

**RHI MAGNESITA NV**

**EXECUTIVE DIRECTORS' REMUNERATION POLICY**

<b>Base salary</b>			
<b>ELEMENT AND PURPOSE</b>	<b>HOW IT OPERATES</b>	<b>MAXIMUM OPPORTUNITY</b>	<b>PERFORMANCE RELATED FRAMEWORK AND RECOVERY</b>
<p>To assist in the recruitment and retention of appropriate talent.</p> <p>To provide a fair fixed level of pay commensurate for the role ensuring no over reliance on variable pay.</p>	<p>Salaries are normally paid monthly and reviewed annually.</p> <p>The Company's Policy is to set salaries at market competitive levels taking into account salaries at companies of a similar size by market capitalisation, revenue and any other factors considered relevant by the Committee such as international business mix and complexity.</p> <p>Decisions on salary are influenced by: The performance and experience of the individual</p> <ul style="list-style-type: none"> <li>• The performance of the Group</li> <li>• The individual's role and responsibilities and any change in those responsibilities</li> <li>• Pay and employment conditions of the workforce across the Group including salary increases, rates of inflation and market-wide increases across international locations</li> <li>• The geographic location of the Executive Director</li> </ul>	<p>There is no prescribed maximum annual base salary or salary increase.</p>	<p>Salaries will normally be reviewed by the Committee annually, taking into account the various factors noted in the "How it operates" section of the Policy.</p>

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<b>Retirement allowance</b>			
<b>ELEMENT AND PURPOSE</b>	<b>HOW IT OPERATES</b>	<b>MAXIMUM OPPORTUNITY</b>	<b>PERFORMANCE RELATED FRAMEWORK AND RECOVERY</b>
To provide competitive retirement benefits for recruitment and retention purposes.	<p>Executive Directors may participate in a defined contribution plan, and/or receive cash in lieu of all or some of such benefit.</p> <p>Only base salary is pensionable. The pension will be set at a rate aligned to the majority of the workforce in the country of the Executive Director's appointment, structured as required by the local regulation in the country of appointment, and in line with industry norms.</p>	Pension is capped at the rate applicable to the majority of employees in the country of appointment for the Executive Director (currently Austria where it is 15% of salary).	None
<b>Other benefits</b>			
<b>ELEMENT AND PURPOSE</b>	<b>HOW IT OPERATES</b>	<b>MAXIMUM OPPORTUNITY</b>	<b>PERFORMANCE RELATED FRAMEWORK AND RECOVERY</b>
To provide a competitive benefit package for recruitment and retention purposes as well as to support the personal health and well-being of the Executive Director.	<p>Benefits currently provided include, but are not limited to, private health insurance, life insurance, tax advisory support, car/car allowance and fuel allowance.</p> <p>Additional benefits and tax payable as a result of reimbursement of reasonable business expenses may be provided from time to time if the Committee decides payment of such benefits and tax is appropriate and in line with market practice.</p>	There is no maximum level of benefits provided to an Executive Director.	None

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Annual bonus			
ELEMENT AND PURPOSE	HOW IT OPERATES	MAXIMUM OPPORTUNITY	PERFORMANCE RELATED FRAMEWORK AND RECOVERY
<p>To provide focus on the short-term performance of the Company and to provide a reward for achieving short-term personal, strategic and financial Company performance.</p> <p>To provide a mechanism for alignment with longer-term performance and shareholder objectives.</p> <p>The requirement for Executive Directors to acquire shares with their bonus aligns them to the</p>	<p>The annual bonus is based on the Group's performance as set and assessed by the Committee on an annual basis.</p> <p>The annual bonus is paid in cash and the Executive Directors are required to acquire shares in the Company with 50% of the amount paid in excess of target (after tax) which will be held for a minimum period of three years.</p>	<p>Up to 150% of base salary.</p> <p>Target potential opportunity is 50% of maximum opportunity.</p>	<p>Details of the performance targets set for the year under review and performance against them will normally be provided each year in the Annual Report on Remuneration. If for reasons of commercial sensitivity, the targets cannot be disclosed then they will be disclosed in the following year.</p> <p>Performance will normally be measured over a one-year period.</p> <p>Targets will be based on the Group's annual financial and non-financial performance for the particular performance year. At least 70% of the bonus will be subject to financial</p>

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<p>“development of the market price of the shares” in the Company as provided in the Dutch Corporate Governance Code (as amended).</p>			<p>performance metrics.</p> <p>The Committee may adjust the formulaic outcome of the annual bonus that is payable (both upward and downward) if the Committee considers the outcome to be reasonably unacceptable or if, for example, among other matters, it is not a fair and accurate reflection of business performance and/or there have been regulatory, environmental or health and safety issues that the Committee considers are of such severity that a scale back of the bonus is appropriate.</p> <p>For the financial targets, not more than 25% of the maximum potential bonus opportunity will be payable for achieving threshold performance rising on a graduated scale to 100% for maximum performance. Threshold performance being the level of performance required for the bonus to start paying.</p> <p>In relation to strategic targets the structure of the target will vary based on the nature of the target set and it will not always be practicable to set targets using a graduated scale.</p>

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			<p>Vesting may therefore take place in full if specific criteria are met in full.</p> <p>Payments under the annual bonus plan may be subject to clawback/malus for a period of three years from payment in the event of a material misstatement of the Company's financial results, an error in calculating the level of grant or level of vesting or payment, a failure of risk management including the liquidation of the Group, if the participant has been guilty of fraud or gross misconduct or the Company has been brought into disrepute. The clawback/malus provisions as set out above do not limit Article 2:135 of the Dutch Civil Code.</p>

**RHI MAGNESITA NV**

**EXECUTIVE DIRECTORS' REMUNERATION POLICY**

<b>Awards granted under the RHI Magnesita Long-Term Incentive Plan (LTIP awards)</b>			
<b>ELEMENT AND PURPOSE</b>	<b>HOW IT OPERATES</b>	<b>MAXIMUM OPPORTUNITY</b>	<b>PERFORMANCE RELATED FRAMEWORK AND RECOVERY</b>
<p>To incentivise and reward execution of the longer-term business strategy.</p> <p>To provide alignment to shareholders and the longer-term performance of the Company and to recognise and reward value creation over the longer term.</p> <p>The “development of the market price of the shares” in the Company is, as required by the Dutch Corporate Governance Code, taken into account by providing a long-term incentive using shares as the delivery mechanism.</p> <p>In addition, part of the award is determined by Total Shareholder Return which is a measure of share price performance.</p>	<p>LTIP awards may take the form of nil-cost options or conditional awards.</p> <p>Awards are normally made annually.</p> <p>Awards normally vest after three years subject to performance and continued service. Where Executive Directors cease employment or are under notice prior to the three-year vesting date, different rules may apply.</p> <p>Shares resulting from the exercise of an option or vesting of a conditional award cannot be sold until five years have elapsed from the date of award, other than to pay tax.</p> <p>To the extent an award vests, the Committee may permit dividend equivalents to be paid either in the form of cash or shares representing the dividends that would have been paid on those shares during the vesting period (and where the award is a nil-cost option to the fifth anniversary of award). Dividend equivalents are payments in cash or shares equal to the value of the dividends that would have been paid during the period referred to above, on the number of shares that vest.</p>	<p>200% of salary (face value of award) annually (normal limit), where the face value is the market value of the shares subject to an award at the time it is awarded.</p> <p>In exceptional circumstances on recruitment 250% of salary (face value of award).</p>	<p>Awards vest based on three-year (or longer) performance measured against a range of challenging targets set and assessed by the Remuneration Committee.</p> <p>The Committee will determine the specific metrics and targets that will apply to each award prior to the date of award.</p> <p>The targets for each award will be set out in the Annual Report on Remuneration.</p> <p>In relation to financial targets not more than 25% of the total award will vest for threshold performance rising on a graduated scale to 100% for maximum performance. Threshold performance being the level of performance required for the LTIP award to start to vest. In relation to strategic targets the structure of the target will vary based on the nature of the target set and it will not always be practicable to set targets using a graduated scale and so vesting may take place in full if specific criteria</p>

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			<p>are met in full.</p> <p>The Committee may adjust the formulaic outcome of the LTIP if the Committee considers the outcome to be reasonably unacceptable or if, for example, among other matters, it is not a fair and accurate reflection of business performance and/or there have been regulatory, environmental or health and safety issues that the Committee considers are of such severity that a scale back of the bonus is appropriate.</p> <p>LTIP may be subject to clawback/malus for three years from the date of vesting in the event of a material misstatement of the Company's financial results, an error in calculating the level of grant or level of vesting or payment, a failure of risk management including the liquidation of the Group, if the participant has been guilty of fraud or gross misconduct or the Company has been brought into disrepute. The clawback/malus provisions as set out above do not limit Article 2:135 of the Dutch Civil Code.</p>

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Share ownership			
ELEMENT AND PURPOSE	HOW IT OPERATES	MAXIMUM OPPORTUNITY	PERFORMANCE RELATED FRAMEWORK AND RECOVERY
<p>To increase alignment between management and shareholders and to promote the longer-term performance of the Company.</p>	<p>Requirement for the Executive Directors is to normally retain all of the shares acquired from annual bonus payments following expiry of the three-year holding period and normally 50% of vested Performance shares (net of tax) following the two-year holding period until the shareholding requirement is achieved. Executive Directors are expected to hold 200% of salary in shares while they are Executive Directors and the lower of the shares they actually hold on ceasing to be an Executive Director and 100% of salary for one year following their ceasing to be an Executive Director.</p> <p>The Committee normally expects the in-service requirement to be met within five years of appointment and for the CEO 7 June 2018 being the date of approval of the Company's first Directors' Remuneration Policy.</p> <p>The Policy that applies on ceasing to be an Executive Director applies to shares acquired with annual bonus earned in respect of FY24 and future years and LTIP awards granted in 2024 and future years. The Policy does not apply to shares purchased from the executive's own funds. The Committee has the discretion in exceptional circumstances to amend these requirements.</p>	<p>N/A</p>	<p>None</p>