



RELATED PARTY TRANSACTIONS POLICY

Purpose

The purpose of this Policy is to ensure that Rosebank Industries plc (“**Rosebank**” or the “**Company**”) identifies, approves and discloses related party transactions in a manner that complies with the UK Listing Rules (the “**UK Listing Rules**” or “**UKLR**”) of the Financial Conduct Authority (the “**FCA**”).

Outline of requirements

- Rosebank must comply with the Related Party Transaction rules contained in the UK Listing Rules. If any company within the Group intends to enter into a transaction or arrangement with or for the benefit of a Related Party then, if the transaction or arrangement is above a certain size/value threshold, before entering into the transaction or arrangement, the approval of the Rosebank board will be required, Rosebank will need to obtain written confirmation from a sponsor that the terms of the transaction or arrangement are fair and reasonable as far as its shareholders are concerned and certain details of the transaction or arrangement will need to be announced publicly as soon as possible after the terms have been agreed. When determining whether the size threshold has been crossed, the aggregate value of all transactions and arrangements of any size with that Related Party during the previous 12 months is taken into account.
- The definition of a Related Party is set out in the UK Listing Rules and summarised in section 2 of this policy. If you think a party with which a transaction or arrangement is proposed to be entered into may be a Related Party, please inform the Group General Counsel, who will be able to advise whether the party is a Related Party or not, as soon as possible. Rosebank and its subsidiaries need to consider all future transactions (including amendments to existing arrangements) with a Related Party in order to determine in each case whether the Related Party Transaction rules in the UK Listing Rules apply and what requirements (if any) must be complied with.
- **Where the Related Party Transaction rules apply, ahead of the execution of binding agreements with a Related Party, at least four weeks should be allowed to complete the process of engaging with Rosebank’s ‘sponsor’ for the purposes of obtaining its written ‘fair and reasonable’ confirmation. The sponsor’s confirmation can require considerable internal work and approvals by the sponsor before it can be issued to Rosebank. Engagement with the sponsor (and possibly more time) will also be required if any individual guidance, waiver or modification to the Related Party Transaction rules in the UK Listing Rules is to be requested from the Financial Conduct Authority (“FCA”).**
- It is important that the Group General Counsel is informed of all proposed transactions or arrangements with a Related Party. This is because any such transactions and arrangements with the same Related Party in the same 12-month period must be aggregated for the purposes of the UK Listing Rules.
- Any failure by Rosebank to comply with the FCA’s Related Party Transaction rules with respect to a transaction or arrangement with a Related Party (including amendments to existing transactions or arrangements) may have serious consequences for Rosebank and the Group as a whole. Such consequences may include the FCA imposing unlimited fines on Rosebank and its directors, public censure, and/or criticism from investors, analysts and the media.

Group General Counsel
Rosebank Industries plc



1. Policy Statement

- 1.1 Rosebank and its subsidiaries (together, the “**Group**”) may enter into agreements with parties whose connection with the Group means that certain market disclosure obligations are triggered, due to Rosebank’s status as a listed company. These types of agreement are known as Related Party Transactions (“**RPTs**”). The Related Party Transaction framework (the “**RPT Rules**”) is set out in UKLR 8 of the FCA’s UK Listing Rules. The RPT Rules apply not only to Rosebank as the listed company, but also to each of its subsidiaries.
- 1.2 RPTs need to be approached with caution given the FCA has rules in place which are designed to ensure such transactions, where they meet certain thresholds, are publicly announced so that shareholders are notified of RPTs when they are entered into and more generally to support engagement between a listed company and its shareholders and enhance market transparency in relation to RPTs. The RPT Rules are also designed to prevent a party which is related to the Group from taking advantage of its position with respect to the Group (or the perception that it may have done so).
- 1.3 This policy outlines the key considerations that Group directors and employees need to keep in mind in identifying RPTs, and the steps they must take to escalate such transactions internally, so that appropriate measures can be taken before they are concluded. Given the market integrity implications at stake, it is imperative that any individual who either identifies a potential transaction of this nature or has any questions or concerns about the operation of or adherence to this policy, informs the Group General Counsel without delay so that appropriate action can be taken.
- 1.4 It is Rosebank’s obligation to comply with these rules and to ensure compliance by each of its subsidiaries – there is no duty on the part of the Related Party to comply (or to ensure compliance).
- 1.5 This policy has been approved by the board of directors of Rosebank.
- 1.6 Throughout the Group we seek to establish a “culture” of compliance with this policy. Rosebank’s management takes responsibility for ensuring effective transmission of this policy throughout the business, together with the provision of relevant guidance and training, and appropriate safeguards, monitoring, and resources, to ensure compliance with this policy.

2. Definition of Related Party

- 2.1 For the purposes of the RPT Rules, an individual or company is a “**Related Party**” of Rosebank if they are:
 - (a) a shareholder who is (or was within the 12 months before the date of the relevant transaction) able to exercise or control the exercise of 20 per cent. or more of the voting rights in Rosebank; or
 - (b) a person who is (or was within the 12 months before the date of the relevant transaction) a director or shadow director¹ of Rosebank or any of its subsidiaries; or
 - (c) a person exercising ‘significant influence’ over Rosebank; or
 - (d) an Associate of any of the above.
- 2.2 A party is an “**Associate**” for these purposes if:
 - (a) in relation to a company, it is:
 - (i) a subsidiary, parent company or fellow subsidiary of the parent company;
 - (ii) any company whose directors are accustomed to act in accordance with the

¹ A ‘shadow director’ is a person in accordance with whose directions or instructions the directors of a company are accustomed to act.



directions or instructions of any party given in 2.1(a) or(c) above; or

(iii) any company in which any party given in 2.1(a) or(c) above are shareholders and, together with any other company, hold 30 per cent. or more of the voting rights or the right to appoint/remove directors holding a majority of board voting rights on all, or substantially all, matters; or

(b) in relation to an individual, it is:

(i) that individual's spouse, civil partner or child (together the "**individual's family**");

(ii) the trustees of any trust of which the individual or any member of the individual's family is a beneficiary;

(iii) any company in which the individual and/or any member(s) of the individual's family (taken together or individually) hold 30 per cent. or more of the voting rights or the right to appoint/remove directors holding a majority of board voting rights on all, or substantially all, matters; or

(iv) any partnership, limited partnership or limited liability partnership in which the individual and/or any member(s) of the individual's family (taken together or individually) hold a voting interest of more than 30 per cent. or an ownership interest of 30 per cent. or more.

2.3 The RPT Rules are most likely to be relevant to transactions within the business in the following ways:

(a) RPTs can include transactions between a Related Party and a company within the Group; and

(b) directors of companies within the Group, or their Associates, may themselves be a Related Party under the RPT Rules.

3. Transactions caught by the RPT Rules

3.1 The definition of an RPT is very broad and covers almost any transaction with a Related Party, including:

(a) transactions between Rosebank (or any of its subsidiaries) and a Related Party, including providing finance to Rosebank;

(b) arrangements for Rosebank (or any of its subsidiaries) and a Related Party to make a joint investment or provide joint finance to another undertaking or assets; and

(c) any other transaction or arrangement between Rosebank (or any of its subsidiaries) and any other person, the purpose of which is to benefit a Related Party.

3.2 The RPT Rules will be triggered if Rosebank enters into a RPT where any percentage ratio resulting from a calculation under the class tests is **5% or more**.

3.3 It is important to note that in addition to new transactions, changes to existing arrangements may also constitute RPTs.

3.4 Transactions in the ordinary course of business are not caught by the RPT Rules. Whether a transaction is in the ordinary course of the Group's business will depend on the precise nature of the transaction. However, where the Group sells its products to a Related Party on terms (including the price, volume and duration of the transaction) that are consistent with its normal terms of business, the transaction will tend to fall within this exclusion. **Guidance must be sought from the Group General Counsel before making determinations as to the nature of a transaction.**



4. Aggregation of Related Party Transactions

- 4.1 Irrespective of size, transactions or arrangements with a Related Party and its Associates in the same 12-month period must be aggregated under the RPT Rules for the purpose of determining the applicable requirements. This highlights the importance of ensuring that **all potential transactions and arrangements between the Group and a Related Party (or its Associates) are referred to the Group General Counsel for further consideration, even if you believe that the transaction on its own does not meet the size threshold or an exemption may apply.**

5. Actions to be taken if a potential Related Party Transaction is identified

- 5.1 Where a potential RPT is identified then, **before entering into it**, you must inform the Group General Counsel without delay – even where all the transactional information may not be completely known. The Group General Counsel will need to assess what reporting or other requirements, if any, apply. The information set out in the Appendix to this policy will need to be provided to assist this assessment.
- 5.2 Identifying and escalating such a transaction is vitally important because, depending on whether the transaction meets certain size/value-related thresholds, Rosebank may be required to make a public announcement as soon as possible after the terms of the transaction or arrangement are agreed, providing details of the RPT and the Related Party and including a statement from the board that the transaction or arrangement is fair and reasonable as far as its shareholders are concerned and that the directors have been so advised by Rosebank's sponsor.
- 5.3 If, once the required information is provided and analysed, it is determined that engagement with Rosebank's sponsor is required, such an engagement process will be coordinated by the Group General Counsel in consultation with the transaction team in respect of the relevant RPT.
- 5.4 Where the transaction or arrangement is caught by the RPT Rules, Rosebank must:
- (a) before the RPT is entered into, obtain the approval of its board for the transaction or arrangement (any director who is, or an Associate of whom is, the Related Party, may not take part in the board's consideration of the transaction or arrangement or vote on the relevant board resolution);
 - (b) before the RPT is entered into, obtain a written confirmation from the sponsor that the terms of the transaction or arrangement are fair and reasonable as far as Rosebank's shareholders are concerned; and
 - (c) publish a press announcement as soon as possible after the terms of the transaction or arrangement are agreed.

6. Consequences of non-compliance

- 6.1 Any individuals who are responsible for entering into and/or overseeing contractual negotiations and arrangements in relation to the Group will be appropriately trained in this policy.
- 6.2 Failure to comply with this policy and the RPT Rules could mean that a transaction which should have been publicly announced has not been. This would likely amount to a breach of the UK Listing Rules by Rosebank. The FCA has explicit statutory authority to impose unlimited fines on Rosebank and/or any directors of Rosebank who are knowingly concerned where a breach of the UK Listing Rules has occurred. In addition, the FCA may publicly censure Rosebank for any breach of the RPT Rules, which may attract severe negative comment from investors, analysts and the media. Rosebank should also be mindful of its disclosure obligations under the UK Market Abuse Regulation.



- 6.3 From an individual perspective, failure to comply may lead to internal disciplinary action. It could also lead to FCA supervisory or disciplinary action against the individual if they are, for example, an authorised person.



APPENDIX

Information to be provided in respect of a proposed Related Party Transaction

NOTE: please provide all information listed below to the greatest extent possible as soon as possible. Where exact numbers or values are not known, provide your best estimate on the basis of the information currently known to you.

Do not delay in notifying the Group General Counsel of a possible Related Party Transaction because all information is not known to you – you can provide further information at a later date as it becomes known to you.

Information to be provided	Details
<ul style="list-style-type: none"> Group entity or entities involved: Commercial contact for transaction or arrangement: 	
Name of possible Related Party	
Nature of transaction or proposed transaction or arrangement with a Group company OR Nature of amendment or proposed amendment to existing agreement or arrangement with a Group company	
Extent of Related Parties' interest (existing and/or proposed) in the transaction or arrangement	
A description of the target business which is the subject of the transaction (where relevant)	
Ancillary arrangements or agreements relating to the above proposed transaction, arrangement or amendment (including any associated transactions, loans, commitments or contingent liabilities involved)	
Proposed date of signing agreement(s) relating to transaction, arrangement or amendment AND (if relevant) Date of previous transaction to be amended	

<p>Consideration:</p> <ul style="list-style-type: none"> • Value of consideration for the transaction or arrangement, including any deferred consideration which may be payable in the future • If consideration is fully or partly comprised of securities, provide the current market value of those securities and, for a disposal, a statement of whether the securities are to be sold or retained • For a disposal, the application of the sale proceeds 	
<p>Gross assets:</p> <ul style="list-style-type: none"> • Value of gross assets which are the subject of the transaction or arrangement • Will the transaction or arrangement result in the interest or undertaking either: (i) becoming; or (ii) ceasing to be, consolidated in the Rosebank Group Accounts? 	
<p>Gross capital:</p> <ul style="list-style-type: none"> • If a company or business is being acquired, value of the gross capital to be acquired; being the aggregate of: <ul style="list-style-type: none"> ○ consideration involved ○ any shares or debt securities which are not being acquired ○ all other liabilities (other than current liabilities) including minority interests and deferred tax ○ any excess of current liabilities over current assets 	