

# RHI Magnesita N.V. (the “Company”)

## Role of the Chairman

### 1 Key Responsibilities

- 1.1 The Chairman's principal responsibility is the effective running of the Board of Directors of the Company (the “Board”) and ensuring a clear structure for, and the effective running of, the Board Committees.
- 1.2 The Chairman is responsible for ensuring that the Board as a whole plays a full and constructive part in the development and determination of the Group's overall goals and objectives, business strategy, values and standards and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives and promote the long-term, sustainable success of the Company.
- 1.3 The Chairman is the guardian of the Board's decision-making processes and shall preside at all meetings of the shareholders, ensuring general meetings proceed in an orderly and efficient manner, and the Board, demonstrating objective judgement and promoting a culture of openness and debate.
- 1.4 The Chairman is responsible for promoting the highest standards of integrity, probity and corporate governance throughout the Group and in particular at Board level. The Chairman should ensure reports of any suspected material misconduct and irregularities are investigated and that there is adequate follow up of actions.

### 2 Reporting Lines

- 2.1 The Chairman reports to the Board.
- 2.2 The Chairman is not responsible for executive matters regarding the Group's business. Apart from the Chief Executive Officer and the Company Secretary, no executive has a direct reporting line to the Chairman, other than through the Board.

### 3 Other Responsibilities

- 3.1 Running the Board, including ensuring appropriate delegation of authority from the Board to executive Directors and management and setting its agenda.
- 3.2 Ensuring that Board agendas take full account of, and spend sufficient time discussing, the important, strategic and contentious issues facing the Group and the concerns of all Board members. There should be an emphasis on strategic, rather than routine, issues. The Board should be closely involved, and at an early stage, in any merger or takeover processes.
- 3.3 Ensuring that the Board receives accurate, timely and clear information on:
  - the Group's performance;
  - the issues, challenges and opportunities facing the Group; and
  - matters reserved to the Board for its decision,

in a form and of a quality appropriate to enable the Directors to provide advice to promote the success of the Company, take sound decisions which consider the views of the Company's stakeholders and monitor the performance of the Company effectively.
- 3.4 Arranging informal meetings of the Directors, including meetings of the non-executive Directors at which the executive Director(s) are not present, facilitating the effective contribution of the non-executive Directors and encouraging active engagement by all members of the Board, and ensuring constructive relations between the executive and non-executive directors.
- 3.5 Proposing to the Board, in consultation with the Chief Executive Officer, Company Secretary and Board Committee Chairmen as appropriate:
  - a Schedule of Matters Reserved for the Board's decision; and
  - other Board policies and procedures

and ensure that these are observed.
- 3.6 Chairing the Nomination Committee, and, in that role, initiating change and succession planning in Board appointments (with the exception of a succession as Chairman), with the aims of ensuring that (i) there is an appropriate balance of skills, experience, independence and knowledge of the Company on the Board to enable it to discharge its duties and responsibilities effectively and (ii) there is a plan for orderly succession for appointments to the Board. In support of this, to facilitate the identification and appointment of effective and suitable Directors and Chairmen of Board Committees.
- 3.7 Proposing, in conjunction with the Nomination Committee, the Chairmen of Board Committees, and, following discussion with the respective Chairmen, the membership of Board Committees.
- 3.8 Ensuring (through the Board) that the Company's annual and interim reports to shareholders, other price-sensitive public reports and any reports to regulators present a balanced and understandable assessment of the Company's position and prospects
- 3.9 Provide coherent leadership of the Company, ensuring that there is effective communication by the Group with its shareholders, including by the Chief Executive Officer, Chief Financial Officer and other executive management, and ensuring that members of the Board develop an understanding of the views of the major investors in the Group as well as the views of shareholders and principal stakeholders generally. The Chairman should seek regular engagement with shareholders to understand their views on remuneration, governance and strategy and performance against it.
- 3.10 Arrange for the chairmen of Board committees to be available to answer questions at the AGM, and whenever shareholders request, and for all directors to attend.

- 3.11 Ensuring there is a full, formal and tailored induction programme for new Directors, facilitated by the Company Secretary, including the opportunity to meet major shareholders.
- 3.12 Taking the lead in identifying and seeking to meet the training and development needs, both of individual Directors and of the Board as a whole, assisted by the Company Secretary.
- 3.13 Establish a close relationship of trust with the Chief Executive Officer and Chief Financial Officer, providing support and advice whilst respecting executive responsibility.
- 3.14 Ensuring that the performance of the Board as a whole, its Committees, and individual Directors is formally and rigorously evaluated at least once a year and with external facilitation in (at a minimum) every third year and that action is taken in the light of the findings of those reviews by recognising the strengths and addressing the weakness of the Board. In particular, the Chairman will discuss the performance of the Chief Executive Officer at least once per year with the Board and provide feedback as appropriate.
- 3.15 Ensure that the Board determines (and keeps under review) the nature and extent of the significant risks it is willing to take in achieving its strategic objectives ("its risk appetite").
- 3.16 Ensure that the Board keeps the effectiveness of the internal control environment under review, and that this is formally assessed at least annually
- 3.17 Ensure that the Board elects a director as the Deputy Chairman and Senior Independent Director.

## 4 Status of this Statement

- 4.1 Any amendments to this statement are a Reserved Matter for the Board.

### Approvals History:

Date	Version	Approved By	Details
12 October 2017	1.0	The Board of Directors	Original document adopted by the Board
26 November 2019	1.1	The Board of Directors	Updated with reference to UK Corporate Governance Code