

FMC Corporation

Statement of Policy with respect to Related Party Transactions

A. Introduction.

The Board of Directors recognizes that related party transactions present a heightened risk of conflicts of interest and/or improper valuation (or the perception thereof) and therefore has adopted this policy, which shall be followed in connection with all related party transactions involving the Company.

Under this policy, any "Related Party Transaction" shall be consummated or shall continue only if:

1. the Audit Committee shall approve or ratify such transaction in accordance with the guidelines set forth in this policy and the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party; or
2. the transaction is approved by the disinterested members of the Board of Directors; and
3. the transaction, if it involves compensation, is also approved by the Company's Compensation and Organization Committee.

For these purposes, a "Related Party" is:

1. an executive officer or director of the Company;
2. a shareholder owning in excess of five percent (5%) of the Company (or its controlled affiliates);
3. a person who is an immediate family member of an executive officer or director; or
4. an entity in which someone listed in 1, 2 or 3 above has a substantial ownership interest or control.

For these purposes, a "Related Party Transaction" is a transaction between the Company and any Related Party (including any transactions requiring disclosure under Item 404 of Regulation S-K under the Securities Exchange Act of 1934), other than:

1. transactions available to all employees generally;
2. transactions involving solely matters of executive compensation, which need only be approved by the Company's Compensation and Organization Committee;
3. transactions involving less than \$5,000 when aggregated with all similar transactions; and

4. transactions between the Company and another entity in which a director serves an executive officer or a holder of at least 10% of the equity of such other entity, which shall be governed by the provisions of Section F below.

B. Audit Committee Approval

The Board of Directors has determined that the Audit Committee of the Board is often best suited to review and approve Related Party Transactions. Accordingly, at each calendar year's first regularly scheduled Audit Committee meeting, management shall identify each Related Party Transaction proposed to be entered into or continued by the Company for that calendar year (including any such transaction continuing from a prior year), and management shall disclose to the Audit Committee all material elements of the Related Party Transaction, including the proposed aggregate amount involved in such transaction if applicable. After review, the Audit Committee shall approve or disapprove each such proposed Related Party Transaction. At each subsequently regularly scheduled meeting of the Audit Committee, management shall update the Audit Committee as to any proposed material changes in any previously approved Related Party Transaction and seek approval of the Audit Committee for such proposed material changes.

In the event management receives a proposal for any Related Party Transaction subsequent to the first meeting of the Audit Committee in any calendar year, such transaction may either: (1) be presented to the Audit Committee for approval, or (2) if management believes in good faith that the amount involved in the proposed Related Party Transaction does not exceed \$120,000, the transaction may be entered into on a preliminarily basis subject to ratification by the Audit Committee at the next regularly scheduled meeting of the Committee taking place at least 20 days after such Related Party Transaction is entered into; provided that in the case of a Related Party Transaction entered into in accordance with clause (2), the terms of such Related Party Transaction shall permit termination by the Company without further material obligation in the event Audit Committee ratification is not forthcoming at the meeting of the Committee at which such transaction is reviewed by the Committee.

In any situation where the Audit Committee sees fit to do so, any Related Party Transaction may be presented to the disinterested members of the Board of Directors for approval or ratification.

C. Corporate Opportunity

The Board recognizes that management or members of the Board of Directors may be presented with business opportunities that are within the Company's line of business and in which the Company has the capacity to engage. For example, an officer or director might be presented with an opportunity to acquire a business in the Company's industry (or an ownership interest therein). Before such opportunity may be consummated by a Related Party (other than an otherwise unaffiliated 5% shareholder), such opportunity shall be presented to the Board of Directors of the Company for consideration.

D. Disclosure

All Related Party Transactions shall be disclosed in the Company's applicable filings as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules. Furthermore, all Related Party Transactions shall be disclosed to the Audit Committee and all material Related Party Transactions shall be disclosed to the full Board of Directors.

E. Other Agreements

Management shall ensure that all Related Party Transactions are approved in accordance with any requirements of the Company's financing agreements.

F. Transactions Between the Company and Another Entity in Which a Director Serves as an Executive Officer or a Holder of at Least 10% of Such Entity's Equity

When a potential director nominee serves as a director, executive officer or significant shareholder of another entity with which the Company does business, the Nominating and Corporate Governance Committee shall consider the nature of the transaction(s) and amount involved, as well as any direct or indirect interest which the prospective director nominee has in the transaction(s), as factors to be taken into account in determining whether to recommend such potential director nominee for election to the Board.

Further, when a potential director nominee serves as an executive officer of another entity, or a holder of at least 10% of the equity of another entity, with which the Company does business, and the aggregate of all transactions between the entities involves payments to or from the Company, either during the most recently completed fiscal year of the Company or expected during the current fiscal year, in excess of either: i) 1% of the Company's consolidated revenues for the most recently completed fiscal year, or ii) the greater of \$1 million or 1% of the other entity's consolidated revenues for the most recently completed fiscal year but the director does not otherwise have a material direct or indirect interest in such transaction, the relationship between the entities must be approved by the Audit Committee prior to the individual's election to the Board. Where the director does have a material direct or indirect interest in the transaction, the transaction shall be deemed to be a Related Party Transaction and therefore subject to all of the provisions of this Policy governing Related Party Transactions.

Where the Audit Committee has approved a transaction in accordance with the preceding paragraph, each year thereafter that the director serves on the Board, the director shall provide updated information at least annually concerning the aggregate amounts involved in the transaction(s). Such information shall be reviewed by the Nominating and Corporate Governance Committee at least annually in connection with its review of directors' independence. If the aggregate amounts involved in the transaction(s) exceed the thresholds set forth in either clause (i) or (ii) of the preceding paragraph, the Audit Committee shall be required again to review and ratify the transaction.

Similarly, where an existing director serves as an executive officer of an entity, or a holder of at least 10% of the equity of another entity, which commences doing business with the Company (in which the director does not otherwise have a material direct or

indirect interest) during the course of the director's term, the director shall provide information concerning the annual amounts involved as soon as possible and at least annually thereafter. Such information shall be reviewed by the Nominating and Corporate Governance Committee at least annually in connection with its review of directors' independence. If the aggregate amounts involved in the transaction(s) exceed the thresholds set forth in either clause (i) or (ii) of the preceding paragraph, the Audit Committee shall be required to review and ratify the transaction.

The director involved in any transaction requiring review by the Audit Committee shall not participate in such review.

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