

# Rules of Procedure

## Audit Committee of Marel hf.

7 February 2023

## **1. COMPOSITION OF THE AUDIT COMMITTEE**

The Audit Committee (the "Committee") shall be appointed on the first meeting of the Board of Directors following each Annual General Meeting of Marel hf. (the "Company") and shall be composed of at least three members.

Committee members shall be independent from the auditor of the Company. The majority of the Committee shall be independent of the Company and its management. At least one member who is independent of both the Company and its managements shall also be independent of shareholders that hold 10% or more of the total share capital of the Company. The CEO and other members of Company's senior management may not be members of the Committee.

Committee members shall have qualifications and experience in accordance with the activities of the Committee, and at least one member shall have detailed expertise in the field of operation, finance, accounting or auditing.

If a member of the Committee is to resign from the Board of Directors during its term, irrespective of the reason thereof, such member shall no longer be qualified for the Committee and shall immediately be replaced in the Committee by another member of the Board of Directors and appointed in accordance with this Section 1.

For the execution of its work, the Committee shall have extensive access to data from managers and internal and external auditors. The Committee may request reports and commentaries from such parties as relate to the Committee's work.

## **2. AUDIT COMMITTEE'S ROLE**

The Committee's key roles include:

1. Monitor the financial reporting process and review financial statements and other applicable financial reports of the Company;
2. Monitor the effectiveness of Company's internal controls and risk management systems;
3. Monitor and follow up on capital allocation decisions by the Board of Directors;
4. Oversight of regulatory compliance and ethics;
5. Oversee qualifications, independence, and performance of the external auditors; and
6. Oversee the performance of the Company's internal audit function.

## **3. KEY TASKS**

To fulfil its roles the Committee shall:

1. Review all financial information and procedures, as well as reported non-financial information such as ESG reporting, regarding information disclosure from members of Company's senior management and internal and external accountants. The Committee shall verify that the information that the Board receives regarding the operations, standing and future prospects of the Company are reliable and give as clear perspective of the Company as possible at any given time.
2. Review, and challenge where necessary, the actions and judgements of management, as well as all working processes, in relation to the preparations of the Company's financial

statements, interim reports and other formal financial information, including disclosure process, before submission to and approval by the Board.

3. Review the Company's procedures for detecting fraud and review effectiveness and integrity of the systems for internal financial control, financial reporting and overall risk management and responses to risk.
4. Review the Company's tax policy and tax planning.
5. Review processes, risk and key developments regarding information technology and cybersecurity.
6. Review the internal audit program and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company. Monitor and assess the role and effectiveness of the internal audit function in the overall context of the Company's risk management system and appoint or dismiss the head of internal audit.
7. Review the external auditor's proposed audit scope and approach. Review with the external auditors, the finding of their work and review the audit reports before consideration by the Board giving particular consideration to matters that relate non-standard issues. Review proposals and/or approve framework regarding additional services rendered by external auditors, as may be applicable. Review the performance of the external auditors and recommend to the board on the appointment or discharge of the auditors.
8. Review the effectiveness of the system for monitoring compliance with laws and regulations. Review the findings of any examinations by regulatory agencies and obtain regular updates from management and General Counsel and/or Compliance Officer regarding compliance matters.
9. Regularly report to the Board of Directors about the Committee's activities and issues that arise in Committee meetings. Report annually to the shareholders, describing the Committee's composition, responsibilities, and assessment on its work.
10. Require, if needed, the CEO, the CFO, the Internal Auditor, the External Auditor and Compliance Officer to provide the Committee with any documents and information related to specific tasks of the Committee. The form, quality and detail of the information shall be decided by the Committee each time.

#### **4. MISCELLANEOUS**

The Committee shall annually schedule a joint meeting of the Board of Directors, the Committee, and the external auditors, where the day-to-day management of the Company is not present.

The Board of Directors is responsible for the appointment and activities of the Committee and it operates under the Board's authority. The Committee does not reduce the responsibilities of the Board or relieve it of any liability. Decision-making powers remain with the entire Board. The Committee may require reasonable assistance from external advisors when performing its tasks and duties and it can institute and oversee special investigations as needed.

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

These Rules enter into force at the date of the adoption by the Board. Only the Board may amend these Rules with a majority vote. 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 the adoption of these Rules, all Members of the Board shall sign the original thereof. The Rules shall be available on the Company's website.

These Rules have been adopted in accordance with Articles 108 (a)-(d) of the Icelandic Act No. 3/2006 on Annual Accounts, Nasdaq Iceland Rules for issuers of Financial Instruments, the Guidelines on Icelandic Corporate Governance published by the Icelandic Chamber of Commerce, Nasdaq Iceland and the Confederation of Icelandic Employers, and the Dutch Corporate Governance Code (as applicable).

Adopted by the Board of Directors of Marel hf.  
7 February 2023

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Arnar Þór Mátsson  
Chairman of the Board

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Ann E. Savage

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Ástvaldur Jóhannsson

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Lillie Li Valeur

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Ólafur S. Guðmundsson

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Svafa Grönfeldt

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Ton van der Laan