

**Vesuvius plc**  
**(the “Company”)**

**Terms of Reference for the**  
**Share Scheme Committee**

(as adopted by the Board on 11 December 2015, reviewed by the Board on 7 December 2016  
and amended by the Board on 5 December 2018)

**1. Constitution**

1.1 The Board has established a Committee of the Board known as the Share Scheme Committee.

**2. Purpose**

2.1 The main purpose of the Committee is to facilitate the administration of the Company's Share Schemes (the "Schemes").

2.2 The Schemes consist of the following schemes and any successive or additional share scheme: -

- The Vesuvius Share Plan 2012
- The Medium Term Incentive Plan 2014
- The Vesuvius Deferred Share Bonus Plan 2018

**3. Membership**

3.1 The Committee shall consist of any two Directors, or any two Directors and the Company Secretary.

**4. Attendance at Meetings**

4.1 The Committee may require the attendance of other Executives, and in addition, appropriate external advisers, including the Company's auditors, legal advisers or remuneration consultants.

4.2 The Group Secretary, Deputy or Assistant Company Secretary shall be the Secretary of the Committee and shall be in attendance at all meetings 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.

**5. Frequency of Meetings and Quorum**

5.1 Meetings of the Committee will be held as and when appropriate. Formal meetings may be held by telephone.

5.2 A quorum of the Committee will comprise two Directors present throughout the meeting.

5.3 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairman. Supporting papers shall be sent to Committee members and to other attendees as appropriate.

**6. Duties**

6.1 The duties of the Committee will be to administer within these Terms of Reference the various acts and authorisations necessary for the functioning of the Schemes. The members of the Committee must, in fulfilling their responsibilities as set out hereunder, comply with their duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, whilst having regard to the interests of employees, stakeholders and other matters as required by section 172.

- 6.2 The duties of the Committee include:
- 6.2.1 to allot shares under the terms of the Schemes (provided that in the case of shares to be allotted to Executive Directors and Senior Management, the Remuneration Committee has confirmed the value of shares to be allotted);
  - 6.2.2 to authorise invitations under the Schemes, to approve the relevant documentation and administrative action and to communicate to employees the decisions of the Committee and the Board (where necessary) in relation to the Schemes;
  - 6.2.3 to approve amendments of a routine nature, including legislative changes, to the terms of the Schemes, subject always to the amendment provisions contained in the Schemes; and
  - 6.2.4 to approve sealing of agreements, certificates and other documents.
- 6.3 For the avoidance of doubt, it is noted that the Share Scheme Committee shall have no authority in respect of matters or actions which are necessarily within the remit of the Remuneration Committee or the Board of Directors. It is noted that as a matter of routine, the Remuneration Committee and Board of Directors will delegate administrative matters to the Share Schemes Committee including the processing of share exercises and vestings.

## **7. Reporting Procedure**

- 7.1 A summary of the proceedings of the Committee will be produced to the Board as part of the Secretary's Report.
- 7.2 The Chairman of the Committee may report to the Board on such matters as he considers appropriate.
- 7.3 The Committee Secretary shall circulate the minutes of meetings of the Committee to all members of the Committee. Once approved, minutes should be circulated to all members of the Board and the Secretary of the Board unless it would be inappropriate to do so in the opinion of the Chairman of the Committee.

## **8. General**

- 8.1 The Committee may in carrying out its tasks under these Terms of Reference obtain such outside or other independent professional advice it considers is necessary in the fulfillment of its duties and the Board will ensure that the Committee will have access to professional advice both inside and outside the Company.

## **9. Other Matters**

- 9.1 The Committee shall 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.