

# Remuneration Report 2020

This remuneration report (the "Report") provides an overview of total remuneration received by Marel's Executive Team and Board of Directors in 2020 with comparative information for past financial years where relevant.

Directive (EU) 2017/828 of the European Parliament and the Council of 17 May 2017 "Shareholder Rights Directive II" (SRD II) has not yet been implemented into Icelandic law and therefore does not apply to Marel. The Board of Directors has nevertheless taken steps to align disclosures in this report towards the requirements of the SRD II.

## Remuneration objectives

Remuneration of the Executive Team is designed to contribute towards attracting, motivating and retaining exceptional employees in a competitive, international market. Remuneration is structured to suitably align the interest of management and shareholders, supporting both long-term and short-term objectives and promoting Marel's strategy, long-term sustainability and value creation.

## Remuneration Policy

The Remuneration Policy forms the basis for governing remuneration of the Executive Team and the Board of Directors.

The Remuneration Policy for 2020 was adopted by Marel's Annual General Meeting held on 18 March 2020, and can be found at the Company's website, Marel.com.

The Board of Directors will propose to the Annual General Meeting on 17 March 2021 that an amendment is made to the Remuneration Policy from 2020, adding the following underlined segments to the sections on i) short-term incentives: "Short-term incentives, based on the achievement of a number of pre-defined financial and ESG (environmental, social and governance) targets as well as strategic business projects approved by the Board of Directors."; ii) severance payments to members of the Executive Team: "Severance payments shall comply with local legal framework, however never exceeding the equivalent of 24 months' base salary."

## Remuneration Committee

The Board of Directors has established a Remuneration Committee that assists the Board in meeting its responsibilities with regards to establishing,

implementing and executing its Remuneration Policy and preparing the annual Report.

The Remuneration Committee's Rules of Procedure can be found at the Company's website Marel.com.

The Remuneration Committee was composed of the following Directors in 2020:

- Asthildur Margret Otharsdottir (Chair)
- Ann Elizabeth Savage
- Arnar Thor Masson
- Olafur S. Gudmundsson

Otharsdottir, Savage and Masson are considered independent of both the Company and its largest shareholders, according to the Icelandic Guidelines on Corporate Governance.

## Remuneration of the Executive Team

### Executive Team

The following changes to the composition of the Executive Team took place in 2020.

New members 9 March 2020:

- Anna Kristin Palsdottir, EVP Innovation
- Gudbjorg Heida Gudmundsdottir, EVP Marel Fish

Members leaving or changing roles 9 March 2020:

- Vidar Erlingsson, EVP Innovation
- Sigurdur Olason, EVP Marel Fish
- Einar Einarsson, EVP Global Markets, change of role
- Jesper Hjørshøj, EVP Further Processing, change of role
- David Oddsson, EVP Human Resources, change of role

As per 17 February 2021, the Executive Team consists of:

- Arni Oddur Thordarson, Chief Executive Officer ("CEO")
- Linda Jonsdottir, Chief Financial Officer ("CFO") & EVP Finance, IT and HR
- Arni Sigurdsson, Chief Strategy Officer ("CSO") & EVP of Strategic Business Units
- Roger Claessen, EVP Marel Poultry
- David Wilson, EVP Marel Meat
- Gudbjorg Heida Gudmundsdottir, EVP Marel Fish
- Ulrika Lindberg, EVP Global Markets and Service
- Folkert Bölger, EVP Global Supply Chain

- Anna Kristin Palsdottir, EVP Innovation

Members of the Executive Team receive annual remuneration in accordance with the Remuneration Policy which may consist of the following fixed and variable components:

- a fixed base salary;
- fringe benefits;
- pension contribution;
- a short-term incentive in the form of an annual cash bonus when pre-defined targets are met;
- a long-term incentive in the form of stock options.

The composition of these components creates a well-balanced remuneration package reflecting both individual performance and the Company's overall performance.

The remuneration of the Executive Team is assessed on an ongoing basis with the assistance of internationally recognized remuneration advisors. Each of the remuneration components is compared to a group of North European peers of similar size and scope as Marel, with particular focus on the Nordic Countries.

#### Fixed base salaries

Annual base salaries of the Executive Team were increased by 4% on average in 2020, based on benchmarking and performance assessment. The annual base salary of the CEO was increased by 4%.

#### Fringe benefits

Fringe benefits include typical benefits such as company car, phone, home internet connection etc.

#### Pension contribution

Defined contribution payments in accordance with applicable laws and employment agreements. Executive Members do not receive pension contribution in excess of other employees in the same country.

#### Short-term incentives

Marel's short-term incentive program awards an annual cash bonus when a number of pre-defined financial and other strategic targets are met. The targets are set by the Board of Directors with the aim of promoting operational efficiency, financial health and focus on strategic actions supporting long-term value creation.

In 2020, financial targets accounted for 2/3 and other strategic targets for 1/3 of the short-term incentives, at target. The structure of the short-term incentive program was unchanged from 2019.

Financial targets for 2020 were based on consolidated company performance and were common for all members of the Executive Team. They included parameters measuring profitability (EBIT), working capital (operational cash flow as % of EBIT) and a forward-looking indicator of future revenues (orders received).

Other strategic targets included both common targets, for all members of the Executive Team, as well as individual targets. These reflected the strategic focus areas for the year within the perspective of the long-term value creation objectives of the Company.

Taking into consideration that Marel does not publish detailed earnings guidance and furthermore, operates in a highly competitive environment, the Company does not publish further details on short-term incentive targets.

Marel has three levels of short-term incentives: i) 50% of annual base salary at target for the CEO, with a maximum of 70% if EBIT attainment is at 110% or higher; ii) 45% at target and 60% at maximum for level 2 executives; and iii) 30% at target and 40% at maximum for level 3 executives.

#### Overview of short-term incentive structure in 2020

Total bonus at target, % of annual base salary	Level 1 (CEO): 50% Level 2: 45% Level 3: 30%
Total bonus maximum, % of annual base salary	If EBIT 10% or more above target: Level 1 (CEO): 70% Level 2: 60% Level 3: 40% Linear from target to max
Bonus split at target	Financial targets: 2/3 Common non-financial targets: 1/6 Personal non-financial targets: 1/6
Bonus cut-off	EBIT < 90% of target

Annual bonuses are paid out in April of the following year. Incentive payments presented in the Company's Consolidated Financial Statements for 2020 are those awarded for achievement of the previous year's (2019) targets.

#### Evaluation of performance in 2020 and subsequent short-term bonus awards

The global pandemic had a negative impact on Marel's financial results in 2020, resulting in both earnings (EBIT) and order intake below targets.

The targets for the year were approved at the pandemic's onset. The Board of Directors formally acknowledged

the challenges of setting targets in the highly volatile and uncertain environment, when it was impossible to predict the extent of the pandemic and its implications on businesses and the global economy. The Board of Directors resolved not to adjust the targets during the year.

In spite of financial results below initial pre-pandemic expectations for 2020, the Board of Directors is satisfied with developments throughout the year, considering the extraordinary circumstances:

- Marel has performed well relative to peers;
- No subsidies, furloughs or other government aid have been applied for nor have significant lay-offs been undertaken. Where government subsidies have been automatically applied, Marel has donated an equivalent or greater amount to local charity;
- Management exhibited clear leadership when reprioritizing in favor of employee safety, supporting customers and securing continuity of the food processing value chain and safeguarding the Company's financial health;
- Significant progress made on key strategic projects, including innovation, ESG, M&A and strengthening the foundation for future growth.

In light of the satisfactory performance under extraordinary circumstances, the Board of Directors has resolved to exercise its discretionary rights and award members of the Executive Team with a short-term bonus for 2020 of on average 60% of target bonus. These bonuses were fully accrued for in 2020.

As a result, the current Executive Team will be awarded a cash bonus of EUR 698 thousand in total for performance in 2020, corresponding to approximately 24% of total annual base salaries. Thereof, the CEO will be awarded a cash bonus of EUR 207 thousand, corresponding to 30% of annual base salary. The bonuses for 2020 will be paid in April 2021.

Short-term incentives are subject to recovery (clawback), provided that they have been based on data which proved to be manifestly misstated, wrong or misleading.

A summarized overview of total remuneration to the Executive Team in 2020, can be found in this Report, as well as in Note 29 of the Company's Consolidated Financial Statements for 2020.

#### Long-term incentives

Marel's long-term incentive program, in the form of stock options, is designed to strike a balance between short-term achievements and long-term thinking and thus aligning the interests of members of the Executive

Team and shareholders of the Company. Profit from the stock option program is determined by the development of the intrinsic performance metric, Total Shareholder Return (TSR).

According to Marel's Remuneration Policy, the value of stock options, based on the option pricing model of Black-Scholes, granted to an employee in any given year shall not exceed 60% of annual fixed base salary.

In addition to aligning interests, the Board of Directors considers a healthy structure of fixed and variable components important to provide operational flexibility through economic cycles.

At the Company's Annual General Meeting on 6 March 2019, shareholders approved a Share-Based Incentive program, authorizing the Board of Directors to issue up to 25 million stock options to members of the Executive Team and selected employees in strategic positions. In line with the Company's previous program, options issued under the program have a three-year vesting period and an exercise price equivalent to the closing price on Euronext Amsterdam on the date of granting. The exercise price shall be adjusted for future dividend payments.

Marel's Executive Team members are required to hold shares, corresponding to the net profit gained from the options (after tax) until the following holding requirements are reached, measured in total share value owned as a multiple of annual base salary: CEO three times; other members of the Executive Team two times.

In general, any unvested share options will lapse if the participants are no longer employed with the Company. The Board of Directors may decide to waive this condition, including if a participant becomes disabled or dies.

If a change of control occurs, as provided for in Article 100 of the Icelandic Securities Transactions Act No. 108/2007, any outstanding stock options shall vest.

The Company shall not grant any loans or guarantees to participants in connection with the share options.

In April 2020, 6,115 thousand stock options were granted to members of the Executive Team and selected employees in strategic positions, in accordance with the Company's Share-Based Incentive Scheme. Thereof, 1,840 thousand stock options were granted to members of the Executive Team other than the CEO, and 580 thousand stock options were granted to the CEO. Exercise price was EUR 3.80 per share with the estimated total cost of EUR 3.5 million over the three-year

vesting period. The value of the options granted to the CEO, calculated according to Black & Scholes, was approximately 50% of the CEO's annual base salary in 2020.

At the end of 2020, the total number of outstanding stock options amounted to 18.3 million, corresponding to 2.4% of total issued shares.

#### Development of the number of outstanding stock options

	Issued during year (thousands)	Outstanding end of year (thousands)	Outstanding % of total issued shares
2016	2,160	8,796	1.2%
2017	3,200	9,884	1.3%
2018	4,100	11,910	1.7%
2019	7,814	19,218	2.5%
2020	6,115	18,301	2.4%

An overview of stock options is presented in this Report as well as in Notes 22 and 29 of the Company's Consolidated Financial Financial Statements for 2020.

#### Changes to the stock option exercise process

In 2020 changes were made to the exercise process for stock option holders. The number of exercise periods was increased from two to four per year, following the disclosure of each quarterly financial results. Option holders may exercise the options by purchasing the vested options for shares for the stated exercise price, by paying the purchase price to Marel. Previously option holders could also opt for a "cashless exercise" where in essence, Marel arranged the sale of shares on the stock market on behalf of the option holder and once the shares had been sold, the option holder received the net gain (less any tax) in cash. This exercise process was canceled and a new process offered to option holders.

The new exercise process "net shares exercise" entails that the option holder receives net shares, i.e. the number of shares corresponding to the net gain from exercised stock options based on the market price at the exercise date.

The new process has the effect of shortening and simplifying the exercise procedure and the net gain can be more accurately determined at the time of exercise.

The net shares exercise means that the option holder chooses to set-off the payment of the purchase price for the exercised stock options against the number of shares to be delivered to the option holder following an exercise of the stock option. The option holder then receives a number of shares that are equal to the difference between (i) the number of exercised options

multiplied with the closing price of the shares at Euronext Amsterdam on the exercise date and (ii) the number of exercised options multiplied with the exercise price, less taxes, and divided by the closing price. In case of a net exercise the obligations of the option holder and Marel are therefore set-off, and the only transaction in Marel shares is the delivery of the net shares from Marel to the option holder.

Option holders may, in the same exercise period, exercise vested options from different option grants, where the exercise price is different between grants. In this case the exercise price disclosed to the market is the weighted average exercise price per share.

#### Remuneration of the Board of Directors

##### Board of Directors

The following changes in the composition of the Board of Directors took place at the Company's Annual General Meeting on 18 March 2020:

New Director: Lillie Li Valeur

Director stepping down: Margret Jonsdottir

As per 17 February 2021, the Board of Directors consists of:

- Asthildur Margret Otharsdottir, Chairman, Chairman Remuneration Committee, member Nomination Committee
- Arnar Thor Masson, Vice Chairman, Chairman Audit Committee, Chairman Nomination Committee, member Remuneration Committee
- Ann Elizabeth Savage, member Audit Committee and Remuneration Committee
- Astvaldur Johannsson, member Audit Committee
- Lillie Li Valeur
- Olafur S. Gudmundsson, member Remuneration Committee and Nomination Committee
- Ton van der Laan, member Audit Committee

The Board of Directors submits a proposal to the Annual General Meeting on the fee for the upcoming operating year, taking into account the extent of responsibilities and time commitment, the results of the Company and benchmark data on fees paid by European peer companies, which in size and scope are similar to Marel.

At the Company's Annual General Meeting on 18 March 2020, shareholders approved the Board of Directors' proposal for board remuneration for the upcoming year. Directors' fee was EUR 44,400 per annum (2019: 43,200). The Chairman of the Board of Directors receives triple the annual fee and the Vice Chairman receives 1.5 times the annual fee. Chairman of the Audit

Committee receives 0.5 times the annual fee. Other members of the Audit Committee receive remuneration of EUR 12,000 per annum. Members of the Remuneration Committee receive remuneration of EUR 8,400 per annum and members of the Nomination Committee receive EUR 3,600 per annum (2019: all members of sub-committees of the Board received EUR 11,160 per annum). Fees are paid in fixed, monthly payments.

In addition to the above fees, the Company pays social security duties, pension contribution according to legal requirements and reimburses board members for relevant expenses, such as travel and accommodation, in relation with Board and committee related work.

An overview of total fees to the Board of Directors in 2020 can be found in this Report as well as in Note 29 of the Company's Consolidated Financial Statements for 2020.

The Board of Directors will propose to the Annual General Meeting on 17 March 2021 that the directors' fee for the upcoming year will be EUR 45,600 per annum (2020: 44,400), and that as previously the Chairman of the Board of Directors will receive triple the annual fee and the Vice Chairman of the Board of Directors 1.5 times the annual fee. Furthermore, The Chairman of the Audit Committee will additionally receive EUR 22,800 (0.5 of board annual fee) per annum and other members of the Audit Committee EUR 12,000 per annum (2020: 12,000). Members of the Remuneration Committee will receive EUR 8,400 per annum (2020: 8,400) and members of the Nomination Committee EUR 3,600 per annum (2020: 3,600). According to the proposal, total board and committee fees will increase by 2.3% from 2020 to 2021.

Board of Directors' fee for the year and shares at year end (in thousands)	2020			2019		
	Board fee	Pension contribution <sup>1</sup>	Shares at year end <sup>2</sup>	Board fee	Pension contribution <sup>1</sup>	Shares at year end <sup>2</sup>
Asthildur Margret Otharsdottir, Chairman	144	17	32	140	16	32
Arnar Thor Masson, Vice Chairman	100	12	-	97	11	-
Ann Elizabeth Savage, Board Member	63	7	-	54	6	-
Astvaldur Johannsson, Board Member	56	6	-	54	6	-
Helgi Magnusson, Board Member, (until 06-03-2019)	-	-	-	9	1	-
Lillie Li Valeur, Board Member (from 18-03-2020)	35	4	-	-	-	-
Margret Jonsdottir, Board Member (until 18-03-2020) <sup>2</sup>	14	2	193	54	6	195
Olafur S. Gudmundsson, Board Member	56	6	1,705	54	6	1,705
Ton van der Laan, Board Member, (from 06-03-2019)	56	6	-	45	5	-
<b>Total Board of Directors</b>	<b>524</b>	<b>60</b>	<b>1,930</b>	<b>507</b>	<b>57</b>	<b>1,932</b>

<sup>1</sup> Pension contributions for all board members and the Executive Team are part of a defined contribution plan.

<sup>2</sup> Margret Jonsdottir is the Managing Director of Operations of Eyrir Invest hf. and Arni Oddur Thordarson is a major shareholder of Eyrir Invest hf., which on 31 December 2020 held 190,366,838 (2019: 190,366,838) shares in Marel hf. 24.7% (2019: 24.7%) of total issued shares.

Executive Team remuneration 2020 (in thousands)	Base Salary	Fringe Benefits	Total fixed remuneration	Short-term bonus <sup>1</sup>	Stock Options awarded <sup>2</sup>	Total variable remuneration	Extra-ordinary items	Pension contribution <sup>3</sup>	Total remuneration	Shares at year end <sup>4</sup>
Arni Oddur Thordarson, CEO	684	22	<b>706</b>	332	334	<b>666</b>	-	137	<b>1,509</b>	140
Linda Jonsdottir, CFO	409	31	<b>440</b>	179	184	<b>363</b>	-	79	<b>882</b>	340
Arni Sigurdsson, CSO and EVP of Strategic Business Units	409	29	<b>438</b>	179	184	<b>363</b>	-	79	<b>880</b>	217
Other Executive Team members	1,393	215	<b>1,608</b>	131	690	<b>821</b>	-	125	<b>2,554</b>	214
Former Executive Team members	840	101	<b>941</b>	189	-	<b>189</b>	819	235	<b>2,184</b>	1,048
<b>Total Executive Team</b>	<b>3,735</b>	<b>398</b>	<b>4,133</b>	<b>1,010</b>	<b>1,392</b>	<b>2,402</b>	<b>819</b>	<b>655</b>	<b>8,009</b>	<b>1,959</b>

Executive Team remuneration 2019 (in thousands)	Base Salary	Fringe Benefits	Total fixed remuneration	Short-term bonus <sup>1</sup>	Stock Options awarded <sup>2</sup>	Total variable remuneration	Extra-ordinary items	Pension contribution <sup>3</sup>	Total remuneration	Shares at year end <sup>4</sup>
Arni Oddur Thordarson, CEO	654	26	<b>680</b>	376	347	<b>723</b>	-	139	<b>1,542</b>	132
Linda Jonsdottir, CFO	392	28	<b>420</b>	195	227	<b>422</b>	-	79	<b>921</b>	183
Arni Sigurdsson, CSO and EVP of Strategic Business Units	392	22	<b>414</b>	195	227	<b>422</b>	-	79	<b>915</b>	100
Other Executive Team members	2,092	366	<b>2,458</b>	582	1,220	<b>1,802</b>	31	236	<b>4,527</b>	990
Former Executive Team members	196	36	<b>232</b>	143	134	<b>277</b>	-	15	<b>524</b>	195
<b>Total Executive Team</b>	<b>3,726</b>	<b>478</b>	<b>4,204</b>	<b>1,491</b>	<b>2,155</b>	<b>3,646</b>	<b>31</b>	<b>548</b>	<b>8,429</b>	<b>1,600</b>

<sup>1</sup> Short-term bonus represents bonus paid in the year for the previous performance year. For the performance year 2020, the short-term bonus will be paid in April 2021 in the following amounts: CEO: EUR 207 thousand; CFO: EUR 112 thousand; CSO and EVP Strategic Business Units: EUR 112 thousand; Other Executive Team members: EUR 267 thousand for a total short-term bonus of EUR 698 thousand.

<sup>2</sup> The granted options during 2020 and 2019 are valued according to the model of Black-Scholes with the assumptions applied when granted. The options granted in 2020 and 2019 had a vesting period of 3 years. The calculated total cost for the 3 years is disclosed in this table.

<sup>3</sup> Pension contributions for all board members and the Executive Team are part of a defined contribution plan.

<sup>4</sup> Including financially related. Arni Oddur Thordarson is a major shareholder of Eyrir Invest hf., which on 31 December 2020 held 190,366,838 (2019: 190,366,838) shares in Marel hf. 24.7% (2019: 24.7%) of total issued shares.

Executive Team remuneration	2020		2019	
	% of fixed	% of variable	% of fixed	% of variable
Arni Oddur Thordarson, CEO	56%	44%	53%	47%
Linda Jonsdottir, CFO	59%	41%	54%	46%
Arni Sigurdsson, CSO and EVP of Strategic Business Units	59%	41%	54%	46%
Other Executive Team members	68%	32%	60%	40%
Former Executive Team members	54%	46%	47%	53%
<b>Total Executive Team</b>	<b>60%</b>	<b>40%</b>	<b>56%</b>	<b>44%</b>

Stock Options 2020 (number of shares in thousands)	Main conditions of the stock option plan				Information regarding the financial year				
	Award Date	Last Vesting Date	Expiration Date	Exercise Price per share <sup>1</sup>	Stock Options Awarded	Stock Options Vested	Stock Options Exercised	Stock Options Forfeited	Stock Options at the end of the year
Arni Oddur Thordarson CEO	3-5-2016	28-4-2021	28-4-2022	1.797	360	72	288	-	72
	5-3-2017	6-3-2020	15-5-2021	2.623	600	600	600	-	-
	12-2-2018	13-2-2021	13-2-2022	2.768	650	-	-	-	650
	12-2-2019	13-2-2022	13-2-2023	3.136	650	-	-	-	650
	24-4-2020	24-4-2023	24-4-2024	3.800	580	-	-	-	580
Linda Jonsdottir CFO	2-12-2014	24-4-2020	28-4-2021	0.830	225	45	225	-	-
	4-8-2015	25-10-2020	28-10-2021	1.385	200	40	200	-	-
	3-5-2016	28-4-2021	28-4-2022	1.797	180	36	-	-	180
	5-3-2017	6-3-2020	15-5-2021	2.623	400	400	400	-	-
	12-2-2018	13-2-2021	13-2-2022	2.768	425	-	-	-	425
	12-2-2019	13-2-2022	13-2-2023	3.136	425	-	-	-	425
	24-4-2020	24-4-2023	24-4-2024	3.800	320	-	-	-	320
Arni Sigurdsson CSO and EVP of Strategic Business Units	2-12-2014	24-4-2020	28-4-2021	0.830	225	45	135	-	90
	4-8-2015	25-10-2020	28-10-2021	1.385	200	40	-	-	200
	3-5-2016	28-4-2021	28-4-2022	1.797	180	36	-	-	180
	5-3-2017	6-3-2020	15-5-2021	2.623	400	400	400	-	-
	12-2-2018	13-2-2021	13-2-2022	2.768	425	-	-	-	425
	12-2-2019	13-2-2022	13-2-2023	3.136	425	-	-	-	425
	24-4-2020	24-4-2023	24-4-2024	3.800	320	-	-	-	320
Other Executive Team members	2-12-2014	24-4-2020	28-4-2021	0.830	225	45	-	-	45
	4-8-2015	25-10-2020	28-10-2021	1.385	200	40	-	-	40
	3-5-2016	28-4-2021	28-4-2022	1.797	180	36	-	-	72
	5-3-2017	6-3-2020	15-5-2021	2.623	300	300	-	-	300
	12-2-2018	13-2-2021	13-2-2022	2.768	500	-	-	-	500
	12-2-2019	13-2-2022	13-2-2023	3.136	750	-	-	-	750
	6-6-2019	7-6-2022	15-11-2023	3.642	250	-	-	-	250
	24-4-2020	24-4-2023	24-4-2024	3.800	1,200	-	-	-	1,200
Former Executive Team members	2-12-2014	24-4-2020	28-4-2021	0.830	1,125	180	810	90	45
	4-8-2015	25-10-2020	28-10-2021	1.385	1,000	160	680	120	40
	3-5-2016	28-4-2021	28-4-2022	1.797	900	144	360	180	252
	5-3-2017	6-3-2020	15-5-2021	2.623	1,300	1,300	1,000	-	300
	12-2-2018	13-2-2021	13-2-2022	2.768	1,650	-	-	750	900
	12-2-2019	13-2-2022	13-2-2023	3.136	1,500	-	-	500	1,000
<b>Total Executive Team</b>	2-12-2014	24-4-2020	28-4-2021	0.830	1,800	315	1,170	90	180
	4-8-2015	25-10-2020	28-10-2021	1.385	1,600	280	880	120	280
	3-5-2016	28-4-2021	28-4-2022	1.797	1,800	324	648	180	756
	5-3-2017	6-3-2020	15-5-2021	2.623	3,000	3,000	2,400	-	600
	12-2-2018	13-2-2021	13-2-2022	2.768	3,650	-	-	750	2,900
	12-2-2019	13-2-2022	13-2-2023	3.136	3,750	-	-	500	3,250
	6-6-2019	7-6-2022	15-11-2023	3.642	250	-	-	-	250
	24-4-2020	24-4-2023	24-4-2024	3.800	2,420	-	-	-	2,420

<sup>1</sup> The exercise prices of options granted are originally the same as the market price at the date of each granting except for options granted in June 2019, the exercise price is the same as the final offer price in the listing on Euronext Amsterdam. The exercise prices are adjusted afterwards according to dividend per share when paid, i.e. the exercise prices are lowered by the same amount as the paid dividend per share (cent against cent). The exercise prices of options granted 2014-2016 are subject to a hurdle rate. For options from 2014-2015 it is 3% annually and 2% for options from 2016. Exercise prices in other outstanding options are not affected by a hurdle rate.

Main conditions of the stock option plan

Information regarding the financial year

Stock Options 2019 (number of shares in thousands)	Main conditions of the stock option plan			Information regarding the financial year					Stock Options at the end of the year
	Award Date	Last Vesting Date	Expiration Date	Exercise Price per share <sup>1</sup>	Stock Options Awarded	Stock Options Vested	Stock Options Exercised	Stock Options Forfeited	
Arni Oddur Thordarson CEO	3-5-2016	28-4-2021	28-4-2022	1.819	360	216	-	-	360
	5-3-2017	6-3-2020	15-5-2021	2.681	600	-	-	-	600
	12-2-2018	13-2-2021	13-2-2022	2.825	650	-	-	-	650
	12-2-2019	13-2-2022	13-2-2023	3.194	650	-	-	-	650
Linda Jonsdottir CFO	2-12-2014	24-4-2020	28-4-2021	0.861	225	45	-	-	225
	4-8-2015	25-10-2020	28-10-2021	1.423	200	40	-	-	200
	3-5-2016	28-4-2021	28-4-2022	1.819	180	108	-	-	180
	5-3-2017	6-3-2020	15-5-2021	2.681	400	-	-	-	400
	12-2-2018	13-2-2021	13-2-2022	2.825	425	-	-	-	425
	12-2-2019	13-2-2022	13-2-2023	3.194	425	-	-	-	425
Arni Sigurdsson CSO and EVP of Strategic Business Units	2-12-2014	24-4-2020	28-4-2021	0.861	225	45	-	-	225
	4-8-2015	25-10-2020	28-10-2021	1.423	200	40	-	-	200
	3-5-2016	28-4-2021	28-4-2022	1.819	180	108	-	-	180
	5-3-2017	6-3-2020	15-5-2021	2.681	400	-	-	-	400
	12-2-2018	13-2-2021	13-2-2022	2.825	425	-	-	-	425
	12-2-2019	13-2-2022	13-2-2023	3.194	425	-	-	-	425
Other Executive Team members	2-12-2014	24-4-2020	28-4-2021	0.861	900	180	45	-	720
	4-8-2015	25-10-2020	28-10-2021	1.423	800	160	160	-	640
	3-5-2016	28-4-2021	28-4-2022	1.819	720	432	108	-	612
	5-3-2017	6-3-2020	15-5-2021	2.681	1,100	-	-	-	1,100
	12-2-2018	13-2-2021	13-2-2022	2.825	1,650	-	-	-	1,650
	12-2-2019	13-2-2022	13-2-2023	3.194	2,000	-	-	-	2,000
	6-6-2019	7-6-2022	15-11-2023	3.700	250	-	-	-	250
Former Executive Team members	2-12-2014	24-4-2020	28-4-2021	0.861	450	90	45	-	270
	4-8-2015	25-10-2020	28-10-2021	1.423	400	80	40	-	240
	3-5-2016	28-4-2021	28-4-2022	1.819	360	216	108	-	252
	5-3-2017	6-3-2020	15-5-2021	2.681	500	-	-	-	500
	12-2-2018	13-2-2021	13-2-2022	2.825	500	-	-	-	500
	12-2-2019	13-2-2022	13-2-2023	3.194	250	-	-	-	250
<b>Total Executive Team</b>	2-12-2014	24-4-2020	28-4-2021	0.861	1,800	360	90	-	1,440
	4-8-2015	25-10-2020	28-10-2021	1.423	1,600	320	200	-	1,280
	3-5-2016	28-4-2021	28-4-2022	1.819	1,800	1,080	216	-	1,584
	5-3-2017	6-3-2020	15-5-2021	2.681	3,000	-	-	-	3,000
	12-2-2018	13-2-2021	13-2-2022	2.825	3,650	-	-	-	3,650
	12-2-2019	13-2-2022	13-2-2023	3.194	3,750	-	-	-	3,750
	6-6-2019	7-6-2022	15-11-2023	3.700	250	-	-	-	250

<sup>1</sup> The exercise prices of options granted are originally the same as the market price at the date of each granting except for options granted in June 2019, the exercise price is the same as the final offer price in the listing on Euronext Amsterdam. The exercise prices are adjusted afterwards according to dividend per share when paid, i.e. the exercise prices are lowered by the same amount as the paid dividend per share (cent against cent). The exercise prices of options granted 2014-2016 are subject to a hurdle rate. For options from 2014-2015 it is 3% annually and 2% for options from 2016. Exercise prices in other outstanding options are not affected by a hurdle rate.