



# Corporate Governance Statement of Stefmir 2026

## Introduction

The board of directors of Stefmir hf. believes that good corporate governance is a key factor behind Stefmir's success as a leading fund management company in Iceland. Corporate governance provides companies with a framework in which objectives are defined, which tools should be used to achieve these objectives and how the success of these objectives is measured. Good corporate governance is designed to provide the right incentives to the board of directors and management to exploit the opportunities which serve the interests of the company, the shareholders and the general public. Good corporate governance also enables the board to perform its monitoring duties effectively.

This corporate governance statement by Stefmir hf. is in compliance with the requirements set forth in recognized guidelines at the time these financial statements are approved by the board of the company with reference to Article 66 c. of the Annual Accounts Act No. 3/2006. The Guidelines on Corporate Governance, 6th edition, issued by the Icelandic Chamber of Commerce, SA – Business Iceland, and Nasdaq Iceland hf. and the OECD's Principles of Corporate Governance from 2015 were used as a reference when Stefmir hf.'s corporate governance statement was written. The Guidelines on Corporate Governance can be seen at [leidbeiningar.is](http://leidbeiningar.is) and the OECD's Principles of Corporate Governance can be seen [here](#).

In 2012 Stefmir was the first Icelandic company to be recognized for "Excellence in good corporate governance." This recognition was first awarded by the Center for Corporate Governance at the University of Iceland and is based on an audit performed by KPMG. Stefmir has since been recognized in this way on repeated occasions and therefore remains a model company in good corporate governance in Iceland.

Stefmir hf. is an independently operating financial institution under Act No. 161/2002 on Financial Undertakings. The company operates under licences from the Financial Supervisory Authority of the Central Bank of Iceland as a UCITS management company pursuant to Act No. 116/2021 on UCITS, and as an alternative investment fund manager (AIFM) under Act No. 45/2020. The company is also licensed to provide asset management, investment advice, and custody and administration of units or shares in collective investment schemes. Stefmir managed approximately ISK 379 billion in assets at year-end 2025. The company employs 22 individuals with diverse expertise and experience in domestic and international financial markets.

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Stefnir is a subsidiary of Arion Bank hf. The company is fully owned by Arion Bank and a related company. The company's corporate governance statement serves to encourage open and reliable communications between the board, shareholders and other stakeholders such as fund members managed by Stefnir, parties that service and participate in the operations of Stefnir, employees and the general public.

The company's operations are subject to restrictions by the legislator. The company's operations are governed by acts of law including the Financial Undertakings Act No. 161/2002, the UCITS Act No. 116/2021, and the Alternative Investment Fund Managers Act No. 45/2020. Stefnir is supervised by the FSA under Act No. 87/1998.

### **Main features of internal controls, risk management and accounting**

Risk management and active internal control are mainstays of the responsible operation of a fund management company. The board of directors confirmed the company's risk policy in mid-2025. The risk policy states:

“Risk in the company's operations shall be identified, quantified, measured and monitored according to the criteria established in the business at any given time. The risk appetite of the board of directors of Stefnir shall be communicated to the employees and be integral to the process of informed decision-making at the company.”

By setting out a clear risk policy the board wishes to encourage and support a corporate culture at Stefnir which is characterized by a keen sense of risk awareness.

The company's risk appetite has been defined and this work was based on international models which were adapted to Icelandic conditions and the company. The company's auditing and risk committee helped to define the risk appetite and tolerance limits. The board of directors of Stefnir will review the company's risk appetite on an annual basis to take into account changes in the company's internal and external environment.

The Risk Officer of Stefnir is responsible for analyzing and assessing the company's financial risks and operating risks. The Risk Officer takes an active part in formulating the risk policy and risk appetite and is involved in major decisions on risk management. Compliance, Internal Audit and the Risk Officer regularly report the results of their assessments to the board of directors of Stefnir and the audit and risk committee. All supervisory measures are documented and regularly assessed by persons responsible for supervision, including the risk manager. The audit and risk committee is informed of the progress of these measures. Compliance and Internal Audit functions are outsourced with the permission of the Financial Supervisory Authority of the Central Bank of Iceland to Arion Bank and they work in accordance with a charter from the board of directors of Stefnir.

The structure and organization of corporate governance are vital tools for the effective management of the company, the separation of different business units and the prevention of conflicts of interest. Corporate governance at Stefnir has been assessed and the board of directors is of the opinion that the company operates in accordance with the standards set out there concerning best practice in internal corporate governance.

Stefnir has adopted a policy on conflicts of interest. The objective of the policy is to protect clients and fund members and to safeguard the independence and reputation of the company and its employees. The policy applies equally to the board and employees and implies that the company will take all available measures to prevent conflicts of interest from damaging the interests of fund members. An extract of the policy and other rules designed to prevent conflicts of interest, e.g. rules on securities trading by employees of Stefnir, can be found on the company's website.

The company's accounting is the responsibility of Arion Bank's finance division. The Financial Supervisory Authority of the Central Bank of Iceland has authorized the outsourcing of this task. Arion Bank is also the depositary of Stefnir hf. and the price calculations of funds managed by Stefnir are the responsibility of the Bank. The audit and risk committee examines the company's financial statement and obtains the opinion of an external auditor on the six-month financial results and 12-month financial results of Stefnir and the funds managed by Stefnir. Reporting to the board of directors with respect to the accounts is the responsibility of the committee; the board also meets the auditing company Deloitte.

### **Values and social responsibility**

The strategic planning completed in 2023 set out areas of focus in Stefnir's business for the next years. The board of directors and employees took an active part in this work and a number of key performance indicators were identified which would support and consolidate Stefnir's position as a leading fund manager in Iceland.

The values identified by the board of directors and employees in 2022 are professional, forward-thinking and responsible. The company's core values are summed up in the sentence “Together we create valuable opportunities by being forward-thinking and acting responsibly,” underlining the power of teamwork which prevails in the company, where we look to the future responsibly, guided by the interests of our clients.

The company's core value is “United in a strong team” which describes the company's overall sense of teamwork.

The board of directors approved the code of ethics in 2025 which reflects the ethical standards according to which the board and employees work. Other benchmarks can be found in employment agreements, the conflicts of interest policy and the board of directors' rules of procedure.



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The Board also updated its Sustainability and Social Responsibility Policy in 2025, outlining the company's long term sustainability priorities and how these are integrated into operations and investment stewardship. This policy is available on Stefmir's website.

The Diversity, Equity, and Inclusion Policy (2025) defines the company's approach to diversity and equality. An updated Responsible Investment Policy was approved in September 2025 and is used in the management of all funds. The policy describes Stefmir's ESG integration framework and is based partly on EU Regulation 2019/2088 (SFDR).

Stefmir is a signatory to the UN Principles for Responsible Investment (PRI) and is therefore committed to reporting on how environmental, social, and governance considerations are integrated into investment decisions. Stefmir is also a founding member of IcelandSIF, the Icelandic Sustainable Investment Forum, established in 2017. Stefmir employees are active participants, with one employee serving on the board and another chairing the

education committee.

### **Board of Directors**

The board of directors of Stefmir has three members. The majority of the board is independent of Arion Bank, Stefmir's parent company, and the company itself. All board members are elected at a shareholders' meeting of the company. The managing director is hired by the board and has the mandate from the board to manage the day-to-day operations of the company. Board meetings are held regularly, on average once a month and more often if required. There were 10 board meetings during the year and there was a quorum present at every meeting. The board's standard procedures can be accessed on the company's website, as well as the company's articles of association.

The Board comprises two women and one man, all with diverse backgrounds and extensive business experience. The Board members are Jón Óttar Birgisson, Hrefna Ösp Sigfinnsdóttir, Kristín María Dýrfjörð.

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**Jón Óttar** was born in 1974. He is the managing director of Stöplar Advisory ehf. Jón Óttar served on the board of Stefmir during the period 2020–2022. He temporarily held the position of head of alternative investments at Stefmir from December 2022 until autumn 2023. Jón Óttar is the managing director and a board member of Kasi Consulting ehf., Stöplar Advisory ehf., and Kveldúlfsgata fjárfestingar ehf. He is also a board member of Síðumúli 27 ehf., Nova hf., Nova Klúbbur ehf., JVB Investments ehf., and EVE Harpa ehf. Jón Óttar holds a degree in economics from the University of Iceland and is a licensed securities broker. He is a dependent board member.

**Kristín María** was born in 1982. She is currently a co-owner of Te og Kaffi ehf. and serves as chairwoman of the board. Kristín María has worked at Te og Kaffi ehf. since 2009 and has been its marketing director. She is also the chairwoman of the board of Kaffibrennsla Hafnarfjarðar ehf. Kristín María holds a degree in business administration from Reykjavík University. Neither she nor any related parties own shares or share options in the company, and there are no conflicts of interest with the main business partners, competitors, or shareholders of Stefmir.

**Hrefna Ösp** was born in 1969. Hrefna is the CEO of Creditinfo and former managing director of asset management at Landsbankinn. Hrefna is a board member of Coripharma Holding hf. and Vaxandi fjárfestingar hf. Hrefna holds a degree in business administration from the University of Iceland, is a licensed securities broker and has completed the Advanced Management Program (AMP) from IESE Business School. Neither she nor any related parties own shares or share options in the company, and there are no conflicts of interest with the main business partners, competitors, or shareholders of Stefmir.

The board members have not taken on any special tasks for the company, and the board of directors' rules of procedure specifically address other tasks which board members can take on.

Jón Óttar Birgisson has served as Chairman of the

Board since May 2025. Hrefna Ösp Sigfinnsdóttir joined the Board of Stefmir in December 2022, and Kristín María Dýrfjörð joined the Board in May 2025. Further information about Stefmir's Board is available on the company's website.

### **Board sub-committees**

Stefmir operates an Audit and Risk Committee, composed of Board members. The committee met five times during the year and was always quorate. Two members of the committee are independent of the company, and the diverse expertise of all committee members in corporate operations, auditing, and governance serves the committee's work well. The committee submits an annual report to the Board in every first quarter. Its rules of procedure are published on the company website.

Stefmir also operates a Remuneration Committee, also composed of Board members. It met three times and was always quorate. A Nomination Committee is not operated because Stefmir is wholly owned by Arion Bank and related companies..

### **The role of the board**

The role of the board of directors of Stefmir has been defined as follows:

*The board's key role is to establish a corporate strategy and ensure that it is implemented. The core of the strategy is for the company to be a leading fund management company and to ensure that the company is guided by the interests of clients, owners, employees and society as a whole when managing financial assets responsibly. There is an emphasis on high quality risk management and running a dependable and profitable business. The board places a strong emphasis on good corporate governance and ensuring that the board and company operate at all times in compliance with the law, rules and good business practices.*

The role of the board is defined in more detail in the rules of procedures and the company's articles of association.

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The board evaluates its own work and that of the chairman on an annual basis and makes proposals for improvements. For the assessment the board uses an anonymous, digital questionnaire. The results of the assessment are then discussed at a board meeting and the board's proposals for improvements are assigned to people for completion. The key features of the board assessment are value creation and strategic planning, the board agenda and meetings, employees and culture, board composition, assessment of the chairperson, risk management and disclosure and other factors which are important in order for the board to reach its targets. The board examines the assessment, and this is specified in the minutes of the board meeting.

### **Managing Director**

The company's managing director since 1 May 2022 is Jón Finnbogason, born in 1973. Jón is a lawyer and a licensed securities broker. Jón has worked on the financial markets in a diverse range of management and specialist positions for 24 years. Jón was manager at Byr Savings Bank and later CEO of Byr hf. between 2009 and 2011, when he took over as assistant managing director of retail banking at Íslandsbanki, a position he held until 2013. He worked at Stefmir from 2003 to 2008 and again from 2013 to 2017 when he was head of the fixed income team and deputy managing director. Jón was credit officer at Arion Bank from 2017 to 2022. Jón is a board member of Fimleikasjóður Íslands and serves on boards of fund on behalf of Stefmir. Jón has no shared interests with Stefmir's main business partners or competitors.

Neither the managing director nor related parties own share or options in Stefmir, but the managing director and related parties do have shares and share option in Arion Bank, the parent company of Stefmir. There are no common interests with Stefmir's main trading partners, competitors or shareholders. The main duties of the managing director are to manage the day-to-day business of the company, implement strategy and follow the instructions given by the board of directors, cf. Article 68 (1) of the Public Limited Companies Act. He is responsible for reporting to internal and external supervisory bodies. The managing director is

authorized, upon approval by the board, to grant other employees of the company the power to carry out limited aspects of his duties.

### **The board's rules of procedure and communication between the shareholders and the board**

The board's rules of procedure are set with reference to Article 70 (5) of the Public Limited Companies Act. The rules of procedure are largely based on Guidelines No. 1/2010 of the Financial Supervisory Authority and the company's articles of association, as well as the work undertaken in relation to the company's recognition as a model company in good corporate governance.

The board of directors' rules of procedure cover in detail the protocol for communications between shareholders and the board. The rules basically state that the chairman of the board is responsible for communications between the board and shareholders. The chairman shall ensure that the board is informed of all communications with shareholders and that at every board meeting a report, verbal or in writing, shall be given on communications with shareholders between meetings. The rules of procedure can be viewed on Stefmir's website.

### **Conclusion**

No judgments for punishable acts according to the Criminal Code, the Competition Act, Financial Undertakings Act or laws on public limited companies, private limited companies, book-keeping, annual accounts, bankruptcy or taxation, nor under special legislation applicable to parties subject to public supervision of financial activities, have been passed on Stefmir hf.

Stefmir has been a leader in many areas and has placed great importance on offering its clients competitive and responsible investment options in virtually all asset classes. It is vital that the company is able to share information accurately and easily with investors. The company's website performs an important role in this respect by publishing detailed information on all the Stefmir funds available to the public.