



**REGULATION OF CONFLICTS OF INTEREST AND
RELATED PARTY TRANSACTIONS OF
THE NAVIGATOR COMPANY, S.A.**

**CHAPTER I
INTRODUCTION**

**ONE
(PURPOSE)**

This regulation establishes the rules that govern conflicts of interest and related party transactions to which The Navigator Company, S.A., hereinafter referred to as the "Company", is a party, in addition to the internal mechanisms that the Company has in place to ensure compliance with the international accounting standard (IAS) 24 (Related Party Disclosures). It is applicable without prejudice to the Company's obligations and of its Directors concerning Inside Information, the legal framework of company business with board members and the internal rules of procedure governing the reporting of irregularities (whistleblowing) and other legislation in this field.

**TWO
(APPROVAL AND AMENDMENTS)**

1. This regulation will enter into force immediately.
2. Any amendment to this regulation must be approved by a resolution of the Board of Directors, and is subject to the prior favorable opinion of the Audit Board of the Company.

**CHAPTER II
RELATED PARTY TRANSACTIONS**

**THREE
(DEFINITIONS)**

1. For the purpose of this regulation, Related Party Transactions are the transactions that are defined as such by IAS 24.
2. Significant Transactions are Related Party Transactions which:
 - a) Are entered into with companies controlled by the Company and that consolidate



accounts with the latter that:

- (i) Individually amount to 1% or more of the consolidated turnover determined in the last consolidated accounts of the Company which were approved by the shareholders; or
 - (ii) Amount, in relation to the same related party and in the same financial year, to a total amount equal to or higher than double the amount resulting from the application of the criterion mentioned above;
- b) Are entered into with entities outside of the group of companies mentioned in the previous paragraph, with individual or aggregate amounts equal to or higher than one fifth of the amounts mentioned in the paragraph a).
3. All other Related Party Transactions which are not mentioned in the previous paragraph are considered Non-Significant Transactions.
 4. Related Party Transactions may only be entered into if there is a justified interest of the Company.

FOUR (APPROVAL)

1. Significant Transactions may only be approved by a resolution of the Board of Directors, and are subject to the prior favorable opinion of the Audit Board.
2. Non-Significant Transactions are not subject to the prior favorable opinion of the Audit Board and are approved by the Board of Directors, or by the Executive Committee if their individual or aggregate amount does not exceed 250 thousand euros.

FIVE (PROCEDURES)

1. The Board of Directors and the Audit Board must be informed biannually of the resolutions concerning related party transactions which they were not a party to.
2. The directors of the Company who intervene in the formalization of related party transactions must ensure that such transactions are previously submitted to the approvals provided herein.
3. The Executive Board is responsible for monitoring the formalization and execution of resolutions concerning Related Party Transactions.



CHAPTER III
CONFLICTS OF INTEREST

SIX
(DEFINITION)

A Conflict of Interest arises where any decision-maker or someone taking part in a decision making process (Director) is in a position that, in objective terms, may compromise his independence and influence his judgement with interests that differ from the Company's interests, be they financial or not, of their own or of third parties.

SEVEN
(PREVENTION)

In view of ensuring adequate prevention, identification and resolution of conflicts of interest, the Directors shall:

- a) Report the existence of, real or potential, conflicts of interest to their superiors or, in the case of a member of a collegial body, to the body in question, in accordance with the latter's rules of procedure;
- b) Refrain from interfering or participating in the decision making process when in a situation of conflict of interest, and have such impediment registered in the minutes or other written document where the decision is recorded, without prejudice to the duty to provide all information and clarifications which the relevant body and its members may request.

Setubal, 13 December 2018

The Board of Directors