

Vesuvius plc
(the “Company”)

Terms of Reference for
The Nomination Committee
(as adopted by the Board on 11 December 2014
and reviewed on 11 December 2015)

1. Constitution

- 1.1 The Board has established a Committee of the Board known as the Nomination Committee.

2. Purpose

- 2.1 The purpose of the Committee is to advise the Board on appointments, retirements and resignations from the Board and its Committees. In particular, the Committee should ensure that the procedure for the selection of potential candidates for Board appointments - either as an Executive or Non-executive Director - is formal, rigorous and transparent and undertaken in a manner consistent with best practice. It should also ensure that appointments to the Board are made on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender.

3. Membership

- 3.1 The Committee shall consist of the Chairman of the Company, together with any three Non-executive Directors. A quorum shall be three members, at least two of whom must be independent Non-executive Directors.
- 3.2 Appointments to the Committee shall be for a period of up to three years (subject to the election and re-election provisions in the company's constitution and in the UK Corporate Governance Code), which may be extended for further periods of up to three years each, provided the Director concerned still satisfies the criteria for membership of the Committee.
- 3.3 The Chairman of the Committee shall be appointed by the Board and will either be the Chairman of the Board, or an independent Non-executive Director. The Chairman of the Board will not be appointed as the Chairman of the Committee where the Committee is dealing with a successor to the Chairmanship. In the absence of the Committee Chairman, the remaining members present shall elect one of their number to chair the meeting.
- 3.4 The Chairman and other members of the Committee shall be named in the Company's annual report.
- 3.5 The Group Secretary or their nominee shall be the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

4. Frequency of Meetings

- 4.1 Meetings of the Committee will be held at least twice a year and otherwise as and when appropriate.

4.2 Meetings may be held by telephone.

5. Notice of meetings

5.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairman.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-executive Directors, no later than five days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of meetings

6.1 The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

6.2 Draft minutes of the Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated, to all other members of the Board, other than where it would be inappropriate to do so.

7. Role and Responsibilities

The role and responsibilities of the Committee shall include:

7.1 Evaluating the balance of skills, knowledge, experience and diversity (including gender) on the Board and the preparation of a description of the role and capabilities required for a particular appointment, including the anticipated time commitment. Candidate specifications will normally be issued to the full Board for comment prior to the selection process starting.

7.2 The engagement and briefing of recruitment consultants, as appropriate.

7.3 The initial screening of candidates prior to their consideration by the full Board.

7.4 The consideration of succession plans for the Board, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future.

7.5 For the appointment of a Company Chairman, preparing a job specification, including the time commitment expected. A proposed Chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise.

7.6 Ensuring that each proposed appointee to the Board is required to disclose any business or other interests which he has which could result in a conflict of interest for him as a member of the Board.

7.7 Reviewing annually the time required from Non-executive Directors and evaluate annually whether each Non-executive Director is spending sufficient time to fulfil his duties.

7.8 Reviewing the results of the Board performance evaluation process that relate to the composition of the Board.

- 7.9 Ensuring that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings.
- 7.10 The Committee shall also make recommendations to the Board concerning:
- 7.10.1 Formulating plans for succession for both Executive and Non-executive Directors;
 - 7.10.2 Suitable candidates for the role of Senior Independent Director;
 - 7.10.3 Membership of the Audit Committee and Remuneration Committee, and any other Board committees as appropriate, in consultation with the Chairmen of those committees;
 - 7.10.4 The re-appointment of any Non-executive Director at the conclusion of his specified term of office having given due regard to his performance and ability to continue to contribute to the Board in the light of the knowledge, skills, experience and independence required;
 - 7.10.5 The election and re-election by shareholders of any Director under the company's articles of association or under the UK Corporate Governance Code, having due regard to his performance and ability to continue to contribute to the Board in the light of the knowledge, skills, experience and independence required and the need for progressive refreshing of the Board;
 - 7.10.6 Any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the company subject to the provisions of the law and their service contract; and
 - 7.10.7 The proposed appointment of any Director to an executive position or to any office with any group undertaking.

8. Authority

- 8.1 The Committee is authorised by the Board to undertake any activity and to obtain, at the Company's expense (within the Company's internal guidelines), outside legal or other professional advice on any matters within its Terms of Reference.
- 8.2 The Board authorises the Chairman of the Nomination Committee to attend the Annual General Meeting of the Company and respond to any questions from shareholders on the Committee's activities.
- 8.3 The Committee has no authority to appoint or offer to appoint a Director. Appointment remains a matter for the full Board.

9. Reporting Procedure

- 9.1 The deliberations and recommendations of the Committee will be reported to the Board by the Chairman.
- 9.2 Members of the Board will normally be provided with candidate specifications, details of the appointment of external consultants, and any short- lists of candidates.

- 9.3 The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company.
- 9.4 The report referred to in 9.3 above should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

10. Other matters

- 10.1 The Nomination Committee shall:

- 10.1.1 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;

- 10.1.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;

- 10.1.3 Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.