

## Vesuvius plc

### ROLE OF THE CHAIRMAN

#### **1. Purpose:**

- 1.1. To provide the necessary guidance and ethical leadership to ensure the achievement of the Company's objectives, having due regard to the purpose and values of the Company, stakeholder interests and other considerations set out in section 172 of the Companies Act 2006.

#### **2. Responsibilities:**

In addition to the responsibilities as a Non-executive Director, the Chairman shall have the following responsibilities:

##### 2.1 Leadership, culture and strategy:

- (a) setting a Board agenda which is primarily focused on strategy, performance, value creation and accountability and ensuring that issues relevant to these objectives are considered by the Board;
- (b) demonstrating the highest standards of integrity and probity, and setting clear expectations concerning the Company's culture, values and behaviours, and the style and tone of Board discussions;
- (c) promoting a culture of openness and debate;
- (d) chairing Board meetings, general meetings and those of the Nomination Committee (except where the Committee is dealing with the appointment of the Chairman's successor);
- (e) ensuring that the Board determines the nature, and extent, of the significant risks the Company is willing to embrace in the implementation of its strategy and that there are no barriers preventing Directors from operating effective oversight in this area;
- (f) monitoring progress towards the timely and effective achievement and implementation of the Company's objectives and strategies, ensuring that appropriate decisions are taken promptly, but only after sufficient time for discussion and after due consideration by the Directors of their duties under section 172 of the Companies Act 2006 and the Company's values;
- (g) keeping under review with the Board the general progress and long-term development of the Group and ensuring that effective strategic planning is undertaken by the Chief Executive consistent with the goal of creating shareholder value; and
- (h) as appropriate, act for the Board as a whole – periodically speaking for the Board on his own authority.

##### 2.2 Board direction and effectiveness:

- (a) being responsible for leadership of the Board and ensuring its effectiveness in all aspects of its role, promoting a culture of openness and debate by facilitating, constructive relations between

the Executive and Non-executive Directors, both in and outside the Board room, and creating the conditions for overall Board and individual Director effectiveness;

- (b) ensuring that all directors are aware of their responsibilities;
- (c) managing the business of the Board and chairing its meetings, managing the relationships between Directors and resolving differences between Directors;
- (d) developing productive working relationships with the Executive Directors, and the Chief Executive in particular, providing support and advice while respecting executive responsibility;
- (e) consulting the Senior Independent Director on Board matters as appropriate; and
- (f) ensuring that all Directors receive high quality, accurate, timely and clear information to support effective decision making and constructive debate.

### 2.3 Board Committees:

- (a) ensuring that the Board's Committees are properly structured with appropriate terms of reference, which are published on the Company's website, as required;
- (b) ensuring that sufficient time is allowed at the Board for Committees to report on the nature and content of discussion, on recommendations, and on actions to be taken;
- (c) encouraging the active engagement of all Board members in Board and Committee meetings (as appropriate), drawing fully on their skills, experience, knowledge and, where appropriate, independence; and
- (d) arranging for the Chairmen of the Board Committees to be available to answer questions at each annual general meeting and ensuring all other Directors attend.

### 2.4 Board evaluation:

- (a) holding meetings with the Non-executive Directors without the Executive Directors present;
- (b) leading, with support from the Senior Independent Director as appropriate, the annual evaluation of the performance of the Board, its Committees and individual Directors, facilitating periodic external board evaluations, and acting on the results of such evaluations;
- (c) formally appraising the performance of the Chief Executive and making appropriate recommendations to the Remuneration Committee for the Chief Executive's remuneration package, taking into account his performance.

### 2.5 Corporate governance:

- (a) ensuring that the corporate governance of the Company is maintained in line with the UK Corporate Governance Code, wherever possible, and encourage the highest standards of governance;

(b) alongside the Company Secretary, periodically review whether the Board and the Company's governance processes are fit for purpose and consider any improvements or initiatives that could strengthen the governance of the Company; and

(c) supporting the Company Secretary in the discharge of his/her duties.

#### 2.6 Board composition and succession:

(a) ensuring that regular succession planning is undertaken, that the overall size of the Board is appropriate, that at least half the Board, excluding the Chairman, are Non-executive Directors whom the Board considers to be independent, and that there is an appropriate spread of gender, social and ethnic backgrounds, and cognitive and personal strengths;

(b) providing guidance and mentoring to new directors as appropriate, and ensuring that they participate in a tailored induction programme, facilitated by the Company Secretary; and

(c) ensuring that the training and development needs of Directors and the Board as a whole are identified and, that appropriate training is provided.

#### 2.7 Stakeholder engagement:

(a) seeking regular engagement with major shareholders in order to understand their issues and concerns; and

(b) representing the Company to its key stakeholders and ensuring that the Board as a whole has a clear understanding of the views of key stakeholders.

### **3.0 Reporting Lines:**

3.1 The Chairman reports to the Board as a whole.

3.2 The Chief Executive reports to the Chairman. The Chairman must establish a close relationship of trust with the Chief Executive, providing advice and support when required.

### **4.0 Accountability:**

4.1 The Chairman is accountable to the Board and ultimately to the Company's shareholders.