

Vesuvius Statement on the Prevention of Slavery and Human Trafficking

Our business

Vesuvius plc is a public limited company, listed on the London Stock Exchange, and a constituent of the FTSE 250 index. Vesuvius develops and manufactures high-technology products and solutions for supply to the steel and casting industries under the brand names Vesuvius and Foseco. Vesuvius has a global presence with operations in 41 countries delivering cost competitive products and time efficient service. Vesuvius has 89 sales offices, 59 production sites and places industry experts at many customer locations. Vesuvius' business is operated through 2 divisions – Steel and Foundry – with the Steel Division organised around three product lines – Steel Flow Control, Advanced Refractories and Digital Services. For more information on Vesuvius' business please refer to our [2018 Annual Report](#).

Vesuvius is committed to protecting the health and safety of our employees, customers, suppliers, contractors, visitors and others affected by our operations. We do not condone Slavery or Human Trafficking. We will never knowingly engage in these activities in our own business and will not tolerate them if we find them within our supply chain. Vesuvius' [Code of Conduct](#) expressly prohibits forced or child labour in our operations. This is supported by our [Human Rights Policy](#) which reflects the principles contained within the United Nations Universal Declaration of Human Rights, the International Labour Organisation's Fundamental Conventions on Labour Standards and the United Nations Global Compact.

Our supply chain and purchasing procedures

Vesuvius sources raw materials, other tradeable goods and ancillary supplies for our manufacturing processes on a global, regional and site-specific basis. During 2018 the Group Purchasing function was restructured and a new Group VP Procurement was appointed. The Group VP Procurement and his team are responsible for purchasing identified categories of major raw materials used across the Group, together with the procurement of logistics. Our largest purchasing spend is raw materials (predominantly in the form of high-quality technical grade treated minerals and chemicals) the majority of which is organised, monitored and controlled by Global Category Directors, reporting to the Group VP Procurement. Individuals within the Group Purchasing organisation are also responsible for supplier quality and development, procurement intelligence and standardisation of purchasing processes. All purchasing of goods and services not undertaken at the Group level is undertaken by the Business Units and local sites, being sourced from both global and local suppliers. Operational responsibility for integration of modern slavery into business practices is held by our purchasing professionals.

Under our supplier assessment programme, we engage with suppliers on their business practices to ensure security of supply to Vesuvius. At present we do not integrate human rights due diligence into our supplier assessment. However, we are focusing our existing supplier qualification process, currently used for quality and safety reviews, to integrate a process that targets modern slavery concerns. Work on updates to the supplier accreditation process, to include the risks and red flag warnings relating to Modern Slavery, noted in our 2018 statement were not completed in 2018 and are continuing in 2019.

Risk Assessment

We have previously conducted a risk assessment of our purchasing activities seeking to identify, by location and industry, where the potential risks of modern slavery are highest in our supply chain. This increased our understanding of the potential risk areas and assisted us in strengthening our oversight and procedures. Our risk assessment identified 4 industries that pose a higher risk of modern slavery for Vesuvius;

1. Mining and Extractive industries (raw materials)
2. Textiles (PPE & work clothing)
3. Transport and packaging
4. Maintenance, cleaning, agricultural work and food preparation

Our modern slavery risk assessment is reviewed regularly to update for business changes and input from across our business.

Training

A Group-wide modern slavery training programme targeting senior purchasing employees' to raise awareness of the issues, was previously launched, briefing management on the different types of human rights abuses, higher risk industries for Vesuvius and providing them with information to assist them in identifying the warning signs of slavery and human trafficking. Since 2017 we have utilised an online training course to supplement this initial awareness training. Supplier facing employees are enrolled into the online training which covers our policies on human rights, industry sector risks, key warning signs, 'red flags', supplier on-boarding protocols and instructions on how to escalate concerns. In addition, our ongoing programme of compliance training given to management globally includes Modern Slavery risks and red flags, with management requested to disseminate this information to their teams.

Reporting concerns

We continue to encourage our employees to remain vigilant to potential modern slavery and human trafficking abuses and escalate any concerns they may have with respect to these issues. Employees can report their concerns to management or through the independent 'Speak up' helpline, where reports are reviewed and investigated independently. We will continue to seek improvements in our knowledge and remain vigilant to potential areas of heightened risk and investigate concerns raised. Where issues are highlighted through business channels these are required to be escalated to senior management for review and resolution. As with all incident reporting, individuals who raise concerns on modern slavery in good faith will never be the target of retaliation.

Looking ahead

We completed the review of our standard supplier contracting terms in 2018, with roll out anticipated in 2019. The planned updates to the supplier accreditation scheme (which now includes modern slavery and other ethical standards) were not completed during 2018 and will be the focus of attention in this area in 2019 following the restructure of the Group Purchasing function. During 2019, we will continue to review, refine and assess the effectiveness of our Modern Slavery risk assessment through an in-country assessment of identified higher risk jurisdictions. This country-focused review will be conducted with assistance from Group Purchasing and local purchasing teams.

UK entities

This statement and the actions taken apply to Vesuvius plc and its subsidiaries, the specific UK entities that meet the reporting threshold are noted below;

- Vesuvius plc
- Vesuvius UK Limited

This statement was reviewed and approved by the Boards of Directors of Vesuvius plc and Vesuvius UK Limited on 14 May 2019 and signed on their behalf by:

John McDonough CBE, Chairman
Vesuvius plc

Henry Knowles, Director
Vesuvius UK Limited