
TERMS OF REFERENCE
NOMINATION AND REMUNERATION COMMITTEE
OCI N.V.

INTRODUCTION

The nomination and remuneration committee is a standing committee of the Board of OCI N.V. (the **Nomination and Remuneration Committee**). These terms of reference have been drawn up by the Non-Executive Directors pursuant to clause 10.3 of the By-Laws of the Board (these **Terms of Reference**). Certain capitalised terms used but not defined in these Terms of Reference have the meaning given to them in the By-Laws of the Board.

1. COMPOSITION

- 1.1 The Nomination and Remuneration Committee consists of at least three Non-Executive Directors. More than half of the members of the Nomination and Remuneration Committee shall be independent within the meaning of clause 3 of the Board Profile. The Senior Independent Director is a member of the Nomination and Remuneration Committee.
- 1.2 The members of the Nomination and Remuneration Committee are appointed and may be replaced at any time by the Non-Executive Directors. The Non-Executive Directors appoint one of the members of the Nomination and Remuneration Committee as chair of the Nomination and Remuneration Committee. Neither the Co-Chair of the Board nor any former Executive Director of the Company can be chair of the Nomination and Remuneration Committee.
- 1.3 The term of office of a member of the Nomination and Remuneration Committee will generally not be set beforehand. The duration of the appointment depends on the composition of the Non-Executive Directors as a group and that of other committees from time to time.
- 1.4 The Company Secretary shall act as secretary to the Nomination and Remuneration Committee. The Company Secretary may delegate his or her duties, or parts thereof, under these Terms of Reference, to a deputy appointed by him or her in consultation with the chair of the Nomination and Remuneration Committee.

2. DUTIES AND POWERS REGARDING NOMINATION

- 2.1 The Nomination and Remuneration Committee is charged with the following duties with respect to the nomination of Directors:
 - (a) to, at least annually, review the composition and size of the Board to ensure appropriate expertise, diversity and independence of the Board and to amend the Board Profile accordingly;
 - (b) succession planning for the Board and its Committees aimed at retaining the required expertise, experience and diversity, and making recommendations to the Board for (re)appointment according to the appointment procedures for Directors.
 - (c) to assess at least once a year the functioning of individual Directors and the Board as a whole, and report its findings to the Board; and
 - (d) to supervise the policy of the Board on the selection criteria and appointment procedures as well as talent management for senior management.

2.2 The Nomination and Remuneration Committee takes the diversity policy of the Company in consideration when performing its duties referred to in Clause 2.1 above.

2.3 The Nomination and Remuneration committee shall prepare the deliberation of the Board in respect of an (envisaged) acceptance by a Director of a nomination for a board position at a company that is not an affiliate of a company at which such Director already holds a position on a board.

3. DUTIES AND POWERS REGARDING REMUNERATION

3.1 The Nomination and Remuneration Committee is charged with the following duties with respect to remuneration:

- (a) to submit a clear and understandable proposal to the Board for the remuneration policy (which includes the severance pay) to be pursued for Executive Directors, in which the following aspects should be considered in any event:
 - (i) the creation of long-term value;
 - (ii) the scenario analyses carried out in advance;
 - (iii) the pay ratios within the Company and its business;
 - (iv) the development of the market price of the Shares;
 - (v) an appropriate ratio between the variable and fixed remuneration components, where the variable remuneration component is linked to pre-determined, assessable and influenceable targets, which are predominantly of a long-term nature;
 - (vi) if shares are being awarded, the terms and conditions governing this such as the five-year lock-up period following the award of Shares; and
 - (vii) if share options are being awarded, the terms and conditions governing this and the terms and conditions subject to which the share options can be exercised such as the three-year non-exercise period following the award of share options;
- (b) to make plans and proposals for compensation of Executive Directors including annual proposals for short term and long term incentives, taking into account market developments;
- (c) to plan and prepare targets and performance assessment for the Directors;
- (d) to make a proposal concerning the remuneration of the individual Executive Directors in accordance with the remuneration policy and setting out the remuneration structure, the amount of the fixed and variable remuneration components, the performance criteria used, scenario analyses, and the pay ratios within the Company and its business;

- (e) if the Executive Directors establish an Executive Committee, to prepare an annual meeting of the Board regarding the remuneration of the members of the Executive Committee who are not Executive Directors;
 - (f) to prepare the Remuneration Report; and
 - (g) to make proposals to the Non-Executive Directors for the remuneration of the individual Non-Executive Directors, which proposal will be submitted to the General Meeting of Shareholders for adoption.
- 3.2 When drafting the proposal for the remuneration of Executive Directors, the Nomination and Remuneration Committee takes note of individual Executive Directors' views on the amount and structure of their own remuneration as well as the criteria set out in Clause 3.1(a) above.
- 3.3 In drawing up the remuneration policy and offering advice to the Board, the Nomination and Remuneration Committee shall ensure that the remuneration structure, including severance pay, shall be simple and transparent. It shall promote the interests of the Company in the long term, may not encourage Directors to act in their own interests or take risks that are not in line with the adopted strategy and should not 'reward' non-performing Directors upon termination of their employment. The level and structure of the remuneration to be awarded to Directors must be such that qualified and expert Directors can be recruited and retained.
- 3.4 The Nomination and Remuneration Committee shall ensure that the main elements of the contract of a Director with the Company shall be made public after it has been concluded, and in any event no later than the date of the notice calling the general meeting where the appointment of the Director will be proposed.
- 3.5 The Nomination and Remuneration Committee shall be responsible for its own workforce (except for the health and safety management system) and for managing the Company's impacts on value chain workers and related risks and opportunities.

4. MEETINGS

- 4.1 The Nomination and Remuneration Committee shall meet at least twice a year and as more often as required for a proper functioning of the Nomination and Remuneration Committee. The meetings are, as much as possible, scheduled annually in advance. The Nomination and Remuneration Committee shall meet earlier if this is deemed necessary by the chair of the Nomination and Remuneration Committee or by two other members of the Nomination and Remuneration Committee.
- 4.2 Meetings of the Nomination and Remuneration Committee are in principle called by the secretary of the Nomination and Remuneration Committee in consultation with the chair of the Nomination and Remuneration Committee. Save for urgent cases, to be determined by the chair of the Nomination and Remuneration Committee, the agenda for the meeting shall be sent well in advance of the meeting to all members of the Nomination and Remuneration Committee. To the extent possible, written explanations and/or other related documents will be enclosed for each item on the agenda.
- 4.3 The chair of the Nomination and Remuneration Committee shall set the agenda and chair the meeting of the Nomination and Remuneration Committee and shall ensure and actively promote the proper functioning of the Nomination and Remuneration Committee.

- 4.4 The Nomination and Remuneration Committee shall decide if and when the CEO should attend its meetings. The CEO shall not attend meetings of the Nomination and Remuneration Committee where the CEO's remuneration is discussed. In addition, the human resources director of the Company and/or independent experts may be invited to attend meetings of the Nomination and Remuneration Committee. Each Non-Executive Director may attend meetings of the Nomination and Remuneration Committee.
- 4.5 Each member of the Nomination and Remuneration Committee has the right to cast one vote. All resolutions must be adopted by an absolute majority of the votes cast. If there is a tie in voting, the chair of the Nomination and Remuneration Committee shall have a casting vote.
- 4.6 The secretary of the Nomination and Remuneration Committee or any other person designated for such purpose by the chair of the meeting shall draw up minutes of the meeting of the Nomination and Remuneration Committee.

5. REPORTING TO THE BOARD

- 5.1 The Nomination and Remuneration Committee must inform the Non-Executive Directors in a clear and timely manner about the way it has used its powers and of major developments in the area of its responsibilities.
- 5.2 The Nomination and Remuneration Committee shall report its deliberations and findings to the Non-Executive Directors. The minutes of the meetings of the Nomination and Remuneration Committee shall be circulated as soon as possible after the meeting among all Non-Executive Directors.
- 5.3 If requested, the chair of the Nomination and Remuneration Committee shall at meetings of the Board provide the Board with further information on the outcome of the discussions of the Nomination and Remuneration Committee.
- 5.4 Every Non-Executive Director shall have unrestricted access to all records of the Nomination and Remuneration Committee.

6. MISCELLANEOUS

- 6.1 The chair of the Nomination and Remuneration Committee (or one of the other Nomination and Remuneration Committee members) shall be available to answer questions regarding the Nomination and Remuneration Committee's activities at the annual General Meeting of Shareholders.
- 6.2 The Nomination and Remuneration Committee may occasionally decide at its sole discretion not to comply with these Terms of Reference, subject to applicable law and regulations.
- 6.3 The Nomination and Remuneration Committee shall review and re-assess the adequacy of these Terms of Reference annually, report its assessment to the Board and recommend, where appropriate, any proposed changes to the Board.
- 6.4 The Non-Executive Directors can at all times amend these Terms of Reference and/or revoke any powers granted by it to the Nomination and Remuneration Committee.

- 6.5 Clauses 30.4 to 30.6 inclusive of the By-Laws of the Board apply by analogy to the Nomination and Remuneration Committee, while for the application of these Terms of Reference the power of the Board or the Co-Chair referred to in these clauses is considered a power of the Nomination and Remuneration Committee or the chair of the Nomination and Remuneration Committee.