

Vesuvius plc

ROLE OF THE CHIEF EXECUTIVE

1.0 Purpose:

- 1.1 The Chief Executive is the most senior executive of the Company with responsibility for proposing the Company's strategy and for delivering that as agreed by the Board. The Chief Executive is also responsible for directing and promoting the profitable operation and development of the Group consistent with the primary objective of creating shareholder value (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).

2.0 Responsibilities:

In addition to the responsibilities as a Director of the Company, the Chief Executive shall have the following responsibilities:

2.1 Strategy and operations:

- (a) being generally responsible to the Board for the development of the Group and its profitable operation, including the profits, cash and costs of all businesses;
- (b) having responsibility for effective strategic planning for the Group, including developing strategic action plans consistent with the primary objective of enhancing long-term shareholder value (having due regard to stakeholder and other considerations set out in section 172 of the Companies Act 2006) and for preparing rolling 3 year business plans that reflect the longer-term objectives and priorities established by the Board for all Company operations and Joint Ventures.
- (c) managing the operational performance of the Company, ensuring that such action is taken as is necessary to secure the timely and effective implementation of the Board's agreed strategy, whilst optimising, as far as is reasonably possible, the use and adequacy of the Group's resources;
- (d) ensuring that appropriate budgets are set for the Group and that the performance of the Company against plans and budgets is monitored;
- (e) identifying and executing acquisitions and disposals and approving major proposals or bids; and
- (f) regularly keeping the Board informed on all matters that may be of importance to the Group, including its current performance and progress.

2.2 Risk management and controls:

- (a) managing the Group's risk profile, in particular the health and safety performance of the business, and ensuring that key strategic risks are mitigated; and
- (b) in conjunction with the Chief Financial Officer, ensuring adequate operational planning and internal control systems are implemented.

2.3 Stakeholder engagement:

- (a) representing the Board to Vesuvius employees and promoting the Board's strategy and aims for the Company throughout the organisation. Communicating to employees the Board's expectations in relation to the Company's culture, values and behaviour;
- (b) representing the Company to major customers, shareholders and other stakeholders, ensuring effective communication of the Company's strategy and results; and
- (c) ensuring the Board is made aware, when appropriate, of the views of employees on issues of relevance to the business.

2.4 Relationship with the Chairman:

- (a) establishing and maintaining an open and meaningful dialogue with the Chairman;
- (b) working with the Chairman to ensure the Board functions effectively; and
- (c) supporting the Chairman to ensure that appropriate standards of governance and effective Board succession plans are developed.

2.5 Management Team and reporting:

- (a) building and maintaining a high quality and effective executive team;
- (b) motivating, reviewing and appraising the performance of the other members of the Group Executive Committee and, making appropriate recommendations to the Remuneration Committee on remuneration and terms of employment of the other members of the Group Executive Committee;
- (c) developing succession plans for the Senior Management team and ensuring there is a robust succession and talent development programme throughout the Company;
- (d) leading the Group Executive Committee in its role of oversight of the Group's business, including chairing the Group Executive Committee;
- (e) ensuring that management fulfils its obligation to provide the Board with:
 - (i) high quality, accurate, timely and clear information in a form and of a quality and comprehensiveness that will enable it to discharge its duties;
 - (ii) the necessary resources for developing and updating the Directors' knowledge and capabilities; and
 - (iii) appropriate knowledge of the Company, including access to Company operations and members of the workforce.

- (f) ensuring the Board knows the Group Executive Committee's views on business issues in order to improve the standard of Boardroom discussion and, prior to a final decision on an issue, explaining in a balanced way any divergence of view in the management team.

3. Reporting Lines:

The Chief Executive is accountable to the Board and reports to the Chairman.