

RHI MAGNESITA NV

BOARD MATTERS RESERVED

1. STRATEGY AND MANAGEMENT

1.1	Responsibility for the overall leadership and long-term sustainable success of the Group and establishing the Group's purpose, values and the policies and standards set out in 11.1 of these Reserved Matters.
1.2	Approval of: <ul style="list-style-type: none"> • any proposal to change the Group's business model; • the Group's overall strategic aims, objectives and commercial strategy (Business Plan) and any changes to the approved Business Plan; and • the Group's strategy, including main strategic measures and projects (annually).
1.3	Approval of the annual operating and capital expenditure budgets for the Group and any material changes to these once approved.
1.4	Monitoring the implementation of the strategy and the performance of the Group's operations against the strategy and business plan, ensuring: <ul style="list-style-type: none"> • sound planning; • a Group culture, and workforce policies and practices, aligned with the purpose, values and strategy of the Group; • the implementation and maintenance of sound risk management and internal control systems; • protection of the Group's reputation; • adequate accounting and other records; and • compliance with statutory and other legal and regulatory obligations. Seeking assurance that management has taken corrective action where the above is not the case.
1.5	Approval of any proposal which could result in a change of control of the Company, or its combination (however structured) with any other company including, where judged appropriate, the recommendation of, or defence against, any offer that may be made to gain control of the Company or a majority of its shares.

2. ACQUISITIONS, INVESTMENTS AND CONTRACTS

2.1	Approval of: <ul style="list-style-type: none"> • all acquisitions above an enterprise value of €10 Million • all divestitures above with a book value of above €10 Million • engagement or withdrawal of all joint ventures The Board shall be informed on a regular basis about all mergers, acquisitions and divestiture activities.
2.2	Approval of any: <ul style="list-style-type: none"> • capital expenditure projects above €10 Million; • unbudgeted capital expenditure above €5 Million (as long as €15 Million of unbudgeted projects have not been approved by the EMT in one budget period).
2.3	Approval of any:

	<ul style="list-style-type: none"> • unbudgeted operating expenditures to the extent that these exceed 110% of Group's budgeted operating expenditures or €10 Million, whichever is lowest; • take or pay contract with a commitment of above €50 million; or • contract entered into by any member of the Group with a duration of over 2 years and a contract value of over €100 Million.
2.4	Approval to grant a guarantee, or an indemnity by the Company, with a potential liability exceeding €20 million. Where the guarantee covers loans & facilities, approval is required where the potential liability exceeds €50 million.

3. STRUCTURE AND CAPITAL

3.1	Approval of any changes relating to the Company's capital structure including: <ul style="list-style-type: none"> • within existing shareholder authority, any share buybacks (whether for cancellation or to be retained as treasury shares), any issue of shares from treasury or otherwise (except under employee share plans), or a reduction of capital; and • any proposal to create (or where previously approved, issue additional) bonds, debentures, loan stock or other securities
3.2	Approval, relating to the Group's debt structure, of: <ul style="list-style-type: none"> • any new bank or other debt facilities or structures exceeding €50 million; • any material change to existing facilities (excluding instances where the only change to the facility is to the tenor); • any material change in the levels of debt proposed to be carried by the Group under these facilities; and • the granting of any security over the assets of any Group company greater than €20 Million.
3.3	Major changes to the Group's corporate structure, particularly where any proposed restructuring is predicated in whole or in part on changing the Group's tax position.
3.4	Approval of any changes to the Company's listing, its status as a public or listed company or any listing on other exchanges.
3.5	Approval of any changes to the Company's name, accounting reference date, registered office address and trading address.

4. FINANCIAL REPORTING AND CONTROLS

4.1	Approval of the Company's annual report and accounts.
4.2	Approval of the Company's half-yearly report, any other in-year financial reporting, any trading statements or other announcements issued to guide market expectations and any announcement of the final results.
4.3	Approval of the Company's capital allocation policy including debt-levels and dividends.
4.4	Declaration of the Company's interim dividend and recommendation of the final dividend to the general meeting for approval.
4.5	Approval of the Group's principal accounting policies, any material changes in accounting policies, or practices.
4.6	Approval of treasury policies, including those relating to foreign currency exposure and the use of hedging or other financial derivatives.
4.7	Any write-down or write-off of goodwill or other tangible or intangible assets of the Group above €10 Million in aggregate per annum.

5. RISK MANAGEMENT AND INTERNAL CONTROLS

5.1	Identify and analyse the risks the Company is willing to take or tolerate in achieving its strategic objectives.
5.2	Establish a framework of prudent and effective controls, which enable risk to be assessed and managed.

5.3	<p>Ensuring the implementation and maintenance of adequate systems of internal control and risk management and any material change to these systems, including:</p> <ul style="list-style-type: none"> • approving the Company's/Group's risk appetite statements; • receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes; • approving procedures for the detection of fraud and the prevention of bribery; • undertaking a robust annual assessment of the effectiveness of these processes; and • approving an appropriate statement for inclusion in the annual report.
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6. SHAREHOLDER ENGAGEMENT AND DISCLOSURE

6.1	Monitoring of the views of the Company's shareholders to ensure that they are communicated to the Board as a whole. Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
6.2	<p>Power to:</p> <ul style="list-style-type: none"> • convene general or class meetings of the Company; and • recommend any changes to the Company's constitution or legal form
6.3	Approve the resolutions to be proposed at a general meeting and related documentation to be issued to shareholders.
6.4	Approval of all circulars, prospectuses and listing particulars.
6.5	Approval of regulatory announcements and/or press releases concerning matters decided by the Board, other than those of a routine or non-contentious nature.

7. BOARD MEMBERSHIP AND APPOINTMENTS

7.1	Approval of changes (or recommendations to shareholders) to the structure, size and composition of the Board, following recommendations from the Nomination Committee.
7.2	Ensuring adequate succession planning for the Board and EMT so as to develop a pipeline of talent and maintain an appropriate balance of skills and experience within the Group and on the Board.
7.3	Recommending candidates to shareholders for appointment to the Board, following recommendations by the Nomination Committee, including in the roles as Chairman, Deputy Chairman, Executive or Non-Executive Directors.
7.4	Appointment or removal of the Senior Independent Director.
7.5	Membership and chairmanship of Board Committees following recommendations from the Nomination Committee.
7.6	Continuation in office of directors at the end of their term of office, and the approval of any recommendation to shareholders for re-appointment at the AGM following recommendations from the Nomination Committee.
7.7	The suspension or termination of service of (i) a non-executive director or (ii) an executive director as an employee of the Company or Group, subject to the law and their service contract.
7.8	Appointment or removal of the Company Secretary.
7.9	Appointment or removal of the Internal Auditor (role title: Head of Internal Audit, Risk & Compliance).
7.10	Appointment, re-appointment or removal of the external auditor and to make recommendations on these items where they are to be put to shareholders for appointment in general meeting, following the recommendation of the Audit & Compliance Committee.
7.11	Appointment of the Executive Directors.
7.12	Approval of the appointment and removal of EMT members based on the proposal of the CEO.

8. REMUNERATION

8.1	Following recommendation by the Remuneration Committee, recommend the Directors' remuneration policy to be put to shareholders for approval.
8.2	As per the Remuneration Committee Terms of Reference, set the remuneration packages of the Chairman, Executive Directors, senior management, including the Company Secretary, including pension terms and rights, and any payments on recruitment or, termination of their employment, referring to the Directors' remuneration policy where relevant. No Director or senior manager shall be involved in any decisions as to their own remuneration.
8.3	Following recommendation by the Remuneration Committee, approve the structure, targets and payout/ vesting of Annual Bonuses and LTIP awards.
8.4	The Chairman shall determine the remuneration of the non-executive directors, subject to the Articles of Association and shareholder approval as appropriate. No individual shall be involved in deciding their own remuneration.
8.5	The Remuneration Committee shall approve the Directors' Expenses Policy.
8.6	Following recommendation by the Remuneration Committee, approving, subject to any shareholder approval required, the introduction of, changes to or termination of new long-term incentive plans operated by the Group.

9. DELEGATION OF AUTHORITY

9.1	The division of responsibilities between the Chairman, and the CEO and the role of the Senior Independent Director, the documentation of these arrangements and any variation of that document.
9.2	Approval of the delegated levels of authority, including the CEO's authority limits (which must be in writing) and any material changes in those levels as per the sections above.
9.3	Establishing Board Committees; approving their terms of reference, and any changes thereto.
9.4	Establishing Executive level Committees; approving their terms of reference, and any changes thereto
9.5	Receiving regular reports from Board Committees on their activities to ensure that delegations of authority granted are properly discharged.

10. CORPORATE GOVERNANCE MATTERS

10.1	Undertaking annual reviews of performance and effectiveness of the Board, its committees, the Chairman and individual directors.
10.2	Determining the independence of Non-Executive Directors with reference to the criteria in the applicable Corporate Governance Codes on recommendation from the Nomination Committee.
10.3	Considering the balance of interests between stakeholders, including but not limited to, shareholders, employees, customers and the community.
10.4	Monitoring of the Group's overall corporate governance arrangements.
10.5	Authorising conflicts of interest where permitted by the Company's Articles of Association.
10.6	Approval of transactions with related parties entered into outside the normal course of business or on other than normal market terms in order to be publicly announced.
10.7	Approval of any authorised signatories of the Company.

11. POLICIES	
11.1	<p>Approval of, and making changes to, policies (where they exist) including:</p> <ul style="list-style-type: none"> • Code of Conduct • Diversity Charter* • Human Rights* • Anti-Corruption Policy • Reporting and investigation of compliance violations (Whistleblowing policy) • Quality, Health & Safety, Energy and Environment (IMS) Policy • Data Privacy Policy • Sanctions, Export controls and business partner due diligence Policy • Anti-Trust and Fair Competition Policy • Information Security Policy* • Treasury policies*, as referred to in 4.6 above • Tax policies* • External Auditor: Independence Policy • Policy of Persons Discharging Managerial Responsibility holding of shares in other companies • Remuneration Policy, as referred to in 8.1 above <p>*approval delegated to the relevant Board Committee</p>
12. OTHER	
12.1	Appointment or removal of the Group's principal professional advisers, and in particular any investment banks, brokers, accounting or law firms on whose opinions the Board would wish to rely in the event of a corporate transaction.
12.2	Approval of the terms and scope of engagement of the External Auditor, including any engagement letter issued at the start of each audit/ review, and remuneration of the External Auditors, including fees for audit and non-audit services.
12.3	Approval of policy in respect of charitable donations and setting annual limits for the total donations to be funded by the Group.
12.4	The making of political donations, where the power to do so has previously been conferred by shareholders.
12.5	Following recommendation of the Corporate Sustainability Committee, approval of the statement in accordance with the UK Modern Slavery Act and the California Transparency in Supply Chains Act.
12.6	Approval of any matters that have significant reputational, social or environmental implications for the Company or Group.
12.7	Consideration of any prosecution, commencement, defence or settlement of litigation or an alternative dispute resolution mechanism, where the disputed sum and estimated legal costs exceed €10 Million or where the legal action relates directly to the Company.
12.8	Major changes to the rules of the Group's pension scheme, or changes of trustees or when this is subject to the approval of the Company changes in the fund management strategy and arrangements.
12.9	Monitoring of the Directors and Officers' Liability Insurance arrangements.
12.10	This schedule of Matters Reserved for Board.

