

Amsterdam, The Netherlands / 5 March 2021

OCI N.V. Enters into Agreements with MAN Energy Solutions, Hartmann Group and Eastern Pacific Shipping to Create Marine Value Chain and Start Commercialization by 2023/24 of Ammonia and Methanol as the Shipping Fuels of the Future

OCI N.V. (Euronext: OCI) today announced that it has signed two separate agreements:

- i. **Memorandum of Understanding with MAN Energy Solutions (MAN) and Hartmann Gas Carriers Germany GmbH & Co (Hartmann)**, under which OCI intends to charter ammonia vessels built, owned and operated by Hartmann and its commercial arm, GasChem Services, that are operated using ammonia engines designed by MAN. The partnership aims to propel the commercialization of ammonia-fueled vessels and accelerate the energy transition and decarbonization of the shipping industry.
- ii. **Memorandum of Understanding with MAN Energy Solutions and Eastern Pacific Shipping (EPS)**. The partnership will target retrofitting existing vessels from EPS' tanker fleet to methanol and ammonia, new-build methanol and ammonia-fueled vessels to drive the commercialization of these fuels and provide a path for the current conventional fuel vessel fleet to decarbonize. The technology to retrofit a vessel to accept methanol as a fuel is available today and the intention is for OCI to charter the first retrofitted methanol fueled vessel operated by EPS using already in-service MAN engines and technology in the next two years.

Brian Østergaard Sørensen, Vice President and Head of R&D, Two-Stroke Business at MAN Energy Solutions, said: “We view these initiatives as closely aligned with our own strategy of cooperating with external partners to develop sustainable technologies. Methanol and ammonia are very interesting candidates as zero-carbon fuels. In fact, we have already introduced a methanol-burning two-stroke engine, while we expect to deliver the first ammonia-fueled engine in 2024. MAN Energy Solutions is fully committed to the maritime energy transition and the development of technology that exploits alternative, clean fuels.”

Jens Seeberg, Head of Retrofit & Upgrade at MAN PrimeServ Denmark, said: “For us, the path to decarbonizing the maritime industry starts with fuel decarbonization. Happily, the flexibility of the ME-C engine enables us to retrofit the existing fleet into methanol-fueled vessels that have a significantly reduced environmental impact. We look forward to moving with our industry partners towards these sustainable goals.”

Shipping currently accounts for almost 3% of global CO₂ emissions, but is one of the hardest sectors to decarbonize due to the cost effectiveness of heavy fuel oil and dispersed refueling. The International Maritime Organization (IMO) has set emissions targets for 2030 and 2050 that can only be achieved through the adoption of low-carbon fuels on new and existing vessels.

Ammonia and methanol, OCI's core products, are the only practical alternatives for long-distance shipping. With global infrastructure in place, these products can bridge the transition from “grey” to “green” until the industry has fully scaled up to products based solely on renewable energy sources.

In addition to newly built ships, it will be essential to convert engines from conventional fuel to methanol and ammonia to meet these targets. These two partnerships focus on the full spectrum of retrofits and new-builds to ensure that as many vessels as possible can reach compliance on time.

Compared to hydrogen and LNG, ammonia is widely used and easier to store with extensive global distribution and storage infrastructure in place. Converting all long-distance shipping fuel to ammonia would require approximately 750-900 million tonnes of ammonia annually by 2050, which is 4-5 times the current total global ammonia production.

Methanol is a liquid and is interchangeable with most refined products in tanks and pipelines, making its adoption seamless with existing bunkering infrastructure. Converting all long-distance shipping to methanol would require about 650 to 720 million tonnes annually by 2050, which is 6-7 times the current total global methanol production.

The emergence of ammonia and methanol as the most logical alternative to conventional fuels presents a large opportunity for OCI. The company has therefore made it a top priority to make these established low carbon fuels for shipping and is accelerating the transition to produce additional blue and green ammonia and methanol at its plants.

OCI is well-positioned to capture this huge potential demand as one of the largest producers of ammonia and methanol globally with production assets in North America, Europe and the Middle East & North Africa. In addition, OCI is the largest methanol producer in Europe, the second largest in the US and the largest producer of bio-methanol globally. OCI has a unique global distribution network in place with plants and storage tanks located directly on major global shipping routes, at or near 3 out of the 4 global bunkering hubs (Rotterdam, Fujairah and Houston).

Fertiglobe particularly benefits from proximity to ample underutilized wind and solar generation capacity across the Middle East & North Africa enabling stable production of green ammonia at a low cost. By 2030, Europe will likely not produce sufficient green hydrogen to meet their needs and is expected to depend on imports with the MENA region the most competitive alternative.

Capt. Alfred Hartmann, Chairman of the Supervisory Board of the Hartmann Group and President of German Shipowners' Association, said, "Hartmann Gas Carriers Germany together with their commercial arm, GasChem Services in Hamburg, are convinced of the opportunities that ammonia-fueled vessels will offer to the environment. At a time when the maritime industry is at the dawn of a new era and looks for options to decarbonize shipping, we are proud and excited to be part of this highly innovative, future-looking project. The new vessel type will enable us to reduce carbon emissions significantly and set new standards for environmentally-friendly shipping."

Eastern Pacific Shipping CEO Cyril Ducau said, "EPS is proud to partner with industry-leaders OCI and MAN with a shared vision to push our industry towards decarbonization and environmental preservation. As a leading tonnage provider, EPS has taken a firm stance that sustainability begins with accountability. This means we have a responsibility to implement emission lowering solutions available today while simultaneously developing solutions for tomorrow. Converting our existing conventional fleet to burn methanol creates a unique opportunity to continue lowering our carbon footprint significantly and rapidly. In the meantime, developing ammonia-fueled conversion and newbuilding



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projects will help develop more mature zero-carbon solutions in the longer-term. We are excited about the next steps and to share our findings with the industry.”

Ahmed El-Hoshy, Chief Executive Officer of OCI N.V., commented: “Ammonia and methanol are the fuels of the future and we are excited to continue to play a part in the transition to zero carbon in a cost-effective way through these partnerships. Our products are perfectly positioned to fuel the transition and we believe the push towards low carbon fuels in the coming years will be met with the adoption of both methanol and ammonia as industry standard. We see this as starting with the adoption of grey/blue methanol and ammonia and then shifting to green as production costs come down, customer appetites move towards green and regulations continue to develop. We are confident that, in addition to the exciting developments on new-builds, existing vessels can economically convert their engines to use our low-carbon products and help the industry meet its goals. We are therefore pleased that we have signed these agreements with two of the world’s leading ship owners and the leading engine manufacturer, bringing together a comprehensive representation of the maritime value chain.”

Any subsequent commercial agreements are subject to agreement on commercial terms and definitive documentation.

We intend to discuss the marine fuel opportunities for OCI further at our upcoming ESG Investor Day scheduled to take place March 8, 2021.

About OCI N.V.

OCI N.V. (Euronext: OCI) is a leading global producer and distributor of nitrogen and methanol products providing sustainable solutions to agricultural and industrial customers around the world. OCI's production capacity spans four continents and comprises approximately 16.1 million metric tons per year of nitrogen fertilizers, methanol, diesel exhaust fluid, melamine, and other nitrogen products. OCI has more than 3,000 employees, is headquartered in the Netherlands and listed on Euronext in Amsterdam.

About MAN Energy Solutions

MAN Energy Solutions enables its customers to achieve sustainable value creation in the transition towards a carbon neutral future. Addressing tomorrow's challenges within the marine, energy and industrial sectors, we improve efficiency and performance at a systemic level. Leading the way in advanced engineering for more than 250 years, we provide a unique portfolio of technologies. Headquartered in Germany, MAN Energy Solutions employs some 14,000 people at over 120 sites globally. Our after-sales brand, MAN PrimeServ, offers a vast network of service centres to our customers all over the world.

About the Hartmann Group, Hartmann Gas Carriers Germany and GasChem Services

The Hartmann Group is an independent, family-owned shipping company, operating worldwide. The business is based on several foundations: ship owning, full technical and commercial ship management, as well as crewing and training of seafarers. All in all, the companies of the group employ about 5,000 employees and operate a fleet of more than 150 vessels – gas carriers, product tankers, bulk carriers, pneumatic cement carriers, container ships and multi-purpose vessels. Dedicated technical, commercial and crewing management teams each focus on the Hartmann Group's core markets, thus ensuring expert knowledge and consistently high quality standards for our customers in the individual segments.

Hartmann Gas Carriers Germany GmbH & Co. KG together with GasChem Services GmbH and Co. KG, Hamburg, offer the full technical and commercial management of gas tankers (fully-refrigerated, semi-refrigerated and pressurized) in the size ranges from 3,500 to 85,000 cbm.

About Eastern Pacific Shipping

With a history spanning 60 years, Eastern Pacific Shipping Pte. Ltd. (EPS) is a leading shipping company committed to the green and technology-driven growth of the industry. Headquartered in Singapore for the past 30 years, EPS is driven by its mission to be the safe and efficient transportation provider of choice to the shipping industry. Empowering that mission are 5,000 skilled and dedicated sea and shore staff who oversee a versatile fleet of 15 million deadweight-tonnes across three core segments: containership, dry bulk, and tanker vessels. EPS' shore team is fully integrated with in-house commercial, finance, innovation, legal, manning, operations, and technical departments.

Market Abuse Regulation

This press release contains inside information as meant in clause 7(1) of the Market Abuse Regulation.



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