



## code of conduct

"The pursuit of the highest possible ethical standards must be as much part of the Vesuvius culture as any other facet of our operations."

**VESUVIUS** PLC

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Dear Colleague

The Vesuvius Code of Conduct is obligatory and sets out the standards expected of everyone, without exception, who works for Vesuvius in any of its worldwide operations.

The Code emphasises our commitment to ethics and compliance with the law, and sets out required standards of legal and ethical behaviour. Everyone within Vesuvius is accountable for upholding its requirements.

Lasting business success is measured not only in our financial performance, but in the way in which we deal with our customers, business associates, employees, investors and local communities.

We must always conduct our business affairs in a manner consistent with the Code's principles. In many cases this will require exercise of considered judgement, and you should consult your supervisor or other Group authority if you are ever in doubt about the Code's meaning or scope.

You should not hesitate to report to management any failure in fully implementing the letter and spirit of the Code; you will never be disciplined because of such a report made in good faith. Retaliation against those who do speak up will not be tolerated.

If you are unsure what to do in particular circumstances or are concerned that the Code is being broken, you have a responsibility to speak up. The Code explains how to do this, and includes details of the 24-hour confidential Employee Business Concern Helpline and e-mail facility. Ethics and high standards of behaviour are of critical importance in today's commercial world, and Vesuvius' reputation for the highest standards of business conduct is an invaluable asset. This Code of Conduct must therefore be central to the way in which we do business.

The application of universal standards of individual and collective behaviour across all of our global businesses will ensure that Vesuvius is a Group we can rightly be proud of.

Sincerely,  
Francois Wanecq

DECEMBER 2012



## OUR CODE OF CONDUCT COVERS SEVEN KEY AREAS

- 1 | Customers, Products and Services
- 2 | Employees
- 3 | Investors
- 4 | Society and Local Communities
- 5 | Health, Safety and the Environment
- 6 | Conflicts of Interest
- 7 | Competitors

### 1 | CUSTOMERS, PRODUCTS AND SERVICES

Long-term, positive customer relationships are essential to achieving our goals. In dealing with existing and potential customers, and with agents, distributors, suppliers and other business associates, we must maintain an unquestioned reputation for integrity, treating them all fairly, consistently and on the basis of mutual respect and trust.

To achieve these standards we must:

- Provide consistently high quality products that are reliable, safe and meet customer needs.
- Provide high quality, reliable after-sales service.
- Provide clear, concise, useful, non-misleading information about products and services.
- Safeguard the confidential information of others and not use such information for any improper business activity or for personal gain.
- Conduct all business dealings at arm’s length, including adherence to Group policy regarding conflicts of interest, gifts and bribes.
- Ensure that no Group business is involved in corruption: no employee nor any person representing Vesuvius including agents, suppliers, joint venture partners or others, may on any occasion, either directly or indirectly, offer payments or anything of value to any person, including suppliers or Government representatives, in order to secure any improper business advantage.
- Ensure that any participation in entertainment and extension of hospitality is always part of normal business activity; is reasonable considering all relevant circumstances; that it is proportionate and appropriate; and that it is subject to the relevant approval procedures.

The above principles are supplemented by the Anti-Bribery and Corruption Policies and related group-wide compliance initiative.



## 2 | EMPLOYEES

We must always deal with our fellow employees in good faith on the basis of respect for the dignity of the individual.

Job satisfaction requires working environments that motivate employees to be productive and innovative, and provide opportunities for training and development to maximise employees' potential and careers within the Group. We must listen carefully to our employees and involve them in improving the productivity, work quality and conditions of employment, and must:

- Ensure that recruitment, training, promotion, career development, termination and similar employment-related issues are based on individual ability, achievement, experience and conduct without regard to race, colour, nationality, culture, ethnic origin, religion, sex, sexual orientation, age, disability or any other reason not related to job performance or prohibited by applicable law.
- Refuse to tolerate discrimination or harassment.
- Remunerate employees based upon the value of their work and, to the extent practicable, the success of the business.
- Keep our employees abreast of important developments affecting them and the Group's vision, goals and plans.
- Maintain effective procedures to resolve work-related disputes.
- Keep employee records confidential to the maximum practicable extent.

## 3 | INVESTORS

We are owned by our investors, who by holding shares in Vesuvius plc are known as shareholders. Our principal reason for existing as a company is to deliver value to our shareholders. We must conduct our business in a responsible manner. Particular care must be given to preserve and protect the Group's assets by making prudent and effective use of resources. We must:

- Provide to investors, on a regular and timely basis, accurate financial information and a balanced assessment of the Group's position which is easily understandable.
- Engage in the best practices of corporate governance.
- Treat all investors fairly and consistently and refrain from advantaging one investor class at the expense of another.
- Be candid, honest and professional: in performing our duties; in communications with our advisors and auditors; and in communicating with the investment community.



#### 4 | SOCIETY AND LOCAL COMMUNITIES

Vesuvius seeks to be a good corporate citizen wherever we do business. We must observe all national and local laws, ordinances and regulations, including those regarding political activities and payment of taxes. Bribery is strictly prohibited; the Group will never seek to gain any advantage through the inappropriate use of payments, business courtesies or other inducements. We will never offer or give any item of value to unlawfully influence (or where it might appear to be given to unlawfully influence) the conduct of any government official, business associate, competitor or anyone else. We must:

- Keep ourselves informed about local culture, encourage the sharing of experiences across the Group and be adaptable, innovative and sensitive in our dealings with local communities.
- Respect and take into account regional and local concerns, customs and traditions.

#### 5 | HEALTH, SAFETY AND THE ENVIRONMENT

Health, safety and environmental matters are mainstream management responsibilities. We will protect the health and safety of our employees, customers, suppliers, contractors, visitors, the general public and others affected by our operations. Public concerns about health, safety and environmental aspects of our operations must be addressed constructively. We must:

- Provide healthy and safe working conditions for all employees.
- Consider the likely environmental impact of new products and processes early in the development stage.
- Minimise, make safe or, if practicable, prevent the release of substances which could adversely affect human health or the environment.
- Reduce waste by careful use of materials, energy, and other resources and maximise recycling opportunities.
- Provide sufficient human and material resources and training to meet our health, safety and environmental commitments.

Further details regarding Vesuvius' undertakings in respect of health, safety and environmental matters are contained in the Vesuvius Health & Safety and Environmental Policies with which everyone who works for Vesuvius are expected to comply.



## 6 | CONFLICTS OF INTEREST

Employees, officers and directors have a duty of loyalty to the Group, and may not use their positions to profit themselves or others at the expense of the Group. Personal interests that do, or might appear to, conflict with Group interests or improperly influence the performance of our duties must be avoided at all times. We must:

- Never engage in direct or indirect business, financial or other relationships which are not on behalf of the Group and which are with outside concerns that do or may do business with, or in competition with, the Group without full disclosure of such relationships to management.
- Never represent the Group in any transaction in which an employee or related party has a material personal interest without full disclosure to management.
- Never improperly disclose or otherwise use confidential or inside information of or about the Group or business associates particularly for personal advantage.
- Never compete, or assist others to compete, with the Group.
- Never serve on any external board of a commercial enterprise unless such board membership is approved by management and found not to conflict with Group interests.
- Never solicit or accept any money for personal gain from any business associate or competitor.
- Never accept from any business associate or competitor any non-monetary gift, service or other thing if it would, or might appear to, improperly influence the performance of Group duties; if it might appear to be excessive; or, if it cannot be reciprocated at the same level.

## 7 | COMPETITORS

We must compete vigorously, but honestly. We must:

- Never exchange commercially sensitive information (including prices, capacity, production, sales volumes, market shares, commercial strategy or costs) with our competitors.
- Refrain from acquiring information regarding a competitor by underhanded means.
- Never engage in restrictive or collusive trade practices or abuse any market position.
- Refrain from engaging in unfair competition, including false or misleading comments or claims about Vesuvius, competitors or products.



## MAKING SURE IT WORKS

This Code will be reviewed regularly. We will also monitor the way in which it is followed. Employees are encouraged to discuss with management any concerns about behaviour or decisions which conflict with the letter or spirit of this Code and there is also a 24-hour confidential Employee Business Concern Helpline, email and web-based facility through which employees can register any concerns about incorrect or irregular practice in the workplace. With the express permission of the caller or correspondent, the service provider reports any matters raised to a designated team at Vesuvius' Head Office for investigation.

Vesuvius has a **24-hour confidential Employee Business Concern Helpline** through which individuals can register any concerns they have. This can be reached at:

[www.expolink.co.uk/cookson](http://www.expolink.co.uk/cookson) or by email to [cookson@expolink.co.uk](mailto:cookson@expolink.co.uk).

For details of international freephone numbers see the Helpline Poster.

