

Marel Corporate Guidance for

Safety

Health

Environment

Contents

1. Introduction
2. Marel Safety, Health and Environment Policy
3. Marel Corporate Goals
4. Marel Corporate SHE Support
5. Responsibilities of local SHE Teams
6. Responsibilities of local Management
7. Basic SHE Requirements
8. Quarterly information requirement
9. Communication process in case of severe or fatal accident
10. Definitions and explanation of terms
11. Information distribution between SHE teams

Attachments:

1. Marel Basic SHE Requirements
2. Quarterly SHE Report

1. Introduction

Safety, Health, Environment concerns employees, contractors and visitors, so it is an obligation to our employees, our environment and our Company to care about this.

Although every employee within Marel is accountable to care about SHE, the local management of every Marel entity remains directly responsible to see to it that processes within their entity comply with the "Marel Safety, Health and Environment Policy".

The Marel Corporate SHE Support Team is dissolved as per January 1, 2014. In order to provide specialist support for SHE related issues, following specialists remain available to provide such a support:

- Bergrún Gunnarsdottir (Gardabaer)
- Hennie van Diest (Boxmeer)
- **Maria Bozaan (Des Moines)**

This manual provides corporate guidelines for standardization of Safety, Health and Environment related structures / policies within Marel.

It is our aim to support further improvement the safety, health and environmental processes together with you.

Bergrún, Hennie and **Maria**

Marel Safety, Health and Environment Policy

Marel is committed to strive for a high quality safety culture within all of our operations as well as during projects and work performed at our customer's sites. We want to prevent accidents from happening as much as possible and create a safe environment for our employees, contract labour and visitors.

We will respect local Safety, Health and Environmental regulations.

We aim for continuous improvement of our processes whereby sustainability and minimizing the environmental impact is part of our goals.

Supported by (local) management and by the local SHE teams we will aim to maximize safety awareness and to continuously improve SHE related processes within the Marel entities.

People working in a safe and socially responsible company will achieve more and also feel better, which in turn will increase the company's output.

We at Marel see the main areas where SHE can create value :

- 1) We believe that taking our responsibility for SHE matters will create :
 - High credibility with local, national and international authorities
 - Fulfill the expectations of our customer, stakeholders and the society
 - Support our company and our business
 - Better acceptance / support of our products
 - Minimize potential liabilities for our company.

- 2) Showing our employees that we take care about occupational safety and health create:
 - More work satisfaction
 - Higher company loyalty
 - Lower short term absence / sick-leave – higher efficiency
 - Good reputation – easier to recruit personnel.

Processes are in place to create an environment of safety and well being for our employees. Systematic monitoring those processes is imperative to identify whether the procedures implemented are being followed and to identify where processes could be improved. This should be done on local level as well as on Corporate level.

Management as well as all employees individually within Marel are accountable for caring about Safety, Health and Environment.



Arni Oddur Thordarson
CEO Marel



3. Marel Corporate Goals:

1. Zero accidents.
2. No sick leave due to labor circumstances.
3. No infringements of regulations stipulated in environment licenses or national environment laws.

4. Marel Corporate SHE Support

After dissolving the Corporate SHE Support Team it was decided to continue providing SHE Support when required by following SHE Specialists within Marel:

- Bergrún Gunnarsdóttir located in Gardabaer
- Hennie van Diest located in Boxmeer
- **Maria Bozaan located in Des Moines**

They are able to provide support on SHE related issues whereby Bergrún is responsible for monitoring compliance with Corporate Basic SHE Requirements. She is also responsible for the quarterly consolidation of the local SHE reports.

Jeroen Kraaij, HR Director, located in Boxmeer will be responsible to monitor the Corporate SHE process and provide support where required.

5. Responsibilities of local SHE teams

1. Support local Management by advice / plan and agree actions in order to make the organization comply with the Marel SHE policy.
Each Marel location should appoint one SHE contact person for communication purposes between the location and Corporate SHE Support.
2. Agree, and evaluate actions in order to achieve the Marel Corporate SHE related goals.
3. Coordinate / support implementation and monitor the execution of agreed SHE processes
4. Report summary of SHE information to local management (quarterly) and to Bergrún Gunnarsdóttir.
5. Distribute relevant SHE information, f.i. incident alerts, within the organization.

6. Responsibilities of local management

1. To comply with the Marel SHE policy within their organization.
2. Support actions to be taken by the local SHE team to make the organization comply with the Marel SHE policy.

7. Basic SHE Requirements

Following The Corporate Marel SHE Policy, ALL Marel entities must comply at a minimum with the Basic SHE requirements as specified within a separate Manual. **(Attachment 1)**

In addition to the basic requirements all entities are free to add requirements to fulfill their own needs, or to address unique processes.

Compliance with local laws is obviously compulsory.

The implementation of these requirements has been approved by the Executive Team (ET) of Marel.

8. Quarterly information required

To learn from each other and to keep the ET informed about SHE developments following SHE information should be sent on a quarterly basis to Bergrún Gunnarsdóttir **(Attachment 2)**

She will consolidate the information and send the information to Lilja Jónsdóttir within 7 working days after quarter end to complete the quarterly report for the ET. The information will be accessible on the SHE site of "My Marel".

The report should contain following information:

1. Number of accidents with severe injury
2. Number of accidents with absence
3. Number of accidents without absence
4. Number of near accidents / Safety concerns
5. Number environmental accidents
6. Number of calendar days without accidents causing absence (See also KPI Manufacturing). This information should be provided by the Manufacturing Centers only.
7. Actions taken to prevent accidents (nr 2) and near accidents / Safety concerns (Nr 4)
8. Status of actions to achieve the annual goals

The report should be sent not later than the 5th working day after quarter end.

9. Communication process in case of severe or fatal accident

Serious accidents with death or serious injury as a consequence must be reported immediately to the local Director, ET of Marel, HRM.

The report must include:

- a. Name of responsible Marel entity
- b. Name + function of victim
- c. Brief description + consequences of the accident
- d. Actions taken

In the case of a fatal accident, the local Director and one of the following members of the Executive Team must be informed directly by telephone.

+354 563 8010 (Arni Thordarson)
+354 853 8502 (David Oddsson)
and Jeroen Kraaij +31 620 713 513

Marel Companies in the Netherlands are legally required to report such accidents to the 'Arbeidsinspectie' (Labour Authorities) without delay. Outside the Netherlands, legally obliged action must be taken.

10. Definitions and explanation of terminology

Accident

An Accident (work related) is an unexpected and/or unplanned event or chain of events, which has, or could have caused injury or illness and/or damage (loss) to people, assets, the environment or reputation.

For instance, if a person suffers a back injury due to lifting too heavy material (work related), this should be considered as an accident

An Accident whereby a to the work related, vehicle was involved and which has resulted in injury, illness and/or damage (loss) to people, assets, the environment or the company's reputation.

E.g. accidents during commuting between home and work are not part of the SHE process.

Injury

An injury such as a cut, fracture, sprain, amputation etc., due to a work related accident.

Accidents with severe injury

Injury which leads to death, or likely permanent physical (large or small amputation, impaired vision and so on) or psychological damage whereby treatment in hospital is required, is considered as "Severe Injury".

Accident without absence

The accident actually took place, and did or didn't cause personal injury, and did not lead to absence on the following day(s).

Note: accidents without absence and near-accidents are reported as an indication for dangerous situations that may need extra attention to avoid future accidents.

Near-accident / Safety Concerns:

The accident did not actually happen, but would have classified as an accident if it had.

Work related

For the purpose of this document, the term, "**Work-Related**" is used to describe those activities for which management controls are, or should have been, in place. Accidents occurring during such activities are reportable and will be included in the statistics.

In order to create consistency in the reporting process of Marel Companies, the following activities are considered "work-related" as they are susceptible to accidents with significant impact:

- all work by Company personnel inside the Marel entities or at customers;
- all work by hired (agency and other) personnel under Company supervision.

For Company- and hired personnel, "Work" includes attending courses, conferences and Company organized events, business travel (not home- work- home traveling), field visits, or any other activity or presence expected by Marel.

Environmental accidents

Accidents violating the existing environmental regulations and/or environmental license of the Company.

Number of Calendar days without accidents causing absence

Indicate the number of calendar days between the most recent accident causing absence and the last day of the reporting quarter. (Only applicable for Manufacturing Centres)

The counting of days started on January 1, 2011.

Own personnel

Have a permanent or temporary employment contract with the Company.

Other personnel

Personnel working under supervision of the reporting Company.

11. Information distribution between SHE teams

Distribution of information between SHE teams should be done via the SHE Website.

Basic SHE requirements for all Marel entities

(Attachment 1)

Introduction.

Following The Corporate Marel SHE Policy, a summary of minimum SHE requirements ALL Marel entities should comply with has been created.

In addition to the basic requirements all entities are free to add requirements to fulfill their own needs, or to address unique processes.

Compliance with local laws is obviously compulsory.

The implementation of these requirements has been approved by the BoM of Marel.

Risk profiles are divided into three groups:

1. High Risk: Locations with Manufacturing / Assembly processes. (Not applicable for office Areas)
2. Medium Risk: Locations without Manufacturing / Assembly processes, but employing Field Service staff.
3. Low Risk: Locations not falling under 1 and/or 2.

All entities are supposed to review their SHE processes and determine their (non) compliance with the Basic SHE requirements. (See attached document)

In case of non compliance, a plan should be made to bring the non compliant processes to the level of compliance. The Corporate SHE Support Specialists will provide help if required.

Appendix 1: Additional information of basic requirements.

No.	Basic requirement	High risk	Medium Risk	Low risk
1	Risk analysis and plan of action	x	x	x
2	SHE workgroup or contact	x	x	x
3	Emergency evacuation plan	x	x	x
4	Registration of visitors	x	x	x
5	Introduction program new employees	x	x	x
6	Safety rules for employees and contractors	x	x	x
7	Registration of accidents (See Quarterly Reports)	x	x	x
8	Program for prevention Repetitive Stress Injury (RSI)	x	x	x
9	AED and trained employees	x	x	x
10	Safety training / education	x	x	
11	Internal safety audit	x		
12	Implementation of 6 S program	x		
13	Safety check of equipment	x		
14	Vaccination program field employees (fitters)	(x) (1)	(x) (1)	
15	Chemical Safety Management System	(x) (1)		
16	Lock out / tag out system	x		

(1) Only if applicable !

Appendix 1

Additional information “basic requirements”

No.	Addition information
1	The internal SHE group or outside experts investigate and report the specific hazards such as noise, RSI, welding, working on height, chemicals, machinery, explosion, physical stress and fire. All hazards will be categorized in a plan for action.
2	For entities with a high risk profile there should be a SHE workgroup to monitor the internal safety programs. In case of a low profile at least one employee is contact for internal and external communication.
3	The emergency plan describes the internal rules and conditions for a safe evacuation of all persons present and a floor-plan for the fire brigade. Floor plans with emergency exits should be posted as required.
4	Registration of all visitors is necessary for evacuation of them in case of an emergency.
5	The new employee introduction program includes general information about the organization and the internal rules.
6	General safety rules are a part of the introduction program. Detailed information about job tied risks is given by the coach of department. All contractors should have a copy of the internal (safety) rules and abide by them.
7	The registration of accidents, near-accidents and dangerous situations gives the organization the information to start improvements to prevent a replication. The importance of registration should widely be communicated within the organization.
8	Repetitive Strain Injury is the main risk for employees within offices. The preventive program should consist of at least 1) information about RSI and tips to prevent this is and 2) check of the individual workplace (height desk, tuning chair)
9	An AED is an important tool to reduce risks in case of heart failure. The corporate team strongly recommends each facility to have one or more AED's. Within the organization two or more employees are first aid educated employees and trained for the use of AED. The amount of educated employees depend on the total amount of employees of the organization .
10	Safety training and education are important for safety awareness. Training and education is based on the specific risks within the organization. A practical method is the use of toolbox meetings. Because the biggest risks are involved in the work of the field employees (fitters), special attention to training and awareness is required ! See also number 16 “In case of dangerous situations .. “
11	To ensure that working conditions and fulfillment of safety rules by employees / visitors / contractors are in accordance with the applicable safety policies, a member of the SHE team or the internal SHE contact person should make regular SHE Risk Surveys together with the applicable coach of the department. Documentation of hazards by photos is recommended. A follow up system of process improvement actions should be implemented.
12	In addition to the 5S program (based on lean manufacturing) the 6 th S integrates safety and has proved to be an important tool to achieve safer work conditions. Additional information about the details can be given by the Corporate SHE team.
13	Next to the internal safety audit (see 11) it is important (and mostly acquired by law) to check equipment on a regular time basis. Examples are cranes, stepladders and electrical tools .
14	The condition for field employees (fitters) worldwide requires a program for vaccinations to prevent illness.
15	A chemical safety Management System is a tool for the implementation of the safe usage of chemicals. Examples are training of employees, filing and reporting of SDS (Safety Data Sheets), instruction for personal protection.
16	Rules for personal protection are based on actual risks (acceptance of rules is important !) In case of dangerous situations -f.i. work on machines with moving parts- a tag out/ lock out system must be used.

