetings, but when votes are even, the Chairman's vote decides the issue. In the absence of the Chairman, the vote of the Vice Chairman is decisive.

Cases shall generally not be brought up for a decision at board meetings unless Directors have received material on the issue or sufficient information on it before the meeting and have had time to read it. Cases up for discussion shall generally be submitted to the Board in writing.

The Board is permitted to make decisions between meetings with the assistance of electronic media, if the case cannot wait to be dealt with by a conventional manner at a board meeting. Dealing with cases in this way should be limited as much as possible. Decisions made as outlined above shall be recorded in the minutes of the next board meeting.

Directors are entitled to seek external advice, which shall be paid by the Company, in order to ensure independent and informed decisions on the Company's affairs.

20. Minutes

The Chairman shall ensure that a record of minutes is kept to record what occurs at board meetings and the Board's decisions. Anyone entitled to attend board meetings is entitled to have their comments or dissenting opinions on the cases being discussed or dealt with entered in the record of minutes.

The minutes should contain the minimum information generally required in minutes. Answers to queries from Directors on individual transactions or customers shall be recorded in the minutes.

Draft minutes shall in general be sent to the Directors and CEO within a week of the board meeting or as soon as possible. The minutes shall then be submitted for approval at the beginning of the next meeting and shall be signed by the attendees of the meeting in question. The use of electronic signatures is permitted for meeting minutes and other Board documents, unless a physical signature is required.

The supporting material for each meeting shall be securely filed in the Company's systems or sent to the Company's chief archivist for safekeeping. Supporting material consists of the material distributed to people attending board meetings, either in electronic or paper format.

SECTION IV

Board Committees

21. General

The Board is permitted to establish committees to discuss particular areas of the Company's operations. The committees operate under the authority of the Board and the establishment of such committees does not reduce the responsibility of the Board or relieve it of any liability. The conclusions of the committees shall only serve as guidance for the Board, which shall not be bound by them in deciding on individual issues unless otherwise provided for by law.

No later than one month after the AGM the Board elects committee members for a term of one year or until the next AGM and appoints chairmen for the committees. The Board ensures that committees are not composed of the same group of members that form another committee of the Board. The chairmen and the committee

members shall be rotated occasionally taking into account the specific experience, knowledge and skills that are required for the committees. Committee members shall generally be Directors and chairmen shall always be Directors. However, the Board is permitted to appoint committee members who are not Directors. The CEO attends meetings of committees and has the right to debate and submit proposals, unless the committee decides otherwise on particular instances. The same rules on eligibility, independence and potential conflicts of interest apply to committee members as to Directors.

The provisions of Art. 9, on the role of the Chairman of the Board and Section III on the organization of board meetings also apply to meetings of board committees as applicable. Board committees should establish their rules of procedure which should be confirmed by the Board.

Following a proposal by the Board Remuneration Committee, the Board shall decide remuneration to committee members who are not Directors. The CEO shall ensure that the committees receive the relevant assistance from employees of the Company.

The Board committees shall regularly inform the Board of their activities, which may be done verbally at board meetings. The Board shall have access to all of the Board committees' material. The Board committees shall cooperate as necessary.

The Board committees shall be established by the Board of Directors as required.

SECTION V

Obligation to disclose information, special eligibility, commercial dealings of directors etc.

22. Obligation of Directors to disclose information

Directors shall inform the Board information that has been decided by the Board to be required for the interests of the Company.

23. Special eligibility of Directors and conflicts of interest

Directors may not be involved in the handling of any issues concerning dealings with themselves, or undertakings in which they own a direct or indirect share, which they represent, where they are Directors, hold responsible positions or in other respects have substantial interests in other respects. The same applies to dealings with parties personally or financially connected to Directors. Directors shall not participate in deliberations on issues relating to the business of their competitors or related parties.

A Director should notify the Board before a board meeting of any potential conflict of interest or any doubt over eligibility and this should be recorded in the minutes. A Director or the CEO can insist that a Director should be deemed ineligible from participating in discussions on a matter and should not be provided with material concerning such matter. If a Director has received material before it transpires that he is ineligible to discuss a particular case, the Director shall return the material in question immediately and a special note of this shall be recorded in the minutes.

The Board shall decide whether a Director is ineligible. If a Director is ineligible, he/she shall not participate in the handling of the matter in any way and shall leave the meeting before the matter is discussed. This should be recorded in the minutes. Directors shall not have access to material concerning such cases and this shall also be recorded in the minutes.

Compliance shall be notified of any reported conflict and the Board's assessment thereof, which shall be documented in the Staff Conflicts Registry.

Before a decision is taken on Directors taking seats on the boards of directors of subsidiaries or companies affiliated to the Company, it should be assessed what effect this could have on a Director's duties.

24. Decisions on individual transactions

Directors shall not involve themselves in decisions on individual transactions of the Company, unless their scope is substantial in relation to the size of the Company.

SECTION VI

Entry into force

27. Entry into force

Approved by the Board of Directors of GEG ehf. on 20 August 2021.

Directors Signatures: