

ÚTGERÐARFÉLAG
REYKJAVÍKUR HF.

ANNUAL AND ESG PRESENTATION 2020

Respectful knowledge of
the ocean's resources



DISCLAIMER

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Furthermore, the projections presented in this document are subject to risks and uncertainties surrounding the industry the Company operates in and other factors beyond the control of the Company. The future performance of the Company may differ from what is presented here.

Accordingly, no guarantee is given as to the accuracy of forecasts, conclusions or projections contained in this document.



ÚTGERÐARFÉLAG REYKJAVÍKUR HF.

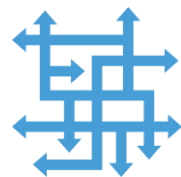


A world-class Icelandic fisheries company with profitability based on sustainability as a guiding principle

One of the largest seafood groups in Iceland

Strong foundation for international competitiveness

Outlook for increased growth due to international demand for wild seafood



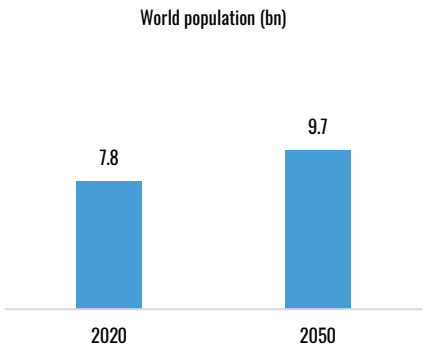
STRATEGY AND GLOBAL TRENDS

The outlook is for strong growth in the seafood sector due to increased international demand for wild seafood. Ú.R.'s strategy is aligned to leverage these long-term trends.

Growing global population

With the growth in population along with rising incomes in developing countries, there is a change in overall diet such as eating more protein and meat. This is driving up global food demand.

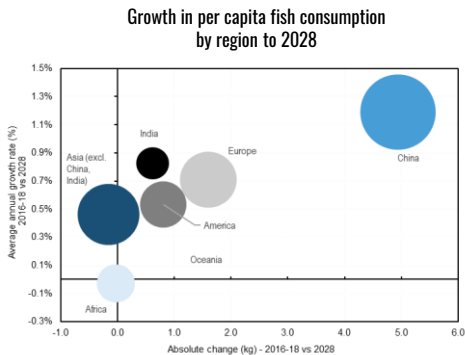
Source: HBR



Increasing consumption of seafood

Overall per capita consumption is expected to increase in all continents except Africa where consumption is expected to remain static.

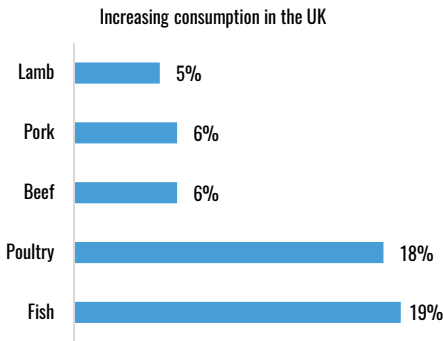
Source: FAO Fish Outlook



Fish as a healthy choice for nutrition

Governments are encouraging people to eat more seafood as a part of a healthy diet, driven by the WHO. Consumers are becoming more selective in their food choices with a focus on health, seen as in this example from the UK.

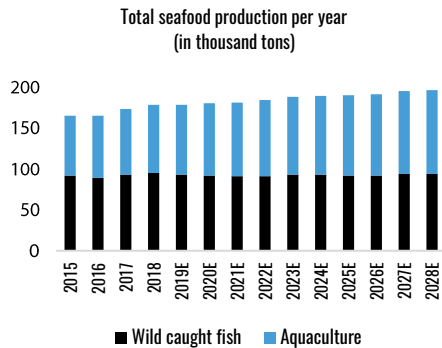
Source: Seafood.org



Limited wild caught fish creates increased demand

With overall increased demand of seafood and limited wild caught fish, coupled with high quality and focus on sustainability, the Icelandic seafood sector and Ú.R. are well positioned to continue to play a major role in this market.

Source: FAO





BOARD DIRECTORS AND CEO



Magnús Helgi Árnason
Chairman of the Board
since November 2019



Agnes Guðmundsóttir
Joined the Board
in April 2016



Rebekka Guðmundsóttir
Joined the Board
in April 2016

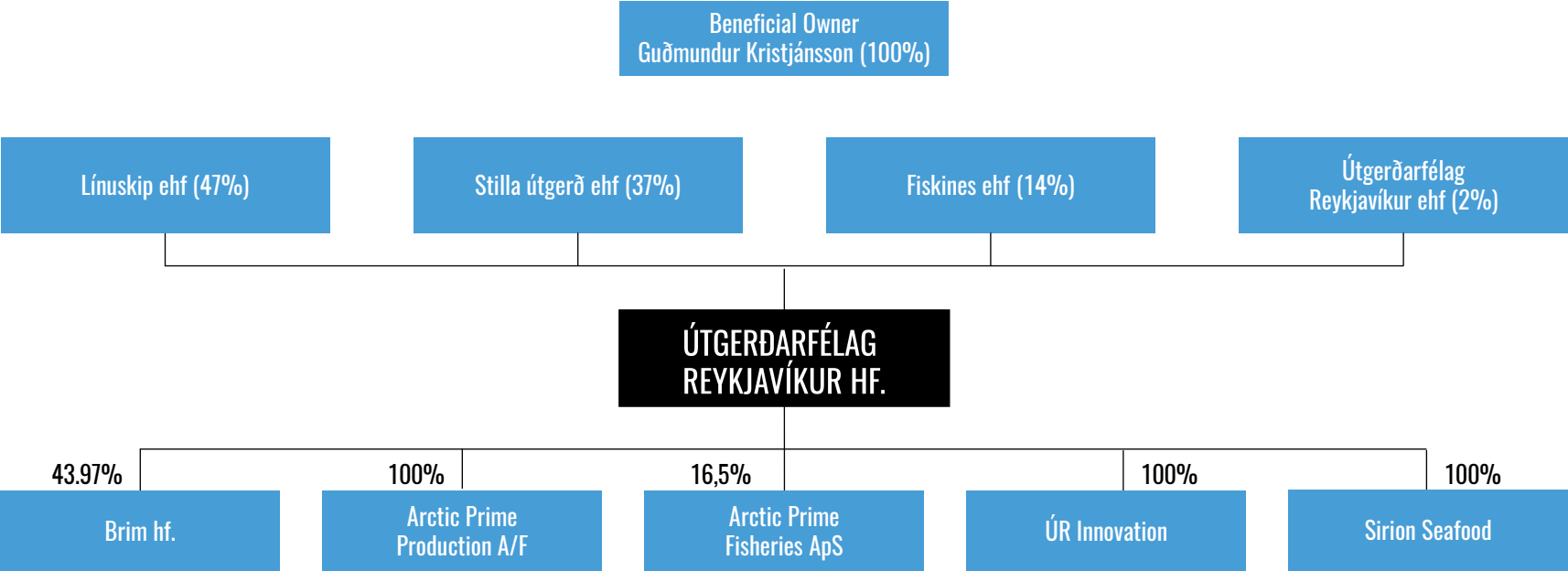


Runólfur Viðar Guðmundsson
Chief Executive Officer
since September 2018



SHAREHOLDER INFORMATION

Guðmundur Kristjánsson is 100% beneficial owner of Ú.R. as per the investment structure seen below¹.



1. Shareholder information updated as of 29 March 2021

ÚTGERÐARFÉLAG
REYKJAVÍKUR HF.

FINANCIAL
PERFORMANCE
OVERVIEW





2020 HIGHLIGHTS

Revenue

EUR 31.8 million

(vs EUR 38.3 million in 2019)

Profit before tax

EUR 6.5 million

(vs EUR 31.8 million in 2019)

Book value of TAC

EUR 81.6 million

(vs EUR 81.6 million in 2019)

Equity ratio

56.9%

(vs 54.2% in 2019)

Revenues and COVID-19

- Implementation of rigid processes to ensure health and safety for its employees and seafood products for its customers.
- Demand reduced significantly in the hospitality sector. To counter this impact, Ú.R. shifted the catch to species with market demand.
- Total revenues were lower in 2020 at EUR 31.8m versus EUR 38.3m in 2019.
- Ú.R. continues to focus on growth markets with higher margins by working closely with key partners such as Icelandic Japan kk.

Issuance of promissory notes

- Issued a private placement of promissory notes in August 2020. In total, bids for ISK 4bn were received from 15 parties. Ú.R. accepted bids for ISK 2.52bn at an average interest rate of 3.82% with a three-month and six-month rollover.
- A large portion of the financing was for the repayment of the short-term liabilities related to the Glitnir court case of EUR 22.6m.
- The rollover in November 2020 was successful with an average interest rate of 3.54%. As at year-end 2021, promissory notes outstanding totaled EUR 17.8m.

Partial sale of Arctic Prime Fisheries (APF)

- Ú.R. sold a portion of its shareholding of APF to Brim in return for a direct investment through loans of EUR 85m. Ú.R. Group's shareholding decreased from 33% to 16.5%.

Purchase of vessel

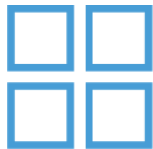
- Ú.R. repurchased the Guðmundur í Nesi vessel from Greenland for a total of USD 26m in the first half of 2020.

Ú.R. Innovation

- Founded in October 2020
- Acquired a 25% share in the company Zym Ice, which produces Unbroken® RTR.

Annual and ESG Report

- Ú.R. is proud to issue its first Annual and Environment, Social and Governance Report



2020 HIGHLIGHTS



Ú.R. is an original signatory to the Social Environment Policy established by Fisheries Iceland in 2020, based on the UN Sustainable Development Goals.



Ú.R. was in 12th place amongst “Iceland’s Strongest Companies in 2020” awarded by Creditinfo.



Ú.R. was in 8th place in the list of companies awarded “Excellent in Iceland in 2020” by Viðskiptablaðið and Keldan.



Ú.R. is holder of Marine Stewardship Council (MSC) and Iceland Responsible Fisheries certifications in sustainable fishing.





INCOME STATEMENT

Amounts in EUR	2020	2019
Operating revenue	31.851.289	38.366.509
Cost of goods solds	(26.274.768)	(31.511.293)
Gross margin	5.576.521	6.855.216
Other income and capital gains	2.823.972	24.296.230
Other operating expenses	(936.864)	(1.910.388)
Depreciation of fixed assets	(1.297.624)	(481.271)
Operating profit	6.166.005	28.759.787
Impact of subsidiaries and affiliates	11.370.264	10.546.581
Net finance costs	(11.848.555)	(4.826.133)
Impact of court case	0	(22.559.886)
Profit before taxes	5.678.714	11.920.349
Income tax expense	785.788	(46.583)
Profit from continuing operations	6.473.502	11.873.766
Sold business units	0	19.960.881
Profit for the year	6.473.502	31.834.647

Business focus:

- Gain access to quota and key species to maximize revenues and margins.
- Focus on efficient operations for both Ú.R. and its invested companies. High variable costs that are directly linked to revenues and pricing fluctuations ensures the business is flexible to absorb any reduction in production.
- Leverage opportunities for vessel utilization where best allocated between Iceland and Greenland.
- For longer-term profitability, Ú.R. continues to focus on innovation and higher margins in profitable, growing markets.

Financial highlights:

- COVID-19 has a negative impact on the sales price and short-term profitability. Demand reduced significantly in the hospitality sector. To counter this impact, Ú.R. shifted the catch to species that had market demand. With this approach, there was minimal impact with consistent year-on-year revenues and PBT.
- As costs are highly variable, with reduction in line with reduced sales.
- In net finance costs, there was a EUR 3.7m loss on the sale of shares in Kristján Guðmundsson ehf due to FX translation differences, although the shares were sold for the same amount purchased in Icelandic krona. In addition, Ú.R. reversed accrued interest charges totaling EUR 3.7m to APF, which were written off.



BALANCE SHEET: ASSETS

Amounts in EUR	31.12.2020	31.12.2019
Fixed assets		
Fishing rights	81.557.200	81.557.200
Property, plant and equipment	27.285.736	5.647.626
Holdings in subsidiaries and affiliates	242.538.845	254.606.041
Holdings in other companies	1.439.575	1.420.881
Bonds and other long-term assets	26.018.577	51.144.864
	378.839.933	394.376.612
Current assets		
Inventories	1.450.575	1.473.590
Trade receivables	204.105	2.739.377
Related party receivables	22.302.905	3.277.134
Other short-term receivables	2.506.104	1.436.365
Bond and other I-t assets due in the next year	13.827.313	24.680.997
Cash	9.579.587	9.039.405
	49.870.589	42.646.868
Total assets	428.710.522	437.023.480

Business focus:

- Maintain strong working capital and liquidity, especially to cover monthly cyclical movements. Business cyclicity is stable throughout the year with fishing all year round and sales of frozen products.
- Close relationships with customers for sales and receivables management.
- Mix of revenues generated by investments in key companies, Brim and APF.

Financial highlights:

- Ú.R repurchased its trawler, Guðmundur í Nesi, from APF for a total of EUR 22m, financed through the reduction of bond holdings.
- Ú.R. created the ÚR Innovation subsidiary with a corresponding investment of EUR 1m.
- Related party receivables increased from EUR 3.3m to EUR 22m due in 2021. This relates to the sale of shares in Kristján Guðmundsson ehf., an indirect shareholder of Ú.R.. Through this sale, Guðmundur Kristjánsson became a 100% shareholder in Ú.R.



BALANCE SHEET: EQUITY AND LIABILITIES

Amounts in EUR	31.12.2020	31.12.2019
Equity		
Share capital	5.128.322	5.128.322
Share premium account	107.235.415	107.235.415
Statutory reserve fund	1.282.083	1.282.083
Translation differences	2.429.173	173.773
Restricted capital account	22.422.951	15.727.238
Unallocated own shares	105.328.957	107.117.545
Equity	243.826.911	236.664.386
Long-term liabilities and obligations		
Liabilities to financial institutions	131.825.000	139.125.000
Income tax liability	25.694.180	26.905.203
	157.519.180	166.030.203
Short-term liabilities		
Promissory notes	17.808.680	0
Trade payables	868.022	1.396.379
Next year's installments on long-term debt	7.300.000	6.875.000
Unpaid calculated taxes	206.776	0
Liabilities to related companies	100.503	1.578.954
Liability due to court case	0	22.559.886
Other current liabilities	1.080.450	1.918.672
	27.364.431	34.328.891
Total liabilities	184.883.611	200.359.094
Total equity and liabilities	428.710.522	437.023.480

Business focus:

- Maintain a strong equity ratio at over 50%. Focus is on reinvesting profits for business growth – both organic and for acquisition.
- A new dividend policy was approved in 2020 to pay 50% of net profit to shareholders, subject to meeting Ú.R.'s loan facilities conditions.
- All credit facilities are provided by Landsbankinn and denominated in Euros.
- In 2020, Ú.R. issued promissory notes in Icelandic krona for the first time as the market had favorable interest rate conditions. The purpose is to diversify liquidity and currency risk..

Financial highlights:

- Ú.R. paid down its banking facilities by EUR 7.3m.
- With the EUR 17.8m funding raised through the promissory notes, this contributed to the repayment of the liabilities related to the Glitnir court case of EUR 22.6m.
- Ú.R. has no outstanding court cases.



CASHFLOW

Amounts in EUR	2020	2019
Operating activities		
Operation profit	6.166.005	28.759.787
Depreciation and amortisation	1.297.624	481.271
Gain on disposal of property, plant and equipment	12.951	(22.078.673)
Working capital generated from operations	7.476.580	7.162.385
Inventories, decrease (increase)	23.015	2.647.277
Change in operating assets and liabilities	(21.342.634)	(2.775.746)
Cash from operations without interest and taxes	(13.843.039)	7.033.916
Interest and dividends paid	47.664	1.343.172
Interest paid	(4.641.460)	(7.952.387)
Exchange rate difference, received (paid)	84.414	743.798
Income tax paid	0	(2.069.224)
Net cash generated by operating activities	(18.352.421)	(900.725)
Financing activities		
(Purchased), sold catch quotas	0	(11.998.235)
Proceeds from disposal (purchase) of fixed assets	(11.713)	(1.713.470)
New bonds	(5.383.257)	(15.443.652)
Bond repayments	13.041.946	16.407.979
Net shares sold (purchased)	(18.694)	0
Dividends from affiliates	3.313.537	4.007.126
Net shares sold (purchased) in subsidiaries	2.439.914	5.662.079
Increase / (decrease) in claims from related companies	(965.843)	2.495.604
	12.415.890	(582.570)

Amounts in EUR	2020	2019
Financing activities		
Dividends paid	(2.169.869)	0
Repayments of long-term debt	(6.875.000)	(166.834.798)
New long-term debt	0	146.000.000
New promissory notes	16.992.250	0
Reduction of debt to related companies	(1.470.668)	(72.079)
	6.476.713	(20.906.877)
(Decrease) increase in cash	540.182	(22.390.172)
Cash at the beginning of the year	9.039.405	31.429.577
Cash at the end of the year	9.575.578	9.039.405

Business focus:

- Generate profit for reinvestment into the company to finance the operations. A new dividend policy was approved in 2020 to pay 50% of net profit
- Ú.R. strives to maintain a minimum of EUR 7m in cash liquidity.

Financial highlights:

- Ú.R. issued promissory notes totaling an equivalent of EUR 17m.
- Ú.R. paid down EUR 7m of its credit facilities with Landsbankinn.
- Maximum dividends proposed total EUR 3.2m for payment in 2021.



RISK MANAGEMENT

Ú.R.'s business activities are exposed to a variety of risk factors related to its operations and financials. Effective risk management is important to minimize the risk of material misstatements and for the business to perform.

The following description of risk factors is not complete and is not listed in any order of priority.

Fishing rights

The core assets on Ú.R.'s balance sheet is fishing rights. To avoid concentration of risk in both supply and demand, Ú.R. holds a diverse portfolio of quota of fish species. As well, it has invested in Brim and APF to secure fishing rights in the North Atlantic.

Credit risk

Ú.R.'s credit risk mainly related to accounts receivables from customers that would not be able to pay for goods sold. To minimize this, Ú.R. takes credit risk insurance to cover receivables for third-party customers or when not in place, to require pre-payments.

Liquidity risk

Historically, Ú.R. has controlled liquidity risk by maintaining access to appropriate loan facilities with its main lender. Cash flow is monitored on a daily basis, with set buffers for its operational needs. To diversify the risk concentration with its lender, Ú.R. issued promissory notes for the first time in 2020.

Currency risk

Ú.R.'s reporting currency is the Euro. Its long-term debt is in Euros. Sales are in major currencies, including the Euro, the US dollar, Yen and the British Pound. Operational costs are split between employee costs in Icelandic krona and oil in US dollars. Its credit lines are in Euros. To naturally hedge the employee costs, the new promissory notes were issued in Icelandic krona.

Accidents and incidents

The fisheries sector is one of the highest risk-sectors. Fishing methods, vessels and equipment have improved dramatically over time. Ú.R. places high emphasis to ensure top health and

safety of its employees, with special emphasis on the operations of its vessels and crew.

COVID-19

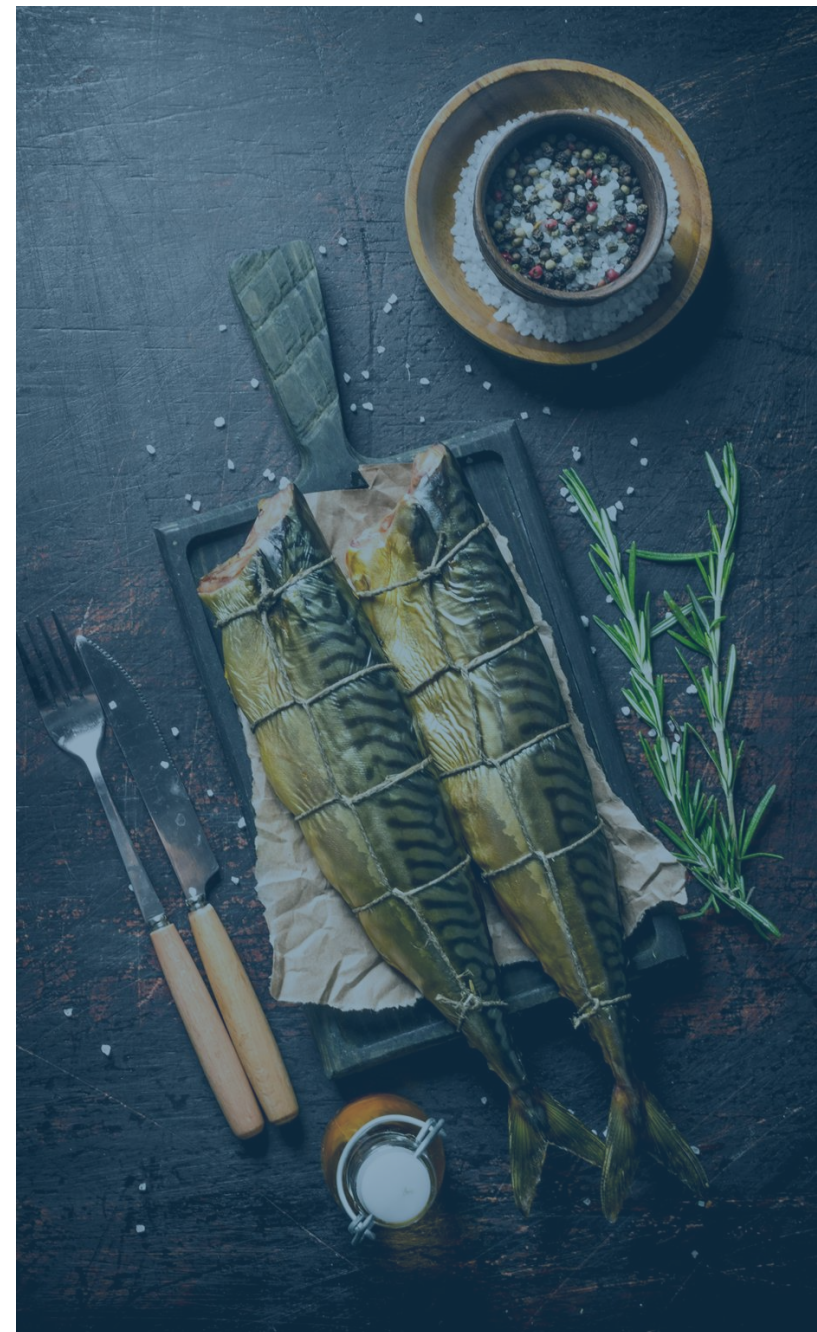
Since early 2020, COVID-19 is one of the highest risk factors for Ú.R., both for its personnel and its seafood sold around the world. Ú.R. has implemented strict operating procedures at all levels of the company with clear separation of teams and tasks, as well as top hygiene standards for disinfection to avoid any spread of COVID-19.

Insurance

Ú.R. has appropriate insurance policies in place, which provides insurance cover against products and property damage, certain delays, general liability and environment liability in accordance with normal practice within the industry.

ÚTGERÐARFÉLAG
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BUSINESS STRUCTURE





BUSINESS STRUCTURE

Ú.R.
Commercial fishing

Investments
Brim, APF, APP

Innovation and
development

Focus on access to quota in the North Atlantic
within key species

Investing in innovation of marine biotechnology to maximize
the usage and value of marine products



Ú.R. COMMERCIAL FISHING

Book value of catch quotas (in EUR)	2020	2019
Book value at beginning of year	81.557.200	101.734.767
Sold during the year	0	(20.177.567)
Book value at year-end	81.557.200	81.557.200

In 2019, Ú.R. had an opportunity to sell its ship to APF in Greenland to help maximize their quota allocation, which has since been bought back. With this, they also traded the Ú.R. allocated quota for that year which is reflected in both the Income Statement and Balance Sheet.

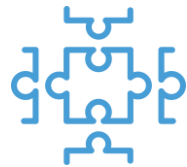


Ú.R. allocated catch quotas for fishing vessels for the fishing year 2020/2021 based on gutted fish:

	Catch share in % 2020/2021	TAC in tonnes 2020/2021	Catch limit in cod value equivalent tonnes	Uncaught catch limit for cod value tonnes
Cod	0,300%	607.181	607.181	485.934
Haddock	1,504%	531.306	483.488	0
Saithe	4,188%	2.566.156	1.616.678	2.742.158
Redfish / golden redfish	11,697%	3.808.033	2.703.703	1.995.744
Deep sea redfish	18,311%	2.147.418	1.739.409	1.790.770
Ling	2,265%	76.043	44.105	701
Cusk	3,784%	46.094	16.133	2.376
Monkfish	0,090%	388	613	613
Greenland halibut	20,000%	2.312.448	4.879.265	6.605.944
Wolffish	1,842%	137.576	75.667	83.884
Spotted wolffish	3,853%	10.312	7.631	3.068
Blue ling	5,121%	15.756	8.981	1.825
Silver smelt	38,598%	3.190.610	1.212.432	1.218.767
Ocean perch	30,837%	199.751	63.920	80.195
European plaice	3,482%	213.496	207.091	33.354
Lemon sole	3,777%	35.315	46.616	9.699
American plaice	0,525%	69	14	14
Witch flounder	0,176%	1.307	797	797
Common dab	0,119%	244	61	61,0
Deepwater shrimp	6,282%	305.680	351.532	399.601
Snæfellsness shrimp	6,282%	0	0	0
Mackerel	3,387%	1.388.638	277.728	277.728
		17.693.821	14.343.046	15.733.233

Ú.R. allocated catch quotas for fishing vessels outside Icelandic territorial waters during the fishing year 2020/2021

Cod in Norwegian jurisdiction	16,864%	546.779	546.779	546.779
Cod in Russian jurisdiction	16,864%	683.473	683.473	683.473
		1.230.252	1.230.252	1.230.252
Total authorizations		18.824.073	15.573.298	16.963.485



INVESTMENTS

BRIM

In May 2018, Ú.R. (previously known as Brim) had the unique opportunity for a takeover bid of HB Grandi, now known as Brim. Since then, two key asset sales were made to Brim: Ögurvík and Icelandic Asia.

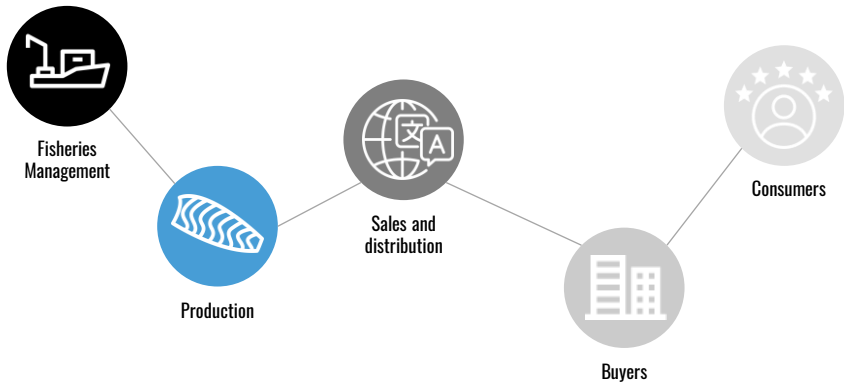
As at 31 December 2020, Ú.R. held 33.92% shares in Brim through direct ownership and 10.05% through RE-13 with a total book value of EUR 198.7m. Brim 2020 allocated profit to Ú.R. totaled EUR 12.9m, up by 9.9% from 2019 with a return on investment of 5.3%.

For more information, go to www.brim.is/brim/english/brim/investor-relations/

In Euros	2020	2019
Consolidated Brim earnings to Ú.R.	12.911.790	11.749.468
Book value of Brim shareholding as at year end 31 December	198.746.570	234.729.566
Book value of Brim indirect shareholding through RE-13 as at 31 December	42.656.602	37.755.185
Return on total investment	5.3%	4.3%



Deeper Vertical Chain for North Atlantic Seafood





INVESTMENTS

ARCTIC PRIME FISHERIES (APF)

In October 2013, Ú.R. became an investor in APF, a fisheries company in Greenland. APF has two vessels and operates the four Arctic Prime Production processing plants owned by Ú.R, which service over 180 local fishing boats. The main objective was to secure seafood quota across the North Atlantic and key species.

To further strengthen APF, Ú.R. sold a portion of its shareholding to Brim in return for a direct investment through loans of EUR 85m. Ú.R. Group’s shareholding decreased from 33% to 16.5%.

Ú.R. actively supports APF with training programs and exchanges for the employees, which has helped to raise overall knowledge.

Ú.R. also has related party claims to APF for a total of EUR 26m as at 31 December 2020.

The quota system in Greenland is based on a grandfather rights system (hefðarréttur). This is the quota allocated to APF:

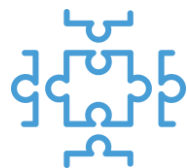
- Cod: 10.000 tons
- Mackerel: 10.000 to 12.000 tons
- Halibut: 800 tons
- Redfish: 800 tons
- Herring: 5.000 tons



Ilivileq - GR-2-201 (2020)



Tasermiut GR-1-103 (1988)



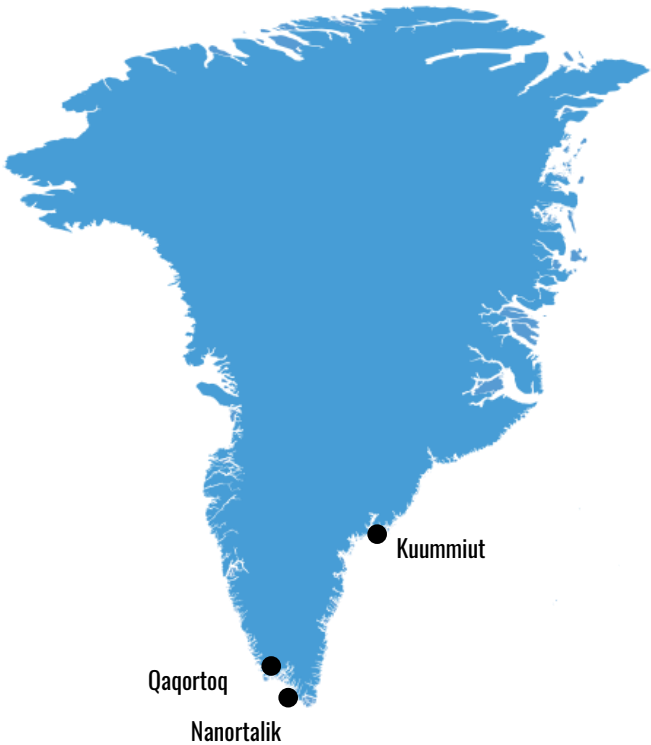
INVESTMENTS

ARCTIC PRIME PRODUCTION (APP)

Ú.R. has 100% ownership in APP with three fish processing plants in Greenland since 2013.

This is a real estate investment and Arctic Prime Fisheries operates the processing plants.

As at 31 December 2020, nominal value was DKK 34.5m and book value was EUR 0. Revenues totaled EUR 413k for 2020.





INNOVATION

ÚR Innovation

During the year, Ú.R. established the subsidiary ÚR Innovation hf. The purpose of the company is for making investments in innovation and product development, with a focus on sustainability.

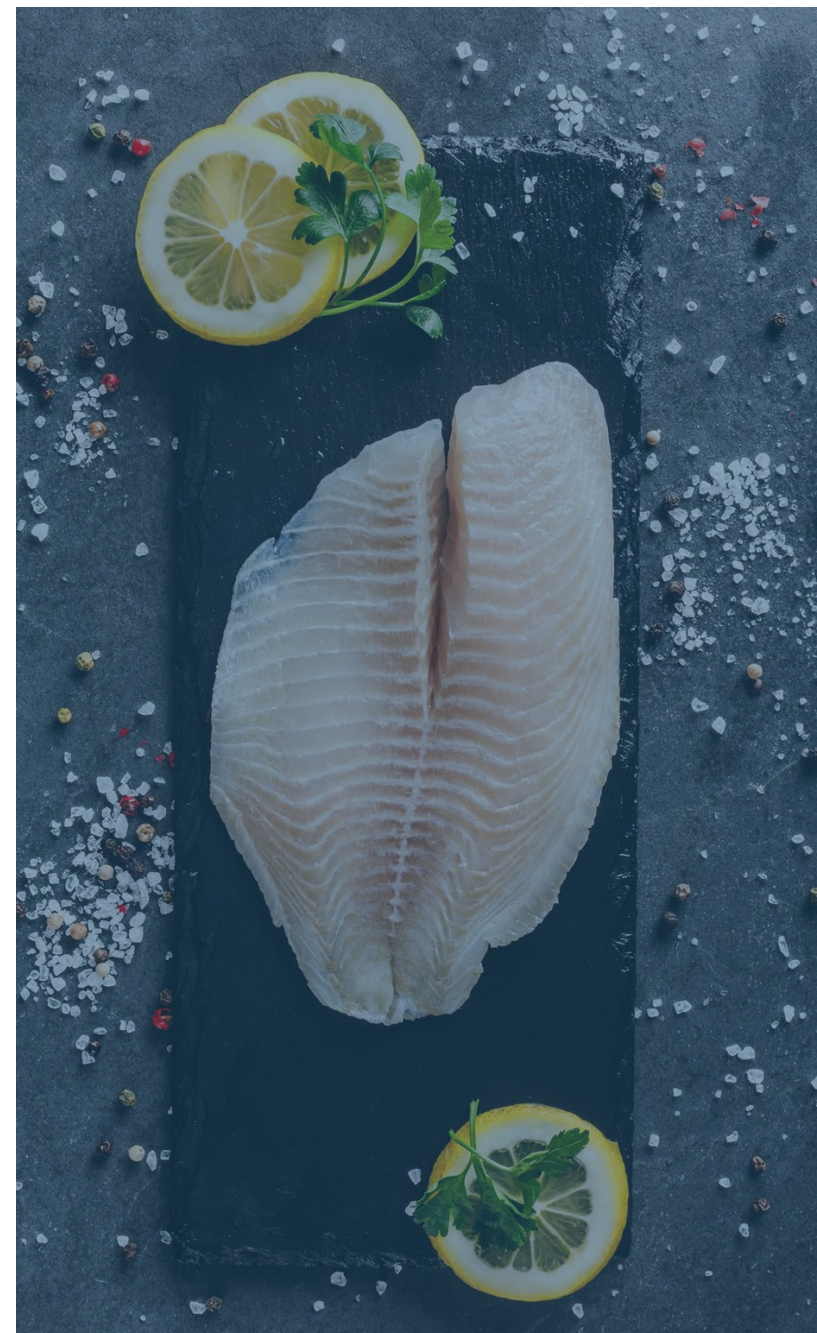
The first investment made in 2020 was a 25% share in the associated company Zym Ice, specializing in the product of food supplements from salmon fish protein known as Unbroken® Real Time Recovery. Zym Ice is an Icelandic company that operates a factory in Norway and two sales

With this investment, Ú.R. is taking the first step towards the utilization of marine biotechnology to maximize the value of marine products.



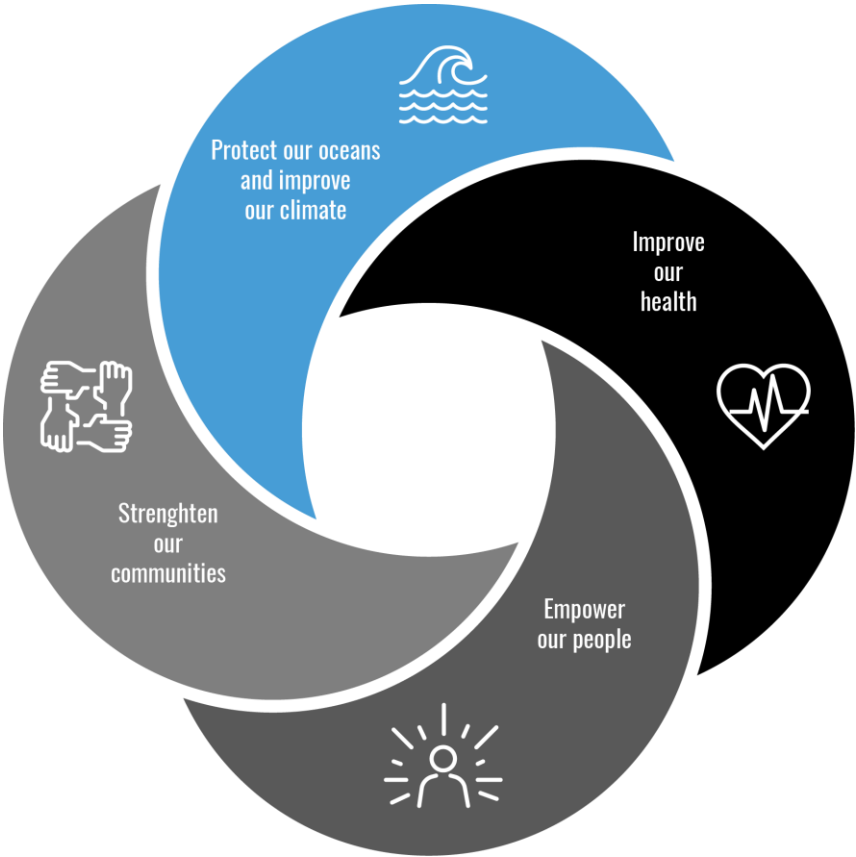
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ENVIRONMENT, SOCIAL AND GOVERNANCE REPORT





ESG REPORT



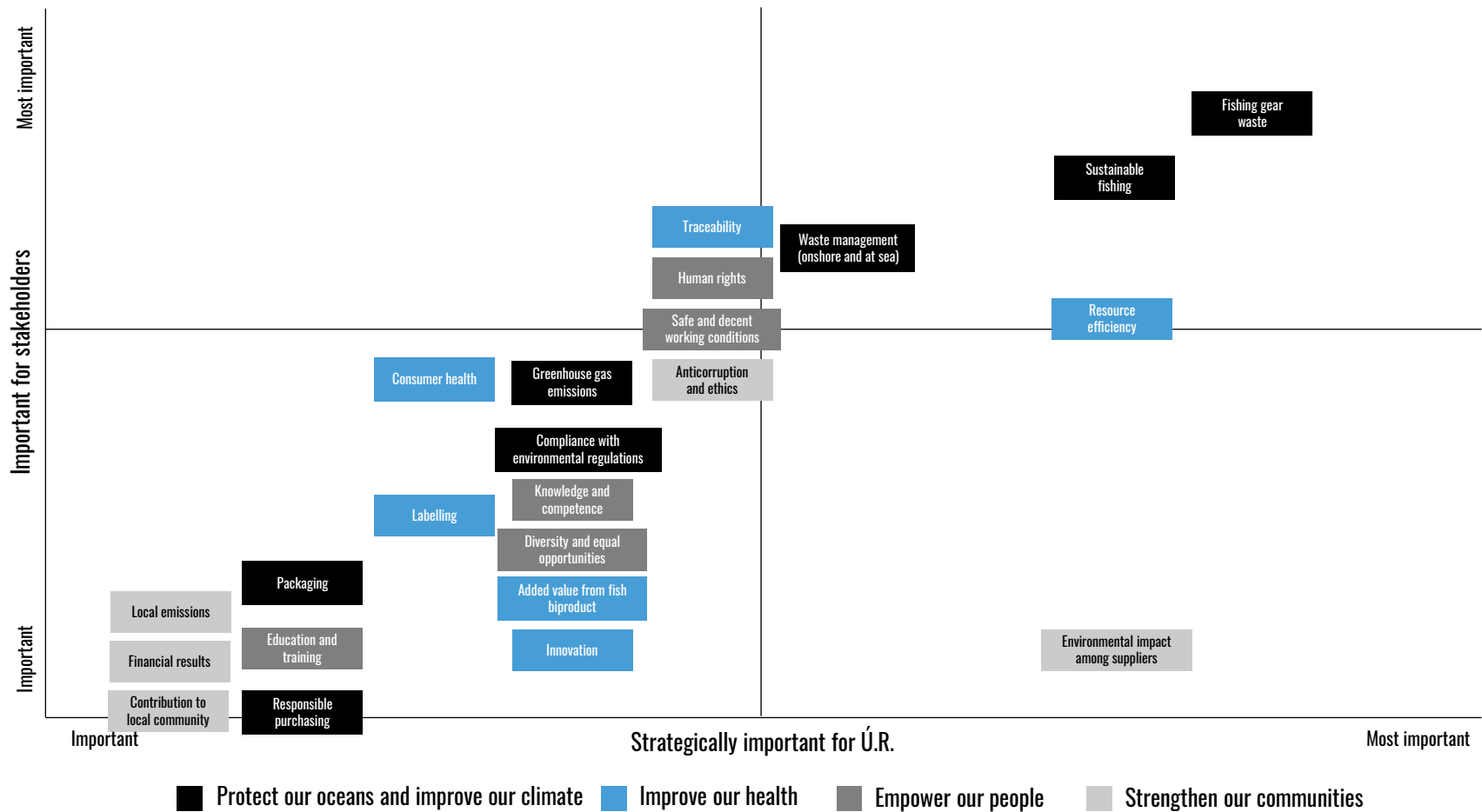
First ESG report issued by Ú.R.

Survey on materiality aspects sent to 200 people from 88 identified stakeholder groups

CO₂ emissions per kilo of caught seafood is 1.2, amongst the lowest for animal protein and fish wild catch



MATERIALITY ANALYSIS





WORKING TOWARDS UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



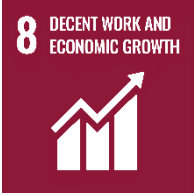
Ensuring the sustainability of fish stocks coupled with maximizing fish utilisation helps to contribute to reduce hunger. Ú.R. focuses on active participation in its own operations and together with its investments in Brim, APF and UR Innovation.



North Atlantic fish are a lean, healthy source of protein and contribute to healthy lives through mental and physical development. Ocean perch (rockfish) and flatfish (sole and flounder), core species fished by Ú.R., are ranked in the top 10 most nutritious foods¹. Ensuring sustainability and maximizing fish utilization helps contribute to good health.



Iceland leads the way to women’s equality in the workplace, which has a positive impact on improving gender equality around the world. Whilst the seafood industry is heavily dominated by men, it is Ú.R.’s priority to support women at all levels. Two of three board members are women. In 2022, Ú.R. will implement Equal Pay Certification.



The core asset to Ú.R.’s business is its people. Health and safe working conditions are the top priority, whether at sea, on land or at the office. A large portion of the employees are union members. Ú.R. ensures its fulfilment of all statutory rights of employees, equality in the workplace and honoring the collective wage agreements.



To support responsible consumption and production, Ú.R. focuses on resource efficiency by limiting unwanted by-catch, maximizing fish utilization, recyclable materials purchased and energy efficiency on sea and at shore. Recycling of fishing gear & packaging, as well as oil usage & recycling, have the biggest direct impacts from Ú.R. in the supply chain.



The greatest environmental impact of Ú.R.’s operation is fuel use. The CO₂ emissions per kilo of caught seafood is 1.2, amongst the lowest for animal protein. However, Ú.R. continuously focuses on reducing its usage with improvements in operational effectiveness. Post all fishing tours, the recycled oil is also sold as factory fuel.

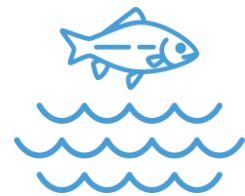


Respectful knowledge of the ocean’s resources is Ú.R.’s motto. Ú.R. actively engages on sustainability of North Atlantic seafood as a member of Responsible Fisheries Iceland and being an original signatory to its sustainability policy, government cooperation and continued innovation.



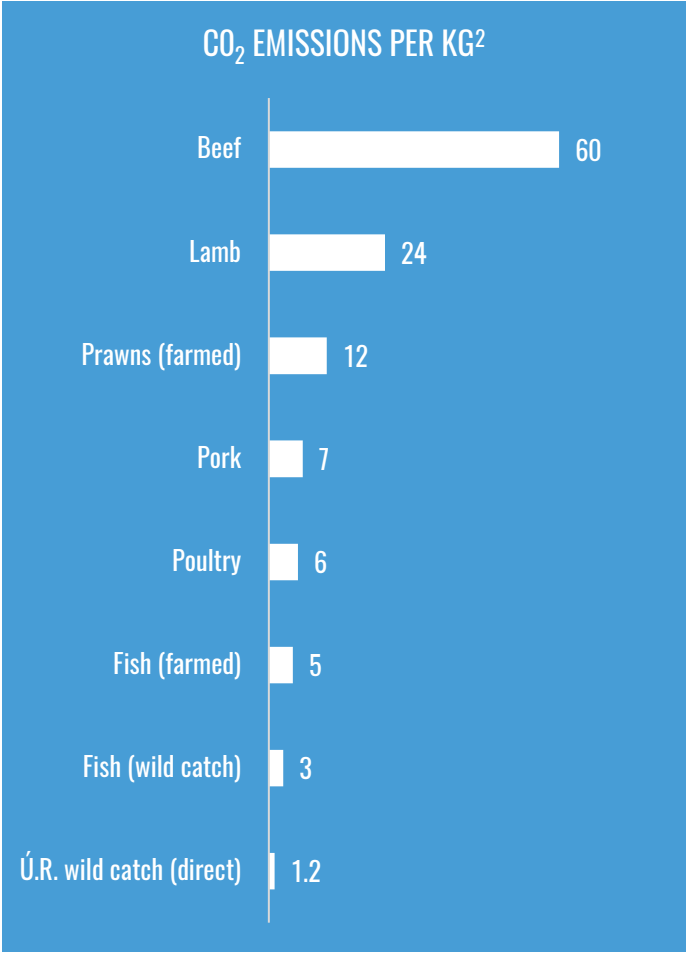
Ú.R. has a wide range of stakeholders, with whom it collaborates for shared knowledge and cooperation. These stakeholders include suppliers, buyers, authorities, associations, unions, research organisations, the Ú.R. Board of Directors and its employees. This in turn strengthens the means for implementation of sustainable development.

1. BBC: The world’s most nutritious foods.



ENVIRONMENT

Sustainability	<ul style="list-style-type: none">• ISF and MSC accreditation• Percentage of quota held with MSC certification is 75%• Original signatory of Sustainable Policy at SFS
Traceability	<ul style="list-style-type: none">• Full transparency of Icelandic quota system• Opportunity for use in branding to drive higher margins
Greenhouse gas emissions	<ul style="list-style-type: none">• Direct CO₂ emissions per kilo is 1.2• All waste oil is sent for recycling
Waste management	<ul style="list-style-type: none">• 100% of fish utilization (gutted)• 84% of all waste was recycled in 2020
Fishing gear waste	<ul style="list-style-type: none">• Iceland became a member of the Global Ghost Gear Initiative (GGGI) in 2021• No fishing gear lost at sea in 2020• To track net weight return of fishing nets after each trip in 2021



1. fiskistofa.is 2. visualcapitalist.com: The Carbon Footprint of the Food Supply Chain



SOCIAL

Human resources	<ul style="list-style-type: none">• 68 FTEs, down from 82 in 2019 (due to decommissioning of trawler and Covid impact)
Equal opportunities	<ul style="list-style-type: none">• Ú.R. employees ranked 7th highest average salaries¹• EUR 17.4k average monthly salaries cost per FTE: seamen receive pay in accordance with a share allotment system on the fishing catch• 9.1% of employees are women with gender pay ratio of 0.44: equal pay certification to be implemented by 2022• Overall flat pay structure where the CEO pay ratio is 1.7 times the average company salary
Health and safety	<ul style="list-style-type: none">• Implementation of Covid-19 processes at all levels• Injury rate low at 0.1 per employee in 2020
Learning	<ul style="list-style-type: none">• 35.4 hours per employee in 2020: high as downtime from Covid was used in learning• Training is both general and industry related, such as HACCP and total quality management
Policies	<ul style="list-style-type: none">• Key policies in place• Ethics & Anti-Corruption policy to be implemented in 2021
Employee celebrations	<ul style="list-style-type: none">• Many activities are organized over the course of the year, with the major ones being international trip organized every two years, Seaman’s Day event with families, Christmas gathers, yoga, dart competitions, bowling, golf
Community	<ul style="list-style-type: none">• Ú.R. actively sponsors many competitions, sports organizations, and charities



GOVERNANCE

Board diversity	<ul style="list-style-type: none">• The Chairman is independent, ie 33% independent board members• Two out of three of board members are women, 66%• Agnes Guðmundsdóttir is Chair of the Association of Women in the Marine Industry (Konur í Sjávarútvegi)• The CEO does not have a seat on the board
Collective wages	<ul style="list-style-type: none">• 73% of employees are in collective wage agreements
Ethics, anti-corruption	<ul style="list-style-type: none">• Ú.R. has zero tolerance towards corruption and holds itself and its invested companies to the highest ethical standards• A whistleblowing policy implemented in early 2021• At Ú.R., all catch is fully transparent through the recording done by the Directory of Fisheries• With both investments in Brim and APF, the overall operations are more international in nature• Ethics are of highest priority at Ú.R. to ensure top reputation across all stakeholders• Ethics & Anti-Corruption policy to be implemented in 2021
ESG report	<ul style="list-style-type: none">• First ESG report issued• Prepared internally, no external validation

ÚTGERÐARFÉLAG
REYKJAVÍKUR HF.