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**RELATED PARTY TRANSACTIONS POLICY**

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**OCI N.V.**

**Adopted by the Board on 29 January 2020**

## **1 INTRODUCTION**

- 1.1 The Board recognizes that transactions with related parties may cause prejudice to the Company and its stakeholders and that adequate safeguards for the protection of the interests of the Company and its stakeholders are of importance.
- 1.2 The purpose of this policy is to provide adequate protection for the interests of the Company and its stakeholders.
- 1.3 This policy has been prepared with due observance of the requirements of Dutch law, the Code and the Company's articles of association and by-laws. This policy shall be reviewed and amended when the developments so require.
- 1.4 In this policy, capitalized terms have the meaning set out in Annex A.

## **2 IDENTIFYING AND REPORTING RELATED PARTY TRANSACTIONS**

- 2.1 (Potential) Related Party Transactions must be reported in accordance with this clause 2 before such transaction is entered into.
- 2.2 (Potential) Related Party Transactions must be reported to the Chairman who will subsequently report these transactions to the Board.
- 2.3 The Chairman must report any (potential) Related Party Transaction relating to him to the Vice-Chairman who will subsequently report this transaction to the remainder of the Board.
- 2.4 In the event of a (potential) Related Party Transaction, the reporting party shall provide all relevant information regarding the (potential) Related Party Transaction available to her or him.

## **3 APPROVAL OF RELATED PARTY TRANSACTIONS**

- 3.1 The Non-Executive Directors shall decide whether a potential Code Related Party Transaction qualifies as a Code Related Party Transaction. If the transaction is considered a Code Related Party Transaction, the transaction requires the prior approval of the Non-Executive Directors. A Non-Executive Director shall not participate in the deliberations

and decision-making regarding the approval of a Related Party Transaction if he or she is a Related Party, or performs a function at a Related Party or its business.

3.2 The Board shall decide whether a potential Statutory Related Party Transaction qualifies as a Statutory Related Party Transaction. If the transaction is considered a Statutory Related Party Transaction, the transaction requires the approval of the Board. A Director shall not participate in the deliberations and decision-making regarding the approval of a Related Party Transaction if he or she is a Related Party, or performs a function at a Related Party or its business.

3.3 In determining whether to approve a Related Party Transaction, the Non-Executive Directors or the Board will take into account, among other factors they deem appropriate:

- (i) whether the Related Party Transaction is on terms no less favourable than terms generally available to an unaffiliated third-party under the same or similar circumstances and the extent of the Related Party's interest, in the Related Party Transaction;
- (ii) the approximate monetary value of the amount involved in the Related Party Transaction;
- (iii) the approximate monetary value of the amount of the Related Party's interest in the Related Party Transaction;
- (iv) the purpose of, and the potential benefits to the Company or Subsidiary deriving from the Related Party Transaction;
- (v) if a Director is related to the Related Party, whether the Related Party Transaction would impair the independence of the Director concerned;
- (vi) in case of a Code Related Party Transaction, whether the transaction constitutes a deviation from clause 2.7.5 Code as the transaction is not entered into on terms that are customary in the market, and whether such deviation is justified; and
- (vii) any other information regarding the Related Party Transaction or the Related Party that could be material to the Company and its stakeholders.

#### **4 DISCLOSURE AND REPORTING**

4.1 The Company shall publicly disclose on its website each Statutory Related Party Transaction ultimately at the moment the Statutory Related party Transaction is entered into. The public disclosure shall in any event include the following information:

- (i) the Statutory Related Party's name;
- (ii) the nature of the relationship with the Statutory Related Party;
- (iii) the date the Statutory Related Party Transaction is, or will be, entered into;
- (iv) the value of the Statutory Related Party Transaction; and
- (v) such other information that is necessary for assessing whether the Statutory Related Party Transaction is reasonable and fair from the Company's perspective and from the perspective of the Company's shareholders that are not involved in the transaction as a Statutory Related Party.

4.2 Notwithstanding any other obligations under applicable reporting requirements to disclose Related Party Transactions in the Company's annual report, Code Related Party Transactions shall be disclosed in the Company's annual report in accordance with clause 2.7.5 Code.

#### **5 PERIODIC REVIEW OF CERTAIN EXCLUDED TRANSACTIONS**

5.1 The Board will periodically assess whether transactions that were considered Excluded Transactions based on sub (e) of the definition of Excluded Transactions (i.e., on the ground that they were entered into in the ordinary course of business and under normal market conditions), indeed qualified as Excluded Transaction on this ground. In conducting this review, the Board may obtain information from senior management and other employees and external advisors of the Company.

5.2 This assessment will take place in the meetings in which the Board discusses the quarterly or semi-annual financial statements, unless decided otherwise by the Chairman.

## Annex A – Definitions

"**Board**" means the board of the Company;

"**Chairman**" means the chairman of the Board;

"**Close Family Member**" means the spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree of a Director;

"**Company**" means OCI N.V., a public limited liability company, with corporate seat in Amsterdam, the Netherlands and Trade Register number 56821166;

"**Code**" means the Dutch Corporate Governance Code;

"**Code Related Party**" a holder (individual or entity) of at least 10% of the Company's issued share capital;

"**Code Related Party Transaction**" means any transaction entered into by the Company or a Subsidiary and a Code Related Party, that is of material significance to the Company and/or the Code Related Party pursuant to clause 2.7.5 Code;

"**DCC**" means the Dutch Civil Code;

"**Director**" means an Executive Director or a Non-Executive Director;

"**Excluded Transaction**" means a transaction:

- (a) entered into between the Company and a Subsidiary;
- (b) regarding the remuneration of Directors, or elements thereof that are awarded or due pursuant to section 2:135 or 2:145 DCC;
- (c) entered into by credit institutions on the basis of measures, aiming at safeguarding their stability, as further described in section 2:169 (5) (c) DCC;
- (d) offered to all the Company's shareholders on the same terms, provided equal treatment of all shareholders and protection of the interests of the Company and its business is ensured, or

- (e) entered into in the ordinary course of business and under normal market conditions;

**"Executive Director"** means an executive director of the Board;

**"Material Transaction"** means:

- (a) a transaction entered into by the Company or a Subsidiary that meets the following criteria:
  - (i) the transaction is not an Excluded Transaction;
  - (ii) information regarding the transaction constitutes inside information as defined in article 7 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation, MAR); and
  - (iii) the transaction is entered into with a Statutory Related Party, including in any case (x) one or more holders of shares individually or jointly representing at least one-tenth of the Company's issued share capital, or (y) a Director; or
- (b) a transaction that, taken together with the other transactions entered into in the course of the same financial year with the same party, meets the criteria referred to under (a);

**"Non-Executive Director"** means a non-executive director of the Board;

**"Related Party"** means a Code Related Party or a Statutory Related Party;

**"Related Party Transaction"** means a Code Related Party Transaction or a Statutory Related Party Transaction;

**"Statutory Related Party"** means a related party within the meaning of the standards adopted by the International Accounting Standards Board and approved by the European Commission (International Accounting Standards 24 - Related Party Disclosures (IAS24)), as further described in [Annex B](#));

**"Statutory Related Party Transaction"** means a Material Transaction with a Statutory Related Party;

**"Subsidiary"** means a subsidiary in the meaning of section 2:24a DCC; and

**"Vice-Chairman"** means the vice-chairman of the Board.

## Annex B – Statutory Related Party description

- a. A person or a Close Family Member is related to the Company if that person has control, joint control, or significant influence over the Company or is a member of the Company's key management personnel or the Board.
- b. An entity is related to the Company if any of the following conditions applies: it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the Company, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a Statutory Related Party.

The following persons or entities will in any event be each considered a Statutory Related Party:

- c. enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Company;
- d. associates, in which the Company has a significant influence or which has significant influence over the Company;
- e. individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence<sup>1</sup> over the Company, and Close Family Members of any such individuals;
- f. key management personnel<sup>2</sup> (i.e., persons having authority and responsibility for planning, directing and controlling the activities of the Company, which could include Directors and senior management of group companies) and Close Family Members of any such individual; and
- g. enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d). or over which such a person is able to exercise significant influence, including enterprises owned by directors or major shareholders of the Company and enterprises that have a member of key management in common with the Company.

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<sup>1</sup> IAS 28 states that the threshold of 20% of the voting power (held directly or indirectly through subsidiaries) normally decides whether there is significant influence, unless it can be demonstrated that (i) this is not the case, or (ii) the threshold of 20% is overridden by other factors.

<sup>2</sup> Up until to date key management personnel of the Company consisted exclusively of the Board.