
Rules of procedure

Remuneration
Committee
Marel hf.

Valid as of 28 October 2015

The Marel logo is displayed within a dark blue rectangular box. It features a stylized red swoosh above the word "marel" in a white, lowercase, sans-serif font.

marel

RULES OF PROCEDURE

FOR

THE REMUNERATION COMMITTEE OF MAREL HF.

1. COMPOSITION OF THE REMUNERATION COMMITTEE

The Remuneration Committee is composed of three Board Members, unless the Board decides otherwise. The Board appoints the members of the Remuneration Committee and its Chairman.

The majority of the Remuneration Committee shall be independent of the Company. The members of the Remuneration Committee shall possess the knowledge and expertise needed to perform the tasks of the Committee.

2. REMUNERATION COMMITTEE'S ROLE

The Remuneration Committee shall assist the Board in ensuring that compensation arrangements support the strategic aims of the Company and enable the recruitment, motivation and retention of senior executives while also complying with legal and regulatory requirements.

The Committee shall assist the Board in ensuring that the members of the Executive Team and Board's performance is formally evaluated annually and that succession planning is conducted within the Company.

The Board is responsible for the appointment and activities of the Remuneration Committee and it operates under the Board's authority. The Remuneration Committee does not reduce the responsibilities of the Board or relieve it of any liability. Decision-making powers remain with the entire Board.

3. KEY TASKS

To fulfill its purpose, the Remuneration Committee shall:

1. Annually review the Company's compensation programs to determine whether they are properly coordinated and achieve their intended purpose and recommend any appropriate modifications or new programs.
2. Recommend to the Board the corporate goals and objectives relevant to the CEO and other members of the Executive Team's compensation, including annual performance objectives.
3. Evaluate the performance of the CEO and against the corporate and personal goals and objectives and recommend to the Board the compensation level based on this evaluation.
4. Review the CEO's evaluation of the performance Executive Team members against personal goals and objectives and recommend to the Board the compensation level based on this review.
5. Ensure that the financial metrics in the Company's incentive program and the actual results achieved are reviewed and verified by the Company's Internal Auditor.
6. Review the proposed salary increases included in the Company's operating plan for the upcoming year.
7. Prepare and submit a proposal to the Board for the Company's Remuneration Policy for the coming year, which shall include information on the Company's policy regarding salaries, incentive programs and other benefits of the Board, the CEO and other members of the Executive Team as further outlined in article 79(a) of the Icelandic Companies Act No. 2/1995.

The Remuneration Policy shall be submitted for approval by shareholders at the Company's Annual General Meeting. Any deviation from the Remuneration Policy shall be submitted to the Board for approval and the reasoning shall be recorded in the Board minutes.

8. Prepare and submit a proposal to the Board for a report of the execution of the Company's Remuneration Policy for the preceding year, to be shared with the Company's Shareholders at the Annual General Meeting.
9. Ensure that a senior executive succession planning process is in place and properly conducted.
10. Oversee the annual self-assessment of the Board and its Committees.
11. Evaluate the composition of the Board taking into consideration the strategic objectives of the Company as well as the results of the Board's annual self-assessment.
12. Consider Board succession planning and provide such input to the Company's shareholders as appropriate.
13. Evaluate Directors' independence of the Company and its major shareholders. Submit the evaluation to the Board for discussion and confirmation.
14. Conduct an annual evaluation of the performance of the Remuneration Committee including its effectiveness and compliance with this charter.
15. Review and reassess the adequacy of these Rules of Procedure annually and propose amendments as deemed appropriate.
16. Report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests.
17. Maintain minutes of Committee meetings and activities. The Board's rules regarding minutes of board meetings shall apply as appropriate.

4. MEETINGS

The Remuneration Committee shall convene as often as necessary but no less than twice a year for it to be able to perform its tasks and duties in an efficient manner. The Board's rules regarding board meetings shall apply, as appropriate.

The CEO and Corporate Director of Human Resources shall be invited to Remuneration Committee Meetings, as the Committee deems appropriate.

5. MISCELLANEOUS

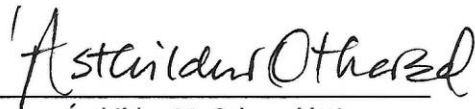
The Remuneration Committee may require reasonable assistance from external or internal advisors when performing its tasks and duties.

Members of the Remuneration Committee have the same general obligations as Board members, as stipulated in the Board's Rules of Procedure.

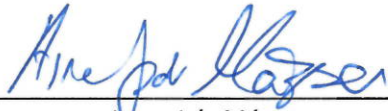
These Rules enter into force on the date of adoption by the Board. Only the Board may amend these Rules. The original of these Rules, as amended if applicable, shall at all times be maintained in the Company's Book of Minutes. At the time of adoption of these Rules, all members of the Board shall sign the original thereof. The Rules shall be published on the Company's website.

These Rules have been adopted in accordance with NASDAQ Iceland's Rules for Issuers of Financial Instruments and The Guidelines on Corporate Governance, published by the Icelandic Chamber of Commerce, NASDAQ Iceland and the Confederation of Icelandic Employers.

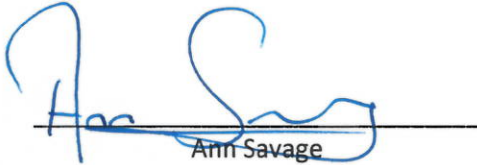
Adopted by the Board of Directors of Marel hf. on 28 October 2015



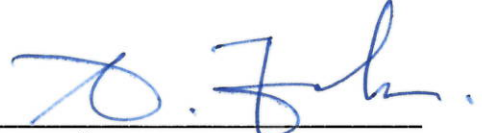
Ásthildur M. Otharsdóttir



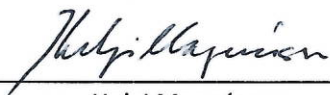
Arnar Þór Másson



Ann Savage



Ástvaldur Jóhannsson



Helgi Magnússon



Margrét Jónsdóttir



Ólafur S Guðmundsson



Árni Oddur Þórðarson
CEO



Linda Jónsdóttir
CFO