

Allocation Rules

VOR Reykjavik Energy Research Fund

Article 1 - Goals

- 1.1 Reykjavik Energy is a power and utility company that lays the foundation for the quality of life of the public. Reykjavik Energy's vision is to increase the quality of life with social responsibility as a guiding principle. The purpose of Reykjavik Energy's Research Fund (VOR) is to support this vision.
- 1.2 The fund's objectives are:
 - To support research and projects related to the company's field of work, with an emphasis on the United Nations' Sustainable Development Goals that are a priority at any given time in accordance with the company's policy.
 - To support research by applied engineering students, and master's and doctoral students related to the company's field of work, with an emphasis on the United Nations' Sustainable Development Goals that are a priority at any given time in accordance with the company's policy.

Article 2 - Applications

- 2.1 Applications are advertised once a year and the deadline for submitting applications shall not be less than 30 days.
- 2.2 Applications must be submitted in electronic form through the application portal on Reykjavik Energy's website (or.is/vor) together with all accompanying documents. Incomplete applications will be rejected.
- 2.3 Applicants can apply for two types of grants, study grants and project grants, and the grants are awarded for up to 12 months. It is not possible to have more than one active grant from the fund at any one time. Applicants can apply to VOR for the continuation of a project that has previously received funding from VOR.
- 2.4 Further information may be requested from applicants than what is stated in the application.
- 2.5 Expertise may be sought in the assessment of applications if deemed necessary.

Article 3 - Study Grants

- 3.1 In this category, applications from applied engineering students and master's and doctoral students are advertised. Students must provide enrollment certification from their University as well as have a certified supervisor to be eligible for a grant from the fund. In the application, students describe their academic history and the research project they are working on or intend to work on during their studies.
- 3.2 Grants are awarded for the student's salary costs and other research costs that are directly related to the research project. Grants are not granted for the purchase of equipment, travel to conferences, and the like.
- 3.3 The amount of the study grant takes into account the costs that are stated in the cost estimate of the application. Study grants can amount to a maximum of 100% of the total cost. The maximum awarded grant amount for a master's research or a final project for

applied engineering students is 1.250.000, ISK and for a doctor's research the maximum amount is 5,000,000 ISK.

- 3.4 In assessing applications, consideration is given to the applicant's academic history and how well a planned research project aligns with the purpose and objectives of the fund, as well as the quality of the application.

Article 4 - Project Grants

- 4.1 In this category, applications from individuals, companies and organizations are advertised.
- 4.2 Project grants are awarded for a part of the costs resulting from the work of specialists, the participation of master's and doctoral students, and other research costs that are directly related to the research project. Grants are not granted for the purchase of equipment, travel to conferences, and the like.
- 4.3 The amount of the project grant takes into account the costs that are stated in the cost estimate of the application. Project grants can amount to a maximum of 70% of the total cost. The maximum awarded grant amount for project grants is 8.000.000 ISK but the fund reserves the right to award grants that are lower than that.
- 4.4 In assessing applications, consideration is given to how well the project aligns with the purpose and objectives of the fund, and the quality of the application. It also looks at the credibility of the project's cost and time plan and whether the project receives funding from other funds.

Article 5 - Application Assessment, Contracts, and Reporting

- 5.1 Specialists, in the fields to which the research material of the applications belongs, review and evaluate applications. This review is submitted to the fund's professional council, which compares applications and makes proposals for allocations from the fund.
- 5.2 The board of the fund reviews the proposals from the professional council and decides on the allocation.
- 5.3 The board of the fund enters into an agreement with the grant recipient on the arrangements for the payment of the grant and the obligations of the grant recipient, e.g. regarding final reports. If a project is not started within 6 months of the start date, the grant will be canceled, unless special circumstances exist. Also, if a final project report is not submitted or progress is considered unsatisfactory, the board of the fund reserves the right to cancel the remainder of the grant and to call for a refund.
- 5.4 The board of the fund is authorized to condition the grant so that a share in the revenue stream created as a result of the project or patents on the discoveries goes to the fund.
- 5.5 Grant recipients must submit a final project report in accordance with the terms of the grant agreement.
- 5.6 Grant recipients shall be prepared to present their project at Reykjavik Energy's events upon request.

Article 6 - Confidentiality

- 6.1 The board and employees of the fund shall maintain the utmost confidentiality regarding the information contained in the applications.
- 6.2 Applications and their evaluation will be stored in a safe area.

6.3 The board of the fund may publish the name of the research, the abstract, the name of the grant recipient, and the amount of the grant.

Article 7 - Other

7.1 The board of the fund shall submit to the Board of Directors of Reykjavik Energy a report on grants from the fund, its financial position, and the progress of funded projects when requested.

7.2 The board of the fund shall review the allocation rules annually, before advertising the grants each time.

Reykjavik, May 19 2023