
Rules of Remuneration Committee

Marel Food Systems hf.

Valid as of 9 February 2010



RULES OF REMUNERATION COMMITTEE

FOR

MAREL FOOD SYSTEMS HF.

1. COMPOSITION OF THE REMUNERATION COMMITTEE

- 1.1 The Remuneration Committee is composed of either three or four Board Members, unless the Board decides otherwise.
- 1.2 The majority of the Remuneration Committee shall be independent of the Company.
- 1.3 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 AND DUTIES

- 2.1 The Remuneration Committee shall:
 - 2.1.1 prepare and submit proposals to the Board on the Remuneration Policy for the coming year, which shall include information on the Company's policy regarding the salaries, option schemes and other benefits of the Board, the CEO and the BoM as further outlined in Article 79 (a) of the Icelandic Companies Act No. 2/1995. The aim of the policy is to ensure a fair, but responsible rewarding, making the company and its subsidiaries competitive in hiring and retaining outstanding employees, a necessary prerequisite to fulfilling the company's vision for its presence on the global market. The remuneration policy covers all main aspects of salary, benefits and option scheme for the CEO and senior management of the company;
 - 2.1.2 ensure that the Remuneration Policy is based on principles which entail that the interests of the BoM and key employees are in fact connected to the Company's long term results;
 - 2.1.3 ensure that salaries and other benefits are each time in accordance with law, rules and best practice;
 - 2.1.4 take an independent stance on what effect salaries have on the Company's risks and risk management; and
 - 2.1.5 negotiate with the CEO and other members of BoM as regards wages, benefits, retirement and other employment terms, within the framework of the company's remuneration policy.
- 2.2 Any deviation from the Remuneration Policy shall be submitted to the Remuneration Committee for an approval and the reasoning shall be recorded in Board minutes.

3. MEETINGS

- 3.1 Remuneration Committee Meetings shall be called by any member of the Committee with a minimum of three days notice, as often as necessary, but no less than twice per year, for it to be able to perform its tasks and duties in an efficient manner. Remuneration Committee Meetings shall generally be called in connection with Board Meetings as deemed appropriate.
- 3.2 The CEO and the Corporate Director of Human Resources shall be invited to Remuneration Committee Meetings as the Remuneration Committee deems appropriate in order to fulfil its duties, including but not limited to to discuss the performance of executive directors and to make proposals as necessary, except where their own remuneration is being considered.
- 3.3 Otherwise the Board's rules regarding Board Meetings shall apply, as appropriate.

4. MINUTES OF MEETINGS

Minutes shall be kept of all proceedings at Meetings of the Remuneration Committee, and filed and documented in the Company's headquarters. The Board's rules regarding Minutes of Board Meetings shall apply as appropriate.

5. REPORTS AND OTHER INFORMATION TO THE BOARD

- 5.1 The Remuneration Committee shall submit its proposals on the Remuneration Policy to the Board at least two working days before the last Board Meeting prior to the Annual General Meeting.
- 5.2 Otherwise the Remuneration Committee shall at least once a year report to the Board on its activities for the previous year, including assessment of the work and performance of the Remuneration Committee.
- 5.3 The Board may require the Remuneration Committee to provide Board Members with additional documents and information related to specific tasks of the Remuneration Committee. The form and quality of the information shall be decided by the Board each time.

6. OTHER RESOURCES

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

7. DEFINITIONS

- 7.1 When referred to in these rules ("the Rules"):
 - 7.1.1 "Annual General Meeting" shall mean the Company's Annual General Meeting.
 - 7.1.2 "the Board" shall mean the Board of Directors of the Company,
 - 7.1.3 "Board Members" shall mean the Members of the Board of Directors of the Company,
 - 7.1.4 "the BoM" shall mean the Board of Management of the Company, consisting of the CEO, the CFO, and the CEO of Marel ehf.
 - 7.1.5 "the CEO" shall mean the Chief Executive Officer of the Company,
 - 7.1.6 "the Company" shall mean Marel Food Systems hf.,
 - 7.1.7 "the Remuneration Committee" or "the Committee" shall mean the Remuneration Committee of the Company,
 - 7.1.8 "the Remuneration Policy" shall mean the Company's Remuneration Policy,

8. MISCELLANEOUS

- 8.1 Members of the Remuneration Committee have the same general obligations as Board Members, as stipulated in the Board's Rules of Procedure.
- 8.2 These Rules enter into force on the date of the adoption by the Board.
- 8.3 Only the Board may amend these Rules. A majority vote of the Board is required to amend these Rules.
- 8.4 The original of these Rules, as amended (if applicable), shall at all times be maintained in the Company's Book of Minutes.
- 8.5 At the time of the adoption of these Rules, all Members of the Remuneration Committee shall sign the original thereof. If the Board approves any amendments to the Rules all Members of the Remuneration Committee shall sign an original copy of the Rules as amended. The Rules

shall be presented to New Members of the Remuneration Committee, who shall sign the original thereof to confirm their receipt of the Rules.

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

Adopted by the Board of Directors of Marel Food Systems hf. on 9 February 2010.