
Rules on the treatment of insider information, insider trading and trading with own shares

Marel hf.

Approved and adopted by the
Board of Directors on
9 February 2010, with
subsequent amendments

The Marel logo consists of a stylized red swoosh above the word "marel" in a white, lowercase, sans-serif font, all contained within a dark blue rectangular background.

marel

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RULES ON THE TREATMENT OF INSIDER INFORMATION, INSIDER TRADING AND TRADING WITH OWN SHARES AND OTHER FINANCIAL INSTRUMENTS

FOR

MAREL HF.

1. PURPOSE

- 1.1 The purpose of these internal rules (the **"Rules"**) of the Company (as defined below) is to ensure that the treatment of insider information, insider trading and trading with own shares and other financial instruments issued by the Company, is in conformity with applicable rules and legislation at any time. They are also intended to promote equality among investors and a proper price formation of the Company's shares in the market.
- 1.2 The Rules have been prepared in accordance with the Icelandic Act No. 108/2007 on Securities Transactions; the Rules of the IFSA (as defined below) No. 1050/2012 on the treatment of insider information and insider trading (hereinafter the **"IFSA Rules"**); Regulation no. 630/2005 on inside information and market abuse, including subsequent amendments; and the Rules of Nasdaq OMX Iceland hf. for issuers of financial instruments of 17 December 2013 (the **"Nasdaq Rules"**).
- 1.3 The Board of Directors shall reassess the content of these Rules at least once a year.

2. PARTIES COVERED BY THESE RULES

These Rules apply to the Company itself, the members of the Board of Directors, Marel's Executive Team and other employees of the Company, which are considered to be Insiders (as defined in Clause 4.3), as well as their Financially Related Parties (as defined in Clause 4.4).

3. FINANCIAL INSTRUMENTS COVERED BY THE RULES

The Rules apply to Financial Instruments (as defined in Clause 4.7) issued by the Company, which have been (or have been requested to be) admitted to trading on a regulated market and to financial instruments which are linked to one or more of such previously mentioned financial instruments.

4. DEFINITIONS

- 4.1 When referred to in these Rules, the **"Company"** shall mean Marel hf. and its subsidiaries.
- 4.2 When referred to in these Rules, **"Insider Information"** shall mean:
 - 4.2.1 Sufficiently specific information that has not been made public, relating directly or indirectly to the Company, the Financial Instruments or other aspects, including market conditions, which, if it was made public, would be likely to have a significant impact on the market price of the Financial Instruments.
 - 4.2.2 Information is considered specific enough if it relates to circumstances or events that exist or occur, or are more likely than not to come into existence or occur. However, the information must also be precise enough to enable a conclusion to be drawn as to the possible effect of the circumstances or event on the price of the Financial Instruments.
 - 4.2.3 Information that is likely to have significant impact on the market price of the Financial Instruments is information, which, if it was made public, would be likely to be a part of

the overall assessment of an informed investor when making his/her investment decisions.

- 4.2.4 The Board of Directors has prepared guidelines on which information is considered to be Insider Information, cf. Appendix 2 to these Rules. The guidelines are merely for ease of reference and do in no way constitute an exhaustive listing of circumstances, which might qualify as Insider Information.
- 4.3 When referred to in these Rules, "**Insiders**" shall mean:
- 4.3.1 "**Primary insiders**": Parties that generally have access to Insider Information by virtue of membership in the Board of Directors, management, supervision or other employment on behalf of the Company.
- 4.3.2 "**Temporary insiders**": Parties that are not considered to be Primary Insiders but who possess Insider Information by virtue of employment, position or responsibilities, or holdings in the Company.
- 4.3.3 "**Other insiders**": Parties that are neither considered to be Primary Insiders nor Temporary Insiders, but who have knowledge of Insider Information.
- 4.4 When referred to in these Rules, "**Financially Related Parties**" shall mean:
- 4.4.1 The Insider's spouse or cohabiting partner.
- 4.4.2 Financially incompetent children, adopted children and step children living in the Insider's home.
- 4.4.3 Other relatives, au pairs and/or exchange students, living in the Insider's home and who have lived there for at least one year prior to the transaction.
- 4.4.4 Legal entities: (i) that are managed by the Insider or any person referred to in Clauses 4.4.1 – 4.4.3; (ii) that are controlled directly or indirectly by the Insider or any person referred to in Clauses 4.4.1 – 4.4.3; (iii) other entities than referred to in (i) or (ii) if their financial interests are interwoven with those of the Insider or any person referred to in Clauses 4.4.1 - 4.4.3.
- 4.5 When referred to in these Rules, "**Directors**", also within the meaning of Article 127 of Act no. 108/2007, shall mean members of the Board of Directors and members of the Executive Team.
- 4.6 When referred to in these Rules, "**Unauthorised Parties**" shall mean all parties that do not require Insider Information for the purpose of their work or position.
- 4.7 When referred to in these Rules, "**Financial Instruments**" shall mean: (i) securities, including shares, bonds, subscriptions rights and convertible securities, (ii) derivatives, including forward contracts, futures contracts, swaps and options, (iii) unit share certificate, (iv) money-market instruments (vi) transferable mortgage rights in real estate and movable assets; and (vii) all other financial instruments as they are defined in Act no. 108/2007.
- 4.8 When referred to in these Rules, the "**IFSA**" shall mean the Icelandic Financial Supervisory Authority.

5. TREATMENT OF INSIDER INFORMATION

- 5.1 Employees and Directors must inform the Compliance Officer in good time of information which could conceivably be considered Insider Information. The Compliance Officer shall provide an opinion as to whether information is of such nature that it is considered Insider Information. If the Chief Executive Officer and the Compliance Officer disagree in their assessment of information, the Compliance Officer shall record this in the Record of Communications and account for this in a report to the Board of Directors. If Marel's Board of Directors does not accept the Compliance Officer's assessment and in the Compliance Officer's estimation a serious violation of Acts and Rules could be concerned, the latter must notify the IFSA.
- 5.2 As a general rule, any party with Insider Information shall not disclose such information to any other party.

- 5.3 Insider Information shall only be communicated to a third party if it has normal relations to the work, position or obligations of the communicating party and the receiving party is subject to a duty of confidentiality according to law, regulation or an agreement.
- 5.4 A party in possession of material containing Insider Information is responsible for the material being handled in such a way that Unauthorised Parties do not have access to the material. Parties in possession of Insider Information shall take every measure in order to preserve the information in a secure and confidential manner e.g. use locked cabinets, keep their computers password protected and take other necessary measures to mitigate the risk of Insider Information coming to the attention of Unauthorised Parties. Reproduction of data that contains Insider Information shall be kept to an absolute minimum and copies shall be preserved with the same care as originals.
- 5.5 Communication of Insider Information shall be kept within as restricted group as possible. Communication of insider information is always subject to the approval of the immediate supervisor of the distributing party, whether within or outside the Company. When possible, the Compliance Officer shall manage the distribution of Insider Information. Otherwise the Compliance Officer shall be notified simultaneously about the distribution of Insider Information, to ensure that the Insiders List can be updated and sent to the IFSA and Temporary Insiders can be notified of their legal status.
- 5.6 A party that communicates Insider Information shall verify that the information is only received by the intended recipient. When sending Insider Information, assurances shall be made that the recipient is obliged to keep the information confidential and is notified of his/her legal status as an Insider.
- 5.7 Insiders are prohibited from advising any third party on the basis of Insider Information to acquire or dispose of the Company's Financial Instruments or in any other way encourage them to trade with the said Financial Instruments.
- 5.8 A party with knowledge of an unauthorized disclosure of Insider Information shall immediately notify the Compliance Officer of such disclosure. If such disclosure has been made to parties within the Company, the Compliance Officer shall register the recipient on the Insiders List and notify him/her of his/her legal status as a Temporary Insider, cf. Clause 7.6. If such disclosure has been made to Unauthorised Parties outside the Company, the Compliance Officer shall immediately make the Insider Information public in accordance with the provisions of Clause 6, unless otherwise provided by law.

6. PUBLIC DISCLOSURE OF INSIDER INFORMATION

- 6.1 Information is regarded disclosed publicly when disclosure has taken place via a recognised distribution vehicle in accordance with the Company's IR Policy and the applicable rules as stipulated by Act no 108/2007, regulation no. 707/1008 and regulation no. 1162/2010.
- 6.2 As a general rule, Insider Information shall be made public as soon as possible on a non-discriminatory basis. However, the public disclosure of Insider Information may be delayed as provided for in the applicable law, regulations and rules.
- 6.3 The Compliance Officer is responsible for ensuring compliance with the applicable rules on public disclosure of Insider Information. However, the Compliance Officer shall always seek the prior approval of the Chief Executive Officer and, as applicable, the Chairman of the Board of Directors, before publicly disclosing any Insider Information.

7. INSIDERS LIST

- 7.1 The Compliance Officer shall maintain a register of the Insiders of the Company and their Financially Related Parties (hereinafter the "Insiders List"). The Insiders List shall be prepared in a form acceptable to the IFSA, as further outlined in the IFSA Rules.
- 7.2 The Compliance Officer is responsible for keeping the Insiders List up to date. The Compliance Officer shall send the IFSA an update of the Insiders List immediately when any changes occur.

Even if no changes occur the Compliance Officer shall at least send the IFSA a revised Insiders List every six months.

- 7.3 The Board of Directors has established guidelines on who shall be registered on the list of Primary Insiders, see Appendix 1. The Compliance Officer shall follow the guidelines when preparing and updating the Insiders List and evaluate which parties should be included therein.
- 7.4 When an Insider has been registered on the Insiders List, the Compliance Officer shall immediately send him/her a notification on his/her legal status as an Insider. The notification shall include information on applicable law and rules regarding insiders and the treatment of insider information, including these Rules and the IFSA Rules and where they can be obtained. Insiders shall also be informed of the current rules on insider misconduct. Primary Insiders shall be informed of which rules apply as regards their and their Financially Related Parties' trading with the Company's Financial Instruments. Temporary Insiders shall be informed that they are strictly prohibited from trading while in possession of Insider Information.
- 7.5 The Compliance Officer shall send the Insiders a form to fill out information on their Financially Related Parties. Furthermore, the Compliance Officer shall send the Insiders a declaration to sign confirming that he/she and his/her Financially Related Parties have read the insider notification and the applicable rules on insider trading. The Insider shall return both documents to the Compliance Officer without delay. The Compliance Officer shall at least every six months remind Insiders to report any changes to their financially connected parties. The Compliance Officer shall preserve the signed declaration while the Insiders are listed as Insiders with the Company and for at least three years thereafter.
- 7.6 When an Insider has been removed from the Insiders List, the Compliance Officer shall immediately send him/her a notification regarding the removal. Insiders shall for instance be removed from the Insiders List when: (i) a Primary Insider resigns and has no longer regular access to Insider Information, and (ii) Insider Information, which a Temporary Insider, or a Primary Insider that is no longer working for the Company, had knowledge of, has been disclosed publicly.

8. INSIDER TRADING

- 8.1 Insiders are prohibited from trading with the Company's Financial Instruments, on their own account or on behalf of others, if they possess Insider Information.
- 8.2 Primary Insiders shall ensure, before they and their Financially Related Parties trade with the Financial Instruments, that no Insider Information is available within the Company. For that purpose a Primary Insider shall notify the Compliance Officer of a contemplated transaction, by him/herself or his/her Financially Related Parties, prior to the execution. The Compliance Officer shall verify that no Insider Information is available within the Company before advising the Insider and give clearance to trade. If Insider Information is available within the Company the Compliance Officer shall advise the Insider not to trade and furthermore notify the Insider that if he/she executes the transaction anyway, the Compliance Officer is obliged to notify the IFSA and that such transaction may constitute a violation of law.
- 8.3 Primary Insiders shall notify the Compliance Officer of a contemplated transaction on the day they intend to execute. The Compliance Officer's advice is only effective on the day that it is given. If no trade is executed on that day, the Primary Insider is obliged to notify the Compliance Officer that he did not execute the trade.
- 8.4 Primary Insiders shall immediately notify the Compliance Officer on executed trades by him/her or his/her Financially Related Parties with the Company's Financial Instruments. The notification shall include information necessary for the Compliance Officer to complete a notification on the trade, including information on the nominal value and the trading price of the Financial Instruments as well as the nominal value of the Primary Insiders holding in the Company, and holdings of his/her financially connected parties, on the other.

- 8.5 As a general rule, Primary Insiders shall only be entitled to acquire or sell the Company's Financial Instruments for a period of 6 weeks (the "Trading Window") after the Company's disclosure of the (i) the first quarter financial report, (ii) the half-year financial report, (iii) the third quarter financial report, or (iv) the preliminary statement of the annual accounts or alternatively, the annual report of the Company, in so far that the annual report is disclosed immediately following the meeting of the Board of Directors where it is presented, provided however, that no Insider Information is available within the Company at the time.
- 8.6 Notwithstanding Clause 8.5, trading with the Company's Financial Instruments outside the Trading Window may, in certain instances, take place with a prior clearance by the Compliance Officer. Depending on the circumstances, acceptance may be given in the following instances:
- 8.6.1 Subscription of employee shares in case of a general employee incentive programme.
 - 8.6.2 Acceptance of a tender offer.
 - 8.6.3 Exercise of a pre-emption right or obligation.
 - 8.6.4 Similar special cases where purchase or sale is conducted in the discharge of an obligation, provided that this obligation has become due at the time of the transaction and where that said obligation results from an agreement concluded before the party concerned possessed Insider Information.

9. TRADING WITH OWN SHARES

- 9.1 As the Company is regarded as a Primary Insider, the rules on Insider trading apply when trading the Company's own shares.
- 9.2 Notwithstanding Clauses 8.5 and 9.1, the Company is entitled to trade in own shares in connection with share buy-back programmes as provided for in Chapter II of Annex I, on Trading in own shares in buy-back programmes, to Regulation 630/2005, in so far the trade is conducted in accordance with applicable law.
- 9.3 Notwithstanding Clause 8.5, the Company is entitled to trade shares in connection with settlement of stock-option programmes or the like, provided that such transactions are not conducted less than 10 days before the public disclosure of (i) the first quarter financial report, (ii) the half-year financial report, (iii) the third quarter financial report, and (iv) the preliminary statement of annual accounts or, alternatively, the annual report of the Company, in so far that the annual report is disclosed immediately following the meeting of the Board of Directors where it is presented. The Company's own shares shall not be traded without the prior written consent of the Compliance Officer and the Chief Executive Officer.
- 9.4 If the holding of the Company's own shares reaches, exceeds or goes below 5% or 10% of the voting rights, the Compliance Officer shall make public an announcement on changes in major shareholding as soon as possible after the transaction in accordance with the Company's IR Policy and no later than GMT 12:00 the next trading day

10. COMPLIANCE OFFICER

- 10.1 The Board of Directors shall appoint a Compliance Officer and a alternate Compliance Officer. The IFSA shall be notified of the appointments and their removal.
- 10.2 The Compliance Officer shall be independent in his/her work.
- 10.3 The Compliance Officer shall have access to all documents and information necessary to perform his/her work.
- 10.4 The Compliance Officer shall be involved in any disclosure of Insider Information.
- 10.5 The Compliance Officer supervises the enforcement of these Rules, the IFSA Rules and the Rules of Nasdaq OMX Iceland hf. within the Company. The Compliance Officer shall present the aforementioned rules to the Insiders and ensure that they are generally known by the employees of the Company and others that are subject to the rules. Furthermore, the

Compliance Officer shall ensure that the rules are generally accessible to parties within the Company to whom they apply.

- 10.6 The Compliance Officer shall submit to the Board of Directors a report on his/her activities as deemed necessary and at least once a year. The report shall e.g. include information on presentation of the rules to the employees of the Company, how many notifications he/she has received on insider trading, whether any insider trading was executed without his/her prior clearance and how many trade request were declined.
- 10.7 The Compliance Officer shall maintain a communications file, which shall include information on all communication with Insiders that takes place on the basis of the Rules, as further outlined in the IFSA Rules.
- 10.8 The Compliance Officer shall send notifications to the IFSA on Insider trading and notifications to the regulated markets on Director trading and trading in own shares as stipulated in the IFSA Rules and in Act no. 108/2007.
- 10.9 If the Compliance Officer suspects a breach of these Rules and/or the IFSA Rules he/she shall immediately report the IFSA and the Board of Directors on his/her suspicion.
- 10.10 The Compliance Officer answers all questions regarding the interpretation of these Rules in consultation with the Company's General Counsel (in case that individual is not the Company's Compliance Officer as well), as required.

11. DISCLOSURE OBLIGATION VIS-À-VIS THE RELEVANT AUTHORITIES

The Company shall deliver a copy of these Rules to the IFSA and Nasdaq OMX Iceland hf. at request.

12. SANCTIONS

- 12.1 Serious breach of these Rules may result in a dismissal for the relevant employee of the Company.
- 12.2 A breach of these Rules, that also constitutes a breach of provisions of Act no. 108/2007 or the IFSA Rules, may result in fines or imprisonment.

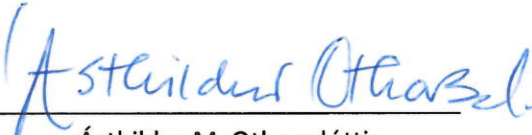
13. COMMENCEMENT

These Rules enter into force on the date of the adoption by the Board of Directors.


Appendix 1 – Guidelines on who are considered to be primary insiders.

Appendix 2 – Guidelines on whether privileged information is insider information


Initially adopted by the Board of Directors of Marel hf. on 9 February 2010 and amended by the Board on 26 October 2011, and on 28 October 2015.



Ásthildur M. Otharsdóttir



Arnar Pór Másson



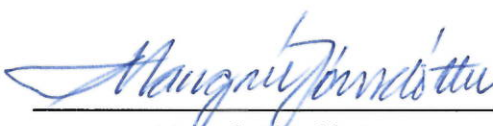
Ann Savage



Ástvaldur Jóhannsson



Helgi Magnússon



Margrét Jónsdóttir



Ólafur S. Guðmundsson



Árni Oddur Þórðarson
CEO



Linda Jónsdóttir
CFO

APPENDIX 1

GUIDELINES ON WHO ARE CONSIDERED TO BE PRIMARY INSIDERS

The following employees shall at all times be considered as primary insiders of Marel hf. The list is not exhaustive:

- The company itself – Marel hf.
- The Members of the Board of Directors
- The Members of the Executive Team
- The prime legal advisor of the Board of Directors
- Marel's Legal Counsels
- The auditors of Marel hf. and the members of the auditing team
- The assistants and secretaries to the Board of Directors and the Executive Team
- The General Managers of material sales subsidiaries and International sales divisions
- Head of Corporate Accounting Department and senior accountants working on consolidated financial statements
- Head of Investor Relations
- Head of Information Technology
- The Compliance Officer and the Alternate Compliance Officer
- Other individuals that are likely to have access to insider information by virtue of his/her work for the company

APPENDIX 2

GUIDELINES ON WHEN PRIVILEGED INFORMATION SHALL BE CONSIDERED INSIDER INFORMATION

On a meeting of the Board of Directors of Marel hf. held 26 October 2011 the following guidelines were established on what information is considered to be insider information. The following guidelines were amended on a meeting of the Board of Directors held on 28 October 2015.

WHEREAS, insider information is information on issuers of financial instrument, the financial instruments themselves or other aspects which have not been made public, but which would be likely to influence the market price of the financial instruments if they were public.

WHEREAS, insider information is considered to be price sensitive information.

1. Knowledge of unusually positive or negative financial results can be considered insider information. Marel shall consider sending a profit warning to the stock exchange, if unusually positive or negative results come into existence, also with regard to Section 2.12 of the Nasdaq rules, within 2 business days.
2. Knowledge of hidden assets of material nature is insider information.
3. Knowledge of intended mergers and acquisitions **can** be considered to be insider information, provided that the size of the transaction constitutes at least 6% of sales and/or profit from operations of Marel or is otherwise considered to signal a significant strategic change.