

22 April 2013

[www.vesuvius.com](http://www.vesuvius.com)

Dear Shareholder

I am pleased to inform you that the Vesuvius plc 2012 Annual Report has now been published.

If you have requested a printed copy of the Annual Report, it is enclosed with this letter. If you requested to receive your Annual Report electronically, or did not return the election card previously sent to you, please accept this letter as notification that Vesuvius' 2012 Annual Report is now available on the Company's website at:  
<http://vesuviusplc.annualreport2012.com>.

You will also find included with this letter a Form of Proxy and notice of the Company's 2013 Annual General Meeting ("AGM").

## **2013 ANNUAL GENERAL MEETING**

Vesuvius' AGM will be held at The Lincoln Centre (the "Centre"), 18 Lincoln's Inn Fields, London WC2A 3ED on Tuesday 4 June 2013 at 10.00am. The Centre has facilities for attendees with disabilities; please contact the Company Secretary if you require assistance.

There will be an opportunity to meet Directors and Senior Executives of the Group both before and after the meeting.

### **Business of the Meeting**

All of the business to be tabled at the AGM will be familiar to Shareholders. The formal notice of the meeting is set out overleaf, and full details of the resolutions to be proposed are contained in the Explanatory Notes appended to this notice.

In line with the Company's Articles of Association and the UK Corporate Governance Code, all Directors will retire at the AGM and, where appropriate, seek election from Shareholders.

Two of the current Board members – Jan Oosterveld and John Sussens – will not be offering themselves for election. Both Mr Oosterveld and Mr Sussens were Directors of Cookson Group plc ("Cookson") and as stated in the Cookson Circular to Shareholders dated 1 November 2012 would retire from the Board of Vesuvius at the 2013 AGM, subject to the appointment of their successors. I would wish to thank both Directors for their service.

The Directors standing for election at the AGM are therefore as follows:

Nelda Connors  
Christer Gardell  
Jeff Hewitt  
Jane Hinkley  
John McDonough  
Chris O'Shea  
Francois Wanecq

Biographical details of these Directors are on pages 9 and 10.

As Chairman, I believe that the contribution and performance of each of the Directors is valuable and effective. They all demonstrate commitment to their roles and I therefore believe that it is appropriate that they should continue to serve on the Board.

I want to emphasise that Resolution 16 – Authority for the Company to incur political expenditure – is being proposed solely as a safeguard. There is no intention that the Company make political donations of any sort whatsoever. As explained on page 12, this resolution is being proposed in case of an inadvertent infringement of the Companies Act. Many other companies put similar resolutions to shareholders for the same reason.

Please note, this letter is not a summary of the proposals set out in the Notice of AGM and should not be regarded as a substitute for reading the 2012 Annual Report or the Notice of AGM.

## **Questions**

Shareholders who wish to put any questions to the Board prior to the AGM are invited to send these for the attention of the Company Secretary to: 165 Fleet Street, London EC4A 2AE, England, e-mail (for these purposes only): [shareholder.information@vesuvius.com](mailto:shareholder.information@vesuvius.com) or fax (for these purposes only) to: +44 (0)20 7822 0104.

## **Voting**

At the AGM all resolutions will be voted on a poll. This is a more transparent method of voting than a "show of hands" as Shareholders' votes are counted according to the number of shares held. If you are unable to attend the AGM you can still vote if you appoint a proxy. Shareholders will find enclosed a reply-paid Form of Proxy for use at the AGM. Whether or not you intend to be present at the AGM you are requested to complete and return the Form of Proxy as soon as possible and, in any event, so as to arrive not less than 48 hours before the time the AGM begins. The completion and return of a Form of Proxy will not preclude you from attending the AGM and voting in person if you subsequently wish to do so.

Arrangements have also been made for CREST Members to appoint a proxy or proxies through the CREST electronic appointment service. Further details are included in notes 9, 10, 11 and 12 on pages 6 and 7 of the Notice of Meeting.

As soon as practicable after the AGM the results of the poll (and other information required by Section 341 of the Companies Act) will be announced via a regulatory information service and made available on the Company's website [www.vesuvius.com](http://www.vesuvius.com).

## **Recommendation**

Your Directors believe all the proposals to be considered at the AGM to be in the best interests of the Company and its Shareholders. They therefore unanimously recommend Shareholders to vote in favour of each of these resolutions, as they intend to do in respect of their own beneficial shareholdings.

## **Electronic Communications**

Further information is available to view online on our corporate website:

<http://www.vesuvius.com/investors/shareholder-services>, along with the 2012 Annual Report you can access other information including an electronic copy of the Notice of AGM which is available at:

<http://www.vesuvius.com/investors/shareholder-services/shareholder-meetings>

If you would like to receive notice of future general meetings and other notifications online, please register through the online service provided by our Registrar, Equiniti, at <http://www.shareview.co.uk>.

If you are already receiving notifications from the Company electronically, and would like us to amend your records to receive a paper copy of the Annual Report, please contact us on tel: + 44 (0)20 7822 0000 or alternatively write to the Company Secretary at the above address, stating your name, address, shareholding and shareholder reference number. (Your shareholder reference number can be found on your share certificate.)

Yours sincerely

John McDonough CBE  
Chairman

# Vesuvius plc

## Annual General Meeting 2013

Notice of the first Annual General Meeting of the Company to be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Tuesday 4 June 2013 at 10.00am is set out on pages 4 to 8 of this document and is accompanied by an explanation of the business to be transacted at the Meeting.

**This document is important and requires your immediate attention.** If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser or other independent adviser authorised under the Financial Services and Markets Act 2000 immediately. If you have sold or transferred all your shares in Vesuvius plc, please pass this document, together with the accompanying Form of Proxy, to the stockbroker, bank or other agent through whom you made the sale or transfer, for transmission to the purchaser or transferee.

# Vesuvius plc

## Annual General Meeting 2013

NOTICE IS HEREBY GIVEN that the first Annual General Meeting of Vesuvius plc will be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Tuesday 4 June 2013 at 10.00am for the transaction of the following business:

To consider and, if thought fit, to pass resolutions 1 to 13 and 16 below as ordinary resolutions and 14, 15 and 17 below as special resolutions:

### Ordinary Business

1. THAT the report of the Directors and the audited accounts of the Company for the year ended 31 December 2012 be received. See Explanatory Notes — page 9.
2. THAT a final dividend of 9.5 pence per ordinary share for the year ended 31 December 2012 be declared, to be paid on 27 June 2013 to ordinary Shareholders on the register of members at close of business on 17 May 2013. See Explanatory Notes — page 9.
3. THAT the Directors' Remuneration Report for the year ended 31 December 2012 be approved. See Explanatory Notes — page 9.
4. THAT Ms N Connors be elected a Director of the Company. See Explanatory Notes — page 9.
5. THAT Mr C Gardell be elected a Director of the Company. See Explanatory Notes — page 9.
6. THAT Mr J Hewitt be elected a Director of the Company. See Explanatory Notes — page 10.
7. THAT Ms J Hinkley be elected a Director of the Company. See Explanatory Notes — page 10.
8. THAT Mr J McDonough be elected a Director of the Company. See Explanatory Notes — page 10.
9. THAT Mr C O'Shea be elected a Director of the Company. See Explanatory Notes — page 10.
10. THAT Mr F Wanecq be elected a Director of the Company. See Explanatory Notes — page 10.
11. THAT KPMG LLP be reappointed as Auditor of the Company to hold office from the conclusion of the Meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid. See Explanatory Notes — page 11.
12. THAT the Directors be authorised, subject to the passing of Resolution 11 above, to determine the Auditor's remuneration. See Explanatory Notes — page 11.
13. THAT the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the "Companies Act") to exercise all the powers of the Company to allot shares or grant rights to subscribe for or convert any security into shares (as defined in Section 551(1) of the Companies Act):
  - (a) up to a nominal amount of £9,282,835; and
  - (b) comprising equity securities (as defined in Section 560(1) of the Companies Act) up to a further nominal amount of £9,282,835 in connection with an offer by way of a rights issue;

such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Companies Act and to expire at the end of the next Annual General Meeting or on 30 June 2014, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority ends.

For the purposes of this Resolution "rights issue" means an offer to ordinary Shareholders in proportion (as nearly as may be practicable) to their existing holdings, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory. See Explanatory Notes — page 11.

14. THAT, subject to the passing of Resolution 13 above, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the Companies Act) wholly for cash:
  - (a) pursuant to the authority given by paragraph (a) of Resolution 13 above or where the allotment constitutes an allotment of equity securities by virtue of section 560 of the Companies Act in each case:

- (i) in connection with a pre-emptive offer; and
  - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £1,392,425 and
- (b) pursuant to the authority given by paragraph (b) of Resolution 13 above in connection with a rights issue, as if Section 561(1) of the Companies Act did not apply to any such allotment; such power to expire at the end of the next Annual General Meeting or on 30 June 2014, whichever is the earlier but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends and the Board may allot equity securities under any such offer or agreement as if the power had not ended.

For the purposes of this Resolution: "rights issue" has the same meaning as in Resolution 13 above; "pre-emptive offer" means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory; and the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights. See Explanatory Notes — page 11.

15. THAT, pursuant to Article 7 of the Company's Articles of Association, general and unconditional authority be given for the purpose of Section 701 of the Companies Act for market purchases (as defined in Section 693 of the said Act) by the Company of its ordinary shares, provided that:
- (a) the maximum number of ordinary shares which may be purchased shall be 27,848,507 ordinary shares of 10 pence each;
  - (b) the minimum price which may be paid for each ordinary share shall not be less than the nominal value of the ordinary shares at the time of purchase;
  - (c) the maximum price which may be paid for each ordinary share shall be an amount equal to the higher of (i) 105% of the average of the closing price of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List on the five business days immediately preceding the date on which such share is contracted to be purchased and (ii) the price stipulated by Article 5(1) of the Buy-Back and Stabilisation Regulation of 22 December 2003; and
  - (d) this authority shall expire at the end of the next Annual General Meeting or on 30 June 2014, whichever is the earlier (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be implemented wholly or partly after such expiry). See Explanatory Notes — page 12.
16. THAT the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be authorised for the purposes of Part 14 of the Companies Act during the period from the date of the passing of this resolution to the end of the next Annual General Meeting or 30 June 2014, whichever is the earlier:
- (i) to make political donations to political parties, and/or independent election candidates;
  - (ii) to make political donations to political organisations other than political parties; and
  - (iii) to incur political expenditure, up to an aggregate amount of £100,000, and the amount authorised under each of paragraphs (i) to (iii) shall also be limited to such amount.

Words and expressions defined for the purposes of the Companies Act shall have the same meaning in this resolution. See Explanatory Notes — page 12.

## Special Business

17. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice. See Explanatory Notes — page 12.

By Order of the Board

**Richard Malthouse**

Company Secretary

22 April 2013

Registered office: 165 Fleet Street, London EC4A 2AE

Registered in England & Wales number 8217766

## Notes

1. A Shareholder entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and speak and vote at the AGM. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. Proxies need not be Shareholders of the Company.
2. The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and (i) in the case of an individual must either be signed by the appointor or his attorney; and (ii) in the case of a corporation must be either given under its common seal or be signed on its behalf by an attorney or a duly authorised officer of the corporation. Any signature on or authentication of such appointment need not be witnessed. Where an appointment of a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Directors must (failing previous registration with the Company) be submitted to the Company, failing which the appointment may be treated as invalid.
3. A Form of Proxy is enclosed. The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting at the AGM in person.
4. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must either be (a) sent to the Company's Registrars, Equiniti Limited, of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to arrive no later than 10.00am on 2 June 2013 or, if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM or (b) lodged using the CREST Proxy Voting Service – see Note 9 below.

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders registered in the register of Shareholders of the Company as at 6.00pm on 2 June 2013 will be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of Shareholders after 6.00pm on 2 June 2013 will be disregarded in determining the rights of any person to attend or vote at the AGM.

5. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act ("Nominated persons"). Nominated persons may have a right under an agreement with the Shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
6. Holders of ordinary shares (or their proxies) are entitled to attend and vote at general meetings of the Company. On a vote by "show of hands" every Shareholder or effectively appointed proxy who is present shall have one vote. On a poll vote every Shareholder who is present in person or by proxy shall have one vote for every ordinary share of which he is the holder.
7. Entitlement to attend and vote at the AGM, and the number of votes which may be cast at the AGM, will be determined by reference to the Company's register of Shareholders at 6.00pm on 2 June 2013 or, if the AGM is adjourned, at 6.00pm on the day two days before the day fixed for the adjourned meeting (as the case may be). In each case, changes to the register of Shareholders after such time will be disregarded.
8. As at 20 April 2013 (which is the last practicable date before the publication of this Notice) the Company's issued share capital consists of 278,485,071 ordinary shares, carrying one vote each on a poll. Therefore, the total voting rights in the Company as at 20 April 2013 were 278,485,071.
9. CREST Shareholders who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 4 June 2013 and any adjournment(s) thereof by using the procedures described in the CREST Manual which can be viewed at [www.euroclear.com/CREST](http://www.euroclear.com/CREST). CREST personal Shareholders or other CREST sponsored Shareholders, and those CREST Shareholders who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy, the revocation of a proxy appointment or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in Note 4 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.

11. CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST Shareholder concerned to take (or, if the CREST Shareholder is a CREST personal Shareholder or sponsored Shareholder or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual Shareholder provided that they do not do so in relation to the same shares.
14. Shareholders should note that it is possible that, pursuant to requests made by Shareholders of the Company under section 527 of the Companies Act, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM or (ii) any circumstance connected with an Auditor of the Company appointed for the financial year ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) of the Companies Act. Where the Company is required to place a statement on the website under section 527 of the Companies Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under section 527 of the Companies Act to publish on a website.
15. All Shareholders and their proxies have the right to and will have the opportunity to ask questions at the Meeting. When invited by the Chairman, any Shareholder or proxy who wishes to ask a question should wait for a Company representative to bring them a microphone. It would be helpful if questioners could state their name before asking their question. Questions may not be answered at the Meeting if they are deemed not to be in the interests of the Company or the good order of the Meeting, would involve the disclosure of confidential information, or the answer has already been given on the website. The Chairman may also nominate a Company representative to answer a specific question after the Meeting or refer the response to the Company's website.
16. Shareholders have the right, under section 338 of the Companies Act, to require the Company to give its Shareholders notice of a resolution which the Shareholders wish to be moved at the Company's AGM. Additionally, Shareholders have the right under section 338A of the Companies Act to require the Company to include a matter (other than a proposed resolution) in the business to be dealt with at the AGM. The Company is required to give such notice of a resolution or include such matter once it has received requests from Shareholders representing at least 5% of the total voting rights of all the Shareholders who have a right to vote at the AGM or from at least 100 Shareholders with the same right to vote who hold shares in the Company on which there has been paid up an average sum per Shareholder of at least £100. This request must be received by the Company not later than six weeks before the AGM or, if later, the time at which notice is given of the AGM. In the case of a request relating to section 338A of the Companies Act, the request must be accompanied by a statement setting out the grounds for the request.
17. In accordance with section 311A of the Companies Act, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, details of the total number of the voting rights that Shareholders are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website [www.vesuvius.com](http://www.vesuvius.com).
18. Email addresses provided in this notice of meeting or any related documents (including the Form of Proxy) should not be used to communicate with the Company for any purposes other than those expressly stated.
19. Each of the resolutions to be put to the AGM will be voted on by poll and not by "show of hands". This is a more transparent method of voting as Shareholders' votes are counted according to the number of shares held. As soon as practicable after the AGM the results of the poll (and other information required by section 341 of the Companies Act) will be announced via a regulatory information service and made available on the Company's website [www.vesuvius.com](http://www.vesuvius.com).

20. Copies of all contracts of service or, where applicable, letters of appointment of the Directors are available for inspection during business hours at the registered office of the Company and will be available for inspection at the place of the AGM for fifteen minutes prior to and during the AGM.
21. Although this Notice is sent to US resident holders of options granted under the Company's employee share option plans, only holders of ordinary shares (or their proxies) are entitled to attend or vote at the AGM.
22. This document is important and requires your immediate attention. If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or [other professional adviser] or other independent adviser authorised under the Financial Services and Markets Act 2000 immediately. If you have sold or transferred all your shares in Vesuvius plc, please pass this document, together with the accompanying Form of Proxy, to the stockbroker, bank or other agent through whom you made the sale or transfer, for transmission to the purchaser or transferee.

# Vesuvius plc

## Explanatory Notes to Business of the Annual General Meeting 2013

### ORDINARY AND SPECIAL RESOLUTIONS

Resolutions 14, 15 and 17 are special resolutions; the remainder are ordinary resolutions. Ordinary resolutions require a simple majority of Shareholders voting in person or by proxy to pass the resolutions, whereas special resolutions require at least 75% of Shareholders voting in person or by proxy to pass the resolutions.

### ITEMS OF BUSINESS:

#### **Receipt of 2012 Annual Report and Accounts and Declaration of a Dividend (Resolutions 1 and 2)**

Resolution 1 deals with the receipt of the Directors' report and audited accounts of the Company. Resolution 2 deals with the declaration of a final dividend of 9.5 pence per ordinary share for the year ended 31 December 2012. If approved, the dividend will be paid on 27 June 2013 to Shareholders on the register of members at 17 May 2013.

#### **Directors' Remuneration Report (Resolution 3)**

Resolution 3 deals with the approval of the Directors' Remuneration Report for the year ended 31 December 2012.

#### **Election of Directors (Resolutions 4 to 10)**

With the exception of Messrs Oosterveld and Sussens, who will be retiring at the AGM, all the Directors will retire and offer themselves for election at the AGM in accordance with the Company's Articles of Association and the UK Corporate Governance Code (which recommends that all directors of FTSE 350 companies be subject to annual election by Shareholders).

Given the brief period since the Company's incorporation, there has not yet been any formal evaluation of the Board. However the Chairman believes the contribution of each of the Directors has been valuable and effective since their appointment and as such recommends the election of each of the Directors standing for election.

Biographical information, containing details of the skills and experience of the Directors standing for election is given below:

#### **NELDA CONNORS**

##### *Non-Executive Director*

Nelda Connors was appointed as a Director of the Company on 1 March 2013. She is a Non-Executive Director of Blount International, Inc., and Boston Scientific Corporation, sits on the Board of the Federal Reserve Bank of Chicago and is Chairwoman and Founder of Pine Grove Holdings, LLC, a consultancy that provides advisory services to private equity and investment firms and limited investments to small and mid-sized businesses. Nelda is a non-executive director of Echo Global Logistics, a US company listed on NASDAQ. Nelda is a US citizen and has extensive global manufacturing experience. She served as President and CEO of Tyco International, Electrical & Metal Products division (renamed Atkore International in 2010) from 2008 to 2011, prior to which she spent six years at Eaton Corporation, in a number of international management roles which included nearly four years based in Shanghai. Ms. Connors spent much of her early career in the automotive industry working for Ford, Chrysler and Mogami Denki, a Toyota supplier. During this period she undertook roles in plant management, engineering, quality, customer service and strategic planning and worked in the US, Europe and Asia Pacific.

#### **CHRISTER GARDELL**

##### *Non-Executive Director*

Christer Gardell was appointed as a Director of the Company on 31 October 2012 having previously joined the board of Cookson Group plc in June 2012. Christer is Managing Partner of Cevian Capital, which on 20 April 2013, held just over 20% of the Company's issued share capital. Christer co-founded Cevian Capital in 2002. From 1996 to 2001, he was the Chief Executive Officer of AB Custos, the Swedish investment company. Prior to joining AB Custos he had been a partner of Nordic Capital and McKinsey & Company. Christer is a Non-Executive Director of the global Finnish technology and services company Metso Corporation. He served as a Non-Executive Director of AB Lindex until December 2007 and of Tieto Corporation until March 2012.

**JEFF HEWITT**

*Non-Executive Director*

Jeff Hewitt was appointed as a Director on 31 October 2012 and is Chairman of the Audit Committee of the Company having previously joined the Cookson Group plc board in June 2005, where he was also Chairman of the Audit Committee. Jeff was previously Deputy Chairman and Group Finance Director of Electrocomponents plc. He is a Non-Executive Director and Chairman of the Audit Committees of Cenkos Securities plc and Foreign & Colonial Investment Trust plc. He is also the Chairman of Electrocomponents Pension Trustees Limited. Jeff Hewitt is a Chartered Accountant.

**JANE HINKLEY**

*Non-Executive Director*

Jane Hinkley was appointed as a Director of the Company on 3 December 2012. Jane will, subject to her election, take over from John Sussens as Chairman of the Remuneration Committee when John retires from the Board immediately following the AGM. Jane is currently a Non-Executive Director and Chairman of the Remuneration Committee of Premier Oil plc. She also serves as a Non-Executive Director of Teekay GP L.L.C. This is the general partner of Teekay LNG Partners L.P., the international provider of marine transportation services for Liquefied Natural Gas ("LNG"), LPG and crude oil, which is a NYSE listed partnership. She previously held the position of Non-Executive Director of Revus Energy ASA, a Norwegian exploration and production company. Jane spent a large part of her career working at Gotaas-Larsen Shipping Corporation, the LNG shipping specialist which was listed on both the London Stock Exchange and NASDAQ. She served as CFO from 1988-1992, and as Managing Director until 1997. In 1998 Jane was appointed Managing Director of Navion Shipping AS, a company majority owned by Statoil, the oil and gas company, a position she held until 2001. Jane is a qualified Chartered Accountant and a British citizen.

**JOHN MCDONOUGH**

*Chairman*

John McDonough was appointed as a Director and Chairman of the Company on 31 October 2012. John was group Chief Executive Officer of Carillion plc, the support services and construction firm, for 11 years until he retired in 2011. Prior to joining Carillion plc he spent nine years at Johnson Controls Inc. working for the automotive systems division, initially in the UK, before moving to become Vice President of the division's European operations and ultimately to Singapore to develop the business in Asia Pacific. He then returned to the UK as VP of the integrated facilities management division for EMEA. John served as Chairman of the Remuneration Committee of Tomkins plc from 2007 to 2010 and as a Non-Executive Director of Exel plc from 2004 to 2005. He joined The Vitec Group plc in March 2012, and has served as its Chairman since June 2012.

**CHRIS O'SHEA**

*Executive Director / Chief Financial Officer*

Chris O'Shea was appointed as a Director of the Company on 31 October 2012, having joined Cookson Group plc on 11 October 2012. Prior to joining Cookson, Chris held a number of senior finance roles at BG Group, latterly serving as CFO for the group's businesses in Africa, the Middle East and Asia. From 1998 to 2005 Chris worked in the UK, the US and Nigeria for Royal Dutch Shell in a variety of roles, including CFO for Shell's offshore exploration and production business in Nigeria. Chris is a Chartered Accountant with an MBA from Duke University and has also worked for Ernst & Young.

**FRANCOIS WANECQ**

*Executive Director / Chief Executive*

Francois Wanecq was appointed as a Director of the Company on 31 October 2012. He previously joined the Cookson Group plc Board in February 2010. Francois has been the Chief Executive Officer of Cookson's Engineered Ceramics division since October 2005. Prior to joining Cookson, he held a series of senior management roles at Arjo Wiggins Group and served as an Executive Director of Arjo Wiggins Appleton plc from 1999 until it was delisted and from 1985 to 1995 he was Managing Director of the technical ceramics division of the Saint-Gobain Group.

### **Reappointment of Auditor and authorisation of Directors to determine its remuneration (Resolutions 11 and 12)**

Resolutions 11 and 12 deal, respectively, with the reappointment of KPMG LLP as Auditor of the Company and the authorisation of the Directors to determine its remuneration for the current financial year. The level of remuneration paid in 2012 by way of audit fees to the Auditor, together with the amounts paid in respect of non-audit fees, are shown in note 6 on page 114 of the Annual Report 2012.

### **Directors' authority to allot shares (Resolution 13)**

Under the Companies Act 2006 (the "Companies Act") the Directors may only allot unissued shares if authorised to do so by the Shareholders in a general meeting. At a general meeting held on 31 October 2012 Shareholders granted the Directors authority to allot relevant securities under Section 551 of the Companies Act. Resolution 13 seeks to renew this authority to allow the Directors to allot shares or grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of £9,282,835 representing an amount equal to one-third of the Company's issued share capital as at 20 April 2013. This authority complies with the latest institutional guidelines issued by the Association of British Insurers ("ABI").

In addition, the Company is seeking authority in part (b) of resolution 13 to allow the Directors to allot new shares or grant rights to subscribe for or convert any security into shares only in connection with a rights issue up to a further nominal value of £9,282,835 representing an amount equal to one-third of the Company's issued share capital as at 20 April 2013. If this resolution is passed, the Directors will have the authority in certain circumstances to allot new shares and other relevant securities up to a total nominal value of £18,565,670 representing a total amount equal to two-thirds of the Company's issued share capital as at 20 April 2013.

The Company has no present intention of undertaking a rights issue, or of allotting new shares other than in connection with any outstanding share option awards or allocations under the Cookson Long-Term Incentive Plan or Vesuvius Share Plan. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place. If this authority — as set out in part (b) of resolution 13 — was used, the Board anticipates that all Directors would submit themselves for re-election at the next AGM.

The Company does not hold any treasury shares as defined in the Listing Rules. The authorities granted in resolution 13 will expire on the date of the Company's next AGM or 30 June 2014, whichever is the earlier.

### **Directors' authority to allot shares other than on a pre-emptive basis (Resolution 14)**

If equity securities are to be allotted for cash using the authority given by resolution 13 explained above, Section 561(1) of the Companies Act requires that those securities be offered first to existing Shareholders in proportion to their existing holdings. The Board considers it appropriate for the Company to seek approval from Shareholders to waive these rights in certain circumstances, in order to allow the Company maximum flexibility to react to future business needs without the need to comply with the strict requirements of the statutory pre-emption provisions. To this end, resolution 14 is a special resolution which renews and extends the Directors' authority, granted by the Shareholders at a general meeting of the Company held on 31 October 2012, to allot equity securities for cash without first being required to offer such shares to existing Shareholders in proportion to their existing holdings. Apart from a rights issue or other pre-emptive offer concerning equity securities, the authority will be limited to the issue of shares for cash up to a maximum aggregate nominal value of 5% of the Company's issued share capital as at 20 April 2013. In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with Shareholders. Less than 1% of the Company's current issued share capital has been allotted for cash on a non pre-emptive basis to settle obligations arising from the exercise of share incentives during the period since incorporation.

The resolution seeks a disapplication of the pre-emption rights in relation to a rights issue to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems, for example issues arising as a result of local legal or regulatory requirements in respect of overseas Shareholders' participation in a rights issue. This resolution complies with the ABI and Pre-Emption Group's Statement of Principles. If passed, the authority given in this resolution will expire on the date of the Company's next AGM or 30 June 2014, whichever is the earlier.

**Authority for the Company to purchase its own shares (Resolution 15)**

Resolution 15 is a special resolution whereby Shareholders grant authority for the Company to purchase its own shares during the period from the passing of the resolution until the conclusion of the Company's next AGM or 30 June 2014, whichever is the earlier. The Company's exercise of this authority is subject to the stated upper and lower limits on the price payable, which reflect the requirements of the Listing Rules. Any shares purchased under this authority would be cancelled or held as treasury shares. If shares are cancelled, the number of shares in issue would be reduced accordingly. If approved, the resolution would authorise the Company to purchase up to a total of 27,848,507 shares of 10 pence each (representing 10% of the Company's issued shares as at 20 April 2013). As at 20 April 2013, there are no allocations or options to subscribe for shares outstanding.

No purchase by the Company of its own shares has been made to date. However, the Company announced on 27 March 2013 that, following the entering into of an agreement to dispose of its Precious Metals Processing Division, the Company intends, subject to completion of such disposal, to return the majority of the disposal proceeds to Shareholders through the on-market repurchase of shares. The Board has no present intention of exercising the authority for any other purposes.

**Authority for the Company to incur political expenditure (Resolution 16)**

Resolution 16 is an ordinary resolution which authorises the Company and its UK subsidiaries to make political donations and to incur political expenditure. The Companies Act requires companies to obtain Shareholders' authority for donations to registered political parties, other political organisations and independent election candidates totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definitions of "donations", "political organisations", "independent election candidates" and "political expenditure" are very wide in this context and there is concern that they may have had the effect of covering a number of normal business activities that would not be thought to be political donations in the usual sense.

As required by the Companies Act, the resolution is in general terms and does not purport to authorise particular donations. It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. However, to avoid inadvertent infringement of the Companies Act, the Directors are seeking Shareholders' authority for the Company and its subsidiaries to make political donations and to incur political expenditure during the period from the passing of the resolution until the conclusion of the Company's next AGM or 30 June 2014, whichever is the earlier, up to a maximum aggregate amount of £100,000.

**Authority for the Company to call a general meeting on 14 clear days' notice (Resolution 17)**

Resolution 17 is a special resolution which will allow the Company to call general meetings on 14 clear days' notice. The Company seeks to preserve the ability to call general meetings (other than an AGM) on 14 clear days' notice. The Company does not propose to use this reduced notice period as a matter of routine, but wishes to maintain the flexibility to do so where it is merited by the business of the meeting, for example because the matter to be discussed is time sensitive, or in the interests of Shareholders as a whole. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Shareholder Rights Directive in order to be able to call a general meeting on 14 clear days' notice.