

Think beyond.
Shape the future.

Vesuvius is a global leader in molten metal flow engineering and technology, providing high-technology products and solutions to industrial customers who operate in challenging high-temperature conditions.

We prioritise investment in innovation to maintain our technological differentiation. Our customers are predominantly in the steel and foundry industries which we serve from our two Divisions.

Our technology-led products allow our customers to tackle some of the most complex problems in their production processes.

Strategic report

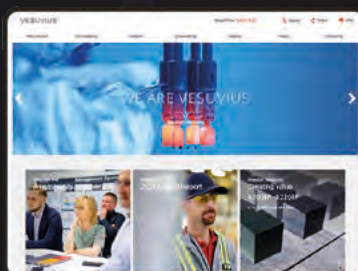
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For more information visit www.vesuvius.com

Highlights

Revenue

£1,809m



Trading profit¹

£151m



Return on sales¹

8.4%



Operating profit

£115m



Statutory EPS

21.1p



Free cash flow^{1,4}

£36m



Return on invested capital¹

10.5%



Net debt to adjusted EBITDA¹

2.0x



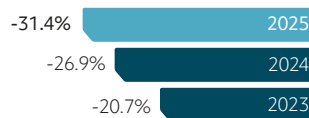
Lost Time Injury Frequency Rate per million hours¹

0.7

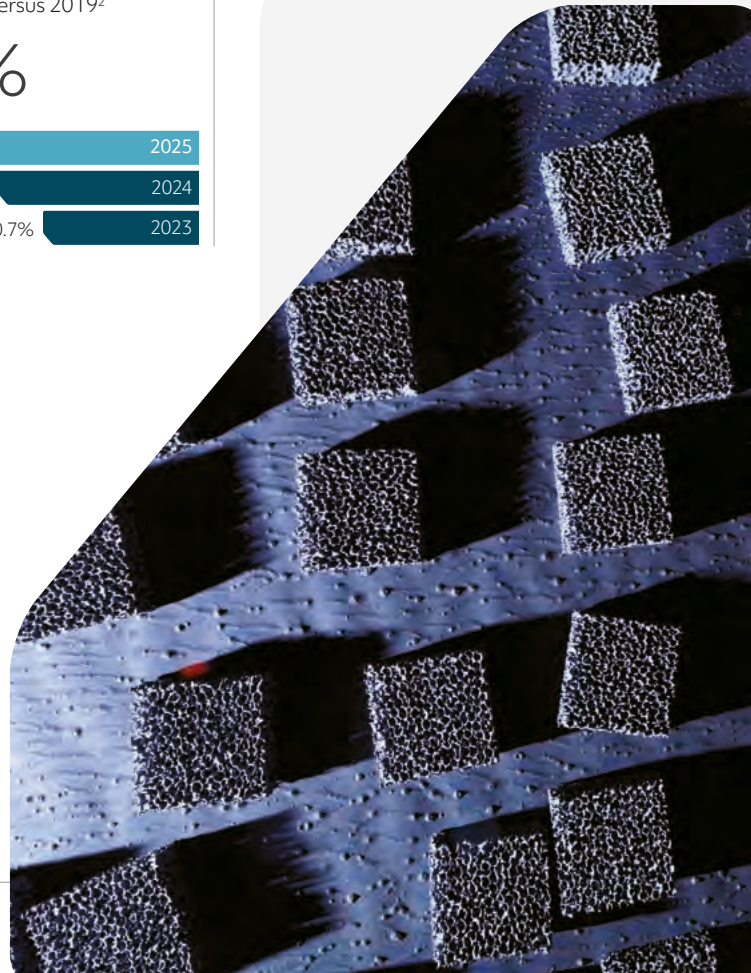


Reduction in Scope 1 and 2 CO₂e emission intensity per metric tonne of product packed for shipment versus 2019²

-31.4%



- For definitions of alternative performance measures, refer to Note 35 to the Group Financial Statements.
- Pro forma performance calculated as if dolime production had been operating normally in 2023 and 2024. The actual reduction in Scope 1 and 2 CO₂e emission intensity in 2023 was 45.9% and in 2024 was 40.4%. See page 53 for further information.
- Figures above have been rounded to the nearest million.
- 2024 reported Free Cash Flow has decreased by £3.0m as a result of the reclassification of interest on lease liabilities to be consistent with its presentation in 2025. Refer to the Group Statement of Cash Flows on page 142.



At a glance

Steel

Revenue

£1,342.6m

Trading profit

£120.0m



Flow Control

We supply the global steel industry with consumable ceramic products, systems, robotics and digital services for the continuous casting process.

Key products

- VISO (isostatic tubes, stoppers and nozzles) c. 45%
- SLIDE-GATE (refractories and systems) c. 35%
- OTHER (including fluxes, purging plugs and robots) c. 20%

Revenue

£750.9m



Advanced Refractories

We supply specialist refractory products designed to enable steel-making equipment to hold the molten metal.

Key products

- UNSHAPED (AlSi and basic monolithics) c. 55%
- SHAPED AND OTHER (including bricks and precast) c. 45%

Revenue

£555.6m



Sensors & Probes

We supply a range of products that enhance the control and monitoring of our customers' production processes.

Revenue

£36.1m

What we do for our Steel customers

We supply refractory products, flow control systems and process measurement solutions to our Steel Division customers

We combine these with robotics and mechatronic installations to increase their efficiency, lower their costs and improve their safety and product consistency

Our solutions address the key challenges of our customers in the steel industry, such as maintaining steel quality and reducing energy usage during the casting process

Our products and their applications preserve the purity of the steel as it moves through the production process, from initial refining to the cast steel slab, bar or ingot

We improve...



Safety
Improved safety at customer plants



Quality
Better steel, better castings

Foundry

Revenue
£466.9m

Trading profit
£31.1m



Product demand is driven by higher sophistication, demanding higher-quality metal and more complex castings.

Operating under the Foseco brand, we are a world leader in the supply of consumable products, technical advice and application support to the global foundry industry, helping our customers to improve their casting quality and foundry efficiency.

Key products

- FEEDING AND FILTRATION c. 40%
- BINDERS AND COATINGS c. 30%
- OTHER (including crucibles and melt-shop products) c. 30%



Customers

The Foundry division's primary customers are ferrous and non-ferrous foundries serving various end-markets from large bespoke castings to high volume automotive pieces. Most of Foseco's customers serve the general industrial market.

General industrials¹

78%

Light vehicle market

22%

What we do for our Foundry customers

We provide customisable products and process technology to foundries that improve the quality of their castings

We combine this with technical advice, application engineering and computer modelling to improve process outcomes

Our solutions address our foundry customers' key challenges of casting quality and production efficiency

Our products and solutions clean the molten metal, improve the solidification of that metal, and reduce wastage in the final casting



Efficiency
Cheaper steel,
cheaper castings



Sustainability
Less energy usage
and CO₂ emissions

...for our Steel and Foundry customers

1. General industrials includes: mining, agricultural, general engineering, heavy trucks and other industrial applications.

At a glance continued

Our global presence

Our worldwide footprint, with a focus on the world's growing markets, enables us to capitalise on shifting dynamics in the global steel and foundry markets.

◆ Production sites
 ◆ Acquisitions
 ◆ R&D centres of excellence



Our capacity expansion for developing markets

Yingkou and Changshu, China

Advanced Refractories:

Basic monolithics

Foundry:

Non-ferrous fluxes

Vizag, India

Advanced Refractories:

Precast, AlSi and basic monolithics

Flow Control:

Mould flux

Skawina, Poland

Flow Control:

VISO and slide-gate

Monterrey, Mexico

Flow Control:

VISO

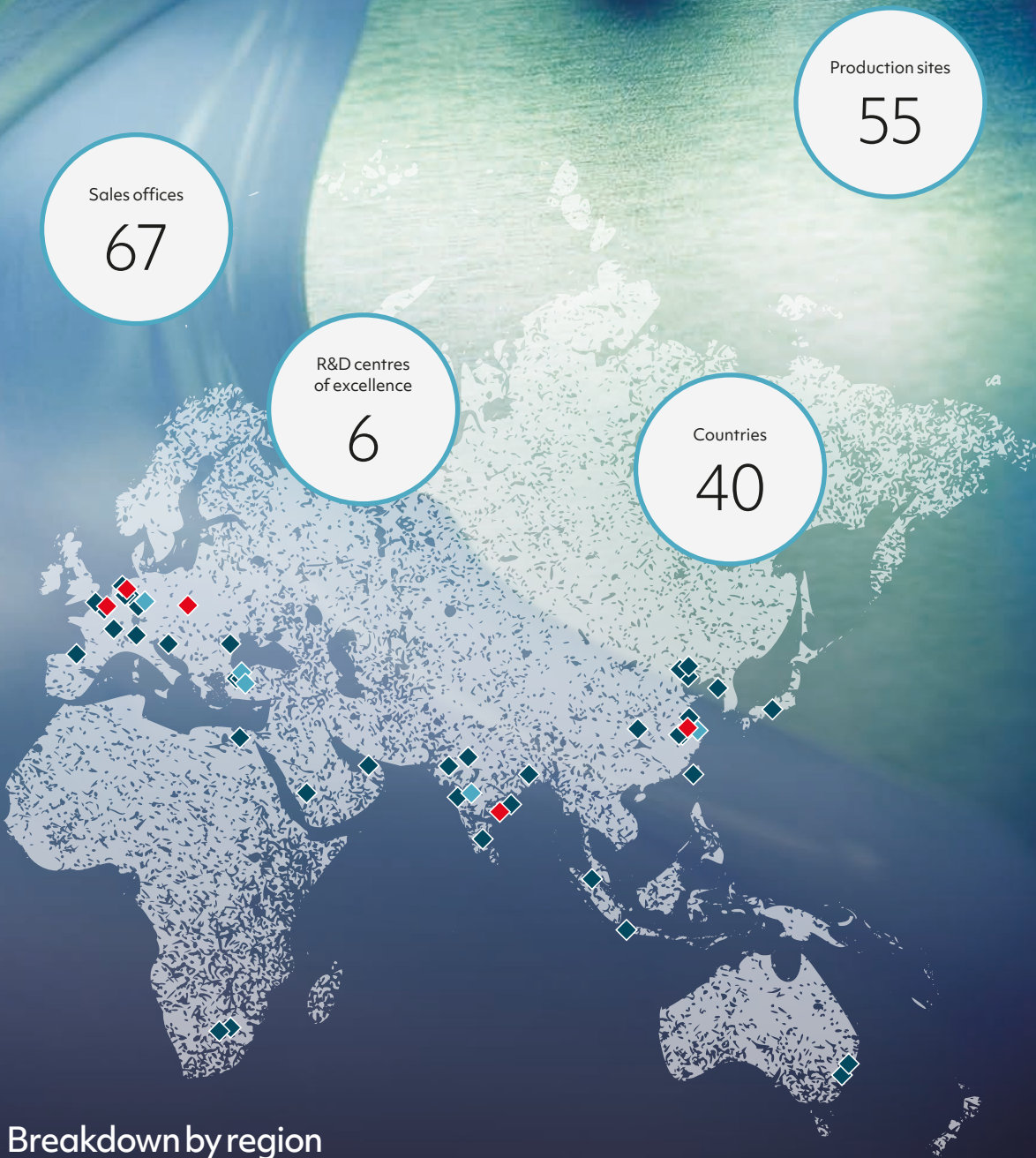
Kolkata and Pune, India

Flow Control:

VISO

Foundry:

Filters



Breakdown by region

Americas
3,048 employees

- 18% Foundry
- 82% Steel

£606.8m

Revenue



EMEA
3,986 employees

- 30% Foundry
- 70% Steel

£607.7m

Revenue



Asia-Pacific
7,892 employees

- 30% Foundry
- 70% Steel

£595.0m

Revenue



Chairman's statement



Carl-Peter Forster



Advancing our strategy through a challenging year."

Dear Shareholder,

2025 was a challenging year for the Group as we faced difficult conditions in our end-markets, particularly in Europe, with the improvement in markets that we had hoped for in the second half of the year not materialising as anticipated.

Vesuvius serves end-customers that are more susceptible to macroeconomic trends, and 2025 saw a significant decline in global industrial activity. Against this backdrop, however, the Group demonstrated extraordinary resilience. We responded with discipline, maintaining strategic focus, progressing self-help initiatives and continuing to invest for long-term growth.

Strategy

Demand conditions for our products were weakest in Europe, where subdued industrial activity affected both Steel and Foundry markets. Whilst Chinese industrial output remained below historical levels, India markets continued to perform strongly, North America proved resilient, and Brazil was broadly stable. In this context, the Group performed well, particularly in Steel, where we gained market share during the year, reflecting our continued investment in technology, strong customer relationships and consistent operational execution.

A significant strategic milestone during the year was the acquisition of the Molten Metal Systems business (MMS). This acquisition increases the Group's exposure to the faster-growing non-ferrous market segment and further strengthens our presence in India, a core growth market for Vesuvius. India remains central to our strategy, where we are making steady progress. Our expanded manufacturing footprint, including the commissioning of our new facility in Vizag, positions the Group well to support customer growth and provides substantial opportunity for future expansion.

Alongside targeted investment, the Group made good progress against its self-help initiatives in 2025. Our cost reduction programme has continued to advance well, with the exit run-rate at the end of the year ahead of initial expectations. During the year, increased focus was also placed on quality, with targeted initiatives gaining traction and reinforcing operational discipline. We also focused on rigorous cash management with our recent major capital investment programme concluding in 2025.

Innovation remains fundamental to the Group's strategy. Our continuing investment in research and development supports the introduction of new products and solutions, helping our customers to improve their efficiency, productivity and safety. Advanced solutions, including robotic-based applications, continue to attract strong customer interest and reinforce Vesuvius' role as a trusted technology partner. The Group's ability to continue to gain market share, despite the more challenging economic environment, is testament to the Group's technological differentiation and excellent customer focus.

People and safety

The Group's performance continues to be underpinned by the commitment and professionalism of our employees. I am particularly pleased that changes in a number of key leadership roles have been filled from within the organisation, demonstrating the strength of our internal talent and succession planning.

Providing our employees with a safe place to work remains the number one priority at Vesuvius, and we are proud of the steps we have taken over the years to ensure that safety is at the core of everything we do. Tragically, however, 2025 saw the loss of one of our colleagues following a fatal road traffic accident returning from a business trip, reminding us of the breadth of focus we need to maintain in keeping our people safe. This continued emphasis on protecting our people and maintaining high standards across the Group is fundamental to how we operate, but losses such as these serve as a clear reminder that there is always more to do. As ever, therefore, safety remains a core focus for the Group.

Once again, we conducted a Group-wide engagement survey in 2025. Although the difficult economic circumstances of the last year have put pressure on our employees, particularly those in leadership roles, which we see reflected in the responses received, employee engagement continues to be strong with safety and knowledge of our CORE Values rated particularly positively. As in all years, management actions are planned in response to the results of the survey.



Sustainability

The cycle of many of our Sustainability targets came to an end in 2025, and we are pleased to report excellent progress, particularly with regards to our environmental KPIs. We saw a reduction in our CO₂e emission intensity and similar marked progress in reducing our discharges of wastewater and creation of solid waste between 2019 and 2025. Our superb results, which are set out in our Sustainability report on pages 36 and 37, reflect the diligent focus of our operational teams on reducing our environmental impact. Whilst the focus on our own operational performance is important, we recognise that the technologies we sell to our customers play an even greater role in mitigating this impact by improving their efficiency and helping to significantly reduce their energy usage and emissions.

Board activity and governance

During the year, the Directors visited a number of the Group's operations, including sites across Europe, Brazil and Canada. The full Board visit to India was particularly valuable in deepening understanding of the Group's business, operations and recent investment in this strategically important market.

This visit included touring the new manufacturing facility in Vizag, which provides significant capacity and flexibility to support future growth. As part of its visit, the Board also met a key customer to gain feedback on the Group's position as a strategic partner to the steel industry, highlighting the scale of opportunity in fast-growing markets such as India.

Dividend and Share buyback

The Board has recommended a final dividend of 16.5 pence per share (FY24: 16.4p), which together with the interim dividend paid of 7.1 pence per share, brings the total dividend for the year to 23.6 pence per share, a 0.4% increase compared to the total dividend for 2024 (23.5p). This represents a dividend cover of 1.5x compared to underlying EPS for 2025.

Over 2025 we completed our second £50m share buyback (initiated in November 2024), resulting in a total cash outflow relating to share repurchases of £34.8m in FY25. In total 8.6m shares were repurchased during the year, reducing our shares in issue by c. 3%.

Annual General Meeting

The Annual General Meeting will be held on 28 May 2026. The Notice of Meeting and explanatory notes containing details of the resolutions to be put to the meeting accompany this Annual Report and are available on our website: www.vesuvius.com.

Looking ahead

As we enter a new year, the Board continues to monitor global markets closely.

With a continuation in our disciplined approach to costs, continued investment in differentiated technology, our investment for growth markets and our strong customer relationships, the Group is well positioned to benefit when markets recover.

On behalf of the Board, I would like to thank our employees, customers and shareholders for their continued support, and I look forward to reporting on further successes in the coming year.

Carl-Peter Forster

Chairman

11 March 2026

Chief Executive's strategic review



Patrick André



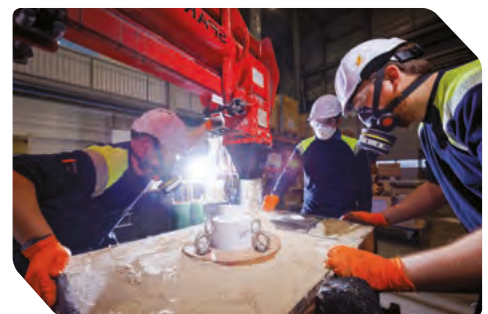
In 2025, we have shown resilience despite difficult market conditions, thanks to a strong focus on cost reduction and to the continuing benefits of our technology strategy."

Resilient revenue

In 2025, revenue was £1,809.5m, an increase of 0.7%, like-for-like, compared to 2024, and a 0.6% decline on a reported basis, reflecting FX headwinds partially offset by the contribution from acquisitions. The small underlying increase in revenue was principally due to modest growth in both sales volume, +£4.2m, and pricing of +£7.7m. Revenue in our Steel Division grew slightly (+1.4%) on a like-for-like basis reflecting both volume growth and pricing, while in Foundry, revenue reduced by 1.5% on an underlying basis, principally reflecting lower market activity, which was only partially offset by market share gains, and broadly flat pricing.

Trading profit was £151.1m, a reduction of 17.0% on a like-for-like basis and a decrease of 19.6% on a reported basis. Our £55m multi-year cost-saving programme delivered a £17.8m in-year benefit, ahead of our initial expectations, while net pricing was -£11.5m, reflecting a net negative in H1 and a small net positive in H2. Volume and mix had a negative impact on profit, reflecting a combination of shifts in volume regionally and product rotation among customers, largely in EMEA. The Group achieved a return on sales of 8.4% in 2025, down 170 basis points versus FY24 on a like-for-like basis. This reflects the decline in our trading profit, on broadly flat revenues.

The overall decline in trading profit is principally attributable to a drop in profitability in EMEA across both divisions, which accounts for approximately 80% of the reduction in Group profit year-on-year, driven by the challenging market conditions in this region.



Difficult market background in both Steel and Foundry

Global steel production remained subdued in the world with a 1.9% decline overall, including China which declined 4.4%. Excluding China, steel production increased 0.9% for the full year (Source: World Steel Association), despite a further significant increase in steel exports from China. Most of this growth was however concentrated in India (+9% year-on-year, excluding induction furnaces) and South East Asia (+4.7%). USMCA was mostly stable (+0.8%), with growth in the US mostly compensated for by a significant decline in Mexico and Canada. Steel production declined in EMEA (-1.3%) and in South America (-1.3%).

Chinese net steel exports continued to rise during the year, reaching 113 million tonnes in 2025, an increase of c. 9 million tonnes versus 2024, constraining steel production outside China. However, over 60 countries worldwide are now introducing some form of protective measures against unfair trade in steel. This, alongside domestic policy actions announced by the Chinese Government to reduce production and ensure regular payment of export taxes, is ultimately expected to support a reduction in Chinese exports and therefore support an increase in steel production outside of China. This should, in particular, benefit the EU and the Americas in particular.

Foundry markets, with the exception of India and China, remained very weak throughout 2025, in particular in Europe, which continued to be impacted by the decline in auto manufacturing. North Asia was also weak, with auto exports to China in decline due to domestic competition, and exports to the US impacted by increased tariffs. The market in South America, in particular Brazil, was also negatively impacted by Chinese castings imports and US tariffs.

Steel Division

The Steel Division delivered modest revenue growth (+1.4%, like-for-like) in 2025, mostly driven by Advanced Refractories (+3.9% revenue growth like-for-like), with stable revenue from Flow Control. On a reported basis, revenue was flat, reflecting the impact of FX headwinds, the contribution from the PiroMET acquisition and like-for-like revenue growth, supported by modest increases in both sales volume and pricing.

In the Steel Division, both Flow Control and Advanced Refractories gained market share overall, with gains in Asia and EMEA more than offsetting a slight erosion in the rest of the Americas.

Trading profit for the Steel Division fell by 18.3% on a like-for-like basis, resulting in a drop in return on sales of 210bps. The profit impact came substantially from the EMEA region due to a combination of adverse product mix and pricing. However, while pricing net of cost inflation remained negative for the full year, the Steel Division was able to re-establish positive net pricing in H2 reflecting, in particular, the technology leadership position of Flow Control. The Division was also negatively impacted by some temporary manufacturing inefficiencies in North America related to the ramp-up of production to satisfy the growing demand in the US. Steel Division profits were also supported by the strong cost reduction actions undertaken as part of the Group-wide cost-saving programme.



Foundry Division

Foundry revenue reduced by 1.5% on a like-for-like basis, as volumes fell, reflecting the declining market in most regions outside of India and China, and only partially compensated by market share gains. On a reported basis, revenue declined by 2.0% despite the contribution of the acquired MMS business. Trading profit for the Foundry Division fell 11.2% on a like-for-like basis, reflecting negative net pricing (largely in H1) and product margin mix, partially offset by an acceleration in cost savings. Return on sales declined 70bps. The challenges in profitability arose in EMEA and South America, while other major regions grew profitably. In 2025, the EU+UK represented 32% of Foundry revenue, down from 37% five years ago.



Chief Executive's strategic review continued

Priorities

Return on sales and Free cash flow



We continue to target a RoS of 12.5%, although delivery, along with our free cash flow target, has been held back by the extended weakness in our end-markets.

However, with the prospect of more favourable market conditions as from 2027 and the support of our ongoing self-help measures, we still remain confident that our business model has the potential to achieve this RoS target and to generate significant free cashflow.

Cost optimisation



- Expanded target to deliver £55m of annual cash cost savings by 2028
- Cost savings delivered in 2024 and 2025 of £30.8m
- Focus on worldwide operational improvement, lean initiatives, automation and digitalisation, and optimisation of our manufacturing footprint

Capital allocation

Organic investment

- R&D expenditure of ~2% of revenue annually
- c. £100m growth capex programme concluded in 2025

Inorganic investment

- Acquisitions on a highly selective basis
- Two acquisitions completed in 2025

Returns to shareholders

- Progressive dividend policy
- Maintenance of a prudent balance sheet
- Additional returns: £34.8m returned via share buyback programmes in 2025

Sustainability



- Helping our customers reduce their CO₂ emissions
- Become a zero-accident company
- Reach net zero CO₂ emissions (Scope 1 and 2)
- Improve gender diversity at every level of the Company

Good cash generation and strong balance sheet

The business delivered adjusted operating cash flow of £113.3m in 2025, which represented a 75% cash conversion rate for the year. Free cash flow was £36.0m, after cash capex (net of proceeds) of £81.0m (2024: £96.5m). We maintained a strict focus on working capital management and reduced our working capital by £38m at year-end versus the position at 30 June 2025, despite the addition of working capital from the Molten Metal Systems (MMS) business acquisition. Working capital intensity was stable since the second half of the year, at 23.4% of revenue, which is a slight increase compared to intensity of 22.9% at 31 December 2024.

Our balance sheet had a net debt/EBITDA ratio of 2.0x at the year-end, (31 December 2024: 1.3x; 30 June 2025: 1.8x) on a pro forma basis, adjusting for the EBITDA contribution from acquisitions made through the year, at the top end of our 1.0-2.0x range (2.1x without adjustment for acquisitions). This reflects £36m of free cash flow, £34.8m of payments relating to the share buyback, the acquisitions of PiroMET and the MMS business (total cash outflow of £38.9m) and dividends of £57.9m. Our year-end leverage based on our covenant calculation, which among other things adjusts for acquisitions made during the year, is 2.0x. We expect leverage to fall in 2026 as our cash flow benefits from lower capex, which is expected to be in the range of £70m-75m in 2026, and higher trading profit.

Continued progress in the efficiency of R&D and new product development

We continue to invest in research and development despite the difficult market conditions, spending £35.3m in 2025 (1.9% of revenue). This cost was fully expensed in our income statement. Our focus areas are: (1) innovation in materials science, with an objective to continuously improve the performance of our consumables; and (2) the development of mechatronics solutions to enable our customers to substitute the operators who manipulate our consumable refractories with robots and, by doing so, improve their safety, reliability and quality performance.

Our New Product Sales ratio, defined as the percentage of our sales realised from products which did not exist five years ago, reached 20.5% for the Group in 2025. This was up from 19.1% in 2024 and exceeded our Group target of over 20% by 2026.

We launched 24 new products in 2025 and have an extensive pipeline of products under development which will be progressively introduced in the market over the coming years and will support our ambition to grow our revenue and profitability.

Our robotics business is also expanding, with an increase in Flow Control robots shipped, increasing to nine in the year versus six in 2024, reflecting a significant positive momentum in orders over the last two years. Flow Control robotic systems shipped in 2025 include two robots for a major customer in Mexico for a new mill currently under construction, expanding on the success of similar systems installed at the same customer in Brazil. Our Advanced Refractories robotics solutions are seeing similar positive progress, with contracts for four robots agreed in 2025, and a strong pipeline of opportunities in the year ahead, in combination with the acquired business PiroMET.

Cost optimisation programme delivering above expectations

Our cost optimisation programme, launched in late 2023, initially aimed to deliver £30m of recurring cash savings by 2026, and has been progressively upgraded and expanded, now with a target to deliver £55m of savings by 2028. The savings reported under this programme are structural in nature meaning that we do not expect them to reverse when market conditions improve.

The programme covers all our worldwide activities and focuses on operational improvement, lean initiatives, automation and digitalisation, as well as optimisation of our manufacturing footprint.

In 2025, we delivered cost savings under this programme of £17.8m, bringing the total delivered in two years to £30.8m, ahead of the initial target both in quantum and timing. Of the savings delivered in-year, slightly under half were in the Foundry Division, reflecting swift action taken to address costs in a challenging environment. We expect to deliver incremental in-year savings of c. £10m in 2026.

The one-off costs to deliver these savings are shown as separately reported items, and in FY25 were £18.9m (FY24: £14.6m).

Strategic acquisitions

On 28 February 2025 we completed the acquisition of a 61.65% shareholding in PiroMET, a Turkish refractory company. The acquisition strengthens our Advanced Refractory business in the fast-growing region of EEMEA and will also allow us to leverage PiroMET's expertise in robotics, where we have a strong order-book for the coming years.

On 12 November 2025, we completed the acquisition of the MMS, which brings industry-leading technology in crucibles to our Foundry business, accelerating our exposure to the faster-growing non-ferrous market (expected to reach c. 27% of revenue in 2026, from 21%), together with increased exposure to the fast-growing Indian market.

Ongoing commitment to high safety performance

In 2025, we achieved a Lost Time Injury Frequency Rate (the number of work-related injuries necessitating a lost work-shift, per million hours worked) of 0.7, slightly higher than in 2024 due to a higher frequency rate at our newly acquired PiroMET business in Turkey, which we expect to improve as integration progresses. This still positions Vesuvius well ahead of the industry average and is the result of continuous efforts to integrate safety as the number one priority in the Company culture.

However, tragically, we suffered one work-related fatality in our workforce during the year, as the result of a public road traffic accident in which one of our colleagues, driving back from a site visit, passed away. We remain committed to our goal of zero accidents, and we will strive towards this objective.

Significant progress on our journey to net zero

We continued progressively to implement our action plan to decarbonise our activities. By the end of 2025, we had reduced our carbon intensity (CO₂e tonnes per million tonnes product sold) by 31.4% as compared with our 2019 reference year on a pro-forma basis (-47.4% on a reported basis), significantly ahead of the 2025 objective of a 20% reduction. This was achieved through carbon-free electricity sourcing, improving energy efficiency, and moving from higher to lower carbon-emitting energy sources.

Outlook

The impact of the recent events in the Middle East remains difficult to assess, but at this stage we still anticipate that 2026 will mark a transition to recovery in the Steel and Foundry markets, with, in particular, the impact of trade protection measures in steel starting to have a meaningful impact on our Steel markets as from the latter part of the year.

In 2026, our performance will benefit from the continued execution of our cost reduction programme, from the full-year contribution of our recent acquisitions and some modest volume growth.

On this basis, we expect our cash flow to grow in 2026, both from improved trading profit and from investment capex returning to a normalised level, both of which will also reduce leverage.

Whilst we are mindful of the current geopolitical uncertainty, absent an extended disruption, we continue to expect to deliver profit growth in 2026 in line with expectations, on a constant currency basis.

We continue to target a RoS of 12.5%, although delivery, along with our free cash flow target, has been, until now, held back by the extended weakness in our end-markets. However, with the prospect of more favourable market conditions from 2027 and the support of our ongoing self-help measures, we remain confident that our business model has the potential to achieve this RoS target and to generate significant free cash flow.

Patrick André
Chief Executive
11 March 2026

Our business model

Our purpose

Vesuvius is a global leader in molten metal flow engineering and technology, serving process industries operating in challenging high-temperature conditions.

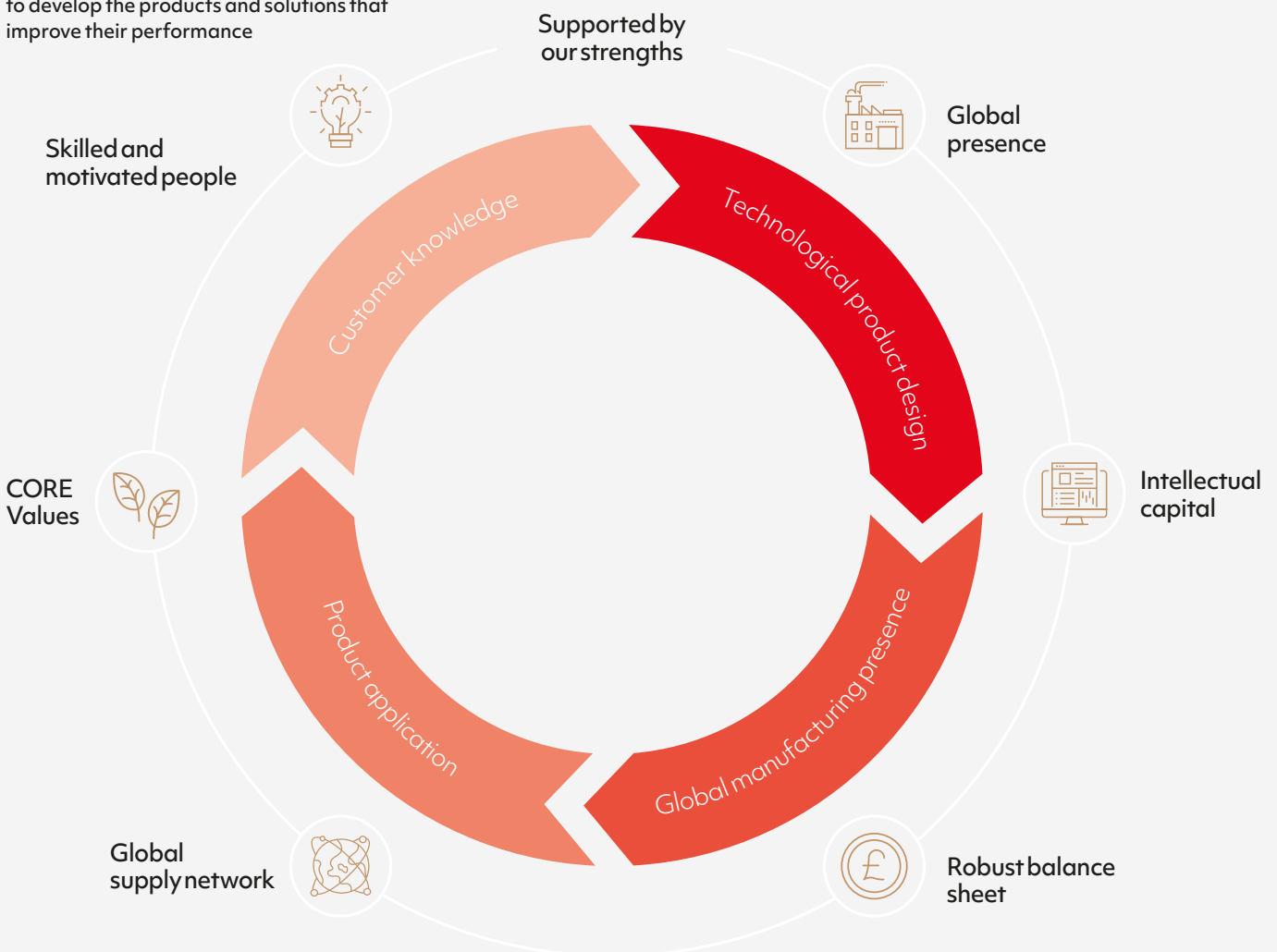
We think beyond today to create the innovative solutions that will shape the future, delivering products and services that help our customers make their industrial processes safer, more efficient and more sustainable.

In turn, we provide our employees with a safe workplace where they are recognised, developed and properly rewarded, and aim to deliver sustainable, profitable growth to provide our shareholders with a superior return on their investment.

How we create value

Collaboration with our Steel and Foundry customers

We work in partnership with our customers to develop the products and solutions that improve their performance



Our business approach

We are...

Entrepreneurial, decentralised, a non-matrix organisation.

We operate...

A profitable, flexible, cash-generative model focused on sustainable growth.

Our strengths

Values-led ways of working

We champion our values of Courage, Ownership, Respect and Energy, and our ethical approach to business conduct. We have more than 11,000 employees and more than 3,000 directly supervised contractors in our skilled and motivated workforce

Strategically located manufacturing assets

Our global footprint of 55 production and sales sites on six continents places us in close proximity to our customers and is aligned with growth markets

Intellectual capital

We have six R&D centres of excellence and dedicated R&D staff worldwide, generating innovative products and services

Financial capital

We have a strong balance sheet and use the cash generated by our business to invest in innovation and technology, site expansion and automation, and acquisitions to generate further growth

Global supply network

We work closely with a wide range of suppliers to establish reliable and well-developed sustainable supply chains to secure high-quality raw materials

Making a difference

Technological product design

Our customer-facing marketing and technology teams understand our customers' challenges through regular dialogue. Our network of talented scientists and technicians create differentiated products and solutions to address those challenges. This allows us to maintain our technology leadership

Global manufacturing

Our manufacturing sites expertly make our products, which are often bespoke for each customer. We operate a regional manufacturing model, with products usually made on the same continent as the customer

Product application

We provide on-site support for all our customers through the Marketing & Technology team. In addition, we have c. 3,000 employees operating within customer sites to apply our products, which is a common contract type in some regions

Customer knowledge

Our customer intimacy and deep knowledge of their processes and requirements give our engineers an unparalleled ability to deliver on customer needs

The value we create

Our shareholders

Our cash-generative and low capital intensity business provides returns to our shareholders and underpins sustainable growth

£92.7m

returned through our share buyback programmes and dividend payments in 2025

Our people

We encourage and reward high performance to create an environment where all can realise their individual potential

£386m

paid to employees in wages and salaries in 2025

Our customers

Our cutting-edge products and solutions deliver enhanced value for our customers

20.5%

new product sales ratio in 2025

Our environment

We are taking active steps to improve our environmental efficiency

31.4%

pro forma reduction in Scope 1 and Scope 2 CO₂e emission intensity per metric tonne of product packed for shipment (vs 2019)¹

Value for customers

Safety

Better working environments through reducing the number of interactions between manual operators and the steel-making process, and high reliability of safety-critical parts



Quality

Optimised products driving higher-quality, higher value steel, and better castings



Efficiency

More efficient production through improved yields, and cheaper casting and steel through reduction of input costs and improved operational efficiency



Sustainability

Less energy usage and reduced wastage resulting in lower CO₂ emissions in our customers' processes



1. Pro forma performance calculated as if dolime production had been operating normally in 2025. The actual reduction in Scope 1 and 2 CO₂e emission intensity in 2025 was 47.4%. See page 53 for further information.

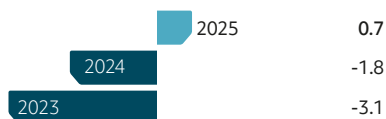
Financial KPIs

Like-for-like revenue growth



2025 delivery
+0.7%
2025 vs 2024

Track record %



Definition*

Revenue growth on a constant currency basis, excluding the impact of acquisitions and disposals.

Rationale

Like-for-like revenue is a key indicator of organic growth. We seek to drive organic revenue growth through market share gains with an aim of outperforming our underlying markets by at least 2% in Flow Control and Foundry.

Progress in 2025

Like-for-like revenue was 0.7% higher than 2024 on a like-for-like basis. Our Steel business delivered like-for-like revenue growth of 1.4% through a combination of market share growth, market growth, and pricing. Foundry saw a 1.5% decline in like-for-like revenue, reflecting market declines in excess of market share gains.

Link to principal risks



Return on Sales (ROS)



2025 delivery
8.4%

Track record %



Definition*

Adjusted earnings before interest, tax, amortisation and separately reported items, divided by revenue.

Rationale

Return on sales is a measure of the quality of the business, reflecting our technologically differentiated and value-adding products. We have an ambition to achieve an ROS of 12.5% in the medium term through a combination of cost savings and profit growth, as sales volumes grow.

Progress in 2025

Return on sales reduced by 170 basis points versus FY24 on a like-for-like basis. This reflects the impact on profits of a product mix shift and some negative net pricing, particularly in H1 2025, partially offset by substantial cost savings.

Link to principal risks



Adjusted EPS



2025 delivery
34.2p

Track record p



Definition*

Profit after tax, before separately reported items, attributable to shareholders, divided by the average number of shares in issue over the year.

Rationale

Headline EPS is the underlying earnings available to shareholders. EPS reflects both the earnings achieved in the year and the number of shares in issue.

Progress in 2025

Adjusted EPS reduced by 17.7% like-for-like, reflecting the fall in trading profit, partially offset by a reduction in share count due to the share buyback completed in the year.

Links to remuneration

- **Annual Incentive Plan**
Read more about this on pages 105 and 112.

Link to principal risks



Principal risks

- ① End-market
- ② Product quality failure
- ③ Complex and changing regulatory environment
- ④ Failure to secure innovation
- ⑤ Business interruption
- ⑥ People, culture and performance
- ⑦ Health and safety

* See Note 35 to the Group Financial Statements on Alternative Performance Measures for detailed definitions.

Return on Invested Capital (ROIC)



2025 delivery
10.5%

Track record %

2025	10.5
2024	14.4
2023	15.8

Definition*

Adjusted earnings before interest, tax and separately reported items, less amortisation of acquired intangibles (excluding Foseco), plus share of post-tax profit of joint ventures and associates for the previous 12 months after tax, divided by the average (being the average of the opening and closing balance sheet), invested capital (defined as: total assets excluding cash and non-interest-bearing liabilities), at the average foreign exchange rate for the year.

Rationale

Reflects the returns achieved by the business on its capital, where returns consistently above our weighted average cost of capital demonstrate value creation for our stakeholders.

Progress in 2025

ROIC of 10.5% represents a decrease of 380 basis points compared to 2024, principally reflecting the decline in profit year-on-year plus the additional capital base due to the two acquisitions undertaken in the year.

Links to remuneration

- **Annual Incentive Plan and Vesuvius Share Plan**
Read more about this on pages 109, 112 and 113.

Link to principal risks



Free Cash Flow (FCF)



2025 delivery
£36.0m

Track record £m

2025	36.0
2024 ¹	57.8
2023	125.8

Definition*

Cash flow from operating activities and after net capex, dividends received from JVs and dividends paid to non-controlling shareholders.

Rationale

Free cash flow represents cash flow available to the Group to either invest in the business (such as by acquisitions), to reduce our capital base (such as through buybacks) or to distribute back to shareholders. We expect to grow free cash flow as profitability improves and investment capex returns to normal levels.

Progress in 2025

Free cash flow fell to £36.0m in 2025 compared to £57.8m in 2024, principally reflecting reduced EBITDA, partially offset by the planned reduction in capex as investment returns to normalised levels. Capex is expected to reduce further in 2026 as our programme of investment has been completed.

Links to remuneration

- **Annual Incentive Plan and Vesuvius Share Plan**
Read more about this on pages 109, 112 and 113.

Link to principal risks



Trade working capital intensity



2025 delivery
23.4%

Track record %

2025	23.4
2024	22.9
2023	23.4

Definition*

Average trade working capital to sales ratio is calculated as the percentage of average trade working capital balances to the total revenue for the previous 12 months, at constant currency.

Rationale

Working capital intensity shows the control of working capital, which is a key variable component in achieving our ROIC target. We aim to achieve working capital intensity of 21%.

Progress in 2025

Having achieved a reduction in 2024 to 22.9%, working capital intensity has increased slightly in 2025 to 23.4%, a slight reduction compared to trade working capital at 30 June 2025 of 23.5%. This reflects an increase in debtor days, partially offset by a reduction in inventory days.

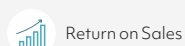
Links to remuneration

- **Annual Incentive Plan**
Read more about this on pages 105 and 112.

Link to principal risks



Strategic Value alignment



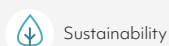
Return on Sales



Free Cash Flow



Cost Savings



Sustainability

- Details of the Group's non-financial KPIs can be found on pages 36 and 37.

1. 2024 reported Free Cash Flow has decreased by £3.0m as a result of the reclassification of interest on lease liabilities to be consistent with its presentation in 2025. Refer to the Group Statement of Cash Flows on page 142.

Why invest in Vesuvius?

We serve our customers through technological differentiation

An innovation-led business

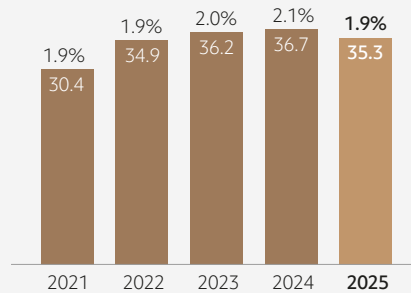
We employ expert material science and fluid dynamics specialists to create truly innovative and differentiated products. These products are highly specialised to perform their function in the extreme environments of steel manufacture and foundry casting.

We have built up a global network of expert scientists and technicians, based across our six R&D centres of excellence. These centres both develop new products and provide specialist support for our customers. In order to develop and maintain our technological advantage, we spend c. 2% of revenue on R&D annually.

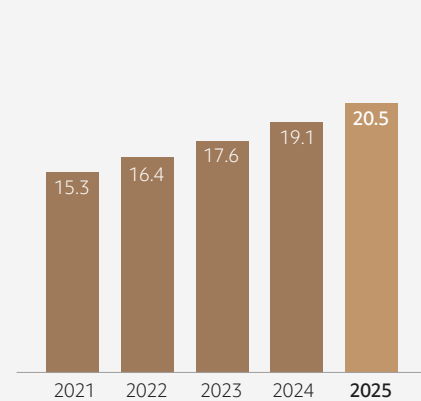
We operate a detailed process of evaluation through the product development cycle with a number of rigorous stage-gates that each product must pass to progress. The benefit of this investment in innovation is seen in the growing proportion of sales from new products (being products launched in the past five years). We have a target of 20%, which we have met a year ahead of schedule, in 2025, achieving an NPS ratio of 20.5% for the Group as a whole, and greater than 20% in our Flow Control Business Unit.

Consistent investment in R&D

- R&D as a % of revenue
- R&D investment £m (constant currency)



Steadily growing new product sales¹



1. New product sales defined as sales from products launched in the past five years.

Ongoing innovation pipeline of value-adding products



Flow Control

New robotic solution for bore cleaning in the ladle make up area

- Safety: no exposure to liquid steel
- Quality: consistent and accurate operations
- Enhanced traceability through data logging of process parameters



Advanced Refractories

Global launch of Vesuvius Advanced Robotic Gunning (VARG) system for BOFs and EAFs

- Improved H&S through fewer manual interactions
- Optimised refractory application to extend the lifetime of the vessel and boost the productivity
- Reduced labour costs



Foundry

FLUSSUM* 582G – a granular flux for Aluminium Casthouses

- Enhanced mechanical properties of the cast aluminium
- Reduced casting defects
- Improved extrusion and other processing
- Lower flux consumption
- Reduced waste generation

* Trademark of the Vesuvius Group of companies, unregistered or registered in certain countries, used under licence.

Customer partnership

Our products are often developed bespoke for each customer, reflecting how each steel mill and foundry is different. In addition, the effective functioning of our products is in many cases determined by their skilled application or installation, which we provide through our on-site technical expertise.

We seek to develop and maintain a close partnership with our customers, fulfilling the needs of their operations by:

- Giving expert engineering and technical input to advise on the optimum product to maximise value
- Providing after-sales service to support optimum usage
- Catering for their individual needs

Our Steel Division caters for the geometries of the ladle and tundish of each different steel mill and evaluates products 'in use' to ensure that refractory use in the steel-making process is optimised.

In Advanced Refractories, we operate contracts where we provide the technicians to manage the refractory application process.

We achieve this through our dedicated team of sales and marketing experts, who work closely with our R&D teams. Our global presence means that our customers are served by experts from within their region.

Operational excellence

We seek operational excellence throughout our organisation.

- We have a manufacturing base optimised for mature and growing markets
- We use standardised metrics/ deployment of the Vesuvius Operating System
- We share best practice across sites

- We maximise the use of automation to drive consistent product quality
- We are improving health and safety throughout our organisation
- We are improving energy efficiency and CO₂ emissions (relative to output) throughout our organisation

Mechatronic solutions that support our refractory products

Vesuvius develops systems and robots that deliver significant value to customers by removing people from working in dangerous areas of a steel plant and improving the speed and consistency of changeover of refractory parts, therefore increasing the yield of high-quality steel whilst reducing health and safety risks.

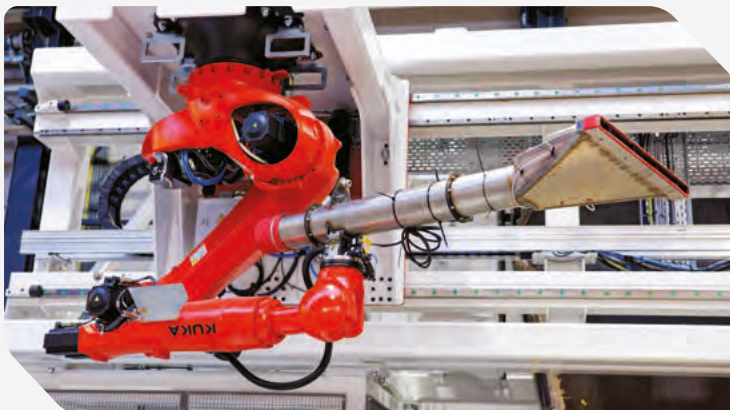
Our robots are designed to work with our systems and refractory products, and provide a long-term partnership with our customers.

We also produce mechatronic solutions to work with Advanced Refractory products such as our VARG⁺ system for applying monolithics.

Increasing penetration of Flow Control robots provides customers with a broader offering of complex systems. Nine Flow Control robots were shipped in 2025.

Systems include:

- RCT-LP: Ladle Platform – temperature and steel sampling in tundish; hydrogen measurement in tundish; tundish powder application; oxygen lancing of casting channel; ladle shroud handling
- RCT-BKS: Back Side Platform – cylinder connection and disconnection; handling ladle services (air, Argon, elect)
- Robotised shroud exchange operation for tube changer mechanism



Why invest in Vesuvius? continued

We operate in markets expected to grow over the medium term

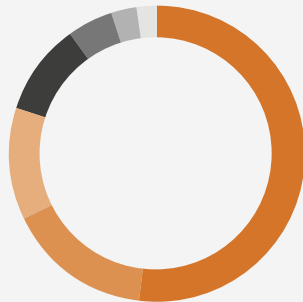
Steel Division

Markets served

By end-market %

Steel is the world's most important engineering and construction material. The steel manufactured today is principally used for construction, infrastructure, automotive manufacture and domestic goods.

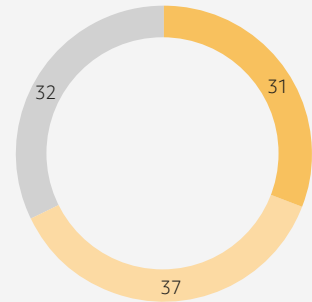
- Buildings and infrastructure
- Mechanical equipment
- Automotive
- Metal products
- Other transport
- Electrical equipment
- Domestic appliances



By region %

We have global exposure with under half our revenue generated from the mature markets of North America and Europe. We have a strong and growing position in India and other emerging markets. China represents 10% of our revenue due to our focus on steel manufactured using high-tech processes, but we are well placed to respond to the growth in high-tech steel in China in the coming years.

- Asia-Pacific
- Americas
- EMEA



Product portfolio

Advanced Refractories

Advanced Refractories provides consumable products (monolithics, bricks, precast) to the steel and industrial processes industries (e.g. aluminium, foundry and cement). We combine our global on-site presence at customer locations with our mechatronics solutions to deliver improved safety and efficiency within our customers' operations, whilst providing an ongoing revenue stream from our consumable products.

Flow Control

Flow Control provides end-to-end continuous casting solutions, from the ladle to the mould, harnessing strong R&D capabilities to supply technologically differentiated, bespoke products and systems to our customer base. We can combine our consumables with our industry-leading slide-gate systems and robotics to deliver highly reliable, safe and fully traceable operations.



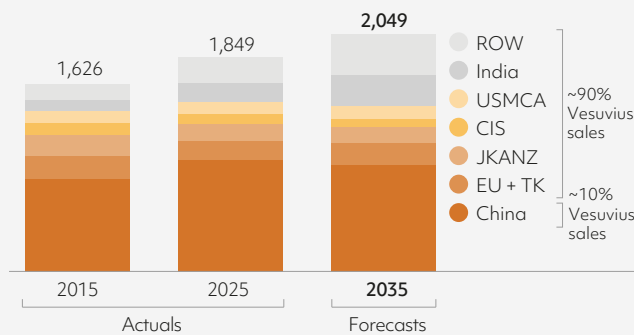
Market indicators and trends

Global steel production volumes

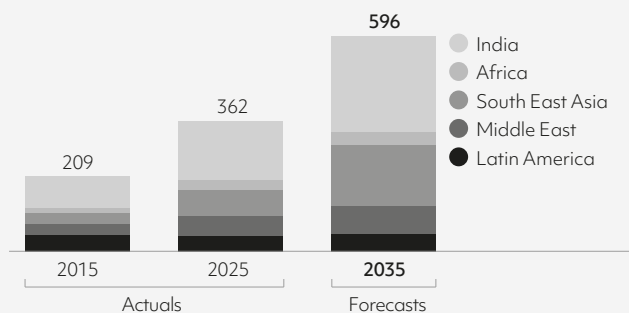
The volume of steel produced directly impacts the quantity of Vesuvius products consumed. We anticipate further growth in steel production volumes outside of China (~2% CAGR) with an estimated increase of more than 200 million tonnes in emerging markets between 2025 and 2035, linked to the development in emerging economies (including India and South East Asia). The implementation of steel import/export tariffs and protectionist measures should also result in an increase of local production in mature markets, particularly North America and EU27+UK.

Vesuvius' existing exposure to mature markets, and our continued investments in India, Poland and USMCA, result in our Steel Division being well positioned to capture this growth.

Expected evolution of global steel production¹
million tonnes



Expected growth in steel production in emerging markets¹
million tonnes

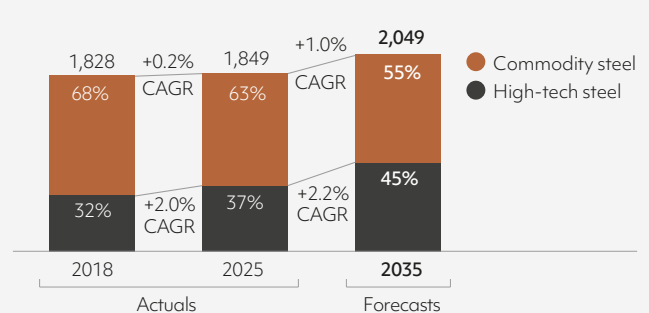


Steel production by type

The type of steel produced, e.g. high-tech steel used in the automotive industry vs. commodity steel used in the construction industry, impacts the production method used by manufacturers. High-tech steel requires more sophisticated production methodologies e.g. thin slab casting, which in turn requires more elaborate and larger volumes of our Flow Control products.

We anticipate that high-tech steel volumes, which currently represent c. 37% of steel production, will increase at ~2.2% CAGR driven by the maturation of developing economies as they transition from construction and infrastructure to consumer demand. We also anticipate that commodity steel volumes, which represent c. 63% of current production volumes, will be driven by fast-growing economies and infrastructure investments. The high-tech steel segment represents ~57% of Flow Control sales, hence the business unit is well positioned to capture this growth.

High-technology steel production evolution²
million tonnes



1. Sources: World Steel Association (Actuals) and McKinsey MineSpans (Forecasts).

2. Sources: World Steel Association (Actuals), McKinsey MineSpans (Forecasts) and Laplace Conseil (Split of high-tech vs. commodity steel).

Why invest in Vesuvius? continued

We operate in markets expected to grow over the medium term

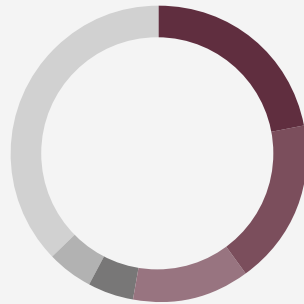
Foundry Division

Markets served

By end-market %

Products manufactured by the foundry casting market, made up of iron casting, steel casting and non-ferrous casting, are used across all engineering sectors.

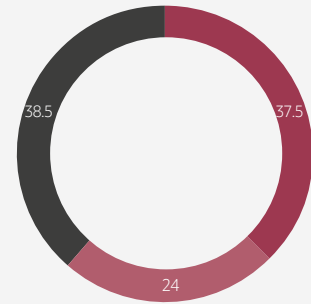
- Light vehicles
- Mining and construction
- Medium-heavy vehicles
- Railway and marine
- Power generation
- General engineering/Other



By region %

Ferrous sales in Europe and North Asia represent the core of the Foundry Division's business. We are witnessing the transition of ferrous casting activity from the EU and UK, and from Japan, towards emerging markets. We expect this strong growth to continue and we are focused on expanding our business in these developing markets.





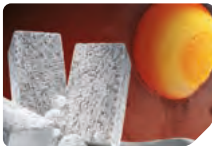

- Asia-Pacific
- Americas
- EMEA



Product portfolio

The Foundry Division (trading as Foseco) couples the design and manufacture of customised products and process technology with technical support to improve the quality of metal castings produced in the foundry industry. Our product portfolio consists of six core product lines, where we offer solutions to serve both ferrous and non-ferrous foundries.

Typical product line alloy application: ● Ferrous ● Non-ferrous

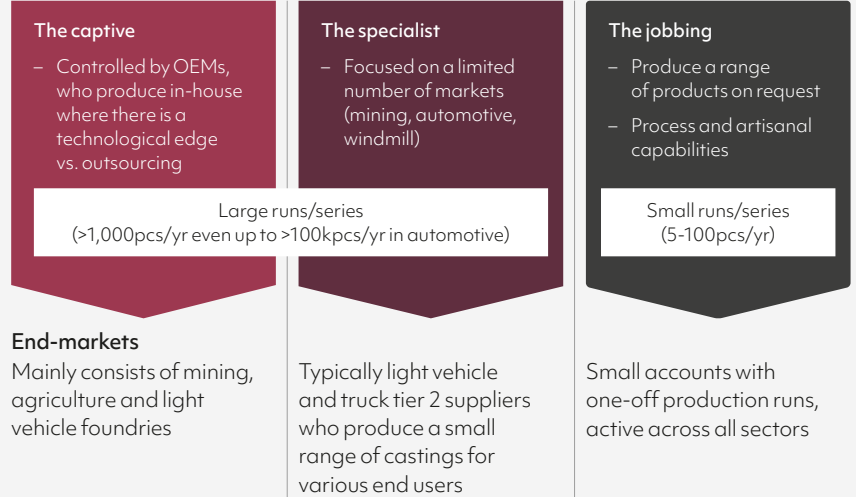
<p>Feeding systems</p> <p>●</p> 	<p>Coatings</p> <p>●</p> 	<p>Metal treatment</p> <p>● ●</p> 
<p>Filters</p> <p>●</p> 	<p>Refractories</p> <p>●</p> 	<p>Crucibles</p> <p>●</p> 

Market indicators and trends

Foundry's customers

The foundry market is highly fragmented with three main customer segments. Specialists represent the largest segment of Foundry's customer base. The Foundry Division has thousands of customers with no one customer representing more than 3% of Foundry's revenue.

Foseco customer segmentation



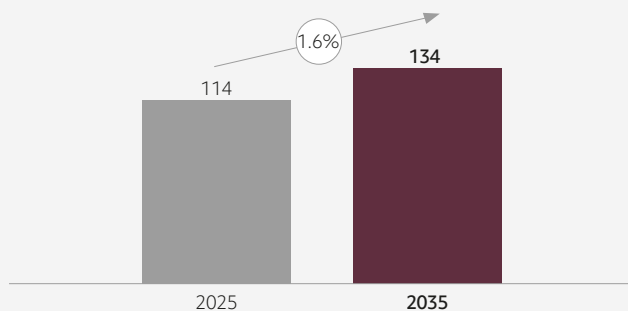
We see positive dynamics in the Foundry market

Global casting volumes¹

The volume of castings produced directly impacts the quantity of Foseco's products consumed. We anticipate growth in global casting volumes (+2% CAGR), mainly linked to development in India, South East Asia and China, where production of light vehicles, trucks and buses in particular is increasing.

Foundry's recent expansion in China, coupled with our acquisition of the Molten Metal Systems business (MMS), provides our Foundry division with a stronger presence to develop in the non-ferrous market, which is growing faster than the overall market.

Expected evolution of global casting volume (2025-2035) million tonnes



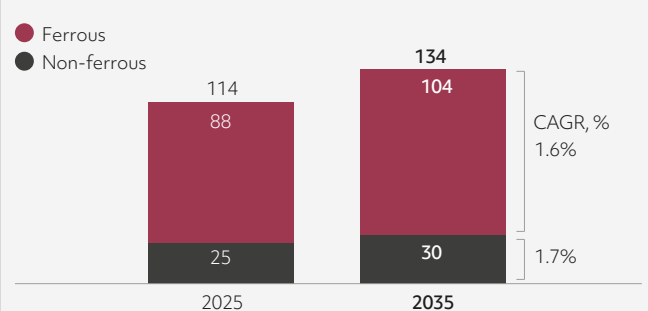
Global casting production by type¹

The type of metal being cast, e.g. ferrous vs. non-ferrous, impacts the production method and the type and volume of consumables required.

We anticipate non-ferrous casting volumes will grow faster (~2.5% CAGR) than ferrous volumes (~1.6% CAGR), as a result of automotive electrification, where vehicle volumes are shifting from ICE (Internal Combustion Engine) to BEV (Battery Electric Vehicles), which in turn increases the demand for non-ferrous metals (e.g. aluminium) for production.

Whilst the Foundry division has historically been stronger in ferrous casting technology, we continue to develop our non-ferrous portfolio. Our Foundry Division's existing product portfolio and market position in ferrous castings position us well to capture the market growth in this area. Our focus on R&D and recent product launches in non-ferrous (which account for >50% of our new product development projects and new product launches), and the acquisition of MMS, support our strategy to capture the faster growth in the non-ferrous market.

Expected evolution of global casting volume (2025-2035) million tonnes



1. All CAGRs quoted are 2025-2035, source: Modern castings, Country foundry associations, World Steel Association, foundry-planet, Global Foundry Magazine, Vesuvius and McKinsey data.

Why invest in Vesuvius? continued

Our people

Our People Strategy aims to enable sustainable business growth, cost efficiency, cash generation and a performance-driven culture. In a lean, decentralised and highly entrepreneurial organisation that we promote, having the right skills and a winning mindset is critical for people to succeed and for business to thrive.

Vesuvius is a geographically and culturally diverse group, employing more than 14,000 people of more than 70 nationalities in 40 countries.

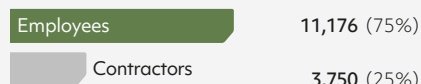
The underlying foundation is our strong culture of delivering results in our diverse, entrepreneurial, decentralised organisation, where everyone is empowered to take action, working with like-minded people in a non-matrix environment.

A flexible workforce

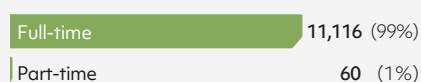
Our activity levels fluctuate based on customer demand. A variety of measures have been implemented to ensure our manufacturing workforce is equally flexible. These include the employment of agency workers, and the management of peaks and troughs through overtime and flexitime agreements.

A significant proportion of our headcount is employed in customer locations. The length of this employment with Vesuvius is dependent on the continuation or renewal of our customer contracts. Thus, if business is transferred by a customer from one supplier to another, this flexible employment approach rather than direct employment provides workers with employment continuity, as it permits them to continue working for the customer whilst their services are transferred.

Employees vs directly supervised contractors



Full-time vs part-time employees



Salaried vs hourly employees



Permanent vs temporary employees



Talent attraction and development

Staying competitive in today's rapidly evolving world requires a keen focus on the attraction and development of appropriate talent. We focus on achieving a balance between attracting high-quality external talent and developing a strong internal pipeline, and then provide continuous development to facilitate their success.

During recruitment for key talent we prepare clear, well-defined success profiles for each role, and utilise rounds of assessments, interviews, psychometric assessments and reference checks to secure top-tier talent.

Internally, we have developed a robust system for tracking and evaluating performance effectiveness across all levels. This includes two comprehensive, Group-wide system-based performance processes: one focused on an overall performance review, where managers assess employees on key factors such as alignment with Vesuvius CORE Values, achievement of results and role-specific competencies; the second on reviewing year-end personal objectives, which are linked to individual goal achievement and career progression.

In addition, we hold mid-year performance reviews to ensure alignment, address any gaps and refine development plans for the remainder of the year. These processes are vital in identifying skills gaps, talent risks and opportunities for growth, enabling us to take corrective action where needed.

Training and development

Our leaders take responsibility for managing and developing their teams. Our Learning Management System provides a global hub for Vesuvius' online training courses. Mandatory training courses are automatically assigned to new joiners and completion statistics are easily reportable. Targeted training courses can also be allocated to employees in specific roles, e.g. modern slavery training for people in Purchasing.

Our internal technical training is aimed at the continuous development of Vesuvius employees whether they operate in technical roles or not. Courses range from entry to expert levels and are continuously updated to keep pace with developing technology and delivery methods, thereby guaranteeing that Vesuvius experts are at the forefront of technical innovation. They are a great way for our hugely experienced technical experts to pass on their knowledge to the next generation and ensure the sustainability of our know-how, and to give non-technical staff a clear understanding of our products and technology.

Global mentoring programme

In 2025, Vesuvius continued its global mentoring programme for its top talent focusing on leadership and talent development. There are currently 19 mentees taking part in the 12-month programme, of which four are women. Mentees learn from the experience and perspectives of a senior leader, including members of the Group Executive Committee, with an individual personal development plan created to enhance their careers and leadership capabilities. The programme ensures internal knowledge transfer and builds a broader, deeper and readily available talent pool.



Global reward

Reward and recognition are integral components of our employee value proposition, enabling us to attract, engage and retain key talent and highly qualified employees. Our systems and processes are designed to create a market-competitive and rewarding environment for all our employees and to reinforce the vision, strategy and expectations set by the Board.

Our management Annual Incentive Plans are measured against both Vesuvius' financial targets and personal performance, an incentive structure consistent with that of our Executive Directors. The Vesuvius Share Plan for Executive Directors and Group Executive Committee members encourages robust decision-making based on long-term goals rather than short-term gains. We also have a cadre of over 200 managers who participate in the Group's share-based Medium Term Incentive Plan. Both of these programmes work to align the interests of participants with those of shareholders.

Global mobility

We believe that our global operations should be managed and staffed by local personnel. However, we also provide selected groups of employees with a range of international assignments. These assignments are usually for a limited period, most often three years.

International assignees do not come from one or two countries alone. We have a truly international mix of nationalities in our mobile population. Individuals move not only within a region, but also between regions. Our mobility programme shows that our assignee population is as diverse as our Group.

Employee engagement

Vesuvius recognises that companies with highly engaged employees deliver better business outcomes. They have lower absenteeism, lower employee turnover, fewer safety incidents, better product quality, and higher productivity, sales and profitability. At Vesuvius, we regard engagement as critical to our ongoing success and we work hard to listen to our people and act when issues impacting engagement are identified.

We seek to understand and support all employees, by using anonymous methods of providing feedback such as our annual employee engagement survey, I-Engage, and Speak Up reporting helpline. We measure the effectiveness of these tools by analysing response rates, tracking the percentage of employees participating each year and identifying trends in engagement across different departments and regions.

Employee engagement is a collective responsibility, especially for our management teams. As a principal tool to help nurture this engagement, we have partnered with Culture Amp to undertake our annual I-Engage survey, which captures employees' perceptions and attitudes towards Vesuvius and their work. The survey results are compiled into team-specific reports, which managers discuss transparently with their teams. Together, they identify areas for improvement and develop practical action plans to deliver positive change to the work environment.

In 2025, we maintained a very high participation level with 92% of employees responding to the survey. The overall level of engagement increased by 3% to 74%, with safety and knowledge of our CORE Values rated particularly positively. However, our results were not universally positive and survey follow-up was noted as an area where we could continue to improve.

Respondents to our 2025 I-Engage survey



Internal communications

We continue to develop our internal communications programme to ensure an effective and strong mix of channels to reach our diverse workforce. The Chief Executive regularly communicates with the whole Group through email and video, delivering important business information and strategic messages. In 2025, 11 interactive virtual sessions were held with the Senior Leadership Group which, along with our Global 'Spark' senior management meeting, were used to share business innovation and strategic updates, and foster better collaboration.

Company news and announcements are regularly shared via the Group intranet, supported by screen savers and video for major internal campaigns. For on-site communication, we utilise posters and 'town hall' meetings.

Wherever possible, we prioritise face-to-face communication at all levels of the organisation, creating space for our people to have meaningful Q&As and direct interaction with our business leaders.

Employee consultation and industrial relations

Vesuvius supports freedom of association and the right to collective bargaining. Around the globe, Vesuvius engages with local works councils and trade unions ensuring open communication on business matters as required. These regulated processes foster constructive dialogue between employee representatives and management, benefitting both our workforce and business operations. In addition to local employee representation, the Group operates a European Works Council (EWC) with elected representatives from the UK and each of the EU countries in which Vesuvius has employees.

In 2025, 73% of our permanent employees were covered by Collective Agreements addressing key working conditions through local works councils, trade unions or other representative bodies.

Why invest in Vesuvius? continued

Diversity and inclusion

As an organisation, Vesuvius has a global, multicultural operational and customer base, which we wish to reflect inside our organisation with a multicultural, diverse community of excellent professionals from all backgrounds. This starts by focusing on broad diversity of gender and nationality, with an aim to ensure that all employees and job applicants are given equal opportunity and that our organisation is representative of all sections of society where we operate. Vesuvius operates in 40 countries around the world, employing people of more than 70 nationalities, making us a truly diverse business.

We regard this diversity as a critical aspect of our success and future growth, as it allows us to access the widest range of skills and experience. Each employee is respected and valued, and as a result they are all able to give their best. All employees are given help, training and encouragement to develop their full potential and utilise their unique talents.

Overall responsibility for implementing the Group's Diversity and Equality Policy rests with the Executive Directors. The Nomination Committee monitors progress with meeting its objectives. At the end of 2025, the Senior Leadership Group (comprising c. 150 senior managers) consisted of 26 nationalities located in 22 countries. 15% of our overall workforce were women, which was stable versus 2024.

Women now represent 21% of our Senior Leadership Group, a level that we consider is still too low, but which represents a significant improvement as compared with the level of 15% in 2019.

The Board has noted the recommendation of the Parker Review that each FTSE 350 company should set a percentage target for senior management positions that will be occupied by ethnic minority executives in December 2027. The Company currently analyses management on the basis of nationality, which indicates

a great deal of diversity in the senior management group, but not ethnicity. The Board has conducted a survey of ethnicity for senior management positions, but has determined that no ethnicity target should be set at this time.

Copies of the Board Diversity Policy and Group Policy on Diversity and Equality are available to view on the Vesuvius website: www.vesuvius.com. Further information on the Group's approach to promoting diversity can be found on pages 94 and 95.

Diversity – 31 December 2025

	Female	Male	Gender not available ¹	Total	Female	Male
Board	4	5	–	9	44%	56%
Group Executive Committee members	1	6	–	7	14%	86%
Leadership roles reporting to members of the GEC	11	42	–	53	21%	79%
Directors of subsidiaries included in consolidation ²	15	76	–	91	16%	84%
Senior Managers³	27	124		151	18%	82%
All other employees	1,631	9,389	5	11,025	15%	85%
Vesuvius employees	1,658	9,513	5	11,176	15%	85%
Directly supervised contractors	80	2,367	1,303	3,750		
Vesuvius employees and directly supervised contractors	1,738	11,880	1,308	14,926		

1. The Group had 3,750 directly supervised contractors who were contracted through third parties and for whom the Group does not hold detailed employment records.
2. Of the 91 employees who are directors of Group subsidiaries but not members of the Group Executive Committee or direct reports of the Group Executive Committee, 16% are women. This disclosure is made to comply with regulatory requirements. It includes directors of dormant companies. Some individuals hold multiple directorships.
3. Senior Managers as defined for the purposes of Section 414C(8)(c) include directors of the Company's subsidiaries.



Diversity and Equality Policy

- We are dedicated to encouraging a supportive and inclusive culture amongst our global workforce
 - We aim to ensure that all employees and job applicants are given equal opportunity and that our organisation is representative of all sections of society where we operate. Each employee will be respected and valued and able to give their best as a result
 - We are committed to providing equality and fairness to all in our employment and not providing less favourable reward, facilities or treatment on the grounds of age, disability, gender, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, or sex, gender reassignment or sexual orientation
 - We are opposed to all forms of unlawful and unfair discrimination
- See the full policy on www.vesuvius.com for further details.

Health, safety and well-being at work

Safety is our top priority and our overriding commitment to health and safety is embedded throughout the organisation.

Our approach is to identify, eliminate, reduce or control all workplace risks, and an ongoing system of training, assessment and improvement is in place to focus on achieving this. We remain fundamentally committed to protecting the health and safety of employees, contractors, visitors, customers and any other persons affected by our activities.

We want to become a zero-accident company and are striving to become a best-in-class organisation for safety performance and leadership.

Health and safety governance

The Board has overall responsibility for health and safety-related matters and delegates authority for the management of the health and safety performance of the business to the Chief Executive. The Business Unit Presidents are, in turn, responsible for the deployment of the Health and Safety Policy.

The Board receives regular information on every Lost Time Injury and key safety performance indicators. In addition, the Board carries out a biannual review of health and safety performance and each of the annual presentations of Business Unit strategy include a detailed report on health and safety issues.

Groupsafetyaudits

The Group operates a central safety auditing team of three auditors, each with more than ten years' experience, who report to the VP Sustainability. The team's main purpose is to verify the deployment and ongoing application of the Group's standards and policies in our locations, including our manufacturing sites, R&D facilities and the customer locations in which a significant number of our employees operate daily. Each audit also includes an assessment of the site's HSE leadership. During 2025, the team conducted 65 audits (2024: 63).

Following each audit, action plans are created by the site management teams to address any issues identified and work on completing these is assessed on a regular basis. The observations made during audits are used to improve the Group's training programmes and to enhance the Group's health and safety standards.

Sites are also encouraged to carry out self-assessments, based on the Group safety audit compliance checklist, to monitor their progress.

Safety audits and improvement opportunities

In 2025, 83% (2024: 82%) of our working population performed routine safety audits every month. This generated an average of ten (2024: ten) implemented safety improvement opportunities per person, resulting in an improvement in worker safety.

The audit programme involves employees at all levels – from the Group Executive Committee and safety specialists, through to local site management, employees and directly supervised contractors.

Lost time and recordable injuries

Vesuvius operates a robust and comprehensive process for the timely reporting of medical incidents. We use more stringent definitions for Lost Time Injuries (LTIs) and 'severe accidents' than the definitions used by many regulatory bodies. All sites are required to report on all Recordable Injuries (aligned with the OSHA definition), to maintain the focus on safety. All LTIs and Recordables require a full investigation.

We believe that the long-term significant improvements in Lost Time Injury and Recordable Injury Frequency rates reflect a broader trend of underlying improvement for the Group and result from a strong management commitment to change.

2025 safety performance

Our Lost Time Injury Frequency Rate (LTIFR) of 0.70 per million hours worked in 2025 was higher than 2024 (0.52), which was our record year. This indicates that there is always more work to do, and that we must maintain our rigorous focus on safety at all times.

In 2025, we were deeply saddened by the death of one of our colleagues in a road traffic accident whilst returning from a business trip. Four employees suffered injuries requiring hospital stays during the year. We are actively taking steps to learn from this tragic accident and Lost Time Injuries, and to improve our systems and procedures to minimise the likelihood of repetition.

Health and Safety Policy

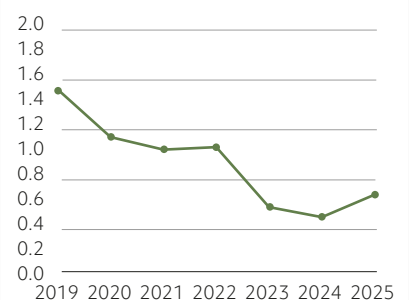
We commit to:

- Abide by simple and non-negotiable standards
- Report transparently and thoroughly investigate any incident to learn, share and avoid repeats
- Undertake risk assessments to identify hazards, prioritise any deficiencies and correct them in an appropriate way, as well as to develop appropriate safe work procedures

- Ensure every business facility follows the agreed health and safety plans, committing to: reduce the frequency and severity of injuries; improve workstation ergonomics; prevent exposure to hazardous substances; and minimise the risk of occupational diseases
- Increase awareness about health and safety issues and provide training for all new employees and contractors
- Ensure every business facility has an appointed Health and Safety Manager

See the full policy on www.vesuvius.com for further details.

Lost Time Injuries



Lost Time Injuries per million hours worked

—●— LTIFR 12 months rolling

Operating review

Steel Division

Despite adverse market conditions, the Steel Division performed well in 2025

Steel Division revenue

£1,342.6m

Steel Division trading profit

£120.0m

Our Steel Division reported revenues of £1,342.6m in 2025, an increase of 1.4% on a like-for-like basis but flat on a reported basis (-0.1%), reflecting currency headwinds. The slight like-for-like revenue growth was driven by market share gains and modest pricing increases.

Trading profit in the Steel Division fell by 18.3% on a like-for-like basis to £120.0m, as a result of inflationary costs not being entirely covered by price rises during the first half, especially in EMEA and China.

The Division reverted to positive net pricing during the second half of the year, although not sufficiently to compensate

for the negative impact of the first half. We also saw some customers, especially in EMEA, temporarily switching to lower value, lower margin products. EMEA accounted for 72% of the year-on-year fall in profit. Our cost-saving programme has delivered in line with expectations, partially offsetting some of these negative impacts. The drop in trading profit on broadly flat revenue has resulted in the Division's return on sales reducing to 8.9%, a fall of 210bps.

Steel Division	2025 (£m)	2024 (£m)	Like-for-like change	Change
Flow Control Revenue	750.9	769.0	0.1%	(2.4)%
Advanced Refractories Revenue	555.6	535.6	3.9%	3.7%
Sensors & Probes Revenue	36.1	39.2	4.5%	(8.0)%
Total Steel Revenue	1,342.6	1,343.8	1.4%	(0.1)%
Total Steel Trading Profit	120.0	153.0	(18.3)%	(21.5)%
Total Steel Return on Sales	8.9%	11.4%	-210bps	-250bps





Pascal Genest
President,
Flow Control

Flow Control

Revenue
£m

£750.9m

2025	750.9
2024	769
2023	793



In 2025, revenue in the Group's Flow Control business was flat on a like-for-like basis at £750.9m (a decline of 2.4% on a reported basis reflecting FX headwinds). This performance was driven by positive pricing and broadly flat sales volumes.

In the Americas, like-for-like revenue grew 0.4%, with positive pricing partially offset by slightly negative volume growth.

In EMEA, our revenue declined 3.3% on a like-for-like basis compared to 2024 with positive pricing and volume growth in EEMEA not compensating a significant volume decline in EU+UK.

In Asia-Pacific, revenue grew 3.3% on a like-for-like basis, driven by ongoing good growth in India, double digit volume growth in South East Asia and high single-digit volume growth in China, despite the steel market contracting in this country.

Flow Control Revenue	2025 (£m)	2024 (£m)	Like-for-like change	Change
Americas	287.2	297.8	0.4%	(3.6)%
Europe, Middle East and Africa (EMEA)	234.0	241.3	(3.3)%	(3.0)%
Asia-Pacific	229.7	230.0	3.3%	(0.1)%
Total Flow Control Revenue	750.9	769.0	0.1%	(2.4)%



Operating review continued

Steel Division continued

Nitin Jain
President,
Advanced Refractories



Advanced Refractories

Revenue
£m

£555.6m

2025	555.6
2024	536
2023	568

Advanced Refractories reported revenue of £555.6m in 2025, an increase of 3.9% on a like-for-like basis. This principally reflected an increase in sales volume (both market growth and market share gains across the business) and a small contribution from price increases.

In Asia-Pacific, revenue grew 10.1% like-for-like, driven by double-digit volume growth in India, outperforming a strong market, and good growth in China, despite a declining market. In the Americas, positive volume growth in the US and South America was offset by significant declines in Canada and Mexico. In EMEA, our sales progressed moderately, driven by market share gains in EU+UK.

Advanced Refractories Revenue	2025 (£m)	2024 (£m)	Like-for-like change	Change
Americas	182.5	188.2	0.6%	(3.0)%
Europe, Middle East and Africa (EMEA)	183.8	167.6	1.1%	9.6%
Asia-Pacific	189.3	179.7	10.1%	5.3%
Total Advanced Refractories Revenue	555.6	535.6	3.9%	3.7%

Luigi Magliocchi
President,
Sensors & Probes



Sensors & Probes

Revenue
£m

£36.1m

2025	36.1
2024	39
2023	39

Revenue in Sensors & Probes was £36.1m in 2025, down 4.5% year-on-year on a like-for-like basis, driven by declining demand in Europe, Canada, Mexico, and South America, only partially compensated by growth in the US.

Steel Sensors & Probes Revenue	2025 (£m)	2024 (£m)	Like-for-like change	Change
Americas	26.0	28.3	(2.5)%	(8.1)%
Europe, Middle East and Africa (EMEA)	9.7	10.5	(9.2)%	(7.6)%
Asia-Pacific	0.4	0.4	0%	0%
Total Steel Sensors & Probes Revenue	36.1	39.2	(4.5)%	(7.9)%

Foundry Division

Manuel Delfino
President,
Foundry



Foundry Division

Revenue
£m

£466.9m



Our Foundry Division continued to experience a difficult trading environment in 2025, with reported revenue of £466.9m in 2025, a like-for-like decrease of 1.5%, reflecting contracting revenue in the Americas (-3.4%) and EMEA (-4.5%), which were only partially offset by strong growth in Asia-Pacific (+3.2%), supported by India which delivered double-digit growth despite disruption related to US tariffs and China which grew mid-single digit, like-for-like. The fall in revenue in EMEA and the Americas was due to market volume declines and slightly negative sales prices evolution, only partially offset by market share gains.

The Division benefited from the acquisition of the Molten Metal Systems business, completed in November 2025. This acquisition is delivering as expected.

Trading profit and return on sales contracted 11.2% and 70bps respectively, on a like-for-like basis, principally reflecting the decline in overall volumes and the negative net pricing performance during the first half of the year. Net pricing, while remaining slightly negative, improved significantly in H2. This, together with ambitious new cost-saving projects and the delivery of synergies from the MMS business, should provide a solid foundation for trading profit growth in 2026.



Foundry Revenue	2025 (£m)	2024 (£m)	Like-for-like change	Change
Americas	111.1	119.3	(3.4)%	(6.9)%
Europe, Middle East and Africa (EMEA)	180.2	183.6	(4.5)%	(1.9)%
Asia-Pacific	175.6	173.4	3.2%	1.3%
Total Foundry Revenue	466.9	476.3	(1.5)%	(2.0)%
Total Foundry Trading Profit	31.1	35.0	(11.2)%	(11.1)%
Total Foundry Return on Sales	6.7%	7.4%	-70bps	-70bps

Financial review



Mark Collis



The Board has recommended a final dividend of 16.5 pence per share, which together with the interim dividend already paid brings the total dividend for the year to 23.6 pence per share, a 0.4% increase compared to the total dividend for 2024."

2025 performance overview

Income statement

2025 was a challenging year, with broadly flat revenue and a decline in like-for-like trading profit and return on sales, due to adverse pricing and product mix. Cash flow reduced along with profit, while cash conversion was good at 75%. This has enabled the Board to recommend a final dividend slightly increased compared to the amount per share in 2024 alongside the buyback of shares earlier in 2025 and the delivery of two strategic acquisitions.

Revenue for the year decreased by 0.6% on a reported basis and grew by 0.7% on a like-for-like basis, reflecting an FX headwind of 2.5% and a small contribution from acquisitions in the year. Like-for-like revenue performance was driven by modest volume growth of 0.2%, a small increase in headline pricing of 0.4%. On a reported basis, the Steel and Foundry Division revenue decreased by 0.1% and 2.0%, respectively, in the year. Acquisitions added a further 1.3% to top-line growth.

We achieved a trading profit of £151.1m, down 19.6% on a reported basis of which 17.0% was like-for-like performance and 5.1% was related to FX headwinds, partially offset by a contribution from acquisitions. Within the like-for-like profit changes, there was a £30.4m decline due to the drop-through from volume and product mix, and an £11.5m decline from net pricing. The full-year impact of net pricing was driven by a -£11.7m impact in H1 and neutral net pricing in H2. In addition, there was a further contribution from our ongoing cost-saving programme of £17.8m and a net -£2.0m relating to one-off impacts that will reverse in 2026, being the impact of lower incentive payments, offset by £6.0m in one-off inefficiencies. There was also a -£4.3m impact to trading profit relating to other items. Return on sales of 8.4% was down 170bps on a like-for-like basis.

£m	2025 Reported	Acquisition	2025 Like-for-like	2024 Reported	Currency	2024 Like-for-like	% Change FY25 vs. FY24	
							Like-for-like	Reported
Steel	1,342.6	(14.9)	1,327.7	1,343.8	(35.0)	1,308.8	1.4%	(0.1%)
Foundry	466.9	(7.6)	459.3	476.3	(10.0)	466.3	(1.5%)	(2.0%)
Group Revenue	1,809.5	(22.5)	1,787.0	1,820.1	(45.0)	1,775.1	0.7%	(0.6%)
Steel	120.0	(1.2)	118.8	153.0	(7.5)	145.5	(18.3%)	(21.5%)
Foundry	31.1	(1.9)	29.2	35.0	(2.1)	32.9	(11.2%)	(11.1%)
Group Trading Profit	151.1	(3.1)	148.0	188.0	(9.6)	178.4	(17.0%)	(19.6%)
Steel	8.9%		9.0%	11.4%		11.1%	(210bps)	(250bps)
Foundry	6.7%		6.4%	7.4%		7.1%	(70bps)	(70bps)
Return on Sales	8.4%		8.3%	10.3%		10.0%	(170bps)	(190bps)

Investment in R&D is central to our strategy of delivering market-leading product technology and services to customers. In 2025, we spent £35.3m on R&D activities (2024: £36.6m, on a constant currency basis), which represents 1.9% of our revenue (2024: 2.1%) and a small decrease in expenditure on a constant currency basis.

Net Interest cost for FY25 increased to £18.4m (2024: £16.2m), due to a combination of a rise in interest due to a higher debt balance, and a reduction in finance income due to a reduction in deposits held in Argentina, partially offset by lower interest rates charged on our RCF.

Profit from joint ventures and associates was broadly flat year-on-year at £1.0m (2024: £1.1m).

Separately reported items of £36.5m were recognised in FY25 compared to £34.3m in FY24. £10.6m relates to amortisation of acquired intangible assets (FY24: £10.0m), which is consistently excluded from our adjusted profit measure. In addition, one-off costs of £18.9m were incurred relating to our cost-saving programme (FY24: £14.6m), and £7.0m in relation to integration and acquisition costs. Due to the one-off nature of both these charges, they are shown as separately reported.

Adjusted profit before tax was £133.7m, down 22.7% versus last year (£172.9m) on a reported basis. Including separately reported items, PBT of £97.2m was 29.9% lower than last year (£138.6m).

The Group's Adjusted Effective Tax Rate (ETR), based on the income tax costs associated with adjusted performance of £36.5m (2024: £47.2m), was 27.5% (2024: 27.5%).

The Group's total income tax costs for the period include a credit within separately reported items of £4.1m (2024: £8.9m).

We expect the Group's ETR in 2026 to be in line with that in 2025, dependent on profit mix and any one-off items.

Non-controlling interests principally comprise the minority holdings in Indian subsidiaries. Profit attributable to non-controlling interests decreased slightly to £12.6m in 2025 (2024: £13.1m) reflecting some decline in the profit after tax in those subsidiaries plus a currency headwind.

Adjusted EPS at 34.2p was 17.7% lower on a like-for-like basis than 2024 (43.3p), reflecting lower earnings, partially offset by a reduction in average shares in issue from 260.0m to 247.1m (basic), reflecting the conclusion of the second share buyback programme. Reported EPS of 21.1p is 37.0% lower than the prior year (2024: 33.5p) reflecting the factors described above.

Dividend and share buyback

Vesuvius has a progressive dividend policy. As a minimum we will maintain our dividend per share year-on-year and increase it, through the cycle, in line with earnings per share growth. In addition, where cash is not required for additional investment in the business and whilst maintaining a strong and prudent balance sheet, we will return cash to shareholders via other means, such as share buybacks.

The Board has recommended a final dividend of 16.5 pence per share (2024: 16.4 pence), which together with the interim dividend paid of 7.1 pence per share, brings the total dividend for the year to 23.6 pence per share, a 0.4% increase compared to the total dividend for 2024 (23.5 pence). This represents a dividend cover of 1.5x compared to adjusted EPS for 2025.

Over 2025, we completed our second £50m share buyback (initiated in November 2024), resulting in a total cash outflow relating to share repurchases of £34.8m in FY25. In total, 8.6m shares were repurchased during the year, reducing our shares in issue by c. 3%.

Financial review continued

Cost-saving programme

At the start of 2024 we initiated an efficiency programme to realise recurring savings of £30m per annum by 2026, of which £30.8m has been delivered by the end of 2025 (£13.0m in 2024 and £17.8m in 2025), significantly ahead of schedule as we accelerated our savings in response to the difficult trading environment. Our target is now to deliver in aggregate £55m savings by 2028. We expect to deliver further cost savings of c. £10m in 2026. These restructuring costs are excluded from trading profit, allowing for a clear measure of our operating performance.

Cash-flow and balance sheet

Our cash management performance was solid, achieving a 75% cash conversion (2024: 69%), reflecting broadly flat trade working capital with a -£1.9m outflow, a reduction of £10.6m in other working capital and the conclusion of our investment in strategic capacity expansion, resulting in a reduction in net cash capex from £96.5m in 2024 to £81.0m in 2025.

We measure working capital both in terms of actual cash flow movements, and as a percentage of sales revenue. Trade working capital intensity in 2025 increased slightly to 23.4% (2024: 22.9%), measured on a 12-month moving average basis. The change was principally due to an increase in debtor days on a 12-month average basis by 1.6 days, partially offset by a slight increase in creditor days by 0.4 days and a reduction in inventory days by 1.3. These changes were largely driven by Flow Control, where working capital intensity improved modestly due to a material reduction in inventory offset by an increase in debtors, while trade working capital slightly increased at both Foundry and Advanced Refractories, due to a small movement in inventory.

Free cash flow was £36.0m in 2025 (2024: £57.8m).

Capital expenditure

Net cash capital expenditure in 2025 was £81.0m (2024: £96.5m) and £99.6m including capitalised leases (2024: £116.1m) of which £75.8m was in the Steel Division (2024: £92.2m) and £23.8m in the Foundry Division (2024: £23.9m). Net cash capex in 2026 is expected to be c. £70m-75m, reflecting lower growth capex, having concluded our investment programme earlier in 2025.

Net debt

Net debt on 31 December 2025 was £452.4m, a £123.2m increase compared to £329.2m on 31 December 2024, due to free cash flow of £36.0m offset principally by dividends of £57.9m, share buybacks of £34.8m and acquisitions in the year of £38.9m.

At the end of 2025, the pro-forma net debt to EBITDA ratio was 2.0x (2024: 1.3x) and EBITDA to interest was 14.1x (2024: 18.4x). These ratios are monitored regularly to ensure that the Group has sufficient financing available to run the business and fund future growth.

The Group's debt facilities have two financial covenants: the ratios of net debt to EBITDA (maximum 3.25x limit) and EBITDA to interest (minimum 4x limit). Certain adjustments are made to the net debt calculations for bank covenant purposes, the most significant of which is to exclude the impact of IFRS 16, and to adjust for acquisitions or disposals part-way through the financial year. On a covenant calculation basis, the net debt to EBITDA ratio at 31 December 2025 was 2.0x.

The Group had committed borrowing facilities of £751.6m as of 31 December 2025 (2024: £669.6m), of which £195.5m was undrawn (2024: £202.5m).

Return on invested capital (ROIC)

Our ROIC (excluding goodwill on our balance sheet from the acquisition of Foseco in 2008) for 2025 was 10.5% (2024: 14.4%). ROIC is our key measure of return from the Group's invested capital, and excludes the impact of goodwill and intangibles that arose on the acquisition of Foseco in 2008, as we believe that this removes the distortive effects of that acquisition and provides a clearer measure of management performance.

Pensions

The Group has a limited number of historical defined benefit plans located mainly in the UK, US, Germany and Belgium. The main plans in the UK and US are closed to further benefits accrual. All of the liabilities in the UK were insured following a buy-in agreement with Pension Insurance Corporation plc (PIC) in 2021. This buy-in agreement secured an insurance asset from PIC that matches the remaining pension liabilities of the UK Plan, with the result that the Company no longer bears any investment, longevity, interest rate or inflation risks in respect of the UK Plan.

The Group's net pension liability at 31 December 2025 was £31.6m (2024: £37.4m liability).














Mark Collis
Chief Financial Officer
11 March 2026



Non-Financial and Sustainability Information Statement


This section of the Annual Report constitutes the Group's Non-Financial and Sustainability Information Statement and addresses the requirements of S414CA and S414CB of the Companies Act 2006. Information disclosed in other sections of the Strategic Report is incorporated into this statement by reference:

The Statement provides information on the Group's activities and policies in respect of:

Reporting requirement	Relevant policies	Where to read more	
Environmental matters	– Environmental Policy	– <i>Tackling climate change</i>	p39-56 
The Company's employees	– CORE Values – Code of Conduct – Speak Up Policy – Diversity and Equality Policy – Health and Safety Policy	– <i>Why invest in Vesuvius?</i> – <i>A responsible company</i> – <i>Corporate Governance Statement</i>	p24-27  p57-60  p78-124 
Social and community matters	– Code of Conduct	– <i>A responsible company</i>	p57 
Respect for human rights	– Human Rights and Labour Policy – Statement on the Prevention of Modern Slavery – Sustainable Procurement Policy	– <i>A responsible company</i>	p58-60 
Anti-bribery and corruption matters	– Anti-Bribery and Corruption Policy – Code of Conduct	– <i>A responsible company</i>	p57-59 
Business model		– <i>Our business model</i> – <i>Why invest in Vesuvius?</i>	p14 and 15  p18-27 
Stakeholders		– <i>Our stakeholders and S172 Statement</i>	p68-72 
Risk management		– <i>Risk, viability and going concern</i> – <i>Principal risks and uncertainties</i>	p61-65  p66 and 67 
Non-financial key performance indicators		– <i>Progress on our sustainability targets</i>	p36 and 37 

This statement also details, where relevant, the due diligence processes implemented by the Company in pursuance of these policies.

The acquisitions of PiroMET and the Molten Metal Systems business (MMS) were completed in February 2025 and November 2025, respectively. Only their site details and safety performance following their acquisition dates are included in this statement.

 Further non-financial and sustainability information can be found in our Sustainability Report online at: www.vesuvius.com

Sustainability

Progress on our sustainability targets

The Group's non-financial KPIs cover the Group's main sustainability objectives. We have set stretching targets for the Group's sustainability KPIs to reach within set time frames. These are set out in the table below.

Safety



Progress



Measure

Lost Time Injury Frequency Rate per million hours worked.

Progress in 2025

0.7

Our LTIFR in 2025 was slightly higher than 2024 which was our record year. Much progress is still needed to continue our journey towards zero accidents.

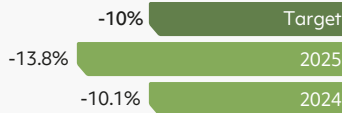
Link to remuneration

➤ **Vesuvius Share Plan**
Read more about this on p105, 112 and 113.

Energy intensity



Progress %



Measure

By 2025, reduce energy intensity per metric tonne of product packed for shipment (vs 2019).

Progress in 2025^{1,2,3,4}

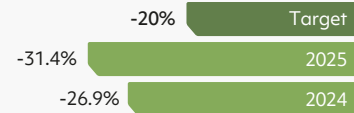
-13.8%

The Group's performance continued to improve in 2025. We continue to invest in equipment upgrades and focus on further continuous improvement through refurbishments and process parameter optimisation.

CO₂e emission intensity



Progress %



Measure

By 2025, reduce Scope 1 and Scope 2 CO₂e emission intensity per metric tonne of product packed for shipment (vs 2019).

Progress in 2025^{1,2,3,4}

-31.4%

The pro forma reduction in CO₂e emissions in 2025 was mostly driven by the conversion of our manufacturing sites to carbon-free electricity contracts and operational efficiency improvements.

Link to remuneration

➤ **Annual Incentive Plan and Vesuvius Share Plan** Read more about this on p105, 112, 113 and 116.

Wastewater



Progress %



Measure

By 2025, reduce wastewater per metric tonne of product packed for shipment (vs 2019).

Progress in 2025^{1,2,3,4,5}

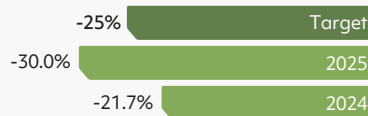
-28.6%

Progress in 2024 and 2025 was significant, as a capital expenditure project delivering major benefits for the site with the highest level of wastewater was completed in early 2024.

Solid waste



Progress %



Measure

By 2025, reduce solid waste (hazardous and sent to landfill) per metric tonne of product packed for shipment (vs 2019).

Progress in 2025^{1,2,3,4}

30.0%

Many sites made good progress in reducing solid waste in 2025, through a combination of reduced waste generation and implementation of recycling solutions.

Recycled material



Progress %



Measure

By 2025, increase the proportion of recycled materials from external sources used in production.

Progress in 2025^{1,2,3,4}

5.3%

In 2025, we continued to seek opportunities to replace virgin materials with recycled materials, but we remain constrained by availability, cost and the variability of properties in recycled material that might affect the performance of our products.

Strategic Value alignment



Return on Sales



Free Cash Flow



Cost Savings



Sustainability

Gender diversity



Progress %



Measure

By 2025, increase female representation in the Senior Leadership Group (approx. 150 top managers).

Progress in 2025

21%

We remain far from our ambition to reach 25% by the end of 2025. We see this as a challenging target given the relatively low attractiveness of our industry to female entrants.

Link to remuneration

➤ **Annual Incentive Plan and Vesuvius Share Plan** Read more about this on p105, 112, 113 and 116.

Compliance training



Progress %



Measure

Increase the percentage of targeted staff who complete anti-bribery and corruption training annually.

Progress in 2025

100%

All targeted employees successfully completed the training in 2025.

Supply chain



Progress %



Measure

By the end of 2025, conduct sustainability assessments of our raw materials suppliers (as a percentage of Group raw material spend).

Progress in 2025

57%

Though the number of assessed suppliers has grown, the spend with these has been lower in 2025 than 2024.

1. The numbers are collated from 100% of entities within the Group's Operational Control Boundary, excluding PiroMET and Molten Metal Systems, which were acquired in 2025.
 2. Re-baselined using pre-acquisition data for the businesses acquired from Universal Refractories, Inc. (Vesuvius Penn Corporation), and BMC (Yingkou YingWei Magnesium Co., Ltd).
 3. Pro forma: performance as if the dolime process had been operating normally in 2025 (based on average production levels for 2019-2022). See page 53 for further information.
 4. Actual Group performance for 2025, with actual dolime production: Energy intensity -18.4%, CO₂e emission intensity -47.4%, wastewater -24.7%, solid waste -26.2%, recycled material 5.7%.
 5. 2025 wastewater data excludes 13 sites that began reporting in 2025 or implemented major reporting changes during that year to ensure comparability with previous years.
 6. Further information on sources of data, scope of entities covered, calculation methodologies and progress can be found in the 2025 Sustainability Report which is available at: www.vesuvius.com.
- Details of the Group's **financial KPIs** can be found on pages 16 and 17.



Our sustainability strategy and objectives

Vesuvius' sustainability strategy brings together our environmental, social and governance initiatives into one coordinated programme.

We create innovative solutions that help our customers improve their safety and quality performance, reduce their environmental footprint, become more efficient in their processes and reduce costs. We also work in close partnership with the most advanced steel-makers to develop refractory products for the green steel-making and casting processes of the future.

Our Sustainability initiative sets out the Group's formal objectives and targets for supporting our customers, our employees and our communities, and for protecting our planet for future generations. It is embedded in the Group's overall strategy and informs how we deliver on our strategic priorities.

In 2020, the Board launched the Group's formal sustainability strategy and identified significant non-financial KPIs for the business, covering the Group's main sustainability objectives. The majority of these targeted achievement by 2025.

Between 2019 and 2025 the Group has seen an impressive 31.4% reduction in CO₂e emission intensity, versus a target of 20% reduction, and a 13.8% reduction in energy intensity, versus a target of 10% reduction. Each of our environmental performance indicators have been calculated on a pro forma basis for 2025, assuming that the dolime process, which continued to operate at reduced capacity following damage to the dolime rotary kiln in 2023, had been operating normally. This is to avoid artificially improving the reported figures given that dolime production is our major emitter of CO₂. See page 53 for further details.

In addition to the encouraging reductions in CO₂ emissions we also exceeded our targets for reductions in wastewater and solid waste during the performance period, with a 28.6% reduction in wastewater on a pro forma basis since 2019, versus a target of a 25% reduction, and a 30% reduction in solid waste versus a targeted 25% reduction.

There was slightly less positive news in regard to the use of recycled material however, with this representing 5.3% of our total raw material tonnage in 2025 versus a target of 7%. We continue to seek opportunities to replace virgin materials with recycled materials, but remain constrained by the difficulty of sourcing products of an appropriate quality and cost.

The number of women in our Senior Leadership Group showed substantial improvement from 15% in 2019 to 21% in 2025, but also fell short of our target of 25%, reflecting the difficulty of attracting and retaining women in our senior management roles.

The Board will shortly be approving new targets for the forthcoming period, to ensure Vesuvius continues its positive sustainability journey.



Tackling climate change

We are committed to reducing our environmental footprint by reaching net zero greenhouse gas emissions (Scope 1 and Scope 2) by 2050 at the latest and helping our customers reduce their emissions through improvements in the efficiency of their operations.

Vesuvius supports the Paris Agreement’s central aim, to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2°C above pre-industrial levels, and pursuing efforts to limit the temperature increase even further to 1.5°C, via the implementation of our Roadmap to Net Zero.

As the world transitions to a low-carbon global economy, Vesuvius supports the call for policymakers to:

- Build a level global playing field, including carbon border adjustment mechanisms, and robust and predictable carbon pricing for companies. This will strengthen incentives to invest in sustainable technologies and to change behaviours
- Develop the necessary energy production and distribution infrastructure to provide access to abundant and affordable clean energy

Reducing our impact

Vesuvius actively participates in measures to tackle climate change by working to reduce the CO₂e emissions of all of our operations and the quantity of raw materials used, alongside helping our customers to reduce their own CO₂ footprint through the use of our products and services. Vesuvius also embraces society’s expectations for greater transparency around environmental reporting.

Supporting our customers

According to estimates from the World Steel Association (WSA), the steel industry generates between 7% and 9% of global direct emissions from the use of fossil fuels, and it estimates that on average 1.92 metric tonnes of CO₂ are emitted for every tonne of steel produced.

The iron and steel industries are taking action to address the decarbonisation challenge, and we are supporting them, working in partnership with them to develop more sustainable solutions.

With around 10kg of refractory material required per tonne of steel produced, the careful selection and use of energy-saving refractories can beneficially impact the net emission of CO₂ in the steel manufacturing process. In the foundry process, the amount of metal melted versus the amount sold as finished castings is the critical factor impacting a foundry’s environmental efficiency. Vesuvius continuously works with its customers to increase this metal yield.

The actions being taken by governments and societies around the world to mitigate climate change, and the changes in temperature and weather patterns resulting from it, present both opportunities and risks to Vesuvius. In its broadest context, we believe that the need for climate change initiatives will create ever greater opportunities for the Group to support our customers – to improve their efficiency and reduce their environmental impact.

Vesuvius’ Environmental Policy

We commit to:

- Minimise direct and indirect CO₂ and other greenhouse gas emissions, by reducing the energy intensity of our business and using cleaner energy sources
- Minimise the consumption of water and other resources
- Reduce waste at source and during production
- Increase the usage of recycled materials and promote the development of the circular economy
- Minimise any pollution or releases of substances which could adversely affect humans or the environment
- Avoid negative impacts on biodiversity

➤ See the full policy on www.vesuvius.com for further details.



External reporting and recognition

We are signatories to the UN Global Compact and report annually on our sustainability activities, commitments and progress.



We are very proud of our progress to date, as exemplified by the external recognition of the following rating agencies:



1. <https://recognition.ecovadis.com/EYXniTacJ0uMSXcb5RwP2g>

Tackling climate change continued

Task Force on Climate-related Financial Disclosures (TCFD) Report

The disclosures included in this Annual Report are consistent with the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures, and have been prepared taking into account the Guidance for all sectors. The disclosure is also in accordance with FCA Listing Rule requirements.

This section provides the relevant disclosures or otherwise provides cross-references in the table below for where the disclosures are located elsewhere in the Annual Report.

In preparing this TCFD disclosure we considered recent developments in global affairs and macro trends, such as:

- Uncertainties regarding the projected growth of the electric vehicle market (and consequently the peak and decline of the hybrid vehicle market)
- The energy crisis and price gaps that exist between regions, and at the same time, the rapid reduction of the cost per installed kWh of renewable energy and associated massive investments plans
- The development and implementation of policies in all regions aimed at accelerating the transition to renewable sources of energy and the decarbonisation of industry

We concluded that the underlying assumptions and drivers of our scenario analysis, and the risks and opportunities that we have identified, do not require any significant modification this year.

We are aware of a growing acceptance that the 1.5°C global warming ambition will not be met, which supports the assumption in our scenario plans that the most optimistic scenario is a 2°C increase in global warming.

Topic	Disclosure summary	Vesuvius disclosure
Governance Disclose the organisation's governance around climate-related risks and opportunities.	Describe the Board's oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p41 and 42 – <i>Risk, viability and going concern</i> p61-63 – <i>Directors' Remuneration Report</i> p97-124
	Describe management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p41 and 42 – <i>Risk, viability and going concern</i> p61-63
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p44-46
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p39-56 – <i>At a glance</i> p4 and 5 – <i>Our business model</i> p14 and 15
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p47-49
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	Describe the organisation's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p41-46 – <i>Risk, viability and going concern</i> p61-63
	Describe the organisation's processes for managing climate-related risks.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p39-56 – <i>Risk, viability and going concern</i> p61-67
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p39-56 – <i>Risk, viability and going concern</i> p61-67
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p36, 37 and 44
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p53-56
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> – <i>Tackling climate change</i> p36, 37 and 44

Governance structure

Board oversight

Vesuvius has a governance structure in place to ensure that all climate-related risks and opportunities are appropriately managed. The Board holds overall accountability for this, with the Chief Executive ultimately responsible for planning the Group's objectives to manage climate-related risks and opportunities, and delivering on this strategy.

Our sustainability governance



Tackling climate change continued

Climate-related risks

Each year the Group undertakes an assessment of the principal and emerging risks which could have a material impact on the Group. As part of this process, climate-related risks are reviewed by the GEC, and subsequently by the Board, to ensure that the risk register reflects any material changes in the operating environment and business strategy, and to ensure that the management of climate-related risks is integrated into our overall principal risk management framework. The Board takes these climate-related risks and opportunities into account when quantifying the organisation's risk appetite and formulating the Group's principal risks and uncertainties. A number of sustainability risks are recorded in the Group's analysis of principal risks (see the Risk, viability and going concern section on pages 61-67).

Alongside this process for reviewing the Group's material risks, the Board has undertaken a more detailed assessment of the Group's specific climate-related risks and opportunities, including the Group's physical and transition risks, and the anticipated impact of these risks and opportunities on the Group over the short, medium and long term. It also considers, each year, the formulation of the three different climate-related scenarios constructed to assess the potential financial implications of climate change and assesses the impact of these climate-related risks and opportunities on the Group's strategy.

Physical risks and business continuity

Thanks to significant restructuring carried out in the past decade, Vesuvius now operates in a resilient and optimised global footprint. None of our manufacturing sites contribute directly or indirectly to more than 10% of our revenue and a significant amount of redundancy for most product lines remains, providing backup in case of local disruption and ensuring continuity of supply for our customers.

Vesuvius operates in 55 manufacturing sites and six R&D centres of excellence located in 23 countries. From time to time our operations can be subject to physical damage driven by weather events, such as severe storms and flooding, water shortages or wildfires, whose frequency and intensity may be exacerbated by climate change. Such events may also impact the manufacturing capabilities of our customers and suppliers, and impact our supply chain logistics.

Sites are routinely audited by our insurers and our external risk specialist. Their reports are combined with water stress analyses (based on the Aqueduct water risk atlas) and our history of events to create a physical and weather event risks map, indicating our manufacturing and R&D sites' susceptibility to physical risks arising from climate change.

In 2025, we continued to update our risk map based on professional risk engineering surveys. Thirty sites were identified as being high-risk for at least one type of weather event (flooding, hailstorm, lightning, storms, tornadoes and wildfires), and five are located in areas of very high water stress (and 16 in areas of high water stress). None of our sites were markedly affected by any major weather event in 2025 (no disruption to customers and no insurance claims made).

We anticipate that the likelihood and severity of adverse weather events will continue to increase, and we therefore manage our business to prepare for them and mitigate their impact when they do occur.

Local and product line business continuity plans are maintained by our manufacturing sites and are regularly reviewed. Vesuvius sites maintain and exercise emergency plans to deal with such events as part of their normal risk management and business continuity processes. Exercises and drills are organised covering IT disaster recovery, fire, explosion, weather and geophysical events, and our processes are improved based on the lessons learned.



Sites with the highest exposure to earthquake, water stress or weather events

Country	Site	Water stress (high and very high)	Flood-water bodies	Flood-precipitation	Hailstorm	Lightning	Wind-tropical storms	Wind-extra tropical storms	Tornado	Wildfire	Earthquake
Australia	Port Kembla					●				●	
Belgium	Ostend							●			
Brazil	Piedade				●	●					
	Resende		●	●		●					
	Rio de Janeiro	●				●					
	São Paulo	●			●	●					
China	Anshan	●									
	Bayuquan	●									
	Changshu		●								
	Suzhou (VISO)	●									
	Suzhou (Crucibles)	●									
	Weiting	●									
	Wuhan				●						
	Yingkou	●		●							
India	Kolkata	●	●	●			●				
	Mehsana	●									
	Puducherry	●									
	Pune	●									
	Sambhaji Nagar	●									
	Vizag	●					●				
Indonesia	Jakarta Timur	●	●			●	●				●
Italy	Muggio					●					
Japan	Toyokawa						●	●			●
Malaysia	Pelubhan Klang		●	●		●	●				
Mexico	Apodaca					●					
	Monterrey	●	●			●					
	Ramos Arizpe	●	●								
Poland	Skawina		●								
South Africa	Johannesburg		●		●	●					
	Olifantsfontein	●				●					
Taiwan	Ping Tung					●	●				●
Turkey	Istanbul	●									●
	Kutahya	●									
UAE	Ras Al Khaimah	●									
US	Champaign					●			●		
	Charleston								●		
	Chicago Heights					●			●		
	Conneaut		●			●			●		
	Coraopolis		●			●					
	Graham					●					
	Wampum		●			●					
	Wurtland					●					

Highest exposure to weather events and earthquakes based on risk evaluations conducted as part of our insurance programme; water stress based on Aqeduct water risk atlas.

Tackling climate change continued

Climate-related risks and opportunities analysis

The fight against climate change continues to require higher-technology steel and larger, more complex castings. Wind and solar energy production capacity are both considerably more steel-intensive than fossil fuel power stations, and these are both set to grow considerably. Allied to this, the steel-making process is itself decarbonising thanks to efforts to improve the performance of existing assets, and the shift from blast furnaces to Direct Reduced Iron and Electric Arc Furnaces.

Our products are useful for low-carbon applications as well as the more traditional ones. No alternative to iron and steel, with the ability to offer the same range of properties and applications at comparable scales and costs, is envisaged in the foreseeable future. The technology transition required to decarbonise the iron and steel industry will not render our products obsolete. More than 70% of our revenue in steel is generated at the ladle and caster stages of the steel-making process, which will be unaffected by the changes. Other steps of the iron and steel-making process will continue to require refractory materials.

Transition risks

We believe that the main climate change transition risks facing the Group relate to:

The potential for carbon taxing or emissions rights trading schemes to be introduced or increased, in Europe and the US, but not uniformly in other regions, without effective border adjustment mechanisms to accompany them.

An increase in the cost of carbon emissions would affect our manufacturing costs. We are addressing this through our energy efficiency improvement initiatives and conversion to non-fossil fuels wherever possible. Long-lasting energy and CO₂ emissions price differences between Europe and other regions would further exacerbate this risk, affecting our customers' manufacturing footprint and our own.

The rapid transition from iron to aluminium for light vehicle castings.

A very rapid transition from iron to aluminium for light vehicle castings would affect our revenue in the iron castings market.

We expect this to be compensated for by increased sales for aluminium castings, growing sales of products for thin-section automotive component iron castings and turbo-charger castings for hybrid vehicles.

Climate change related metrics

We routinely monitor a large number of metrics, both internal and external, to assess the ongoing validity of our assumptions and identified risks and opportunities, and to monitor the progress of actions. Some of the main metrics are listed in the table below:

External metrics

– Projected compound annual growth rate (CAGR) of the high-technology steel segment	+2.7% between 2022 and 2032 (vs 0.5% for commodity steel)
– Projected CAGR of the wind turbine market	12.9% (between 2025 and 2031)
– Projected CAGR of the electric vehicle market	16.4% (between 2024 and 2031)
– Projected CAGR of the hybrid vehicle market	4.5% (between 2024 and 2031)
– Projected CAGR of the internal combustion engine vehicle market	-6.2% (between 2024 and 2031)
– Projected CAGR of the EAF market	4.7% (between 2024 and 2030)

Internal metrics

– Steel sales into the EAF market	27% in 2025
– Percentage of Flow Control sales from high-technology steel	57% in 2025
– Percentage of Foundry sales into non-ferrous markets	21% in 2025
– Percentage of sales realised with products which did not exist five years ago	20.5% in 2025
– Energy intensity (kWh per kg product packed for shipment)	13.8% reduction (pro forma ¹) in 2025 vs 2019 baseline
– R&D spend	+5% p.a. from 2020 to 2025
– Number of sites at high risk of water stress or at least one type of weather event	42 in 2025
– Number of sites with negative or poor risk ratings from the insurance loss prevention risk evaluation	5 in 2025 ²

1. Pro forma: performance as if the dolime process had been operating normally in 2025 (based on average production levels for 2019-2022). See page 53 for more information.

2. Excludes PiroMET and Molten Metal Systems sites which have yet to be formally assessed.

Climate-related risks and opportunities analysis

The choice of short-, medium-, and long-term horizons for the analysis of key climate-related impacts, risks and opportunities is driven by projected customer footprint evolutions and investment cycles, the speed of deployment of emerging technologies, the duration of product development cycles, policy and regulatory evolutions, and capital equipment lifetime (often two decades or more).

Short term (2027)

The short term is defined as one to two years. It is aligned with our strategic plans. Within this time frame, regulatory and policy changes will have very limited impact on the Group's climate-related risks and opportunities. This is also the typical time frame required for major capital expenditure decision-making and implementation.

Impact categories (trading profit)

Very high (>£25m)		Moderate (£5-10m)	
Major (£15-25m)		Minor (£1-5m)	
High (£10-15m)		Insignificant (£0-1m)	

Medium term (2035)

This is the most likely horizon for policies and regulatory frameworks (such as the EU Emissions Trading System and Carbon Border Adjustment Mechanism) currently being defined in many regions to reach their full effect. The effects of technological innovation currently in the later development stages will become effective and their deployment will begin during this period.

We anticipate that the major adjustments to customers' footprints and technology investments will be in full swing by then.

Long term (2050)

This deadline has been retained by the UN and many policy-making bodies to set decarbonisation goals. We are committed to reaching net zero (Scope 1 and 2) by 2050 at the latest.

The opportunities we have identified are integrated into the Group's business strategy and are being pursued by the relevant Business Units.

Opportunities

Opportunity	Description	Impact	Potential annual impact on trading profit in the short, medium and long term		
			Short term 2027	Medium term 2035	Long term 2050
Products and services					
Ability to diversify business activities	Commercialise refractory solutions for low-CO ₂ emitting processes in the production of aluminium to replace carbon-based products	Increased revenue and trading profit	Insignificant	Minor	Minor to high
	Commercialise refractory solutions for hydrogen-based Direct Reduced Iron production and steel to replace traditional refractory products		Insignificant	Insignificant to minor	Insignificant to high
Markets					
Access to new markets	Accelerated growth of the wind power market leading to increased sales to foundries serving this market	Increased revenue and trading profit	Minor	Minor	Minor to high
	Accelerated growth of the aluminium castings market for light electric vehicles and light-weighting leading to increased sales to foundries serving this market		Minor	Minor	Minor to high
	Accelerated growth of ferrous castings for hybrid vehicles (turbo-chargers) and thin-section castings for internal combustion engines leading to increased sales to foundries serving this market		Insignificant to minor	Insignificant to minor	Insignificant
	Accelerated growth of the high-technology steel segment		Insignificant to minor	Minor to high	Moderate to very high

Tackling climate change continued

Impact categories (trading profit)

We have assessed our risks and sorted them according to the following classification, which used the same thresholds as for the assessment of principal risks:

Very high (>£25m)		Moderate (£5-10m)	
Major (£15-25m)		Minor (£1-5m)	
High (£10-15m)		Insignificant (£0-1m)	

Risks

Risks	Description	Impact	Mitigating actions being undertaken	Potential annual impact on trading profit in the short, medium and long term		
				Short term 2027	Medium term 2035	Long term 2050
Physical risks						
Increased frequency and severity of extreme weather events (heatwaves, rain and river flooding, cyclones, snow etc.)	Physical damage to Vesuvius locations and people Business disruption due to natural disasters	Increased cost due to physical damage Reduced revenue from business interruption	Mitigating actions for severe weather events and the associated risks are included in the business continuity plans of plants, and insurance is purchased	Minor	Minor	Minor
Transition risks – Policy and legal						
Carbon taxing/emissions rights trading/border adjustment mechanisms introduced or extended	Increase in manufacturing costs	Increased operating costs (main risk in Europe)	Capex to improve energy efficiency and conversion to non-fossil fuels to eliminate CO ₂ emissions. Relocation of manufacturing to reflect movements in customer base	Insignificant	Insignificant to minor	Insignificant to moderate
Transition risks – Market						
Rapid growth of aluminium casting processes for light vehicle castings at the expense of traditional ferrous and other non-ferrous processes (due to conversion to electric vehicles)	Shift from castings using a high level of consumables to low consumable processes creates risk of revenue loss for the Foundry Division	Reduced revenue from shrinking market as some traditional castings will disappear or be converted to alternative processes	In ferrous, push to develop sales of Feedex and coatings for thin-section automotive components, and products for turbo-charger casting. Invest in R&D, marketing and sales force. In non-ferrous, develop products for HPDC and LPDC processes and increase penetration in markets with lower usage of refractories	Minor	Moderate to high	Moderate to high
Transition from internal combustion engines to electric vehicles will lead to the decline of sand and gravity castings	Reduced volume of aluminium powertrain components	Reduced revenue from shrinking market of consumables for sand and gravity castings	Adapt product portfolio, focusing on HPDC and LPDC	Insignificant to minor	Minor to moderate	Minor to moderate
Transition from Blast Furnaces – Basic Oxygen Furnaces converted to Direct Reduced Iron production or Electric Arc Furnaces (EAF) for iron and steel-making	Share of EAF in total steel production increases	Reduced size of market where Vesuvius is strongest, leading to weaker positions in the steel market	Adjust R&D and product development priorities. Redeploy sales force, focusing on EAF market	Insignificant	Minor	Minor to moderate

Climate change scenario analysis

Vesuvius has undertaken scenario analysis to seek to quantify the likely impact of climate change on the business and to test the resilience of the Group's strategy to the changes that lie ahead.

We considered three scenarios, modelling the potential financial impact of 2°C, 3°C and 4°C temperature increases on our business.

Best cases scenario

In formulating our scenarios, we took as our 'best case' a 2°C scenario. This was based on the premise that despite the tremendous acceleration of public awareness, regulation, technology development and capital allocation in recent years, we doubt that there is sufficient time for the 1.5°C target to be achieved. We therefore identified our most optimistic scenario as 2°C.

Our assumption is that any further acceleration which would allow the planet to get back onto a 1.5°C course would reinforce the main characteristics and accelerate the timeline of our 2°C scenario, without fundamentally changing its features.

From assumptions to strategy

The scenarios take as their starting point the regulatory and macroeconomic assumptions underpinned by the International Energy Agency's WEO 2020 Stated Policies Scenario and Sustainable Development Scenario.

Supplementing this we have identified, for each scenario, the areas of our business in which changes may occur, such as:

- The evolution of end-markets
- Our customer footprint
- The pace and breadth of technology transition in iron and steel-making
- The pace of conversion from fossil fuels to clean electricity and hydrogen
- The evolution of the aluminium market

We then evaluated the potential magnitude of the risks and opportunities in each scenario, and analysed the implications for Vesuvius. We considered our strategic response in terms of:

- Our manufacturing and commercial footprint
- Our portfolio of products and services
- The conversion of our manufacturing processes to clean energy
- The prospects for our aluminium casting business

With this approach, the impacts on all key areas of the business were covered (sales, R&D, manufacturing and procurement).

The scenario analysis is reviewed each year and the outcomes of it are taken into account in formulating plans for achieving the Group's strategy.

Three long-term scenarios

4°C warming scenario 'Good intentions hampered by fear of economic war'

Incomplete policy and fiscal packages distort competition, slowing down technology development and leading to geographic shifts in steel supply

3°C warming scenario 'Closed doors'

Regional/national self-interest drives economic policy, competition wins over cooperation, regulatory frameworks and technologies evolve differently

2°C warming scenario 'Global accord'

High cooperation and commitment to limit emissions facilitates technology development and the transition to a low-carbon world



Tackling climate change continued

	4°C warming scenario – ‘Good intentions hampered by fear of economic war’	3°C warming scenario – ‘Closed doors’	2°C warming scenario – ‘Global accord’
1 Regulatory and macroeconomic environment	The EU and US implement carbon pricing mechanisms (taxation or cap on trade), but no Carbon Border Adjustment Mechanisms or Tariffs (or insufficient to prevent the transfer of manufacturing away from these regions)	The EU and US implement carbon pricing mechanisms (taxation or cap on trade), and Carbon Border Adjustment Mechanisms or Tariffs to protect their industries from delocalisation	All major economies implement carbon pricing mechanisms. The cost of CO ₂ increases in all regions at a comparable pace
2 Conversion of power generation from fossil fuels to clean electricity and hydrogen	<ul style="list-style-type: none"> – Fast growth in Europe of non-CO₂ emitting electricity sources (nuclear and renewable) – The cost of fossil fuels increases significantly in Europe – Energy prices differ greatly between Europe and the rest of the world over a long period of time – Coal reduces progressively, but does not disappear. Natural gas continues to grow outside Europe – Hydrogen does not become available on a wide scale and economically competitive until well after 2040 	<ul style="list-style-type: none"> – Fast growth of non-CO₂ emitting energy sources (nuclear and renewable) in Europe – The cost of fossil fuels increases significantly in Europe. Coal reduces progressively, but does not disappear, natural gas continues to grow outside Europe – Energy prices in Europe and the rest of the world realign progressively – Hydrogen becomes available on a wide scale in the US and Europe, and economically competitive between 2030 and 2040 	<ul style="list-style-type: none"> – Fast growth of non-CO₂ emitting energy sources (nuclear and renewable) in all regions – The cost of fossil fuels increases significantly (taxation). Coal as a source of energy disappears, natural gas starts to reduce – Energy prices in Europe and the rest of the world realign progressively – Hydrogen becomes available on a wide scale and economically competitive between 2030 and 2040 – Fast electrification of the automotive industry – Fast growth of hydrogen-fuelled heavy vehicles
3 Technology transition – iron and steel-making	<ul style="list-style-type: none"> – The transition in blast furnaces to clean processes (e.g. Direct Reduction Iron (DRI), hydrogen, Carbon Capture and Storage (CCS), Carbon Capture, Utilisation and Storage (CCUS)) does not happen on a large scale – US steel producers convert blast furnaces to DRI and EAF to benefit from the low cost and high availability of natural gas 	<ul style="list-style-type: none"> – European iron-making transitions to clean processes (e.g. hydrogen, DRI, CCS, CCUS). The speed of the transition is dictated by the availability of green hydrogen in large quantities – Some US blast furnaces are converted to hydrogen, others to DRI and EAF – Chinese steel plants convert to clean iron and steel-making processes, albeit at a slower pace – Little or no transition outside China, the EU and the US 	<ul style="list-style-type: none"> – Fast transition of iron-making to clean processes in all regions; blast furnaces are revamped ahead of their normal schedule – European and Chinese integrated steel-making grows primarily in hydrogen-based iron production, implementing CCS and CCUS technologies as well – DRI and EAF grow in the US (benefiting from the availability of low-cost shale gas), and Europe – Customers also invest to increase the performance of furnaces, including downstream of casting
4 High-technology steel market	High-technology steel market grows at 0.9% per year	High-technology steel market grows at 1.2% per year (light-weighting and material efficiency efforts by downstream industries accelerate shift from lower to higher performance grades)	High-technology steel market grows at 1.6% per year (light-weighting and material efficiency efforts by downstream industries accelerate shift from lower to higher performance grades)
5 Aluminium market	Aluminium market grows at 3% per year, especially High Pressure Die Casting (HPDC) and Low Pressure Die Casting (LPDC) processes	Aluminium market grows at 5% per year (driven by the demand for transportation, construction and packaging) until 2030. Growth of HPDC/LPDC at a higher pace in the US and EU markets. Moderate development of secondary aluminium casting	Aluminium market grows at 7% per year (driven by the demand for transportation, construction and packaging) until 2035. Growth of HPDC/LPDC at a higher pace in the US and EU markets. Rapid development of secondary aluminium casting
Potential financial impact in 2035 (profit before tax)	-£5m to £0m	£0m to £5m	£5m to £10m

Key factors impacting Vesuvius' three climate change scenarios

1. Regulatory and macroeconomic drivers differentiate our scenarios

Firstly, effective border adjustment mechanisms to accompany carbon taxation, or cap and trade systems in regions with ambitious emissions reduction objectives, will greatly support the implementation of technologies required to decarbonise steel-making (including the development of hydrogen as the reducing agent). Conversely, the absence or ineffective implementation of border adjustments would lead to significant delocalisation of the steel industry and a displacement of CO₂ emissions to other countries rather than a significant reduction on a worldwide scale.

Since the energy crisis which started in late 2021, the European steel industry has faced additional costs and loss of competitiveness. If the energy cost gap with other regions continues, this could result in the permanent closure of steel plants and delocalisation of production to other regions. This shift in our customer footprint would lead to the need to adapt our own manufacturing footprint. Other tariffs and trade defence mechanisms may additionally affect the steel industry footprint, and consequently the total CO₂ emissions and their geographic distribution.

Secondly, public policy and investment financing will significantly affect the relative cost and availability of non-CO₂ emitting energy sources versus fossil fuels and their associated infrastructures. These will greatly influence the pace of deployment of selected technologies and industries (electric vehicles, carbon-free hydrogen and decarbonised steel-making). Infrastructure, construction and other downstream markets will also be incentivised to reduce steel consumption, accelerating the shift towards high-technology steel. Investment incentives and rising energy costs, as experienced since the end of 2021, will positively affect the growth rate of investment in renewable energies and penetration of electric vehicles in the automotive markets.

Finally, the level of international cooperation to encourage and support less developed economies to engage in the technology transition will also affect our customer manufacturing footprint.

Regulatory and macroeconomic drivers may affect our climate change scenarios in the short, medium and long term.

2. The future of steel

All three scenarios assume that the strong connection between world GDP and world steel output will continue, supported by urbanisation and rising living standards, as there is no significant substitute for steel. Demographic evolution will affect economies around the world and our downstream industries. The fight against climate change is expected to have a far-reaching impact on many different industries translating into the accelerated growth of the high-technology steel segment in which Vesuvius has a key presence. For example, solar and wind power plants, where investment is growing fast, are far more steel-intensive per kWh of installed capacity than their fossil fuel equivalents. Likewise, hydrogen transportation, another area of rapid growth, also requires considerable amounts of special grades of steel for new pipelines and ships. With evolutions occurring over many years, this driver will have a stronger impact over the medium and long term than the short term.

3. Technology transition

Our scenarios consider the pace and extent of the technology transition in iron and steel-making. The BF-BOF route for steel-making is significantly more CO₂ intensive than the EAF route. However, EAFs cannot always be used to produce all higher-quality steel grades and they rely on the availability of scrap steel (itself a function of the level of economic development). Going forward, quality levels produced by EAFs will continue to improve.

Various technologies to decarbonise the BF-BOF route are being developed, including solutions which seek to capture the carbon as it is emitted and either store it or use the carbon in other processes. Alternatively, the BF-BOF route may be replaced by a combination of DRI and EAFs.

Hydrogen-based DRI associated with EAFs has the potential to be nearly carbon-free if carbon-free electricity and hydrogen are available. We anticipate that there will be a gradual reduction in steel production via the BF-BOF route and growth in the EAF route. The extent and pace of this change will depend on technologies coming to maturity, the availability of infrastructure (carbon-free electricity and hydrogen), and regulatory frameworks.

These technologies will require many years to mature and be deployed on a large scale. This driver is therefore expected not to have any impact over the short term, and to reach its maximum impact in the long term.

Conclusion on strategic resilience

Sustainability has always been at the heart of Vesuvius' business and the Group's analysis concludes that the opportunities for the Group manifested by the global pressure to mitigate climate change outweigh the risks. Our technology helps our customers improve their process efficiency and their environmental footprint.

We estimate the financial impact of the opportunities and risks on the Group will be most adverse under a 4°C scenario and most positive under a 2°C scenario. Under all three scenarios, we expect to benefit from the continuing growth in the production of steel in line with GDP, along with the accelerating shift towards higher performance iron and steel castings, as we support customers to maximise the efficiency and quality of their production. With our technological expertise, strong customer relationships and broad manufacturing footprint, we expect to play a key role in supporting our customers' efforts to decarbonise their operations.

We also believe there is a low downside for Vesuvius in all three scenarios as more than 70% of our business in steel is in the steel casting part of the operation which, as a stand-alone process, is low CO₂ emitting (1% to 3% of a steel plant's CO₂ emissions), and which we do not expect to be affected by technology shifts that the decarbonisation of iron and steel-making will require.

Whilst the electrification of light vehicles and ongoing light-weighting efforts are expected to translate into a shrinking of the market for certain iron castings, it is anticipated that this will be more than compensated for by the growth in other markets such as wind turbines and aluminium castings.

We do not anticipate that climate change will lead to any significant changes in our access to capital or require the impairment of assets on a material scale.

Tackling climate change continued

Roadmap to Net Zero

We have set intermediate targets in our journey to reach net zero CO₂e emissions by 2050 (Scope 1 and Scope 2), in line with the Paris Agreement and the UK's commitment in the Climate Change Act 2008 (2050 Target Amendment) Order 2019. These emissions encompass the seven GHGs listed by the Intergovernmental Panel on Climate Change in the Kyoto Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃).

Our preferred metrics to monitor progress with our journey to net zero are energy and CO₂e emission intensity (energy consumption and CO₂e emissions per metric tonne of product packed for shipment). These reflect the progress made in our operations better than absolute metrics. Managing this energy intensity not only has environmental benefits, it is also part of our long-term strategy to enhance our cost competitiveness.

Our targets to reach Net Zero

Our targets cover 100% of Vesuvius' operations. They are aligned with the Science Based Targets initiative (SBTi) requirements for a well below 2°C global warming scenario and are consistent with the Paris Agreement. 2019 was selected as the baseline for all energy and GHG emissions data and targets, absolute and relative, as this was the last year of normal trading prior to the COVID-19 pandemic. As we have reached the end of the 2020-2025 cycle, our next milestone will be in 2030. Our targets going forward are:

- A reduction in total Scope 1 and Scope 2 CO₂e emission intensity of 45% by 2030 (vs 2019 baseline), excluding the dolime product line
- 100% carbon-free electricity by 2030
- A reduction in total Scope 1 and Scope 2 CO₂e emission intensity of 50% by 2035 (vs 2019 baseline)
- Zero Scope 1 and Scope 2 CO₂e emissions by 2050

We aim to achieve our decarbonisation goals without the use of any carbon offsets (or only to address residual emissions).

The Group energy CO₂e emissions reduction targets have been cascaded to all Business Units, which have built action plans accordingly. Portions of the Group Executive Committee's Long-Term Incentive Plan and senior management annual variable compensation are linked to the achievement of CO₂e emissions reduction targets.

Our plan

Our Roadmap to Net Zero is based on five key areas of focus:

- 1 Modernising and upgrading installed equipment to reduce our energy consumption
- 2 Investing to renew equipment to the best available technologies and converting to less CO₂e intensive energy sources
- 3 When possible, replacing high CO₂e emission electricity (generated from coal or natural gas) with greener electricity or other sources of energy
- 4 Reducing our energy wastage, recovering heat to feed processes and heat water
- 5 Generating clean energy

Assumptions and sensitivities

Some significant assumptions underpin our net zero plan, including:

- The availability of the necessary technologies, at an affordable level and at a scale appropriate for our industry, especially for the firing of refractory ceramics and carbon capture (including carbon capture technologies for the dolime production process)
- The development of additional production capacity and distribution infrastructure for renewable energy and hydrogen, and their cost competitiveness
- Adequate policy support to foster innovation and ensure the cost of CO₂ emissions will increase the attractiveness of carbon-free processes
- No significant change to our business model and product portfolio

The achievement of our CO₂e emissions targets will also be sensitive to:

- The growth of revenue, organically, and from acquisitions, and divestitures
- Product mix evolution (especially driven by dolime volume, which is the most CO₂ intensive product line)
- Macroeconomic conditions and the capex cycle impacting plant loading (and thereby the energy efficiency of continuous processes)

In the short and medium term, we will focus on reducing the Scope 1 and Scope 2 emissions of product lines other than dolime. We have made investments in recent years to optimise the energy efficiency and reduce the CO₂ intensity of this process. Further significant improvements will require investing in technologies such as carbon capture, which we anticipate will not be available at an affordable level and at an appropriate scale, in the short and medium term.



Our plan to reach net zero

Our plan to reach net zero covers 100% of our operations. We aim to achieve our decarbonisation goals without the use of any carbon offsets (or only to address residual emissions).

Short term (2027)

A wide variety of projects have been initiated, and more are being considered, to help us deliver our energy efficiency and CO₂e emissions reduction targets, including:

- Optimisation of process parameters
- Retrofitting of ovens and kilns
- Replacement of older and less efficient units
- Replacement of light sources with LED lights
- Replacement of diesel-powered forklift trucks with electric forklift trucks
- Installation of heat recovery systems in ovens and kilns
- Continued conversion of electricity supplies to carbon-free sources

We endeavour to use the best available technologies to reduce CO₂ emissions in all our major capital expenditure projects.

Medium term (2035)

We anticipate that further emissions reduction will be possible through further energy efficiency measures (continuation of the short-term actions).

Technological developments currently in preparation with our partners will allow us to reduce GHG emissions even further. Projects have been launched across a range of activities including:

- Electrification of high-temperature manufacturing processes that currently rely on natural gas or LPG. The first investments to replace natural gas-powered ovens with electric ovens were completed at the end of 2024
- The use of a combination of natural gas and renewable energy such as carbon-free hydrogen to fire refractory materials. We have already started R&D trials with a blend of hydrogen and natural gas
- The use of bio-fuels instead of natural gas. The first investments to replace natural gas with biomethane were completed in 2024

Whilst the list of assets that will require upgrade or replacement is defined, a precise time plan cannot be elaborated beyond the next few years:

- Electric and hydrogen-powered high-temperature processes are still in the development phase and not ready for industrial-scale deployment. The manufacture of each product family in our portfolio requires a specific set of parameters such as type of process (batch vs continuous), temperature and atmosphere. It is still too early to decide which technological solutions will be possible and most appropriate for each process
- All high-temperature processes will require an adequate and affordable supply of carbon-free energy to be economically viable. Availability and price trajectories may vary greatly from region to region

These low-carbon production processes should be progressively introduced during the 2025-2035 period, as they meet the technical and economic conditions allied with the availability of required energy. Precise capital expenditure project lists have been defined for the 2026 horizon and are in preparation for the next few years. We estimate the incremental capital commitment required by our decarbonisation roadmap will be approximately £7m per year until 2035.

We do not expect the useful economic lives of our existing assets to be materially affected by our plans until 2035. We will continue using the internal price of carbon to assess the relative benefits and prioritise projects.

We also anticipate that changes in our product portfolio towards less energy-intensive products (such as resin-bonded and unshaped refractories) will continue, though the impact cannot be quantified.

Long term (2050)

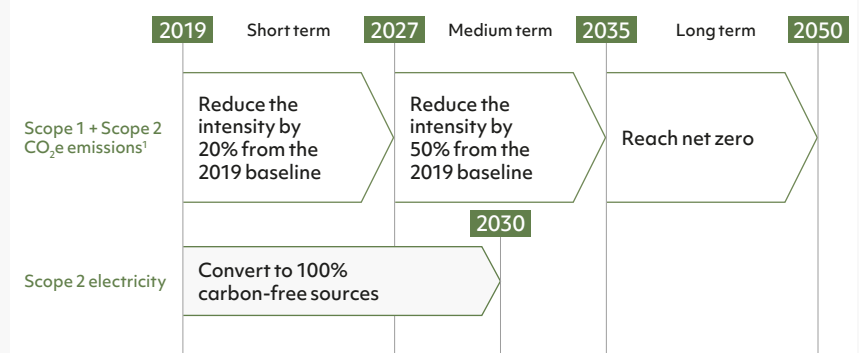
Beyond 2035, the short-term and medium-term programmes will continue to deliver opportunities.

We are regularly monitoring the emergence and readiness of new technologies, through our network of suppliers of capital goods, universities and trade associations. In the longer term (2050), various technologies are promising candidates for the near zero emissions curing and firing of refractory products (electricity, carbon-free hydrogen, synthetic gas, biomass).

We currently anticipate that carbon capture solutions will be available for our industrial application during the 2035-2050 period, though most will probably not be available sooner. We are progressively adapting our product and process R&D programmes to explore such opportunities.

Capital expenditure requirements and the useful economic lives of our existing assets will depend on the evolution of technologies currently in development.

Our journey to net zero



1. Re-baselined using pre-acquisition data for the business acquired from Universal Refractories, and BMC from 2019 onwards.

Tackling climate change continued

Our progress – key Group initiatives for energy conservation and for increasing energy efficiency

We have continued converting our manufacturing sites to carbon-free electricity and undertaken a number of major projects to significantly reduce the Scope 1 CO₂e emissions of the Group by addressing some of its most CO₂e intensive installations.

Progress in 2025

1 Carbon-free energy sources

The Group supports the transition towards renewable energy sources and cleaner carbon-free technology when possible. Our energy strategy includes an ongoing effort to convert to carbon-free electricity contracts whenever practical and economically viable, investment in solar panels, and the conversion of processes to electricity as soon as the technology is cost-effective.

In 2025, seven sites converted to carbon-free electricity contracts, so at the end of 2025, we had 46 sites with carbon-free electricity contracts, representing 78% of our manufacturing sites and R&D centres of excellence.

87% of the electricity consumed in our sites in 2025 was generated from renewable sources (81% in 2024), and 89% using processes that did not emit CO₂e (renewable and nuclear) (84% in 2024).

No new solar panel capital expenditure projects were approved in 2025. Ten of our sites are now equipped with photovoltaic solar panels and five sites are investigating solar panel projects.

2 Capital commitments and internal CO₂ pricing

We include an environmental impact analysis in the evaluation of our capital expenditure projects as these are the key decisions that drive long-term future sustainability performance, and CO₂ emissions in particular.

Our Environmental Policy, which is the responsibility of the Chief Executive and the Group Executive Committee, covers all our operations and states that all our investment decisions will include an analysis of their environmental impact.

An internal price for CO₂ emissions (Scope 1 and Scope 2) is included in the calculation of payback for all investments reaching the threshold for approval by the Business Unit Presidents or Chief Executive.

Vesuvius views this shadow pricing mechanism as a key tool to ensure that the environmental impact of long-term investment decisions is understood. It seeks to ensure that the best available technology is adopted, even in locations where no external cost for carbon is in place or foreseen. The internal price of CO₂ was introduced in 2020.

It is reviewed annually by the Sustainability Council and is applicable across all Business Units in all regions. The price is adjusted, taking into consideration both the previous year's price and the evolution of the EU Emissions Trading System (EU-ETS) carbon pricing. In 2020, it was initially set at €30 per tonne of CO₂. It was raised to €90 per tonne in 2021, and subsequently maintained at this level. The Sustainability Council has decided to maintain the internal price of CO₂ emissions at €90 per tonne of CO₂ for 2026.

3 Improving our energy efficiency

All Vesuvius plants have targets to reduce energy intensity. We have implemented a structured approach across the Company. We collect and analyse data from our sites, identify gaps and opportunities and eventually target our engineering projects. We select the processes and sites that are the most energy-intensive or have the greatest impact, and coordinate the projects centrally. We also share best practice across locations. For example, in one of the most energy-consuming sites, we improved our process by installing additional nozzles in the spray towers, building on the experience from another Vesuvius site. Many additional initiatives are managed locally.

In 2025, we started deploying utilities management systems in some of our plants, allowing us to better monitor energy usage and fine tune process parameters. In 2025, we also continued the deployment of meters on energy-intensive equipment.

We are encouraging sites to carry out energy audits and pursue ISO 50001 certification. Nine sites carried out energy audits in 2025, taking the Group's total number of audits to 24. Four sites have already obtained ISO 50001 certification. This combination of initiatives allows us to identify and analyse opportunities and target investments on projects with the largest impact. More than 2,620 employees have received training on energy conservation and greenhouse gas emissions reduction.

In 2025, as a result of thermal processes optimisation and the installation of retrofit solutions, we have reduced energy consumption by more than 3 GWh per year and CO₂e emissions by 9.2 KT versus 2024. New capital expenditure worth c. £8.2m, dedicated to 94 projects with energy efficiency and CO₂ emissions reduction as one of their prime objectives, was approved in 2025.



Our energy consumption and Scope 1 and Scope 2 CO₂e emissions

Whilst Vesuvius' products differ significantly in the energy intensity of their manufacture, most of our manufacturing processes are not energy intensive nor do they produce significant quantities of waste and emissions. Dolime production (based in South Africa), which uses coal to calcine dolomite, is our major emitter of CO₂. Dolime and the next five of our 39 main manufacturing processes account for 61% of our energy consumption and 67% of our location-based CO₂e emissions.

In January 2023, an incident incapacitated one of our dolime rotary kilns, which resulted in it being out of service for over a year. The dolime installation resumed production in 2024 albeit at a lower level than prior to the 2023 incident. As a consequence, the tonnage of dolime produced by the Group has been considerably lower in recent years than in prior years and the Group's product mix has been very different. The Group's absolute energy consumption, CO₂e emissions, energy intensity and CO₂e emission intensity reduction have been affected by the lower output of dolime, which has higher energy and carbon intensity than most of our production processes.

The Group's progress in reducing our CO₂e emission intensity was adversely affected in 2025 by the increase in dolime production versus 2024. Coupled with this, low volumes of other product lines resulted in lower fill rates for continuous processes and lower energy efficiency, thereby also contributing to a higher CO₂e emission intensity.

Between 2019 and 2025, the Group achieved an overall reduction in energy intensity (normalised to per metric tonne of product packed for shipment) of 18.4%. The pro forma energy intensity reduction assuming the Group had produced dolime at the normal rate was 13.8% vs a target of 10% by 2025. During the same period, our overall CO₂e emission intensity metric (CO₂e emissions per metric tonne of product packed for shipment, Scope 1 and Scope 2, market-based) reduced by 47.4% vs a target of 20% by 2025. Excluding dolime, the CO₂e emission intensity reduction between 2019 and 2025 was 45.9%. If the production of dolime had remained on average the same as the 2019-2022 period, prior to the dolime incident, our pro forma CO₂e emission intensity reduction would have been 31.4%.

Scope 1 covers emissions from fuels used in our factories and offices, fugitive emissions and non-fuel process emissions.

Scope 2 relates to the indirect emissions resulting from the generation of electricity, heat, steam and hot water we purchase to supply our offices and factories.

Scope 3 covers all other direct CO₂ and CO₂e emissions that occur in the Company's value chain.

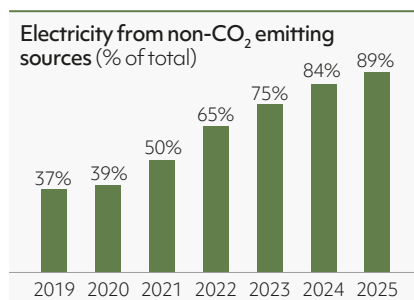
The conversion by many of our sites to carbon-free electricity contracts has helped our CO₂e emissions reduce at a faster pace than our energy efficiency improvements. Vesuvius' total energy costs in 2025 were £45.1m, c. 2.5% of revenue (£45.6m in 2024, c. 2.5% of revenue).

None of our installations meets the criteria to be included in the EU-ETS. South Africa is the only country where we exceed the threshold to be submitted to a carbon tax or an emissions trading scheme. The carbon tax cost in 2025 was c. £ 0.1m (£0.1m in 2024), based on emissions in the prior year.

In 2025, Vesuvius did not engage in any greenhouse gas removal activities within its own operations or upstream or downstream value chain, nor did we finance any removal projects outside our value chain through the purchase of carbon credits.

Our projected future progress

Factoring in the significant assumptions that underpin our net zero plan (see page 50), we believe that we are on track to achieve the projected 100% reduction of our Scope 2 emissions by 2030 and the projected 50% reduction of our combined Scope 1 and Scope 2 emissions intensity by 2035. Having already converted most of our manufacturing sites to carbon-free electricity, the reduction of our CO₂e emissions intensity will be driven by progress in addressing Scope 1 emissions. Consequently, the pace of progress will slow down.



2025 Scope 1 and Scope 2 CO₂e emissions per region (market-based) %

Metric tonnes CO ₂ e	2025	
	Metric tonnes	%
Africa	97,360	44
Europe and Middle East	39,800	18
US, Mexico, Canada	31,091	14
China	26,116	12
India	12,488	6
South America	6,514	3
East Asia and Oceania	6,331	3



Notes:

- Includes the business of Universal Refractories, Inc. (Vesuvius Penn Corporation) which was acquired in 2021 and BMC (Yingkou YingWei Magnesium Co., Ltd), which was acquired late 2022.
- The numbers are collated from 100% of entities within the Group's Operational Control Boundary, excluding PiroMET and the Molten Metal Systems business, which were acquired in 2025.
- Further information on sources of data, scope of entities covered, calculation methodologies and progress can be found in the 2025 Sustainability Report which is available at: www.vesuvius.com.

Tackling climate change continued

Scope 1, Scope 2 and Scope 3 CO₂e emissions (market-based)^{1,2}

In 2025, Vesuvius' total Scope 1, Scope 2 and Scope 3 CO₂e emissions were 2,121,355 metric tonnes.

Metric tonnes CO ₂ e	2025		2024	
	Metric tonnes	%	Metric tonnes	%
Scope 1 Process CO ₂ e emissions	50,005	25.0%	57,926	26.9%
Scope 1 Energy CO ₂ e emissions	148,387	74.2%	157,090	72.9%
Scope 1 Fugitive emissions	1,527	0.8%	575	0.3%
Total Scope 1 CO₂e emissions	199,919	9.4%	215,591	10.6%
Scope 2 CO₂e emissions (market-based)	19,781	0.9%	24,695	1.2%
Scope 3 CO₂e emissions	1,901,655	89.6%	1,791,994	88.2%
Total	2,121,355	100%	2,032,280	100%

1. The numbers are collated from 100% of entities within the Group's Operational Control Boundary, excluding PiroMET and the Molten Metal Systems business, which were acquired in 2025.

Vesuvius plc long-term energy consumption and energy intensity (aggregate of Scope 1 and Scope 2)^{1,2,3}

	2025 vs 2019	2025	2024	2019 ⁵
Total energy consumption (million kWh)		941	963	1,211
Energy consumption per metric tonne of product packed for shipment (kWh/MT)	-18.4%	1,021	1,076	1,252

Notes:

- The numbers are collated from 100% of entities within the Group's Operational Control Boundary, except for PiroMET and the Molten Metal Systems business, which were acquired in 2025.
- 2019 was selected as the baseline for all energy and GHG emissions data and targets, absolute and relative, as this was the last year of normal trading prior to the COVID-19 pandemic. Progress is measured against the 2019 performance. 2019 numbers were re-baselined using pre-acquisition data for the business acquired from Universal Refractories, Inc. (Vesuvius Penn Corporation) and BMC (Yingkou YingWei Magnesium Co., Ltd).
- Further information on sources of data, scope of entities covered, calculation methodologies and progress can be found in the 2025 Sustainability Report which is available at: www.vesuvius.com.



Vesuvius plc statement of verification

Scope 1, Scope 2 and Scope 3 carbon footprint reporting and supporting evidence contained herein for the period 1 January 2019 to 31 December 2025 covering GHG emissions as CO₂e in metric tonnes, CO₂e intensity in metric tonnes of CO₂e per metric tonne of product packed for shipment, energy consumption in kWh and energy intensity in kWh of energy per metric tonne of product packed for shipment, location-based and market-based, were verified by Carbon Footprint Ltd in accordance with the ISO 14064 Part 3 (2019): Greenhouse Gases: Specification with guidance for the verification and validation of greenhouse gas statements.

A copy of the limited assurance statement can be found on our website: www.vesuvius.com.

The absolute values of the energy consumed and the location-based CO₂e emissions decreased in 2025, as well as energy intensity and emission intensity per metric tonne of product packed for shipment. In 2025, the Group's normalised energy consumption decreased by 5.1%, to 1,021 kWh per metric tonne (2024: 1,076).

Location-based emissions decreased by 5.5% to 0.319 metric tonnes of CO₂e per metric tonne of product packed for shipment (2024: 0.338) and market-based emissions decreased by 11.2% to 0.238 metric tonnes of CO₂e per metric tonne of product packed for shipment (2024: 0.269).

The reduction in CO₂e emissions in 2025 was mainly driven by three factors:

- Continuation of the conversion of our manufacturing sites to carbon-free electricity contracts
- Operational efficiency improvements resulting in the 5% decrease in natural gas usage
- Lower production levels of our most CO₂ intensive production line (dolime) resulting in a 14% decrease in coal consumption (the fuel and raw material used only in dolime production), to 13,585 metric tonnes (2024: 15,767).

Greenhouse gas (GHG) reporting

We have reported to the extent reasonably practicable on all the emission sources required under Part 7 of the Accounting Regulations which fall within our Group Financial Statements. Statutory reporting is location-based according to the GHG Protocol.

All sites report their energy consumption and GHG emissions on a quarterly basis. Performance and variation are analysed, and improvement plans built accordingly.

The Group also meets all its obligations in relation to the Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations 2024 and the Energy Savings Opportunity Scheme by which the UK implemented the EU Energy Efficiency Directive.

Global GHG emissions and energy consumption

Location-based statutory reporting (Operational Control Boundary)^{1,2,3,4,5}

Emissions and energy sources	UK and Offshore CO ₂ e '000 metric tonnes 2025	Global CO ₂ e '000 metric tonnes 2025	Proportion relating to the UK and Offshore Area	UK and Offshore CO ₂ e '000 metric tonnes 2024	Global CO ₂ e '000 metric tonnes 2024	Proportion relating to the UK and Offshore Area	UK and Offshore energy used '000 kWh 2025	Global energy used '000 kWh 2025	Proportion relating to the UK and Offshore Area	UK and Offshore energy used '000 kWh 2024	Global energy used '000 kWh 2024	Proportion relating to the UK and Offshore Area
Combustion of fuel and operation of facilities including fugitive emissions (Scope 1)	0.081	200	0.04%	2.289	216	1.1%	440	736,332	0.06%	11,943	764,552	1.6%
Electricity, heat, steam and cooling purchased for own use (Scope 2)	0.054	94	0.06%	0.282	86	0.3%	351	204,719	0.17%	1,848	198,497	0.9%
Total GHG emissions and energy	0.134	294	0.05%	2.571	302	0.9%	791	941,051	0.08%	13,791	963,048	1.4%
Change	-94.8%	-2.7%					-94.3%	-2.3%				

Vesuvius' chosen intensity measurement (location-based statutory reporting) ^{1,2}	Metric tonnes CO ₂ e per metric tonne of product packed for shipment				kWh of energy per metric tonne of product packed for shipment			
	UK and Offshore 2025	Global 2025	UK and Offshore 2024	Global 2024	UK and Offshore 2025	Global 2025	UK and Offshore 2024	Global 2024
Emissions and energy reported above normalised to metric tonnes CO ₂ e per metric tonne of product packed for shipment	0	0.319	3.068	0.338	0	1,021	16,457	1,076
Change	-100%	-5.5%			-100%	-5.1%		

	Metric tonnes of CO ₂ e per £m revenue			
Total GHG emissions as metric tonnes CO ₂ e per £m revenue (location-based)	2.0	162.4	23.2	165.9
Change	-91.4%	-2.1%		

1. Location-based Statutory Reporting of Global GHG emissions (metric tonnes of CO₂e) and energy consumption ('000 kWh). The numbers are collated from entities within the Group's Operational Control Boundary except for PiroMET and the Molten Metal Systems business, which were acquired in 2025.
2. In reporting GHG emissions, we have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) methodology to identify our location-based GHG inventory of Scope 1 (direct) and Scope 2 (indirect) CO₂e. We report in metric tonnes of CO₂ equivalent (CO₂e). We have used emission factors from the UK Government (Defra) and the IEA GHG Conversion Factors for Company Reporting 2025 in the calculation of our GHG emissions.
3. Our energy-related GHG emissions, reported as carbon dioxide equivalents (CO₂e), include direct emissions of the three main GHGs (carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O)).
4. Process-related emissions of the following in CO₂ equivalent and in metric tonnes are not significant: Direct methane CH₄ emissions and Direct nitrous oxide N₂O emissions.
5. Emissions of the following in CO₂ equivalent and in metric tonnes are not significant: Direct sulphur hexafluoride (SF₆) emissions; Direct HFC emissions; and Direct PFC emissions.

Tackling climate change continued

Scope 3 emissions

Vesuvius' Scope 3 CO₂e emissions, mainly upstream, contribute to a greater part of our total CO₂e emissions than our Scope 1 and Scope 2 emissions. Our products are used by customers whose processes emit significant amounts of CO₂. They serve to contain and protect liquid metal and manage its flow, but do not participate in the heating operations or chemical reactions that lead to CO₂ emissions. Emissions associated with the processing or use of our products are hence very limited. More specifically:

- Some products require drying or pre-heating prior to use by our customers. Emissions generated during these operations are included in the 'Processing of sold products' category
- Refractory materials do not require energy during their use; having undergone high-temperature processes during their manufacturing, they are inert and do not release any greenhouse gases during their use

- Some non-refractory products contain chemicals, which will be partially burnt during usage by our customers. Emissions due to the combustion of chemicals are included in the 'Use of sold products' category

Since 2021, we have undertaken a focused evaluation of emissions associated with raw materials, using publicly available average CO₂ emissions factors. We have also collected information on energy source, CO₂ emissions data and reduction plans from our raw materials suppliers as part of our Request for Quotation process.

We have begun to collect CO₂ emissions data relating to transportation from our forwarders in all regions. In 2025, the CO₂ emissions data that we received from our forwarders covered 23% of our transportation spend (upstream and downstream), and we were able to evaluate CO₂ emissions covering a further 21% of our transportation spend using operational data and Defra conversion

factors. The remainder of our CO₂ emissions from upstream and downstream transportation (56%) was estimated based on spend and Defra conversion factors.

Various initiatives have been launched to reduce our Scope 3 CO₂ emissions, including returnable packaging, the electrification of company fleet vehicles and arrangements for collective commuting.

Our process for evaluating Scope 3 CO₂ emissions continues to evolve, as assessment techniques become more sophisticated.

Scope 3 emissions^{1,2,3,4,5}

Metric tonnes CO ₂ e	2025		2024	
	Metric tonnes	%	Metric tonnes	%
Purchased goods and services	1,580,597	83%	1,482,459	83%
Capital goods	50,336	3%	46,048	3%
Fuel- and energy-related activities (not included in Scope 1 or 2)	38,952	2%	39,473	2%
Upstream transportation and distribution	28,445	1%	28,516	2%
Waste generated in operations	13,345	1%	14,391	1%
Business travel	9,333	<1%	9,887	1%
Employee commuting	43,469	2%	34,470	2%
Upstream leased assets	0	0%	0	0%
Downstream transportation and distribution	57,751	3%	57,897	3%
Processing of sold products	18,350	1%	19,250	1%
Use of sold products	37,094	2%	36,326	2%
End-of-life treatment of sold products	23,983	1%	23,276	1%
Downstream leased assets	0	0%	0	0%
Franchises	0	0%	0	0%
Investments	0	0%	0	0%
Total Scope 3 CO₂e emissions	1,901,655	100%	1,791,994	100%

1. The numbers are collated from 100% of entities within the Group's Operational Control Boundary, excluding PiroMET and the Molten Metal Systems business, which were acquired in 2025.
2. Conversion factors for GHG emissions and energy used the 2025 UK Government GHG Conversion Factors for Company Reporting. Conversion factors for GHG emissions for electricity globally used the 2025 IEA Emission Factors.
3. Calculation of Scope 3 GHG emissions used the Carbon Footprint Limited Sustrax system for the years 2019-2025. The Sustrax tool relies on the UK Government Defra methodology, categories and emission conversion factors. Wherever possible we used activity data which relies on information that is specific to the organisation, and therefore is much more accurate than the spend-based method.
4. Scope 3 2025 Upstream subtotal 1,764,477 metric tonnes (93%). Downstream subtotal 137,178 metric tonnes (7%).
5. Scope 3 categories 'Purchased goods and services' and 'Use of sold products' for 2024 were amended to reflect data cube changes and related data improvements. Total figures were updated accordingly. Further information on sources of data, scope of entities covered, calculation methodologies and progress can be found in the 2025 Sustainability Report which is available at: www.vesuvius.com.

A responsible company

We seek to establish strong relationships with key stakeholders and support the communities in which we operate

Vesuvius is committed to making a positive contribution to society. As part of this, we focus on operating an ethical business with appropriate policies in place to ensure compliance with the regulations and laws in all our markets.

Our CORE Values

The Group's CORE Values convey the mindset and attitudes we expect each employee to show every day. They are at the heart of the culture of the Group, promoting our image to external stakeholders, and underpinning the commercial promise we provide to our customers.

The Values are reinforced through our performance management systems and are celebrated each year through our Living the Values Awards which select regional and global winners for each Value.

Vesuvius' CORE Values

Courage

- I systematically say, decide and do what is right for Vesuvius including when it is difficult, unpopular, or not consensual
- I express my opinions openly during discussions, but I also defend Group decisions once they've been taken, even if they do not correspond to my initial position
- I proactively take leadership responsibility on difficult projects and topics that are important to the Group's performance, motivated by the perspective of success rather than paralysed by the risk of personal failure

Ownership

- I am personally accountable for the consequences of my actions and for the performance of the Group in my area of responsibility or oversight, without blaming external circumstances or the actions of others
- I demonstrate an entrepreneurial spirit, looking for and seizing business opportunities and I immediately address problems that come up as soon as I become aware of them
- I manage the Group's money and resources as though they were my own

Energy

- I work hard and professionally in pursuit of excellence
- I constantly raise the bar and challenge the status quo. For me, the sky is the limit
- I lead by example, inspiring and motivating my team to go the extra mile. I promote a positive and energising work environment
- I continuously deliver outstanding customer experience and innovative solutions
- I never underestimate competitors and permanently strive to reinforce the Group's leadership position

Respect

- I demonstrate respect for other people's ideas and opinions even if I disagree with them
- I welcome open debate. I listen to others, and foster esteem and fairness with customers, suppliers, co-workers, shareholders and the communities where we operate
- I communicate my objectives clearly and take time to explain all decisions. I behave with the highest level of integrity. I promote diversity at all levels of the Company

Code of Conduct

Our Code of Conduct sets out the standards of conduct expected, without exception, of everyone who works for Vesuvius in any of our worldwide operations.

The Code of Conduct emphasises our commitment to ethics and compliance with the law, and covers every aspect of our approach to business, from the way that we engage with customers, employees, the markets and other stakeholders, to the safety of our employees and workplaces.

Everyone within Vesuvius is individually accountable for upholding its requirements. We recognise that lasting business success is measured not only in our financial performance, but in the way we deal with our customers, business associates, suppliers, employees, investors and local communities.

The Code of Conduct is displayed prominently at all our sites and is published in our 29 major functional languages. It is available to view at www.vesuvius.com.

We communicate openly and transparently within the organisation, through 'town hall' meetings, Board and senior management visits, management feedback, performance evaluation, measuring employee engagement and responding to the feedback we receive. Critically, there is ongoing and consistent communication of our CORE Values and the principles of our Code of Conduct.

We engage staff across the Group in both general and targeted training, to ensure a consistent understanding of our policies and procedures.

The Code of Conduct covers eight key areas:

Code of Conduct

1. Health, safety and the environment
2. Trading, customers, products and services
3. Anti-bribery and corruption
4. Employees and human rights
5. Disclosure and investors
6. Government, society and local communities
7. Conflict of interests
8. Competitors

A responsible company continued

Compliance training

Compliance training gives our employees a clearer understanding of the scope of risks that exist as we conduct our business and gives context to how the Group expects each employee to respond to those risks.

The Board has set a target of at least 90% of targeted staff completing the annual anti-bribery and corruption training. In 2025, 100% of the targeted staff completed this training.

Mandatory online training courses – 2025 participation	% of targeted audience completing course
Anti-bribery and corruption (annual)	100%
Gifts, hospitality and entertainment (onboarding)	100%
Modern slavery	93%
Anti-tax evasion	99%
Data protection	100%
Cyber security awareness – 7 basic modules	90%

Governance and policies

Vesuvius’ compliance policies underpin the principles set out in our Code of Conduct. They are the practical representation of our status as a good corporate citizen, and they assist employees to understand and comply with our ethical standards and the legal requirements of the jurisdictions in which we conduct our business. They also give practical guidance on how this can be achieved.

Human rights

The Group’s Human Rights and Labour Policy reflects the principles contained within the UN Universal Declaration of Human Rights, the International Labour Organization’s Fundamental Conventions on Labour Standards and the UN Global Compact, to which the Group is a signatory. The Policy sets out the principles for our actions and behaviour in conducting our business and provides guidance to those working for us on how we approach human rights issues. These principles have been integrated into the work of our procurement teams as we assess our suppliers and their business practices. The Policy was reviewed and updated in 2022.

Human Rights and Labour Policy

Our policy expressly prohibits forced, compulsory or child labour in any form and applies to both ourselves and those who wish to work with us.

Our other commitments include:

- **Health and safety:** to work towards our goal of zero injuries in the workplace
- **Freedom of association and right to collective bargaining:** to respect our workers’ democratic rights to participate or not participate in trade unions, or other collective bargaining organisations, without fear of intimidation, pressure or reprisal
- **Unlawful discrimination, harassment and abusive behaviours:** to ensure that each employee and potential employee is treated with fairness and dignity and that discriminatory practices, or unwelcome verbal or physical conduct are not tolerated
- **Remuneration:** to ensure that wages and benefits paid to employees shall meet legal or industry minimum standards
- **Discipline policies:** to ensure proportionality of sanctions, with a range of potential disciplinary actions and procedural fairness

See the full policy on www.vesuvius.com for further details.

Prevention of slavery

During 2025, we published our tenth modern slavery transparency statement outlining the Group’s approach to the prevention of slavery and human trafficking in our business and supply chain. A copy of our latest statement is available to view on our website: www.vesuvius.com.

We have identified the following four industries that pose a higher risk of modern slavery for Vesuvius:

1. Mining and extractive industries (raw materials)
2. Textiles (personal protective equipment (PPE) and work clothing)
3. Transport and packaging
4. Maintenance, cleaning, agricultural work, and food preparation (contracted workers)

As our spend with mining and extractive industry suppliers is far greater than the other three industries, and the number and diversity of suppliers is also the greatest, we have been focusing our efforts on these industries.

We have deepened our investigation of higher-risk raw materials, based on the studies carried out by Drive Sustainability and the Responsible Minerals Initiative on the responsible sourcing of materials in the automotive and electronics industries, with which our portfolio of raw materials shares many commonalities.

In 2025, we provided webinar training on modern slavery to our key purchasing staff and continued to use an online e-learning module to upgrade the training given to all supplier-facing staff. It provides key guidance on the ‘red flags’ associated with modern slavery to assist them in identifying these during supplier visits and accreditation.

➤ See the Group’s Statement on the Prevention of Slavery and Human Trafficking

➤ www.vesuvius.com/en/sustainability/our-policies/statement-on-modern-slavery.html

Business ethics/anti-bribery and corruption and working with third parties

Vesuvius’ Code of Conduct affirms our commitment to competing vigorously, but honestly, and not seeking competitive advantage through unlawful means. We conduct ourselves ethically in all public affairs activities, in alignment with local laws and regulations. We do not engage in unfair competition, exchange commercially sensitive information with competitors, or acquire information regarding a competitor by inappropriate means. When received for business purposes, we safeguard third-party confidential information and use it only for the purpose for which it was provided.

We recognise that certain third-party relationships can represent significant risks, particularly in the areas of bribery, corruption, sanctions and trade compliance. Our compliance due diligence framework ensures that these risks are identified, assessed, and mitigated both prior to engagement and throughout the lifecycle of the relationship. Our framework includes third party due diligence, counterparty screening and regular risk assessments, as well as ongoing relationship monitoring and reporting.

Our procedure on working with third parties clearly outlines our zero tolerance approach to bribery and provides practical guidance for our employees in identifying concerns and how to report them. Employees are actively encouraged to consult and seek advice on ethical issues. They have open access to the Group Head of Compliance and the legal function who provide support on a regular basis.

Over the years, we have continued to strengthen our training portfolio. Our approach is designed to foster a preventive mindset – helping employees understand the scope of potential risks and how to respond in alignment with the Group's standards.

Key compliance training initiatives in 2025 included:

1. An annual mandatory e-learning module on anti-bribery and corruption (including an anti-fraud module), available in 18 functional languages for targeted staff, directly linked to the Vesuvius Anti-Bribery and Corruption Policy. This training is reviewed annually to ensure its content remains relevant and up to date.
2. Webinars and face-to-face training delivered to risk-exposed functions, using real-life scenarios and lessons learned from compliance matters management, investigations and risk assessments at multiple sites, covering anti-bribery and corruption, the Speak Up Policy, export controls and sanctions and key compliance processes, such as compliance due diligence.
3. New senior manager induction training, offering dedicated sessions led by the Compliance team to introduce relevant policies and procedures, and further explain leadership's role in effective risk management.

During 2025, the Group also continued its risk-based due diligence programme, including anti-corruption reviews of our third-party representatives, agents and other intermediaries. Enhanced due diligence reviews of sales agents, customs clearance agents, and other parties acting on our behalf, were repeated to ensure ongoing compliance with our standards.

In 2025, we completed due diligence on more than 1,761 counterparties from 81 countries. As a result of this process, we either declined or terminated relationships with 84 counterparties who did not meet

our standards. Once a counterparty passes compliance due diligence, it is placed on 24/7 ongoing monitoring, ensuring that should the circumstances change, the re-evaluation will be triggered.

Responsible sourcing

Vesuvius recognises the crucial role that its suppliers play in creating value in the products and services that Vesuvius ultimately provides to its customers. In addition to the consistent and timely supply of materials, products and services which are of the highest quality, we expect our suppliers to operate in a manner that is appropriate, in terms of their ethical, legal, environmental and social responsibilities.

Principles

Overall, our objective is to encourage suppliers to implement a meaningful sustainability programme, embrace the UN Global Compact principles, and evaluate and reduce our upstream CO₂ emissions. The satisfaction of our customers' requirements, the safety and reliability of Vesuvius' products, and the efficiency of Vesuvius' internal processes are dependent on the reliability of its network of suppliers. Vesuvius is committed to ensuring that we utilise high-quality raw materials, secured through reliable and well-developed raw material suppliers. The principles of sustainable procurement are prescribed within the Vesuvius Sustainable Procurement Policy and supported by supplementary processes.

Sustainable Procurement Policy

We operate a Sustainable Procurement Policy which outlines key criteria for suppliers. The Policy uses the Group Procurement's Request for Quotation (RFQ) process to engage a significant number of Vesuvius suppliers and is provided in conjunction with the Vesuvius Terms and Conditions of Purchase.

For suppliers to participate in the RFQ, they are obliged to accept and agree to the terms of the Sustainable Procurement Policy, as it forms an addendum to Vesuvius' standard contract clauses, or share their own policy demonstrating alignment to the same business values. Once these policies are shared, it is the responsibility of the supplier to verify and monitor compliance against them – both for their operations and those of any sub-contractors.

Since its inception in 2021, 369 active vendors, representing 69% of the raw material spend, have acknowledged our Sustainable Procurement Policy.

Sustainable Procurement Policy

The Policy covers all suppliers of goods and/or services either used in our manufacturing processes and/or sold directly by us to customers, including Tolling and Resale suppliers. It applies to suppliers, their agents and their sub-contractors.

The major elements of the Sustainability Procurement Policy are:

- Employees and human rights
- Conflict minerals
- Ethical and compliant business practices
- Environment
- Quality
- Business continuity

➤ See the full policy on www.vesuvius.com for further details.

Supplier sustainability assessments

As part of our sustainability agenda, Vesuvius has implemented a Supplier Sustainability Assessment programme, covering all suppliers of goods either used in our manufacturing processes and/or sold directly by us to customers, including Resale suppliers.

Vesuvius has partnered with an independent third-party service provider – EcoVadis – to rate our raw materials suppliers using a detailed set of criteria. These cover four themes and 21 criteria based on international standards: Labour and Human Rights; Ethics; Environment; and Sustainable Procurement.

During 2024 and 2025, 158 employees from our procurement teams received specific training on supplier on-site sustainability and quality assessments.

The Group had a target to assess at least 60% of our raw material spend by 2025. Participating suppliers were selected based on a number of criteria including:

- Category of raw material
- Availability of alternative sources
- Share of supplier revenue with Vesuvius
- Grades in previous assessments
- Whether the supplier was new
- Supply chain incidents

A responsible company continued

Since its launch, 283 suppliers have joined the programme, representing 57% of the total raw material spend. Fewer than 7% of the suppliers assessed between 2021 and 2025 did not reach Vesuvius' minimum EcoVadis score. We are requiring these suppliers to implement improvement actions within a three-year time frame. Progress will be monitored through routine evaluations and an annual reassessment. Across the crucial topics, the average total score of Vesuvius' suppliers in 2025 was 60.5, compared to an industry standard of 49.

Supplier CSR and quality audits

Vesuvius conducts an annual Supplier Audit programme focusing on Corporate Social Responsibility (CSR) practices, product quality and security of supply. The programme is led by the Group's Purchasing and Quality teams. The goal of the audits is to verify that our suppliers abide by fundamental principles regarding the environment and social practices, and reduce the number of quality issues that may affect our raw materials.

As part of this, we carry out on-site inspections, share expectations with our suppliers, identify risks and adapt our internal controls accordingly. We encourage our suppliers to improve their own processes and help them prioritise actions to achieve this. We include a number of 'red flag' items in our on-site verification questionnaire, especially addressing human rights issues, such as child or forced labour, for which immediate escalation and investigation is required in case any breach is detected. The scope of the audit also covers working conditions.

In 2025, 96 audits were conducted (100% on-site) (2024: 123). No cases of human rights breaches were detected as part of the supplier audit checks. 4% of audited suppliers received grades below threshold (2024: 14.6%). Whenever suppliers fail to meet the required standards, either action is taken to support them to improve or our relationship with them is terminated.

Community engagement

We make a positive contribution to the communities in which we operate by supporting a wide variety of fundraising and community-based programmes.

In 2025, our teams around the world focused on practical actions that strengthened local communities and responded to real social needs. From education and health to employee well-being and regional initiatives, each project helped create meaningful, lasting value where it was needed most.

Expanding access to clean water and safe sanitation for students

In Paderu, India, Vesuvius India installed bio-toilets near classrooms and a reverse osmosis water plant, improving conditions for more than 1,500 girls. In Durgapur, India, the team worked with the Steel Authority of India Ltd to set up four bio-toilets and a new drinking-water system, giving over 1,100 students reliable hygiene facilities and clean water. Together, these projects strengthened health, safety, and school attendance for children in underprivileged communities.

Creating better learning conditions for children

In Mexico, employees supported the NGO Imperio de Amor, which cares for children who cannot attend school by providing meals and informal education. In two rural schools near Pune, India, Foseco India built new classrooms and a library for around 500 students, giving them a safer, more comfortable place to learn.

Strengthening well-being through movement, health awareness and community connection

In Poland, teams joined the Poland Business Run, raising funds for people with disabilities whilst promoting active lifestyles. In Mexico, families gathered for the Vesuvius Family Run, choosing 1 km, 3 km or 5 km routes. In China, employees took part in a 13 km night hike and run around Jinji Lake.

Supplier Sustainability Assessment criteria

Environment

Energy consumption and GHGs
Water
Biodiversity
Local and accidental pollution
Materials, chemicals and waste
Product use
Product end-of-life
Customer health and safety
Environmental services and advocacy

Labour and human rights

Employee health and safety
Working conditions
Social dialogue
Career management and training
Child labour, forced labour and human trafficking
Diversity, discrimination and harassment
External stakeholder human rights

Ethics

Corruption
Anti-competitive practices
Responsible information management

Sustainable procurement

Supplier environmental practices
Supplier social practices

21 criteria based on international standards



Risk, viability and going concern

How we manage risk

The Group undertakes a continuous process to review and understand existing and emerging risks which might impact the Group's long-term performance.

Risk governance

The Board exercises oversight of the Group's principal risks and reviews the way in which the Group manages those risks. As part of this process the Board: (i) understands which individuals within the business are responsible for managing each principal risk; and (ii) reviews and, where appropriate, updates, the Group's appetite for each principal risk and assesses the adequacy of the steps taken to mitigate them.

The Board takes overall responsibility for establishing and maintaining a system of risk management and internal control and for reviewing its effectiveness.

The Group undertakes a continuous process to identify and review risk and this assessment undergoes a formal review at half-year and at year-end. The risks identified by the business are compiled centrally to deliver a coordinated picture of the Group's key risks. These risks are then reviewed by the Group Executive Committee.

An integral part of the Group's risk management process is for each Non-executive Director to contribute their view on the principal risks facing the Group, the risk appetite the Group should have for each of these risks and what emerging risks the Group might face in the future. These contributions are overlaid on the Group's initial assessment of risks to build a comprehensive analysis of existing and emerging risks. In this way, the Directors' views on each of the principal risks, and on emerging risks in general, are independently gathered and integrated into management discussions and any actions required. The Non-executive Directors also undertake regular site visits – either individually or in small groups. They believe this direct engagement with employees is an effective way to hear about issues and concerns that exist in the business and also any potential risks that it faces. More details on the site visits undertaken in 2025 can be found on page 79.

The Group's risk process covers both financial and non-financial risks, and considers the risks associated with the impact of the Group's activities on employees, customers, suppliers, the environment, local communities and wider society.

Risk in 2025

We detail below changes during 2025 to the scale or nature of risks facing the Group. As noted in previous years, certain issues arose during the year that are reflected in the Group's principal risks. In each case, the business impact was limited by the mitigations already in place and by the Group's risk management processes. We also detail the emerging risks facing the Group to which we remain vigilant.

Risk: End-market risks

2025 saw continuing volatility in our markets, with lower than anticipated economic activity in certain key markets such as Europe. Whilst this volatility is lasting longer than we had anticipated, our end-markets of Steel and Foundry continue to be forecast to grow in the medium and longer term.

During the year, the dynamic and unpredictable system of tariffs and trade protections introduced and subsequently amended by the administration in the United States, other jurisdictions and regional regulators – including the ongoing negotiation of Free Trade Agreements – drove uncertainty in our end-markets. There continues to be a significant degree of uncertainty as to the nature and longevity of the existing US tariffs (and any further trade restrictions that may replace them). However, we also believe the new EU steel tariffs scheduled for introduction in July 2026 will be beneficial to our business in that region in the medium term.

The Group remains well placed to manage short-term impacts with its flexible manufacturing footprint, and geographically diversified revenue streams.

Risk: Business interruption

Cyber security continues to present a significant risk in relation to business interruption and is an issue that grows both in its scope and sophistication. During 2025, we continued to invest in our systems and processes, as well as further investment in training and awareness of cyber issues across the Group. As with all businesses, we monitor trends and developments in system security threats that could have an effect on our ability to conduct our business.

Risk: Product Quality failure

The financial impact on the Group from any product quality issues, and the significant risks associated with a failure of our products in use, is well understood, and we have increased our communication of this across the Group as an area of particular focus and importance.

During the year, we introduced new initiatives with the objective of minimising this cost of non-quality. Enhanced internal reporting requirements have also been developed to increase visibility of any product quality issues and to ensure that root causes are identified and that any required remediations are implemented on a timely basis with lessons shared across the Group to prevent a recurrence.

Risk: People, culture and performance

The environment to attract and retain high-calibre people across all levels of our business continues to be increasingly competitive in many of our labour markets. This is particularly relevant for manufacturing roles, which are adversely affected by changing demographics and shifting trends in the workforce. We also continue to see a reduction in the promotion of materials science teaching within our developed markets, which may further reduce the availability of suitably qualified candidates going forward.

Risk, viability and going concern continued

Emerging risks

The emerging risk trends facing the Group did not materially change in 2025. Our markets continue to develop, and future growth will not always come from markets that have served us well in the past. We continue to focus on this trend, investing in markets with high future growth and ensuring that our manufacturing footprint remains sufficiently dynamic and responsive to take advantage of all opportunities.

We continue to address the transition to the increased use of non-ferrous metals, particularly in the automotive industry. Whilst the trends in ferrous casting are positive, trends in non-ferrous metal production and casting are also favourable, and we are focused – in R&D and, during 2025 also in our acquisition strategy – on developing products that will enable us to benefit from this growth.

The operational focus for businesses to deliver in the areas of Environmental and Social impact and Governance (ESG) continues. As set out below, whilst we no longer identify ESG as a principal risk, we have long been focused on driving efficiency in our customers' processes, with our products driving environmental/climate benefits in terms of reducing energy use and supporting production efficiency at our customers. The reporting obligations in this area remain in flux, with some rationalisation of requirements seen in 2026. However, more broadly we consider that overall the reporting in this area will increase in cost and complexity in the coming years.

Further information on the Group's ESG commitments can be found in the Non-Financial and Sustainability Information Statement on pages 35 to 60.

The extent and the pace at which artificial intelligence is becoming more widely used has also been an area of focus during 2025 and will continue to be so going forward. We continue to develop our understanding of where AI can improve our business and allow us to offer new products and solutions to our customers and increase our business efficiency. We are also mindful of ensuring that any risks posed to our business by the development and implementation of these tools, both inside and outside our business, are understood, controlled and mitigated wherever possible.

All of these issues could represent disruptors to our business. We remain focused on each of them through our risk identification and management processes as well as on the management of any other new risks that emerge during 2026.

Principal risks

During 2025, in anticipation of the updates made to the UK Corporate Governance Code on ongoing effectiveness of risk management and internal control systems coming into force, senior management reviewed the principal risks facing the Group, disaggregated these into sub-risks, and commenced a review of how these are controlled, managed and mitigated. This process is ongoing but as a result of the review, two changes have been made to the Group's Principal risks.

Firstly, as the previously identified principal risk of Protectionism and globalisation will manifest within the ongoing principal risk of End-market risks, we have removed it as a separate principal risk and incorporated the relevant elements into the End-market risk. Secondly, as the material elements of the formerly identified principal risk of Environmental, Social and Governance were focused on ensuring that the Group's products remain relevant to customers in meeting their own ESG requirements, we believe that this risk will manifest within the existing principal risk of Failure to secure innovation. As a consequence, we have ceased to identify Environmental, Social and Governance as a separate principal risk.

The updated set of principal risks and uncertainties are set out on pages 66 and 67 and are those the Board considers to be most relevant in terms of their potential impact on the Group achieving its strategic objectives. Each principal risk could materially affect the Group, its businesses, future operations and financial condition, and could cause actual results to differ materially from expected or historical results. These Principal risks are not the only ones that the Group faces or will face. Some risks are not yet known and some currently not deemed to be material could become so.

Cyber security

The processes and controls to manage the constantly evolving cyber security threat are a significant area of focus for the Group. Members of the GEC, Group IT and senior management meet regularly to manage operational cyber risks.

The Board oversees the Group's control systems for managing cyber risk and together with the Audit Committee receives regular updates on the Group's activities in this respect.

Cyber risks are integrated within the Group's risk management processes and form part of its Business Continuity Plan (BCP). The Group also maintains a Disaster Recovery Plan to address any network, data centre or IT infrastructure issue. The Group's Incident Handling and Response Policy ensures we maintain appropriate visibility of all network infrastructure.

The Group takes a holistic approach to addressing cyber challenges, focusing on improving our IT infrastructure, including our operational technology environments, as well as our IT procedures, data governance and employee behaviours. We run regular training programmes on cyber security and conduct regular cyber security risk assessments, including scenario analysis to mitigate the business impact of any downtime, and increase awareness of social engineering fraud and system access through poor security behaviour. We also perform in-house and externally conducted vulnerability/penetrative testing, comparing the results with industry benchmarks to improve our processes and undertake an ongoing external assessment of our cyber security resilience and maturity.

Climate change

The Group's risk management processes consider the potential impact of climate-related risks. The Group does not regard climate change itself to represent a material stand-alone risk to the Group's operations.

Whilst a significant proportion of the Group's revenue is generated from steel manufacture and automotive castings, industries that are under transition as a result of the focus on improving environmental performance, we believe these changes will, overall, be positive for the Group. The Group's business strategy is based on helping our customers improve their manufacturing efficiency and the quality of their products, thereby reducing

their climate impact. We also envisage benefits for the Group from the acceleration of the energy transition, as this will create continued demand for the high-quality steel produced when using Vesuvius' products and solutions.

We recognise that climate change could present uncertainty for the Group in terms of increased regulation and the evolution of the geographical distribution of our customer base. Further information about the Group's consideration of climate-related risks and opportunities can be found in the Tackling climate change section of the Non-Financial and Sustainability Information Statement on pages 39 to 56.

Risk mitigation

Each principal risk is owned by specific members of senior management who actively manage the risk as well as contributing to the analysis of its likelihood and impact, and continually monitoring the process for mitigation. This analysis is reported to the Board. Risks are analysed in the context of our business structure which protects against certain of our principal risks with diverse currencies, a widespread customer base and local production matching the diversity of our markets. Additionally, we mitigate risk through employee training and our contractual terms. Our processes are not designed to eliminate risk, but to identify our principal risks and to mitigate them to a reasonable level in the context of delivering the Group's strategy.

Business continuity and insurance

In partnership with risk management advisers and our insurers, we seek to identify the most effective means of reducing or eliminating insurable risks, through risk management and the placing of insurance cover.

Our insurer property loss control programme is based upon insurer loss modelling and focuses on insured losses. The insurer's loss control engineers undertake a series of on-site inspections focused on machinery breakdown, fire, natural catastrophe and other property damage and business interruption risks. These surveys yield a series of loss-reduction recommendations. The execution of these recommendations is agreed with site management and followed through to completion.

In parallel, Vesuvius' own loss management programme focuses on strategic sites and sites that are not routinely covered by the insurer programme. Assisted by an independent consultant, we undertake property loss control and business continuity surveys using Vesuvius' bespoke risk and exposure-based protocol. These reports yield further risk reduction recommendations, and improvement actions are agreed and completed by site management.

To support the Group's loss control activities, risk management workshops are conducted covering loss prevention, emergency planning, crisis management and business recovery. Business continuity planning is also conducted to ensure there is sufficient resilience in the Group's manufacturing network to address individual supply interruptions.

Internal control

The Group's internal control system is designed to manage, rather than eliminate, the risks facing the Group and safeguard its assets. No system of internal control can provide absolute assurance against material misstatement or loss. The Group's system is designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and are dealt with appropriately.

During 2025, considerable work was undertaken in preparation for Provision 29 of the UK Corporate Governance Code, which will apply in 2026. This included defining what is a material control, identifying an initial set of material financial, operational, reporting and compliance controls, progressing the assurance strategy, and ongoing activities to strengthen the internal control framework. Further work to fully document controls, strengthen evidence of operation, finalise the assurance strategy and test operating effectiveness is planned during 2026.

The Audit Committee assists the Board in reviewing the effectiveness of the Group's system of internal control, including financial, operational and compliance controls, and risk management systems. The key features of the Group's system of internal control are set out in the table on the next page.

Reviewing the effectiveness of risk management and internal control

The internal control system covers the Group as a whole and is monitored and supported by the Group's Internal Audit function, which conducts reviews of Vesuvius' businesses and reports objectively both on the adequacy and effectiveness of the system of internal control and on those businesses' compliance with Group policies and procedures. The Audit Committee receives reports from the Group Head of Internal Audit and reports to the Board on the results of its review.

The Group also conducts a self-certification exercise by which senior financial, operational and functional management certify the compliance, throughout the year, of the areas under their responsibility with the Group's policies and procedures and highlight any material issues that have occurred during the year.

As part of the Board's process for reviewing the effectiveness of the system of internal control, it delegates certain matters to the Audit Committee. Following the Audit Committee's review of internal financial controls and of the processes covering other controls, the Board annually evaluates the results of the internal control and risk management procedures conducted by senior management. Since the date of this evaluation, there have been no significant changes in internal controls or other matters identified which could significantly affect them.

In accordance with the provisions of the UK Corporate Governance Code, the Directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Company, including those that threaten its business model, future performance, solvency or liquidity. They have also reviewed the effectiveness of the Group's system of internal control and confirm that any control weaknesses identified during the year and to the date of this report are being remediated.

Further detail regarding the Audit Committee's review of the effectiveness of the Group's risk management and internal control systems is contained in the Audit Committee report on pages 87 to 91.

Risk, viability and going concern continued

Key features of risk management and internal control

Strategy and financial reporting

Comprehensive strategic planning and forecasting process

Annual budget approved by the Board

Monthly operating financial information reported against budget

Key trends and variances analysed and action taken as appropriate

Vesuvius GAAP

Accounting policies and procedures formulated and disseminated to all Group operations

Covers the application of accounting standards, the maintenance of accounting records and key financial control procedures

Operational controls

Operating companies and corporate offices maintain internal controls and procedures appropriate to their structure and business environment

Compliance with Group policies on items such as authorisation of capital expenditure, treasury transactions, the management of intellectual property and legal/regulatory issues

Use of common accounting policies and procedures, and financial reporting software used in financial reporting and consolidation

Significant financing and investment decisions reserved to the Board

Monitoring by the Board of policy and control mechanisms for managing treasury risk

Clearly delegated financial authority thresholds for capital expenditure, purchasing, customer contracts and hiring

Health and safety audits

Board review of product quality metrics

Risk assessment and management

Continuous process for identifying, evaluating and managing any significant risks

Risk management process designed to identify the key risks facing each business

Reports made to the Board on how those risks are managed

Top-down risk identification undertaken at Group Executive Committee and Board meetings

Board review of insurance placement and other measures used in managing risks across the Group

The Board is notified of major issues and makes an annual assessment of whether risks have changed

Ongoing assurance processes by the legal function and Internal Audit including the annual self-certification process

Externally supported Speak Up whistleblowing helpline

Internal Audit

Reviews Vesuvius' businesses and reports on the adequacy and effectiveness of their systems of internal control and compliance with Group policies and procedures

Agrees action plans for the resolution of any improvement actions identified by their audits, and monitors, with local management and the Business Unit Presidents, progress through until completion

Reports to the Audit Committee on the results of each audit and provides regular updates on high-priority action items

The Audit Committee discusses the key risks identified by Internal Audit

The Group Head of Internal Audit conducts private meetings with the Audit Committee without management being present

Viability Statement

In accordance with the UK Corporate Governance Code, the Directors have assessed the viability of the Group over a three-year period to 31 December 2028, taking into account the Group's current position and the potential impact of the principal risks and uncertainties. The Directors have determined that three years is an appropriate period over which to provide the Viability Statement because this is the Company's planning cycle and it is sufficiently funded by financing facilities with average maturity terms of approximately four years. The projected cash flows for the next three years have been based on the latest Board-approved budget and strategic plan.

In making this statement, the Directors have carried out a robust assessment of the principal risks that may threaten the business model, future performance, solvency and liquidity of the Group. This is embodied in the annual review of a three-year business plan which includes a review of sensitivity to 'business as usual' risks, such as profit growth and working capital variances, severe but plausible events and the impact these could have on the Group's debt covenants and available liquidity. The results take account of the availability and likely effectiveness of the mitigating actions that could be taken to avoid or reduce the impact or occurrence of the underlying risks. Whilst the review has considered all the principal risks identified by the Group, the following were selected for enhanced stress testing: an unexpected global supply chain disruption leading to increased lead times and business interruption due to the unplanned closure of a key production facility. The Group's prudent balance sheet management, flexible cost base able to react quickly to end-market conditions, access to long-term capital at reasonable cost and geographically diversified international businesses leave it well placed to manage these principal risks.

In performing the stress testing, certain assumptions were made, including that supply chain disruption would lead to a need for increased inventory levels over multiple years; and the loss of a production facility would, after the recovery of production capacity, result in certain sustained customer losses. Any loan facility requiring re-financing was considered to be renewed ahead of its maturity date. Under the enhanced stress testing, a potential breach of a covenant would only occur in the event of an unforeseen reduction in revenue of greater than 17%, without consideration of any remedial factors such as capital expenditure reduction. Accordingly, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to 31 December 2028. Furthermore, the Board believes that the Group continues to be well positioned for success in the longer term because of our exposure to long-term growing end-markets; our market-leading position that is supported by ongoing investment in innovation and R&D; our strong degree of customer intimacy with around a third of our employees working at customer facilities; and the focus we have on building quality teams with clear organisational responsibility.

Going concern statement

The Group's available liquidity stood at £386.1m at 31 December 2025, down from £389.0m at 31 December 2024. The Directors have prepared cash flow forecasts for the Group for the period to 30 June 2027. These forecasts reflect an assessment of current and future end-market conditions, and their impact on the Group's future trading performance.

The Directors have also considered a severe but plausible downside scenario, based on a combination of lower business activity and lower profitability over the going concern period. This downside scenario assumes:

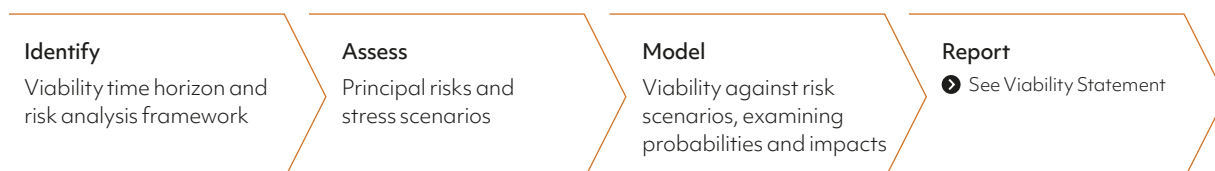
- a decline in business activity level in 2026 and 2027 by 5% compared to 2025 performance
- a decline in profitability (Return on Sales) of 1.5% compared to 2025 performance
- working capital intensity increases by 1.5% vs 2025.

On a full-year basis relative to 2025, this implies a c.22% decline in Trading Profit.





The Group has two covenants; net debt/ EBITDA (under 3.25x) and an interest cover requirement of at least 4.0x. In this downside scenario, the forecasts show that the Group's maximum net debt/ EBITDA (pre-IFRS 16 in-line with the covenant calculation) does not exceed 2.6x, compared to a leverage covenant of 3.25x, and the minimum interest cover reached is 12x compared to a covenant minimum of 4x.

The forecasts, including the severe but plausible downside scenario, show that the Group will be able to operate within its current committed debt facilities and continue to comply with its debt covenants. On the basis of the exercise described above and the Group's available committed debt facilities, the Directors consider that the Group and the Company have adequate resources to continue in operational existence for the period at least to 30 June 2027. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Viability process



Principal risks and uncertainties

Risk	Potential impact	Mitigation
<p>End-market risks</p> <p>Vesuvius suffers an unplanned drop in demand, revenue and/or margin because of market volatility including from the impact of protectionism and globalisation.</p> 	<p>Unplanned drop in demand and/or revenue due to reduced production by our customers</p> <p>Margin reduction, including through increased costs</p> <p>Customer failure leading to increased bad debts</p> <p>Loss of market share to competition</p> <p>Cost pressures at customers leading to use of cheaper solutions</p> <p>Restricted access to markets, increased barriers to entry</p>	<p>Geographic diversification of revenues</p> <p>Product innovation and service offerings securing long-term revenue streams and maintaining performance differential</p> <p>Increase in service and product lines by the development of measurement and mechatronic capabilities</p> <p>R&D includes assessment of emerging technologies</p> <p>Manufacturing capacity rationalisation and flexible cost base</p> <p>Diversified customer base: no customer is greater than 10% of revenue</p> <p>Robust credit and working capital control to mitigate the risk of default by counterparties</p> <p>Geographically diversified manufacturing footprint</p>
<p>Product quality failure</p> <p>Vesuvius staff/contractors are injured at work or customers, staff or third parties suffer physical injury or financial loss because of failures in Vesuvius products.</p> 	<p>Injury to staff and contractors</p> <p>Product or application failures lead to adverse financial impact or loss of reputation as technology leader</p> <p>Incident at customer plant causes manufacturing downtime or damage to infrastructure</p> <p>Customer claims from product quality issues</p>	<p>Quality management programmes including stringent quality control standards, monitoring and reporting</p> <p>Experienced technical staff knowledgeable in the application of our products and technology</p> <p>Targeted global insurance programme</p> <p>Experienced internal legal function overseeing third-party contracting</p>
<p>Complex and changing regulatory environment</p> <p>Vesuvius experiences a contracting customer base or increased transaction and administrative costs due to compliance with changing regulatory requirements.</p> 	<p>Revenue reduction from reduced end-market access</p> <p>Disruption of supply chain and route to market</p> <p>Increased internal control processes</p> <p>Increased frequency of regulatory investigations</p> <p>Reputational damage</p> <p>Trade restrictions</p>	<p>Compliance programmes and training across the Group</p> <p>Independent Internal Audit function</p> <p>Experienced internal legal function including dedicated compliance specialists</p> <p>Global procurement category management of strategic raw materials</p>
<p>Failure to secure innovation</p> <p>Vesuvius fails to achieve continuous improvement in its products, systems and services including a failure to meet customer demands arising from their evolving ESG-related requirements.</p> 	<p>Product substitution by customers</p> <p>Increased competitive pressure through lack of differentiation of Vesuvius' offering</p> <p>Commoditisation of product portfolio through lack of development</p> <p>Lack of response to changing customer needs</p> <p>Loss of intellectual property protection</p>	<p>Enduring and significant investment in R&D, with market-leading research, and focus on assisting customers to reduce carbon emissions</p> <p>A shared strategy for innovation throughout the Group, deployed via our R&D centres</p> <p>Stage-gate process from innovation to commercialisation to foster innovation and increase alignment with strategy</p> <p>Programme of manufacturing and process excellence</p> <p>Quality programme, focused on quality and consistency</p> <p>Stringent intellectual property registration and defence</p>

Strategic Value alignment



Return on Sales



Free Cash Flow



Cost Savings



Sustainability

➤ See more about [Our business model](#) on pages 14 and 15

Risk

Business interruption

Vesuvius loses production capacity or experiences supply chain disruption due to physical site damage (accident, fire, natural disaster, terrorism), or other events such as industrial action, cyber attack or global health crises.



People, culture and performance

Vesuvius is unable to attract and retain the right calibre of staff, fails to instil an appropriate culture or fails to embed the right systems to drive personal performance in pursuit of the Group's long-term growth.



Health and safety

Vesuvius staff or contractors are injured at work or suffer mental health issues because of failures in Vesuvius' operations, equipment, policies or processes.



Potential impact

Loss/closure of a major plant temporarily or permanently impairing our ability to serve our customers

Damage to or restriction in our ability to use assets

Denial of access to critical systems or control processes

Disruption of manufacturing processes

Inability to source critical raw materials

Loss of data, leading to confidentiality, regulatory and reputational issues

Organisational culture of high performance is not achieved

Staff turnover in growing economies and regions

Stagnation of ideas and development opportunities

Loss of expertise and critical business knowledge

Reduced management pipeline for succession to senior positions

Injury to staff and contractors

Health and safety breaches

Lack of staff availability and operational downtime

Inability to attract and retain the necessary workforce

Reputational damage

Mitigation

Diversified manufacturing footprint

Disaster recovery planning

Business continuity planning with strategic maintenance of excess capacity

Physical and IT access controls, security systems and training

Cyber risks integrated into wider risk management structure

Well-established global insurance programme

Group-wide safety management programmes

Dual sourcing strategy and development of substitutes

Internal focus on talent development and training, with tailored career-stage programmes and clear performance management strategies

Contacts with universities to identify and develop talent

Career path planning and global opportunities for high-potential staff

Internal programmes for the structured transfer of technical and other knowledge

Clearly defined Values underpin business culture

Group focus on enhancing gender diversity

Active safety programmes, with ongoing wide-ranging monitoring and safety training

Independent safety audit team

Quality management programmes including stringent manufacturing process control standards, monitoring and reporting



Section 172(1) Statement

Our stakeholders

Effective engagement with stakeholders is critical to the success of the Group.

Vesuvius recognises that effective engagement with stakeholders is vital to the Group's success. Understanding the needs and priorities of key stakeholders, and building strong and positive relationships with them, lies at the heart of Vesuvius' business.

The likely consequences of any decision in the long term

Section 172 of the Companies Act 2006 codifies this engagement, requiring the Board to promote the success of the Company over the long term for the benefit of members as a whole, whilst having regard to other key stakeholders' interests.

In performing its duties, the Board focuses on the sustainable success of the Group and the existence of a culture that supports this success. The Board recognises that, in seeking to maintain long-term profitability, the Group is reliant on the support of all of its stakeholders, including the Group's workforce, its customers, suppliers and the communities in which its businesses operate. The key interests and factors affecting these groups are woven into the papers and presentations the Board receives from management on an ongoing basis.

When taking key decisions the Board balances the competing interests of different stakeholders with an overriding focus on ensuring the long-term success of the Group. The Board reviews relevant proposals from the management team, considering how they fit with the business strategy and budget, and supports the financial development of the Group. The Board is apprised of success and risk factors for key initiatives, any alternatives (if appropriate), the rationale for the proposed choice and any relevant stakeholder impacts. Papers relevant to the matter are tabled at the Board by the Chief Executive.

The Board confirms that it has acted in accordance with the Section 172 requirements throughout the year.

Examples of how the Board considered stakeholders' interests in some of the key decisions it took during 2025 are given below.

Acquisition of the Molten Metal Systems business (MMS)

During the year the Board approved the acquisition of the MMS business from Morgan Advanced Materials Plc. MMS has a significant presence in India and supplies high-tech crucibles globally, with c. 50% of revenue derived from aluminium producers and the majority of the remainder from copper alloy and precious metals processing. The acquisition increases Vesuvius' manufacturing footprint and sales exposure in India, and broadens Vesuvius' customer offering to the non-ferrous market segment more globally. In approving the transaction, the Board considered the impact on the staff in the Group's existing businesses, and the greater opportunities that the acquisition could bring for them, as well as the benefits to the Group of a broader product and service offering and larger operating footprint, the benefits to our customers from a wider product portfolio and the potential to strengthen relationships with suppliers with new and wider sourcing opportunities.

Cost-saving programme

During the year, the Board received extensive reports on Vesuvius' continuing cost-saving programme, which was undertaken to drive operational efficiency and reduce cost across the Group. The Board considered the benefits to the Group of long-term cost reductions against the short-term cash cost of restructuring, as well as the impact on our employees where the initiatives involved the transfer of manufacturing production and the introduction of automation.

Section 172 requirement	Find out more	Page	Section 172 requirement	Find out more	Page
Consequences of any decision in the long term	At a glance	4 to 7	Impact of operations on the community and the environment	Our sustainability strategy and objectives	38
	Our purpose	79		Progress on our sustainability targets	36 and 37
	Our business model	14 and 15		Tackling climate change	39 to 56
Interests of employees	Why invest in Vesuvius?	18 to 27	A responsible company	57 to 60	
	Our purpose	79	Our stakeholders	72	
	Our stakeholders	69	Maintaining high standards of business conduct	A responsible company	57 to 60
	Our people	24 to 27	Our stakeholders	69 to 72	
Fostering business relationships with suppliers, customers and others	Remuneration Policy	103	Corporate Governance Statement	78 to 81	
	Our purpose	79	Directors' Report	128 and 129	
	Our business model	14 and 15	Acting fairly between members	Our purpose	79
Why invest in Vesuvius?	Why invest in Vesuvius?	18 to 27	Our stakeholders	69 to 72	
	A responsible company	57 to 60	Corporate Governance Statement	78 to 81	
Our stakeholders	Our stakeholders	69 to 72			

Given the diversity of the Group, engagement with most stakeholders takes place locally or is managed by specialist Group functions. The Board maintains oversight of this engagement through its briefings on the dynamics of key relationships and stakeholder groups, and also engages directly as appropriate.

The Group's key stakeholder groups, reflecting those who have the biggest impact on the business, and our modes of engagement are outlined in the tables below.

Our people

Why we engage

With our decentralised management model, the dedication and professionalism of our people, their capacity to own their roles and their drive for results are the most significant contributors to Vesuvius' success.

We engage with our people, encouraging and rewarding high performance to create an environment where all can realise their individual potential.

Issues that matter to them

- Health and safety
- Development and retention
- Career opportunities
- Remuneration and recognition
- Diversity and inclusion
- Management support
- International mobility
- Sustainability performance

How the business engages

Fundamental focus on health and safety and the care of all employees, with regular safety briefings, safety training, the thorough investigation of all safety incidents, daily focus on safety improvements and awards recognising excellent performance

Continuing dialogue between employees and their managers, including the conduct of regular performance reviews

We operate a competitive remuneration and benefits strategy, emphasising talent development with tailored career-stage programmes

Living the Values and other award schemes celebrate individual achievements in the demonstration of our Values and processes

We operate global communication mechanisms including an intranet and global email communications, alongside forums such as local 'town hall' meetings

The Group recognises trade unions and operates local works councils, alongside its European Works Council

Wide-ranging internal training is offered on key job-related issues, with programmes such as the Vesuvius University – HeaT

How the Board engaged in 2025

At every Board meeting the Board received a report from the Chief Executive on the Group's performance against health and safety KPIs and reviewed, in detail, the circumstances of any Lost Time Injuries that had been reported

The Board reviewed the Group's People Strategy with the CHRO, to ensure the Group's talent, culture and HR capabilities were aligned with the Group's strategic priorities, discussing the HR challenges that face the Group. The Board also reviewed the specific HR objectives for each Business Unit

The Remuneration Committee was informed of global salary budgets and oversaw the Group's share compensation programmes

The Nomination Committee reviewed succession processes for the Group's Executive Directors, changes in senior management, rates of annual attrition and regretted losses in the middle and senior management groups, and monitored the Group's progress on diversity objectives

Carla Bailo served as the designated Non-executive Director responsible for workforce engagement, and the Board's engagement activities included a programme of nine site visits to meet Vesuvius employees 'on the ground' and to hear firsthand about their experiences

The Board reviewed the results of the I-Engage survey and the follow-up actions proposed

The Board reviewed the nature and volume of reports received by the confidential Speak Up helpline

Outcomes

- Safe, motivated workforce
- New People Strategy with specific Action Plans agreed
- 19% employee turnover in 2025
- 92% response rate to I-Engage survey
- Greater understanding of views of the workforce

Section 172(1) Statement continued

Our stakeholders continued

Customers

Why we engage

Engaging with, and listening to, our customers helps us to understand their needs and identify opportunities and challenges. Customer intimacy lies at the heart of our business model and collaborating with them enables us to deliver value using our expertise to improve the safety and efficiency of their manufacturing processes, enhancing their end-product quality and reducing their costs.

Issues that matter to them

- Health and safety
- Product quality and performance
- Value generation
- Innovation and provision of solutions
- Production efficiency
- Environmental performance

How the business engages

Our business model focuses on collaboration with customers to provide customised solutions. We employ highly skilled technical experts who understand our customers' needs, and can identify opportunities and solutions for them

We work with customers to improve the safety, energy efficiency, yield and reliability of their processes, and the quality of their products

We engage with customers on safety leadership and support their training requirements

We maintain senior-level dialogue with all key customers, and establish customer relationships on a global basis as required, complemented by a broad local servicing capability

We provide technical customer training and participate in industry forums and events

How the Board engaged in 2025

The Chief Executive maintained a regular dialogue with a range of the Group's key customers, holding face-to-face meetings with 11 of them

The Board visited a key customer in India, as part of its off-site Board meeting

At each meeting the Board received briefings on the Group's end-markets, and the dynamics of the Group's relationships with its customers. The Board also discussed broader global and macro trends affecting its customers and the actions being taken by the Group to benefit from and mitigate the impact of these

At every Board meeting, the Board reviewed information on the Group's performance against key manufacturing quality targets and was provided with updates on actions undertaken to rectify any significant quality issues or customer complaints

In September, the Board reviewed the progress of Flow Control's North Star initiative to exceed customers' quality ambitions and discussed the roadmap for further improvements

The Board received updates on the steps being taken by the Group to respond to customers' development needs, and the research and development, marketing and new product launch strategies being actioned to respond to these

Outcomes

- Clear understanding of customers' challenges and requirements
- Collaborative customer relationships
- More detailed understanding of quality issues and outcomes
- Investment in enhancement of existing products and development of new innovative products to support customers' needs
- Customer considerations are a key input into strategic planning
- Engagement on sustainability matters



Suppliers and contractors

Why we engage

Maintaining a flexible workforce through the use of contractors and cost-effective access to high-quality raw materials is vital to our success. Our suppliers and contractors are critical to our business.

Issues that matter to them

- Operational performance
- Responsible procurement
- Trust and ethics
- Payment practices

How the business engages

We employ a significant number of directly supervised contractors to work at our customer locations

We conduct regular visits to key suppliers

Senior-level relationships are built with all large suppliers

All suppliers/brokers for major raw materials have regular interaction with the Global Purchasing Team

Dedicated category directors build long-term relationships and product expertise for key raw materials

Our purchasing and supplier-facing staff receive training on modern slavery to assist them in identifying any issues

Vesuvius operates a Sustainable Procurement Policy which sets out the standards that suppliers must adopt in order to supply the Group

We conduct a rigorous and consistent supplier accreditation procedure to ensure compliance with these standards

How the Board engaged in 2025

The Board received regular briefings on supply and purchasing dynamics, and pricing issues for raw materials

The Board received reports on the Group's sustainability progress including supplier accreditator programmes

The Board monitored the Group's compliance activities and approved the Group's annual Modern Slavery Statement

Outcomes

- The services of more than 3,750 directly supervised contractors were utilised in 2025
- 283 suppliers have been rated under our Supplier Sustainability Assessment programme
- 369 active vendors have acknowledged our Sustainable Procurement Policy
- We have a good understanding of the capability and capacity of key suppliers
- Suppliers have a clear understanding of Vesuvius' expectations as an ethical business
- Broader supply chain
- Engagement on sustainability matters

Investors

Why we engage

The support of our equity and debt investors, and continued access to funding, is vital to the performance of our business. We work to ensure that our investors and lenders have a clear understanding of our strategy, performance and objectives, recognising that supportive investors are more likely to provide the Company with funds for expansion. We engage with lenders to ensure that we have clear knowledge and awareness of market sensitivities and trends, and comply with our contractual obligations.

Issues that matter to them

- Shareholder value
- Financial and operational performance
- Strategy and business development
- Dividend and gearing policy
- Sustainability strategy and performance
- Governance
- Transparency and ethical behaviour

How the business engages

Our Head of Investor Relations, Chief Financial Officer and Chief Executive hold regular meetings with key and prospective investors

The Group Treasurer and CFO hold regular meetings with key personnel from banks and other lenders who provide the Group's debt funding

The Group Treasury function maintains an ongoing dialogue with key relationship banks and other local banks in the countries in which Vesuvius operates

The Group's Annual Report provides an overview of the Group's activities. Regular announcements and press releases are published to provide updates on the Group's performance and progress

There is ongoing dialogue with the Company's analysts to address enquiries and promote the business

How the Board engaged in 2025

The Chief Executive and Chief Financial Officer held meetings with key and prospective investors

The Board discussed with its advisers, shareholders' perspectives on the Group's strategy and received presentations on market dynamics and value drivers

The Board received copies of key analysts' notes issued on the Company

The Chairman met with shareholders and discussed the Group's strategy

Ahead of the 2025 AGM, the Chairman contacted the Group's largest shareholders and governance agencies, to invite them to discuss any matters they wished to raise

The Directors attended the AGM to meet with shareholders

Outcomes

- Development of the Group's strategy
- Achieving a long-term shareholder base
- £34.5m returned through our share buyback programme in 2025
- £57.9m paid in dividends in 2025

Section 172(1) Statement continued

Our stakeholders continued

Communities

Why we engage

We work to maintain positive relationships with the communities in which we operate. Our social responsibility activities complement our Values and we encourage our employees to engage with communities and groups local to our operations.

Issues that matter to them

- Career opportunities
- Operational performance
- Transparency and ethical behaviour
- Environmental performance

How the business engages

We provide work experience and internships to local university students and school children

We maintain contact with universities to identify local talent and our businesses attend careers fairs and provide student work placements and internships

Many of our sites sponsor local charitable activities and participate in local volunteering initiatives

We maintain clear oversight and control of the environmental impact of our production sites

We have a clear strategy for carbon reduction in our manufacturing processes

How the Board engaged in 2025

The Board received detailed updates on the Group's sustainability activities

The Board was updated on the CSR activities of our listed Indian subsidiaries during its Board visit to India

Outcomes

- Development of future talent
- Positive contribution by Vesuvius' plants and operations to local communities and charities
- Improved environmental sustainability of the Group's operations

Environmental agencies and organisations

Why we engage

Good environmental management is aligned with our focus on cost optimisation, operational excellence and long-term business sustainability. We engage with appropriate organisations to ensure that we are complying with regulatory requirements, and to publicise our performance.

Issues that matter to them

- Governance and transparency
- Operational performance
- Reporting on performance metrics
- Environmental performance

How the business engages

Vesuvius is a signatory to the UN Global Compact

We publish a full Sustainability Report online which can be accessed via Vesuvius' website

We regularly engage with government agencies who visit our sites and carry out inspections

We respond to environmental research as part of our customers' and suppliers' due diligence processes

We engage with rating agencies and respond to environmental and social responsibility research and questionnaires

How the Board engaged in 2025

The Board monitored progress on the Group's sustainability KPIs and reviewed longer-term plans on sustainability initiatives, including the journey to net zero

The Board received detailed presentations from the VP Sustainability on the Group's progress against its sustainability targets and updates on its ESG ratings

The Board and Audit Committee monitored the Group's progress with its TCFD compliance

Outcomes

- Positive ratings by a range of ESG organisations
- Sustainable business operations
- Supportive relationships with local government agencies

The Strategic Report set out on pages 3 to 72 contains a fair review of our businesses, strategy and business model, and the associated principal risks and uncertainties. We also deliver a review of our 2025 performance and set out an overview of our markets and our stakeholders.

Details of our principles, and our people and community engagement, together with our focus on safety, are also contained in the Strategic Report.

Approved by the Board on 11 March 2026 and signed on its behalf by

Patrick André
Chief Executive

Governance

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Board of Directors



Carl-Peter Forster
Chairman

Appointed to the Board 1 November 2022, and as Chairman on 1 December 2022

Three years on the Board

- Extensive board experience as Chairman and Chief Executive within international listed companies
- Proven strategic and operational skills gained in complex multinational industrial goods and engineering businesses
- Global commercial and engineering experience, including expertise in operational excellence and lean manufacturing

Current external appointments

Carl-Peter is Chair of Keller Group plc and Senior Independent Director at Babcock International Group plc. He is also Chairman of StoreDot, Director of The Mobility House AG, Envisics Ltd, and serves as a Director on the advisory board of Kinexon GmbH.

Career experience

Carl-Peter has spent the majority of his career holding senior leadership positions in some of the world's largest automotive manufacturers, including BMW, General Motors and Tata Motors (including Jaguar Land Rover). Since he stepped down from Tata Motors in 2011, he has served as a director on a wide variety of public and private company boards, including IMI plc from 2012-2021, Rexam plc from 2014-2016 and Geely Automotive Holdings, Hong Kong, as well as Volvo Cars Group from 2013-2019. He served as Chairman of Chemring Group plc from July 2016 to 30 November 2024.



Patrick André
Chief Executive

Appointed to the Board 1 September 2017

Eight years on the Board

- Global career serving the steel industry
- Strong background in strategic development and implementation
- Customer focus and proven record of delivery, with strong commercial acumen
- Drive and energy in promoting his strategic vision

Current external appointments

None.

Career experience

Patrick joined the Group as President of the Vesuvius Flow Control Business Unit in 2016, until his appointment as Chief Executive in September 2017.

Before joining the Group, Patrick served as Executive Vice President Strategic Growth, CEO Europe and CEO for Asia, CIS and Africa for Lhoist company, the world leader in lime production. Prior to this, he was CEO of the Nickel division, then CEO of the Manganese division of ERAMET group, a global manufacturer of nickel and special alloys.



Mark Collis
Chief Financial Officer

Appointed to the Board 1 April 2023

Two years on the Board

- Wealth of international operational experience and leadership skills
- Complements the strong performance-oriented culture and the skills of the management team
- Respected leader for the finance and IT functions

Current external appointments

None.

Career experience

Mark was previously Chief Financial Officer of the Operations business of John Wood Group PLC. He has over 20 years of senior financial experience in a number of international businesses including Amec Foster Wheeler plc and Expro International Group Plc. Mark is a Chartered Accountant qualified with the ICAEW.



Audit & Remuneration Committee members:

- Men: 2
- Women: 3
- Not specified/prefer not to say: N/A



Nomination Committee members:

- Men: 3
- Women: 4
- Not specified/prefer not to say: N/A

Key to Board Committee membership

- A** Audit Committee
- N** Nomination Committee
- R** Remuneration Committee
- Committee Chair

Engagement with the workforce

- E** Carla Bailo serves as the designated Non-executive Director responsible for workforce engagement.

1. Cevian Capital is a shareholder of Vesuvius plc and, at 11 March 2026, held 23.07% of Vesuvius' issued share capital.

The data for this graph was collected by asking individuals to self-report against the categories displayed.



Eva Lindqvist
Senior Independent Director (SID)

Appointed to the Board 15 May 2024

One year on the Board

- Strong engineering background
- Broad and global management skillset in the industrial and service sectors
- Experienced UK governance professional
- Proven management and leadership skills

Current external appointments

Eva currently supports several small companies and non-profit organisations, and serves as a Non-executive Director of CLS Holdings plc and Videndum plc.

Career experience

Eva is an engineer with more than 35 years' experience in global industrial and service businesses. She spent 20 years with Ericsson, focusing on strategy, production development and international sales, and then became Senior Vice President and Chief Executive of Telia, the Scandinavian telecommunications company. She has served on the board of a range of listed companies including Acast AB, Bodycote plc, Keller Group plc, Mr Green & Co AB, Sweco AB, Tarsier AB, Greencoat Renewables plc and Tele2 AB. She is a member of the Royal Swedish Academy of Engineering Sciences.



Dinggui Gao
Non-executive Independent Director

Appointed to the Board 1 April 2021

Four years on the Board

- Strong operational experience driving performance in multinational companies
- Proven track record of leadership and international commercial experience
- Strong focus on technology and in-depth knowledge of Asian markets

Current external appointments

None.

Career experience

Dinggui has 40 years of operational experience having worked in multinational companies including Bosch, Honeywell, Eagle Ottawa and Sandvik AB. Between 2017 and 2021 he was Managing Director, China of Formel D Group, the German global service provider to the automotive and components industry. Between 2021 and 2024 he served as a Non-executive Director of Intracom Europe B.V. and between 2021 and 2025 Dinggui was an Operating Partner of CITIC Capital Holdings Ltd.



Carla Bailo
Non-executive Independent Director

Appointed to the Board 1 February 2023

Three years on the Board

- Strong engineering and product management experience
- Research and development background gained during more than 40 years working in the automotive industry
- International experience and extensive knowledge of US markets

Current external appointments

Non-executive Director of Advance Auto Parts, Inc. and the Gatik Safety Advisory Council.

Career experience

Carla was President and CEO of the Center for Automotive Research (CAR) in the US for five years, until she stepped down in September 2022. Prior to joining CAR, Carla was Assistant Vice President for Mobility Research and Business Development at The Ohio State University. She spent 25 years at the Nissan Motor Company, culminating as Senior VP, Research and Development, Americas and Total Customer Satisfaction. Carla was a Non-executive Director of EVe Mobility Acquisition Corp. until February 2024 and of SM Energy Company until February 2026.



Friederike Helfer
Non-executive Director

Appointed to the Board 4 December 2019

Six years on the Board

- An experienced strategist, with strong analytic capability
- Commercial acumen and a strong track record of working with a portfolio of companies to identify scope for operational and strategic improvement

Current external appointments

Partner of Cevian Capital.¹

Career experience

Friederike is a Partner of Cevian Capital. She joined Cevian in 2008 and served as a Non-executive Director on the boards of thyssenkrupp AG from 2020 to 2023 and Valmet Oyj from 2013 to 2017. These are both companies in which Cevian was also invested. Prior to joining Cevian, Friederike worked at McKinsey & Company. She is a CFA Charterholder.



Italia Boninelli
Non-executive Independent Director

Appointed to the Board 1 June 2024 and as Chair of the Remuneration Committee from 31 July 2024

One year on the Board

- Experienced HR practitioner with a broad range of international experience
- 30+ years' experience of people management
- Proven management and leadership skills

Current external appointments

Serves on the advisory board of Conquer AI.

Career experience

Italia has served as a strategic human resources director in a variety of industries (including mining, healthcare and financial services), most recently at AngloGold Ashanti and Gold Fields Ltd. Her roles have included responsibility for employees across South Africa, Australia, the United States, UK, Germany, Belgium, Hong Kong and several Latin American countries. She served as a Non-executive Director and member of the remuneration committee of Polymetal International PLC from 2019 until 2022.



Robert MacLeod
Non-executive Independent Director

Appointed to the Board 1 September 2023 and as Chair of the Audit Committee from AGM 2024

Two years on the Board

- Qualified Chartered Accountant, with significant experience in large multinational companies
- Knowledgeable corporate and operational finance professional
- Wealth of general management and financial leadership experience

Current external appointments

Non-executive Director and Chair of the Audit and Risk Committee of Balfour Beatty plc, Senior Independent Director of the British Standards Institution, and Non-executive Member of the Defence Science and Technology Laboratory.

Career experience

Robert was CEO of Johnson Matthey PLC from 2014 to 2022 and Group Finance Director from 2009 to 2014. Prior to this he worked at WS Atkins PLC, latterly as Group Finance Director. He served as a Non-executive Director of RELX plc until April 2025.

Group Executive Committee



Patrick André
Chief Executive

Ten years with the Group

For biographical details, please see the Board of Directors on page 74.



Mark Collis
Chief Financial Officer

Two years with the Group

For biographical details, please see the Board of Directors on page 74.



Manuel Delfino
President, Foundry

Twenty-two years with the Group

Appointed President, Foundry in July 2025. Manuel joined the Group in September 2003 and has built extensive leadership experience across Vesuvius' Steel, Foundry and Sensors & Probes businesses. He has lived and worked in Venezuela, Colombia, Brazil, Germany, Mexico and the US where he most recently served as Vice President, Flow Control North America. Manuel is a mechanical engineer and holds an MBA from IESA in Venezuela. He has also completed the Advanced Management Program at INSEAD.

Manuel is based in London, UK.



Pascal Genest
President, Flow Control

Five years with the Group

Appointed President, Flow Control in January 2021. Pascal joined the Group from GFG Alliance where he held the position of CEO Liberty Ostrava in the Czech Republic. Prior to this he was CEO of SULB in Bahrain. Pascal has 20 years' experience working in the steel industry, mainly with ArcelorMittal. He has also worked in consulting, in private equity and in the aluminium industry.

Pascal is based in London, UK.



Nitin Jain
President, Advanced Refractories

Four years with the Group

Appointed as Deputy President, Advanced Refractories on 1 July 2024 and as President, Advanced Refractories on 1 January 2025. Nitin joined Vesuvius in March 2021 as Regional Vice President, Steel India and South East Asia. Prior to this he served as Managing Director India and Market Director Asia, for Imerys S.A. He has worked in leadership roles in mergers and acquisitions, operations, product management, and sales and technology, in both North America and Asia.

Nitin is based in London, UK.



Henry Knowles
General Counsel and
Company Secretary

Twelve years with the Group

Appointed as General Counsel and Company Secretary in September 2013. Prior to joining Vesuvius, Henry spent eight years at Hikma Pharmaceuticals PLC, a generic pharmaceutical manufacturer with significant operations in the Middle East, North Africa and the US where he held the roles of General Counsel and Company Secretary. Henry is also responsible for the Group's Intellectual Property function.

Henry is based in London, UK.



Agnieszka Tomczak
Chief HR Officer

Seven years with the Group

Appointed as Chief HR Officer in October 2018. Agnieszka has over 30 years of senior leadership experience in multinational companies spanning various business sectors and industries. Prior to joining Vesuvius, she spent 12 years at ICI, which was subsequently acquired by AkzoNobel, in regional and global HR roles.

Agnieszka is based in London, UK.

Changes to the Group Executive Committee (GEC)

Karena Cancilleri, President, Foundry, left the Group at the end of March 2025 and Manuel Delfino was appointed President, Foundry effective 1 July 2025. During the interim period between 1 April 2025 and 1 July 2025, Patrick André took direct responsibility for the management of the Foundry Division.

Chairman's governance letter

Dear Shareholder,

On behalf of the Board, I am pleased to present Vesuvius' Corporate Governance Statement for the year ended 31 December 2025.

The Board is responsible for providing effective leadership, setting the Company's purpose and strategy, overseeing the implementation of the strategy by management, and monitoring the Company's culture to ensure it remains aligned with the purpose and provides a safe, healthy environment in which our people can operate.

This Statement provides an insight into the governance structure and activities of the Board and its Committees during the year. It also describes how the Group has complied with the Principles of the UK Corporate Governance Code (the Code) in 2025. The table on page 78 signposts where detailed information on each section of the Code, and its associated Principles, can be found.

The Board's key focus in 2025 was on continuing to support management in pursuit of the Group's strategy. Amongst other things, it did this by overseeing the acquisition of a stake in PiroMET, a Turkish company, which will strengthen our Advanced Refractories business in EEMEA and for which the Board gave its approval in 2024, as well as with the acquisition in November 2025 of the Molten Metals Systems business from Morgan Advanced Materials Plc. This acquisition has increased the Group's exposure to the fast-growing non-ferrous market segment and to India.

The Board, the constitution of which remains unchanged from last year, underwent an externally facilitated performance evaluation in FY25, details of which can be found in the Nomination Committee report on page 96. This evaluation recognised it had been a challenging year for the Board in managing the Group's activities, but concluded that, overall, the Board and its Committees were operating effectively, and were considered to be well-composed with a good, diverse range of skills and members who are highly experienced across different industrial sectors and geographies.

Carl-Peter Forster
Chairman
11 March 2026



In this section

Board of Directors on **p74 and 75**

Group Executive Committee on **p76**

Corporate Governance Statement **p78 to 124**

Board Report **p78**

Board leadership and Company purpose on **p79**

Division of responsibilities on **p82**

Audit Committee report on **p87 to 91**

Nomination Committee report on **p92 to 96**

Directors' Remuneration Report on **p97 to 124**

Also see:

Group's statement of purpose on **p79**

Strategic Report on **p3 to 72**



Corporate Governance Statement

Board Report

2024 UK Corporate Governance Code

The Company applied the Principles of the 2024 UK Corporate Governance Code (the Code), and was fully compliant with its Provisions, throughout the year ended 31 December 2025. A copy of the Code can be found on the FRC website at: www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/.

Information availability

Board leadership and Company purpose	<p>The Corporate Governance Statement (CG Statement) on pages 78 to 124 gives information on the Group's compliance with the Principles relating to the Board's leadership and Company purpose.</p> <p>More detailed information on:</p> <ul style="list-style-type: none"> – The Group's statement of purpose can be found on page 79 – The Group's strategy, resources and the indicators it uses to measure performance can be found on pages 12, 14 and 15, 6 and 7, 16 and 17, and 36 and 37, respectively – The Group's engagement with stakeholders and the Group's Section 172(1) Statement is contained in the Section 172(1) Statement and stakeholder engagement section on pages 68 to 72 – The Group's approach to workforce matters can be found in the Our people section on pages 24 to 27, with further details of the Group's approach to employee involvement and engagement contained in the Section 172(1) Statement on page 69 <p>Details of the Group's framework of controls is contained in the Audit Committee report on pages 89 and 90 of the CG Statement and in the Risk, viability and going concern section on pages 63 and 64.</p>
Division of responsibilities	<p>The CG Statement describes the structure and operation of the Board. The Nomination Committee report, on page 96, describes the process the Company conducts to evaluate the Board, to ensure that it continues to operate effectively, that individual Directors' contributions are appropriate and that the oversight of the Chairman promotes a culture of openness and constructive yet challenging debate.</p>
Composition, succession and evaluation	<p>Details of the skills, experience and knowledge of the existing Board members can be found in the Board biographies contained on pages 74 and 75. Information on the Board's appointment process and approach to succession planning and Board evaluation is contained in the Nomination Committee report on pages 92 to 96 of the CG Statement.</p>
Audit, risk and internal control	<p>Information on the policies and procedures the Group has in place to monitor the effectiveness of the Group's Internal and External Audit functions and the integrity of the Group's financial statements is contained in the Audit Committee report on pages 88 to 90 of the CG Statement, along with an overview of the procedures in place to maintain an effective risk management and internal control framework. Further information on the Group's approach to risk management is contained in the Risk, viability and going concern section of the Strategic Report on pages 61 to 67. The Board believes the 2025 Annual Report to be a fair, balanced and understandable assessment of the Company's position and prospects. A description of the Audit Committee's work in enabling the Board to reach this conclusion is contained in the Audit Committee report on page 89.</p>
Remuneration	<p>The Company's approach to investing in and rewarding its workforce is described in the Our people section on pages 24 to 27. The Directors' Remuneration Report section of the CG Statement describes the Group's approach to Directors' remuneration, including the procedure for developing policy and the Remuneration Committee's discretion for authorising remuneration outcomes. It also includes information about the remuneration consultants appointed by the Remuneration Committee. Details of the linkage of the Directors' Remuneration Policy with long-term strategy is contained on page 97 and also highlighted on pages 16 and 17, and 36 and 37 in the sections on Key Performance Indicators.</p>

The aforementioned sections are incorporated into the Corporate Governance Report by reference.

Board leadership and Company purpose

The Board is responsible for leading the Group in an efficient and entrepreneurial manner, establishing the Group's purpose and strategy, and satisfying itself that these are aligned with the Group's culture. It focuses primarily on strategic and policy issues and is responsible for ensuring the long-term sustainable success of the Group. It also oversees the allocation of resources and monitors the performance of the Group in pursuit of this strategy. It is responsible for effective risk assessment and management of the Group's risk profile. When carrying out these duties, the Board has regard to the interests of the Group's key stakeholders and is cognisant of the potential impact of its decisions on the wider society.

Purpose

Vesuvius is a global leader in molten metal flow engineering and technology, serving process industries operating in challenging high-temperature conditions. We think beyond today to create the innovative solutions that will shape the future, delivering products and services that help our customers make their industrial processes safer, more efficient and more sustainable. We aim to deliver sustainable, profitable growth to provide our shareholders with a superior return on their investment. We provide our employees with a safe place to work, where they are recognised, developed and properly rewarded.

Information on the Group's strategic targets can be found on page 12. The Board has identified a number of Key Performance Indicators (KPIs) which provide information on key aspects of the Group's financial and non-financial performance. Reviewing this information assists the Board in assessing progress with the execution of the Group's strategy and determining any remedial action that needs to be taken. Detailed information on the Group's financial and non-financial KPIs can be found on pages 16 and 17, and 36 and 37, respectively.

The Group has established a framework of controls to enable risk to be assessed and managed. Further information on this can be found in the Audit Committee report, risk and internal control section on page 89.

Sustainability

Vesuvius recognises that lasting business success is measured not only in financial performance but in the way in which the Group deals with its stakeholders, namely its customers, suppliers, business associates, employees, investors and local communities. Our sustainability strategy supports the Group's key strategic objectives which are focused on creating a better tomorrow in a profitable and sustainable way. The Board has set specific targets concentrated on ways in which the Group can improve its impact on our planet, our communities and our people, and improve the impact of our customers through a process of continuous improvement and the development of new and innovative products. The Board monitors these targets and oversees the output of the Sustainability Council in spearheading new activities to enhance Group performance. Further information can be found in the Non-Financial and Sustainability Information Statement on pages 35 to 60.

Culture

The Board monitors the corporate culture of the Group. The Group's CORE Values – Courage, Ownership, Respect and Energy – define our behaviours across the business and are the practical representation of the culture we seek to foster, aligning with the Company's purpose and strategy, and supporting our governance and control processes. These Values are prominently displayed at all sites. Our CORE Values are reinforced in our performance management systems, which ensure that they are firmly embedded in our day-to-day conversations and behaviours. Further detail can be found on page 57.

The CORE Values are supported by the Group's Code of Conduct which sets out the standards of conduct expected, without exception, of everyone who works for Vesuvius in all of its worldwide operations. The Code of Conduct emphasises the Group's commitment to ethical behaviour and compliance with the law. It also covers every aspect of Vesuvius' approach to business – from the way in which the Group engages with its customers, employees, markets and each of its other stakeholders, through to the safety of employees and their places of work. Everyone within Vesuvius is held individually accountable for upholding these standards.

The Board seeks to ensure that the Group's workforce policies and practices are consistent with the Group's long-term sustainable success. Further information about these policies can be found in the Our people and A responsible company sections of the Annual Report on pages 24 to 27 and 57 to 60 as well as on our website at www.vesuvius.com. Additional information on the Group's approach to diversity can be found in the Nomination Committee report on pages 94 and 95. Information on the Group's Speak Up confidential employee concern helpline is set out on page 81.

Board site visits

The Non-executive Directors undertook an extensive programme of site visits in 2025. A full off-site Board visit was held in India, with Directors visiting Vesuvius' sites in Kolkata, Pune and Visakhapatnam, together with a customer's Vijayanagar steel mill. In addition, the Non-executive Directors visited sites in Ghlin in Belgium, Piedade and São Paulo in Brazil, Welland in Canada, Borken and Großsalmerode in Germany, and Skawina in Poland, during the year. The visits provided the Board with the opportunity to meet local management, and hear firsthand about business performance, and local opportunities and challenges. During the visits the Directors were also able to interact with a cross-section of employees, from various functions and organisational levels. The majority of visits included holding 'town hall' meetings, which provided the Non-executive Directors with the opportunity to engage with the workforce to hear the views of employees and answer their questions about the Company and its progress. The Non-executive Directors were able to engage in discussions on culture and purpose, and provided direct feedback at subsequent Board meetings on their perceptions of each site and any potential areas for improvement. This also allowed for the highlighting of examples of best practice that could be shared more widely.

Corporate Governance Statement continued

Assessment of culture

During the year, the Board's assessment of the Group's culture considered the following:

Adherence to the CORE Values

The Board focused on ensuring that there was a consistent culture across the Group, underpinned by the CORE Values. During their site visits, referred to above, together with the site visits undertaken by the Chief Executive and Chief Financial Officer throughout the year, the Directors as a whole also assessed the extent to which the Values were understood and motivated employee behaviour. They then reported back on their individual findings. In 2025, nominations were once again sought for the Group's peer-nominated Living the Values Awards. The Board was delighted that there were over 900 nominations, showcasing examples of individuals and teams delivering on and going beyond the CORE Values. Regional Managers and members of the Group Executive Committee presented regional and global awards as part of the process of recognising those individuals who exemplify our Values. The global awards presentation was hosted online to allow all employees to join and celebrate the examples of Vesuvius' Values in action.

Commitment to safety

At each meeting during the year, the Board received an update on material safety issues affecting the Group's employees. The Board receives reports at every Board meeting on the Group's performance against safety targets and reviews all Lost Time Incidents and the follow-up action taken. In addition, the Board also received two reports on the progress of the Group's safety programmes. During the year, the Directors used their individual site visits to assess each site's commitment to safety, and the Executive Directors and Group Executive Committee members' Long-Term Incentives include a safety target alongside other sustainability measures. A core tenet of the Group's Sustainability initiative is a focus on ensuring the Group affords a safe working environment to all its employees. The Board has set a Group safety target of less than one Lost Time Injury per million hours worked. This equates to an average of less than two work-related Lost Time Injuries or lost time illnesses per month. The Board remains encouraged with the progress made in safety initiatives, although following the record low in 2024, the rate of Lost Time Injuries increased to 0.7 in 2025. This was as a result of a slight deterioration in the number of injuries and a small number of incidents that occurred at sites acquired during the year, where the level of safety maturity is not the same as the wider Vesuvius Group. It is a key focus of the integration of any acquisition that the acquired businesses operate at the same level of commitment to safety as the existing Group. The Board continues to recognise the further work required to reach the Group's ultimate aim of zero accidents.

Sadly, in 2025, the Group suffered the loss of a colleague when returning from a business trip. This tragic accident serves as a clear reminder to all in the Group about how essential our commitment to safety must continue to be.

Entrepreneurship

As part of the Board's rolling agenda, the Board received reports from each Business Unit President on their business strategy, new commercial initiatives and future technology trends. The Board also received reports on the key commercial achievements across the Business Units as part of regular reporting from the Chief Executive. As discussed in the Nomination Committee report on page 95, the Nomination Committee supported this agenda by monitoring the recruitment, development and retention of key talent across the Group to execute the Group's strategy.

Transparency

The engagement and openness of the senior managers who presented to the Board and Committees during the year, along with the employees the Board met during site tours, was assessed in terms of the Group's culture. These firsthand reviews were supported by the Directors' regular review of the output of the Group's Speak Up processes. As discussed in the Audit Committee report on page 90, qualitative feedback from External and Internal Audit was sought by the Audit Committee as to how transparent/engaged managers had been throughout audit interactions.

Customer focus

In 2025, the Board received detailed briefings on the Group's key customers, and their concentration, diversity and core challenges, alongside information on the state of the Group's markets. They also reviewed the initiatives undertaken in the Company to understand value drivers at our customers, to underpin our solutions-focused business model, and communicate the value contributed to customers by our products. The Chief Executive provided updates on key customer issues, and undertook a range of customer visits, meeting face-to-face with customers to discuss business challenges and future prospects. During the Board site visit to India in September, the Directors visited a key Steel Division customer to hear their views on the Vesuvius offering.

Throughout the year, the Board also received regular updates on quality performance, with detailed analysis of any specific quality issues.

Diversity and respect for local cultures

The Board met its diversity target in 2024, and in 2025 women continued to occupy 44% of directorships on the Board. The Nomination Committee continued to monitor progress on the achievement of the Group's gender diversity target. We had set a target to achieve 25% female representation in the Senior Leadership Group, which comprises c. 150 individuals, by 2025. At the end of 2025, women represented 21% of this Group. We will continue to strive to achieve this target going forward. The Board also reviewed the results of the employee engagement survey.

Whistleblowing policy

Speak Up

All Vesuvius employees can speak up without fear of retaliation, either to Vesuvius management or via independent channels. The operation of our Speak Up policy is overseen by the Board. Details of it are provided on the internal Vesuvius website and communicated by local language posters in all our locations. A third-party operated confidential Speak Up service is available 365 days per year, 24 hours per day, to anyone wishing to raise concerns anonymously or in situations where they feel unable to report directly. Details of the portal can also be found on the Vesuvius website. This independent facility supports online reporting through a web portal and reporting by phone or by voicemail. Ensuring global accessibility, employees can communicate in any of our 29 functional languages.

All reports received are reviewed and, where appropriate, investigated, and feedback is provided to the reporter via the helpline portal. Vesuvius' Speak Up service is highlighted during internal compliance training and new joiner inductions. No Vesuvius employee will ever be penalised or disadvantaged for reporting a legitimate concern in good faith. Reports received via Speak Up channels are managed by the dedicated Ethics and Compliance team under the supervision of the Group Head of Compliance and the General Counsel. When received, reports are assessed for risk and category of concern. All reports are considered in line with a protocol for review, investigation, action, closure and feedback, independent of management lines where necessary, and involving senior Business Unit or HR management as appropriate. For complex issues, formal investigation plans are drawn up, and support from external experts is engaged where necessary.

Feedback is recognised as an important element of the Speak Up process and we aim to acknowledge all cases within seven days of receipt. The Group monitors the volume, geographic distribution and range of reports made to the Speak Up facility to ascertain whether there are significant regional compliance concerns, or particular themes that recur, and whether this indicates that there are countries where access to this facility is less well understood or publicised.

During 2025, the Board received updates on the nature and volume of reports received by the confidential Speak Up helpline, key themes emerging from these reports, and the results of investigations undertaken. Further details on specific issues were provided where requested. In 2025, the Group received a total of 410 concerns and questions via Speak Up channels. Each one of these was reviewed and, where appropriate, investigated. 18% of all reports were attributed to routine business process management matters and channelled for management resolution in accordance with the appropriate business process. In 2025, the average time from report registration to case closure was 49 days, which is in line with best practices for internal investigations, where cases are typically closed within 90 days. Similar to prior years, the majority of these reports related to HR issues, followed by business integrity and health and safety matters. Of the small number of reports received that contained allegations of violations of our Code of Conduct, thorough investigations were carried out and, where appropriate, disciplinary action was taken.

Section 172 duties

The Directors are cognisant of the duty they have under Section 172 of the Companies Act 2006 to promote the success of the Company over the long term for the benefit of shareholders as a whole, whilst also having regard to a range of other key stakeholders. In performance of its duties throughout the year, the Board had regard to these duties and remained cognisant of the potential impact on these stakeholders of the Group's activities. Details of the Board and the Company's engagement with stakeholders during the year can be found in the Section 172(1) Statement on pages 69 to 72.

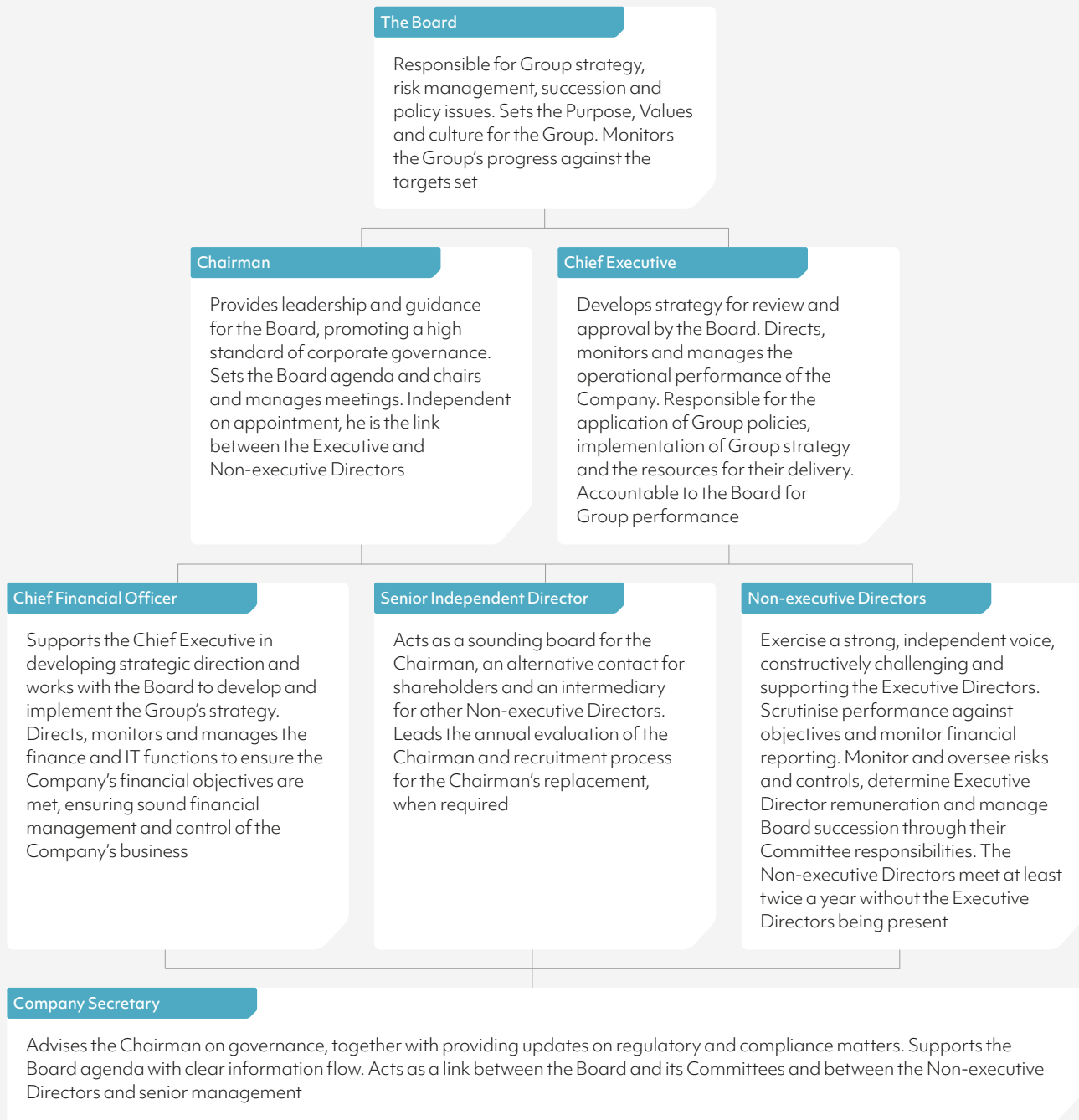


Corporate Governance Statement continued

The Chairman and Chief Executive

The division of responsibilities between the Chairman and the Chief Executive is set out in writing. These role descriptions were reviewed during the year as part of the Company's annual corporate governance review. They are available to view on the Company's website: www.vesuvius.com.

Division of responsibilities



The Board

The Board has a formal schedule of matters reserved to it and delegates certain matters to its Committees. It is anticipated that the Board will convene on seven occasions during 2026, holding ad hoc meetings to consider non-scheduled business if required.

Directors' independence

The Board considers that, for the purposes of the UK Corporate Governance Code, 62.5% of the Board – five of the current Non-executive Directors (excluding the Non-executive Chairman), namely Carla Bailo, Italia Boninelli, Dinggui Gao, Eva Lindqvist and Robert MacLeod, are independent of management and free from any business or other relationship which could affect the exercise of their independent judgement. Friederike Helfer is a Partner of Cevian Capital, which continues to hold 23% of Vesuvius' issued ordinary share capital (excluding Treasury shares). As a result, Friederike Helfer is not considered to be independent. The Chairman satisfied the independence criteria on his appointment to the Board. The Board and its Committees have a wide range of skills, experience and knowledge, and further details of each Director's individual contribution in this regard can be found in their biographies on pages 74 and 75.

Board Committees

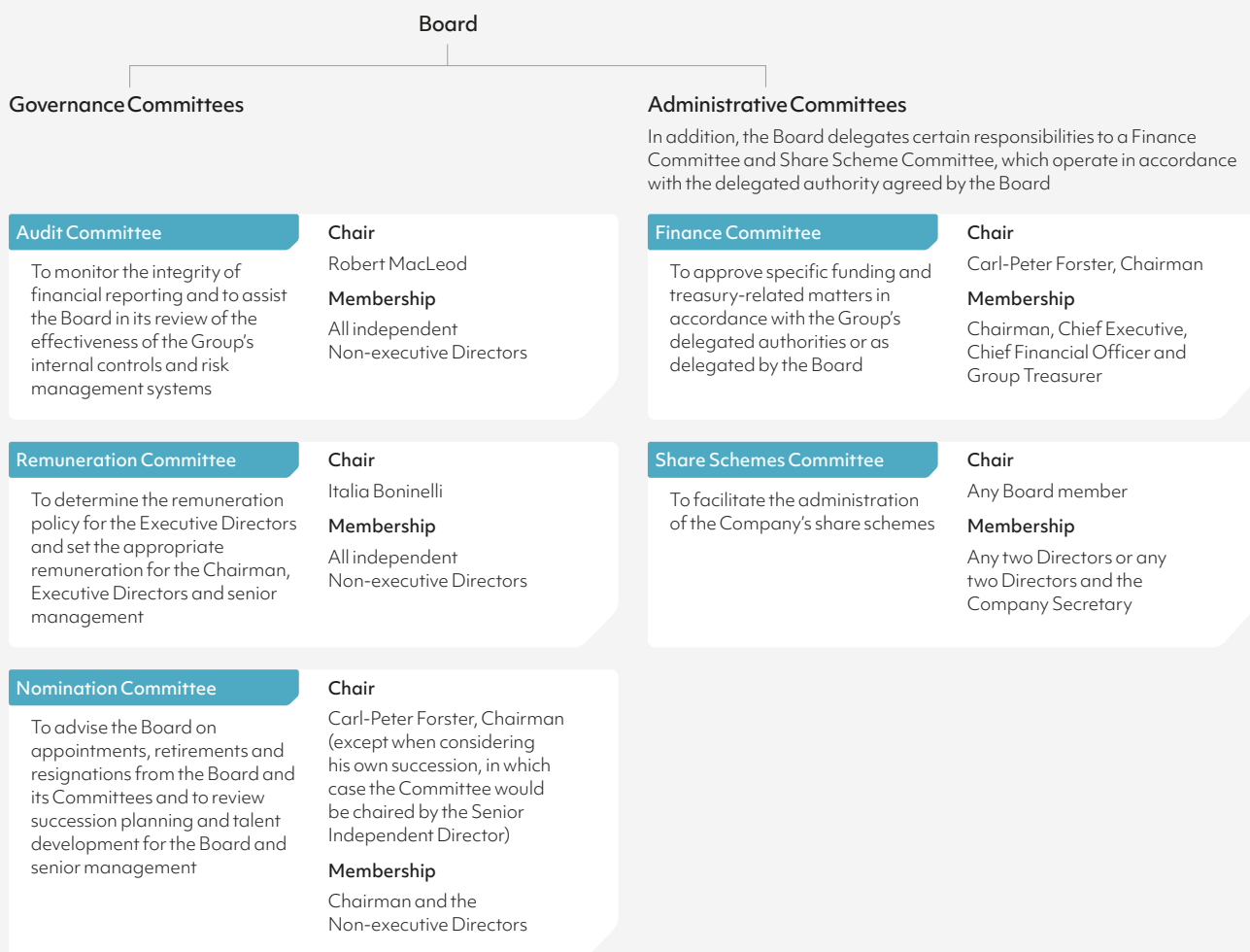
The principal governance Committees of the Board are the Audit, Nomination and Remuneration Committees. Each Committee has written terms of reference which were reviewed and, where applicable, updated during the year to reflect the requirements of the revised UK Corporate Governance Code. These terms of reference are available to view on the Company's website: www.vesuvius.com.

Committee composition is set out in the relevant Committee reports. No one, other than the Committee Chair and members of the Committee, is entitled to participate in meetings of the Audit, Nomination and Remuneration Committees. However, as detailed in the Committee reports, where the agenda permits, other Directors and senior management regularly attend by invitation, supporting the operation of each of the Committees in an open and transparent manner.

The interactions in the governance process are shown in the schematic below and on the facing page.

Group Executive Committee

The Group also operates a Group Executive Committee, which is convened and chaired by the Chief Executive and assists him in discharging his responsibilities. During 2025, the GEC comprised the Chief Executive, Chief Financial Officer, the main Business Unit Presidents, the Chief HR Officer and the General Counsel/ Company Secretary. The GEC met for six formal multi-day meetings and two R&D reviews during 2025.



Corporate Governance Statement continued

2025 Board programme

The Board discharges its responsibilities through an annual programme of meetings.

At each of the regularly scheduled meetings, a number of standard items were considered.

These included:

- Directors' duties, including those in respect of S172, and conflicts of interest
- Minutes of the previous meeting and matters arising
- Reports from the Chief Executive (CE) and the Chief Financial Officer (CFO) on key aspects of the business, and from the General Counsel and Company Secretary on governance matters

In 2025, the Board focused on key areas of strategy, performance and governance, including the matters outlined below:

Strategy	<ul style="list-style-type: none"> – Reviewing M&A opportunities – Approving the acquisition of the Molten Metal Systems business from Morgan Advanced Materials Plc – Receiving and reviewing reports on strategy from the Flow Control, Advanced Refractories, Foundry and Sensors & Probes Business Units – Receiving and reviewing regular reports from the CE on the implementation of the Group's strategic objectives, and monitoring the Group's achievement of its cost-saving targets – Reviewing the progress of the Group's sustainability agenda, including receiving updates on the Group's health, safety and environmental objectives – Reviewing the development and implementation of an enhanced manufacturing quality recording and reporting system – Participation in a two-day off-site review of strategy attended by the three main Business Unit Presidents and the Company's key financial advisers – Receiving and considering a progress report on the Group's R&D strategy and objectives – Receiving and considering an update on the Group's People strategy and objectives – Receiving and considering reports on the Group's key customers, its legal and compliance activities and the management of the Group's key litigation
Performance	<ul style="list-style-type: none"> – Receiving regular business reports from the CE on business highlights including the Divisions' commercial activities, changes in the Group's markets and procurement practices – Receiving regular reports on the Group's financial performance against key indicators – Receiving biannual reports on progress against the Group's sustainability targets and reviewing updated targets for 2025 to 2030 – Receiving regular safety reports and summaries of the investigations conducted after serious safety incidents – Receiving regular reports on performance against product quality targets – Scrutinising the Group's financial performance and forecasts – Reviewing and agreeing the annual budget and financial plans – Approving the Group's trading updates, and preliminary and half-year results announcements
Governance	<ul style="list-style-type: none"> – Receiving regular reports from the Board Committees – Approving the Annual Report and Notice of AGM – Approving the payment of the interim dividend, and approving the recommendation of the payment of the final dividend subject to shareholder approval – Reviewing the Group's internal controls, risk management practices and risk appetite, monitoring the Group's key risks and approving the Group's risk register – Reviewing and approving the Group's Modern Slavery Statement – Reviewing information received through the Group's Speak Up reporting processes, including investigation outcomes – Reviewing the Group's external sustainability ratings – Approving the Group's UK tax strategy – Reviewing and approving the level of fees for the Non-executive Directors – Completing an evaluation of the Board and Committees' performance, and reviewing progress against the improvement actions identified in the 2024 Board evaluation – Reviewing the Board's engagement with employees, including feedback from the Directors' site visits and the results of the Group engagement survey – Receiving regular updates on corporate governance and regulatory developments, and conducting the formal annual review of the Group's governance arrangements

Information and support

The Board ensures that it receives information in a timely manner and of a quality that enables it to adequately discharge its responsibilities. Papers are provided to the Directors in advance of the relevant Board or Committee meeting to enable them to make further enquiries about any matters prior to the meeting should they wish. This also allows Directors who are unable to attend to submit views to the relevant Chair in advance of the meeting.

In addition to the formal Board processes, the Chief Executive provides updates on important Company business issues between meetings, and the Board is provided with regular reports on key financial and management information. The Directors also receive regular updates on shareholder matters, together with copies of analysts' notes issued on the Company. For the distribution of all information, Directors have access to a secure online portal, which includes a reference section containing relevant background information.

All Directors have access to the advice and services of the Company Secretary.

There is also an agreed procedure in place for Non-executive Directors, in the furtherance of their duties, to take independent legal advice at the Company's expense.

Directors' conflicts of interest

The Board has established a formal system to authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Company (situational conflicts). Directors declare situational conflicts so that they can be considered for authorisation by the non-conflicted Directors.

In considering a situational conflict, the non-conflicted Directors act in a way which they consider would be most likely to promote the success of the Company and its stakeholders. This means they may impose limits or conditions when giving authorisation as they think appropriate.

The Company Secretary records the consideration of any conflict and any authorisations granted. The Board believes that the approach it has in place for reporting situational conflicts continues to operate effectively. The Board has authorised (subject to certain exceptions) any potential or actual conflicts of interest that might arise as a result of Ms Helfer's role as a Partner of Cevian Capital AG.

Board and Committee attendance

The attendance of Directors at the Board meetings held in 2025, and at meetings of the principal Committees of which they are members, is shown in the table below. The maximum number of scheduled meetings in the period during which the individual was a Board or Committee member is shown in brackets.

	Board	Audit Committee	Remuneration Committee	Nomination Committee	% attendance ¹
Chairman					
Carl-Peter Forster	7 (7)	–	–	4 (4)	100%
Executive Directors					
Patrick André	7 (7)	–	–	–	100%
Mark Collis	7 (7)	–	–	–	100%
Non-executive Directors					
Carla Bailo	7 (7)	4 (4)	6 (6)	4 (4)	100%
Italia Boninelli	7 (7)	4 (4)	6 (6)	4 (4)	100%
Dinggui Gao	7 (7)	4 (4)	6 (6)	4 (4)	100%
Friederike Helfer	7 (7)	4 (4)	6 (6)	4 (4)	100%
Eva Lindqvist	7 (7)	4 (4)	6 (6)	4 (4)	100%
Robert MacLeod	7 (7)	4 (4)	6 (6)	4 (4)	100%

1. The table reflects the number of Board and Committee meetings that the Directors could have attended during the year.

The Chairman and Non-executive Directors have letters of appointment which set out the terms and conditions of their directorship. An indication of the anticipated time commitment is provided in recruitment role specifications, and each Non-executive Director's letter of appointment provides details of the meetings that they are expected to attend, along with the need to accommodate travelling time. Non-executive Directors are required to set aside sufficient time to prepare for meetings, and to regularly refresh and update their skills and knowledge.

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 are available for inspection at the location of the Annual General Meeting (AGM) for 15 minutes prior to and during each AGM.

All Non-executive Directors have agreed to commit sufficient time for the proper performance of their responsibilities, acknowledging that this will vary from year to year depending on the Group's activities. This time commitment allows for visiting operational and customer sites around the Group. The Chairman in particular dedicates a significant amount of time to Vesuvius in discharging his duties.

Corporate Governance Statement continued

Directors are expected to attend all scheduled Board and Committee meetings and any additional ad hoc meetings as required. Each Director's other significant commitments are disclosed to the Board during the process prior to their appointment and they are obliged to notify the Board of any subsequent changes.

The Company has reviewed the availability of the Chairman and the Non-executive Directors when performing their duties and continues to consider that each of them can, and in practice does, devote the necessary amount of time to the Company's business.

Composition, evaluation and succession

Appointment and replacement of Directors

The Company's Articles of Association specify that Board membership should not be fewer than five nor more than 15 Directors, save that the Company may, by ordinary resolution, from time to time, vary this minimum and/or maximum number. The Articles also specify that, at every AGM, any Director who has been appointed by the Vesuvius Board since the last AGM, together with any Director who held office at the time of the two preceding AGMs and who did not retire at either of them, shall retire from office. However, in accordance with the requirements of the Code, all Directors will offer themselves for re-election at the 2026 AGM. The Board believes that each of the current Directors continues to be effective and demonstrates commitment to their respective role. Accordingly, the Board recommends that shareholders approve the resolutions to be proposed at the 2026 AGM relating to the election of the Directors. Biographical details of the Directors offering themselves for election, including details of their other directorships and relevant skills and experience, will be set out in the 2026 Notice of AGM. The Directors' biographies are also set out on pages 74 and 75 of this Annual Report.

As explained in the Nomination Committee's report on page 93, recommendations for appointments to the Board are made by the Nomination Committee, which is also responsible for overseeing the maintenance of an effective succession plan for the Board and senior management.

A comprehensive induction programme is available to new Directors. The induction programme is tailored to meet the requirements of the individual appointee and explains the dynamics and operations of the Group, and its markets and technology. The induction includes, as a minimum, a series of meetings with key Group executives, along with site visits to the Group's key strategic sites. Further details are set out in the Nomination Committee report on page 94.

The Chairman, through the Company Secretary, continues to ensure that there is an ongoing process to review training and development needs for members of the Board. Directors are provided with details of seminars and training courses relevant to their role and are encouraged to attend them. External input on legal and regulatory developments impacting the business is also given, as appropriate, with specialist advisers invited to the Board and Committee meetings to provide briefings on material developments.

In 2025, regulatory updates were provided as a standing item at each Board meeting in a Secretary's Report and at each Remuneration Committee meeting in a Remuneration Update Report. Information on developments impacting the work of the Audit Committee is provided to the Committee by the Finance team and Auditors. In 2025, the Board received presentations on material topics such as the continuing changes in political and industrial dynamics, and the Audit Committee continued to review the progress of the Company's work on the new corporate reform measures which will require the Board to confirm the effectiveness of the Company's material controls.

Performance evaluation

The Board carries out an evaluation of its performance and that of its Committees and individual Directors, including the Chairman, every year. Details of the evaluation conducted in 2025 can be found in the Nomination Committee report.

Audit, risk and internal control

The Board is responsible for setting the Group's risk appetite and ensuring that appropriate risk management systems are in place. The Audit Committee assists the Board in reviewing the effectiveness of the system of internal control, including financial, operational and compliance controls, and risk management systems. The Group's approach to risk management and internal control is discussed on pages 61-65 and the Group's principal risks and how they are being managed or mitigated are detailed on pages 66 and 67. The Viability Statement which considers the Group's future prospects is included on page 65. Risk management and internal control are also discussed in greater detail in the Audit Committee report.

All of the independent Non-executive Directors serve on both the Audit and Remuneration Committees. They therefore bring their experience and knowledge of the activities of each Committee to bear when considering critical areas of judgement. This means that, for example, the Directors are able to consider carefully the impact of incentive arrangements on the Group's risk profile and ensure that the Group's Remuneration Policy and programme are structured to align with the long-term objectives and risk appetite of the Company.

Remuneration

The Directors' Remuneration Report on pages 97 to 124 is incorporated into this Corporate Governance Report by reference. It describes the work of the Remuneration Committee in developing the Group's policy on executive remuneration, determining Director and senior management remuneration, reviewing workforce remuneration and related policies – including ensuring that these align with the Group's strategic objectives and culture, and overseeing the operation of the executive share incentive plans. It also includes information on the Group's remuneration advisers.

Audit Committee

Robert MacLeod – Committee Chairman

Carla Bailo

Italia Boninelli

Dinggui Gao

Eva Lindqvist

The Company Secretary is
Secretary to the Committee

Dear Shareholder

I'm pleased to present the Audit Committee's report for 2025. The foundation of the Committee's work is a recurring programme of activities which are defined in an annual rolling timetable. The Committee then considers additional items as matters arise or priorities change. In 2025, in conjunction with the CFO, I reviewed the rolling agenda of the Committee to ensure that it remained relevant and that the Committee was addressing the key financial, risk and control, and audit matters. During the year, alongside the usual items of business, the Committee developed a plan for the forthcoming external audit tender, reviewed procurement processes in Brazil, and undertook a 'deep dive' on the Group's inventory. In addition, it received a presentation from the Foundry Finance VP on Foundry finance matters and further updates on the implementation of the finance function strategy, which is focused on enhancing business support, driving efficiency, and strengthening internal controls.

Robert MacLeod
Chair of the Audit Committee
11 March 2026

Membership and attendees

The Audit Committee comprises all the independent Non-executive Directors of the Company. It is chaired by Robert MacLeod who is a Chartered Accountant and served as Finance Director of W.S. Atkins Plc and Johnson Matthey Plc for ten years. Robert's background provides him with the 'recent and relevant financial experience' as required under the Code. The Board considers that the Audit Committee as a whole has competence relevant to Vesuvius' business sector.

The Committee met four times during 2025 and once in 2026 prior to the signing of this Annual Report. The Board Chairman, the non-independent Non-executive Director, the Chief Executive, the Chief Financial Officer, and the Group Head of Internal Audit were all invited to each meeting. Other management staff attended as appropriate.

Between meetings, the Audit Committee encourages open dialogue between the External Auditors, the management team and the Group Head of Internal Audit to ensure that emerging issues are addressed in a timely manner.

Role of the Committee

The Audit Committee is responsible for ensuring that policies and procedures are in place to ensure the independence and effectiveness of the Internal and External Audit functions. It also reviews the effectiveness of the Group's Internal and External Audit functions, in addition to monitoring the integrity of the Group's financial and narrative statements.

The Committee operates under formal terms of reference which were reviewed during the year. They were updated to include the new requirements in relation to the effectiveness of internal controls contained in Provision 29 under the UK Corporate Governance Code with effect from 1 January 2026. Within these terms, the Committee and its individual members are empowered to obtain outside legal or other independent professional advice at the cost of the Company. These powers were not utilised during the year.

The Committee may also secure the attendance at its meetings of any employee or other parties with relevant experience and expertise should it be considered necessary.

Audit Committee continued

How the Audit Committee delivered on its responsibilities in 2025

Financial reporting

- Reviewed the half-year and annual Financial Statements and recommended their approval to the Board
- Reviewed the Preliminary and Interim Results announcements
- Reviewed the significant issues and judgements impacting the financial statements, as described on page 89
- Considered the going concern and viability statements, including the assessment of the significant risks to the business model, and scenario analysis
- Considered compliance with the TCFD reporting requirements
- Reviewed the Group's tax position and Tax Strategy, and recommended that the Board approves the Group's UK tax strategy
- Received a presentation from the VP Finance Foundry on the work of the Foundry finance function
- Undertook a 'deep dive' into the Group's inventory, focusing on the levels of aged inventory and the appropriateness of provisions for obsolete stock
- The Committee advised the Board on whether the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy

External Audit

- Reviewed the 2025 Audit Strategy and approved the engagement letter. Recommended the reappointment of PwC to the Board and agreed the annual fees
- Reviewed reports from PwC, including key accounting and audit judgements
- Monitored independence, objectivity and effectiveness
- Reviewed the findings of the FRC's annual Audit Quality and Inspection Report
- Reviewed and approved the non-audit services provided by PwC
- Reviewed the effectiveness of the External Audit process
- Agreed the plan and timetable for the audit tender process

Risk management and internal control

- Received reports from the Internal Audit function summarising activity and findings, and monitored the actions being taken to address recommendations
- Reviewed the role, effectiveness and resourcing of the Internal Audit function, including for the delivery of the 2025 Internal Audit Plan
- Reviewed and considered the proposed 2026 Internal Audit plan
- Met with the Group Head of Internal Audit without management being present
- Met with the External Auditor without management being present
- Received an update on the Group's approach to managing cyber risk from the Group's CFO and considered the Group's cyber security strategy
- Received regular updates on the progress in implementation of the Group's finance strategy
- Reviewed risk management processes and the effectiveness of internal controls
- Considered the Group's procedures for detecting fraud, and carried out a review of alleged instances of fraud notified to the Committee
- Reviewed the progress of work to standardise and improve the control environment for global purchasing

Governance

- Reported to the Board on how the Committee has discharged its responsibilities
- Arranged for periodic reviews of its own performance and reviewed its constitution and terms of reference to ensure it is operating effectively, and recommended any changes it considered necessary to the Board for approval
- Reviewed the Committee's activities to ensure adherence to the FRC's Minimum Standard
- Monitored the actions being taken by the Company to ensure it would be able to comply with the new Provision 29 requirements of the UK Corporate Governance Code for companies to make a declaration of the effectiveness of material controls
- Approved amendments to its terms of reference and monitored developments in corporate governance
- Reviewed the results of the Committee's performance evaluation, including its effectiveness, as part of the wider Board evaluation process undertaken in 2025

Significant issues and material judgements

The Committee considered the following significant issues taking into account the level of materiality and the degree of judgement exercised by management.

The Committee resolved that the Group and Company have adopted appropriate accounting policies, and that the judgements and estimates made on each of the significant issues detailed below were appropriate.

Impairment of goodwill

The assessment of the carrying value of goodwill involves significant estimates related to future cash flows, long-term growth rates and discount rates.

The Committee received a report from management outlining the methodology, key assumptions and sensitivity analysis.

The Committee considered whether the key assumptions were appropriate and the extent to which the valuation was sensitive to changes.

The Committee was satisfied with the assumptions used and that a sufficient level of headroom remains.

Separately reported items

The Group reports certain items separately where this is considered to provide users with a better understanding of the underlying trading performance of the business. This includes cost reduction programme expenses and acquisition-related expenses. Classification of such items is judgemental.

The Committee reviewed an analysis outlining the nature and materiality of the expenses being reported separately prepared by management, as well as the associated disclosures.

The Committee was satisfied that the items separately reported were appropriate and disclosures sufficiently transparent.

Acquisition accounting

During the year, the Group acquired the Molten Metal Systems business and PiroMET. There is judgement and estimation in accounting for acquisitions, particularly in identifying and valuing assets and liabilities acquired.

The Committee received a paper from management outlining the purchase price allocation exercise. The Committee reviewed the significant judgements and estimates used, noting that third-party experts had been used to support the purchase price allocation. Key estimates such as the expected useful lives, forecast growth rates and customer attrition rates were considered.

The Committee was satisfied that the key assumptions used in valuing intangible assets were reasonable and that the acquisition accounting had been completed appropriately.

Provisions

The Committee continues to monitor the implications of a number of potential exposures and claims arising from litigation, product quality, employee disputes, restructuring, environmental matters, tax disputes and indemnities or warranties outstanding for disposed businesses.

After due consideration and challenge, and having considered legal advice obtained by the Group, the Committee is satisfied that provisions are reasonable, and that adequate disclosure has been made.

Fair, balanced and understandable reporting

The Committee considered all the information available to it in reviewing the overall content of the Annual Report and Financial Statements and the process by which it was compiled, and provided advice to the Board that the Annual Report and Financial Statements taken as a whole are fair, balanced and understandable.

Risk management and internal controls

The Board has overall responsibility for establishing and maintaining a system of risk management and internal control, and for reviewing its effectiveness; the Audit Committee assists the Board in reviewing the effectiveness of the Group's system of internal control, including financial, operational and compliance controls, and risk management systems.

Committee members participated in the Board assessment of existing and emerging risks and ongoing mitigating actions. In 2025, considerable work was undertaken by management in preparation for the new Provision 29 requirements of the UK Corporate Governance Code which became effective on 1 January 2026. This included a detailed analysis of the Group's principal risks, disaggregating these into sub-risks, and reviewing how these are managed and mitigated. As a result of this review, the Committee agreed that the Protectionism and globalisation risk and the Environmental, Social and Governance risk would no longer be considered separate principal risks, as they could be captured within the End-markets and Innovation risks, respectively.

The Committee considered the Company's going concern and viability statements, including the nature, quantum and effects of the combination of the unlikely but significant risks to the business model, future performance, solvency and liquidity of the Group. The Committee was satisfied that these statements were appropriate.

The key features of the Group's internal control system are detailed in the Risk, viability and going concern section on page 63. During 2025, the Committee considered the process by which management evaluates internal controls and any control deficiencies identified during the course of their review, with no such deficiencies reported in 2025.

The Group continues to move towards standardisation and strengthening of internal controls and processes, including through harmonisation of its ERP landscape and implementing the finance target operating model, which includes expanding the shared services model for transactional processing activities.

The Group undertakes a range of activities to mitigate the risk of fraud. This framework is regularly reviewed to determine areas for improvement.

Any control issues identified by management locally or as a result of the work performed by Group Internal Audit are escalated as appropriate. For significant issues, management at all levels within the Business Unit is engaged to agree the actions and remediation dates.

Audit Committee continued

The status of the remediation is monitored in the Internal Audit system. Where a specific audit identifies multiple issues, or where issues arise on the progress of remediation activities, the Audit Committee continues to challenge management to identify root causes and ensure that the right organisational structure and people are in place to address issues effectively.

The Board is responsible for the oversight and monitoring of the Group's Speak Up helpline, but the Audit Committee monitors any complaints regarding fraud, accounting, internal controls and auditing matters. During the year it reviewed the investigations being undertaken in relation to allegations of fraud and the implications of those allegations, as well as the actions taken to implement improvements to the Company's practices and procedures.

Each year, the senior financial, operational and functional management of the businesses self-certify compliance with the Group's policies and procedures, and that adequate internal controls are in place in their areas of responsibility. The Committee reviewed the results of this process and considered the impact of findings on the effectiveness of internal controls.

After considering these inputs, the Committee was able to provide assurance to the Board on the effectiveness of the Group's risk management and internal control systems.

Internal Audit

The Group's Internal Audit function operates on a global basis through professionally qualified and experienced individuals. The Group Head of Internal Audit reports directly to the CFO and the Chair of the Audit Committee.

In 2025, the audit plan evolved to include audit scope related to the Group's principal risks, such as the Health and Safety framework, and other strategic priorities. In 2026, this evolution will continue. The categories of audit conducted in 2025 included contract audits, entity audits, end-to-end process audits, and second line of defence audits.

The Committee received a report from the Group Head of Internal Audit at each of its meetings detailing progress against the agreed plan, summarising the results of the audits conducted and reviewing the progress of risk mitigation implementation.

Internal Audit also reported to the Committee on common themes emerging from internal audits. These have been used to assist in management's assessment of risks and have informed the development of the 2026 Internal Audit plan.

Internal Audit monitors the progress made on the resolution of identified issues, and meetings continue to be held with each Business Unit President to ensure that engagement on the resolution of those issues is clearly understood at all levels of the business and responsibility for remediation has been appropriately assigned.

At the end of the year an internal review of the effectiveness of the Internal Audit function was undertaken.

Having considered the work of the Internal Audit function during 2025, including progress against the 2025 Internal Audit plan, the quality of reports provided to the Committee, and the results of the review of the function's effectiveness, the Committee concluded that the Group Internal Audit function operated effectively during 2025, exhibiting an appropriate level of independence and challenge.

External Audit

Auditors' appointment

In 2017, the Company appointed PricewaterhouseCoopers LLP (PwC) as External Auditors to the Company and the Group, and Mazars LLP (Mazars) to audit the non-material entities within the Group. Linda Kempenaar serves as the PwC Audit Partner responsible for the Group audit, a role she assumed in 2025.

In accordance with statutory requirements, a mandatory competitive tender process for the appointment of a statutory auditor will be conducted in 2026 for the financial year ending 31 December 2027. The Committee has spent time planning the process in 2025 and details of the process undertaken and outcome will be included in the 2026 Annual Report and Accounts.

2025 External Audit process

The Committee reviewed the PwC audit plan and evaluated the Group audit scope for 2025, including assessing coverage and the risk assessment, and concluded this was appropriate. To manage costs and ensure that the Group maintains audit relationships outside the 'Big 4', Mazars undertakes some of the Group audit work under the direction of PwC.

PwC maintained an ongoing dialogue with the Audit Committee throughout the year and private sessions were held without management being present. PwC confirmed that its work had not been constrained in any way and that it was able to exercise appropriate professional scepticism and challenge throughout the audit process.

The Independent Auditors' Report provided by PwC on pages 131 to 138 includes PwC's assessment of the key audit matters. These key audit matters are discussed in the significant issues and material judgements comments in this report. PwC's report also summarises the scope, coverage and materiality levels applied by them.

Independence and objectivity

The Committee is responsible for safeguarding the independence and objectivity of the External Auditors in order to ensure the integrity of the External Audit process. It is responsible for the implementation and monitoring of the Group's policies on External Audit, including the policy on the employment of former employees of the External Auditors, and the policy on the provision of non-audit services by the External Auditors. To assist with its assessment of independence, the Committee also sought regular confirmation from the incumbent External Auditors during 2025 that they considered themselves to be independent of the Company in their own professional judgement, and within the context of applicable professional standards. It assessed the work of the External Auditors, reviewing compliance against the non-audit services policy and reviewed the details of the non-audit services provided by the External Auditors and associated fees. As a result of its review, the Committee concluded that the External Auditors remained appropriately independent.

Non-audit services

Vesuvius operates a policy for the approval of non-audit services. A copy of the current policy is available to view in the Audit Committee section of the Investors/Corporate Governance pages of the Company's website: www.vesuvius.com.

In 2025, the fees for non-audit services payable to PwC amounted to £0.2m (2024: £0.2m). The 2025 fees relate to assurance services related to the review of the Group's half-year financial statements, quarterly reviews and tax form audits in India (as required by regulation) and Mexico, and subscription to the PwC knowledge database. These are services where it was considered most efficient to use PwC because of their existing knowledge of the business or because the information required was a by-product of the audit process. In each of the past four years the non-audit-related fees have represented <10% of the statutory audit fees.

Effectiveness of the External Audit process

Each year the Committee carries out a formal assessment of the performance of the External Auditors. Input into the evaluation in 2025 was obtained from management and other key Company personnel, members of the Audit Committee and the External Audit team. The review focused on the External Auditors' mindset and culture, skills, character and knowledge, and the quality of their controls and judgement.

The evaluation of the External Auditors included the following steps:

- A survey of key finance and non-finance stakeholders from Corporate and in scope countries who were subject to audit
- A commentary-based survey of Audit Committee members focused on their experience of working with PwC
- A review of other external evidence on PwC audit quality (e.g. the report on PwC by the FRC)
- Discussions with PwC and key finance and non-finance personnel

Improvements were noted in the audit approach in a number of countries, and opportunities for further improvement, principally to ensure greater efficiency in the process, were also noted.

Reappointment of PwC

The Committee is responsible for making recommendations to the Board in relation to the appointment, reappointment and removal of the External Auditors. After consideration of the audit effectiveness assessment, and independence and objectivity of PwC, the Committee recommended to the Board that PwC be reappointed. It confirms that its recommendation is free from the influence of any third party and that there are no contractual restrictions on the choice of auditors. A resolution proposing the reappointment of PwC will be included in the Notice of AGM for 2026.

Factors considered by the Committee when considering the Auditors' reappointment

The results of its most recent review of the effectiveness of the Auditors

The results of its review of the independence and objectivity of the Auditors, particularly in light of the provision of non-audit services

The Auditors' ability to coordinate a global audit, working to tight deadlines

The cost competitiveness of the Auditors in relation to the audit costs of comparable UK companies

The tenure of the incumbent Auditors

The periodic rotation of the senior audit management assigned to the audit of the Company

External reviews of the performance and quality of the Auditors, including:

- The annual report issued by the Audit Quality Review team of the Financial Reporting Council on the work of the Auditors
- The Auditors' own annual Transparency Report

Statement of compliance with the Competition and Markets Authority (CMA) Order

The Committee considers that the Company has complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (Article 7.1), published by the CMA on 26 September 2014, including with respect to the Audit Committee's responsibilities for setting the audit tender timetable, agreeing the audit scope and fees and authorising non-audit services.

Audit Committee evaluation

The Audit Committee's performance was evaluated as part of the Board and Committee performance evaluations led by the Company Secretary, which are further described in-depth on page 96.

On behalf of the Audit Committee

Robert MacLeod

Chair, Audit Committee
11 March 2026

Nomination Committee

Carl-Peter Forster – Committee Chairman

Carla Bailo

Italia Boninelli

Dinggui Gao

Friederike Helfer

Eva Lindqvist

Robert MacLeod

The Company Secretary is
Secretary to the Committee

Dear Shareholder,

In 2025, the Committee continued to spend time on senior management development and succession planning, particularly in relation to changes in membership of the Group Executive Committee, and on receiving detailed feedback on changes and developments in the most senior levels of the Group's management. The Committee monitored the turnover, diversity and promotional potential of staff reporting to members of the GEC, and considered the Group's wider talent management programme. It reviewed the talent distribution and diversity in the Group's senior and middle management, and the challenges and opportunities for the Group's talent pipeline. In addition, the Committee reviewed progress with the Group's diversity initiatives, noting the positive progress made in attracting more women to join the Group.

The Committee also instigated and oversaw a detailed externally moderated Board evaluation process in 2025, having undertaken an internal review the prior year.

Carl-Peter Forster

Chairman, Nomination Committee
11 March 2026

Role and responsibilities

The Nomination Committee's foremost priorities are to ensure that the Company has the best possible leadership and that plans are in place for orderly succession to both the Board and Group Executive Committee positions. The Committee ensures that the procedure for the selection of potential candidates for Board appointments – either as an Executive Director or independent Non-executive Director – is formal, rigorous and transparent, and undertaken in a manner consistent with best practice. It also ensures that the Board is composed of individuals with the appropriate drive, abilities, diversity and experience to lead the Company in the delivery of its strategy, and that appointments are made on merit, against objective criteria, with due regard to the need to promote diversity, inclusion and equal opportunity.

The Committee is composed solely of Non-executive Directors and is chaired by the Chair of the Board. The Chief Executive and Chief HR Officer attend all scheduled meetings of the Committee. Members' biographies are set out on pages 74 and 75. The Committee met four times during the year. It operates under formal terms of reference, a copy of which is available on the Group's website at: www.vesuvius.com.

The Committee and its members are empowered to obtain outside legal or other independent professional advice at the cost of the Company in relation to its deliberations. These rights were not exercised during the year. The Committee may also secure the attendance at its meetings of any employee or other parties it considers necessary.

Board composition

The Committee keeps the current and future membership needs of the Board and its Committees under continual review. The independence and diversity of the Board, along with the Company's ongoing compliance with the Board Diversity Policy, and the requirements of the UK Listing Rules, as they pertain to the Committee, are also examined as part of the Group's annual corporate governance review. Whilst the Board recognises that over time the proportion of female Directors may fluctuate naturally as Board members retire and new Directors are appointed, the Board will always seek to review a diverse list of candidates for any Board position.

How the Nomination Committee delivered on its responsibilities in 2025

Board composition

- It reviewed the membership needs of the Board and its Committees, considering the existing tenure and the prospective rotation and retirement of Board members

Committee evaluation

- It participated in the Board's evaluation of its performance, reviewing the dynamics of the Committee's operation and performance during 2025. As part of this process, the skills and contribution of each Non-executive Director were reviewed to ensure that they continue to be able to allocate sufficient time to fulfil their duties and deliver value to the Board's deliberations

Governance

- It approved the Nomination Committee report for publication in the Annual Report
- It updated the Committee's terms of reference

Succession planning and senior management development

- It ensured, in line with good governance, that the Committee continued to review succession processes for the Group's Executive Directors
- It reviewed changes in senior management together with the potential for succession of the management cadre and for the progression of those in senior positions
- It reviewed the rates of annual attrition and the regretted losses in the middle and senior management groups

Diversity

- It reviewed the Group's progress in achieving its diversity targets, noting the range of nationalities represented in the Senior Leadership Group

Typical Director appointment process

Brief

A specialist search consultant, who does not have any conflicts and has adopted the Voluntary Code of Conduct addressing gender diversity and best practice in search assignment, is retained to assist with the search.

1

Selection

The preferred candidates then meet with other members of the Board. Confirmation is sought that the candidate has sufficient time available to devote to the role and has no potential conflicts of interest. Detailed external references are taken up.

4

Search considerations

A candidate specification is prepared taking into consideration the balance of skills, knowledge and experience of the existing Directors, the diversity of the Board, the independence of continuing Board members, and the ongoing requirements and anticipated strategic developments of the Group.

2

Appointment

The Committee makes a formal recommendation to the Board for the appointment, and the Board approves the appointment.

5

Review

The search consultant identifies potential candidates and produces a diverse longlist for consideration. A shortlist is drawn up, based upon the objective criteria identified at the beginning of the process, and these candidates are invited for interview by a group of Directors.

3

Induction

All new Directors participate in a tailored induction programme to enable them to quickly assimilate fundamental information about the business and the Group's operations.

6

Nomination Committee continued

A typical induction programme

Areas covered:

Vesuvius' Purpose, strategy, customer and supplier landscape and strategic priorities

Business operations and culture

Financial position and performance, risk management, tax and treasury matters

People management and Executive compensation strategy

Health and safety and sustainability strategy

Corporate governance, Board operations, legal and regulatory matters

Provided by:

Attending the Board's June Strategy meetings and one-to-one sessions with the CFO, BU Presidents, VP Business Development and Chief Digital Officer

Vesuvius Technical/Product Training, site visits to key operations as appropriate

Meetings with the CFO, External Audit Partner, Company Broker, Head of Investor Relations, Group Head of Tax, Group Treasurer

Meetings with the Chief HR Officer, External Remuneration Adviser

A meeting with the VP Sustainability, provision of policies/procedures, access to past Board sustainability presentations

Meetings with the General Counsel/Company Secretary and Group Head of Compliance

Diversity

The Group's policy on Diversity and Equality outlines Vesuvius' commitment to encouraging a supportive and inclusive culture among its global workforce, promoting diversity and eliminating any potential discrimination in our work environment. (See the Policy summary on page 26 and the full statement on the Group's website www.vesuvius.com.) Vesuvius' Board Diversity Policy explains how this commitment manifests in relation to the Board, and can also be found at www.vesuvius.com.

The Nomination Committee considers the Group's progress in implementing the Group's diversity policy each year and the achievement of the Group's diversity targets. These, including the gender balance, as at 31 December 2025 can be found in the People section on page 26 of this Report.

Board diversity

A large part of the work of the Nomination Committee focuses on ensuring that the Board and its Committees have the appropriate range of diversity, skills, experience, independence and knowledge of the Company and the markets in which it operates to enable them to discharge their duties and responsibilities effectively. The Board Diversity Policy confirms the Group's commitment to maintaining a diverse Board, whilst continuing to appoint candidates based on merit. We continue to look at diversity in its broadest sense – reflected in the range of backgrounds and experience of Board members who are drawn from different nationalities and have managed a variety of complex global businesses. The Nomination Committee recognises that diversity is a key ingredient in creating a balanced culture for open discussions at Board level and in minimising 'groupthink'.

All independent Non-executive Directors serve on the Audit and Remuneration Committees, and the Chairman and all the Non-executive Directors serve on the Nomination Committee, so the diversity of the Board's principal Committees reflects the diversity of our Non-executive Directors. The Nomination Committee therefore considers the diversity of the Non-executive Directors as a stand-alone cadre, as well as the diversity of the Board as a whole, when considering recruitment to the Board.

In 2023, the Board set a target for at least 40% female Board membership, with at least one of the senior Board positions (Chair, CE, SID or CFO) to be held by a woman by the end of 2024. As at 31 December 2025, women made up 44% of the Directors (unchanged versus 31 December 2024), and one of the senior Board positions (SID) was held by a woman. In addition, one of the Directors (11%) identified as having an Asian heritage, and another Director (11%) identified as having a mixed-race heritage, with no changes in these numbers since 31 December 2024. Currently, seven Directors hold citizenship outside the UK.

Women made up 60% of the membership of the Audit and Remuneration Committees as at 31 December 2025 (unchanged versus 2024), and 57% of the membership of the Nomination Committee (unchanged versus 2024). There have been no changes in the constitution of the Board or its Committees between 31 December 2025 and the date of this report.

Senior management development and succession

The Committee's succession planning activities also encompass the senior management levels immediately below the Board, aiming to support and encourage the growth of a pool of talent able to step up to the Group's top roles. As a matter of routine, the Committee is informed of changes in personnel amongst the Group's most Senior Managers.

The Committee considers succession plans for each member of the GEC. It assesses the availability of candidates who could cover the roles on a short-term contingency basis should the need arise, along with the pool of medium-term and long-term talent available for future development into specific roles. It monitors the level of turnover and diversity in the broader management group, along with the balance of internal promotions and external appointments into these roles.

As at 31 December 2025, the gender balance of the Directors and members of the Group Executive Committee was as follows:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CE, CFO, SID and Chair)	Number in Group Executive Committee	Percentage of Group Executive Committee
Men	5	56%	3	6	86%
Women	4	44%	1	1	14%
Not specified/prefer not to say	–	–	–	–	–

The data for this table was collected by asking individuals to self-report against the categories displayed.

As at 31 December 2025, the ethnic background of the Directors and members of the Group Executive Committee was as follows:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CE, CFO, SID and Chair)	Number in Group Executive Committee	Percentage of Group Executive Committee
White British or other White (including minority-white groups)	7	78%	75%	4	57%
Mixed/Multiple ethnic groups	1	11%	25%	2	29%
Asian/Asian British	1	11%	–	1	14%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

The data for this table was collected by asking individuals to self-report against the categories displayed.

Vesuvius Board Diversity Policy

Vesuvius recognises the value of a diverse and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture that will provide sustainability for the organisation into the future. Vesuvius is committed to ensuring equality of opportunities, with the aim of promoting diversity and inclusion. In this context, the promotion of diversity and inclusion relates, but is not limited to, both protected and non-protected characteristics, including gender, age, educational and professional background, ethnicity, sexual orientation, disability and socio-economic background.

Objectives

- The Nomination Committee focuses on ensuring that it, the Board and the Board's Committees, have the appropriate range of diversity, skills, experience, independence and knowledge of the Company to enable them to discharge their duties and responsibilities effectively
- The Nomination Committee ensures that all appointments to the Board and its Committees are aligned with Vesuvius' Policy, and are based on merit with each candidate assessed against objective criteria focused on the skills, experience and knowledge required of the position, and with due regard to the benefits of diversity and inclusion on the Board

- The Nomination Committee engages with executive search firms in a manner which ensures that opportunities are taken for a diverse range of candidates to be considered for appointment. This will include ensuring that the Committee only uses search firms that are signed up to the Voluntary Code of Conduct for Executive Search Firms whilst continuing to appoint candidates based on merit
- The Nomination Committee supports senior management efforts to increase diversity in the senior management pipeline to facilitate succession planning towards executive Board positions.
- With regard to ethnic diversity, the Board is committed to ensure that at least one Director is from a minority ethnic background
- The Board recognises that over time the proportion of women Directors and Directors from a minority ethnic background may fluctuate naturally as Board members retire and new Directors are appointed

Nomination Committee continued

Board evaluations 2024 and 2025

In 2024, the internally facilitated Board performance evaluation identified the following priorities for future Board attention. These were addressed during 2025 as follows:

Area	Issue	Action taken in 2025
Strategy	Continue to deepen the Board's understanding of the priorities and dynamics of our customer and supplier base Provide further information on external factors: macro trends; market consolidation; developments in the structure of the competitive environment	An in-depth presentation on the Group's customer base was presented to the Board as part of the Group Strategy meeting. The Board was also updated on developments in raw material supply and other key purchasing issues by the Chief Executive in his regular reports to the Board. The competitive environment was the subject of Board discussions, which was also presented to the Board with the Group and divisional strategy presentations held in June
People and organisation	Focus further on senior management capabilities and the internal pipeline for senior management succession	The Nomination Committee received a number of updates on senior management development, talent and succession from the CHRO and the Chief Executive. These also highlighted future development potential within the management cadre
Board agenda	Increase detail of Group-level strategy discussion at the June Strategy meeting Maintain BU President Board presentations on key topics driving their business's development and performance	The June strategy meetings included a Board debate on the Group's divisions, supported by the Business Unit Presidents, as well as a wider debate on dynamics and developments across all of the Group's markets and geographies. In addition, outside the strategy meetings, the Business Unit Presidents individually presented to the Board on areas of specific operational focus for their respective businesses

In 2025, the Board carried out an evaluation of its performance in the last quarter of the year. In compliance with the Code, this evaluation was externally facilitated and undertaken by Gould Consulting. The performance evaluation comprised:

- Each member of the Board completing a self-assessment questionnaire
- The completion of a much shorter questionnaire by five members of the GEC
- A group conversation facilitated by Gould Consulting with three of the GEC who were not members of the Board; and
- Individual conversations, conducted by Gould Consulting, with each Board member, plus the Company Secretary

Gould Consulting also attended the November Board and Committee meetings as silent observers.

In 2025, the output of the Gould Consulting Board performance evaluation concentrated on:

- Board dynamics
- Improving allocation of Board time
- Focus on Strategy and strategic priorities
- Strengthening the Board's connections with the business
- Succession planning

It was noted that the Board is considered to be well-composed with a good, diverse range of skills. It comprises members who are highly experienced across different industrial sectors and geographies. However, the Board composition has changed substantially over the past three years and these changes have taken time to settle when, in parallel, the Board has been faced with complex and challenging operating conditions. The Board was found to be keen to support management and contributed a robust and positive influence on the effective governance of the Group. The Board's dynamics were positively rated overall with a good level of collaboration and high-quality debate. However, it was noted that certain topics had generated tension in the Boardroom, which highlighted the importance of the Board functioning well and having the ability, where necessary, to deal with conflict. The Board agenda was judged to be balanced but could benefit from further time dedicated to strategic and commercial matters.

The Committee – and the Board as a whole – discussed the performance evaluation process and its outcomes. It was concluded that the Board was drawing effectively on the Directors' respective skills and experience and that each Director did indeed continue to contribute effectively to the work of the Board. The feedback provided by Gould Consulting also established that each of the Committees was considered to have operated effectively during the year, with well-balanced and well-informed processes at Committee level.

These discussions on the evaluation highlighted points for further focus in the Board's agenda, including the need to continue to deepen the Board's understanding of the strategic priorities and opportunities of the Group, strengthening the Board's connection with members of the senior management team, and managing the Board's time efficiently to ensure the appropriate allocation of time to operational issues and the key drivers of business performance.

As in previous years, a set of action points was compiled from the output of the evaluation to ensure that its key findings were integrated into the Board's activities. These will be implemented by the Board in 2026, with progress reviewed throughout the year.

Committee evaluation

The Committee's activities also formed part of the overall externally facilitated performance evaluation of Board effectiveness during the year. A written report by Gould Consulting was presented to the Board as a whole in this regard.

The Nomination Committee was considered to operate effectively and was considered to comprise individuals with appropriate experience, skills and knowledge.

The quality of information provided to the Committee was rated well. As noted above, succession plans for the Executive Directors and other members of the senior management team were highlighted as an area for continued focus along with senior management quality and retention.

On behalf of the Nomination Committee

Carl-Peter Forster
Chairman, Nomination Committee
11 March 2026

Directors' Remuneration Report

Remuneration overview

Italia Boninelli – Committee Chair

Carla Bailo
Dinggui Gao

Eva Lindqvist
Robert MacLeod

The Company Secretary
is Secretary to the Committee

Dear Shareholder,

On behalf of the Remuneration Committee (the Committee), I am pleased to share with you our Directors' Remuneration Report for the year ended 31 December 2025.

This Report is divided into three sections: my statement, a refined Directors' Remuneration Policy to be put to shareholders at the 2026 Annual General Meeting and our Annual Report on Remuneration for the year ended 31 December 2025 which outlines how we implemented the Directors' Remuneration Policy in 2025, and how we intend to apply the policy in 2026.

Background

2025 saw a continuation of challenging market conditions, especially in Europe. Steel production outside of China remained modest despite improving underlying demand as a result of persistently higher Chinese exports. With the exception of China and India, Foundry end-markets also remained weak but broadly stable.

Notwithstanding the challenging market context, we continued to incrementally grow our market share in Steel and we delivered broadly stable pricing through the year. We also delivered solid strategic progress against our published targets, with £17.8m of cost savings delivered in 2025, and we are now targeting at least £55m of recurring cost savings by 2028. Our acquisition of the Molten Metal Systems business during the year increased our exposure to the growing non-ferrous market segment and to India, marking further progress in executing our strategic ambitions. Increased focus was also placed on quality, with targeted initiatives fostering greater operational discipline. The progress we made during the year in these respects, together with our ongoing investment in research and development and new product introduction, ensures that we are well set for growth as markets recover. Our solid performance is reflected in our incentive payouts, as detailed below, with the Committee comfortable that our incentives have operated as intended during the year, delivering a fair relationship between pay and performance.

Key activities in 2025

- Reviewing the Directors' Remuneration Policy and approving minor modifications
- Reviewing and approving achievement against the performance targets for the outcome of the 2024 Annual Incentive arrangements
- Setting performance targets and approving the structure of the 2025 Annual Incentive arrangements
- Reviewing and assessing the Company's attainment of performance conditions applicable to the Vesuvius Share Plan (VSP) awards made in 2022
- Setting the performance measures and targets, and authorising the grant of new awards in 2025 under the VSP, the Deferred Share Bonus Plan and the Medium Term Incentive Plan
- Considering the Company's ongoing share sourcing requirements to meet obligations under the Company's share plans, and funding of the Employee Benefit Trust (EBT)
- Approving the 2024 Directors' Remuneration Report
- Reviewing the Committee's terms of reference
- Approving the 2026 remuneration for the Chairman, Chief Executive, CFO and senior management

Alignment of our KPIs with Company strategy, purpose and Values

The delivery of financial KPIs and the development of an effective organisation sustainable over the long term relies on a clear set of Values. Vesuvius believes that high levels of performance and growth require a diversity of thinking and continuous innovation, underpinned by the Values of courage, ownership, respect and energy. The alignment of our incentives with our strategic objectives is summarised in the table on the following page. The reward structure operated as intended in 2025 and no changes are proposed in the KPIs used to assess performance in 2026.

Strategic Value alignment



Return on Sales



Free Cash Flow



Cost Savings



Sustainability

See more about
Our business model
on pages 14 to 15

Remuneration overview continued

Workforce remuneration

The Committee remains cognisant of the ongoing scrutiny in relation to executive remuneration and the need to ensure that remuneration outcomes are appropriate within the context of the wider stakeholder experience.

In 2025, the Group set a global salary budget at 5% of payroll in light of the continuation of relatively high levels of inflation in many of the locations in which we operate with a view to supporting our employees through challenging times. Mindful of the greater leverage in the remuneration structure of our executive population, we limited the rate of base salary increases, with both our Chief Executive and Chief Financial Officer receiving pay increases of 3% of salary.

2025 performance and incentive outcomes

As set out in the Background section above, and the Chief Executive's statement, Vesuvius' performance in 2025 showed resilience despite difficult market conditions. This was thanks to a strong focus on delivering against our strategic priorities, which included progressive implementation of price increases to offset cost inflation, delivering on our cost reduction targets and growing our market share.

Annual Incentive Plan

With regards to the 2025 Annual Incentive Plan (AIP), targets were set based 50% on the Group's headline earnings per share (EPS), 30% on the Group's working capital to sales ratio (based on the 12-month moving average) and 20% on specified personal objectives. Aligned with the performance summary set out above, we delivered Headline EPS (retranslated at December 2024 full-year average foreign exchange rates) of 36.9p and a working capital to sales ratio of 23.4%. This resulted in financial performance outcomes at 4.6% of maximum for both the Chief Executive and CFO. Performance against these measures is

illustrated in the charts below and full details are given on pages 115 and 116.

The Committee also set personal objectives for the Chief Executive and CFO at the start of 2025. It has assessed their performance to merit 87% and 88% of maximum respectively. This reflects the strong strategic and operational progress delivered during the year which included the successful acquisition of the MMS business, consolidation of PiroMET into the Group and the achievement of an in-year cash cost saving of £17.8m in 2025. Overall, the outcome of the Annual Incentive Plan was 21.1% of maximum for the Chief Executive and 21.3% of maximum for the CFO, being 36.9% and 32.0% of base salary respectively.

Vesuvius Share Plan

With regards to the 2023 Vesuvius Share Plan (VSP) award, targets were set based 40% on relative TSR performance (versus the FTSE 250 Index constituents excluding Investment Trusts), 40% on average post-tax ROIC and 20% on ESG metrics that included safety, carbon reduction and diversity targets. As a result of the Group's TSR being above median, the Group achieving a three-year average post-tax ROIC of 7.9% and delivering solid performance against the ESG targets, vesting was at 28.1% of the maximum. Performance against these measures is illustrated in the charts below and full details are given on page 117. The Committee was comfortable that this level of vesting was appropriate having had regard to the challenging market conditions and the overall progress of the Company during the performance period and so did not use discretion in connection with the vesting of the award.

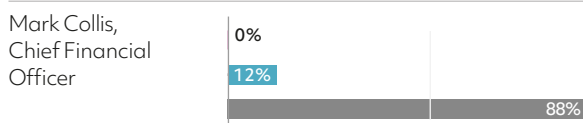
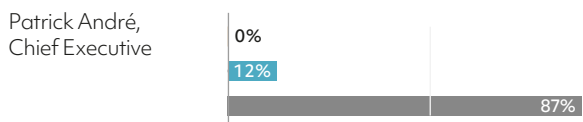
Annual Incentive Plan outturn

Weighting

- 50% EPS
- 30% Working capital sales
- 20% Personal



Performance



Threshold On-target

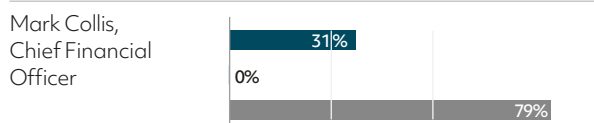
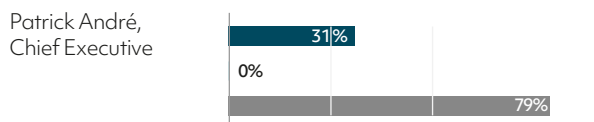
Long-Term Incentive outturn

Weighting

- 40% Total shareholder return
- 40% Three-year average ROIC
- 20% Environmental, Social and Governance



Performance



Threshold On-target

Remuneration policy review

The Remuneration Committee has undertaken a thorough review of the existing Remuneration Policy and how it should be applied for FY26. This review considered our Policy in the context of our strategy and wider market practice as well as having regard to 'best practice' as detailed in the UK Corporate Governance Code and broader shareholder and proxy agency guidance.

The key conclusion of the review work was that the current pay model was working effectively and so only very minor changes to the policy structure are being proposed. In reaching this conclusion the Remuneration Committee noted the feedback from the Board that the Policy supported the Company's strategy and aligned with key KPIs at the same time as delivering a robust relationship between performance and reward.

The limited changes that we propose to make are as follows:

1. Introducing flexibility to reduce annual bonus deferral from 33% to 20% of any bonus earned and the deferral period from three to two years once our 200% of salary share ownership guidelines have been met. This is proposed to align with the additional flexibility included in the 2024 Investment Association's Principles of Remuneration. With our incentives purposefully weighted towards long-term performance, and with 200% of salary share ownership guidelines, the Committee is comfortable that this approach balances alignment with shareholders and flexibility for executives.
2. Introducing flexibility to pay Non-executive Directors' fees in whole or in part in shares. This change reflects recent guidance from the FRC and the Investment Association which encouraged companies to consider part payment of fees in shares and so this change will provide flexibility for Vesuvius to do so in the future. Fees will remain payable wholly in cash in FY26. Non-executive Directors will not be eligible to participate in any incentive plans. We have also clarified our policy wording in relation to the reimbursement of Non-executive Directors' expenses in relation to undertaking Company business. In future, payments will either be by way of reimbursement (inclusive of any tax reimbursement) or an all-inclusive allowance to simplify Company administration.

Application of policy for FY26

Salary

Our global salary budget for FY26 was set at 3.2% with the budgeted rates of increase varying by geography and individual increases adjusted based on a combination of positioning against market as well as individual performance and growth in role. With regards to our CFO, Mark Collis, his salary has been increased by 5% for FY26. This increase reflects the fact that he has been in post with Vesuvius for approaching three years and the Committee considered it appropriate to align his pay with their view of the market rate of the role given Mark's consistent high levels of performance in post since appointment. With regard to the Chief Executive, with his salary already aligned with market rates of pay for comparable roles, his increase for FY26 was set at 2% which was aligned with the typical rate of increase awarded across the executive leadership team.

Annual bonus

With our performance metrics well aligned to our short-term priorities and KPIs, no changes are to be made for FY26. The performance metrics will remain Headline EPS (50%), working capital to sales ratio (30%) and tailored strategic targets (20%).

The bonus targets we have set for 2026 take into account the Board's focus on delivering growth from our 2025 results but also the highly cyclical nature of our end-markets and ongoing challenging market conditions. In this context the performance ranges we have set for our targets are wider than those set in 2025, with a reworked payout schedule. This will enable modest bonus awards to be earned against financial targets for delivering year-on-year improved performance but require out-performance of our challenging 2026 business plan for a full payout. These reshaped targets will be disclosed in the 2026 Directors' Remuneration Report along with our performance against them. The Committee is comfortable that this refined approach to target setting strikes the right balance between providing a realistic incentive at the lower end of the performance range whilst requiring stretch performance for a maximum payout.

Vesuvius Share Plan

With regards to our Long-Term Incentive performance metrics, following a review of the current performance metrics in light of our published medium-term objectives, we are planning to retain the same performance metrics and weightings for our FY26 awards.

The performance metrics to apply are: Relative TSR (versus the FTSE 250 Index excluding Investment Trusts) (40% weighting); Post-tax ROIC (40% weighting); and ESG targets (20% weighting). These metrics have been purposefully selected to align with our core objective of delivering long-term shareholder returns through the delivery of profitable and sustainable growth. Details of these targets are set out in the Annual Report on Remuneration on page 113.

With regards to our approach to setting the ROIC financial targets for the 2026 award, these were set with reference to our internal plans, external market expectations for our future performance and forecast market conditions. As detailed above in relation to the 2026 annual bonus, the target ranges were calibrated such that they provide a realistic incentive at the lower end of the performance range with stretch performance required for a maximum payout. Overall, in the current market context, the targets are considered at least as challenging as those set in prior years.

Directors' Remuneration Report

Operation of the Remuneration Committee

KPI	2025 weighting	2026 weighting	Strategic rationale
Annual Incentive Plan: one-year performance			
Headline EPS	50%	50%	Aligned with our strategic aim of sustainable, profitable growth Maintains the primary focus on a profit measure in short-term incentivisation
Working capital/sales	30%	30%	Consistent with our strategic aim of maintaining strong cash generation and an efficient capital structure
Personal measures	20%	20%	Enables a focus on specific personal deliverables, managed through the performance management system
Vesuvius Share Plan: three-year performance			
Relative TSR	40%	40%	Aligned with our strategic aim of delivering shareholders a superior return on their investment
Post-tax ROIC	40%	40%	Consistent with our strategic aim of generating sustainable profitability and creating shareholder value
ESG	20%	20%	Provides a specific focus on the three priority long-term ESG measures for the Group: CO ₂ e emissions intensity (10%), Safety (5%) and Diversity (5%)

Chief Executive's service contract

During the year the Remuneration Committee undertook a review of the Chief Executive's contractual arrangements in light of his working patterns. As a result, the Committee is in the process of approving revised contractual terms such that he will in future be employed pursuant to updated contracts that take account of the expected time he will spend in the UK and Belgium. The changes to his contractual terms remain within the Committee's current Policy, with no change to his remuneration, notice period or wider Company protections. The Company does not expect to incur any material additional costs as a result of the changes. The arrangements do not impact London as our corporate Head Office.

Chairman and Non-executive Directors' fees

With regards to the Board Chairman and wider Non-executive fees, in light of Company-wide cost-containment measures driven from ongoing challenging market conditions, the Board concluded that there would be no increases awarded for 2026. Fees will next be reviewed with effect from 1 January 2027.

Employee engagement

During the year the Non-executive Directors visited plants in Poland, Canada, Germany, Belgium, India and Brazil. Each led direct discussions with local management teams and the workforce on a range of topics. At larger sites, 'town hall' meetings were also held and enabled a two-way dialogue on a range of issues of interest to the workforce. In these meetings it was usual for Non-executive Directors to present on how the Board and its Committees operate, and on corporate governance, including executive remuneration.

In 2025, the Remuneration Committee received a report from the Chief HR Officer regarding workforce terms and conditions across the globe, summarising key areas of focus, particularly the pressure on attracting and retaining staff in many key talent markets. Work undertaken by management to address this challenge, including considering more bespoke incentive arrangements for certain commercial roles in Business Units and regions, was noted by the Committee and taken into consideration in its deliberations on executive remuneration.

Shareholder engagement

At the 2025 AGM, the Annual Report on Remuneration (excluding the Directors' Remuneration Policy) was supported by 99.7% of voting shareholders and we are very grateful for this strong demonstration of support.

With regards to the renewal of the Directors' Remuneration Policy at the 2026 AGM, the Committee consulted shareholders totalling holdings of over 80% of the shareholder register. Discussions were held, either by meeting or in writing, with shareholders totalling holdings of over 40% of the register. The feedback received during those discussions was that Shareholders were generally supportive and so the Committee was comfortable approving the changes detailed above. The Committee would like to thank shareholders for their feedback during its discussions on the 2026 Policy renewal. The Committee and I continue to welcome any comments or feedback from shareholders on remuneration matters at the forthcoming AGM.

The remainder of this Directors' Remuneration Report outlines how we implemented the Directors' Remuneration Policy in 2025 and how we intend to apply the Policy in 2026. I would welcome your support for this Report and for the 2026 Remuneration Policy at the AGM.

Italia Boninelli

Chair of the Remuneration Committee
11 March 2026

Remuneration Committee structure

The membership of the Remuneration Committee comprises all of the independent Non-executive Directors of the Company.

The Committee Chair is Italia Boninelli who, together with Carla Bailo, Dinggui Gao, Eva Lindqvist and Robert MacLeod has served on the Committee throughout 2025.

The Committee complies with the requirements of the UK Corporate Governance Code (the Code) for the composition of remuneration committees. Each of the members brings a broad experience of international businesses and an understanding of their challenges to the work of the Committee. The Company Secretary is Secretary to the Committee. Members' biographies are on pages 74 and 75.

Meetings

The Committee met six times during the year. The Group's Chairman, Chief Executive, Chief Financial Officer and Chief HR Officer were invited to each meeting, together with Friederike Helfer, Vesuvius' non-independent Non-executive Director, though none of them participated in discussions regarding their own remuneration. In addition, a representative from Deloitte, and latterly from Korn Ferry, the Remuneration Committee advisers during 2025, attended the meetings. The attendees supported the work of the Committee, giving critical insight into the operational demands of the business and their application to the overall remuneration strategy within the Group. In receiving views on remuneration matters from the Executive Directors and senior management, the Committee recognised the potential for conflicts of interest to arise and considered the advice accordingly. The Chair of the Committee reported the outcomes of all meetings to the Board.

The Committee operates under formal terms of reference which were reviewed during the year. The terms of reference are available on the Group website: www.vesuvius.com. The Committee members are permitted to obtain outside legal advice at the Company's expense in relation to their deliberations. The Committee may also secure the attendance at its meetings of any employee or other parties it considers necessary.

Role and responsibilities

The Committee is responsible for:

- Determining the overall remuneration policy for the Executive Directors, including the terms of their service agreements, pension rights and compensation payments
- Setting the appropriate remuneration for the Chairman, the Executive Directors and senior management (being the Group Executive Committee)
- Reviewing workforce remuneration and related policies, and the alignment of incentives and rewards with culture, taking these into account when setting the policy for Executive Director remuneration
- Overseeing the operation of share incentive plans

Advice provided to the Remuneration Committee

Following a review of remuneration advisory services, and noting that Deloitte had been appointed since 2014, the Remuneration Committee initiated a formal tender process in 2025. As such, Korn Ferry was appointed directly by the Committee as its independent advisers, effective from September 2025, at the same time concluding Deloitte's previous tenure as advisers. Korn Ferry, a signatory to the Remuneration Consultants Group Code of Conduct in relation to Executive Remuneration Consulting in the UK, was appointed to provide advice on executive remuneration matters, including remuneration structure and policy, updates on market practice and trends, and guidance on the implementation and operation of share incentive plans. Korn Ferry also provides the Remuneration Committee with ongoing calculations of total shareholder return (TSR), as did Deloitte earlier in 2025, to enable the Committee to monitor the performance of long-term share incentive plans. Deloitte did not have any other connection with any individual Director, nor does Korn Ferry.

In addition, in 2025, Deloitte provided the Group with IFRS 2 calculations for the purposes of valuing the share plan grants and, within the wider Group, was engaged in various jurisdictions to provide tax advisory work, and some consultancy services. Korn Ferry was engaged, within the wider Group, in various jurisdictions to provide recruitment and candidate search services, and provides the Group with some talent management software solutions. These services were carried out by separate teams to the remuneration advisory teams which operate independently.

During 2025, Deloitte's fees for advice to the Remuneration Committee, charged on a time spent basis, amounted to £38,270, whilst Korn Ferry's amounted, on the same basis, to £51,675. No conflict of interest arises as a result of other services provided by Deloitte or Korn Ferry to the Group.

Directors' Remuneration Report

Remuneration Policy design principles

Remuneration Policy design

The Committee is satisfied that the Remuneration Policy is designed to promote the long-term success of the Company in accordance with the requirements of the Code with regard to:

 Clarity

Executive remuneration arrangements are transparent with full disclosure in the Annual Report. The Annual Incentive structure for the Executive Directors is based on the same structure utilised for senior executives throughout the Group. Long-term sustainable growth is core to the Long-Term Incentive, and alongside five-year holding periods clearly aligns the interests of executives with those of the Group's shareholders.

 Simplicity

The Policy, with its focus on three core elements: fixed pay, Annual Incentive and Long-Term Incentive, is clear, simple and easy to understand.

 Risk


The Committee has carefully analysed the range of possible outcomes of awards and believes the Policy to be fair and proportionate, with the clear linkage to Group profitability mitigating the potential for excessive rewards and the reliance on audited profit numbers and externally verified TSR targets serving to mitigate behavioural risk. The Committee has discretion under the Vesuvius Share Plan to determine the vesting of awards in accordance with the Code requirement and malus and clawback provisions also apply.

 Predictability

The remuneration illustrations indicate the minimum and maximum potential remuneration. The Committee reviews the underlying financial performance of the Company over the performance period, and the non-financial performance of the Group and participants, to ensure that payout levels are justified. The Committee has the discretion to amend the final vesting level if required.

 Proportionality

The Committee believes that the performance-related elements of remuneration have financial targets which are transparent, stretching and clearly align the Executive Directors' remuneration with the delivery of the Group's strategy. The Vesuvius Share Plan rewards long-term performance directly linked with the Group's strategy and results, ensuring that only strong performance is rewarded (see page 117).

 Alignment to culture

The Executive Directors' incentive arrangements are consistent with the Group's core strategic objective of delivering long-term sustainable and profitable growth and support our performance-orientated culture, Values and purpose (see page 97).

The Remuneration Policy was prepared in accordance with the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). It also meets the requirements of the Financial Conduct Authority's Listing Rules and the Disclosure Guidance and Transparency Rules.

Directors' Remuneration Report

2026 Remuneration Policy

The Policy set out below contains minor policy amendments and minor changes to the policy structure, as explained in the Committee Chair's letter. Such changes have been made to reflect changes in the market and to address changes to the UK Corporate Governance Code. Structural changes are limited to:

1. Introducing flexibility to reduce annual bonus deferral from 33% to 20% of any bonus earned and the deferral period from three to two years once our 200% of salary share ownership guidelines have been met. This is proposed to align with the additional flexibility included in the 2024 Investment Association's Principles of Remuneration. With our incentives purposefully weighted towards long-term performance, and 200% of salary share ownership guidelines, the Committee is comfortable that this approach balances alignment with shareholders and flexibility for executives.
2. Introducing flexibility to pay Non-executive Director fees in whole or in part in shares. This change reflects recent guidance from the FRC and the Investment Association which encouraged companies to consider part payment of fees in shares and so this change will provide flexibility for Vesuvius to do so in the future. Fees will remain payable wholly in cash in FY26. Non-executive Directors will not be eligible to participate in any incentive plans. We have also clarified our policy wording in relation to the reimbursement of Non-executive Directors' expenses in relation to undertaking Company business. In future, payments will either be by way of reimbursement (inclusive of any tax reimbursement) or an all-inclusive allowance to simplify Company administration.

For reference, the 2023 Policy, as approved by shareholders at the AGM on 18 May 2023, can be found on pages 124 to 132 of the 2022 Annual Report, available on the www.vesuvius.com website.

Comparison of Remuneration Policy for Executive Directors with that for other employees

The Remuneration Policy for Executive Directors is designed in line with the remuneration philosophy set out in this report – which also underpins remuneration for the wider Group. However, given that remuneration structures for other employees need to reflect both seniority and local market practice, they differ from the policy for Executive Directors. In particular, Executive Directors receive a higher proportion of their remuneration in performance-related pay and share-based payments.

All members of the Group Executive Committee participate in the Vesuvius Share Plan and receive awards of Performance Shares, which vest on the basis of the same performance targets set for the Executive Directors. The level of awards granted to members of the Group Executive Committee who don't serve on the Board is lower than those granted to the Executive Directors.

Middle and senior managers also participate in the Annual Incentive Plan and, in certain cases, longer-term share or cash-based plans, with awards predominantly based on a blend of Group and regional or Business Unit performance measures appropriate for the scope of participants' responsibilities. Individual percentages of variable versus fixed remuneration and participation in share-based structures increase as seniority increases.

Consideration of conditions elsewhere in the Group in developing policy

The Non-executive Directors participated in a number of 'town hall' meetings and site visits during the year which provided the opportunity to engage with the workforce on a wide range of issues, including executive remuneration where appropriate. The Remuneration Committee also commissioned an annual review of workforce remuneration in 2025, which reported on general remuneration, incentives and benefits practices around the Group. The Committee takes into account all such detail regarding the pay and employment conditions of other Group employees when determining Executive Directors' remuneration, particularly when determining base salary increases, when the Committee will consider the salary increases for other Group employees in the same jurisdiction.

Consideration of shareholder views

Vesuvius is committed to open and transparent dialogue with its shareholders on remuneration as well as other governance matters. The Chair of the Committee welcomes shareholder engagement and is available for any discussions investors wish to have on remuneration matters.

2026 Remuneration Policy continued

Remuneration Policy Table for Executive Directors

Alignment/purpose	Operation	Opportunity	Performance
S Base salary			
Helps to recruit and retain Executive Directors. Reflects the individual's experience, role and contribution within the Company	<p>Base salary is reviewed annually, with changes normally effective from 1 January.</p> <p>Base salary is positioned to be market competitive when considered against other global industrial companies, and relevant international and FTSE 250 companies (excluding Investment Trusts).</p> <p>Paid in cash, subject to local tax and social security regulations.</p>	<p>Salary increases will normally not exceed the average increase awarded to other employees in the Group, although increases may be made above this level at the Committee's discretion in appropriate circumstances. In considering any increase in base salary, the Committee will also take into account:</p> <ul style="list-style-type: none"> (i) The role and experience of the individual (ii) Changes in job scope or responsibility (iii) Progression in the role (e.g. for a new appointee) (iv) A significant increase in the scale of role and/or size, value or complexity of the Group (v) The need to maintain market competitiveness <p>No absolute maximum has been set for Executive Director base salaries. Current Executive Directors' salaries are set out in the Annual Report on Directors' Remuneration section of this Remuneration Report.</p>	None.
B Other benefits			
Provides market-aligned benefits	<p>A range of benefits including, but not limited to: car allowance, private medical care (including spouse and dependent children), life insurance, disability and health insurance, expense reimbursement (including costs if a spouse accompanies an Executive Director on Vesuvius business), together with relocation allowances and expatriate benefits, in some instances grossed up for tax, in accordance with the Group's policies, and participation in any employee share scheme operated by the Group.</p>	<p>There is no formal maximum as benefit costs can fluctuate depending on changes in provider, cost and individual circumstances.¹</p>	None.
P Pension			
Helps to recruit and retain key employees Ensures income in retirement	<p>All Executive Directors are eligible to participate in a Company pension plan and/or receive a cash supplement in lieu of membership of the pension plan.</p>	<p>The maximum Company contribution, or cash supplement in lieu, is aligned to the average received by the majority of the global workforce which is currently 17%.²</p>	None.

1. The Remuneration Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments), notwithstanding that they are not in line with the Policy set out here, where the terms of the payment were agreed: (i) before the Policy set out here came into effect, provided that the terms of the payment were consistent with the shareholder-approved Remuneration Policy in force at the time they were agreed; or (ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes, 'payments' include the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.
2. As analysed in the business's Workforce Retirement Practices review conducted in 2020, as detailed on page 122 of the 2020 Annual Report.

Alignment/purpose	Operation	Opportunity	Performance
AI Annual Incentive			
<p>Incentivises Executive Directors to achieve key short-term financial and strategic targets of the Group whilst providing additional alignment with shareholders' interests through the operation of bonus deferral</p>	<p>Normally 33% of any Annual Incentive earned by Executive Directors will be deferred into awards over shares under the Vesuvius Deferred Share Bonus Plan which normally vest after at least three years, other than in specified circumstances, i.e. in cases of dismissal for cause, as outlined on page 109 in this Policy. These may be cash or share settled.</p> <p>Where shareholding requirements have been met, or exceeded, the Committee retains the discretion to reduce the deferral amount to 20% of any Annual Incentive earned, for a period of two years.</p> <p>The Committee retains the discretion to award participants the equivalent value of dividends accrued during the vesting period on any shares that vest.</p> <p>Subject to malus and clawback.</p>	<p>Maximum Annual Incentive opportunity of up to 175% of base salary.</p> <p>The normal approach to the calibration of targets will be as follows:</p> <ul style="list-style-type: none"> – Below threshold: 0% – At threshold: Between 0% and 25% of maximum – On-target: 50% of the applicable maximum opportunity is payable – Maximum: 100% of the award is payable <p>Payments start to accrue on meeting the threshold level of performance, with payments between threshold and on-target and between on-target and maximum normally being made on a graduated basis.</p> <p>Additional targets between the points outlined above may be determined by the Committee.</p> <p>The Committee will normally set the maximum bonus opportunity for each Executive Director at the start of each year.</p>	<p>The Annual Incentive is normally measured on targets set at the beginning of each year. In unusual or exceptional circumstances, for example where there is exceptional economic volatility which limits visibility to set robust 12-month targets, the Committee may elect to set and measure targets other than on an annual basis. The majority of the Annual Incentive will be determined by measure(s) of Group financial performance. The remainder will be based on financial, strategic or operational measures appropriate to the individual Executive Director.</p> <p>The Committee may use its discretion to amend the formulaic outcome upwards or downwards if it does not consider the formulaic outcome appropriate.</p>
VSP Vesuvius Share Plan (VSP)			
<p>Aligns Executive Directors' interests with those of shareholders through the delivery of shares. Rewards Executive Directors for achieving the strategic objectives of growth in shareholder value and earnings</p> <p>Assists retention of Executive Directors over a three-year performance period and the further two-year holding period</p>	<p>VSP awards to Executive Directors are granted as Performance Share awards. These may be cash or share settled.</p> <p>Awards vest three years after their award date, other than in specified circumstances outlined elsewhere in this Policy, subject to the achievement of specified conditions. All vested shares, net of any tax liabilities, are then subject to a further two-year holding period after the vesting date, which will continue to apply notwithstanding the termination of employment of the participants during this holding period, except at the Committee's discretion in exceptional circumstances, including a change of control or where the participant dies or has left employment due to ill health, injury or disability.</p> <p>The Committee has the discretion to award participants the equivalent value of dividends accrued during the vesting period and further two-year holding period on any shares that vest.</p> <p>Subject to malus and clawback.</p>	<p>Executive Directors are eligible to receive an annual award with a face value of up to 200% of base salary in Performance Share awards.</p> <p>Vesting at threshold performance is between 0% and 25% of the award, rising on a graduated basis to the vesting of the full award at maximum.</p> <p>Additional targets between threshold and maximum may be determined by the Committee.</p>	<p>Vesting will be subject to performance conditions as determined by the Committee. Those conditions will be disclosed in the Annual Report on Directors' Remuneration section of the Remuneration Report.</p> <p>At its discretion, the Committee may elect to add additional underpinning performance conditions.</p> <p>The Company reserves the right only to disclose certain of the performance targets after the performance period has ended, due to their commercial sensitivity.</p> <p>Prior to any vesting, the Committee reviews the underlying financial performance of the Group over the performance period, and the non-financial performance of the Group and participants, to ensure that the vesting is justified. Following this review, the Committee has the discretion to amend the final vesting level if it does not consider that it is justified.</p>

2026 Remuneration Policy continued

Illustration of the application of the Remuneration Policy for 2026

The charts below show the total remuneration for Executive Directors for 2026 for minimum, on-target and maximum performance. The fixed elements of remuneration comprise base salary, pension and other benefits, using 2026 salary and pension data. The assumptions on which they are calculated are as follows:

Minimum

Fixed remuneration only.

On-target

Fixed remuneration plus on-target Annual Incentive (made at 87.5% of base salary for Patrick André and 75% for Mark Collis); and for the Performance Share awards under the Vesuvius Share Plan, median performance for the TSR element and the midpoint between threshold and maximum performance for the post-tax ROIC and ESG performance conditions (with overall vesting at 40% of maximum, based on the vesting schedule detailed on page 113). No share price appreciation is assumed.

Maximum

Fixed remuneration plus maximum Annual Incentive (being full achievement of financial and personal targets, made at 175% of base salary for Patrick André and 150% for Mark Collis) and 100% vesting for Performance Share awards (made at 200% of base salary for Patrick André and 150% of base salary for Mark Collis) under the Vesuvius Share Plan. No share price appreciation is assumed.

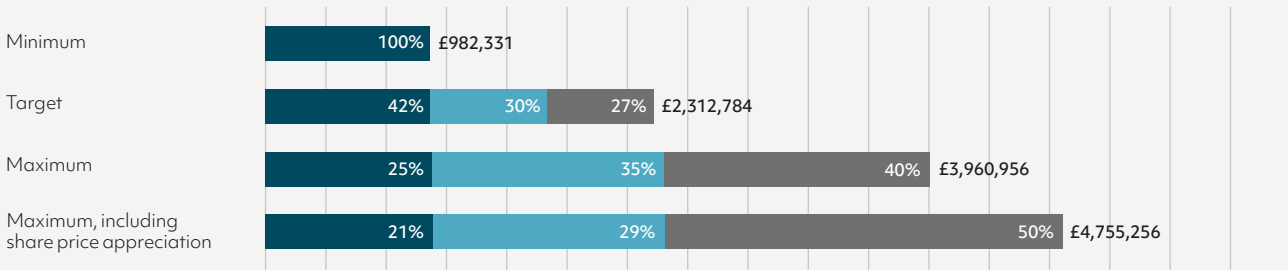
Maximum including assumed 50% share price appreciation

This shows the value of the maximum scenario if 50% share price appreciation is assumed over the three-year performance period of the Performance Share awards.

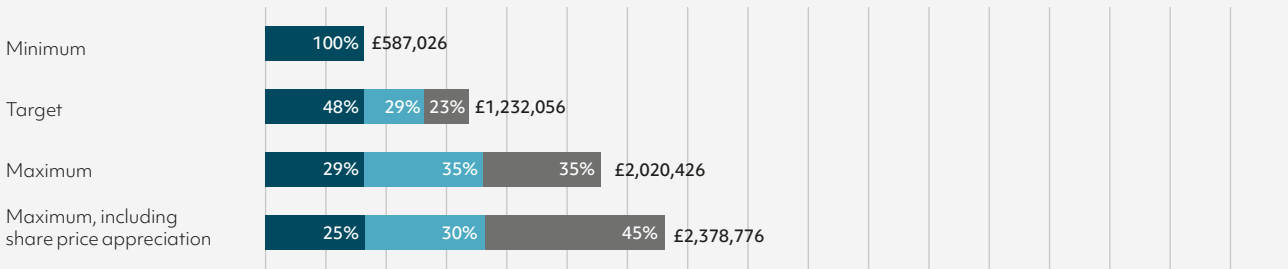
Note: In addition, the Committee retains the discretion to award dividends (either shares or their cash equivalent) on any shares that vest.

Remuneration illustrations £000

Patrick André, Chief Executive



Mark Collis, Chief Financial Officer



■ Fixed pay ■ Annual Bonus ■ LTIP

General operation of the Policy for Executive Directors

Shareholding guidelines

The Remuneration Committee encourages Executive Directors to build and hold a shareholding in the Company equivalent in value to at least 200% of base salary.

Compliance with the shareholding policy is tested at the end of each year for application in the following year, with the valuation of any holding being taken at the higher of: (1) the share price on the date of vesting of any shares derived from a share award, in respect of those shares only; and (2) the average of the closing prices of a Vesuvius ordinary share for the trading days in that December.

Unless exceptionally the Committee determines otherwise, under the post-employment shareholding guideline the Executive Directors will remain subject to their shareholding requirement in the first year after their cessation as an Executive Director and to 50% of the shares retained in the first year during the second year after such cessation, recognising that there is no requirement to purchase additional shares if the shares held when they cease to be an Executive Director are less than the applicable shareholding guideline. However, in relation to shares acquired by an Executive Director in their personal capacity, the Committee may, where appropriate, exempt such shares from the post-employment guideline.

Malus/clawback arrangements

The Executive Directors' variable remuneration is subject to malus and clawback provisions. These provide the Committee with the flexibility, if required, to withhold or recover payments made to Executive Directors under the Annual Incentive Plan (including deferred awards) and/or to withhold or recover share awards granted to Executive Directors under the Vesuvius Share Plan, including any dividends granted on such awards. The circumstances in which the Committee could potentially elect to apply malus and clawback provisions include: a material misstatement in the Group's financial results; an error in the calculation of the extent of payment or vesting of an incentive; gross misconduct by an individual; or significant financial loss or serious reputational damage to Vesuvius plc resulting from an individual's conduct; a material failure of risk management or a serious breach of health and safety. These malus and clawback provisions apply for a period of up to three years after the end of a performance period (or end of the deferral period in respect of awards made under the Vesuvius Deferred Share Bonus Plan). The malus and clawback period has been determined based on the Vesuvius business cycle and is deemed to be appropriate in this context.

Performance measures

In selecting performance measures for the Annual Incentive, the Committee seeks to reflect key strategic aims and the need for a rigorous focus on financial performance. Each year, the Committee agrees challenging targets to ensure that underperformance is not rewarded. The Company will not be disclosing the specific financial or personal objectives set until after the relevant performance period has ended because of commercial sensitivities. The personal objectives are all job-specific in nature and track performance against key strategic, organisational and operational goals.

In selecting performance measures for the Vesuvius Share Plan, the Committee seeks to focus Executive Directors on the execution of long-term strategy and also align their rewards with value created for shareholders. In the Policy period, the Committee will continually review the performance measures used to ensure that awards are made on the basis of challenging targets that clearly support the achievement of the Group's strategic aims.

The Committee may vary or waive any performance condition(s) if circumstances occur which cause it to determine that the original condition(s) have ceased to be appropriate, provided that any such variation or waiver is fair, reasonable and not materially less difficult to satisfy than the original condition (in its opinion). In the event that the Committee were to make an adjustment of this sort, a full explanation would be provided in the next Remuneration Report.

Service contracts for Executive Directors

The Committee will periodically review the contractual terms for new Executive Directors to ensure that these reflect best practice. Service contracts currently operate on a rolling basis and are limited to a 12-month notice period.

Patrick André is employed as Chief Executive of Vesuvius plc pursuant to the terms of a service agreement made with the Company dated 17 July 2017. Mark Collis is employed as Chief Financial Officer pursuant to the terms of a service agreement with Vesuvius plc dated 4 January 2023. Patrick André's appointment is terminable by Vesuvius on not less than 12 months' written notice, and by him on not less than six months' written notice. Mark Collis's appointment is terminable by him and Vesuvius on not less than six months' written notice.

External appointments of Executive Directors

The Executive Directors do not currently serve as Non-executive Directors of any other quoted company outside the Group. Subject always to consent being granted by the Company for them to take up such an appointment, were they to so serve, the Company would allow them to retain any fees they received for the performance of their duties.

Other

The Committee may: (a) in the event of a variation of the Company's share capital, demerger, special dividend or any other corporate event which it reasonably determines justifies such an adjustment, adjust; and (b) amend the terms of awards granted under the share schemes referred to above in accordance with the rules of the relevant plans.

Share awards may be settled by the issue of new shares or by the transfer of existing shares. The current share plan rules include limits on the issuance of new shares which are 5% of share capital over a rolling ten-year period in relation to discretionary employee share schemes and 10% of share capital over a rolling ten-year period in relation to all-employee share schemes. The Committee retains flexibility to update these dilution limits to reflect best practice expectations from time to time.

The Committee may make minor amendments to the Policy set out in this Policy Report (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

2026 Remuneration Policy continued

Policy for joining and leaving: Recruitment policy

Typical event	Policy
Executive Director appointed or promoted	On appointment or promotion of a new Executive Director, the Committee will typically use the Remuneration Policy in force at the time of the Committee's decision to determine ongoing remuneration. Base salary levels will generally be set in accordance with the Remuneration Policy current at the time of the Committee's decision, taking into account the experience and calibre of the appointee. Other than in exceptional circumstances, other elements of annual remuneration will, typically, be set in line with the Remuneration Policy, including a limit on awards under the Annual Incentive and Vesuvius Share Plan of 375% of salary in aggregate.
First year of appointment	If appropriate the Committee may apply different performance measures and/or targets to a Director's first incentive awards in his/her year of appointment.
Service contract agreed	Service contracts will be entered into on terms similar to those for the existing Executive Directors, summarised in the Service contracts for Executive Directors section above.
Appointment of Chairman or Non-executive Director	With respect to the appointment of a new Chairman or Non-executive Director, appointment terms will be consistent with those applicable at the time the appointment is agreed. Variable pay will not be considered. With respect to Non-executive Directors, fees will be consistent with the Policy at the time the appointment is agreed. If, in exceptional circumstances, a Non-executive Director was asked to assume an interim executive role, the Company retains the discretion to pay them appropriate executive compensation, in line with the Policy.
Individual appointed on a base salary below market, contingent on performance	If it is appropriate to appoint an individual on a base salary initially below what is adjudged to be market positioning, contingent on individual performance, the Committee retains the discretion to realign base salary over the one to three years following appointment, which may result in a higher rate of annualised increase than might otherwise be awarded under the Policy. If the Committee intends to rely on this discretion, it will be noted in the first Remuneration Report following an individual's appointment.
Internal appointment	In the event that an internal appointment is made, or where a Director is appointed as a result of transfer into the Group on an acquisition of another Company, the Committee may continue with existing remuneration provisions for this individual, where appropriate.
Relocation required	If necessary and appropriate to secure the appointment of a candidate who has to move locations as a result of the appointment, whether internal or external, the Committee may make additional payments linked to relocation, above those outlined in the policy table, and would authorise the payment of a relocation allowance and repatriation, as well as other associated international mobility terms. Such benefits would be set at a level which the Committee considers appropriate for the role and the individual's circumstances.
Buying out compensation forfeited on leaving previous employer	In addition to the annual remuneration elements noted above, the Committee may consider buying out terms, incentives and any other compensation arrangements forfeited on leaving a previous employer that an individual forfeits in accepting an appointment with Vesuvius. The Committee will have the authority to rely on Listing Rule 9.3.2 R(2) or to apply the existing limits within the Vesuvius Share Plan to make Performance and/or Restricted Share awards on recruitment. In making any such awards, the Committee will review the terms of any forfeited awards, including, but not limited to, vesting periods, the performance targets (if any), the expected value of such awards on vesting and the likelihood of the performance targets applicable to such awards (if any) being met, whilst retaining the discretion to make any buy-out award the Committee determines is necessary and appropriate. The Committee may also require the appointee to purchase shares in Vesuvius to a pre-agreed level prior to vesting of any such awards. The value of any buy-out award will be capped, to ensure its maximum value is no higher than the value of the awards that the individual forfeited on joining Vesuvius. Any such awards will be subject to malus and clawback.
Reimbursement of other costs	In addition to the elements noted above, the Committee may consider reimbursement of other demonstrable, specific costs incurred by an individual in relation to their appointment (e.g. legal costs).

Policy for joining and leaving: Exit payment policy

Vesuvius has the option to make a payment in lieu of part or all of the required notice period for Executive Directors. Any such payment in lieu will consist of the base salary, pension contributions and value of benefits to which the Director would have been entitled for the duration of the remaining notice period, net of statutory deductions in each case. Half of any payments in lieu of notice would be made in a lump sum, the remainder in equal monthly instalments commencing in the month in which the midpoint of their foregone notice period falls (and are reduced or extinguished by salary from any role undertaken by the departing Executive in this time). Executive Directors are subject to certain non-compete covenants for a period of 9 to 12 months, and non-solicitation covenants for a period of 12 months, following the termination of their employment. Their service agreements are governed by English law.

Executive Directors' contracts do not contain any change of control provisions; they do contain a duty to mitigate should the Director find an alternative paid occupation in any period during which the Company must otherwise pay compensation on early termination.

The table below summarises how the awards under the annual bonus and Vesuvius Share Plan are typically treated in different leaver scenarios and on a change of control.

Whilst the Committee retains overall discretion on determining 'good leaver' status, it typically defines a 'good leaver' in circumstances such as retirement with agreement of the Company, ill health, disability, death, redundancy, or part of the business in which the individual is employed or engaged ceasing to be part of the Group. Final treatment is subject to the Committee's discretion.

Event	Timing	Calculation of vesting/payment
Annual Incentive Plan – during period prior to payment		
Good leaver	Paid at the same time as to continuing employees.	Annual bonus is paid only to the extent that any performance conditions have been satisfied and is pro-rated for the proportion of the financial year worked before cessation of employment. In determining the level of bonus to be paid, the Committee may, at its discretion, take into account performance up to the date of cessation or over the financial year as a whole based on appropriate performance measures as determined by the Committee. The bonus may, at the Committee's discretion, be paid entirely in cash.
Bad leaver	Not applicable.	Individuals lose the right to their annual bonus.
Change of control	Paid on the effective date of change of control.	Annual bonus is paid only to the extent that any performance conditions have been satisfied and is pro-rated for the proportion of the financial year worked.
Annual Incentive Plan – in respect of any amount deferred into awards over shares under the Vesuvius Deferred Share Bonus Plan		
Good leaver	On the date of the event.	Deferred awards vest in full.
Bad leaver	On the date of the event.	Other than dismissal for cause, deferred awards will vest in full.
Change of control ¹	Within seven days of the event.	Deferred awards vest in full.
Vesuvius Share Plan		
Good leaver ²	On normal release date (or earlier at the Committee's discretion).	Unvested awards vest to the extent that any performance conditions have been satisfied and a pro rata reduction applies to the value of the awards to take into account the proportion of performance period not served, unless the Committee decides that the reduction in the number of vested shares is inappropriate.
Bad leaver	Unvested awards lapse.	Unvested awards lapse on cessation of employment.
Change of control ¹	On the date of the event.	Unvested awards vest to the extent that any performance conditions have been satisfied and a pro rata reduction applies for the proportion of the vesting period not served, unless the Committee decides that the reduction in the number of vested shares is inappropriate.

1. In certain circumstances, the Committee may determine that unvested awards under the Vesuvius Deferred Share Bonus Plan and Vesuvius Share Plan will not vest on a change of control but will instead be replaced by an equivalent grant of a new award, as determined by the Committee, in the new company.

2. Under the rules of the Vesuvius Share Plan, any vested shares, net of any tax liabilities, are subject to a further two-year holding period after the vesting date. The holding period may be terminated early at the Committee's discretion in exceptional circumstances, including a change of control or where the award holder dies or leaves employment due to ill health, injury or disability.

Benefits normally cease to be provided on the date employment ends. However, the Committee has the discretion to (a) allow some minor benefits (such as health insurance, tax advice and repatriation expenses) to continue to be provided for a period following cessation or (b) enable other benefits (e.g. such as

long-service gifts) to be provided where this is considered fair and reasonable, or appropriate on the basis of local market or Company-wide practice. In addition, the Committee retains discretion to fund other expenses for the Executive Director; for example, payments to meet legal fees incurred in connection with

2026 Remuneration Policy continued

termination of employment, or to meet the costs of providing outplacement support, and de minimis termination costs up to £5,000 to cover the transfer of mobile phone or other administrative expenses.

The Committee reserves the right to make any other payments in connection with a Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of a compromise or settlement of any claim arising in connection with the cessation of a Director's office or employment.

In certain circumstances, the Committee may approve new contractual arrangements with departing Executive Directors, including (but not limited to) settlement, confidentiality, restrictive covenants and/or consultancy arrangements. These would be used only where the Committee believed it was in the best interests of the Company to do so.

Policy for Non-executive Directors

The Company seeks to appoint Non-executive Directors who have relevant professional knowledge and have gained experience in a relevant industry and geographical sector, to support diversity of expertise on the Board and match the wide geographical spread of the Company's activities.

Non-executive Directors attend Board, Committee and other meetings, held mainly in the UK, together with an annual strategy review to debate the Company's strategic direction.

All Non-executive Directors are expected to familiarise themselves with the scale and scope of the Company's business and to maintain their specific technical skills and knowledge.

The Board sets the level of fees paid to the Non-executive Directors after considering the role and responsibilities of each Director and the practice of other companies of a similar size and international complexity. The Non-executive Directors do not participate in Board discussions on their own remuneration.

Alignment/purpose	Operation	Opportunity	Performance
Fees			
To attract and retain Non-executive Directors of the necessary skill and experience by offering market-competitive fees	Fees are normally reviewed every year by the Board.	Non-executive Directors and the Chairman will be paid market-appropriate fees, with any increase reflecting changes in the market or adjustments to a specific Non-executive Director's role.	None.
	Non-executive Directors are paid a base fee for the performance of their role plus additional fees for roles that involve significant additional time commitment and/or responsibility. Such roles could include, but are not limited to, Committee chairmanship (and, where appropriate, membership) or acting as the Senior Independent Director. Fees may be paid in cash and/or shares.	Any travel allowances payable will take into account the travel time incurred as necessary to fulfil Company business.	
	When travelling internationally on Company business, all Non-executive Directors may also be provided with additional travel allowance payments, reflecting the associated time commitment, paid in cash.	No eligibility for bonuses, retirement benefits or to participate in the Group's employee share plans.	
	The Chairman is paid a single cash fee and receives administrative support from the Company.	Base fees paid to Non-executive Directors excluding the Chairman will, in aggregate, remain within the aggregate limit stated in our Articles, currently being £750,000.	
Benefits and expenses			
To facilitate execution of responsibilities and duties required by the role	All Non-executive Directors are reimbursed for reasonable expenses and/or provided with allowances in connection with carrying out their duties (this includes covering any personal tax owing).	Non-executive Directors are paid in accordance with Vesuvius' expense and allowance procedures.	None.
	Should the Board deem it appropriate, additional benefits can be provided to Non-executive Directors as required (e.g. liability insurance).	Provision of additional benefits will be at the discretion of the Board and will reflect the reasonable needs of a Non-executive Director in undertaking Company business.	

Terms of service of the Chairman and other Non-executive Directors

The terms of service of the Chairman and the Non-executive Directors are contained in letters of appointment. Each Non-executive Director is appointed subject to their election at the Company's first Annual General Meeting following their appointment and re-election at subsequent Annual General Meetings. The Chairman is entitled to six months' notice from the Company. None of the other Non-executive Directors is entitled to receive compensation for loss of office at any time.

All Non-executive Directors are subject to retirement, and election or re-election, in accordance with the Company's Articles of Association. The current policy is for Non-executive Directors to serve on the Board for a maximum of nine years, with review at the end of three and six years, subject always to mutual agreement and annual performance evaluation. The Board retains discretion to extend the tenure of Non-executive Directors beyond this time, subject to the requirements of Board balance and independence being satisfied.

The table below shows the date of appointment for each of the Non-executive Directors:

Non-executive Director	Date of appointment
Carl-Peter Forster	1 November 2022
Carla Bailo	1 February 2023
Italia Boninelli	1 June 2024
Dinggui Gao	1 April 2021
Friederike Helfer	4 December 2019
Eva Lindqvist	15 May 2024
Robert MacLeod	1 September 2023

Directors' Remuneration Report

Annual Report on Directors' Remuneration

Executive Directors' remuneration in the year ahead

The table below sets out the phasing of receipt of the various elements of Executive Director remuneration for 2026.

	2026	2027	2028	2029	2030	2031	Description and link to strategy
S Base salary	[Bar chart showing receipt in 2026]						Salaries are set at an appropriate level to enable the Company to recruit and retain key employees, and reflect the individual's experience, role and contribution within the Company.
B Benefits	[Bar chart showing receipt in 2026]						Provides normal market practice benefits.
P Pension	[Bar chart showing receipt in 2026]						The pension benefit helps to recruit and retain key employees and ensures income in retirement.
AI Annual Incentive		[Bar chart showing receipt from 2027 to 2031]					The Annual Incentive incentivises the Executive Directors to achieve key short-term financial and strategic targets of the Group.
AI Deferred Annual Incentive					[Bar chart showing receipt in 2030 and 2031]		The deferral of a portion of the Annual Incentive increases alignment with shareholders.
VSP Vesuvius Share Plan				[Bar chart showing receipt from 2029 to 2031, with a 'Holding period' arrow from 2029 to 2030]		Awards under the Vesuvius Share Plan align Executive Directors' interests with those of shareholders through the delivery of shares and assist in the retention of the Executive Directors. The VSP rewards the Executive Directors for achieving the strategic objectives of growth in shareholder value and earnings and of our three priority long-term ESG targets.	

Annual Report on Directors' Remuneration continued

The table below sets out how the Remuneration Policy will be applied to the Executive Directors' remuneration for 2026. Further details about each of the elements of remuneration are set out in the Remuneration Policy.

S Base salary			
Patrick André	£794,300	Mark Collis	£477,800
	2025: £778,680		2025: £455,000
	As explained in the Committee Chair's Introductory Statement to this Directors' Remuneration Report, the Chief Executive was awarded a 2% increase, effective 1 January 2026.		As explained in the Committee Chair's Introductory Statement to this Directors' Remuneration Report, the CFO was awarded a 5% increase, effective 1 January 2026.
B Benefits			
Benefits for Executive Directors may include:	<ul style="list-style-type: none"> - Car allowance - Private medical care - Relocation expenses 	<ul style="list-style-type: none"> - Tax advice and tax reimbursement - Commuting costs 	<ul style="list-style-type: none"> - School fees - Directors' spouses' travel - Administrative expenses
P Pension			
17% of base salary, in line with the average received by the majority of the global workforce.			
AI Annual Incentive			
Annual Incentive potential for Patrick André, maximum value	175%	of base salary	Annual Incentive potential for Mark Collis, maximum value
			150%
			of base salary
<p>For 2026, the maximum Annual Incentive potential for Patrick André will remain at the level previously available, i.e. 175% of base salary with target Annual Incentive potential being 87.5% of base salary for the achievement of target performance in all elements. For Mark Collis, the potential will also remain at the level previously available, i.e. 75% at target, and 150% at maximum. Payouts will commence and increase incrementally from 0% once the threshold performance for any of the elements has been met. As detailed in the Chair's Introductory Statement to this Directors' Remuneration Report, the performance ranges that will apply to the 2026 financial targets have been re-calibrated vis-à-vis the approach taken in prior years to better reflect our focus on growth in 2026 at the same time as recognising the need to set a realistic but stretching incentive in the context of highly cyclical end-markets and current market conditions.</p> <p>33% of any Annual Incentive earned will be deferred into awards over shares, which will vest after a holding period of three years, except in cases of dismissal for cause. Subject to shareholder approval of our 2026 Remuneration Policy at the 2026 AGM, where shareholding requirements have been met, or exceeded, the Committee retains the discretion to reduce the deferral amount to 20% of any Annual Incentive earned, for a period of two years.</p> <p>These incentives are based 50% on Group Headline EPS, 30% on the Group's working capital to sales ratio (based on the 12-month moving average) and 20% on specified personal objectives.</p> <p>The Company will not be disclosing the targets set until after the relevant performance period has ended because of commercial sensitivities. Targets will be set and performance assessed so as to exclude approved restructuring costs and any unbudgeted M&A costs.</p> <p>The personal objectives for 2026 are focused on long-term strategic objectives or are job-specific in nature and track performance against the Group's key strategic, organisational and operational goals with a specific focus on ESG outcomes.</p>			
VSP Vesuvius Share Plan (VSP)			
Patrick André, maximum value	200%	of base salary	Share awards with a maximum value of 200% of salary will be granted to Patrick André and, for Mark Collis a maximum value of 150% of salary will be granted. The grant price for the awards will be determined by reference to the average share price over the 30 calendar days prior to grant. Vesting of 40% of shares awarded will be based upon the Company's TSR performance relative to that of the constituent companies of the FTSE 250 (excluding Investment Trusts), 40% on post-tax return on invested capital (ROIC) and 20% on ESG. Targets are set out overleaf. Performance will be measured over three years with awards vesting after three years. There will then be a further two-year holding period applicable to the awards.
Mark Collis, maximum value	150%	of base salary	

Targets for the VSP Awards for the year 2026

TSR ranking relative to FTSE 250 excluding Investment Trusts		Weighting 40%
	Vesting percentage (of total LTIP)	
Below median	0%	
Median	10%	
Between median and upper quintile	Pro rata between 10% and 40%	
Upper quintile and above	40%	

Post-tax ROIC¹		Weighting 40%
	Vesting percentage (of total LTIP) ²	Average ROIC over three-year performance period
Threshold and below	0%	11.0%
Maximum	40%	14.5%

1. ROIC is defined as Net Operating Profit After Tax (NOPAT), divided by invested capital (IC). NOPAT is defined as Group trading profit, plus post-tax share of JV results, less amortisation of intangible assets calculated as an average over the target period. (The inclusion of amortisation charges serves to reduce the calculation of ROIC returns though we believe this to be the most appropriate definition.) Invested capital is defined as total assets excluding cash and non-interest-bearing liabilities, less the goodwill and intangibles that arose under IFRS 3 in respect of the Fosco acquisition in 2008, calculated as the average of IC at the start and the end of the target period at constant currency.
2. Vesting between these points will be on a straight-line basis.

Environment, Social and Governance		Weighting 20%
Safety: Average Lost Time Injury Frequency Rate (LTIFR)¹ 2026-2028		
	Vesting percentage (of total LTIP) ²	Range
Threshold and below	0%	0.80
Maximum	5%	0.50

Energy: CO₂e: Reduction in Scope 1 and 2 CO₂e emission intensity excluding the dolime process (vs 2019 baseline) in 2028³		
	Vesting percentage (of total LTIP) ²	Range
Threshold and below	0%	-46%
Maximum	10%	-50%

Diversity: Gender diversity in Senior Leadership Group⁴ on 31 Dec 2028		
	Vesting percentage (of total LTIP) ²	Range
Threshold and below	0%	21%
Maximum	5%	24%

1. LTIFR is the Lost Time Injury Frequency Rate, based on the number of lost time injuries that occur during the performance period per million hours worked.
2. Straight-line vesting between threshold and maximum.
3. Reduction of CO₂e emissions per metric tonne of product packed for shipment.
4. Senior Leadership Group is defined as the Group Executive Committee plus the most senior Vesuvius managers worldwide, in terms of their contribution to the Group's overall results and to the execution of the Group's strategy.

Explaining the ROIC target range

The Committee has considered the Group strategy over the period, market conditions, and historic and current estimates of WACC provided by our financial advisers in determining the target range. The ROIC target excludes goodwill and intangibles that arose upon the historic acquisition of Fosco in 2008, as the Committee believes that this approach removes the distortive effects of that acquisition, and provides a clearer measure of management performance. This measure is one of the Company's KPIs, as set out on page 17. The targets have been set, and performance will be assessed, excluding approved restructuring costs. The threshold payout level remains at 0% this year, but may change for future awards.

As detailed in the Chair's Introductory Statement to this Directors' Remuneration Report, the 2026 awards ROIC targets have been re-calibrated vis-a-vis the approach taken in 2025 having had regard to the financial information noted above as well as reviewing the performance achieved in 2025 and forecast market conditions for the next three-year period. In this context, the range set is considered to achieve the objective of setting a realistic but stretching incentive in our business context, with the targets viewed as being at least as challenging as those set in 2025 given where we are in the business cycle.

Adjustments to the ROIC target range may be required should the Board approve certain mergers, acquisitions or disposals. For any such event that requires Board approval then management will assess the potential impact on ROIC as part of their broader submission, and the Committee will determine whether any adjustment to targets should be made. In general, the Committee will have regard to the materiality of the event and the timing in the life of the award cycle. The intention will be to maintain fair, stretching but achievable targets, whilst not providing a disincentive to management to bring forward proposals for mergers, acquisitions or disposals that are in the Company's interest.

Explaining the ESG metrics

The Environment, Social and Governance targets for the 2026 awards represent key strategic priorities for the management team as well as the Board.

Safety continues to be of paramount cultural importance to Vesuvius and progressive improvement has been made in recent years. The targets are considered stretching in the context of an operationally challenging environment with many employees working remotely at customer sites and noting that, the better our performance outcome, the exponentially harder it is to make further progress. Lost Time Injury Frequency Rate is a recognised metric, and is measured per million hours worked.

Energy – the reduction in Scope 1 and 2 emissions is a key feature of the Company's sustainability strategy (see pages 36 to 56) and as such a measure of CO₂e emission intensity is used (CO₂e emissions per tonne of product packed for shipment). Baseline and current emissions have been verified by Carbon Footprint Ltd. The targets have been set relative to the 2025 outturn of -46% (versus the 2019 baseline) which, as outlined on page 53, reflected actual performance excluding the dolime process.

Diversity – a focus on gender diversity has seen improvements in the Senior Leadership Group of c. 150 individuals in recent years. The Committee notes that the market for female talent in the sector remains extremely tight and, following a review of estimated market talent pipelines in our industry, it believes that the target range is appropriately stretching.

Annual Report on Directors' Remuneration continued

Executive Directors' remuneration in year under review

Single total figure table – audited

The table below sets out the total remuneration received by Executive Directors in the financial year under review:

	Patrick André		Mark Collis	
	2025 (£000)	2024 (£000)	2025 (£000)	2024 (£000)
Total salary	779	756	455	441
Taxable benefits ¹	53	78	28	27
Pension ²	132	129	77	75
Total fixed pay³	964	963	561	543
Annual Incentive ⁴	288	483	145	240
Long-Term Incentives ^{5,6,7,8}	449	963	180	–
Buy-out awards ^{9,10}	–	–	–	14
Total variable pay¹¹	736	1,446	326	254
Total¹²	1,700	2,409	886	797

1. Standard benefits for the Executive Directors include car allowance and private medical care. In 2024, Patrick André also received external professional services support, funded by the Company, in relation to clarifying his status and assessing his liabilities associated with the forthcoming implementation of the Foreign Income and Gains regime.

2. The pension figures for 2024 and 2025 for Patrick André and Mark Collis represent the value of all cash allowances and contributions received in respect of pension benefits, at a rate of 17% of base salary, implemented in line with the Remuneration Policy from 1 January 2023. In 2024 and 2025, for both Patrick André and Mark Collis, pension benefit comprised £10,000 contribution into pension, with the remainder provided as a pension cash supplement.

3. The sum of total salary, taxable benefits and pension.

4. This figure includes the Annual Incentive payments to be made to the Executive Directors in relation to the year under review. 33% of any Annual Incentive payments will be deferred into awards over shares, subject to a three-year vesting period, and subject to no further performance measures. See page 105 for more details. Leaver and change of control provisions in relation to these shares are set out in the Policy on page 109.

5. The 2024 figure represents the Performance Share awards granted to Patrick André in 2022 under the VSP, which vested in 2025.

6. The value of the 2024 Long-Term Incentive, relating to the Performance Share award granted to Patrick André under the VSP in 2022, is reflective of a share price depreciation of 2.99% between the share price used at grant (402.0p), versus the vesting share price of 390.0p. The values also include dividend vesting at 67.35p per vested share.

7. The 2025 figures represent the Performance Share awards granted to Patrick André and Mark Collis in 2023 under the VSP, which will vest in 2026.

8. The values of the 2025 Long-Term Incentive, relating to the Performance Share awards granted to Patrick André and Mark Collis under the VSP in 2023, are reflective of a share price depreciation of 6.20% between the share price used at grant (405.0p), versus the Q4 2025 average share price (379.9p) used as a proxy for the vesting price. The values also include dividend vesting at 69.35p per vested share.

9. As detailed on page 126 of the 2023 Annual Report, Mark Collis received a one-off payment to compensate for the 2022 annual incentive payment forfeited when leaving his former employer, as well as a combination of Restricted Share awards and Performance Shares to compensate for forfeited equity incentives, which the Committee resolved to make in line with the Remuneration Policy.

10. The figure quoted here for 2024 comprises the two Performance Share awards, for which the performance period ended on 31 December 2023, but for which the vesting performance (aligned with that of Mark Collis's former employer) was not as yet known at the time of publication of the 2023 Annual Report. The awards, granted on 20 June 2023, comprised 23,820 shares due to vest at earliest on 8 April 2024, and 5,955 shares due to vest at earliest on 9 March 2026, as detailed further on page 129 of the 2023 Annual Report. The resulting vesting performance of these awards, as detailed on page 142 of the John Wood Group plc 2023 Annual report, was 10% of maximum. The value shown here reflects the vested value of the first of these awards based on the vesting share price of 491.5p on 8 April 2024 (reflecting a share price appreciation of 26.9% versus the share price used at grant, 387.3p, that being the average closing share price for the 30 dealing days prior to the Board's confirmation of his appointment on 4 January 2023), plus dividend vesting at 6.8p per vested share; plus the vested value of the second of these awards, due to vest on 9 March 2026, for which the Q4 2025 average share price (379.9p) has been used as a proxy for the vesting price.

11. The sum of the value of the Annual Incentive, Long-Term Incentives and Buy-out awards where the performance period ended during the financial year.

12. The sum of base salary, benefits, pension, Annual Incentive, Long-Term Incentives and buy-out awards where the performance period ended during the financial year.

Additional note:

13. Total 2025 Directors' Remuneration (Executive Directors and Non-executive Directors) is £3.431m. 2024 Directors' Remuneration for the current Directors who served during 2024 was £3.967m.

Incentive for 2025 performance – audited

The Executive Directors are eligible to receive an Annual Incentive calculated as a percentage of base salary, based on achievement against specified financial targets and personal objectives. Each year, the Remuneration Committee establishes the performance criteria for the forthcoming year. The financial targets are set by reference to the Company's financial budget. The target range is set to ensure that Annual Incentives are only paid out at maximum for significantly exceeding performance expectations. The Remuneration Committee considers that the setting and attainment of these targets is important in the context of achievement of the Company's longer-term strategic goals.

Payouts will commence and increase incrementally from 0% once the threshold performance for any of the elements has been met.

The Annual Incentive has a target level at which 50% of the maximum opportunity is payable, and a maximum performance level at which 100% of the maximum opportunity is earned, on a pro rata basis.

For 2025, the maximum Annual Incentive potential for the Executive Directors was 175% of base salary for Patrick André and 150% for Mark Collis, with their target Annual Incentive potential being 87.5% and 75% of base salary respectively.

For the Financial Year 2025, the Executive Directors' Annual Incentives were based 50% on Group Headline EPS, 30% on the Group's working capital to sales ratio (based on the 12-month moving average) and 20% on specified personal objectives.

Financial targets and outcomes for the Annual Incentive in 2025

The 2025 Vesuvius Group Headline EPS performance targets set out below were set at the December 2024 full-year average foreign exchange rates, being the rates used for the 2025 budget process.

In assessing the Group's performance against these targets, the Committee has applied adjustments to ensure a constant currency approach, including retranslating the full-year 2025 EPS performance at December 2024 full-year average foreign exchange rates to establish performance, consistent with practice in previous years.

Metric	2025 Financial targets			2025 Outcomes		
	Threshold	Target	Maximum	Metric outcome	Incentive outturns (% of salary)	
					CEO	CFO
Group Headline EPS	38.9p	43.1p	47.3p	36.9p	0.0%	0.0%
Group Working Capital/Sales	23.6%	22.8%	22.0%	23.4%	6.5%	5.6%

Based on the above outcomes, the total incentive outturns related purely to financial objectives were 6.5% of base salary and 5.6% of base salary for the Chief Executive and CFO respectively.

Personal objectives

In 2025, a proportion (20%) of the Annual Incentive for Executive Directors (representing 35% of salary for the Chief Executive, and 30% of salary for the CFO) was based on the achievement of personal objectives. The Committee sets specific target ranges for such objectives, against which actual performance is then measured. A summary of 2025 performance is detailed in the following tables.

Annual Report on Directors' Remuneration continued

Patrick André

Summary of objective	Key objective details	Summary of outcome
Review and implement Group strategy	<ul style="list-style-type: none"> – Drive Company's role in consolidation of the Steel and Foundry industries – Conduct top-down review of asset portfolio, and formulate plans to address under-performance – Close at least one attractive external acquisition in 2025 	<ul style="list-style-type: none"> – Action plan developed and initiated to precipitate enhanced performance of the Foundry business – Group exposure in EMEA significantly reduced to 20%, compared with 30% in 2023, ahead of internal plans – Acquisitions ahead of plan, with that of Morgan Molten Metal Systems business signed and finalised following complex and protracted legal and regulatory challenges and the PiroMET acquisition consolidated into the global business – Overall objective outcome was close to maximum
Drive operational performance	<ul style="list-style-type: none"> – Maximise pace of revised annualised cash savings, in line with the framework presented during the 2023 Capital Markets Day – Significantly progress the Group's quality journey, particularly in relation to deployment of a quality dashboard and improvement plans at flagship plants and VISO plants 	<ul style="list-style-type: none"> – Exit rate at over £37m, above maximum in relation to cash savings targets set at the start of the year – New quality dashboard fully deployed, with improvement plans successfully deployed in three out of four flagship plants and in all six other VISO plants – Overall objective outcome was close to maximum
Prepare GEC succession and reinforce talent management	<ul style="list-style-type: none"> – Ensure successful induction of two new BU Presidents during 2025 – Continue to develop internal succession pipelines for other GEC roles including CE, CFO and BU Presidents 	<ul style="list-style-type: none"> – Successful induction of both Nitin Jain and Manuel Delfino in their new BU President roles, including significant management of the Foundry business for five months to facilitate smooth transition of Manuel Delfino – Ongoing development of multiple succession candidates for CE, CFO and BU President roles – Overall objective outcome was close to maximum
Improve Vesuvius' sustainability performance	<ul style="list-style-type: none"> – Drive further reduction in CO₂ emission intensity and drive targeted initiatives to improve gender diversity in the Senior Leadership Group 	<ul style="list-style-type: none"> – Continued, significant improvements in energy efficiency across the business – SLG gender diversity below targeted improvement levels – Overall objective outcome was at target

In summary, the scores against each objective target, summarised above (disclosures tailored allowing for commercial sensitivity), resulted in a formulaic outcome of 30.5% of contractual base salary, out of the maximum potential 35%.

Mark Collis

Summary of objective	Key objective details	Summary of outcome
Deliver progress on key strategic initiatives	<ul style="list-style-type: none"> – Drive Company's role in consolidation of the Steel and Foundry industries – Conduct top-down review of asset portfolio, and formulate plans to address under-performance – Close at least one attractive external acquisition in 2025 – Develop roadmap for delivering enhanced return on sales in Foundry 	<ul style="list-style-type: none"> – Action plan developed and initiated to precipitate enhanced performance of the Foundry business – Group exposure in EMEA significantly reduced to 20%, compared with 30% in 2023, ahead of internal plans – Acquisitions ahead of plan, with that of Morgan Molten Metal Systems business signed and finalised following complex and protracted legal and regulatory challenges and the PiroMET acquisition consolidated into the global business – Strong roadmap developed and instrumental guidelines set for the Business Units – Overall objective outcome was close to maximum
Drive operational performance	<ul style="list-style-type: none"> – Maximise pace of revised annualised cash savings, in line with the framework presented during the 2023 Capital Markets Day – Implement identified cybersecurity improvements whilst ensuring IT efficiencies and minimising need for additional resources – Ensure SAP A1 go live throughout Steel Division in EMEA, Canada, Mexico 	<ul style="list-style-type: none"> – Exit rate at over £37m, above maximum in relation to cash savings targets set at the start of the year – Review of IT efficiencies ongoing and subject to finalisation in relation to cybersecurity improvements – SAP A1 completed in all Steel division in EMEA, all Canada and 80% complete in Mexico – Overall objective outcome was determined at maximum
Strengthen efficiency in the global finance organisation and reinforce talent management	<ul style="list-style-type: none"> – Optimise global finance headcount – Implement Finance Target Operating Model across EMEA, North America and Asia and ensure high quality finance leadership in each Group Business Unit 	<ul style="list-style-type: none"> – Finance headcount optimisation ahead of target – FTOM fully implemented in EMEA and North America, and organisation design completed for Asia – Oversight of the successful selection and appointment of key BU finance personnel to strengthen talent – Overall objective outcome was between target and maximum

In summary, the scores against each objective target, summarised above (disclosures tailored allowing for commercial sensitivity), resulted in a formulaic outcome of 26.4% of contractual base salary, out of the maximum potential 30%.

The total Annual Incentive awards payable to Patrick André and Mark Collis, in respect of their service as Executive Directors during 2025, are therefore 36.9% and 32.0% of salary respectively, of which 33% will be deferred into awards over shares, to be held for a period of three years, with vesting in accordance with the Remuneration Policy. Other than in cases of dismissal for cause, deferred awards will vest in full. The Committee considered the appropriateness of this overall AIP payment in the context of the experience of our various stakeholders during 2025 and was satisfied that no discretionary adjustments were required. The non-financial outcomes, in particular, were considered to be fully reflective of the strategic progress delivered during the year.

2023 VSP Awards (vesting in 2026) – audited

The performance period applicable to these awards ended on 31 December 2025. Further details on the number of shares awarded are shown on page 124.

	Weighting	0% vesting	25% vesting	50% vesting	100% vesting	Performance achieved	Payout level (% of total award)
TSR relative to FTSE 250 excluding Investment Trusts ^{1,2}	40%	Below median	Median	–	Upper quintile	Between median and upper quintile (Ranked 68th)	12.3%
Post-tax ROIC ¹	40%	8.5%	–	–	11.0%	7.9% ⁴	0.0%
Safety: Average Lost Time Injury Frequency Rate (LTIFR) 2023-2025	5%	1.05	–	–	0.85	0.61	5.0%
Energy: CO ₂ e: Reduction in Scope 1 and 2 CO ₂ e emission intensity (vs 2019 baseline) in 2025 ³	10%	-17%	–	–	-23%	-46% ³	10.0%
Diversity: Gender diversity in the Senior Leadership Group on 31 Dec 2025	5%	20%	–	–	26%	21%	0.8%

1. Straight-line vesting applies between the vesting points.

2. TSR vesting percentage begins at 25% of maximum for median TSR outcome, with straight-line vesting applying from 25% to maximum.

3. Performance in relation to the Energy target reflects a change in the way CO₂e statistics were calculated from 2024 onwards, and now shows the actual performance excluding the dolime process. The targets for the 2023 VSP award were set based on the normal operation of the dolime process. If the dolime process had continued to operate normally in 2025 (based on average production levels for 2019-2022), i.e. the same basis for modelling 'normal' performance, and the basis upon which the 2023 VSP targets were defined, this would show a proforma outturn of -31%, still beyond maximum. See page 53 for further information.

4. Adjusted for separately reported approved restructuring costs and acquisition expenses.

Share awards granted during the financial year – audited

VSP award

An award was granted under the VSP to selected senior executives in April 2025. UK executives receive awards in the form of nil-cost options with a flexible exercise date. This award is subject to the performance conditions described below and will vest in April 2028 (with a subsequent two-year holding period for any vested shares to April 2030).

	Type of award	Date of grant	Maximum number of shares ¹	Face value (£)	Face value (% of salary)	Threshold vesting	End of performance period
Patrick André	Nil-cost option	7 April 2025	399,589	£1,557,358	200%	25% of award	31 December 2027
Mark Collis		7 April 2025	175,116	£682,497	150%		

1. In 2025, Patrick André and Mark Collis were entitled to receive allocations of Performance Shares worth 200% and 150% of their base salaries respectively. Awards were calculated based on the average closing mid-market price of Vesuvius' shares on the 30 dealing days prior to grant, of £3.8974. The maximum number of shares quoted excludes any additional shares that may be awarded in relation to dividends accruing during the vesting and holding periods.

Vesting of the VSP awards is subject to satisfaction of the following performance conditions. Any LTIP vesting is at the discretion of the Remuneration Committee.

	Weighting	Threshold	100% vesting
TSR relative to FTSE 250 excluding Investment Trusts ¹	40%	Median	Upper quintile
Group Post-tax ROIC ¹	40%	13.1%	15.4%
ESG: Safety: Average Lost Time Injury Frequency Rate (LTIFR) 2025-2027 ^{1,2}	5%	0.80	0.50
ESG: Energy: CO ₂ e: Reduction in Scope 1 and 2 energy CO ₂ e emissions intensity excluding the dolime process (vs 2019 baseline) in 2027 ^{1,3}	10%	-42%	-45%
ESG: Diversity: Gender diversity in Senior Leadership Group on 31 December 2027 ^{1,4}	5%	20%	24%

1. Straight-line vesting applies between the vesting points. Threshold vesting for the TSR element is 25% of maximum, and 0% of maximum for all other elements.

2. LTIFR is the Lost Time Injury Frequency Rate, based on the number of Lost Time Injuries that occur during the performance period. The calculation rate is the number of lost time injuries that occur during the performance period per million hours worked.

3. Reduction of CO₂e emissions per metric tonne of product packed for shipment.

4. Senior Leadership Group is defined as the Group Executive Committee plus the most senior Vesuvius managers worldwide, in terms of their contribution to the Group's overall results and to the execution of the Group's strategy. This group comprises c. 150 members (number may fluctuate slightly from one year to the next based on organisational changes).

Each of the VSP performance measures operates independently. The use of these measures is intended to align Executive Director remuneration with shareholders' interests. Prior to vesting, the Remuneration Committee reviews the underlying financial and non-financial performance of the Company and individuals over the performance period to ensure that the vesting is justified, and to consider whether to exercise its discretion including consideration of any potential windfall gains.

Annual Report on Directors' Remuneration continued

Deferred Share Bonus Plan award

33% of the Annual Incentive earned by Patrick André and Mark Collis in respect of performance in 2024 was deferred into a share award granted in April 2025 under the Company's Deferred Share Bonus Plan. There are no additional performance conditions applicable to these awards. Leaver and change of control provisions in relation to these shares are set out in the Policy on page 109.

	Type of award	Date of grant	Number of shares	Face value (£)	Vesting date
Patrick André	Conditional award	7 April 2025	41,300	£160,963	7 April 2028
Mark Collis		7 April 2025	20,537	£80,041	7 April 2028

1. The number of shares has been calculated using the share price of £3.8974 (average closing share price for the 30 dealing days prior to grant) and excludes any additional shares that may be awarded in relation to dividends accruing during the vesting period.

Statement of Executive Directors' shareholding – audited

The interests of Executive Directors and their closely associated persons in ordinary shares as at 31 December 2025, including any interests in share options and shares provisionally awarded under the VSP, are set out below:

	Beneficial holding in shares ⁴	Outstanding share incentive awards		
		Nil-cost options		Conditional awards
		With performance conditions ¹	Without performance conditions ²	Without performance conditions ³
Patrick André	611,247	1,065,909	0	166,039
Mark Collis	97,972	453,855	595	44,391

1. These are Performance Shares granted under the VSP.
2. These are the remaining, as yet unvested buy-out share awards, awarded to Mark Collis, which are not subject to any additional performance conditions, as detailed on page 129 of the 2023 Annual Report. These 595 shares were granted subject to John Wood Group plc vesting performance, for which the performance period ended at the end of 2023, but which are not due to vest until 9 March 2026.
3. These are awards granted under the Deferred Share Bonus Plan.
4. Mark Collis's beneficial shareholding includes 31,387 shares, awarded as part of his buy-out share awards, and comprising: 1,349 shares plus 21 dividend-equivalent shares, which vested on 20 June 2023, which were exercised on 25 August 2023 at a market value of 432.8 pence per share; 835 shares plus 12 dividend-equivalent shares, which vested and were exercised on 11 March 2024 at a market value of 480.8 pence per share; 4,044 shares plus 56 dividend-equivalent shares, which vested and were exercised on 8 April 2024 at a market value of 491.5 pence per share; 23,129 shares plus 1,776 dividend-equivalent shares, which vested and were exercised on 10 March 2025 at a market value of 392.0 pence per share; and 145 shares plus 20 dividend-equivalent shares, which vested and were exercised on 28 April 2025 at a market value of 331.8 pence per share.

Additional notes:

5. All outstanding share incentive awards are nil-cost options except awards made under the Deferred Share Bonus Plan which are conditional awards.
6. No awards vested without being exercised during the year, and indeed no nil-cost options at all have vested without being exercised. For further details please see the Appendix: Supplementary share-related information section on pages 123 and 124.
7. None of the other Directors, nor their spouses, nor their minor children, held non-beneficial interests in the ordinary shares of the Company during the year.
8. There were no changes in the interests of Patrick André and Mark Collis in the ordinary shares of the Company in the period from 1 January 2026 to the date of this Report.
9. All awards under the VSP are subject to performance conditions and continued employment until the relevant vesting date. Full details of VSP award allocations are set out on page 124.
10. Full details of Directors' shareholdings and incentive awards are given in the Company's Register of Directors' Interests, which is open to inspection at the Company's registered office during normal business hours.

Shareholding guidelines – audited

The Remuneration Committee encourages Executive Directors to build and hold a shareholding in the Company. Under the Remuneration Policy, the required holding is 200% of salary for all Executive Directors. Executive Directors are required to retain at least 50% (measured as the value after tax) of any shares received through the operation of share schemes; in addition, permission to sell shares held – whether acquired through the operation of share schemes or otherwise – will not be given, other than in exceptional circumstances, if, following the disposal, the shareholding requirement is not achieved or is not maintained.

Compliance with the shareholding policy is tested at the end of each year for application in the following year. Under the 2023 Remuneration Policy, the valuation of any holding is taken at the higher of: (1) the share price on the date of vesting of any shares derived from a share award, in respect of those shares only; and (2) the average of the closing prices of a Vesuvius ordinary share for the trading days in that December.

As at 31 December 2025, the Executive Directors' shareholdings against the shareholding guidelines contained in the Directors' Remuneration Policy in force on that date (using the Company's share price averaged over the trading days of the period 1 December to 31 December 2025, of 389.4 pence per share) were as follows:

Director	Actual share ownership as a percentage of salary at 31 Dec 2025	Policy share ownership as a percentage of salary	Policy met?
Patrick André	337%	200%	Yes
Mark Collis	85%	200%	In the build-up period

Payments to past Directors and loss of office payments – audited

There were no payments made to any Director for loss of office, nor any payments to past Directors, during the year ended 31 December 2025.

Non-executive Directors

Single total figure table – audited

The table below sets out the total remuneration received by Non-executive Directors in the financial year under review:

(€000)	2025			2024			Beneficial holding in shares
	Total fees ¹	Taxable benefits ²	Total	Total fees ¹	Taxable benefits ²	Total	
Carl-Peter Forster	282	2	284	279	3	281	–
Carla Bailo	100	4	104	97	6	103	–
Italia Boninelli ³	105	3	108	62	3	65	–
Dinggui Gao	88	5	93	86	7	93	–
Friederike Helfer	72	1	73	74	1	76	–
Eva Lindqvist ⁴	85	5	90	53	2	55	–
Robert MacLeod	89	4	93	84	4	88	14,338
Total Non-executive Director remuneration	821	24	845	735	26	761	

- Effective from 2023, total fees for Non-executive Directors now include any stipend fees paid as a result of intercontinental travel on Vesuvius business.
- The UK regulations require the inclusion of benefits for Directors where these would be taxable in the UK on the assumption that the Director is tax resident in the UK. The figures in the table therefore include expense reimbursement and associated tax relating to travel, accommodation and subsistence for the Director (and, where appropriate, their spouse) in connection with attendance at Board meetings and other corporate business during the year, which are considered by HMRC to be taxable in the UK.
- Italia Boninelli joined the Board on 1 June 2024.
- Eva Lindqvist joined the Board on 15 May 2024.

Additional note:

- The table excludes Kath Durrant and Douglas Hurt, who retired from the Board in 2024. For further details please see the 2024 Annual Report.

Fee structure in 2026

The fee for the Chairman was also reviewed by the Committee during the year and the fees for the Non-executive Directors by the Board. It was decided that no increases would be applied and as such the fees would remain at 2025 levels with effect from 1 January 2026. The Chairman's fee therefore remains £270,375; the Non-executive Directors' fees remain at £68,150. Supplementary fees also remain at 2025 levels, with the supplementary Senior Independent Director fee being £13,000; supplementary fee for the Chairs of the Audit and Remuneration Committees being £17,000; and supplementary fee for the Non-executive Director responsible for workforce engagement being £12,000. The stipend of £4,000, payable to Non-executive Directors in respect of each overseas, intercontinental trip they undertake on Vesuvius business, remains in place, with the stipend continuing to be payable for a maximum of five such trips in any calendar year.

Statement of Non-executive Directors' shareholding – audited

The interests of Non-executive Directors and their closely associated persons in ordinary shares as at 31 December 2025 are set out below:

	Beneficial holding in shares
Carl-Peter Forster	–
Carla Bailo	–
Italia Boninelli	–
Dinggui Gao	–
Friederike Helfer ¹	–
Eva Lindqvist	–
Robert MacLeod	14,338

- Friederike Helfer is a Partner of, and has a financial interest in, Cevian Capital which held 57,249,896 ordinary shares (23.07% of Vesuvius' issued share capital) as at 31 December 2025 and remains 23.07% as at the date of this Report.

Additional notes:

- None of the other Directors, nor their spouses, nor their minor children, held non-beneficial interests in the ordinary shares of the Company during the year.
- There were no changes in the interests of the Non-executive Directors in the ordinary shares of the Company in the period from 1 January 2026 to the date of this Report.
- Full details of Directors' shareholdings are given in the Company's Register of Directors' Interests, which is open to inspection at the Company's registered office during normal business hours.

Annual Report on Directors' Remuneration continued

Other regulatory disclosure requirements

Annual changes in Executive Directors' pay versus employee pay

Executive Directors' pay comparison

The London headquartered salaried employee workforce is presented as a voluntary disclosure of the representative comparator group for the Vesuvius Group Parent Company as there is only one non-Director employee in the Parent Company.

Year-on-year change in pay for Directors compared to the London headquartered employee average

	2025			2024			2023			2022			2021		
	Salary ²	Bonus ³	Benefits ⁵	Salary ²	Bonus ³	Benefits ⁵	Salary ²	Bonus ³	Benefits ⁵	Salary ²	Bonus ³	Benefits ^{5,6}	Salary ^{2,4}	Bonus ³	Benefits ⁵
London headquartered employee average ¹	(1%)	(55%)	27%	8%	(40%)	90%	13%	14%	33%	(8%)	(12%)	3%	19%	236%	120%
Executive Directors															
Patrick André	3%	(40%)	(11%)	5%	(49%)	13%	12%	29%	(22%)	4%	(16%)	11%	11%	469%	(6%)
Mark Collis	3%	(39%)	5%	5%	(31%)	22%	n/a	–	n/a	n/a	–	n/a	n/a	–	n/a
Non-executive Directors¹³															
	Fees ²		Benefits ⁵	Fees ²		Benefits ⁵	Fees ²		Benefits ⁵	Fees ²		Benefits ^{5,6}	Fees ²		Benefits ⁵
Carl-Peter Forster ⁷	1%		(31%)	6%		(35%)	0%		97%	n/a		n/a	n/a		n/a
Carla Bailo ⁸	3%		(38%)	4%		36%	n/a		n/a	n/a		n/a	n/a		n/a
Italia Boninelli ⁹	28%		(9%)	n/a		n/a	n/a		n/a	n/a		n/a	n/a		n/a
Dinggui Gao ¹⁰	2%		(31%)	4%		1%	38%		121%	20%		100%	n/a		n/a
Friederike Helfer	(3%)		0%	11%		16%	12%		(36%)	20%		(31%)	11%		969%
Eva Lindqvist ¹¹	5%		119%	n/a		n/a	n/a		n/a	n/a		n/a	n/a		n/a
Robert MacLeod ¹²	(1%)		9%	35%		364%	n/a		n/a	n/a		n/a	n/a		n/a

- This is the average percentage change, excluding the Executive Directors. Salaries, bonus and benefits relate to the relevant financial reporting year.
- Calculated using annualised salaries/fees. Note that, as of 2023, Non-executive Director fees reflect the inclusion of travel stipends payable for up to five intercontinental trips on Vesuvius business per year.
- Calculated using data from the single figure table in the Annual Report. Note that for Mark Collis, the 2023 figure used for calculation is exclusive of any buy-out incentives paid in 2023.
- During 2020, all Executive and Non-executive Directors took a voluntary 20% pay reduction for six months. Other senior employees in London headquarters also took a pay reduction between 10% and 20%, depending on their level of seniority. Therefore, the total percentage increase for Patrick André in 2021 was higher than his agreed salary increases, as this increase is compared with actual, partly-reduced salary paid during 2020 rather than full, contractual base salary.
- Benefits relate to taxable travel benefits, and Company pensions in the case of the Directors. It is calculated as the percentage increase or decrease on the actual figures year-on-year and not annualised or pro-rated for any new starters. A correction has been made in this year's report in relation to the annual change quoted in relation to Patrick André for the year 2024: In the 2024 Annual Report this was quoted as 12%, and is now corrected to 13%.
- Calculations of 2021 benefits changes have been restated as compared with the 2021 Annual Report, to ensure correct alignment with single figure remuneration tables.
- Carl-Peter Forster joined the Board on 1 November 2022 and took over as Chairman on 1 December 2022.
- Carla Bailo joined the Board on 1 February 2023.
- Italia Boninelli joined the Board on 1 June 2024 and took over as Remuneration Committee Chair on 31 July 2024.
- Dinggui Gao joined the Board on 1 April 2021.
- Eva Lindqvist joined the Board on 15 May 2024.
- Robert MacLeod joined the Board on 1 September 2023 and took over as Audit Committee Chair on 15 May 2024, and it is that change which accounts for the proportionally higher increase in his fees and benefits in 2024 and his fees in 2025.
- The Non-executive Directors' fees were reviewed and increased in 2022, 2023, 2024 and 2025.

CEO pay ratio

The UK employee workforce is the representative comparator group to the Chief Executive, Patrick André, who is based in the UK (albeit with a global role and responsibilities). Levels of pay vary widely across the Group depending on geography and local market conditions.

Year	Method	25th percentile	50th percentile (median)	75th percentile
2019	Option A ratio	35:1	28:1	17:1
2020	Option A ratio	32:1	24:1	13:1
2021	Option A ratio	53:1	41:1	21:1
2022	Option A ratio	60:1	46:1	24:1
2023	Option A ratio	57:1	43:1	22:1
2024	Option A ratio	50:1	34:1	14:1
2025	Option A ratio	34:1	20:1	8:1
2025	Total pay and benefits (£)	50,739	85,072	212,014
2025	Salary (£)	44,681	74,627	149,376

The table above shows the Chief Executive pay ratios versus our UK employees since 2019. The pay ratios compare amounts disclosed in the single total figure table for the Group Chief Executive to the annual full-time equivalent remuneration of our UK employees for 2019, 2020, 2021, 2022, 2023, 2024 and 2025. The Remuneration Committee is comfortable that the ratios reported reflect the remuneration principles applied and represent a valid basis for comparison of remuneration.

A significant proportion of the Chief Executive's remuneration is based on performance-related pay, which affects said remuneration disproportionately when compared with others. This is reflected in the year-on-year variation in pay ratio.

The data has been calculated in accordance with 'Option A' in the Companies (Miscellaneous Reporting) Regulations 2018, because it allows the Company to show the total annualised full-time equivalent remuneration (salary, incentives, allowances, fees, taxable benefits) and percentiles across the financial year as at 31 December of each year.

Amounts have been annualised for those who joined part way through the year or who are on part-time arrangements and exclude those who left the organisation during the reporting period.

The approach to calculating the pay ratios is consistent with the prior year and there have not been any changes to the compensation models in the reporting period.

The Committee is comfortable that the principles applied and the quantum of compensation are appropriate across the Group's employee base. These are regularly benchmarked to ensure market competitiveness. There is a consistent approach of measuring against both business and personal performance for all those who participate in incentive programmes. The Group continues to monitor the effectiveness of all compensation practices to identify future opportunities to ensure they remain fair, consistent and in line with best practice.

Annual spend on employee pay¹ versus shareholder distributions²

The charts below show the annual spend on all employees (including Executive Directors) compared with distributions made to shareholders for 2024 and 2025:

	2025 (£m)	2024 (£m)	Change
Employee pay ¹	465.7	474.3	(1.8%)
Dividends ² and share buybacks	92.7	123.4	(24.9%)

1. Employee pay includes wages and salaries, social security, share-based payments and pension costs, and other post-retirement benefits. See Note 7 to the Group Financial Statements.

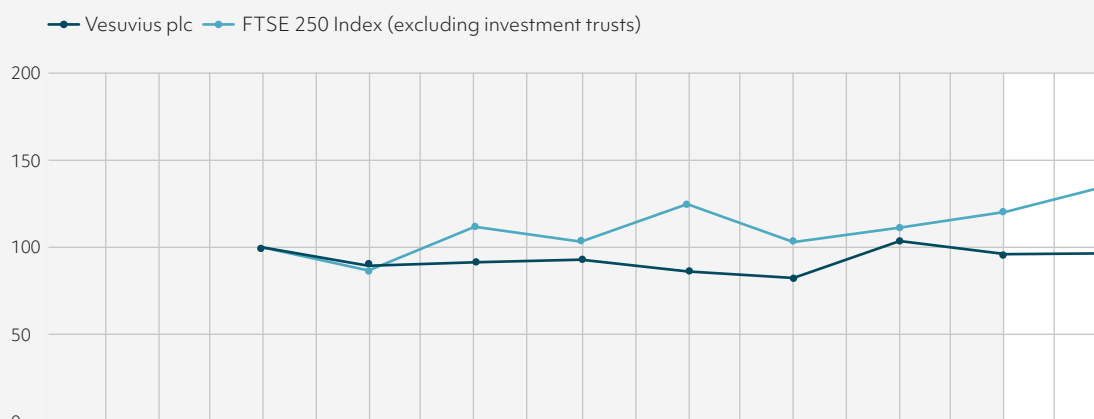
2. Shareholder distributions/dividends includes interim and final dividends paid in respect of each financial year. In addition, figures quoted for both 2024 and 2025 also reflect share buybacks. See Note 9 of the Company Financial Statements and Note 24 of the Group Financial Statements.

Annual Report on Directors' Remuneration continued

TSR performance and Chief Executive pay

The TSR performance graph compares Vesuvius' TSR performance with that of the same investment in the FTSE 250 Index (excluding Investment Trusts). This index has been chosen as the comparator index to reflect the size, international scope and diversity of the Company. TSR is the measure of the returns that a company has provided for its shareholders, reflecting share price movements and assuming reinvestment of dividends.

Vesuvius' total shareholder return compared against total shareholder return of the FTSE 250 Index (excluding Investment Trusts) over the past ten years



Chief Executive pay – financial year ended	François Wanecq ¹					Patrick André ²				
	31/12/16	31/12/17	31/12/18	31/12/19	31/12/20	31/12/21	31/12/22	31/12/23	31/12/24	31/12/25
Total remuneration (single figure (£000))	£1,173	£1,675¹ £465²	£2,022	£1,220	£936	£1,706	£2,225	£2,473	£2,409	£1,700
Annual variable pay (% of maximum)	50%	81%¹ 85%²	83%	11%	20%	94%	76%	75%	37%	37%
Long-term variable pay (% of maximum)	0%	43.7%¹ n/a²	100%	63%	0%	0%	48%	50%	65%	28%

1. Amounts shown in respect of François Wanecq for 2017 reflect payments in respect of his service as Chief Executive from 1 January 2017 to 31 August 2017 and the full value of his VSP award in relation to the performance period 2015-2017.

2. Amounts shown in respect of Patrick André for 2017 reflect payments in respect of his service as Chief Executive from 1 September 2017 to 31 December 2017.

Shareholder voting on remuneration resolutions

The 2024 Directors' Remuneration Report (excluding the Directors' Remuneration Policy) was approved by shareholders at the AGM held on 16 May 2025, and the 2023 Directors' Remuneration Policy was approved by Shareholders at the AGM held on 18 May 2023, with the following votes:

	Votes for	Votes against	Votes withheld
Approval of the Directors' Remuneration Policy 2023 AGM	234,279,589 (96.7%)	7,890,060 (3.3%)	8,514
Approval of the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) 2025 AGM	221,182,193 (99.7%)	714,502 (0.3%)	8,722

The Directors' Remuneration Report has been approved by the Board and is signed on its behalf by:

Italia Boninelli

Chair of the Remuneration Committee
11 March 2026

Directors' Remuneration Report

Appendix: Supplementary share-related information

Share usage

Under the rules of the VSP, the Company has the discretion to satisfy awards either by the transfer of Treasury shares or other existing shares, or by the allotment of newly issued shares. Awards made under the Deferred Share Bonus Plan to satisfy shares awarded to Directors in respect of their Annual Incentive, and awards made to management of the Company over shares pursuant to the Medium-Term Incentive Plan, must be satisfied out of Vesuvius shares held for this purpose by the Company's Employee Benefit Trust (EBT).

The decision on how to satisfy awards is taken by the Remuneration Committee, which considers the most prudent and appropriate sourcing arrangement for the Company.

At 31 December 2025, the Company held 7,271,174 ordinary shares in Treasury and the EBT held 1,974,099 ordinary shares. No shares were purchased between 31 December 2025 and the date of this report.

The EBT can be gifted Treasury shares by the Company, can purchase shares in the open market or can subscribe for newly issued shares, as required, to meet obligations to satisfy options and awards that vest.

The VSP complies with the current Investment Association guidelines on headroom which provide that overall dilution under all plans over a rolling ten-year period should not exceed 10% of the Company's issued share capital, with a further limitation over a rolling ten-year period of 5% for discretionary share schemes. These limits remain available in full as headroom for the issue of new shares or the transfer of Treasury shares for the Company. No Treasury shares were transferred, or newly issued shares allotted under the VSP during the year under review.

Deferred Share Bonus Plan allocations – audited

33% of the Annual Incentives earned by Patrick André and Mark Collis in respect of their periods of service as Directors of Vesuvius plc were deferred into shares under the Company's Deferred Share Bonus Plan. The following table sets out details of outstanding awards:

Grant and type of award	Total share allocations as at 1 Jan 2025	Additional shares allocated during the year	Allocations lapsed during the year	Shares vested during the year	Total share allocations as at 31 Dec 2025	Market price of the shares on the day before award (p)	Earliest vesting/release date
Patrick André							
17 March 2022 ¹ Deferred Bonus Shares	75,207	–	–	(75,207)	0	385	17 Mar 2025
6 April 2023 ² Deferred Bonus Shares	60,179	–	–	–	60,179	386	6 Apr 2026
8 April 2024 ³ Deferred Bonus Shares	64,560	–	–	–	64,560	492	8 Apr 2027
7 April 2025 ⁴ Deferred Bonus Shares	–	41,300	–	–	41,300	333	7 Apr 2028
Total	199,946	41,300	–	(75,207)	166,039		
Mark Collis							
8 April 2024 ³ Deferred Bonus Shares	23,854	–	–	–	23,854	492	8 Apr 2027
7 April 2025 ⁴ Deferred Bonus Shares	–	20,537	–	–	20,537	333	7 Apr 2028
Total	23,854	20,537	–	–	44,391		

- In 2022, Patrick André was awarded an Annual Incentive bonus in respect of his service as a Director of Vesuvius plc in 2021 of £873,604. 33% of the bonus was awarded in deferred shares (a conditional award). The allocation of shares was made on 17 March 2022 and was calculated based upon the average closing mid-market price of Vesuvius' shares on the five dealing days before the award was made, being £3.872. The total value of this award based on this share price was £291,202. There were no additional performance conditions applicable to this award, which therefore vested in full for Patrick André on the third anniversary of the award date.
- In 2023, Patrick André was awarded an Annual Incentive bonus in respect of his service as a Director of Vesuvius plc in 2022 of £731,091. 33% of this bonus was awarded in deferred shares (a conditional award). The allocation of shares was made on 6 April 2023 and was calculated based upon the average closing mid-market price of Vesuvius' shares on the 30 dealing days before the award was made, being £4.0495. The total value of this award based on this share price was £243,695. There are no additional performance conditions applicable to this award, which will therefore vest in full for Patrick André on the third anniversary of the award date.
- In 2024, Patrick André and Mark Collis were awarded Annual Incentive bonuses in respect of their service as Directors of Vesuvius plc in 2023 of £942,480 and £348,233 respectively. 33% of each bonus was awarded in deferred shares (conditional awards). The allocations of shares were made on 8 April 2024 and were calculated based upon the average closing mid-market price of Vesuvius' shares on the 30 dealing days before the award was made, being £4.8661. The total value of these awards based on this share price was £314,155 and £116,076 respectively. There are no additional performance conditions applicable to these awards, which will therefore vest in full on the third anniversary of the award date.

- In 2025, Patrick André and Mark Collis were awarded Annual Incentive bonuses in respect of their service as Directors of Vesuvius plc in 2024 of £482,895 and £240,125 respectively. 33% of each bonus was awarded in deferred shares (conditional awards). The allocations of shares were made on 7 April 2025 and were calculated based upon the average closing mid-market price of Vesuvius' shares on the 30 dealing days before the award was made, being £3.8974. The total value of these awards based on this share price was £160,963 and £80,041 respectively. There are no additional performance conditions applicable to these awards, which will therefore vest in full on the third anniversary of the award date.

Additional notes:

- Mark Collis did not receive an Annual Incentive bonus in 2023, therefore no bonus was awarded in deferred shares during that year.
- The mid-market closing price of Vesuvius' shares during 2025 ranged between 313.8 pence and 421.0 pence per share, and on 31 December 2025, the last dealing day of the year, was 396.8 pence per share.

Appendix: Supplementary share-related information continued

Vesuvius Share Plan award allocations – audited

The following table sets out outstanding awards that were allocated to Patrick André and Mark Collis under the VSP. All Performance Share awards detailed below were granted in the form of nil-cost options. For Mark Collis, this table excludes the buy-out share awards granted during 2023, which are detailed on page 129 of the 2023 Annual Report:

Grant and type of award	Total share allocations as at 1 Jan 2025	Additional shares allocated during the year	Allocations lapsed during the year	Shares vested and exercised during the year including dividends	Total share allocations as at 31 Dec 2025	Market price of the shares on the day before award (p)	Performance period	Earliest vesting date	End of holding period ¹
Patrick André									
17 March 2022 ² Performance Shares	319,900	–	(111,902)	(243,916) ³	0 ⁴	385	1 Jan 22– 31 Dec 24	17 Mar 2025	17 Mar 2027
6 April 2023 ⁵ Performance Shares	355,599	–	–	–	355,599	386	1 Jan 23– 31 Dec 25	6 Apr 2026	6 Apr 2028
8 April 2024 ⁶ Performance Shares	310,721	–	–	–	310,721	492	1 Jan 24– 31 Dec 26	8 Apr 2027	8 Apr 2029
7 April 2025 ⁷ Performance Shares	–	399,589	–	–	399,589	333	1 Jan 25– 31 Dec 27	7 Apr 2028	7 Apr 2030
Total	986,220	399,589	(111,902)	(243,916) ³	1,065,909				
Mark Collis									
6 April 2023 ⁵ Performance Shares	142,799	–	–	–	142,799	386	1 Jan 23– 31 Dec 25	6 Apr 2026	6 Apr 2028
8 April 2024 ⁶ Performance Shares	135,940	–	–	–	135,940	492	1 Jan 24– 31 Dec 26	8 Apr 2027	8 Apr 2029
7 April 2025 ⁷ Performance Shares	–	175,116	–	–	175,116	333	1 Jan 25– 31 Dec 27	7 Apr 2028	7 Apr 2030
Total	278,739	175,116	–	–	453,855				

1. Performance Shares granted from 2019 onwards are subject to a further two-year holding period.

2. In 2022, Patrick André was entitled to receive an allocation of Performance Shares worth 200% of his base salary. In light of the volatile share price, the Committee applied its discretion so that the number of shares in this allocation was capped at a level based upon the average closing mid-market price of Vesuvius' shares on the five dealing days before the February 2022 Remuneration Committee meeting of £4.02. As a result, Patrick André received an award of 319,900 shares which, at grant, was equivalent in value to 193% of his base salary (£1,239,653*).

* Grant value was based on the average closing mid-market price of Vesuvius' shares on the five dealing days prior to grant (£3.872).

3. Total shares exercised included 35,918 dividend-equivalent shares. Shares were exercised at the point of vesting, at a market value of 390.0 pence per share.

4. Shareholding as at 31 Dec 2025 is zero, noting that the sum total of shares lapsed and vested/exercised during 2025 exceeds the outstanding allocation as at 1 Jan 2025 due to the inclusion of dividend equivalent shares in the number of shares vested/exercised.

5. In 2023, Patrick André and Mark Collis were entitled to receive allocations of Performance Shares worth 200% and 138% of their base salaries respectively**. The award was made on 6 April 2023 and was calculated based upon the average closing mid-market price of Vesuvius' shares on the 30 dealing days before the award was made, being £4.0495. As a result, Patrick André received an award of 355,599 shares which, at grant, was equivalent in value to 200% of his base salary (£1,439,998) and Mark Collis received an award of 142,799 shares which, at grant, was equivalent in value to 138% of his base salary (£578,265).

** Mark Collis's entitlement in 2023, of 138%, is reflective of a pro-rated calculation of the Chief Financial Officer's normal 150% entitlement, reflecting his date of joining the Company (1 April 2023), and therefore reflecting omission of the first three months of the three-year performance period related to the award.

6. In 2024, Patrick André and Mark Collis were entitled to receive allocations of Performance Shares worth 200% and 150% of their base salaries respectively. The award was made on 8 April 2024 and was calculated based upon the average closing mid-market price of Vesuvius' shares on the 30 dealing days before the award was made, being £4.8661. As a result, Patrick André received an award of 310,721 shares which, at grant, was equivalent in value to 200% of his base salary (£1,511,999) and Mark Collis received an award of 135,940 shares which, at grant, was equivalent in value to 150% of his base salary (£661,498).

7. In 2025, Patrick André and Mark Collis were entitled to receive allocations of Performance Shares worth 200% and 150% of their base salaries respectively. The award was made on 7 April 2025 and was calculated based upon the average closing mid-market price of Vesuvius' shares on the 30 dealing days before the award was made, being £3.8974. As a result, Patrick André received an award of 399,589 shares which, at grant, was equivalent in value to 200% of his base salary (£1,557,358) and Mark Collis received an award of 175,116 shares which, at grant, was equivalent in value to 150% of his base salary (£682,497).

Additional notes:

8. If the respective performance conditions for Patrick André's and Mark Collis's awards are not met, then the awards will lapse. For awards granted from 2022 onwards, threshold level performance on TSR would entail 10.0% vesting, whilst threshold performance on the other conditions entails 0% vesting.

9. The Remuneration Committee also has the discretion to award cash or shares equivalent in value to the dividend that would have been paid during the vesting period on the number of shares that vest.

10. The mid-market closing price of Vesuvius' shares during 2025 ranged between 313.8 pence and 421.0 pence per share, and on 31 December 2025, the last dealing day of the year, was 396.8 pence per share.

Directors' Report

The Directors submit their Annual Report together with the audited consolidated financial statements of the Group and of the Company, Vesuvius plc, registered in England and Wales No. 8217766, for the year ended 31 December 2025.

The Companies Act 2006 requires the Company to provide a Directors' Report for Vesuvius plc for the year ended 31 December 2025.

The information that fulfils this requirement and which is incorporated by reference into, and forms part of, this report is included in the following sections of the Annual Report:

- The Section 172(1) Statement
- The Non-Financial and Sustainability Information Statement
- The Governance section, including the Corporate Governance Statement
- Financial instruments: the information on financial risk management objectives and policies contained in Note 25 to the Group Financial Statements

This Directors' Report and the Strategic Report contained on pages 3 to 72 together represent the management report for the purpose of compliance with DTR 4.1.8 R of the Financial Conduct Authority's Disclosure and Transparency Rules.

Listing Rule 6.6.1 R Disclosures

The following disclosures are made in compliance with the Financial Conduct Authority's Listing Rule 6.6.1 R:

Disclosure requirement under LR 6.6.1 R	Reference/Location
(1) Interest capitalised by the Group during the year	None
(2) Publication of unaudited financial information	Not applicable
(3) Details of any long-term incentive schemes	Pages 112 and 113
(4) Director waiver of emoluments	Not applicable
(5) Director waiver of future emoluments	Not applicable
(6) Allotment for cash of equity securities made during the year	Not applicable
(7) Allotment for cash of equity securities made by a major unlisted subsidiary during the year	Not applicable
(8) Details of participation of parent undertaking in any placing made during the year	Not applicable
(9) Details of relevant material contracts in which a Director or controlling shareholder was interested during the year	Not applicable
(10) Contracts for the provision of services by a controlling shareholder during the year	Not applicable
(11) Details of any arrangement under which a shareholder has waived or agreed to waive any dividends	Vesuvius plc holds 7,271,174 of its 10 pence ordinary shares as Treasury shares. No dividends are payable on these shares. The Trustee of the Company's EBT has agreed to waive, on an ongoing basis, any dividends payable on shares it holds in trust for use under the Company's Employee Share Plans, details of which can be found on pages 123, 124 and 127
(12) Details of where a shareholder has agreed to waive future dividends	See above
(13) Statements relating to controlling shareholders and ensuring company independence	Not applicable

Directors' Report continued

Principle activities

Vesuvius is a global leader in molten metal flow engineering and technology, and provides high-technology products and solutions to industrial customers who operate in challenging high-temperature conditions.

The principal activity of the Company is to act as the holding company of the Group.

The Directors are not aware of any major changes in the Group's activities in the coming year, as at the date of this report.

Dividends

An interim dividend of 7.1 pence (2024: 7.1 pence) per Vesuvius ordinary share was paid on 19 September 2025 to shareholders on the register at the close of business on 15 August 2025. The Board is recommending a final dividend in respect of 2025 of 16.5 pence (2024: 16.4 pence) per ordinary share which, if approved, will be paid on 6 July 2026 to shareholders on the register at 29 May 2026.

The Trustee of the Group's employee benefit trust has waived the right to receive any dividends.

Research and development

The Group's investment in research and development (R&D) in the year under review amounted to £35m (representing approximately 2% (2024: 2% on a constant currency basis) of Group revenue. Further details of the Group's R&D activities can be found in the Operating review and Sustainability sections of the Strategic Report.

Task Force on Climate-related Financial Disclosures (TCFD)

The Group has reported its climate-related information in accordance with the TCFD framework. The majority of this information is included in the Non-Financial and Sustainability Information Statement in the Strategic Report. A schedule of disclosure is included on page 40.

Energy consumption and efficiency/greenhouse gas emissions

Information on our reporting of greenhouse gas emissions, and the methodology used to record these, is set out on page 55 of the Strategic Report. Details of the Group's energy usage for 2025, and the efficiency initiatives currently being undertaken, can be found in the Non-Financial and Sustainability Information Statement in the Strategic Report on pages 39 to 56.

Branches

A number of the Group's subsidiary undertakings maintain branches; further details of these can be found in Note 17.1 to the Group Financial Statements.

Directors

The current Directors of the Company are Patrick André, Carla Bailo, Italia Boninelli, Mark Collis, Carl-Peter Forster, Dinggui Gao, Friederike Helfer, Eva Lindqvist and Robert MacLeod.

The appointment and retirement of Directors is governed by the Company's Articles of Association (the Articles), the Code and the Companies Act. All of the current Directors will offer themselves for re-election at the 2026 AGM. Biographical information for the Directors is given on pages 74 and 75. Further information on the diversity of the Board and on the remuneration of, and contractual arrangements for, the Executive and Non-executive Directors is given on pages 74 and 124 in the Directors' Remuneration Report. The Non-executive Directors do not have service agreements.

There were no changes to the composition of the Board between 1 January 2026 and the date of this Report.

Powers of the Directors

Subject to the Articles, the Companies Act and any directions given by special resolution, the business of the Company will be managed by the Board. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge any of its undertakings, property and uncalled capital and to issue debentures or other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Directors' indemnities

The Directors have been granted qualifying third-party indemnity provisions by the Company and the Directors of the Group's UK Pension Plan's Trustee Board (none of whom is a Director of Vesuvius plc) have been granted qualifying pension scheme indemnity provisions by Vesuvius Pension Plans Trustees Limited. The indemnities for Directors of Vesuvius plc have been in force since the date of their appointments. The Pension Trustee indemnities were in force throughout the last financial year and remain in force.

Substantial shareholders

The Company has been advised, in accordance with DTR 5 of the Disclosure and Transparency Rules, of the following notifiable interest of 3% or more in its issued ordinary shares:

	As at date of notification	As at 31 Dec 2025 ¹	As at 11 Mar 2026 ¹
Cevian Capital	23.00%	23.07%	23.07%
GLG Partners LP	6.26%	6.85%	6.85%
Aberforth Partners	4.93%	5.38%	5.38%
Martin Currie	4.83%	5.28%	5.28%

1. The 31 December 2025 and 11 March 2026 notifiable interests have been restated to reflect the revised issued share capital following the completion of the Company's share buyback programme in 2025.

The interests of Directors and their connected persons in the ordinary shares of the Company as disclosed in accordance with the Listing Rules of the Financial Conduct Authority are as set out on pages 118 and 119 of the Directors' Remuneration Report and details of the Directors' Deferred Share Bonus Plan and Vesuvius Share Plan awards are set out on pages 123 and 124.

Share capital

As at the date of this report, the Company had an issued share capital of 255,442,891 ordinary shares of 10 pence each; 7,271,174 (2.8%) of these ordinary shares are held in Treasury. Therefore, the total number of Vesuvius plc shares with voting rights is 248,171,717.

The Company did not allot any shares for cash in 2025.

Further information relating to the Company's issued share capital can be found in Note 9 to the Company Financial Statements.

Authority to allot shares

In accordance with the Company's Articles, the Directors were authorised, at the AGM on 16 May 2025, to replace the existing authority (as granted by shareholders at the AGM held on 15 May 2024) to allot new shares that represent not more than one-third of the issued share capital of the Company. The Directors were also given the authority to allot relevant securities in connection with a rights issue up to a further one-third of the issued share capital as at 27 March 2025. No shares were allotted under that authority during the financial year. The Directors propose to table similar resolutions at the 2026 AGM. In the year ahead, other than potentially in respect of Vesuvius' ability to satisfy rights granted to employees under its various share-based incentive arrangements, the Directors have no present intention of issuing any share capital of Vesuvius plc.

Authority for purchase of own shares

Subject to the provisions of company law and any other applicable regulations, the Company may purchase its own shares. At the AGM on 16 May 2025, Vesuvius shareholders gave authority to the Company to make market purchases of up to 24,977,463 Vesuvius ordinary shares of 10 pence each, representing 10% of the Company's issued ordinary share capital as at the latest practicable day prior to the publication of the Notice of AGM.

On 19 November 2024, the Company announced the commencement of a share buyback programme of up to £50 million. This buyback programme was completed on 2 April 2025. In total, 12,220,715 ordinary shares were purchased for a consideration of £49,999,998. For the period 1 January 2025 to 2 April 2025, 8,550,527 ordinary shares were purchased under this programme, for a consideration of £34.5m excluding transaction costs, representing a nominal value of £855,053 and 3.4% of the Company's issued share capital on 31 December 2025. The average price paid for the shares purchased in 2025 was £4.03 per share.

The sole purpose of the share buyback programme was to reduce Vesuvius' share capital and the ordinary shares purchased pursuant to the programme have been cancelled. The Board considered the views of the Company's shareholders and the impact that the purchase would have on other investors, concluding that it would send a positive public signal that the Company was performing well and would benefit all of the Group's stakeholders.

The Company holds 7,271,174 ordinary shares in Treasury. These shares were purchased pursuant to the Board's commitment to return the majority of the net proceeds of the disposal of the Precious Metals Processing Division to shareholders in 2013. These shares are not eligible to participate in dividends and do not carry any voting rights.

The Company does not have a lien over any of its shares. Further details of Treasury shares and the share buyback programme are set out in Note 9 to the Company Financial Statements.

The Directors' purchase of own shares authority expires on 30 June 2026 or the date of the AGM to be held in 2026, whichever is the earlier. The Directors will seek renewal of this authority at the 2026 AGM.

Share plans

Vesuvius operates a number of share-based incentive plans, the details and operation of which can be found in the Directors' Remuneration Report on page 107. Existing shares are held in an employee benefit trust. The Trustee of the EBT purchases shares in the open market as required to enable the Group to meet liabilities for the issue of shares to satisfy awards that vest. The Trustee does not register votes in respect of these shares at the Company's Annual General Meetings and has waived the right to receive any dividends.

At 31 December 2024, the EBT held 3,852,684 ordinary shares of 10 pence each in the Company. During 2025, the EBT sold/transferred 1,878,585 ordinary shares, representing a nominal value of £187,859 and 0.74% of the Company's issued share capital on 31 December 2025, to satisfy the vesting of awards under the Company's share-based incentive plans. As at 31 December 2025, the EBT held 1,974,099 ordinary shares. As at the date of this report the EBT held 1,973,431 ordinary shares.

Directors' Report continued

Restrictions on transfer of shares and voting rights

The Articles do not contain any specific restrictions on the size of a holding or on the transfer of shares. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or voting rights.

No person has any special rights with regard to the control of the Company's share capital and all issued shares are fully paid. This is a summary only and the relevant provisions of the Articles should be consulted if further information is required.

Political and charitable donations

In accordance with Vesuvius policy, the Group did not make any political donations or incur any political expenditure in relation to any UK or non-UK political parties during 2025 (2024: nil). The Company made no charitable donations in the UK in 2025 (2024: nil).

Annual General Meeting (AGM)

The Annual General Meeting of the Company will be held at the offices of Linklaters LLP, 20 Ropemaker Street, London EC2Y 9AR on Thursday 28 May 2026 at 11.00 am. The Notice of AGM is set out in a separate circular and is available on our website at www.vesuvius.com.

Independent Auditors and audit information

PricewaterhouseCoopers LLP (PwC) were reappointed as External Auditors for Vesuvius plc for the year ended 31 December 2025 at the 2025 AGM. PwC have been Vesuvius' External Auditors since 2017 and have expressed their willingness to continue in office as Auditors of the Company for the year ending 31 December 2026. Consequently, resolutions for the reappointment of PwC as External Auditors of the Company and to authorise the Directors to determine their remuneration are to be proposed at the 2026 AGM.

A responsibility statement of the Directors and a statement by the Auditors about their reporting responsibilities can be found on pages 130, and 131 to 138, respectively. The Directors fulfil the responsibilities set out in their statement within the context of an overall control environment of central strategic direction and delegated operating responsibility. As at the date of this Report, as far as each Director of the Company is aware, there is no relevant audit information of which the Company's Auditors are unaware and each Director hereby confirms that they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Change of control

The terms of the Group's committed bank facility and US Private Placement Loan Notes contain provisions entitling the counterparties to exercise termination or other rights in the event of a change of control on takeover of the Company. A number of the arrangements to which the Company and its subsidiaries are party, such as other debt arrangements and share incentive plans, may also alter or terminate on a change of control in the event of a takeover. In the context of the Group as a whole, these other arrangements are not considered to be significant.

Articles of Association (Articles)

The Company may make amendments to the Articles by way of special resolution in accordance with the Companies Act.

Suppliers, customers and others

Information summarising how the Directors have regard to the need to foster the Company's business relationships with suppliers, customers and others is included in the Group's Section 172(1) Statement on pages 68 to 72. This also details how that regard impacted the principal decisions taken by the Directors during the year.

Our approach to business places a significant number of Vesuvius Steel employees at customer sites on a permanent basis. In the Foundry Division, our success is built on our deep understanding of customer processes and technical requirements, and our ability to assist them in delivering the greatest efficiency from their operations.

Since its launch, 283 suppliers have been reviewed under our supplier audit programme, representing 57% of our total raw material spend. This approach allows Vesuvius to gain a deep understanding of our suppliers' operations to ensure sustainability and quality of supply.

Vesuvius agrees payment terms with its suppliers and seeks to pay in accordance with those terms.

Employee engagement

Information on how Vesuvius engages with its workforce is included in the Section 172(1) Statement on page 69 and the People section on pages 24 to 27.

Equal opportunities employment

Vesuvius is an equal opportunities employer, and decisions on recruitment, development, training and promotion, and other employment-related issues are made solely on the grounds of individual ability, achievement, expertise and conduct. These principles are operated on a non-discriminatory basis, without regard to race, colour, nationality, culture, ethnic origin, religion, belief, gender, sexual orientation, age, disability or any other reason not related to job performance or prohibited by applicable law.

In cases where employees are injured or disabled during employment with the Group, support, including appropriate training, is provided to those employees and workplace adjustments are made as appropriate in respect of their duties and working environment, supporting recovery and continued employment.

Future developments and going concern

Information on the business environment in which the Group operates, including the developments and factors that are likely to impact the future prospects of the Group, is included in the Strategic Report. The principal risks and uncertainties that the Group faces throughout its global operations are shown on pages 66 and 67.

The financial position of the Group, its cash flows, liquidity position and debt facilities are also described in the Strategic Report. In addition, the Group's Viability Statement is set out within the Strategic Report on page 65. Note 25 to the Group Financial Statements sets out the Group's objectives, policies and processes for managing its capital; financial risks; financial instruments and hedging activities; and its exposures to credit, market (both currency and interest rate related) and liquidity risk. Further details of the Group's cash balances and borrowings are included in Notes 12, 13 and 25 to the Group Financial Statements.

The Directors have prepared profit and loss, balance sheet and cash flow forecasts for the Group for the period to 30 June 2027. On the basis of the exercise described above, the Directors have prepared a going concern statement which can be found on page 65.

Events since the balance sheet date

There have been no significant events since the date of the balance sheet.

The Directors' Report has been approved by the Board and is signed, by order of the Board, by the Secretary of the Company.

Henry Knowles

Company Secretary
11 March 2026

Statement of Directors' Responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- State whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements
- Make judgements and accounting estimates that are reasonable and prudent and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed below, confirm that, to the best of their knowledge:

- The Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- The Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that the Group faces

The names and functions of the Directors of Vesuvius plc as at the date of signing these financial statements are as follows:

Carl-Peter Forster	Chairman
Patrick André	Chief Executive
Mark Collis	Chief Financial Officer
Eva Lindqvist	Non-executive Director and Senior Independent Director
Carla Bailo	Non-executive Director
Italia Boninelli	Non-executive Director and Chair of the Remuneration Committee
Dinggui Gao	Non-executive Director
Friederike Helfer	Non-executive Director
Robert MacLeod	Non-executive Director and Chair of the Audit Committee

On behalf of the Board

Mark Collis
Chief Financial Officer
11 March 2026

Independent auditors' report to the members of Vesuvius plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Vesuvius plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report 2025 (the "Annual Report"), which comprise:

- the Group Balance Sheet as at 31 December 2025;
- the Company Balance Sheet as at 31 December 2025;
- the Group Income Statement for the year then ended;
- the Group Statement of Comprehensive Income for the year then ended;
- the Group Statement of Cash Flows for the year then ended;
- the Group Statement of Changes in Equity for the year then ended;
- the Company Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5.2 of the Group financial statements, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Independent auditors' report to the members of Vesuvius plc continued

Our audit approach

Overview

Audit scope

- Our audit included full scope audits of 14 components and specified audit procedures or audit of financial statement line items for an additional nine components. This gave us coverage of over 70% of revenue.

Key audit matters

- Impairment of goodwill (Group)
- Impairment of investment in subsidiaries (Company)

Materiality

- Overall Group materiality: £8.10m (2024: £9.10m) based on 0.45% of revenue.
- Overall Company materiality: £17.80m (2024: £9.10m) based on 1.0% of total assets. For certain balances and transactions that contribute to the Group's financial statements we used a lower materiality of £5.00m.
- Performance materiality: £6.08m (2024: £6.80m) (Group) and £13.35m (2024: £6.80m) (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter**Impairment of goodwill (Group)**

Refer to Intangible Assets (Note 15), Impairment of Tangible and Intangible Assets (Note 16), Critical Accounting Judgements and Estimates (Note 3) and Significant issues and material judgements in the Audit Committee report.

At 31 December 2025, the carrying value of goodwill is £650.4m (2024: £616.2m). IAS 36 'Impairment of assets' requires that an annual impairment test is performed. Management has determined its cash generating units (CGUs) for impairment testing to align with the operating segments and there is material goodwill in Steel Advanced Refractories, Steel Flow Control and Foundry. There is no goodwill in Steel Sensors and Probes.

IAS 36 requires that the carrying value of the CGUs' assets is compared with the recoverable value. The recoverable value is the higher of the value in use (VIU) and fair value less costs of disposal. Management has determined that the VIU is higher and has used this method to undertake the annual impairment assessment. Determining the VIU involves judgements and estimates, in particular in determining future cash flows regarding revenue (including market growth, market share and pricing assumptions) and trading profit (including the impact of the cost reduction programme), as well as determining perpetuity growth rates and discount rates. Management has determined that there is no impairment charge in 2025 (2024:nil) and that a reasonably possible change in assumptions for Steel Advanced Refractories and Foundry CGUs could lead to an impairment.

We also identified that the Steel Advanced Refractories and Foundry CGUs are the significant audit risks given the lower level of headroom relative to the carrying value of these CGUs and the material goodwill balances held in each of these CGUs.

Impairment of investment in subsidiaries (Company)

Refer to Investments (Note 7) and Critical Accounting Judgements and Estimates (Note 3) in the Company financial statements, and Significant issues and material judgements in the Audit Committee report.

The Company holds investments in subsidiaries with a total carrying amount of £1,778.0m at 31 December 2025 (2024: £1,778.0m). IAS 36 'Impairment of assets' requires management to consider whether there are any indicators of impairment in respect of the valuation of non-financial assets. Due to the quantum of the carrying amount, levels of estimation uncertainty that exist similar to assumptions used in testing for impairment of goodwill (Group) and the market capitalisation of the Group this was an area of focus for the audit of the Company. Consistent with the prior year management performed an impairment test utilising cash flow forecasts used for testing for impairment of the Group's goodwill together with additional considerations of cash flows relevant to the subsidiaries that the Company controls.

The judgements and estimates required to determine the cash flow forecasts are aligned with those set out in 'Impairment of goodwill (Group)' above, and adjusted for intercompany cashflows.

How our audit addressed the key audit matter

With respect to the valuation of goodwill, we performed audit procedures as set out below. Our audit procedures were focused on the significant risk CGUs being Steel Advanced Refractories and Foundry. We tested the integrity of management's impairment calculation and its mathematical accuracy, and corroborated the forecasts used to the Board approved budget and strategic plan. We agreed the underlying carrying values of the CGUs to audited financial information.

We performed lookback reviews to understand how accurate management has been in its forecasting historically and to verify historic growth rates achieved.

We challenged management's key assumptions for revenue, trading profit and cash flow forecasts and determined the sensitivity of the assumptions. We obtained supporting evidence including by comparing certain assumptions with third party industry market data and benchmarks (including production and demand forecasts), where available. We also considered and tested the assumed benefits of the cost reduction programme.

We utilised internal valuation experts to support our assessment of the long-term growth assumptions, by comparing these to economic forecasts, and discount rates, by independently calculating a range for the discount rates.

We reviewed management's sensitivity analyses to assess whether they were appropriate and also tested their mathematical accuracy. We performed independent sensitivity analysis to determine if any further impairment risks existed. We considered additional specific factors, including management's self-identified impacts of climate change, and were satisfied that the level of management's sensitivity took these factors into account.

We also reviewed management's impairment assessment for the acquisitions made in the year, as required by IAS 36.

We considered the appropriateness of the disclosures in the Group financial statements, which included an assessment of the sensitivities disclosed by management. Based on the audit procedures performed, we noted no material issues.

Our audit procedures included testing the Group's VIU used for the impairment test for the Group's goodwill, as set out in the Key Audit Matter 'Impairment of goodwill (Group)'.

We tested the accuracy and completeness of the adjustments made to reflect cash inflows to subsidiaries due from the Company. We also made reference to the Group's market capitalisation.

We considered the appropriateness of the disclosures in the Company and Group financial statements. Based on the audit procedures performed, we noted no material issues.

Independent auditors' report to the members of Vesuvius plc continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group has operations in 40 countries, including 67 sales offices and 55 production sites. The Group consolidates financial information through reporting from its components which include divisions and functions at these sites.

Our audit scope was determined by considering the significance of the component by size or risk. There was one component which was financially significant due to size. The audit scope comprised a further 13 components which we determined that full scope audits were required to be performed.

Components determined to be significant by risk were identified as having events or conditions that give rise to significant or elevated risks of material misstatement to the Group financial statements. We evaluated the overall contribution to revenue, profit before tax and to other individual financial statement line items in determining our audit scope. The audit scope comprised further components for which specific audit procedures or audits of financial statement line items were performed by either component teams or the Group team. Together with the additional procedures performed at the Group level, including testing the Group's goodwill, tax and the consolidation process, gave us the evidence we needed for our opinion on the financial statements as a whole. This collectively provided audit coverage of over 70% of the Group's revenue.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group audit team, or by component auditors in both PwC network firms and other audit firms. Where the work was performed by component auditors, we determined the level of direction, review and supervision we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the financial statements as a whole. This was achieved through attendance at audit closing meetings by senior Group team members, interactions with local component management, our direction and supervision of the audit approach and review of audit findings, review of selected audit workpapers of certain components, and site visits for selected components.

The impact of climate risk on our audit

The Sustainability Report included within the Strategic Report sets out the Group's climate change risk assessment, the climate related targets set and evaluation of the potential financial impacts. In planning and executing our audit we considered management's risk assessment and analysis of the consideration of the impact to the Group's financial statements. The Group does not regard climate change itself to represent a material stand-alone risk to the Group's operations.

The impact of climate change would most likely impact the financial statement line items and estimates associated with future cash flows and we considered this impact principally in the goodwill impairment testing. Overall, climate change is not considered to have a material impact on the Group's financial reporting judgements and estimates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	£8.10m (2024: £9.10m).	£17.80m (2024: £9.10m).
How we determined it	0.45% of revenue	1.0% of total assets. For certain balances and transactions that contribute to the Group's financial statements we used a lower materiality of £5.00m
Rationale for benchmark applied	In 2025 we updated our materiality benchmark to be based on revenue. Given the volatility in profit whilst revenue is stable, we consider the use of revenue as a more appropriate benchmark reflecting the size and composition of the Group. We determined the benchmark using the percentage of the 2024 actual materiality to 2024 revenue to ensure consistency.	We believe that total assets is an appropriate basis for determining materiality for the Company, given this entity is an investment holding company and this is an accepted audit benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was £0.50m to £6.00m. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £6.08m (2024: £6.80m) for the Group financial statements and £13.35m (2024: £6.80m) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £0.40m (Group audit) (2024: £0.45m) and £0.89m (Company audit) (2024: £0.45m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Independent auditors' report to the members of Vesuvius plc continued

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the Directors' assessment and understanding the assumptions used in the base case scenario and the severe but plausible downside scenario, including testing the accuracy of the modelling performed and compliance with the Group's covenants on its borrowing facilities throughout the going concern period;
- Agreeing the forecasts used in the base case scenario to the Board approved forecasts and evaluating the appropriateness of key assumptions used in determining these cash flows, including considering these in the context of wider market data and the Group's historical performance and future plans;
- Challenging the appropriateness of the severe but plausible downside scenario adopted, including considering the relevant downside risks that the Group may face over the going concern period; and
- Reviewing disclosures in the financial statements and relevant 'other information' in the Annual Report, and assessing consistency with the financial statements and our knowledge based on our audit.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, environmental, anti-bribery and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and corporate tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to journal entries to manipulate financial results and potential management bias in accounting estimates. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- Inquiries of Group and local management, those charged with governance, internal audit and the Group's legal counsel (internal and, where relevant, external), including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating items raised through the Group's whistle-blowing arrangements and the results of management's investigation of such matters;
- Inspecting management reports and Board minutes in relation to health and safety and other compliance matters;
- Reading and assessing key correspondence with regulatory authorities;
- Substantive testing of journal entries which met a defined risk criteria;
- Challenging assumptions and judgements made by management in their critical accounting estimates and judgements, including the key audit matters described above; and
- Incorporating unpredictable procedures into our work performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- a corporate governance statement has not been prepared by the Company.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the Company for the financial year ended 31 December 2017. Our uninterrupted engagement covers 9 financial years.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Linda Kempenaar (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 March 2026

Financial Statements

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Group Income Statement

For the year ended 31 December 2025

	Note(s)	2025			2024		
		Adjusted ¹ £m	Separately reported items ¹ £m	Total £m	Adjusted ¹ £m	Separately reported items ¹ £m	Total £m
Revenue	4, 35	1,809.5	–	1,809.5	1,820.1	–	1,820.1
Cost of goods sold		(1,348.8)	–	(1,348.8)	(1,316.4)	–	(1,316.4)
Administration, selling and distribution costs		(309.6)	–	(309.6)	(315.7)	–	(315.7)
Trading profit (adjusted operating profit)¹	4	151.1	–	151.1	188.0	–	188.0
Cost reduction programme expenses ²	6	–	(15.0)	(15.0)	–	(13.0)	(13.0)
Asset impairments ²	6	–	(3.9)	(3.9)	–	(1.6)	(1.6)
Acquisition and integration expenses	6	–	(7.0)	(7.0)	–	–	–
Provision for future water treatment at disused mine	6	–	–	–	–	(9.7)	(9.7)
Amortisation of acquired intangible assets	15	–	(10.6)	(10.6)	–	(10.0)	(10.0)
Operating profit/(loss)	5	151.1	(36.5)	114.6	188.0	(34.3)	153.7
Finance expense	8	(26.6)	–	(26.6)	(27.1)	–	(27.1)
Finance income	8	8.2	–	8.2	10.9	–	10.9
Net finance costs	8	(18.4)	–	(18.4)	(16.2)	–	(16.2)
Share of post-tax profit of joint ventures and associates	17	1.0	–	1.0	1.1	–	1.1
Profit/(loss) before tax		133.7	(36.5)	97.2	172.9	(34.3)	138.6
Income tax (charge)/credit	9	(36.5)	4.1	(32.4)	(47.2)	8.9	(38.3)
Profit/(loss) after tax		97.2	(32.4)	64.8	125.7	(25.4)	100.3
Profit/(loss) attributable to:							
Owners of the Parent	10	84.6	(32.4)	52.2	112.6	(25.4)	87.2
Non-controlling interests		12.6	–	12.6	13.1	–	13.1
Profit after tax		97.2	(32.4)	64.8	125.7	(25.4)	100.3
Earnings per share³ – pence	10						
– basic		34.2 ¹		21.1	43.3 ¹		33.5
– diluted		33.8 ¹		20.9	42.7 ¹		33.1

1. Alternative Performance Measures. See Note 15.

2. Cost reduction programme expenses and Asset impairments for 2024 have been restated to be consistent with their presentation in 2025.

3. Earnings per share are attributable to the ordinary equity holders of the Parent.

Of the pre-tax separately reported items, £32.6m (2024: £34.3m) would form part of Administration, selling and distribution costs, which including these amounts would total £342.2m (2024: £350.0m) and £3.9m (2024: £nil) would form part of Cost of goods sold, which including these amounts would total £1,352.7m (2024: £1,316.4m).

Group Statement of Comprehensive Income

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
Profit after tax		64.8	100.3
Remeasurement of defined benefit liabilities/assets	27.5	4.4	3.6
Income tax relating to items not reclassified	9.3	(2.2)	(0.8)
Items that will not subsequently be reclassified to Income Statement		2.2	2.8
Exchange differences on translation of the net assets of foreign operations		(42.8)	(49.1)
Exchange differences on translation of net investment hedges	23	(7.6)	7.1
Net change in costs of hedging		0.5	(0.1)
Change in the fair value of the hedging instrument		(1.3)	1.5
Amounts reclassified from Net finance costs		1.1	(1.2)
Items that may subsequently be reclassified to Income Statement		(50.1)	(41.8)
Other comprehensive loss net of income tax		(47.9)	(39.0)
Total comprehensive income		16.9	61.3
Total comprehensive income attributable to:			
Owners of the Parent		13.7	49.5
Non-controlling interests		3.2	11.8
Total comprehensive income		16.9	61.3

Group Statement of Cash Flows

For the year ended 31 December 2025

	Note(s)	2025 £m	2024 ¹ £m
Cash flows from operating activities			
Cash generated from operations	11	173.4	216.7
Interest paid ¹		(23.7)	(23.9)
Interest received		5.7	9.0
Income taxes paid		(38.8)	(46.1)
Net cash inflow from operating activities¹		116.6	155.7
Cash flows from investing activities			
Purchases of property, plant and equipment		(78.1)	(88.1)
Purchases of intangible assets		(12.3)	(12.7)
Proceeds from the sale of property, plant and equipment		9.4	4.3
Acquisition of subsidiaries and joint ventures, net of cash acquired		(38.9)	–
Proceeds from the sale of investments		1.2	–
Proceeds from the sale of associates		–	0.4
Dividends received from joint ventures		0.9	0.7
Net cash outflow from investing activities		(117.8)	(95.4)
Cash flows from financing activities			
Proceeds from borrowings	13	274.3	134.8
Repayment of borrowings	13	(144.2)	(13.0)
Payment of lease liabilities (principal) ¹	13, 26	(16.7)	(15.2)
Cash inflow relating to derivatives		1.2	–
Purchase of ESOP shares	22	–	(17.1)
Share buyback	21, 22	(34.8)	(63.4)
Dividends paid to owners of the Parent	22, 24	(57.9)	(61.1)
Dividends paid to non-controlling shareholders		(1.7)	(2.5)
Net cash inflow/(outflow) from financing activities¹		20.2	(37.5)
Net increase in cash and cash equivalents	13	19.0	22.8
Cash and cash equivalents at 1 January		178.6	160.8
Effect of exchange rate fluctuations on cash and cash equivalents	13	(10.1)	(5.0)
Cash and cash equivalents at 31 December	12	187.5	178.6

1. For the year ended 31 December 2024, Net cash inflow from operating activities (Interest paid) and Net cash outflow from financing activities (Payment of lease liabilities (principal)) have been updated as a result of the reclassification of £3.0m for interest on lease liabilities to be consistent with its presentation in 2025.

Group Balance Sheet

As at 31 December 2025

	Note	2025 £m	2024 £m
Assets			
Property, plant and equipment	14	539.2	482.6
Intangible assets	15	747.9	690.9
Interests in joint ventures and associates	17	10.8	11.0
Deferred tax assets	9	102.3	109.9
Other receivables	18	26.6	26.7
Investments	25	–	0.2
Derivative financial instruments	25	–	1.1
Employee benefits – surpluses	27	35.5	34.1
Total non-current assets		1,462.3	1,356.5
Cash and short-term deposits	12	190.6	186.4
Trade and other receivables	18	451.0	438.9
Inventories	19	287.3	295.4
Income tax receivable	9	18.8	12.9
Derivative financial instruments	25	0.1	3.6
Total current assets		947.8	937.2
Total assets		2,410.1	2,293.7
Liabilities			
Interest-bearing borrowings	25	24.3	80.4
Trade and other payables	29	359.7	363.4
Income tax payable	9	7.5	6.6
Provisions	30	11.6	10.3
Derivative financial instruments	25	0.2	0.1
Total current liabilities		403.3	460.8
Interest-bearing borrowings	25	617.6	439.8
Other payables	29	5.3	6.9
Provisions	30	54.0	54.8
Deferred tax liabilities	9	23.2	16.3
Derivative financial instruments	25	1.0	–
Employee benefits – liabilities	27	67.1	71.5
Total non-current liabilities		768.2	589.3
Total liabilities		1,171.5	1,050.1
Net assets		1,238.6	1,243.6
Equity			
Issued share capital	21	25.5	26.4
Retained earnings	22	2,610.4	2,645.7
Other reserves	23	(1,511.7)	(1,503.7)
Equity attributable to the owners of the Parent		1,124.2	1,168.4
Non-controlling interests		114.4	75.2
Total equity		1,238.6	1,243.6

Company number 8217766

The Financial Statements on pages 140 to 201 were approved and authorised for issue by the Directors on 11 March 2026 and signed on their behalf by:

Patrick André **Mark Collis**
Chief Executive Chief Financial Officer

Group Statement of Changes in Equity

For the year ended 31 December 2025

	Issued share capital £m	Other reserves £m	Retained earnings £m	Owners of the Parent £m	Non- controlling interests £m	Total equity £m
As at 1 January 2024	27.7	(1,464.6)	2,691.2	1,254.3	65.9	1,320.2
Profit	–	–	87.2	87.2	13.1	100.3
Other comprehensive income/(loss) net of income tax	–	(40.5)	2.8	(37.7)	(1.3)	(39.0)
Total comprehensive income/(loss)	–	(40.5)	90.0	49.5	11.8	61.3
Share-based payments	–	–	6.2	6.2	–	6.2
Purchase of ESOP shares	–	–	(17.1)	(17.1)	–	(17.1)
Share buyback	(1.3)	1.4	(63.5)	(63.4)	–	(63.4)
Dividends paid (Note 24)	–	–	(61.1)	(61.1)	(2.5)	(63.6)
Total transactions with owners	(1.3)	1.4	(135.5)	(135.4)	(2.5)	(137.9)
As at 31 December 2024	26.4	(1,503.7)	2,645.7	1,168.4	75.2	1,243.6
As at 1 January 2025	26.4	(1,503.7)	2,645.7	1,168.4	75.2	1,243.6
Profit	–	–	52.2	52.2	12.6	64.8
Other comprehensive income/(loss) net of income tax	–	(40.7)	2.2	(38.5)	(9.4)	(47.9)
Total comprehensive income/(loss)	–	(40.7)	54.4	13.7	3.2	16.9
Share-based payments	–	–	3.0	3.0	–	3.0
Acquisition (Note 20)	–	–	–	–	13.9	13.9
Issue of shares to non-controlling interest (Note 20)	–	31.8	–	31.8	23.8	55.6
Share buyback	(0.9)	0.9	(34.8)	(34.8)	–	(34.8)
Dividends paid (Note 24)	–	–	(57.9)	(57.9)	(1.7)	(59.6)
Total transactions with owners	(0.9)	32.7	(89.7)	(57.9)	36.0	(21.9)
As at 31 December 2025	25.5	(1,511.7)	2,610.4	1,124.2	114.4	1,238.6

Notes to the Group Financial Statements

1. Basis of Preparation

1.1 General information

Vesuvius plc ('Vesuvius' or 'the Company') is a public company limited by shares. It is incorporated and domiciled in England and Wales, United Kingdom, and listed on the London Stock Exchange. The nature of the operations and principal activities of the Company and its subsidiary and joint venture companies ('the Group') is set out in the Strategic Report on pages 3 to 72. The address of its registered office is 165 Fleet Street, London EC4A 2AE.

1.2 Basis of accounting

The Group financial statements have been prepared in accordance with UK-adopted international accounting standards (IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared under the historical cost convention, with the exception of fair value measurement applied to defined benefit pension plans, investments, share-based payments and derivative financial instruments.

1.3 Basis of consolidation

The Group financial statements incorporate the financial statements of the Company and entities controlled directly and indirectly by the Company (its 'subsidiaries'). Control exists when the Company has the power to direct the relevant activities of an entity that significantly affect the entity's return so as to have rights to the variable return from its activities. In assessing whether control exists, potential voting rights that are currently exercisable are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the Group Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The principal accounting policies applied in the preparation of these Group financial statements are set out in the Notes. These policies have been consistently applied to all of the years presented, unless otherwise stated. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those detailed herein to ensure that the Group financial statements are prepared on a consistent basis. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's interest therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination together with the non-controlling interests' share of profit or loss, each component of other comprehensive income, less dividends paid since the date of the combination. Total comprehensive income is attributed to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

1.4 Going concern

The Group's available liquidity stood at £386.1m at 31 December 2025, down from £389.0m at 31 December 2024. The Directors have prepared cash flow forecasts for the Group for the period to 30 June 2027. These forecasts reflect an assessment of current and future end-market conditions, and their impact on the Group's future trading performance.

The Directors have also considered a severe but plausible downside scenario, based on a combination of lower business activity and lower profitability over the going concern period. This downside scenario assumes:

- a decline in business activity level in 2026 and 2027 by 5% compared to 2025 performance
- a decline in profitability (Return on Sales) of 1.5% compared to 2025 performance
- working capital intensity increases by 1.5% vs 2025

On a full-year basis relative to 2025, this implies a c. 22% decline in Trading Profit.

The Group has two covenants; net debt/EBITDA (under 3.25x) and an interest cover requirement of at least 4.0x. In this downside scenario, the forecasts show that the Group's maximum net debt/EBITDA (pre-IFRS 16 in-line with the covenant calculation) does not exceed 1.9x, compared to a leverage covenant of 3.25x, and the minimum interest cover reached is 17x compared to a covenant minimum of 4.0x.

The forecasts, including the severe but plausible downside scenario, show that the Group will be able to operate within its current committed debt facilities and continue to comply with its debt covenants. On the basis of the exercise described above and the Group's available committed debt facilities, the Directors consider that the Group and the Company have adequate resources to continue in operational existence for the period at least to 30 June 2027. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

1.5 Presentational currency

The financial statements are presented in millions of pounds sterling, which is the presentational currency of the Group and rounded to one decimal place. Foreign operations are included in accordance with the policies set out in Note 2.10.

Notes to the Group Financial Statements continued

1. Basis of Preparation continued

1.6 Disclosure of separately reported items

The Group separately discloses certain items on the face of the income statement using a columnar presentation, as the Directors consider that this assists in understanding the trading performance of the business and in making projections of future results.

Such items may include significant items which occur infrequently, such as major restructuring activity, and those that are not closely related to trading activity, such as amortisation charges relating to acquired intangible assets, costs associated with M&A activity, profits or losses arising on the disposal of operations, and the taxation effect of such items.

1.7 New and revised IFRS

Certain new accounting amendments and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these amendments and interpretations is that they are not expected to have a significant impact on the Group's financial position, performance, cash flows and disclosures. There have been no changes in accounting policies during the year.

The Group is in the process of assessing the impact of IFRS 18, 'Presentation and Disclosure in Financial Statements', issued in April 2024, which will become effective and be adopted for the financial year beginning on 1 January 2027. The adoption of IFRS 18 will result in certain changes to the presentation of items in the consolidated income statement and consolidated statement of cash flows; however, the overall impact on the Group's consolidated financial statements is not expected to be material.

2. Accounting Policies

2.1 Revenue recognition

Where the Group provides consumable products only, one performance obligation is present. The performance obligation is to deliver consumables to the customer and is satisfied upon delivery of these items. Similarly, where a contract is for the supply of standard equipment, there is one performance obligation and revenue is primarily recognised at a point in time, being upon delivery of these items.

The Group also enters into some contracts with customers in the steel industry under which it primarily provides consumable items, but also equipment and/or technical assistance ('service contracts') to facilitate these customers' steel production processes.

The customer benefits from the combined output of these contracts, being the use of Vesuvius consumables, equipment and technicians to support the customer's production of steel. The individual elements of these contracts are not distinct because Vesuvius is compensated by the efficient use of refractory material, optimised through a combination of the consumable itself and its application by experienced technicians. The performance obligations are therefore bundled into a single performance obligation and revenue is recognised at a point in time, based on volume of steel produced by customers.

For service contracts the bundled performance obligation is deemed to be the provision of consumables and, in some cases, labour to facilitate production of customer steel.

Determining and allocating the transaction price to performance obligations

The transaction price is determined and allocated with reference to the individual prices of consumables or equipment specified in the contract or customer purchase orders. If a stand-alone selling price is not available, the Group will estimate the selling price with reference to the price that would be charged for the goods or services if they were sold separately.

Contracts are to be settled in cash. They do not typically contain any variable consideration, discounts, refunds, rebates, warranties or significant financing components.

Duration of contracts

The duration of the Group's contracts with customers is typically less than one year and accordingly the Group has taken the practical expedient within IFRS 15 to not disclose the transaction price allocated to unsatisfied (whole or partially) performance obligations as at the end of the reporting period.

Customer credit risk and payment terms

The Group assesses customer credit risk and recognises revenue when such risk is considered low and the consideration cash flows due are reasonably expected to flow to the Group. Typically, the Group will not transact with customers where credit risk concerns are identified and therefore there is no material unrecognised revenue as a result of credit risk.

Customer payment terms are set out in revenue contracts and do not exceed one year. Accordingly, trade receivables and contract assets are expected to derive cash inflows for the Group within less than 12 months.

Notes to the Group Financial Statements continued

2. Accounting Policies continued

2.2 Taxes

Tax expense represents the sum of current tax and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items charged or credited in the Group Statement of Comprehensive Income or Group Statement of Changes in Equity, in which case the associated tax is also recognised in those statements.

Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Group Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

A provision is recognised when the Group considers it has a present tax obligation as the result of a past event and it is probable that the Group will be required to settle that obligation. Provisions established for such uncertain tax positions are made using a best estimate of the tax expected to be paid, based on a qualitative and quantitative assessment of all relevant information. Such a provision is typically required where the underlying tax issue is subject to interpretation and remains to be agreed, and therefore is uncertain as to outcome. Principally, the uncertain tax positions for which a provision is made relate to the interpretation of tax legislation and guidance regarding transfer pricing arrangements that have been entered into in the normal course of business. In accordance with IAS 12, tax provisions are included as income tax payable on the face of the Group Balance Sheet, and movements in tax provisions are included within income tax charges or credits in the Group Income Statement.

In assessing any appropriate provision requirements for uncertain tax items, the Group considers progress made in discussions with the tax authorities, expert advice on the likely outcome and any recent developments in case law. Due to the uncertainty associated with such tax items, it is possible that at a future date, on conclusion of the open matters, the final outcome may vary materially. Any such variations will affect the financial results in the year in which such a determination is made.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.3 Cash and cash equivalents

Cash and short-term deposits in the Group balance sheet consist of cash at bank and in hand, and short-term deposits with original maturity of three months or less or that can be readily convertible to known amounts of cash with insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Group Statement of Cash Flows.

Certain of the Group's cash and overdrafts are subject to cash pooling arrangements, some of which involve the offsetting of credit and debit balances.

2. Accounting Policies continued

2.4 Property, plant and equipment

Freehold land and construction in progress are carried at cost less accumulated impairment losses. The Group recognises a right-of-use asset at the lease commencement date. The asset is initially measured as the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, and depreciated using the straight-line method over the lease term. Other items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Costs are capitalised only when it is probable that they will result in future economic benefits flowing to the Group and when they can be measured reliably. Costs are capitalised to construction in progress where an asset is being developed. This is then transferred to the relevant asset class and depreciated when the asset is ready for use. All other repairs and maintenance expenditures are charged to the Group Income Statement in the period in which they are incurred.

Freehold land is not depreciated as it has an infinite life. Depreciation on other items of property, plant and equipment begins when the asset is available for use and is charged to the Group Income Statement on a straight-line basis so as to write off the cost less the estimated residual value of the asset over its estimated useful life as follows:

Asset category	Estimated useful life
Freehold property	between 10 and 50 years
Leasehold property	shorter of the asset's useful life and lease term
Right-of-use assets	shorter of the asset's useful life and lease term
Plant and equipment – motor vehicles and IT equipment	between 1 and 5 years
– other	between 3 and 15 years

The depreciation method used, residual values and estimated useful lives are reviewed annually and changed, if appropriate. An asset's carrying amount is immediately written down to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. Gains and losses arising on disposals are determined by comparing sales proceeds with carrying amount and are recognised in the Group Income Statement.

2.5 Intangible assets

Goodwill

Goodwill arising in a business combination is initially recognised as an asset at cost, measured as the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount of any non-controlling interest acquired over the net of the acquisition-date fair value amounts of the identifiable assets acquired and liabilities assumed. Goodwill is subsequently measured at cost less accumulated impairment losses, with impairment testing carried out annually, or more frequently when there is an indication that the cash-generating unit (CGU) to which the goodwill has been allocated may be impaired. On disposal of a business, the attributable amount of goodwill is included in the calculation of the profit or loss on disposal.

Other intangible assets

Intangible assets other than goodwill are recognised on business combinations if they are separable, or if they arise from contractual or other legal rights, and their value can be measured reliably. They are initially measured at cost, which is equal to the acquisition-date fair value, and subsequently measured at cost less accumulated amortisation charges and accumulated impairment losses. Other intangible assets are subject to impairment testing when there is an indication that an impairment loss may have been incurred and are amortised over their estimated useful lives. Amortisation of acquired intangible assets forms part of Administration, selling and distribution costs on the Income Statement.

Research and development costs

The Group's research activity involves long-range, 'blue sky' investigation, the findings from which may be used in the future to develop new or substantially improved products. Expenditure on research activities is recognised in the Group Income Statement as an expense in the year in which it is incurred.

Development is the application of research findings for the production of new or substantially improved products, processes and services before the start of commercial production. Development expenditure is capitalised only if the strict intangible asset recognition criteria set out in IAS 38 Intangible Assets have been met at the time the expenditure is incurred, being when expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the Group Income Statement as an expense in the year in which it is incurred. In 2025 and 2024, no projects met the criteria for IAS 38 capitalisation.

Software

The costs of ERP system implementations, including the purchase cost of the software and the time costs of employees directly involved in the implementation work, is capitalised and amortised over a period of no more than fifteen years.

Notes to the Group Financial Statements continued

2. Accounting Policies continued

2.6 Impairment of tangible and intangible assets

The Directors regularly review the performance of the business and the external business environment to determine whether there is any indication that the Group's tangible and intangible assets have suffered an impairment loss. If such indication exists, the higher of the value in use and the fair value less costs to sell of the asset is estimated and compared with the carrying value in order to determine the extent, if any, of the impairment loss. Where it is not feasible to estimate the recoverable amount of an individual asset, the Directors estimate the recoverable amount of the CGU to which the asset belongs. In addition, goodwill is tested for impairment on an annual basis. Goodwill acquired in a business combination is allocated to each of the Group's CGUs expected to benefit from the synergies of the combination and the Directors carry out annual impairment testing of the carrying value of each CGU.

For the purpose of impairment testing, the recoverable amount of an asset or CGU is the higher of (i) its fair value less costs to sell and (ii) its value in use. An impairment loss recognised for goodwill is not reversed in a subsequent period. An impairment loss recognised in a prior year for an asset other than goodwill may be reversed where there has been a sustained change in the estimates used to measure the asset's recoverable amount since the impairment loss was recognised.

2.7 Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method, less impairment losses. Details on impairment of financial assets are disclosed in Note 25.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises expenditure incurred in purchasing or manufacturing inventories together with all other costs directly incurred in bringing the inventory to its present location and condition and, where appropriate, attributable production overheads based on normal activity levels.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. The amount of any write-down of inventories to net realisable value is recognised as an expense in the year in which the write-down occurs.

2.9 Issued share capital

Equity instruments issued by the Company are recorded as the proceeds received, net of direct issue costs.

Where shares are redeemed or purchased as part of a share buyback programme, a sum equal to the amount by which the Company's share capital is diminished on cancellation of the shares is transferred to the capital redemption reserve.

2. Accounting Policies continued

2.10 Financial risk management

Valuation of financial assets and liabilities

The Group's financial assets and liabilities are measured as appropriate either at amortised cost or at fair value through other comprehensive income or at fair value through profit and loss.

IFRS 13 Fair Value Measurement requires classification of financial instruments within a hierarchy that prioritises the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly

Level 3 – Inputs that are not based on observable market data

Trade receivables and other receivables are amounts due for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at their fair value, which is the amount of consideration that is unconditional. The Group holds the trade receivables and other receivables with the objective of collecting the contractual cash flows (held to collect) and therefore measures them at amortised cost.

Derivatives which do not meet the hedge accounting criteria are classified as fair value through profit and loss (held for trading).

The cross-currency interest rate swaps (see Note 25.1) which meet the hedging criteria are measured at fair value through other comprehensive income.

Loans and borrowings are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, they are measured at amortised cost, using the effective interest method.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Foreign exchange differences arising on translation are recognised in the income statement, unless they qualify for cash flow or net investment hedge accounting treatment, in which case the effective portion is recognised directly in other comprehensive income. Non-monetary items, other than those measured at fair value, are not retranslated subsequent to initial recognition.

Assets and liabilities of foreign operations are translated at the exchange rate prevailing at the balance sheet date. Income and expenses of foreign operations are translated at average exchange rates with the exception of subsidiaries in hyperinflationary economies that are translated at the closing rate at the end of the year. All resulting exchange differences, including exchange differences arising from the translation of borrowings and other financial instruments designated as hedges of such balances, are recognised directly in other comprehensive income and accumulated in the translation reserve. On partial or full disposals of a non-GBP functional currency subsidiary, joint venture or associate, the related accumulated exchange gains and losses recognised in equity are reclassified from equity to the income statement.

Derivative financial instruments

The Group uses derivative financial instruments ('derivatives') to manage the financial risks associated with some of its underlying activities and the financing of those activities. Derivatives are measured at fair value using market prices at the balance sheet date. Any derivatives which form part of a hedge accounting relationship are designated as such on the date on which they are executed. Any derivatives which do not form part of a designated hedge accounting relationship are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Notes to the Group Financial Statements continued

2. Accounting Policies continued

2.10 Financial risk management continued

Cash flow hedges

Changes in the fair value of derivatives designated as cash flow hedges are recognised in other comprehensive income to the extent that the hedges are effective. Any ineffective portion would immediately be recognised in net finance costs in the profit or loss. If a forecast transaction is no longer expected to occur, the amounts previously recognised in other comprehensive income would be transferred to net finance costs in the profit or loss.

Net investment hedges

The Group designates certain of its borrowings and derivatives as net investment hedges of its foreign operations. As with cash flow hedges, the effective portion of the gain or loss on hedging instruments is recognised in other comprehensive income whilst any ineffective portion would immediately be recognised in net finance costs in the profit or loss. In the event a foreign operation is disposed of or liquidated, amounts recognised in other comprehensive income are reclassified from equity to profit or loss.

2.11 Leases

Lease liabilities are recognised at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, calculated as the local government bond rate plus an interest rate spread. In cases where there is an option to terminate or extend a lease, the duration of the lease assumed for this purpose reflects the Group's existing intentions regarding such options. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

For leases of low-value assets and short-term leases (shorter than 12 months) the exemptions within IFRS 16 are applied and neither the asset nor the corresponding liability to the lessor is recognised in the Group Balance Sheet. Rentals payable under these leases are charged to the Group Income Statement on a straight-line basis over the term of the lease. Benefits received and receivable as an incentive to enter these leases are also spread on a straight-line basis over the lease term.

2.12 Employee benefits

The net liability or net surplus recognised in the Group Balance Sheet for the Group's defined benefit plans is the present value of the defined benefit obligation at the balance sheet date, less the fair value of the plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method and by discounting the estimated future cash flows using interest rates on high-quality corporate bonds that have durations approximating the terms of the related pension liability.

Any asset recognised in respect of a surplus arising from this calculation is limited to the asset ceiling, where this is the present value of any economic benefits available in the form of refunds or reductions in future contributions in respect of the plans. The Group has an unconditional right to a refund of the UK surplus, as defined under IFRIC 14, and considers that the possibility that a surplus could be reduced or extinguished by discretionary actions by the Trustee does not affect the existence of the asset at the end of the reporting period. The Group therefore recognises a pension asset with respect to the scheme valued on an IAS 19 basis. No liability is recognised with respect to further funding contributions.

The expense for the Group's defined benefit plans is recognised in the Group Income Statement as shown in Note 27.7. Actuarial gains and losses arising on the assets and liabilities of the plans are reported within the Group Statement of Comprehensive Income; and gains and losses arising on settlements and curtailments are recognised in the Group Income Statement in the same line as the item that gave rise to the settlement or curtailment or, if material, separately reported as a component of operating profit.

2.13 Share-based payments

The Group operates an equity-settled share-based payment arrangement for its employees. Equity-settled share-based payments are measured at fair value at the date of grant. For grants with market-based conditions attached to them, fair value is measured using a form of stochastic option pricing model. For grants with non-market-based conditions, fair value is measured using the Black-Scholes option pricing model. The fair value is expensed on a straight-line basis over the vesting period with a corresponding increase in equity. The cumulative expense recognised is adjusted for the best estimate of the shares that will eventually vest.

2. Accounting Policies continued

2.14 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

2.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date. Where the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects both the current market assessment of the time value of money and the specific risks associated with the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3. Critical Accounting Judgements and Estimates

The major sources of judgement and estimation uncertainty are noted below.

3.1 Separately reported items (judgement)

The determination of items to be reported separately as outlined in Note 6 is judgemental. In making this assessment, the Group considers whether the nature and materiality of such items means that separate disclosure would assist in an understanding of trading performance and in making projections of future results.

3.2 Deferred tax asset recognition (estimate)

In recognising deferred tax assets, the Group considers the future profitability based upon approved budgets and business plans to determine future deferred tax recoverability. It is impractical to disclose the extent of the possible effects of profitability assumptions on the Group's deferred tax assets. It is reasonably possible that to the extent that actual outcomes differ from management's estimates, material income tax charges or credits, and changes in current and deferred tax assets, may arise within future periods.

3.3 Reportable segments for continuing operations (judgement)

The Steel Flow Control, Steel Advanced Refractories, and Steel Sensors & Probes operating segments are aggregated into the Steel reportable segment. In determining that aggregation is appropriate, judgement is applied which takes into account the economic characteristics of these operating segments, which include a similar nature of products, customers, production processes and margins.

The Group's operating segments are determined taking into consideration how the Group's components are reported to the Group's Chief Executive, who makes the key operating decisions and is responsible for allocating resources and assessing performance of the component. Taking into account the Group's management and internal reporting structure, the operating segments are Steel Flow Control, Steel Advanced Refractories, Steel Sensors & Probes, and the Foundry Division. The principal activities of each of these segments are described in the Strategic Report.

Notes to the Group Financial Statements continued

3. Critical Accounting Judgements and Estimates continued

3.4 Employee benefits (estimate)

The Group's financial statements include obligations associated with pension and other post-retirement benefits to current and former employees. It is the Directors' responsibility to set the assumptions used in determining the key elements of the costs of meeting such future obligations. These assumptions are set after consultation with the Group's actuaries and include those used to determine regular service costs and the financing elements related to the plans' assets and liabilities. Whilst the Directors believe that the assumptions used are appropriate, a change in the assumptions could affect the Group's profit and financial position. The pension obligations are most sensitive to a change in the mortality assumptions and therefore could materially change in the next financial year if the mortality assumptions change significantly. Sensitivity disclosures are included in Note 27.2.

3.5 Impairment testing of goodwill (estimate)

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating units to which these assets have been allocated. The value in use calculation requires estimation of future cash flows expected to arise for the cash-generating unit, the selection of suitable discount rates and the estimation of long-term growth rates. As determining such assumptions is inherently uncertain and subject to future factors, there is the potential these may differ in subsequent periods and therefore materially change the conclusions reached. Sensitivity disclosures are included in Note 16.2.

3.6 Provisions (judgement and estimate)

Vesuvius has extensive international operations and is subject to various legal and regulatory regimes, including those covering taxation and environmental matters. Some of the Group's subsidiaries are parties to legacy matter and other lawsuits, certain of which are insured claims. Provisions are made for the expected amounts payable. To the extent insurance is in place, an asset is recognised in other receivables in respect of associated insurance reimbursements.

There is judgement in determining whether a provision is required. For such matters and determining the value of provision needed requires estimation of the timing, quantum and amount of associated outflows. Sensitivity disclosures are included in Note 30.1.

3.7 Business combinations (estimate)

Acquisitions require the determination of fair values of assets and liabilities acquired, including intangible assets. The valuation of intangible assets is based on assumptions, including future growth rates, expected inflation rates, discount rate and useful economic lives of the assets. The Group engages third-party specialists to assist with the identification and valuation of acquired intangible assets. Depending on the nature of the assets, the Group uses different valuation methodologies to arrive at the fair value including the excess earnings method, the relief from royalty method and the cost savings method. See Note 20.

4. Segment Information

4.1 Business segments

Operating segments for continuing operations

The Group's operating segments are determined taking into consideration how the Group's components are reported to the Group's Chief Executive, who makes the key operating decisions. The operating segments are Steel Flow Control, Steel Advanced Refractories, Steel Sensors & Probes, and the Foundry Division. The principal activities of each of these segments are described in the Strategic Report.

The Steel Flow Control, Steel Advanced Refractories, and Steel Sensors & Probes operating segments are aggregated into the Steel reportable segment. In determining that aggregation is appropriate, judgement is applied which takes into account the economic characteristics of these operating segments which include a similar nature of products, customers, production processes and margins.

Segment revenue represents revenue from external customers (inter-segment revenue is not material). Trading profit includes items directly attributable to a segment as well as those items that can be allocated on a reasonable basis.

4.2 Segmental analysis

The reportable segment results from continuing operations are presented below.

	Note	2025					
		Flow Control £m	Advanced Refractories £m	Sensors & Probes £m	Total Steel £m	Foundry £m	Total £m
Segment revenue		750.9	555.6	36.1	1,342.6	466.9	1,809.5
Segment adjusted EBITDA					168.0	48.9	216.9
Segment depreciation and amortisation					(48.0)	(17.8)	(65.8)
Segment trading profit					120.0	31.1	151.1
<i>Return on sales</i>					8.9%	6.7%	8.4%
Cost reduction programme expenses	6				(12.3)	(6.6)	(18.9)
Acquisition and integration expenses	6				(3.6)	(3.4)	(7.0)
Amortisation of acquired intangible assets							(10.6)
Operating profit							114.6
Net finance costs	8						(18.4)
Share of post-tax profit of joint ventures	17.2						1.0
Profit before tax							97.2
Capital expenditure					75.8	23.8	99.6
Inventory	19				231.7	55.6	287.3
Trade receivables	18				273.8	87.4	361.2
Trade payables	29				(183.5)	(64.8)	(248.3)

Notes to the Group Financial Statements continued

4. Segment Information continued

4.2 Segmental analysis continued

	Note	2024					
		Flow Control £m	Advanced Refractories £m	Sensors & Probes £m	Total Steel £m	Foundry £m	Total £m
Segment revenue		769.0	535.6	39.2	1,343.8	476.3	1,820.1
Segment adjusted EBITDA					197.2	53.0	250.2
Segment depreciation and amortisation					(44.2)	(18.0)	(62.2)
Segment trading profit					153.0	35.0	188.0
<i>Return on sales</i>					11.4%	7.4%	10.3%
Cost reduction programme expenses	6				(5.8)	(8.8)	(14.6)
Provision for future water treatment at disused mine	6						(9.7)
Amortisation of acquired intangible assets							(10.0)
Operating profit							153.7
Net finance costs	8						(16.2)
Share of post-tax profit of joint ventures	17.2						1.1
Profit before tax							138.6
Capital expenditure					92.2	23.9	116.1
Inventory	19				241.7	53.7	295.4
Trade receivables	18				259.7	82.0	341.7
Trade payables	29				(180.1)	(61.6)	(241.7)

The Chief Operating Decision Maker does not review non-current assets and non-current liabilities at a segmental level so these disclosures are not included.

4.3 Geographical analysis

	External revenue		Non-current assets	
	2025 £m	2024 £m	2025 £m	2024 £m
EMEA	607.7	603.1	546.3	510.7
Asia	595.0	583.5	313.5	244.9
North America	473.1	487.8	418.4	410.7
South America	133.7	145.7	46.0	45.1
	1,809.5	1,820.1	1,324.2	1,211.4

External revenue disclosed in the table above is based upon the geographical location from which the products and services are invoiced. Non-current assets exclude employee benefits net surpluses, deferred tax assets and financial instruments. Information relating to the Group's products and services is given in the Strategic Report. The Group is not dependent on any single customer for its revenue and no single customer, for either of the years presented in the table above, accounts for more than 10% of the Group's total external revenue. £24.7m (2024: £50.7m) of revenue was generated from the UK, and total non-current assets in the UK amounted to £100.9m (2024: £94.0m).

5. Operating Profit

5.1 Operating profit is stated after charging/(crediting)

	Note	2025 £m	2024 £m
Cost of materials recognised as an expense	19	825.5	807.9
Employee expenses	7	465.7	474.3
Depreciation	14	63.5	60.9
Amortisation	15	12.9	11.3
Expected credit loss allowances	25.1	(0.8)	(2.9)

Included within several rows in the disclosure above are research and development expenses totalling £35.3m (2024: £36.9m).

5.2 Amounts payable to PricewaterhouseCoopers LLP and their associates

	2025 £m	2024 £m
Fees payable to the Company's auditors and their associates for the audit of the Parent Company and Consolidated Financial Statements	1.2	1.0
Fees payable to the Company's auditors and their associates for other services:		
Audit of the Company's subsidiaries	1.0	1.1
Audit-related assurance services	0.2	0.2
	2.4	2.3

It is the Group's policy not to use the Group's auditors for non-audit services other than for audit-related services that are required to be performed by auditors.

5.3 Amounts payable to Mazars LLP

Mazars LLP acts as external auditors of certain subsidiary entities. Total remuneration for the audit of these entities was £1.0m (2024: £1.1m). This amount is not included in the table above.

6. Separately Reported Items

Cost reduction programme expenses

In November 2023, the Group initiated an efficiency programme with the aim of realising recurring cash cost savings. The programme covers all of the Group's activities worldwide and focuses on operational improvement, lean initiatives, automation and digitalisation, as well as further optimisation of the manufacturing footprint.

Cost reduction programme expenses are excluded from trading profit (adjusted operating profit), allowing for a clear measure of the Group's operating performance.

During 2025, cost reduction programme expenses were £18.9m (2024: £14.6m). The charges reflect redundancy costs £10.2m (2024: £10.8m), plant closure costs £4.8m (2024: £2.2m), and non-cash asset impairments £3.9m (2024: £1.6m). The net tax credit attributable to these cost reduction programme expenses was £4.7m (2024: £2.6m).

Provision for future water treatment at disused mine

Details on the provision are disclosed in Note 30. In 2024, the forecast annual operating cost is £0.8m and the remaining period for which water treatment will be required was reassessed to be 20 years, resulting in an increase in the provision and a charge to the Income Statement for £nil (2024: £9.7m). The net tax credit attributable to these costs in respect of disused mine was £nil (2024: £2.3m).

Acquisition and integration expenses

Acquisition and integration expenses of £7.0m have been drawn out as a separately reported item (2024: £nil). As these expenses are not related to current trading, separate disclosure will assist users in better understanding financial performance.

Notes to the Group Financial Statements continued

7. Employees

7.1 Employee expenses

	Note	2025 £m	2024 £m
Wages and salaries		386.0	390.8
Social security costs		60.2	60.5
Share-based payments	28	3.0	6.2
Pension costs – defined contribution pension plans	27	11.5	11.8
– defined benefit pension plans	27	5.1	4.8
Other post-retirement benefits	27	(0.1)	0.2
Total employee expenses		465.7	474.3

7.2 Monthly average number of employees

	2025 no.	2024 no.
Steel	8,744	9,061
Foundry	2,183	2,214
Total monthly average number of employees	10,927	11,275

As at 31 December 2025, the Group had 10,925 employees (2024: 11,133).

7.3 Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below. Details of the Directors' remuneration are disclosed in the Directors' Remuneration Report on pages 97 to 124.

	2025 £m	2024 £m
Short-term employee benefits	1.7	2.0
Post-employment benefits	0.1	0.2
Share-based payments	0.2	1.5
Total remuneration of key management personnel	2.0	3.7

8. Net Finance Costs

	2025 £m	2024 £m
Interest payable on borrowings		
Loans and overdrafts	18.2	19.3
Interest on lease liabilities	2.7	3.0
Amortisation of capitalised arrangement fees	1.5	1.0
Total interest payable on borrowings	22.4	23.3
Interest on net retirement benefit obligations	1.2	1.6
Adjustment to discounts on provisions and other liabilities	3.0	2.2
Adjustment to discounts on receivables	(1.2)	(1.2)
Interest income	(7.0)	(9.7)
Net finance costs	18.4	16.2

Within the table above, total finance costs are £26.6m (2024: £27.1m) and total finance income is £8.2m (2024: £10.9m).

9. Income Tax Charge

9.1 Income tax charge

	2025 £m	2024 £m
Current tax		
UK taxation	0.7	–
Overseas taxation	37.6	42.1
Adjustments in respect of prior years	(6.8)	(0.6)
Total current tax, continuing operations	31.5	41.5
Deferred tax		
Origination and reversal of temporary taxable differences	2.6	0.1
Adjustments in respect of prior years	(1.7)	(3.3)
Total deferred tax, continuing operations	0.9	(3.2)
Total income tax charge	32.4	38.3
Total income tax charge attributable to:		
Continuing operations – adjusted performance	36.5	47.2
– separately reported	(4.1)	(8.9)
Total income tax charge	32.4	38.3

The Group will incur top-up taxes due to Pillar Two legislation, and is liable to pay top-up tax for the differences between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate. The Group has estimated that the effective tax rates exceed 15% in all jurisdictions in which it operates, except for United Arab Emirates where we have two subsidiaries. However, the amount is immaterial at £0.1m (2024: £0.1m) and has been included within income tax in the Income Statement. There are no significant impacts on the Group's financial position, performance, cash flows and earnings per share.

Included in the Group's total income tax charge are charges and credits meeting the criteria set out in Note 1.6 to be treated as separately reported items, as analysed in the following table:

	2025 £m	2024 £m
Separately reported items		
Current tax deductions with respect to restructuring and strategic programmes	(4.4)	(2.6)
Withholding tax on dividends	2.9	–
Amortisation and utilisation of acquired intangibles	(2.1)	(2.6)
Recognition of deferred tax asset on acquired intangibles	–	–
Utilisation of operating losses	(0.5)	(1.3)
Other temporary differences	–	(2.4)
Total tax credit separately reported	(4.1)	(8.9)

The net tax debit reflected in the Group Statement of Comprehensive Income in the year amounted to a £2.2m charge (2024: £0.8m charge) in both years primarily for net actuarial gains and losses on the employee benefits plans.

9.2 Reconciliation of income tax charge to profit before tax

	2025 £m	2024 £m
Profit before tax	97.2	138.6
Tax at the UK corporation tax rate of 25.0% (2024: 25.0%)	24.3	34.6
Overseas tax rate differences	1.3	1.2
Withholding taxes	8.4	5.5
(Income)/expenses not (taxable)/deductible for tax purposes	2.3	3.3
Changes in uncertain tax positions	(2.0)	(2.2)
Foreign Tax Credits expired/written off in the period	5.2	–
Utilisation of previously unrecognised tax losses	–	–
Deferred tax assets not recognised in the period	1.3	(0.2)
Deferred tax rate changes	0.1	–
Adjustments in respect of prior years	(8.5)	(3.9)
Total income tax charge	32.4	38.3

Notes to the Group Financial Statements continued

9. Income Tax Charge continued

9.3 Deferred tax

	Interest £m	Other operating losses £m	Pension costs £m	Intangible assets £m	Other temporary differences £m	Total £m
As at 1 January 2024	33.8	42.7	3.0	(18.1)	29.7	91.1
Exchange adjustments	0.2	(0.5)	(0.2)	0.1	0.5	0.1
Other net charge to Group Statement of Comprehensive Income	–	–	(0.8)	–	–	(0.8)
Other net (charge)/credit to Group Income Statement	(5.7)	1.0	(1.9)	1.0	8.8	3.2
As at 31 December 2024	28.3	43.2	0.1	(17.0)	39.0	93.6
Exchange adjustments	1.5	0.1	0.1	–	(4.4)	(2.7)
Acquisitions	–	–	–	(8.1)	(1.0)	(9.1)
Other net charge to Group Statement of Changes in Equity	–	–	–	0.3	–	0.3
Other net charge to Group Statement of Comprehensive Income	–	–	(1.3)	(0.2)	(0.7)	(2.2)
Other net (charge)/credit to Group Income Statement	(0.9)	9.2	(0.7)	3.0	(11.4)	(0.8)
As at 31 December 2025	28.9	52.5	(1.8)	(22.0)	21.5	79.1

	2025 £m	2024 £m
Recognised in the Group Balance Sheet as:		
Non-current deferred tax assets	102.3	109.9
Non-current deferred tax liabilities	(23.2)	(16.3)
Net total deferred tax assets	79.1	93.6

The Group has modelled proportionate increases and decreases in relation to the expected taxable income based on the approved budget and the results do not have a material impact on the deferred tax asset balance. The Group remains confident of the recovery of these assets.

Other temporary differences consists of various other items where the accounting and tax basis differ at the balance sheet date and would result in a tax benefit/(liability) in the future, including fixed assets and provisions/accruals.

Tax loss carry-forwards and other temporary differences with a tax value of £17m (2024: £5.6m) were recognised by jurisdictions reporting a loss. Based on approved business plans of these subsidiaries, the Directors consider it probable that the tax loss carry-forwards and temporary differences can be offset against future taxable profits of these subsidiaries.

The total deferred tax assets not recognised as at 31 December 2025 were £155m (2024: £167.0m), as analysed below. In accordance with the accounting policy in Note 9.1, these items have not been recognised as deferred tax assets on the basis that their future economic benefit is not probable. In total, there was a decrease of £12m (2024: £5.2m increase) in net unrecognised deferred tax assets during the year, primarily driven by a prior year true-up to UK deferred tax assets following the conclusion of a tax enquiry.

Included in these deferred tax assets and liabilities are net amounts expected to be utilised in 2025 of £8.4m (2024: £4.3m estimate of 2025).

	2025 £m	2024 £m
Operating losses (further described below)	97.2	92.6
Unrelieved US interest (may be carried forward indefinitely)	–	–
Capital losses available to offset future UK capital gains (may be carried forward indefinitely)	45.5	45.5
UK ACT credits (may be carried forward indefinitely)	–	19.3
Other temporary differences	12.3	9.6
Total deferred tax assets not recognised	155.0	167.0

9. Income Tax Charge continued

9.3 Deferred tax continued

The Group has significant net operating losses with a tax value of £149.7m (2024: £135.9m), only £52.5m (2024: £43.3m) of which meet the criteria set out in Note 9.1 to be recognised on the Group Balance Sheet.

	Operating losses recognised 2025 £m	Operating losses not recognised 2025 £m	Total 2025 £m	Operating losses recognised 2024 £m	Operating losses not recognised 2024 £m	Total 2024 £m
UK (may be carried forward indefinitely)	40.9	72.2	113.1	35.8	74.2	110.0
US (due to expire 2025-2031)	1.3	–	1.3	1.5	–	1.5
ROW (may be carried forward indefinitely)	10.3	25.0	35.3	6.0	18.4	24.4
	52.5	97.2	149.7	43.3	92.6	135.9

The £35.3m (2024: £24.4m) operating losses available to set against future income in the rest of the world arise in a number of countries, reflecting the spread of the Group's operations.

Deferred tax is not recognised in respect of the value of the Group's unremitted earnings in subsidiaries and interests in joint ventures where we are able to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. The main tax that would apply to unremitted earnings is dividend withholding tax that would be deducted by the payer of these dividends.

The estimate for dividend WHT on unremitted earnings which has not been recorded in the accounts is £16.5m (2024: £20.7m).

The Group is within the scope of the OECD Pillar Two model rules, and it applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

9.4 Income tax payable and recoverable

	2025 £m	2024 £m
Liabilities for income tax payable	(3.0)	(2.6)
Provisions for uncertain tax positions	(4.5)	(4.0)
	(7.5)	(6.6)
Plus: Income tax recoverable within one year	18.8	12.9
Net asset/(liability)	11.3	6.3

Provisions for uncertain tax positions are calculated in accordance with the policy outlined in Note 9.1, and are treated as income tax payable in accordance with IAS 12.

These provisions cover litigated tax matters as well as provisions for other risks where the Group believes it is more likely than not that there would be a successful challenge by a tax authority to positions it has taken in its tax filings. By its nature, litigation can result in sharp fluctuations in cash flow, both in and out, relating to taxes. Currently, management does not expect any material adjustments to these provisions in 2026.

During the year, the provisions for uncertain tax positions have increased to £4.5m (2024: £4m). The increase of £0.5m (2024: £2.3m decrease) can be explained by the acquisition of PiroMET which included an uncertain tax position partially offset by the conclusion of a tax enquiry in the UK.

Notes to the Group Financial Statements continued

9. Income Tax Charge continued

9.5 Key factors impacting the sustainability of the adjusted effective tax rate are as follows:

Material changes in the geographic mix of profits

The Group's headline effective tax rate is sensitive to changes in the geographic mix of profits and level of profits and reflects a combination of higher rates in certain jurisdictions such as Brazil, Germany, India, Mexico and the US and a lower headline effective tax rate in jurisdictions like China and Poland.

Changes in tax rates, tax reform and its interpretation

Changes in tax rates and laws in the jurisdictions in which the Group operates could have a material effect on the Group's headline effective tax rate.

Availability of tax advantaged rates

Vesuvius in China qualifies for a tax advantaged rate of 15% (rather than the headline rate of 25%) on part of its profits due to the high-technology nature of its business.

Resolution of tax judgements

At any one time, the Group can be subject to a number of challenges by tax authorities in the jurisdictions in which it operates. The outcome of these challenges is inherently uncertain, potentially resulting in a different tax charge from the amounts initially provided.

10. Earnings per Share (EPS)

10.1 Earnings for EPS

Basic and diluted EPS are based upon the profit attributable to owners of the Parent, as reported in the Group Income Statement. The table below reconciles these different profit measures.

	2025 £m	2024 £m
Profit attributable to owners of the Parent	52.2	87.2
Adjustments for separately reported items:		
Cost reduction programme expenses	18.9	14.6
Acquisition and integration expenses	7.0	–
Provision for future water treatment at disused mine	–	9.7
Amortisation of acquired intangible assets	10.6	10.0
Income tax credit	(4.1)	(8.9)
Adjusted profit attributable to owners of the Parent	84.6	112.6

10.2 Weighted average number of shares

	2025 millions	2024 millions
For calculating basic and adjusted EPS	247.1	260.0
Adjustment for potentially dilutive ordinary shares	3.0	3.7
For calculating diluted and diluted adjusted EPS	250.1	263.7

For the purposes of calculating diluted and diluted adjusted EPS, the weighted average number of ordinary shares is adjusted to include the weighted average number of ordinary shares that would be issued on the conversion of all potentially dilutive ordinary shares expected to vest, relating to the Company's share-based payment plans. Potential ordinary shares are only treated as dilutive when their conversion to ordinary shares would decrease EPS or increase loss per share.

10.3 Per share amounts

	2025 pence	2024 pence
Earnings per share		
– reported basic	21.1	33.5
– reported diluted	20.9	33.1
– adjusted basic ¹	34.2	43.3
– adjusted diluted ¹	33.8	42.7

1. For definitions of adjusted earnings per share, refer to Note 35.7.

11. Cash Generated from Operations

	Note	2025 £m	2024 £m
Operating profit		114.6	153.7
Adjustments for:			
Cost reduction programme expenses	6	18.9	14.6
Acquisition and integration expenses	6	7.0	–
Provision for future water treatment at disused mine	6	–	9.7
Amortisation of acquired intangible assets		10.6	10.0
Trading profit (adjusted operating profit)		151.1	188.0
(Profit)/loss relating to fixed assets		(3.7)	(2.2)
Depreciation	14	63.5	60.9
Amortisation of software	15	2.3	1.3
Defined benefit retirement plans net charge	27	5.2	5.0
Net (increase)/decrease in inventories		10.8	(14.3)
Net (increase)/decrease in trade receivables		(19.8)	1.9
Net increase in trade payables		7.6	11.8
Net decrease in other working capital ¹		(14.2)	(16.6)
Defined benefit retirement plans cash outflows	27	(9.7)	(9.4)
Outflow related to cost reduction programme	6	(16.0)	(7.9)
Outflow related to restructuring charges		(0.4)	(1.0)
Outflow related to acquisition and integration expenses	6	(2.6)	–
Water treatment at disused mine cash outflows	6	(0.7)	(0.8)
Cash generated from operations		173.4	216.7

1. Net increase/(decrease) in other working capital includes a movement in notes receivable of £8.6m in 2025 arising from a reduction in bankers drafts in China.

12. Cash and Cash Equivalents

	2025 £m	2024 £m
Cash and short-term deposits	190.6	186.4
Bank overdrafts	(3.1)	(7.8)
Cash and cash equivalents in the Group Statement of Cash Flows	187.5	178.6

Cash is held both centrally and in operating territories. For certain territories including Argentina, Egypt, and Russia cash is more readily used locally than for broader Group purposes.

As at 31 December 2025, the Group held £18.0m (INR 2,180m) of cash classified as restricted. This amount was held in an escrow account in accordance with the requirements of the Securities and Exchange Board of India. The balance earned interest at market rates until its release from the escrow account on 27 February 2026.

The cash related to the acquisition of a 75% interest in Morganite Crucible (India) Limited from Morgan Advanced Materials plc, which was completed during the year. As a result of the acquisition, the Group was required to undertake a mandatory tender offer (MTO) in respect of the remaining 25% of the shares in the target company that are publicly held. In accordance with Indian regulatory requirements, the Group is required to place funds equal to the maximum potential consideration payable under the MTO into an escrow account. Accordingly, the amount held in escrow represented the full purchase price of the MTO, assuming it were taken up by all eligible public shareholders. Under the terms of the escrow arrangement, although the acquisition has taken place, the Group could not access the funds until the relevant authorities in India granted approval for the release of the escrow balance.

The full balance held in the escrow account is presented within cash and cash equivalents as it meets the definition of a cash equivalent. For the purposes of the Group's Alternative Performance Measures (APMs), no adjustment has been made in respect of this restricted cash balance.

Notes to the Group Financial Statements continued

13. Reconciliation of Movement in Net Debt

	Balance as at 1 January 2025 £m	Foreign exchange adjustments £m	Fair value gains/ (losses) £m	Non-cash movements* £m	Cash flow** £m	Balance as at 31 December 2025 £m
Cash and cash equivalents						
Cash at bank and in hand	186.4	(9.9)	–	–	14.1	190.6
Bank overdrafts	(7.8)	(0.2)	–	–	4.9	(3.1)
	178.6	(10.1)	–	–	19.0	187.5
Borrowings, excluding bank overdrafts	(513.2)	(2.3)	–	(9.2)	(116.9)	(641.6)
Capitalised arrangement fees	0.8	–	–	(1.5)	3.5	2.8
Derivative financial instruments	4.6	1.2	(5.7)	–	(1.2)	(1.1)
Net debt	(329.2)	(11.2)	(5.7)	(10.7)	(95.6)	(452.4)
	Balance as at 1 January 2024 £m	Foreign exchange adjustments £m	Fair value gains/ (losses) £m	Non-cash movements* £m	Cash flow** £m	Balance as at 31 December 2024 £m
Cash and cash equivalents						
Cash at bank and in hand	164.2	(5.1)	–	–	27.3	186.4
Bank overdrafts	(3.4)	0.1	–	–	(4.5)	(7.8)
	160.8	(5.0)	–	–	22.8	178.6
Borrowings, excluding bank overdrafts	(400.6)	9.2	–	(18.2)	(103.6)	(513.2)
Capitalised arrangement fees	1.8	–	–	(1.0)	–	0.8
Derivative financial instruments	0.5	–	4.1	–	–	4.6
Net debt	(237.5)	4.2	4.1	(19.2)	(80.8)	(329.2)

* £8.4m (2024: £15.2m) of new leases were entered into during the year and £0.7m (2024: £nil) of leases were acquired (Note 20).

** Borrowings, excluding bank overdrafts include proceeds from borrowings, repayment of borrowings and payment of lease liabilities.

The Group routinely rolls over the principal of borrowings drawn under the committed syndicated bank facility. The procedure may be repeated, depending on liquidity requirements of the Group, until the maturity date of the credit facility.

During the year, the Group refinanced its committed syndicated bank facility. The refinancing was contractually structured as repayment and extinguishment of the existing facility of £385m and the utilisation of the replacement facility of £475m, executed on 21 February 2025. The commitments under the replacement facility were subsequently increased to £522.5m with effect from 30 May 2025. The settlement of principal amounts was performed by the facility agent on behalf of the participating banks and did not result in any cash inflows or outflows through accounts controlled by the Group.

14. Property, Plant and Equipment

14.1 Movement in net book value

	Freehold property £m	Leasehold property £m	Right-of-use assets – land & buildings (Note 26.1) £m	Right-of-use assets – plant & equipment (Note 26.1) £m	Plant and equipment £m	Construction in progress £m	Total £m
Cost							
As at 1 January 2024	278.8	0.1	53.6	43.5	657.6	83.2	1,116.8
Exchange adjustments	(8.9)	–	(1.6)	(1.6)	(20.8)	(4.0)	(36.9)
Capital expenditure additions	7.5	0.7	4.0	11.2	25.4	54.6	103.4
Disposals	(2.9)	–	(1.6)	(5.4)	(16.6)	(0.5)	(27.0)
Reclassifications	8.5	–	–	–	33.7	(42.2)	–
As at 31 December 2024 and 1 January 2025	283.0	0.8	54.4	47.7	679.3	91.1	1,156.3
Exchange adjustments	(2.5)	(0.5)	(1.6)	0.2	(6.9)	(1.0)	(12.3)
Capital expenditure additions	0.8	0.2	4.2	4.2	12.6	65.3	87.3
Acquisitions through business combinations	21.9	7.5	0.4	0.6	14.5	0.1	45.0
Disposals	(6.7)	–	(7.6)	(6.3)	(19.5)	(0.1)	(40.2)
Reclassifications	15.9	0.5	–	–	70.8	(87.2)	–
As at 31 December 2025	312.4	8.5	49.8	46.4	750.8	68.2	1,236.1
Accumulated depreciation and impairment losses							
As at 1 January 2024	140.6	0.1	16.5	23.0	475.8	–	656.0
Exchange adjustments	(4.3)	–	(0.6)	(1.0)	(13.5)	–	(19.4)
Depreciation charge	10.4	–	6.1	9.5	34.9	–	60.9
Impairment	–	–	0.8	–	0.8	–	1.6
Disposals	(2.7)	–	(2.2)	(4.7)	(15.8)	–	(25.4)
Reclassifications	(0.2)	–	–	–	0.2	–	–
As at 31 December 2024 and 1 January 2025	143.8	0.1	20.6	26.8	482.4	–	673.7
Exchange adjustments	(0.8)	0.1	(0.3)	0.1	(5.7)	–	(6.6)
Depreciation charge	8.6	0.1	5.8	9.5	39.5	–	63.5
Impairment	–	–	0.1	–	0.8	–	0.9
Disposals	(5.2)	–	(5.3)	(5.8)	(18.3)	–	(34.6)
As at 31 December 2025	146.4	0.3	20.9	30.6	498.7	–	696.9
Net book value as at 31 December 2025	166.0	8.2	28.9	15.8	252.1	68.2	539.2
Net book value as at 31 December 2024	139.2	0.7	33.8	20.9	196.9	91.1	482.6

Capital commitments as at 31 December 2025 were £16.7m (31 December 2024: £26.7m).

Notes to the Group Financial Statements continued

15. Intangible Assets

Intangible assets comprise goodwill, other intangible assets that have been acquired through business combinations, and software costs.

15.1 Movement in net book value

	Goodwill £m	Other acquired intangible assets £m	Software £m	2025 total £m	Goodwill £m	Other acquired intangible assets £m	Software £m	2024 total £m
Cost								
As at 1 January	616.2	281.6	30.4	928.2	630.9	287.3	18.8	937.0
Exchange adjustments	(12.0)	(0.3)	1.8	(10.5)	(14.7)	(5.7)	(1.1)	(21.5)
Capital expenditure additions	–	–	12.3	12.3	–	–	12.7	12.7
Acquisitions (Note 20)	46.2	22.9	–	69.1	–	–	–	–
Disposals	–	–	(0.1)	(0.1)	–	–	–	–
As at 31 December	650.4	304.2	44.4	999.0	616.2	281.6	30.4	928.2
Accumulated amortisation and impairment losses								
As at 1 January	–	233.1	4.2	237.3	–	228.0	3.0	231.0
Exchange adjustments	–	0.9	0.1	1.0	–	(4.9)	(0.1)	(5.0)
Amortisation charge for the year	–	10.6	2.3	12.9	–	10.0	1.3	11.3
Disposals	–	–	(0.1)	(0.1)	–	–	–	–
As at 31 December	–	244.6	6.5	251.1	–	233.1	4.2	237.3
Net book value as at 31 December	650.4	59.6	37.9	747.9	616.2	48.5	26.2	690.9

Of the £44.4m (2024: £30.4m) software cost as at 31 December 2025, £12.8m (2024: £12.5m) was in the course of construction.

Software comprises Enterprise Resource Planning tools in use and being developed. The software is installed on Vesuvius' servers and the Group has complete ownership of the assets.

Amortisation charge of £10.6m (2024: £10.0m) in respect of other acquired intangible assets includes £5.0m (2024: £5.1m) recognised in respect of Foseco customer relationships, £3.6m (2024: £3.6m) in respect of the Foseco trade name and £2.0m (2024: £1.3m) in respect of Advanced Refractories intangible assets.

During the year the Group made a number of acquisitions resulting in goodwill and intangible assets being recognised as disclosed in note 20.

15.2 Analysis of goodwill by cash-generating unit (CGU)

Goodwill acquired in a business combination is allocated to each of the Group's CGUs expected to benefit from the synergies of the combination. For the purposes of impairment testing, the Directors consider that the Group has four CGUs: Steel Advanced Refractories, Steel Flow Control, Steel Sensors & Probes, and the Foundry Division. These CGUs represent the lowest level at which goodwill is monitored (Note 16.1).

	2025 £m	2024 £m
Steel Flow Control	263.8	268.0
Steel Advanced Refractories	151.8	143.8
Foundry	234.8	204.4
Total goodwill	650.4	616.2

15. Intangible Assets continued

15.3 Analysis of other acquired intangible assets

Other acquired intangible assets are amortised on a straight-line basis over their estimated useful lives. The assets acquired are shown below.

	Net book value as at 31 Dec 2025 £m	Net book value as at 31 Dec 2024 £m
Steel Flow Control, Steel Advanced Refractories & Foundry		
– Foseco customer relationships (useful life: 20 years)	11.4	16.3
– Foseco trade name (useful life: 20 years)	8.1	11.7
Steel Advanced Refractories		
– Refraforce customer relationships (useful life: 20 years)	0.7	–
– PiroMET customer relationships (useful life: 15 years)	6.9	–
– PiroMET non-compete arrangements (useful life: 5 years)	0.4	–
– URI customer relationships (useful life: 20 years)	5.0	5.7
– URI know-how (useful life: 20 years)	4.0	4.6
– CCPI customer relationships (useful life: 20 years)	8.8	10.2
Foundry		
– MMS customer relationships (useful life: 15 years)	9.9	–
– MMS trade name (useful life: 20 years)	4.4	–
Total	59.6	48.5

16. Impairment of Tangible and Intangible Assets

16.1 Key assumptions and methodology

The key assumptions in determining value in use are projected cash flows, growth rates and discount rates. These are disclosed as critical accounting estimates in Note 3.5.

Projected cash flows for the next five years have been based on the latest Board-approved budgets and strategic plans. They reflect management's expectations of revenue, EBITDA growth, capital expenditure, working capital and adjusted operating cash flows to derive the annual cash flows, based on past experience and future expectations of business performance, and take into account the cyclical nature of the business in which the CGU operates. Cash flows from 2030 have been extrapolated using a perpetuity growth rate of 2.5% (2024: 2.5%). The growth rate has been calculated using GDP growth forecasts published by the International Monetary Fund for the Group's end-markets.

The cash flows have been discounted to their current value using pre-tax discount rates that reflect current market assessments of the time value of money and the risks specific to the cash-generating unit. The assumptions used in the calculation of the discount rates for each CGU have been benchmarked to externally available data. These are industry-specific beta coefficients, risk-free rates and equity risk premiums.

The pre-tax discount rates used for the Steel Flow Control and Steel Advanced Refractories CGUs was 12.4% (2024: 12.5%) and for the Foundry CGU was 13.8% (2024: 13.8%). There is no goodwill or intangible assets in the Steel Sensors & Probes CGU.

The Group carried out its annual goodwill impairment test using the discount rates above and applying them to the latest Board-approved cash flows to calculate a value in use (VIU). The recoverable amount of each CGU exceeded its carrying value, therefore no impairment charges have been recognised.

The Directors have considered the impact of climate change on expected future cash flows. There is no material impact on the future cash flows.

Notes to the Group Financial Statements continued

16. Impairment of Tangible and Intangible Assets continued

16.2 Sensitivity of impairment reviews

Expected future cash flows are inherently uncertain and could change materially over time. They are affected by several factors, including market and production estimates, together with economic factors such as prices, discount rates, currency exchange rates, operational costs, and future capital expenditure.

The recoverable amount of all CGUs exceeded their carrying value on the basis of the assumptions set out above and any reasonably possible changes thereof, except for Steel Advanced Refractories and Foundry, where a reasonably possible change could lead to an impairment. A sensitivity analysis was carried out using reasonably possible changes to the key assumptions as set out in the table below.

Key assumption	Relevant CGU	Sensitivity	Impairment charge, £m
Annual cash flows	Steel Advanced Refractories	Decrease the annual cash flows by 20%	(40.2)
Annual cash flows	Foundry	Decrease the annual cash flows by 20%	(32.0)

A 12% decrease in annual cash flows would result in the AR CGU having a recoverable amount equal to its carrying value.

A 15% decrease in annual cash flows would result in the Foundry CGU having a recoverable amount equal to its carrying value.

17. Investments in Subsidiaries, Joint Ventures and Associates

17.1 Investment in subsidiaries

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The subsidiaries of Vesuvius plc and the countries in which they are incorporated are set out below. With the exception of Vesuvius Holdings Limited, whose ordinary share capital was directly held by Vesuvius plc, the ordinary capital of the companies listed below was wholly owned by a Vesuvius plc subsidiary as at 31 December 2025. Details of the joint ventures and associates are disclosed in Note 17.2.

Company legal name	Registered office address	Jurisdiction	Company legal name	Registered office address	Jurisdiction
BMI Refractory Services Inc.	600 N 2nd Street, Suite 401, Harrisburg, PA 17101-1071, United States	US (Pennsylvania)	Foseco International Limited	165 Fleet Street, London, EC4A 2AE, England	England
Brazil 1 Limited	165 Fleet Street, London, EC4A 2AE, England	England	Foseco Japan Limited	9th Floor, Orix Kobe Sannomiya Building, 6-1-10, Goko dori, Chuo-ku, Kobe Hyogo, 651-0087, Japan	Japan
CCPI Inc.	Suite 201, 910 Foulk Road, Wilmington, New Castle, DE 19803, United States	US (Delaware)	Foseco Korea Limited	74 Jeongju-ro, Bucheon-si, Gyeonggi-do, 14523, South Korea	Republic of Korea
Cookson Dominicana, SRL	Km 7 1/2, Autopista San Isidro, Edificio Modelo A, Zona Franca San Isidro, Santo Domingo Oeste, Dominican Republic	Dominican Republic	Foseco Limited	165 Fleet Street, London, EC4A 2AE, England	England
Flo-Con Holding, Inc.	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, DE 19801, United States	US (Delaware)	Foseco Metallurgical Inc.	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, DE 19801, United States	US (Delaware)
Foseco (Jersey) Limited	44 Esplanade, St Helier, JE4 9WG, Jersey	Jersey	Foseco Nederland BV	Binnenhavenstraat 20, 7553 GJ Hengelo (OV), Netherlands	Netherlands
Foseco (UK) Limited	165 Fleet Street, London, EC4A 2AE, England	England	Foseco Overseas Limited	165 Fleet Street, London, EC4A 2AE, England	England
Foseco Espanola S.A.	5, Barrio Elizalde, Izurza, Bizkaia, 48213, Spain	Spain	Foseco Portugal Produtos Para Fundição Lda	Rua Manuel Pinto de Azevedo, No 626 4100-320 Porto, Portugal	Portugal
Foseco Fundición Holding (Espanola), S.L.	5, Barrio Elizalde, Izurza, Bizkaia, 48213, Spain	Spain	Foseco S.A.S.	17 rue Mozart, Batiment A, 77185 Lognes, France	France
Foseco Holding (Europe) Limited	165 Fleet Street, London, EC4A 2AE, England	England	Foseco Technology Limited	165 Fleet Street, London, EC4A 2AE, England	England
Foseco Holding (South Africa) (Pty) Limited	12 Bosworth Street, Alrode, Alberton, 1449, South Africa	South Africa	J.H. France Refractories Company	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, DE 19801, United States	US (Delaware)
Foseco Holding BV	Rivium Boulevard 301, Capelle aan den IJssel, Rotterdam 2909LK, Netherlands	Netherlands	Mainsail Insurance Company Limited	Victoria Place, 5th Floor, 31 Victoria Street, Pembroke, Hamilton, HM 10, Bermuda	Bermuda
Foseco Holding Limited	165 Fleet Street, London, EC4A 2AE, England	England	PT Foseco Indonesia	Jl Rawa Gelam 2/5, Kawasan Industri, Pulogadung, Jakarta, 13930, Indonesia	Indonesia
Foseco Holding International Limited	165 Fleet Street, London, EC4A 2AE, England	England	PT Foseco Trading Indonesia	Jl Rawa Gelam 2/5, Kawasan Industri, Pulogadung, Jakarta, 13930, Indonesia	Indonesia
Foseco Industrial e Comercial Ltda	Km 15, Rodovia Raposo Tavares, Butanta Cep, São Paulo, 05577-100, Brazil	Brazil	Realisations 789, LLC	CT Corporation, 1209 Orange Street, The Corporation Trust Company, Wilmington, DE 19801, United States	US (Delaware)
Foseco International Holding (Thailand) Limited	170/69, 22nd Floor Ocean Tower 1, Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand	Thailand			

Notes to the Group Financial Statements continued

17. Investments in Subsidiaries, Joint Ventures and Associates continued

17.1 Investment in subsidiaries continued

Company legal name	Registered office address	Jurisdiction	Company legal name	Registered office address	Jurisdiction
SIDERMES Inc. Vesuvius Sensors and Probes	175 montée Calixa-Lavallée, Verchères, Québec J0L2R0, Canada	Canada (Ontario)	Vesuvius Europe S.A.	17 Rue de Douvrain, Ghlin, 7011, Belgium	Belgium
SIR Feuerfestprodukte GmbH	Siegener Strasse 152, Kreuztal, D-57223, Germany	Germany	Vesuvius Europe S.A.S.	41, Boulevard Marcel Sembat, 69200, Venissieux, France	France
SOLED S.A.S. Vesuvius Sensors and Probes France	68, rue Paul Deudon, 59750 Feignies, France	France	Vesuvius Financial 1 Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius (Thailand) Co., Limited	170/69, 22nd Floor Ocean Tower 1, Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand	Thailand	Vesuvius Finland OY	Pajamäentie 8D7, 00360 Helsinki, Finland	Finland
Vesuvius (V.E.A.R.) S.A.	Street Urquiza, 919, Floor 2, Rosario, Provincia de Santa Fé, Argentina	Argentina	Vesuvius Foundry Products (Suzhou) Co. Limited	12 Wei Wen Road, China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215122, China	China
Vesuvius Advanced Ceramics (Anshan) Co., Limited	Xiaotaizi Village, Ningyuan Town, Qianshan District, Anshan, Liaoning Province, 114011, China	China	Vesuvius Foundry Technologies (Jiangsu) Co. Limited	2 Changchun Road, Economic Development Area, Changshu, Jiangsu, 215537, China	China
Vesuvius Advanced Ceramics (China) Co., Limited	221 Xing Ming Street, China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215021, China	China	Vesuvius France S.A.	Rue Paul Deudon 68, Boite Postale 19, Feignies 59750, France	France
Vesuvius America, Inc.	1209 Orange Street, Wilmington, US (Delaware) DE 19801, United States	US (Delaware)	Vesuvius GmbH	Gelsenkirchener Strasse 10, Borken, D-46325, Germany	Germany
Vesuvius Australia (Holding) Pty Limited	40-46 Gloucester Boulevard, Port Kembla, NSW, 2505, Australia	Australia	Vesuvius Group Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Australia Pty Limited	40-46 Gloucester Boulevard, Port Kembla, NSW, 2505, Australia	Australia	Vesuvius Group S.A.	17 Rue de Douvrain, Ghlin, 7011, Belgium	Belgium
Vesuvius Belgium N.V.	Zandvoordestraat 366, Oostende, B-8400, Belgium	Belgium	Vesuvius Holding Deutschland GmbH	Gelsenkirchener Strasse 10, Borken, D-46325, Germany	Germany
Vesuvius Canada Inc	181 Bay Street, Suite 1800, Toronto, Ontario, M5J 2T9, Canada	Canada (Ontario)	Vesuvius Holding France S.A.S.	68 Rue Paul Deudon, Boite Postale 19, Feignies 59750, France	France
Vesuvius Ceramics Limited	165 Fleet Street, London, EC4A 2AE, England	England	Vesuvius Holding Italia – Società a Responsabilità Limitata	Via Mantova 10, 20835 Muggio MB, Italy	Italy
Vesuvius China Holdings Co. Limited	86/F International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong	Hong Kong	Vesuvius Holdings Limited	165 Fleet Street, London EC4A 2AE, England	England
Vesuvius China Limited	165 Fleet Street, London, EC4A 2AE, England	England	Vesuvius Ibérica Refractorios S.A.	Capitán Haya, 56 – 1 ^º H, 28020 Madrid, Spain	Spain
Vesuvius Colombia S.A.S.	Calle 90 No. 13 A 31, Piso 6, Bogota City, 110911, Colombia	Colombia	Vesuvius Investments Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Corporation S.A.	Via Nassa 17, Lugano, CH 6900, Switzerland	Switzerland	Vesuvius Istanbul Refrakter Sanayi ve Ticaret AS	Gebze OSB2 Mh. 1700., Sok No:1704/1, Cayirova, Kocaeli, 41420, Turkey	Turkey
Vesuvius Crucible Co., Ltd	No. 108 Tongsheng Road, Shengpu Town, Suzhou Industrial Park, 215126, China	China	Vesuvius IT and Shared Services Private Limited	10th Floor, Unit No. 2, Fountainhead-Tower 3, B Wing, Phoenix Market City, Viman nagar, Pune, Pune- 411014, Maharashtra, India	India
Vesuvius Crucible GmbH	Noltinastr. 29, 37297 Berkatal, Germany	Germany	Vesuvius Italia S.p.A.	Via Mantova 10, 20835 Muggio MB, Italy	Italy
Vesuvius Crucible, Inc.	1209 Orange Street, Wilmington, US DE 19801, United States	US (Delaware)	Vesuvius Japan Inc.	9th Floor, Orix Kobe Sannomiya Building 6-1-10, Goko dori, Chou-ku, Kobe Hyogo, 651-0087, Japan	Japan
Vesuvius CSD Sp z o.o.	ul. Kołowa 8, 30-134 Kraków, Poland	Poland	Vesuvius Life Plan Trustee Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Emirates FZE	Warehouse No: 1J-09/3, P O Box 49261, Hamriyah Free Zone, Sharjah, United Arab Emirates	United Arab Emirates	Vesuvius LLC	502, 5th floor, 1 Myasichsheva str., Zhukovsky, Moscow region, 140180, Russian Federation	Russia
Vesuvius Europe GmbH	Gelsenkirchener Strasse 10, Borken, D-46325, Germany	Germany			

17. Investments in Subsidiaries, Joint Ventures and Associates continued

17.1 Investment in subsidiaries continued

Company legal name	Registered office address	Jurisdiction	Company legal name	Registered office address	Jurisdiction
Vesuvius Malaysia Sdn Bhd	Unit 30-01, Level 30 Tower A, Vertical Business Suite Avenue 3, Bangsar South, No 8 Jalan Kerinchi, 59200, Kuala Lumpur, Malaysia	Malaysia	Vesuvius Refratários Ltda	Avenida Brasil 49550, Distrito Industrial de Palmares, Campo Grande, Rio de Janeiro, 23065-480, Brazil	Brazil
Vesuvius Management Services Limited	165 Fleet Street, London, EC4A 2AE, England	England	Vesuvius Scandinavia AB	4, Forradsgatan, Amal, S-662 34, Sweden	Sweden
Vesuvius Mexico S.A. de C.V.	Av. Ruiz Cortinez, Num. 140, Colonia Jardines de San Rafael, Guadalupe, Nuevo León, CP 67119, Mexico	Mexico	Vesuvius Sensors & Probes Europe S.p.A.	10 Via Mantova, Muggio, Monza e Brianza, 20835, Italy	Italy
Vesuvius Mid-East Limited	56, St 15, Apt 103, Maadi, Cairo, 11728, Egypt	Egypt	Vesuvius Services Peru S.A.C.	Calle Dean Valdivia 148, piso 11 – oficina 1134, Edificio Platinum Plaza – San Isidro, Lima, Peru	Peru
Vesuvius Moravia, s.r.o.	Konska c.p. 740, Trinec, 739 61, Czech Republic	Czech Republic	Vesuvius South Africa (Pty) Limited	Pebble Lane, Private Bag X2, Olifantsfontein, Gauteng Province, 1665, South Africa	South Africa
Vesuvius Mulheim GmbH	Gelsenkirchener Strasse 10, Borken, D-46325, Germany	Germany	Vesuvius Sp z.o.o.	ul. Kołowa 8, 30-134 Kraków, Poland	Poland
Vesuvius NC, LLC	Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, DE 19801, United States	US (Delaware)	Vesuvius SSC Sp z.o.o.	ul. Kołowa 8, 30-134 Kraków, Poland	Poland
Vesuvius New Zealand Limited	Level 5 Deloitte Centre, 1 Queen Street, Auckland, 1010, New Zealand	New Zealand	Vesuvius UK Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Overseas Investments Limited	165 Fleet Street, London, EC4A 2AE, England	England	Vesuvius Ukraine LLC	27, Udarnykv Street, City of Dnipropetrovsk, 49000, Ukraine	Ukraine
Vesuvius Overseas Limited	165 Fleet Street, London, EC4A 2AE, England	England	Vesuvius USA Corporation	CT Corporation, 208 South LaSalle Street, Chicago, Cook County, IL 60604, United States	US (Illinois)
Vesuvius Pension Plans Trustees Limited	165 Fleet Street, London, EC4A 2AE, England	England	Vesuvius VA Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Peru S.A.C.	Calle Dean Valdivia 148, piso 11 – oficina 1134, Edificio Platinum Plaza – San Isidro, Lima, Peru	Peru	Vesuvius Vietnam Company Limited	7th Floor, Peakview Tower Building, 36 Hoang Cau Street, O Cho Dua Ward, Hanoi City, Vietnam	Vietnam
Vesuvius Poland Sp z.o.o.	Ul Tyniecka 12, Skawina, 32-050, Poland	Poland	Vesuvius Zyarock Ceramics (Suzhou) Co., Limited	1/F, building 3, No. 12, Weiwen Road China-Singapore Suzhou Ind Park, Suzhou, Jiangsu Province, 215122, China	China
Vesuvius Process Metrix S.A.S.	41, Boulevard Marcel Sembat, 69200, Venissieux, France	France	Vesuvius-Premier Refractories (Holdings) Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Ras Al Khaimah FZ-LLC	Street No. F14, RAK Investment Authority Free Zone, Al Hamra, Ras Al Khaimah, PO Box 86408, United Arab Emirates	United Arab Emirates	Vesuvius-SERT S.A.S.	41, Boulevard Marcel Sembat, 69200, Venissieux, France	France
Vesuvius Refractories de Chile S.A.	Street San Martin 870, Room 308, Tower B, Concepcion, Chile	Chile	Wilkes-Lucas Limited	165 Fleet Street, London, EC4A 2AE, England	England
Vesuvius Refractories S.r.l.	Galati, Marea Unire avenue 107, Galati county, 800329, Romania	Romania	Yingkou Bayuquan Refractories Co., Limited	Cui Tun Village, Hai Dong Office, China Bayuquan District, Liaoning Province, YingKou, 115007, China	China
Vesuvius Refractory India Private Limited	Room No. 9, 3rd Floor, 7 Ganesh Chandra Avenue, Kolkata, WB 700013, India	India	Yingkou YingWei Magnesium Co., Ltd	50 Wanghai New District, Bayuquan District, Yinkou City, Liaoning Province, 115007, China	China

The following subsidiary companies have branches registered in the named countries: Foseco (Jersey) Limited in England, Foseco Holding BV in England, Vesuvius LLC in Kazakhstan and Vesuvius UK Limited in Taiwan and Republic of Korea.

Notes to the Group Financial Statements continued

17. Investments in Subsidiaries, Joint Ventures and Associates continued

17.2 Investment in joint ventures and associates

The Group's investments in its associates and joint ventures are accounted for using the equity method from the date significant influence/joint control is deemed to arise until the date on which significant influence/joint control ceases to exist or when the interest becomes classified as an asset held for sale. The Group Income Statement reflects the Group's share of profit after tax of the related associates and joint ventures. Investments in associates and joint ventures are carried in the Group Balance Sheet at cost adjusted in respect of post-acquisition changes in the Group's share of net assets, less any impairment in value.

	2025 £m	2024 £m
As at 1 January	11.0	11.3
Share of post-tax profit of joint ventures and associates	1.0	1.1
Dividends received from joint ventures and associates	(0.9)	(0.7)
Disposals	–	(0.5)
Foreign exchange	(0.3)	(0.2)
As at 31 December	10.8	11.0

The investment in joint ventures and associates includes £10.8m (2024: £11.0m) in respect of joint ventures and £nil (2024: £nil) in respect of associates. Dividends received from joint ventures consists of £0.1m (2024: £0.1m) from Wuhan Wugang-Vesuvius Advanced CCR Co., Limited and £0.8m (2024: £0.6m) from Wuhan Wugang-Vesuvius Advanced Ceramics Co., Limited.

Joint ventures

Set out below is the summarised financial information in respect of joint ventures.

	2025 £m	2024 £m
Revenue	41.0	44.8
Depreciation	(0.9)	(1.2)
Trading profit	2.7	2.9
Net finance costs	–	–
Profit before tax	2.7	2.9
Income tax expense	(0.7)	(0.7)
Profit after tax	2.0	2.2
Non-current assets	6.7	7.5
Current assets	21.2	21.7
Non-current liabilities	–	–
Current liabilities	(6.3)	(7.2)
Net assets	21.6	22.0

17. Investments in Subsidiaries, Joint Ventures and Associates continued

17.2 Investment in joint ventures and associates continued

Set out below is the summarised financial information for Wuhan Wugang-Vesuvius Advanced Ceramics Co., Limited, a joint venture that has transactions and balances which are material to the Group.

	2025 £m	2024 £m
Revenue	35.5	39.4
Depreciation	(1.1)	(1.1)
Trading profit	2.2	2.4
Net finance costs	–	–
Profit before tax	2.2	2.4
Income tax expense	(0.6)	(0.6)
Profit after tax	1.6	1.8
Non-current assets	6.2	6.8
Current assets ¹	13.8	14.4
Non-current liabilities	–	(0.1)
Current liabilities	(4.9)	(5.9)
Net assets	15.1	15.2

1. Included in current assets are cash and cash equivalents of £1.8m (2024: £2.5m).

The purpose of the Chinese joint venture companies is to research, develop, manufacture and sell refractory products. The role of Vesuvius is to provide technical personnel, training and access to the Group's international sales network.

Name of entity	Registered address	Jurisdiction	2025 % ownership	2024 % ownership
Wuhan Wugang-Vesuvius Advanced CCR Co., Limited	Gongnong Village Qingshan District, Wuhan, Hubei Province, 430082, China	China	50	50
Wuhan Wugang-Vesuvius Advanced Ceramics Co., Limited	Gongnong Village Qingshan District, Wuhan, Hubei Province, 430082, China	China	50	50

Associates

Name of entity	Registered address	Jurisdiction	2025 % ownership	2024 % ownership
Newshelf 480 Proprietary Limited	144 Oxford Road, Rosebank, Melrose, Johannesburg, 2196, South Africa	South Africa	45	45

Notes to the Group Financial Statements continued

17. Investments in Subsidiaries, Joint Ventures and Associates continued

17.3 Non-controlling interests

Non-controlling interests represent the portion of the equity of a subsidiary not attributable either directly or indirectly to the Parent Company and are presented separately in the Group Income Statement and within equity in the Group Balance Sheet, distinguished from Parent Company shareholders' equity.

The total profit attributable to non-controlling interests for the year ended 31 December 2025 is £12.6m (2024: £13.1m) of which £10.3m relates to Vesuvius India Limited (2024: £11.1m). The profit attributable to non-controlling interests in respect of the Group's other subsidiaries is not considered to be material.

Name of entity	Registered address	Jurisdiction	Shares	2025 % ownership	2024 % ownership
Vesuvius India Limited	P-104 Taratala Road, Kolkata, 700 088, India	India	Ordinary	55.57	55.57
Foseco India Limited	922/923, Gat, Sanaswadi, Taluka, Shirur, Pune, 412208, India	India	Equity	63.54	74.98
Morganite Crucible (India) Limited	B-11, M.I.D.C. Industrial Area, Waluj, Chh. Sambhaji Nagar (Aurangabad), 431 136, Maharashtra, India	India	Equity	75	–
Foseco Golden Gate Company Limited	6 Kung Yeh 2nd Road, Ping Tung Dist, Ping Tung, 90049, Taiwan	Taiwan	Ordinary	51	51
Foseco (Thailand) Limited	170/69, 22nd Floor Ocean Tower 1, Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand	Thailand	Group A Group B	100 49	100 49
Vesuvius Ceska Republika, a.s.	Prumyslová 726, Kanská, Trinec, 739 61, Czech Republic	Czech Republic	Ordinary	60	60
Vesuvius PiroMET Refrakter Sanayi ve Ticaret Anonim Şirketi	Çerkeşli OSB Mah. İmes 2 Cad. No. 3, Dilovası, Kocaeli, Turkey	Turkey	Ordinary	61.65	–

As with Vesuvius plc, all of the above companies have a 31 December year-end with the exception of Morganite Crucible (India) Limited which has a 31 March year-end. The summarised financial information for Vesuvius India Limited is presented below:

	2025 £m	2024 £m
Summarised balance sheet		
Current assets	119.7	111.2
Current liabilities	(36.0)	(35.0)
<i>Current net assets</i>	83.7	76.2
Non-current assets	58.2	62.2
Non-current liabilities	(3.8)	(4.1)
<i>Non-current net assets</i>	54.4	58.1
Net assets	138.1	134.3
Accumulated non-controlling interests	(61.8)	(60.0)
Summarised statement of comprehensive income		
Revenue*	207.3	197.2
Profit after tax	23.2	25.0
Profit allocated to non-controlling interests	10.3	11.1
Dividends paid to non-controlling interests	(1.1)	(1.1)
Summarised cash flows		
Cash flows from operating activities*	16.6	27.0
Cash flows from investing activities*	(6.6)	(22.2)
Cash flows from financing activities*	(1.2)	(3.2)
Net increase in cash and cash equivalents	8.8	1.6

* The 2024 comparatives for revenue, cash flows from operating activities, cash flows from investing activities, and cash flows from financing activities have been restated. This restatement did not impact the Income Statement or Balance Sheet; it was purely a disclosure item.

18. Trade and Other Receivables

18.1 Analysis of trade and other receivables (current)

	2025				2024			
	Gross £m	ECL provision £m	Net £m	ECL provision coverage ¹	Gross £m	ECL provision £m	Net £m	ECL provision coverage ¹
Trade receivables								
– current	305.4	(0.1)	305.3	0.0%	287.2	(0.3)	286.9	0.1%
– 1 to 30 days past due	37.0	(0.1)	36.9	0.3%	35.6	(0.2)	35.4	0.6%
– 31 to 60 days past due	7.8	(0.1)	7.7	1.3%	9.9	(0.2)	9.7	2.0%
– 61 to 90 days past due	3.6	(0.2)	3.4	5.6%	3.3	(0.2)	3.1	6.1%
– over 90 days past due	28.7	(20.8)	7.9	72.5%	27.8	(21.2)	6.6	76.3%
Trade receivables	382.5	(21.3)	361.2		363.8	(22.1)	341.7	
Other receivables			62.2				66.6	
Prepayments			27.6				30.6	
Total trade and other receivables			451.0				438.9	

1. ECL (Note 25.1 (c) (ii)) provision coverage is expected credit loss provision divided by gross trade receivables.

There is no significant difference between the fair value of the Group's trade and other receivables balances and the amount at which they are reported in the Group Balance Sheet.

Details relating to the impairment of trade receivables are disclosed in Note 25.

Included within other receivables are banker's drafts of £16.3m (2024: £24.9m). The majority of these notes relate to customers in China and have typical maturities of six months from the issuing date. The full amount of revenue is recognised from the customer when performance obligations are satisfied in accordance with IFRS 15. Other receivables also include VAT receivables of £35.6m (2024: £31.0m) and insurance reimbursements (see Note 30.2) of £2.0m (2024: £1.9m).

18.2 Other receivables (non-current)

Non-current other receivables of £26.6m (2024: £26.7m) include insurance reimbursements (see Note 30.1) of £22.6m (2024: £21.1m) and prepaid taxes of £1.2m (2024: £1.9m).

The Group applies the expected credit loss model under IFRS 9 to these other receivables. The expected credit loss for other receivables is immaterial.

The maximum exposure to credit risk at the end of the reporting period is the net carrying amount of these other receivables.

19. Inventories

19.1 Analysis of inventories

	2025 £m	2024 £m
Raw materials	92.3	93.4
Work in progress	22.8	23.5
Semi-finished goods	21.3	23.3
Finished goods	150.9	155.2
Total inventories	287.3	295.4

The cost of materials recognised as an expense and included in manufacturing costs in the Group Income Statement during the year was £825.5m (2024: £807.9m).

The net inventories of £287.8m (2024: £295.4m) include a provision for obsolete stock of £15.1m (2024: £16.7m). There were inventory write-downs of £1.0m (2024: write-downs of £1.3m). There were also inventory asset impairments of £1.6m (2024: £nil) reported as separately reported items.

Notes to the Group Financial Statements continued

20. Acquisitions

PiroMET

On 28 February 2025, the Group acquired a 61.65% stake in PiroMET AS, a Turkish refractory business, for £21.9m. The acquisition will strengthen the Group's Advanced Refractory business in the fast-growing region of EEMEA and will also allow the Group to leverage PiroMET's expertise in robotics and gunning worldwide.

Fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	£m
Cash and short term deposits	1.7
Property, plant and equipment	14.3
Intangible assets (customer relationships and non-compete agreements)	7.6
Inventories	3.2
Trade and other receivables	4.2
Trade and other payables	(6.9)
Income tax payable	(2.7)
Deferred tax liabilities	(4.1)
Net identifiable assets acquired	17.3
Goodwill	11.2
Less: non-controlling interest	(6.6)
Consideration	21.9

The goodwill is attributable to PiroMET's reputation in the marketplace and the synergies that Vesuvius expects to gain from integrating its robotics and gunning into the Advanced Refractories cash generating unit.

Identifiable intangible assets acquired are customer relationships of £7.1m and non-compete arrangements with former Directors of £0.5m and are expected to be tax deductible.

In the period since acquisition, this business has contributed £14.9m to revenue and £1.2m to operating profit.

The net cash outflow on acquisition was £20.2m, being cash consideration of £21.9m less cash and cash equivalents acquired of £1.7m.

Molten Metal Systems (MMS)

On 12 November 2025 the Group acquired the Molten Metal Systems (MMS) business from Morgan Advanced Materials Plc (Morgan) for £75.2m. This brings industry-leading technology in crucibles to our Foundry business, accelerating our exposure to the faster-growing non-ferrous market, together with increased exposure to the fast-growing Indian market. A 75.0% stake of the MMS business in India was acquired through the issue of 1,150,800 shares in Foseco India Limited (FIL) to the previous shareholders of Morganite Crucible (India) Limited (MCIL) with a total value of £54.7m.

100% of the MMS businesses in Germany, China and the United States (Rest of World, ROW) were acquired for cash consideration of £20.5m.

20. Acquisitions continued

Provisional fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	£m
Cash and short-term deposits	3.2
Property, plant and equipment	30.2
Intangible assets (customer relationships and brands)	14.7
Inventories	5.1
Trade and other receivables	7.5
Income tax receivable	0.5
Trade and other payables	(7.6)
Interest-bearing borrowings	(0.7)
Deferred tax liabilities	(5.4)
Net identifiable assets acquired	47.5
Goodwill	34.7
Less: non-controlling interest	(7.0)
Consideration	75.2

The goodwill is attributable to MMS's reputation in the marketplace and the synergies that Vesuvius expects to gain from integrating its non-ferrous operations into the Foundry cash generating unit.

Identifiable intangible assets acquired are customer relationships of £10.2m and brands of £4.5m and are expected to be tax deductible.

The fair value accounting of this acquisition is provisional pending final determination of the fair value of the assets and liabilities acquired, as valuations have not yet been finalised. Any adjustments to the fair values recognised will be made within 12 months of the acquisition date.

In the period since acquisition, MMS has contributed £7.6m to revenue and £1.9m to operating profit.

The net cash outflow on acquisition was £17.3m, being cash consideration of £20.5m less cash and cash equivalents acquired of £3.2m.

If the acquisitions had occurred on 1 January, consolidated pro-forma revenue and trading profit for the year ended 31 December 2025 would have been £1,849.3m and £158.2m respectively.

Pursuant to the Mandatory Tender Offer, which was completed on 13 January 2026, FIL acquired 99,081 additional shares in MCIL for £1.2m, representing 1.77% of the issued share capital. FIL is required to sell sufficient shares to reduce its holding in MCIL below 75% by 23 January 2027. At 31 December 2025 the Group elected not to recognise a liability for this additional share purchase.

Other acquisitions

A further immaterial acquisition was made in 2025, for cash consideration of £1.4m. The consideration represented £0.8m intangible assets (customer relationships), £0.3m property, plant and equipment and £0.3m goodwill.

Non-controlling interests

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in PiroMET AS and Molten Metal Systems, the Group elected to recognise the non-controlling interests at their proportionate share of the acquired net identifiable assets.

During the year £13.9m has been recognised in respect of the non-controlling interests share of the identifiable net assets acquired. For the MMS acquisition, the issue of shares resulted in a £23.8m increase in non-controlling interest.

Notes to the Group Financial Statements continued

21. Issued Share Capital

21.1 Analysis of issued share capital

	2025		2024	
	Number m	Nominal value £m	Number m	Nominal value £m
Allotted, issued and fully paid ordinary shares of 10p each				
As at 1 January	264.5	26.4	277.9	27.7
Share buyback	(9.1)	(0.9)	(13.4)	(1.3)
As at 31 December	255.4	25.5	264.5	26.4

Further information relating to the Company's share capital is given in Note 9 to the Company's Financial Statements.

22. Retained Earnings

	Note	Reserve for own shares £m	Share option reserve £m	Other retained earnings restated £m	Total retained earnings £m
As at 31 December 2023 and 1 January 2024		(38.1)	12.1	2,717.2	2,691.2
Profit for the year		–	–	87.2	87.2
Remeasurement of defined benefit liabilities/assets		–	–	3.6	3.6
Share-based payments		–	6.2	–	6.2
Release of share option reserve on exercised and lapsed options		6.7	(6.7)	–	–
Income tax on items recognised in other comprehensive income		–	–	(0.8)	(0.8)
Purchase of ESOP shares		(17.1)	–	–	(17.1)
Share buyback		–	–	(63.5)	(63.5)
Dividends paid	24	–	–	(61.1)	(61.1)
As at 31 December 2024 and 1 January 2025		(48.5)	11.6	2,682.6	2,645.7
Profit for the year		–	–	52.2	52.2
Remeasurement of defined benefit liabilities/assets		–	–	4.4	4.4
Share-based payments		–	3.0	–	3.0
Release of share option reserve on exercised and lapsed options		9.0	(9.0)	–	–
Income tax on items recognised in other comprehensive income		–	–	(2.2)	(2.2)
Share buyback		–	–	(34.8)	(34.8)
Dividends paid	24	–	–	(57.9)	(57.9)
As at 31 December 2025		(39.5)	5.6	2,644.3	2,610.4

23. Other Reserves

	Other reserves £m	Capital redemption reserve £m	Cash flow hedge reserve £m	Translation reserve £m	Total other reserves £m
As at 31 December 2023 and 1 January 2024	(1,499.3)	–	(0.6)	35.3	(1,464.6)
Exchange differences on translation of the net assets of foreign operations	–	–	–	(47.8)	(47.8)
Exchange differences on translation of net investment hedges	–	–	–	7.1	7.1
Net change in costs of hedging	–	–	(0.1)	–	(0.1)
Change in the fair value of the hedging instrument	–	–	1.5	–	1.5
Amounts reclassified from net finance costs	–	–	(1.2)	–	(1.2)
Share buyback	–	1.4	–	–	1.4
As at 31 December 2024 and 1 January 2025	(1,499.3)	1.4	(0.4)	(5.4)	(1,503.7)
Exchange differences on translation of the net assets of foreign operations	–	–	–	(33.4)	(33.4)
Exchange differences on translation of net investment hedges	–	–	–	(7.6)	(7.6)
Net change in costs of hedging	–	–	0.5	–	0.5
Change in the fair value of the hedging instrument	–	–	(1.3)	–	(1.3)
Amounts reclassified from Net finance costs	–	–	1.1	–	1.1
Issue of shares to non-controlling interest	31.8	–	–	–	31.8
Share buyback	–	0.9	–	–	0.9
As at 31 December 2025	(1,467.5)	2.3	(0.1)	(46.4)	(1,511.7)

Within other reserves as at 31 December 2025 is £1,499.0m (2024: £1,499.0m) arising from the demerger of Cookson Group plc.

Of the closing balance in the translation reserve, a £7.4m debit (2024: £11.9m debit) relates to net investment hedging arrangements put in place on or after 1 January 2018 but discontinued as at the date of the Balance Sheet. The full closing balance in the cash flow hedge reserve relates to continuing hedges.

The cash flow hedge reserve balance includes the cost of hedging of £0.1m debit (2024: £0.6m debit).

The issue of 1,150,800 shares in Foseco India Limited (FIL) valued at INR 5,544 per share to the previous shareholders of Morganite Crucible (India) Limited (MCIL) resulted in a £31.8m increase in other reserves. This reflects the difference between the fair value of the shares issued and the increase in non-controlling interest in Foseco India Limited.

Notes to the Group Financial Statements continued

24. Dividends paid to Equity Shareholders

	2025 £m	2024 £m
Amounts recognised as dividends and paid to equity shareholders during the year		
Final dividend for the year ended 31 December 2023 of 16.20p per ordinary share	–	42.7
Interim dividend for the year ended 31 December 2024 of 7.10p per ordinary share	–	18.4
Final dividend for the year ended 31 December 2024 of 16.40p per ordinary share	40.4	–
Interim dividend for the year ended 31 December 2025 of 7.10p per ordinary share	17.5	–
	57.9	61.1

In addition to the above dividends, since year-end the Directors have recommended the payment of a final dividend of 16.5 pence (2024: 16.40 pence) per ordinary share (TDIM: VSVS and ISIN: GB00B82YXW83).

This is subject to approval by shareholders at the Company's Annual General Meeting on 28 May 2026. If approved, the dividend is expected to be paid on 6 July 2026 to holders of ordinary shares on the register on 29 May 2026. The ordinary shares will be quoted ex-dividend on 28 May 2026. Any shareholder wishing to participate in the Vesuvius Dividend Reinvestment Plan needs to have submitted their election to do so by 12 June 2026.

25. Financial Risk Management

25.1 Financial risk factors

The Group's Treasury department, acting in accordance with policies approved by the Board, is principally responsible for managing the financial risks faced by the Group. The Group's activities expose it to a variety of financial risks, the most significant of which are market risk and liquidity risk.

Analysis of financial instruments

The following table summarises Vesuvius' financial instruments measured at fair value and shows the level within the fair value hierarchy in which the financial instruments have been classified.

	2025		2024	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Investments (Level 2)	–	–	0.2	–
Derivatives not designated for hedge accounting purposes (Level 2)	0.1	(0.2)	0.1	(0.1)
Derivatives designated for hedge accounting purposes (Level 2)	–	(1.0)	4.6	–

(a) Derivative financial instruments

The Group uses derivatives in the form of forward foreign currency contracts to manage the effects of its exposure to foreign exchange risk on trade receivables, trade payables and cash. Derivatives are only used for economic hedging purposes and not as speculative investments.

In 2020, the Group executed a US\$86m cross-currency interest rate swap (CCIRS). The effect of this was to convert the \$86m Private Placement Notes issued in 2020 into €76.6m. US dollar cash flows under the CCIRS exactly mirror those of the Private Placement Notes and the maturity date of the CCIRS matches the repayment date of the Notes. The CCIRS would by default be revalued through the Income Statement; however, as it is in a designated hedging relationship, it is revalued through other comprehensive income. The US dollar exposure is designated as a cash flow hedge of the Private Placement Notes and the euro exposure is designated as a net investment hedge of the Group's foreign operations. The CCIRS is presented as a non-current asset or liability as it is expected to be settled more than 12 months after the end of the reporting period.

\$60m of the Group's \$86m CCIRS matured in June 2025. The remaining \$26m is scheduled to mature in June 2027. Upon maturity of the \$60m CCIRS and the corresponding \$60m of US Private Placement Loan Notes, amounts previously recognised in the cash flow hedge reserve were reclassified to the Income Statement. The reclassification had a net impact on the Income Statement of nil, as the CCIRS cash flows perfectly offset those of the US Private Placement Loan Notes.

With the exception of the CCIRS, the fair value of derivatives outstanding at the year-end has been booked through the Income Statement in 2025. All of the fair values shown in the table above are classified under IFRS 13 as Level 2 measurements which have been calculated using quoted prices from active markets, where similar contracts are traded and the quotes reflect actual transactions in similar instruments. All the derivative assets and liabilities not designated for hedge accounting purposes reported above will mature in 2026.

Derivative financial instruments are subject to International Swaps and Derivatives Association (ISDA) agreements. Derivatives designated for hedge accounting purposes are presented net £(1.0)m (2024: £4.6m), of which £0.5m are gross assets and £(1.5)m are gross liabilities (2024: gross assets £4.6m and gross liabilities £nil).

25. Financial Risk Management continued

25.1 Financial risk factors continued

(b) Market risk

Market risk is the risk that either the fair values or the cash flows of the Group's financial instruments may fluctuate because of changes in market prices. The Group is principally exposed to market risk through fluctuations in exchange rates and interest rates.

Currency risk

The Group Income Statement is exposed to currency risk on monetary items that are denominated in currencies other than the functional currency of the companies in which they are held. The currency profile of these financial assets and financial liabilities is shown in the table below.

	2025			2024		
	Euro £m	US dollar £m	Other £m	Euro £m	US dollar £m	Other £m
Trade and other receivables	54.0	58.6	19.3	40.3	31.3	2.6
Cash at bank	15.0	8.2	1.3	15.9	8.3	1.9
Trade and other payables	(55.2)	(53.6)	(22.9)	(33.6)	(40.4)	(7.9)
Private Placement Notes	(159.5)	(41.6)	–	(163.9)	(92.7)	–
Bank loans and overdrafts	(246.1)	(0.1)	(7.2)	(83.5)	(92.7)	–
Lease liabilities	(1.3)	(0.8)	(1.7)	(0.2)	–	(1.5)
Cross-currency interest rate swaps	(20.2)	19.3	–	(63.4)	68.7	–
Foreign currency forward contracts						
– Buy foreign currency	1.0	2.0	–	1.3	1.2	–
– Sell foreign currency	(21.3)	(18.0)	–	(23.2)	(16.0)	–
	(433.6)	(26.0)	(11.2)	(310.3)	(132.3)	(4.9)

The Group has £(1.6)m (2024: £nil) of exchange differences recognised in the Income Statement of which £(0.2)m arose on the revaluation of derivatives (2024: £(0.4)m).

The tables below show the net unhedged monetary assets and liabilities of Group companies that are not denominated in their functional currency and which could give rise to exchange gains and losses in the Group Income Statement.

	Net unhedged monetary (liabilities)/assets			
	Euro £m	US dollar £m	Other £m	Total £m
Functional currency				
Sterling	(426.8)	(21.5)	4.2	(444.1)
Other	(6.9)	(4.5)	(7.3)	(18.7)
As at 31 December 2025	(433.7)	(26.0)	(3.1)	(462.8)

	Net unhedged monetary (liabilities)/assets			
	Euro £m	US dollar £m	Other £m	Total £m
Functional currency				
Sterling	(315.5)	(115.6)	1.0	(430.1)
Other	4.9	(16.0)	(5.7)	(16.8)
As at 31 December 2024	(310.6)	(131.6)	(4.7)	(446.9)

As at 31 December 2025, €465.0m, \$30.0m and ¥3,598.9m (2024: €298.0m, \$146.0m and ¥nil) of borrowings were designated as hedges of net investments in €465.0m, \$30.0m and ¥3,598.9m (2024: €298.0m, \$146.0m and ¥nil) worth of foreign operations. In addition, the €23.2m (2024: €76.6m) CCIRS liability has been designated as a net investment hedge of a further €23.2m (2024: €76.6m) worth of foreign operations.

As the value of the borrowings and the CCIRS liability exactly matches the designated hedged portion of the net investments, the relevant hedge ratio is 1:1. The net investment hedges are therefore highly effective. It is noted that hedge ineffectiveness would arise in the event there were insufficient euro-denominated foreign operations to be matched against the €23.2m CCIRS liability.

The total retranslation impact of the borrowings and CCIRS designated as net investment hedges was a loss of £7.6m (2024: a gain of £7.1m).

Notes to the Group Financial Statements continued

25. Financial Risk Management continued

25.1 Financial risk factors continued

The \$26.0m CCIRS asset has been designated as a cash flow hedge of the \$26.0m US Private Placement (USPP) Notes issued in 2020. As all principal and interest cash flows under the CCIRS exactly mirror those under the USPP Notes, the cash flow hedge is highly effective. It is noted that hedge ineffectiveness would arise in the event of a change in the contractual terms of either the USPP Notes or the CCIRS.

Hedge effectiveness is determined at inception of the hedge relationship and through periodic effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

Interest rate risk

The Group's interest rate risk principally arises in relation to its borrowings. Where borrowings are held at floating rates of interest, fluctuations in interest rates expose the Group to variability in the cash flows associated with its interest payments, and where borrowings are held at fixed rates of interest, fluctuations in interest rates expose the Group to changes in the fair value of its borrowings. The Group's policy is to maintain an appropriate mix of fixed and floating rate borrowings based on the Vesuvius trading environment, market conditions and other economic factors.

As at 31 December 2025, the Group had \$56.0m, €183.0m and £28.0m (£229.1m in total) of USPP Notes outstanding (2024: \$116.0m, €198.0m and £28.0m (£284.6m in total)), which carry a fixed rate of interest, representing 38% (2024: 60%) of the Group's total borrowings outstanding at that date. The interest rate profile of the Group's borrowings is detailed in the tables below.

	Financial liabilities (net borrowings)		
	Fixed rate £m	Floating rate £m	Total £m
Sterling	28.0	74.1	102.1
US dollar	41.6	0.3	41.9
Euro	159.5	246.0	405.5
Renminbi	–	47.2	47.2
Other	–	9.8	9.8
Capitalised arrangement fees	(0.3)	(2.5)	(2.8)
As at 31 December 2025	228.8	374.9	603.7

	Financial liabilities (net borrowings)		
	Fixed rate £m	Floating rate £m	Total £m
Sterling	28.0	11.7	39.7
US dollar	92.7	92.8	185.5
Euro	163.9	82.8	246.7
Other	–	2.9	2.9
Capitalised arrangement fees	(0.4)	(0.4)	(0.8)
As at 31 December 2024	284.2	189.8	474.0

Information in respect of the currency risk management of \$26.0m of US dollar-denominated fixed rate financial liabilities is provided above in Note 25.1(a).

The floating rate financial liabilities shown in the tables above bear interest at a market convention reference rate appropriate to each currency plus a margin. The fixed rate gross financial liabilities of £229.1m (2024: £284.6m) have a weighted average interest rate of 2.7% (2024: 3.1%) and a weighted average period for which the rate is fixed of 3.3 years (2024: 3.5 years).

The financial assets attract floating rate interest.

Based upon the interest rate profile of the Group's financial liabilities shown in the tables above, a 1% increase in market interest rates would increase the finance costs charged in the Group Income Statement and the interest paid in the Group Statement of Cash Flows by £3.8m (2024: £1.9m), and a 1% reduction in market interest rates would decrease the finance costs charged in the Group Income Statement and the interest paid in the Group Statement of Cash Flows by £3.8m (2024: £1.9m).

25. Financial Risk Management continued

25.1 Financial risk factors continued

(c) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial assets and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and other receivables.

(i) Risk management

For banks and financial institutions, apart from certain limited circumstances, Group policy is that only independently rated entities with a minimum rating of 'A-' are accepted as counterparties. In addition, the Group's operating companies have policies and procedures in place to assess the creditworthiness of the customers with whom they do business.

(ii) Impairment of financial assets

The Group subjects trade receivables from sales of inventory and from the provision of services to the expected credit loss model.

Whilst cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the current state of the economy (such as market interest rates or growth rates) and particular industry issues in the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. Where objective evidence exists that a trade receivable balance may be impaired, provision is made for the difference between its carrying amount and the present value of the estimated cash that will be recovered.

Evidence of impairment may include such factors as a change in credit risk profile of the customer, the customer being in default on a contract, or the customer entering bankruptcy or financial reorganisation proceedings. All significant balances are reviewed individually for evidence of impairment.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery.

Where recoveries are made, these are recognised within the Income Statement.

The closing expected credit loss allowance for trade receivables reconciles to the opening loss allowances as follows:

	2025 £m	2024 £m
As at 1 January	22.1	26.6
Decrease in expected credit loss allowance recognised in the Income Statement during the year	(0.8)	(2.9)
Receivables written off during the year as uncollectable	(0.4)	(1.1)
Exchange adjustments	0.4	(0.5)
As at 31 December	21.3	22.1

The credit for the year shown in the table above is recorded within administration, selling and distribution costs in the Group Income Statement.

Historical experience has shown that the Group's trade receivable provisions are maintained at levels that are sufficient to absorb actual bad debt write-offs, without being excessive. The Group considers the credit quality of financial assets that are neither past due nor impaired as good.

The Group also applies the expected credit loss model under IFRS 9 to other receivables. If, at the reporting date, the credit risk of the receivables has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses. If the credit risk on that receivable has increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses. The expected credit loss on other receivables is not material.

Notes to the Group Financial Statements continued

25. Financial Risk Management continued

25.1 Financial risk factors continued

(d) Liquidity risk

The Group manages liquidity risk by ensuring it maintains sufficient levels of committed borrowing facilities and cash, and cash equivalents to meet its operational cash flow requirements and maturing financial liabilities, whilst at all times operating within its financial covenants. The level of operational headroom provided by the Group's committed borrowing facilities is reviewed at least annually as part of the Group's three-year planning process. Where this process indicates a need for additional finance, this is addressed on a timely basis by means of either additional committed bank facilities or raising finance in the capital markets.

With effect from 30 May 2025 commitments under the syndicated bank facility were increased from £475.0m to £522.5m. The Group's borrowing requirements are met by the USPP and the committed syndicated bank facility of £522.5m (2024: £475.0m). As at 31 December 2025, the Group had committed borrowing facilities of £751.6m (2024: £669.6m), of which £195.5m (2024: £202.5m) were undrawn. At December 2025, 100% of these undrawn facilities was due to expire in August 2029; however in February 2026 the Group exercised its option to request an extension to the committed syndicated bank facility and 100% of these undrawn facilities is now due to expire in August 2030.

USPP Notes issued as at 31 December 2025 amounted to £229.1m (\$56.0m, €183.0m and £28.0m) and had a weighted average period to maturity of 3.3 years (2024: 3.5 years). €100.0m and \$26.0m in 2027, \$30.0m in 2028, €50.0m in 2029 and €33.0m and £28.0m in 2031. The maturity analysis of the Group's gross borrowings (including interest) is shown in the tables below. The cash flows shown are undiscounted.

	Within 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	Total contractual cash flows £m	Carrying amount £m
As at 31 December 2025						
Trade and other payables	324.0	–	–	–	324.0	324.0
Loans and overdrafts	20.2	130.5	418.4	57.8	626.9	606.4
Lease liabilities	14.8	10.6	10.6	15.2	51.2	38.3
Capitalised arrangement fees	–	–	–	–	–	(2.8)
Derivative liability	0.1	1.0	–	–	1.1	1.1
Total financial liabilities	359.1	142.1	429.0	73.0	1,003.2	967.0
As at 31 December 2024						
Trade and other payables*	323.8	–	–	–	323.8	323.8
Loans and overdrafts	76.0	188.7	178.8	57.3	500.8	474.8
Lease liabilities	15.0	11.9	15.7	18.2	60.8	46.2
Capitalised arrangement fees	–	–	–	–	–	(0.8)
Derivative liability	0.1	–	–	–	0.1	0.1
Total financial liabilities	414.9	200.6	194.5	75.5	885.5	844.1

* Comparative period figures were restated to include items classified as financial liabilities.

Capitalised arrangement fees shown in the tables above, which have been recognised as a reduction in borrowings in the Financial Statements, amounted to £2.8m as at 31 December 2025 (31 December 2024: £0.8m), of which £0.3m (2024: £0.4m) related to the USPP and £2.5m (2024: £0.4m) related to the Group's syndicated bank facility.

The carrying amount of lease liabilities falling due within one year was £12.8m (2024: 15.0m). The carrying amount of lease liabilities falling due after more than one year was £25.5m (2024: £31.2m).

Presented within interest-bearing borrowings of £642.0m (2024: £520.2m) are loans and overdrafts of £603.7m (2024: £474.8m), finance lease liabilities of £38.3m (2024: £46.2m) and capitalised arrangement fees of £(2.8)m (2024: £(0.8)m).

25. Financial Risk Management continued

25.2 Capital management

The Company considers its capital to be equal to the sum of its total equity, disclosed on the Group Balance Sheet, and net debt (Note 13). It monitors its capital using a number of KPIs, including free cash flow, average working capital to sales ratios, net debt to EBITDA ratios and ROIC (Note 35). The Group's objectives when managing its capital are:

- To ensure that the Group and all of its businesses are able to operate as going concerns and ensure that the Group operates within the financial covenants contained within its debt facilities
- To have available the necessary financial resources to allow the Group to invest in areas that may deliver acceptable future returns to investors
- To maintain sufficient financial resources to mitigate against risks and unforeseen events
- To maximise shareholder value through maintaining an appropriate balance between the Group's equity and net debt

The Group's committed debt facilities are subject to two covenants – net debt/EBITDA (under 3.25x) and an interest cover ratio (at least 4.0x). The Group operated within the requirements of its debt covenants throughout the year and has sufficient liquidity headroom within its committed debt facilities. Details of the Group's covenant compliance and committed debt facilities can be found in the Strategic Report on page 34 and in the going concern disclosure Note 1.4.

26. Leases

26.1 Right-of-use assets and lease liabilities

The carrying amounts of right-of-use assets recognised and the movements during the year:

	Land & buildings (Note 14.1) £m	Plant & equipment (Note 14.1) £m	Total £m
As at 1 Jan 2024	37.1	20.5	57.6
Exchange adjustments	(1.0)	(0.6)	(1.6)
Capital expenditure additions	4.0	11.2	15.2
Disposals	(0.2)	(0.7)	(0.9)
Depreciation charge	(6.1)	(9.5)	(15.6)
As at 31 Dec 2024 and 1 Jan 2025	33.8	20.9	54.7
Exchange adjustments	(1.3)	0.1	(1.2)
Capital expenditure additions	4.2	4.2	8.4
Acquired through business combinations	0.4	0.6	1.0
Disposals	(2.3)	(0.5)	(2.8)
Depreciation charge	(5.8)	(9.5)	(15.3)
Impairment	(0.1)	–	(0.1)
As at 31 Dec 2025	28.9	15.8	44.7

The carrying amounts of lease liabilities and the movements during the year:

	2025 £m	2024 £m
As at 1 Jan	46.2	48.2
Exchange adjustments	(0.3)	(2.0)
Capital expenditure additions	8.4	15.2
Acquired through business combinations	0.7	–
Interest on lease liabilities	2.7	3.0
Payment of lease liabilities	(19.4)	(18.2)
As at 31 December	38.3	46.2

The maturity analysis of lease liabilities is disclosed in Note 25.1.

The following are the amounts recognised in the consolidated income statement:

	2025 £m	2024 £m
Depreciation charge	15.3	15.6
Interest on lease liabilities	2.7	3.0
Expense relating to short-length leases	1.8	2.4
Expense relating to leases of low-value items	0.7	0.6
	20.5	21.6

The future aggregate minimum lease payments under non-cancellable operating leases are £0.4m (2024: £0.5m).

Notes to the Group Financial Statements continued

27. Employee Benefits

27.1 Group post-retirement plans

The Group operates a number of pension plans around the world, both defined benefit and defined contribution, and accounts for them in accordance with IAS 19. There are also some jubilee arrangements (other long-term benefits plans) which, while they do not need to be included in the detailed disclosures under IAS 19, have been included in the analysis below.

The Group's principal defined benefit pension plans are in the UK and the US, the benefits of which are based upon the final pensionable salaries of plan members. The assets of these plans are held separately from the Group in trustee-administered funds. The Trustees are required to act in the best interests of the plans' beneficiaries. The Group also has defined benefit pension plans in other territories but, except for those in Germany, these are not individually material in relation to the Group.

(a) Defined benefit pension plans – UK

The Group's main defined benefit pension plan in the UK ('the UK Plan') is closed to new members and to future benefit accrual. The existing plan was established under a trust deed and is subject to the Pensions Act 2004 and guidance issued by the UK Pensions Regulator.

In November 2021, the Trustee of the Vesuvius Pension Plan signed a pension insurance buy-in agreement with Pension Insurance Corporation plc (PIC). This buy-in secured an insurance asset from PIC that matches the remaining pension liabilities of the UK Plan, with the result that the Company no longer bears any investment, longevity, interest rate or inflation risks in respect of the UK Plan. All benefits in the UK Plan (with the exception of an immaterial amount of benefits expected to arise in future as a result of guaranteed minimum pensions (GMP) equalisation) are now insured with PIC.

Following the buy-in referred to above, no further contributions are expected to be paid to the UK Plan by the Company, and the cost of GMP equalisation will be met out of the surplus UK Plan assets.

The amounts disclosed in the financial statements relating to the UK Plan are based on the latest funding valuation carried out with an effective date of 31 December 2024. The results of the funding valuation have then been updated to 31 December 2025 by a qualified independent actuary to reflect experience over the period (including the buy-in) and revised assumptions that are consistent with the definitions set out in IAS 19 Employee Benefits.

(b) Defined benefit pension plans – US

The Group has several defined benefit pension plans in the US, providing retirement benefits based on final salary or a fixed benefit. The Group's principal US defined benefit pension plans are closed to new members and to future benefit accrual for existing members. Actuarial valuations of the US defined benefit pension plans are carried out every year and the last full valuation was carried out as at 31 December 2025. At that date, the market value of the plan assets was \$51.7m, representing a funding level of 90.7% of funded accrued plan benefits at that date (using the projected unit method of valuation) of \$57.0m. Funding levels for the Group's US defined benefit pension plans are based upon annual valuations carried out by independent qualified actuaries and are governed by US Government regulations.

The Group's US qualified defined benefit pension plan is subject to the minimum contribution requirements of the Internal Revenue Code Sections 412 and 430. Contributions are determined by trustees, in consultation with the Company, based on the annual valuations which are submitted to the Internal Revenue Service. During the fiscal year beginning 1 January 2025, total minimum required contributions were \$1.7m. Under these funding laws and based on the plan deficit, the required minimum annual contribution for the 2026 fiscal year is expected to be \$1.4m and the required annual contributions for the period 2027–2028 are expected to be in the \$0.7m to \$1.0m range. Contributions of \$1.7m (2024: \$3.2m) were made during 2025.

(c) Defined benefit pension plans – Germany

The Group has several defined benefit pension arrangements in Germany which are unfunded, as is common practice in that country. The main plan was closed to new entrants on 31 December 2016 and replaced by a defined contribution plan for new joiners. The German defined benefit plan contains mainly direct pension promises based on works council agreements as well as on some individual pension promises. The legal framework is the German Company Pensions Act ('Betriebsrentengesetz'). The plan is unfunded and the Company pays all benefit payments when they fall due.

(d) Defined benefit pension plans – rest of the world and other post-retirement benefits

The Group has several defined benefit pension arrangements across the rest of the world (ROW), the largest of which are in Belgium. The net liability of the ROW plans at 31 December 2025 was £7.3m (2024: £8.7m). The Group also has liabilities relating to medical insurance arrangements and termination plans which provide for benefits to be paid to employees on retirement. The net liability of these other post-retirement benefits as at 31 December 2025 was £9.0m (2024: £9.3m).

e) Defined contribution pension plans

The total expense for the Group's defined contribution plans in the Group Income Statement amounted to £11.5m (2024: £11.8m) and represents the contributions payable for the year by the Group to the plans.

27. Employee Benefits continued

27.1 Group post-retirement plans continued

(f) Multi-employer plans

Due to collective agreements, Vesuvius in the US participates, together with other enterprises, in union-run multi-employer pension plans for temporary workers hired on sites. These are accounted for as defined contribution plans.

27.2 Post-retirement liability valuation

The main assumptions used in calculating the costs and obligations of the Group's defined benefit pension plans, as detailed below, are set by the Directors after consultation with independent professionally qualified actuaries and include those used to determine regular service costs and the financing elements related to the plans' assets and liabilities. It is the Directors' responsibility to set the assumptions used in determining the key elements of the costs of meeting such future obligations. Whilst the Directors believe that the assumptions used are appropriate, a change in the assumptions used could affect the Group's profit and financial position.

(a) Mortality assumptions

The mortality assumptions used in the actuarial valuations of the Group's UK, US and German defined benefit pension liabilities are summarised in the table below and have been selected to reflect the characteristics and experience of the membership of those plans.

For the UK Plan, the assumptions used have been derived from the Self-Administered Pension Schemes ('SAPS S4') All table, with future longevity improvements in line with the 'core' mortality improvement tables published in 2024 by the Continuous Mortality Investigation (CMI), with a long-term rate of improvement of 1.25% per year. For the Group's US plans, the assumptions used have been based on the Pri-2012 mortality tables and MP-2021 projection scale. The Group's major plans in Germany have been valued using the modified Heubeck Richttafeln 2018G mortality tables. In respect of the life expectancy tables below, current pensioners are assumed to be 65 years old, while future pensioners are assumed to be 45 years old.

Life expectancy of pension plan members	2025			2024		
	UK years	US years	Germany years	UK years	US years	Germany years
Age to which current pensioners are expected to live:						
– Men	87.4	85.8	86.0	86.8	85.7	85.9
– Women	88.9	87.7	89.4	88.6	87.7	89.3
Age to which future pensioners are expected to live:						
– Men	87.6	87.3	88.7	87.0	87.2	88.6
– Women	90.4	89.2	91.6	90.1	89.1	91.5

(b) Other main actuarial valuation assumptions

	2025			2024		
	UK % p.a.	US % p.a.	Germany % p.a.	UK % p.a.	US % p.a.	Germany % p.a.
Discount rate	5.40	5.00	4.10	5.50	5.35	3.40
Price inflation – using RPI for UK	2.75	2.50	2.00	3.10	2.50	2.00
– using CPI for UK	2.25	n/a	n/a	2.60	n/a	n/a
Rate of increase in pensionable salaries	n/a	n/a	2.75	n/a	n/a	2.75
Rate of increase to pensions in payment	2.65	n/a	2.00	2.90	n/a	2.00

The discount rate used to determine the liabilities of the UK Plan for IAS 19 accounting purposes is required to be determined by reference to market yields on high-quality corporate bonds.

The assumptions for UK price inflation are set by reference to the difference between yields on longer-term conventional government bonds and index-linked bonds, except for CPI, for which no appropriate bonds exist, which is assumed to be 0.5 points lower (2024: 0.5 points lower) than RPI-based inflation.

Notes to the Group Financial Statements continued

27. Employee Benefits continued

27.2 Post-retirement liability valuation continued

(c) Sensitivity analysis of the impact of changes in significant IAS 19 actuarial assumptions

The US pensions are not inflation linked. The rate of increase in pensionable salaries and of pensions in payment is therefore not significant to the valuation of the Group's overall pension liabilities.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumption	Change in assumption	UK ¹	US	Germany
Discount rate	Increase/decrease by 0.1%			
	– impact on plan liabilities	Decrease/increase by £2.7m (2024: £3.1m)	Decrease/increase by £0.4m (2024: £0.4m)	Decrease/increase by £0.4m (2024: £0.6m)
	– impact on plan assets	Decrease/increase by £2.7m (2024: £3.1m)	n/a	n/a
Price inflation	Increase/decrease by 0.1%			
	– impact on plan liabilities	Increase/decrease by £1.9m (2024: £2.2m)	n/a	Increase/decrease by £0.1m (2024: £0.2m)
	– impact on plan assets	Increase/decrease by £1.9m (2024: £2.2m)	n/a	n/a
Mortality	Increase by one year			
	– impact on plan liabilities	Increase by £11.1m (2024: £12.0m)	Increase by £1.9m (2024: £1.9m)	Increase by £1.0m (2024: £1.2m)
	– impact on plan assets	Increase by £11.1m (2024: £12.0m)	n/a	n/a

1. The UK Plan Trustee has entered into a pension insurance buy-in agreement with the Pension Insurance Corporation (PIC). This buy-in secured an insurance asset from PIC that matches the remaining pension liabilities of the UK Plan, with the result that the Company no longer bears any investment, longevity, interest rate or inflation risks in respect of the UK Plan.

27.3 Defined benefit obligation

The average duration of the obligations to which the liabilities of the Group's principal pension plans relate is 9.6 years for the UK, 13.6 years for Germany and 8.5 years for the US.

	Defined benefit pension plans				Total £m	Other post-retirement & long-term benefit plans £m	Total £m
	UK £m	US £m	Germany £m	ROW £m			
Present value as at 1 January 2025	289.5	52.1	38.1	43.8	423.5	9.3	432.8
Exchange differences	–	(3.7)	2.0	0.5	(1.2)	0.5	(0.7)
Current service cost	–	–	1.0	3.3	4.3	0.1	4.4
Past service gain	–	–	(0.5)	–	(0.5)	–	(0.5)
Interest cost	15.8	2.5	1.3	1.6	21.2	0.6	21.8
Gains arising over the year that are recognised in P&L	–	–	–	–	–	(0.2)	(0.2)
Remeasurement of liabilities:							
– demographic changes	6.8	–	–	–	6.8	–	6.8
– financial assumptions	(3.5)	1.3	(3.6)	(1.1)	(6.9)	0.4	(6.5)
– experience losses/(gains)	0.5	0.6	(0.2)	0.9	1.8	(0.4)	1.4
Business acquisition	–	–	0.5	0.7	1.2	–	1.2
Benefits paid	(21.2)	(4.3)	(1.8)	(2.3)	(29.6)	(1.3)	(30.9)
Present value as at 31 December 2025	287.9	48.5	36.8	47.4	420.6	9.0	429.6

27. Employee Benefits continued

27.3 Defined benefit obligation continued

	Defined benefit pension plans					Other post-retirement & long-term benefit plans £m	Total £m
	UK £m	US £m	Germany £m	ROW £m	Total £m		
Present value as at 1 January 2024	328.4	56.4	41.3	43.1	469.2	9.9	479.1
Exchange differences	–	1.0	(1.9)	(2.0)	(2.9)	(0.7)	(3.6)
Current service cost	–	–	0.4	3.2	3.6	0.6	4.2
Past service gain	–	–	–	(0.1)	(0.1)	(0.4)	(0.5)
Settlement gain	–	–	–	–	–	(0.2)	(0.2)
Interest cost	14.5	2.5	1.3	1.7	20.0	0.5	20.5
Losses arising over the year that are recognised in P&L	–	–	–	–	–	0.2	0.2
Remeasurement of liabilities:							
– demographic changes	(1.4)	–	–	0.1	(1.3)	(0.1)	(1.4)
– financial assumptions	(28.8)	(2.8)	(0.9)	0.5	(32.0)	0.1	(31.9)
– experience losses/(gains)	(1.1)	(0.7)	(0.3)	0.3	(1.8)	(0.1)	(1.9)
Benefits paid	(22.1)	(4.3)	(1.8)	(3.0)	(31.2)	(0.5)	(31.7)
Present value as at 31 December 2024	289.5	52.1	38.1	43.8	423.5	9.3	432.8

27.4 Fair value of plan assets

	2025					2024				
	UK £m	US £m	Germany £m	ROW £m	Total £m	UK £m	US £m	Germany £m	ROW £m	Total £m
As at 1 January	320.3	40.0	–	35.1	395.4	359.8	38.2	–	34.8	432.8
Exchange differences	–	(2.8)	–	0.5	(2.3)	–	0.8	–	(1.9)	(1.1)
Interest income	17.5	2.0	–	1.1	20.6	15.9	1.7	–	1.3	18.9
Return on plan assets	3.1	2.0	–	1.0	6.1	(32.7)	0.9	–	0.2	(31.6)
Contributions from employer	0.2	1.3	–	3.8	5.3	–	2.5	–	3.4	5.9
Administration expenses paid	(0.7)	(0.6)	–	–	(1.3)	(0.7)	(0.6)	–	–	(1.3)
Business acquisition	–	–	0.2	0.5	0.7	–	–	–	–	–
Benefits paid	(21.1)	(3.5)	–	(1.9)	(26.5)	(22.0)	(3.5)	–	(2.7)	(28.2)
As at 31 December	319.3	38.4	0.2	40.1	398.0	320.3	40.0	–	35.1	395.4

The Group's pension plans in Germany are unfunded, as is common practice in that country, and accordingly there are no assets associated with these plans.

27.5 Remeasurement of defined benefit liabilities/assets

	2025 total £m	2024 total £m
Remeasurement of liabilities/assets:		
– demographic changes	(6.8)	1.4
– financial assumptions	6.5	31.9
– experience gains/(losses)	(1.4)	1.9
Return on plan assets	6.1	(31.6)
Total movement	4.4	3.6

The remeasurement of defined benefit liabilities and assets is recognised in the Group Statement of Comprehensive Income.

Notes to the Group Financial Statements continued

27. Employee Benefits continued

27.6 Balance sheet recognition

The amount recognised in the Group Balance Sheet in respect of the Group's defined benefit pension plans and other post-retirement and long-term benefit plans is analysed in the following tables, which all relate to continuing operations. All assets have quoted prices in active markets with the exception of annuity insurance contracts in the UK, £280.9m (2024: £282.5m) and ROW, £3.7m (2024 £3.2m).

	Defined benefit pension plans					Other post-retirement & long-term benefit plans £m	2025 total £m
	UK £m	US £m	Germany £m	ROW £m	Total £m		
Equities	21.1	5.6	–	3.0	29.7	–	29.7
Bonds	–	30.6	0.2	2.1	32.9	–	32.9
Annuity insurance contracts	280.9	–	–	33.2	314.1	–	314.1
Other assets	17.3	2.2	–	1.8	21.3	–	21.3
Fair value of plan assets	319.3	38.4	0.2	40.1	398.0	–	398.0
Present value of funded obligations	(286.9)	(42.3)	(0.5)	(43.9)	(373.6)	–	(373.6)
	32.4	(3.9)	(0.3)	(3.8)	24.4	–	24.4
Present value of unfunded obligations	(1.0)	(6.2)	(36.3)	(3.5)	(47.0)	(9.0)	(56.0)
Total net surpluses/(liabilities)	31.4	(10.1)	(36.6)	(7.3)	(22.6)	(9.0)	(31.6)
Recognised in the Group Balance Sheet as:							
Net surpluses	32.4	–	–	3.1	35.5	–	35.5
Net liabilities	(1.0)	(10.1)	(36.6)	(10.4)	(58.1)	(9.0)	(67.1)
Total net surpluses/(liabilities)	31.4	(10.1)	(36.6)	(7.3)	(22.6)	(9.0)	(31.6)

	Defined benefit pension plans					Other post-retirement & long-term benefit plans £m	2024 total £m
	UK £m	US £m	Germany £m	ROW £m	Total £m		
Equities	19.3	4.2	–	2.6	26.1	–	26.1
Bonds	–	33.6	–	2.4	36.0	–	36.0
Annuity insurance contracts	282.5	–	–	28.4	310.9	–	310.9
Other assets	18.5	2.2	–	1.7	22.4	–	22.4
Fair value of plan assets	320.3	40.0	–	35.1	395.4	–	395.4
Present value of funded obligations	(288.5)	(45.3)	–	(40.3)	(374.1)	–	(374.1)
	31.8	(5.3)	–	(5.2)	21.3	–	21.3
Present value of unfunded obligations	(1.0)	(6.8)	(38.1)	(3.5)	(49.4)	(9.3)	(58.7)
Total net surpluses/(liabilities)	30.8	(12.1)	(38.1)	(8.7)	(28.1)	(9.3)	(37.4)
Recognised in the Group Balance Sheet as:							
Net surpluses	31.8	–	–	2.3	34.1	–	34.1
Net liabilities	(1.0)	(12.1)	(38.1)	(11.0)	(62.2)	(9.3)	(71.5)
Total net surpluses/(liabilities)	30.8	(12.1)	(38.1)	(8.7)	(28.1)	(9.3)	(37.4)

27. Employee Benefits continued

27.6 Balance sheet recognition continued

(a) UK Plan asset allocation

As at 31 December 2025, of the UK Plan's total assets, 88.0% (2024: 88.2%) were represented by the annuity insurance contracts covering the UK Plan's pension liabilities; 6.6% (2024: 6.0%) were allocated to equities and 5.4% (2024: 5.8%) to cash.

As at 31 December 2025, the IAS 19 valuation of the PIC insurance contract value associated with the bought-in liabilities was £280.9m (2024: £282.5m). The policy and the associated valuation are updated annually to reflect retirements and mortality.

(b) US Plan asset allocation

All of the assets in the main US Plan have a quoted market price in an active market. The Plan mitigates exposure to interest rates by employing a liability matching investment strategy. All non-derivative assets are invested in liability matching bonds with a similar average duration to the liabilities of the Plan. The Plan retains equity risk through use of equity derivative contracts, which provide equity market exposure with some level of equity downside protection.

(c) Defined benefit contributions in 2026

In 2026, the Group is expected to make direct benefit payments and contributions into its defined benefit pension and other post-retirement and long-term benefits plans of around £9.8m. Specific payments and contributions of approximately £1.9m, £2.1m and £2.4m are anticipated for the US Plans, German Plans and Belgian Plans respectively.

27.7 Income statement recognition

The expense recognised in the Group Income Statement in respect of the Group's defined benefit retirement plans and other post-retirement and long-term benefit plans is shown below:

	2025			2024		
	Defined benefit pension plans £m	Other post-retirement & long-term benefit plans £m	Total £m	Defined benefit pension plans £m	Other post-retirement & long-term benefit plans £m	Total £m
Current service cost	4.3	0.1	4.4	3.6	0.6	4.2
Past service gain	(0.5)	–	(0.5)	(0.1)	(0.4)	(0.5)
Settlement gain	–	–	–	–	(0.2)	(0.2)
Losses arising over the year that are recognised in P&L	–	(0.2)	(0.2)	–	0.2	0.2
Administration expenses	1.3	–	1.3	1.3	–	1.3
Net interest cost	0.6	0.6	1.2	1.1	0.5	1.6
Total net charge	5.7	0.5	6.2	5.9	0.7	6.6

The total net charge of £6.2m (2024: £6.6m), recognised in the Group Income Statement in respect of the Group's defined benefit pension plans and other post-retirement and long-term benefits plans, is analysed in the following table:

		2025 £m	2024 £m
In arriving at trading profit (adjusted operating profit)	– within other cost of sales	1.0	1.1
	– within administration, selling and distribution costs	4.0	3.9
In arriving at profit before tax	– within net finance costs	1.2	1.6
Total net charge		6.2	6.6

Virgin Media vs NTL Pension Trustee case

In June 2023, the High Court judged in the Virgin Media vs NTL Pension Trustee case that certain amendments made to the NTL Pension Plan were invalid because the scheme's actuary had not provided the necessary confirmations (Section 37 Certificates). This decision was upheld in July 2024. It could have wider ranging implications affecting other schemes that were contracted-out on a salary-related basis and made amendments between April 1997 and April 2016.

The DWP has recently announced that it will introduce legislation to allow retrospective confirmation of historic benefit changes. This announcement should significantly reduce the impact on pension schemes and mean that for most schemes the existence of confirmations is no longer the relevant issue, but whether confirmation was obtained or can be provided now. The Trustee of the Vesuvius Pension Plan has taken legal advice on the impact of the Virgin Media case on the Plan and intends to keep the position under review, taking into account any further legal developments during 2026. Management are aware of recent developments and have concluded that there is no requirement for further investigation at this stage.

Notes to the Group Financial Statements continued

27. Employee Benefits continued

27.7 Income statement recognition continued

GMP equalisation

A UK High Court ruling was made on 26 October 2018 in respect of the gender equalisation of guaranteed minimum pensions (GMPs) for occupational pension schemes (impact estimated to be £4.5m at 31 December 2018). A further ruling was issued on 20 November 2020 (impact estimated to be £0.8m at 31 December 2020). As in prior years, the UK disclosures continue to include an appropriate allowance for the increase in pension liabilities resulting from these rulings.

27.8 Risks to which the defined benefit pension plans expose the Group

The principal risks faced by these plans comprise: (i) the risk that the value of the plan assets is not sufficient to meet all plan liabilities as they fall due; (ii) the risk that plan beneficiaries live longer than envisaged, causing liabilities to exceed the available plan assets; and (iii) the risk that the market-based factors used to value plan liabilities and assets change materially adversely to increase plan liabilities over the value of available plan assets.

Following the UK Plan pension insurance buy-in agreement, the inflation, interest rate, investment and longevity risks for Vesuvius in respect of the UK Plan are virtually eliminated.

The Group continues to monitor risks in respect of the other plans, including counterparty risk, asset volatility, changes in bond yields, inflation and life expectancy.

28. Share-based Payments

28.1 Income statement recognition

The total expense recognised in the Group Income Statement is shown below:

	2025 £m	2024 £m
Long-Term Incentive Plan	(0.1)	1.8
Other plans	3.1	4.4
Total expense	3.0	6.2

The Group operates a number of different share-based payment plans, the most significant of which is the Long-Term Incentive Plan (LTIP), details of which can be found in the Directors' Remuneration Report.

28.2 Details of outstanding options

	Number of outstanding awards					As at 31 Dec 2025
	As at 1 Jan 2025	Granted	Exercised	Forfeited/ lapsed	Expired	
LTIP	2,485,451	1,067,733	(461,309)	(430,823)	nil	2,661,052
Weighted average exercise price	nil	nil	nil	nil	nil	nil
Other plans	2,467,098	1,057,890	(1,170,921)	(207,958)	nil	2,146,109
Weighted average exercise price	nil	nil	nil	nil	nil	nil

For the awards exercised during 2025, the market value at the date of exercise ranged from 328.4 pence to 412.3 pence per share.

	Number of outstanding awards					As at 31 Dec 2024
	As at 1 Jan 2024	Granted	Exercised	Forfeited/ lapsed	Expired	
LTIP	2,181,881	935,066	(259,607)	(371,889)	nil	2,485,451
Weighted average exercise price	nil	nil	nil	nil	nil	nil
Other plans	2,566,949	1,300,623	(1,182,573)	(217,901)	nil	2,467,098
Weighted average exercise price	nil	nil	nil	nil	nil	nil

For the options exercised during 2024, the market value at the date of exercise ranged from 365.5 pence to 491.5 pence per share.

Details of market performance conditions are included in the Directors' Remuneration Report.

28. Share-based Payments continued

28.2 Details of outstanding options continued

	2025			2024		
	Awards exercisable as at 31 Dec 2025 no.	Weighted average contractual life of awards years	Range of exercise prices pence	Awards exercisable as at 31 Dec 2024 no.	Weighted average contractual life of awards years	Range of exercise prices pence
LTIP	–	8.2		–	8.4	
Weighted average exercise price	–		n/a	–		n/a
Other plans	–	0.6		–	0.6	
Weighted average exercise price	–		n/a	–		n/a

28.3 Options granted during the year

	2025		
	LTIP ROIC/ ESG element	LTIP TSR element	Other plans
Fair value of options granted	333.2p	155.0p	333.2p
Share price on date of grant	333.2p	333.2p	333.2p
Expected volatility	n/a	27.9%	n/a
Risk-free interest rate	n/a	3.8%	n/a
Exercise price (per share)	nil	nil	nil
Expected term (years)	3	3	2
Expected dividend yield	nil	nil	nil

	2024		
	LTIP ROIC/ ESG element	LTIP TSR element	Other plans
Fair value of options granted	492p	290p	492p
Share price on date of grant	492p	492p	492p
Expected volatility	n/a	29.2%	n/a
Risk-free interest rate	n/a	4.1%	n/a
Exercise price (per share)	nil	nil	nil
Expected term (years)	3	3	2
Expected dividend yield	nil	nil	nil

For the LTIP awards, vesting of 40% of shares awarded is based on the Group's three-year total shareholder return (TSR) performance relative to that of the constituent companies of the FTSE 250 (excluding investment trusts) and vesting of the remaining 60% of shares awarded is based on ROIC and ESG targets.

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2.8 years (2024: 2.8 years) prior to the grant date for the April 2024 grant. The risk-free rate of return was assumed to be the yield to maturity on a UK fixed gilt with the term to maturity equal to the expected life of the option. At the discretion of the Remuneration Committee, award holders receive the value of dividends that would have been paid on their vested shares in the period between grant and vesting. Accordingly, there is no discount to the valuation for dividends foregone during the vesting period.

Notes to the Group Financial Statements continued

29. Trade and Other Payables

29.1 Analysis of trade and other payables

	2025 £m	2024 £m
Non-current		
Accruals and other payables	5.3	6.9
Total non-current other payables	5.3	6.9
Current		
Trade payables	248.3	241.7
Other taxes and social security	32.7	36.7
Accruals and other payables	78.7	85.0
Total current trade and other payables	359.7	363.4

There is no significant difference between the fair value of the Group's trade and other payables balances and the amount at which they are reported in the Group Balance Sheet.

29.2 Supplier finance arrangements

The Group has supply chain finance programmes in place. The programmes act as an alternative source of financing for the suppliers who have the option to trade their invoices with funding providers in order to receive cash earlier than the invoice due dates. The payment terms offered to suppliers who are party to the supply chain finance programmes are within standard supplier payment terms and agreed directly with the supplier. The carrying amount of the liabilities for which suppliers have already received payment from finance providers is £18.9m (2024: £23.2m).

Balances outstanding under the supplier financing arrangements are classified as trade payables, and cash flows are included in operating cash flows, since the financing arrangements are agreed between the supplier, the funding providers and the third-party platform providers. The Group does not provide additional credit enhancement nor obtain any working capital benefit from the arrangements. The Group is not charged any interest cost or fee in respect of the agreements.

Included in trade payables are amounts of £28.7m (2024: £31.2m) drawn by suppliers who are party to the supply chain finance programmes.

The analysis below details the range of payment due dates of trade payables which are part of supplier financing arrangements and of comparable trade payables which are not part of supplier financing arrangements in the same region.

Trade payables which are part of supplier financing arrangements

	2025 £m				Total
	30 days and less	Between 31 and 60 days	Between 61 and 90 days	More than 91 days	
Region					
Brazil	3.4	–	–	–	3.4
China	7.4	–	–	–	7.4
Europe	9.5	–	–	–	9.5
India	3.2	–	–	–	3.2
North America	5.2	–	–	–	5.2
Total trade payables which are part of supplier financing arrangements	28.7	–	–	–	28.7

Comparable trade payables which are not part of supplier financing arrangements

	2025 £m				Total
	30 days and less	Between 31 and 60 days	Between 61 and 90 days	More than 91 days	
Region					
Brazil	7.7	–	(0.1)	(0.1)	7.5
China	36.9	0.5	0.1	0.2	37.7
Europe	35.1	0.1	0.7	0.4	36.3
India	22.7	1.6	1.4	1.2	26.9
North America	22.2	0.4	0.1	(0.1)	22.6

29. Trade and Other Payables continued

29.2 Supplier finance arrangements continued

Trade payables which are part of supplier financing arrangements

Region	2024 £m				Total
	30 days and less	Between 31 and 60 days	Between 61 and 90 days	More than 91 days	
Brazil	1.9	–	–	–	1.9
China	6.6	–	–	–	6.6
Europe	8.4	–	–	–	8.4
India	3.1	–	–	–	3.1
North America	11.2	–	–	–	11.2
Total trade payables which are part of supplier financing arrangements	31.2	–	–	–	31.2

Comparable trade payables which are not part of supplier financing arrangements

Region	2024 £m				Total
	30 days and less	Between 31 and 60 days	Between 61 and 90 days	More than 91 days	
Brazil	5.2	3.1	1.3	0.4	10.0
China	24.3	2.1	1.2	0.5	28.1
Europe	32.0	1.4	0.2	–	33.6
India	18.6	2.9	2.2	2.2	25.9
North America	16.3	4.0	1.5	0.5	22.3

30. Provisions

30.1 Analysis of provisions

	Disposal, closure and environmental costs £m	Other £m	Total £m
As at 31 December 2023 and 1 January 2024	51.9	6.7	58.6
Exchange adjustments	1.2	(0.2)	1.0
(Release)/charge to Group Income Statement – trading profit	(0.6)	7.5	6.9
Charge to Group Income Statement – separately reported items	9.7	2.6	12.3
Adjustment to discount	2.2	–	2.2
Cash spend	(5.4)	(10.5)	(15.9)
As at 31 December 2024 and 1 January 2025	59.0	6.1	65.1
Exchange adjustments	(3.9)	–	(3.9)
(Release)/charge to Group Income Statement – trading profit	2.0	6.8	8.8
Charge to Group Income Statement – separately reported items	–	22.0	22.0
Adjustment to discount	3.0	–	3.0
Cash spend	(4.7)	(26.9)	(31.6)
Acquisitions	–	0.9	0.9
Transferred (to)/from other balance sheet rows	–	1.3	1.3
As at 31 December 2025	55.4	10.2	65.6

Of the total provision balance as at 31 December 2025 of £65.6m (2024: £65.1m), £54.0m (2024: £54.8m) is recognised in the Group Balance Sheet within non-current liabilities and £11.6m (2024: £10.3m) within current liabilities.

Notes to the Group Financial Statements continued

30. Provisions continued

30.1 Analysis of provisions continued

Disposal, closure and environmental charges

The provision for disposal, closure and environmental costs includes the Directors' current best estimate of the amounts to be payable in respect of known or probable costs resulting from third-party claims, including legacy matter lawsuits.

There remains inherent uncertainty associated with estimating the future costs of legacy matter lawsuits. In assessing the probable costs and realisation certainty of these provisions, or related assets, management has made reasonable assumptions, including projections of the number of future claims, the approximate average cost of those claims (including legal costs and infrequent larger value claims) and the length of time taken to resolve such claims. The provision reflects the Directors' best estimate of the future liability. By nature, these assumptions are uncertain and therefore changes to the assumptions used could significantly alter the Directors' assessment of the costs. Sensitivity analyses have been conducted using variations to the key assumptions listed above and indicatively show that a 25% increase in the average cost of claims would impact the gross provision by approximately £6.3m and the corresponding asset for insurance cover by approximately £5.3m.

Changes in discount rates may have a significant impact on gross provisions and related assets for insurance cover.

As the resolution of many of the obligations for which provision is made is subject to legal or other regulatory process, the timing of the associated cash outflows is also subject to some uncertainty. However, the majority of the amounts provided are expected to be utilised over the next ten years.

Where insurance cover exists for any of these costs, a related asset is recognised in the Group Balance Sheet only when its value can be reliably measured and reimbursement is considered to be virtually certain. As at 31 December 2025, £24.6m (2024: £23.0m) was recorded in other receivables in respect of associated insurance reimbursements, of which £22.6m (2024: £21.1m) is non-current. A credit of £3.2m was recorded during 2025 (2024: debit £0.4m) to reflect the increase (2024: decrease) in assets for insurance cover which is included in the 'Administration, selling and distribution costs' line in the Income Statement. This is offset by a debit of £3.2m in 2025 (2024: £0.4m) to reflect an increase in provisions for related claims in the same line of the Income Statement.

In 1999, the Group acquired Premier Refractories which owned a disused clay mine in the United States. In 2018, wastewater containing pollutants was discovered and a provision was established for treatment costs. In 2024, the provision was reassessed, with the forecast annual operating cost being £0.8m and length of water treatment period being estimated at 20 years resulting in an increase in the provision and a charge to the Income Statement of £9.7m. The Directors use their judgement to determine both the annual expected operating cost and the period over which the operating cost will continue to be incurred. Sensitivity analyses show that if the remaining period for which water treatment is needed is extended by a further 10 years, the provision would increase by £6.0m.

Other

Other provisions comprise amounts payable in respect of known or probable costs resulting both from legal or other regulatory requirements, workers' compensation and medical claims, and from third-party claims. As the settlement of these matters is subject to legal or other regulatory process, the timing of the associated outflows is uncertain but the majority of provisions are expected to be utilised over the next two years. During 2025, the Group recognised net charges of £6.9m (2024: £7.3m) in the Group Income Statement to provide for various medical benefits and other claims.

Other provisions includes amounts payable in respect of probable costs relating to the Group's cost reduction programme of £3.8m (2024: £2.6m).

The Group has considered the impact of climate change on provisions including decommissioning or environmental rehabilitation and there have been no material changes needed to amounts already provided.

31. Off-Balance Sheet Arrangements

In compliance with current reporting requirements, certain arrangements entered into by the Group in its normal course of business are not reported in the Group Balance Sheet. Of such arrangements, the largest amounts are future lease payments in relation to assets used by the Group under non-cancellable operating leases (Note 26).

32. Contingent Liabilities

Details of guarantees given by the Company, on behalf of the Group, are given in Note 11 to the Company Financial Statements.

33. Related Parties

All transactions with related parties are conducted on an arm's-length basis and in accordance with normal business terms. Transactions between related parties that are Group subsidiaries are eliminated on consolidation.

The related parties identified by the Directors include joint ventures, associates and key management personnel. To enable users of our financial statements to form a view on the effects of related party relationships on the Group, we disclose the related party relationship irrespective of whether there have been transactions between the related parties.

33.1 Transactions with joint ventures and associates

All transactions with joint ventures and associates are in the normal course of business. Transactions between the Group and its joint ventures and associates are disclosed below:

	2025 £m	2024 £m
Sales to joint ventures	3.9	4.2
Purchases from joint ventures	25.3	27.1
Dividends received	0.9	0.7
Trade payables owed to joint ventures	8.5	8.1
Trade receivables due from joint ventures	0.9	1.0

Trade payables owed to joint ventures are settled net of trade receivables due from joint ventures 90 days after the delivery of goods or services. There are no loans to and from joint ventures.

33.2 Transactions with key management personnel

The Group Executive Committee members, as outlined on page 76, are included in determining who qualifies as key management personnel of the Group.

There have been no transactions with key management personnel of the Group or members of their close families, other than payments in respect of executive remuneration and the reimbursement of business expenses. Directors' remuneration is disclosed in Note 7 to the Group Financial Statements and in the Directors' Remuneration Report.

33.3 Transactions with other related parties

There are no controlling shareholders of the Group as defined by IFRS.

Pension contributions to Group schemes are disclosed in Note 27 to the Group Financial Statements.

Other than the parties disclosed above, the Group has no other material related parties.

34. Events after the Balance Sheet date

There are no items to report.

Notes to the Group Financial Statements continued

35. Alternative Performance Measures (unaudited)

The Company uses a number of alternative performance measures (APMs) in addition to those reported in accordance with IFRS. The Directors believe that these APMs, listed below, are important when assessing the financial and operating performance of the Group and its divisions, providing management with key insights and metrics in support of the ongoing management of the Group's performance and cash flow. A number of these align with Key Performance Indicators (KPIs) and other key metrics used in the business and therefore are considered useful to also disclose to the users of the financial statements. The following APMs do not have a standard definition prescribed by IFRS and therefore may not be directly comparable with similar measures presented by other companies. Adjusted measures, (previously disclosed as 'Headline' measures), are presented before items reported separately on the face of the Group Income Statement.

35.1 Like-for-like measures

Like-for-like ('LFL') measures, (previously disclosed as 'Underlying' measures), are adjusted to exclude the effects of changes in exchange rates and business acquisitions and disposals. Reconciliations of like-for-like revenue and like-for-like trading profit (adjusted operating profit) can be found in the Financial Summary. Like-for-like revenue growth is one of the Group's KPIs and provides an important measure of organic growth of the business.

35.2 Return on sales (ROS)

ROS is calculated as trading profit (adjusted operating profit) divided by revenue. It is one of the Group's KPIs and is used to assess the operating performance of the business. ROS is disclosed in Note 4.2.

35.3 Trading profit (adjusted operating profit)

Trading profit (adjusted operating profit) is defined as operating profit before separately reported items. It is one of the Group's key performance indicators and is used to assess the trading performance of Group businesses.

35.4 Adjusted profit before tax

Adjusted profit before tax is calculated as trading profit (adjusted operating profit), plus the Group's share of post-tax profit of joint ventures and net finance costs associated with adjusted performance. It is used to assess the financial performance of the Group as a whole.

35.5 Adjusted effective tax rate (ETR)

The Group's adjusted ETR is calculated on the income tax costs associated with adjusted performance, divided by adjusted profit before tax and before the Group's share of post-tax profit of joint ventures and associates.

35.6 Adjusted earnings

Adjusted earnings is profit after tax before separately reported items attributable to owners of the Parent.

35.7 Adjusted earnings per share

Adjusted earnings per share is calculated by dividing adjusted earnings by the weighted average number of ordinary shares in issue during the year. It is one of the Group's key performance indicators and is used to assess the earnings performance of the Group as a whole. It is also used as one of the targets against which the annual bonuses of certain employees are measured. Adjusted earnings per share is disclosed in Note 6. Adjusted earnings per share is disclosed in Note 10.

35. Alternative Performance Measures continued

35.8 Adjusted operating cash flow

Adjusted operating cash flow is cash generated from operations before cash separately reported items, and after deducting capital expenditure net of proceeds from asset disposals. It is used in calculating the Group's cash conversion.

	Note	2025 £m	2024 £m
Cash generated from operations	11	173.4	216.7
Add: Outflows relating to restructuring charges		0.4	1.0
Add: Outflows relating to cost reduction programme expenses		16.0	7.9
Add: Outflows relating to acquisition and integration expenses		2.6	–
Add: Outflows relating to water treatment at disused mine		0.7	0.8
Less: Purchases of property, plant & equipment		(78.1)	(88.1)
Less: Purchases of intangible assets		(12.3)	(12.7)
Add: Proceeds from the sale of property, plant and equipment		9.4	4.3
Add: Proceeds from the sale of investments		1.2	–
Add: Proceeds from the sale of associates		–	0.4
Adjusted operating cash flow		113.3	130.3
Trading profit (adjusted operating profit)		151.1	188.0
Cash conversion		75%	69%

35.9 Cash conversion

Cash conversion is calculated as adjusted operating cash flow divided by trading profit (adjusted operating profit). It is useful for measuring the rate at which cash is generated from trading profit (adjusted operating profit). It is also used as one of the targets against which the annual bonuses of certain employees are measured. The calculation of cash conversion is detailed in Note 35.8 above.

35.10 Free cash flow

Free cash flow is defined as net cash flow from operating activities after net outlays for the purchase and sale of property, plant and equipment, dividends from joint ventures and dividends paid to non-controlling shareholders. It is one of the Group's KPIs and is used to assess the cash generation of the Group and is one of the measures used in monitoring the Group's capital.

	2025 £m	2024 ¹ £m
Net cash inflow from operating activities	116.6	155.7
Purchases of property, plant & equipment	(78.1)	(88.1)
Purchases of intangible assets	(12.3)	(12.7)
Proceeds from the sale of property, plant and equipment	9.4	4.3
Proceeds from the sale of investments	1.2	–
Proceeds from the sale of associates	–	0.4
Dividends received from joint ventures	0.9	0.7
Dividends paid to non-controlling shareholders	(1.7)	(2.5)
Free cash flow	36.0	57.8

1. For the year ended 31 December 2024, Net cash inflow from operating activities (Interest paid) and Net cash outflow from financing activities (Payment of lease liabilities (principal)) have been updated as a result of the reclassification of £3.0m for interest on lease liabilities to be consistent with its presentation in 2025.

Notes to the Group Financial Statements continued

35. Alternative Performance Measures continued

35.11 Trade working capital intensity

Trade working capital intensity is calculated as the percentage of average trade working capital balances to the total revenue for the previous 12 months, at constant currency. Average trade working capital (comprising inventories, trade receivables and trade payables) is calculated as the average of the 13 previous month-end balances. It is one of the Group's key performance indicators and is used to assess the control of working capital, which is a key variable component in achieving our ROIC target. It is also used as one of the targets against which the annual bonuses of certain employees are measured.

	2025 £m	2024 £m
Average trade working capital	424.0	416.5
Total revenue	1,809.5	1,820.1
Trade working capital intensity	23.4%	22.9%

35.12 Adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA)

Adjusted EBITDA is calculated as the total of trading profit (adjusted operating profit) before depreciation and amortisation of non-acquired intangible assets. It is used in the calculation of the Group's interest cover and net debt to adjusted EBITDA ratios. A reconciliation of adjusted EBITDA is included in Note 4.2.

35.13 Net interest payable on borrowings

Net interest payable on borrowings is calculated as total interest payable on borrowings less finance income, excluding interest on net retirement benefit obligations, adjustments to discounts and any item separately reported. It is used in the calculation of the Group's interest cover ratio.

	Note	2025 £m	2024 £m
Total interest payable on borrowings	8	22.4	23.3
Finance income	8	(7.0)	(9.7)
Net interest payable on borrowings		15.4	13.6

35.14 Interest cover

Interest cover is the ratio of adjusted EBITDA for the last 12 months to net interest payable on borrowings for the last 12 months. It is one of the Group's KPIs and is used to assess the profit available to service the Group's interest costs. This measure is also a component of the Group's covenant calculations.

	Note	2025 £m	2024 £m
Adjusted EBITDA	4	216.9	250.2
Net interest payable on borrowings		15.4	13.6
Interest cover		14.1x	18.4x

35.15 Net debt

Net debt comprises the net total of current and non-current interest-bearing borrowings (including IFRS 16 lease liabilities), cash and short-term deposits and the fair value of derivative financial instruments. Net debt is a measure of the Group's net indebtedness to banks and other external financial institutions. A reconciliation of the movement in net debt is included in Note 13.

35.16 Net debt to adjusted EBITDA

Net debt to adjusted EBITDA is the ratio of net debt at the year-end to adjusted EBITDA for that year. It is one of the Group's KPIs and is used to assess the financial position of the Group and its ability to fund future growth and is one of the measures used in monitoring the Group's capital.

	Note	2025 £m	2024 £m
Net debt	13	452.4	329.2
Adjusted EBITDA	4	216.9	250.2
Net debt to adjusted EBITDA		2.1x	1.3x

On a pro-forma basis, adjusting for the EBITDA contribution from acquisitions made through the year, the balance sheet had a debt leverage ratio of 2.0x (2024:1.3x).

35. Alternative Performance Measures continued

35.17 Return on invested capital (ROIC)

The Group has adopted ROIC as its key measure of return from the Group's invested capital. It is also used as one of the targets against which the annual bonuses of certain employees are measured. In March 2025, the Board re-defined ROIC for the purpose of remuneration targets, to exclude the impact of goodwill and intangibles that arose on the acquisition of Foseco in 2008, as the Remuneration Committee believes that this approach removes the distortive effects of that acquisition and provides a clearer measure of management performance.

ROIC is calculated as trading profit (adjusted operating profit) less amortisation of acquired intangibles (excluding Foseco) plus share of post-tax profit of joint ventures and associates for the previous 12 months after tax, divided by the average invested capital. Invested capital is defined as total assets excluding cash and non-interest-bearing liabilities, less the goodwill and intangibles that arose under IFRS 3 in respect of the Foseco acquisition in 2008. This is calculated as the average of the closing balance sheet and opening balance sheet, at average foreign exchange rates.

	2025 £m	2024 £m
Average invested capital	1,623.0	1,556.2
Less: average Foseco goodwill and intangible assets	(588.5)	(609.5)
Adjusted average invested capital	1,034.5	946.7
Trading profit (adjusted operating profit) (Note 35.4)	151.1	188.0
Amortisation of acquired intangible assets	(10.6)	(10.0)
Share of post-tax profit from joint ventures and associates	1.0	1.1
Tax on trading profit (adjusted operating profit) and amortisation of acquired intangible assets	(38.6)	(48.9)
Return	102.9	130.2
Add: amortisation of Foseco intangible assets	8.7	8.7
Less: tax on amortisation of Foseco intangible assets	(2.4)	(2.4)
Adjusted return	109.2	136.5
ROIC	6.3%	8.4%
ROIC excluding Foseco goodwill and intangible assets	10.5%	14.4%

35.18 Constant currency

Figures presented at constant currency represent 2024 amounts retranslated at average 2025 exchange rates.

35.19 Liquidity

Liquidity is the Group's cash and short-term deposits plus undrawn committed debt facilities less cash used as collateral on loans and any gross up of cash in notional cash pools.

	2025 £m	2024 £m
Cash	190.6	186.4
Undrawn committed debt facilities	195.5	202.5
Liquidity	386.1	388.9

Company Balance Sheet

As at 31 December 2025

	Note	2025 total £m	2024 total £m
Fixed assets			
Investments	7	1,778.0	1,778.0
Deferred tax		7.3	4.3
Total non-current assets		1,785.3	1,782.3
Current assets			
Debtors – amounts falling due within one year		3.2	4.7
Cash at bank and in hand		0.2	–
Total current assets		3.4	4.7
Creditors – amounts falling due within one year			
Bank loans and overdrafts		–	–
Other creditors	8	(748.4)	(686.3)
Net current liabilities		(745.0)	(681.6)
Total assets less current liabilities		1,040.3	1,100.7
Net assets		1,040.3	1,100.7
Equity capital and reserves			
Called up share capital	9	25.5	26.4
Retained earnings	9	1,012.5	1,072.9
Other reserves	9	2.3	1.4
Total shareholders' funds		1,040.3	1,100.7

Company number 8217766

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own Income Statement. During 2025, the Company recognised a profit of £29.3m (2024: £14.6m profit).

The Financial Statements on pages 202 to 209 were approved and authorised for issue by the Directors on 11 March 2026 and signed on their behalf by:

Patrick André
Chief Executive

Mark Collis
Chief Financial Officer

Company Statement of Changes in Equity

For the year ended 31 December 2025

	Note	Called up share capital £m	Other reserves £m	Retained earnings £m	Total shareholders' funds £m
As at 1 January 2024		27.7	–	1,193.8	1,221.5
Total comprehensive income recognised for the year		–	–	14.6	14.6
Share-based payments charge	10	–	–	6.2	6.2
Share buyback	9	(1.3)	1.4	(63.5)	(63.4)
Purchase of ESOP shares		–	–	(17.1)	(17.1)
Dividend paid	6	–	–	(61.1)	(61.1)
As at 31 December 2024		26.4	1.4	1,072.9	1,100.7
As at 1 January 2025		26.4	1.4	1,072.9	1,100.7
Total comprehensive income recognised for the year		–	–	29.3	29.3
Share-based payments charge	10	–	–	3.0	3.0
Share buyback	9	(0.9)	0.9	(34.8)	(34.8)
Dividend paid	6	–	–	(57.9)	(57.9)
As at 31 December 2025		25.5	2.3	1,012.5	1,040.3

Notes to the Company Financial Statements

1. Basis of Preparation

1.1 General information

Vesuvius plc ('Vesuvius' or 'the Company') is a public company limited by shares. It is incorporated and domiciled in England and Wales, United Kingdom, and listed on the London Stock Exchange. The nature of the Company is a holding company. The address of its registered office is 165 Fleet Street, London EC4A 2AE.

1.2 Basis of accounting

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 as applicable to companies using FRS 101. The financial statements have been prepared under the historical cost convention, with the exception of fair value measurement applied to defined benefit pension plans, investments, share-based payments and derivative financial instruments.

The results of the Company are included in the preceding Group Financial Statements.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes (IAS 1 para 10(d) and IAS 7)
- Disclosures in respect of capital management and financial instruments (IAS 1 paras 134-136 and IFRS 7)
- Disclosures in respect of related party transactions with wholly owned members of the Vesuvius plc Group (IAS 24)
- Disclosures in respect of the compensation of key management personnel (IAS 24 para 17)
- Disclosures in respect of share-based payments (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined) (IFRS 2 paras 45(b) and 46 to 52)
- Disclosures in respect of fair value measurements (IFRS 13 paras 91-99)
- IFRS 7 Financial instruments: Disclosures
- The effects of new but not yet effective IFRSs (IAS 8 paras 30-31)

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.3 Going concern

The Directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements (disclosed in Note 1.4 to the Group Financial Statements) and that there is no material uncertainty in respect of going concern. The net current liabilities result from amounts owed to subsidiary undertakings, therefore the Directors do not believe that they will affect the Company's ability to continue in operational existence. Accordingly, they continue to adopt a going concern basis in preparing the financial statements of the Company.

2. Accounting policies

2.1 Taxation

Both current and deferred tax are calculated using tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

Deferred taxation is recognised, without discounting, in respect of all temporary differences that have originated, but not reversed, at the balance sheet date, with the exception that deferred taxation assets are only recognised if it is considered more likely than not that there will be suitable future profits from which the reversal of the underlying temporary differences can be deducted. Provision is made for the tax that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable. All other accounting policies are set out within the respective notes.

2.2 Investments

Shares in subsidiaries, associates and joint ventures are stated at cost less any impairment in value. Impairment is assessed in accordance with Note 2.6 to the Group Financial Statements.

2.3 Called up share capital, retained earnings and other reserves

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Where shares are redeemed or purchased as part of a share buyback programme, a sum equal to the amount by which the Company's share capital is diminished on cancellation of the shares is transferred to the capital redemption reserve.

2. Accounting policies continued

2.4 Recognition of share-based payments

The Company operates an equity-settled share-based payment arrangement for its employees. Equity-settled share-based payments are measured at fair value at the date of grant. For grants with market-based conditions attached to them, such as total shareholder return, fair value is measured using a form of stochastic option pricing model. For grants with non-market-based conditions, such as growth in return on invested capital (ROIC) and environmental, social and governance criteria (ESG), fair value is measured using the Black-Scholes option pricing model. The fair value is expensed on a straight-line basis over the vesting period with a corresponding increase in equity. The cumulative expense recognised is adjusted for the best estimate of the shares that will eventually vest. The Company recharges its subsidiaries for the IFRS 2 expense relating to their employees on an annual basis.

3. Critical Accounting Judgements and Estimates

Impairment of investment in subsidiaries and other companies (estimate)

The Company assesses its investments in subsidiaries and other companies for impairment shortly before the Company's year-end or whenever events or changes in circumstances indicate that the recoverable amount of the investment could be less than the carrying amount of the investment. If this is the case, the investment is considered to be impaired and is written down to its recoverable amount. Estimation is required in the determination of the recoverable amount as the Company evaluates various factors related to the operational and financial position of the relevant investee business, appropriate discounting and long-term growth rates. The annual investment impairment test is described in Note 7.2 below.

4. Employee Benefits Expense

	2025 £m	2024 £m
Wages and salaries	3.1	3.1
Social security costs	0.4	0.6
Share-based payments	0.2	1.6
Total employee benefits expense	3.7	5.3

The total average number of employees for 2025 was 3 (2024: 3). As at 31 December 2025, the Company had 3 (2024: 3) employees.

Details of the Directors' remuneration are disclosed in the Directors' Remuneration Report on pages 97 to 124.

5. Audit and Non-Audit Fees

Amounts payable to PricewaterhouseCoopers LLP in relation to audit and non-audit fees are disclosed within Note 5 to the Group Financial Statements.

6. Dividends paid to Equity Shareholders

	2025 £m	2024 £m
Amounts recognised as dividends and paid to equity shareholders during the year		
Final dividend for the year ended 31 December 2023 of 16.20p per ordinary share	–	42.7
Interim dividend for the year ended 31 December 2024 of 7.10p per ordinary share	–	18.4
Final dividend for the year ended 31 December 2024 of 16.40p per ordinary share	40.4	–
Interim dividend for the year ended 31 December 2025 of 7.10p per ordinary share	17.5	–
	57.9	61.1

In addition to the above dividends, since year-end the Directors have recommended the payment of a final dividend of 16.5 pence (2024: 16.40 pence) per ordinary share (TDIM: VSVS and ISIN: GB00B82YXW83).

This is subject to approval by shareholders at the Company's Annual General Meeting on 28 May 2026. If approved, the dividend is expected to be paid on 6 July 2026 to holders of ordinary shares on the register on 29 May 2026. The ordinary shares will be quoted ex-dividend on 28 May 2026. Any shareholder wishing to participate in the Vesuvius Dividend Reinvestment Plan needs to have submitted their election to do so by 12 June 2026.

Notes to the Company Financial Statements continued

7. Investments

7.1 Analysis of investments

	Shares in subsidiaries £m
As at 1 January 2025 and 31 December 2025	1,778.0

The subsidiaries, joint ventures and associates of Vesuvius plc, their country of incorporation and percentage ownership are set out in Note 17 to the Group Financial Statements. With the exception of Vesuvius Holdings Limited, whose ordinary share capital was directly held by Vesuvius plc, the ordinary share capital of the other companies was owned by a Vesuvius plc subsidiary as at 31 December 2025.

7.2 Impairment of investment in subsidiaries, associates and joint ventures

The Group carried out its investment impairment test as at 31 October 2025. The recoverable amount of the investment exceeded its carrying value, therefore no impairment charges have been recognised. No further impairment indicators were identified up to 31 December 2025.

The cash flow predictions are based on financial budgets and strategic plans approved by the Board. These assume a level of revenue and profits which are based on both past performance and expectations for future market development and take into account the cyclical nature of the business in which the Group operates. In assessing the cash flows of the Parent's investment in its subsidiaries, the amounts payable by the Parent to subsidiaries are also taken into account. A sensitivity analysis was carried out using reasonably possible changes to the key assumptions set out in Note 16.1 to the Group Financial Statements. No impairment was identified.

8. Other Creditors

	2025 £m	2024 £m
Amounts owed to subsidiary undertakings	745.5	683.8
Accruals and other creditors	2.9	2.5
Total amounts falling due within one year	748.4	686.3

Interest on the loan from another UK company within the Vesuvius Group, Vesuvius Holdings Limited, is charged at Bank of England base rate +2% and the balance is repayable on demand.

9. Called Up Share Capital, Retained Earnings and Other Reserves

9.1 Analysis of called up share capital

	2025		2024	
	Number m	Nominal value £m	Number m	Nominal value £m
Allotted, issued and fully paid ordinary shares of 10p each				
As at 1 January	264.5	26.4	277.9	27.7
Share buyback	(9.1)	(0.9)	(13.4)	(1.3)
As at 31 December	255.4	25.5	264.5	26.4

The allotted, issued and fully paid ordinary share capital of the Company as at 31 December 2025 was 255,442,891 shares of £0.10 each (31 December 2024: 264,491,274 shares of £0.10 each).

7,271,174 (2024: 7,271,174) ordinary shares of £0.10 each were held in Treasury and therefore carry no right to receive dividends or other distributions and have no voting rights.

The total number of ordinary shares as at 31 December 2025 with rights including voting at Shareholder Meetings of the Company, distribution of dividends and repayment of capital was 248,171,717 (2024: 257,220,100). All shareholders enjoy the same rights in relation to these shares. Included in this number at the respective dates are 1,974,099 (2024: 3,852,684) shares held by the Vesuvius Group employee share ownership plan trust (ESOP) and the ESOP elects to waive the right to receive dividends on its shareholding.

On 4 December 2023, the Company announced the commencement of a share buyback programme of up to £50 million. This programme was completed on 22 August 2024. A total of 10,821,465 ordinary shares were purchased for a consideration of £49.9m (excluding transaction costs). All ordinary shares were cancelled.

On 19 November 2024, the Company announced the commencement of a further share buyback programme of up to £50 million. This programme was completed on 2 April 2025. A total of 12,220,715 ordinary shares were purchased for a consideration of £50.0m (excluding transaction costs). All ordinary shares were cancelled.

The nominal value of share capital cancelled between 4 December 2023 and 31 December 2025 was £2.3m; this has been credited to a capital redemption reserve which comprises Other Reserves in these financial statements.

10. Share-based Payments

10.1 Profit and loss account recognition

The Company operates a number of different share-based payment schemes, the main features of which are detailed in the Directors' Remuneration Report and Note 28 to the Group Financial Statements. A total of £0.2m was charged to the profit and loss account in the year with regard to share-based payments (2024: £1.6m).

10.2 Details of outstanding options

	Number of outstanding awards						Awards exercisable as at 31 Dec 2025	Weighted average outstanding contractual life of awards years	Range of exercise prices pence
	As at 1 Jan 2025	Granted	Exercised	Forfeited/lapsed	Expired	As at 31 Dec 2025			
LTIP	1,489,465	370,867	(256,521)	(138,005)	nil	1,465,806	–	8.1	n/a
Weighted average exercise price	nil	nil	nil	nil	nil	nil	–		n/a
Other plans	223,800	61,837	(75,207)	nil	nil	210,430	–	1.3	n/a
Weighted average exercise price	nil	nil	nil	nil	nil	nil	–		n/a

For the awards exercised during 2025, the market value at the date of exercise ranged from 331.8 pence to 392.0 pence per share.

	Number of outstanding awards						Awards exercisable as at 31 Dec 2024	Weighted average outstanding contractual life of awards years	Range of exercise prices pence
	As at 1 Jan 2024	Granted	Exercised	Forfeited/lapsed	Expired	As at 31 Dec 2024			
LTIP	1,257,157	516,532	(141,861)	(142,363)	nil	1,489,465	–	8.4	n/a
Weighted average exercise price	nil	nil	nil	nil	nil	nil	–		n/a
Other plans	144,816	88,414	(9,430)	nil	nil	223,800	–	1.3	n/a
Weighted average exercise price	nil	nil	nil	nil	nil	nil	–		n/a

For options exercised during 2024, the market value at the date of exercise was 483.5 pence per share.

Details of market performance conditions are included in the Directors' Remuneration Report.

As at 31 December 2025, the total options exercisable by all Group employees over the £0.10 ordinary shares and capable of being satisfied through new allotments of shares or through shares held by the Company's ESOP were as follows:

	Years of award/grant	Option prices	Latest year of exercise/ vesting	Number of options/ allocations outstanding
2025				
Long-Term Incentive Plan	2023-2025	nil	2035	1,759,575
Deferred Share Bonus Plan	2023-2025	nil	2028	210,430
2024				
Long-Term Incentive Plan	2022-2024	nil	2034	1,489,465
Deferred Share Bonus Plan	2022-2024	nil	2027	223,800

Notes to the Company Financial Statements continued

10. Recognition of Share-based Payments continued

10.2 Details of outstanding options continued

Fair value of options granted under the LTIP during the year:

	2025		2024	
	ROIC/ESG element	TSR element	ROIC/ESG element	TSR element
Fair value of options granted	333.2p	155p	492p	292p
Share price on date of grant	333.2p	333.2p	492p	492p
Expected volatility	n/a	27.9%	n/a	29.2%
Risk-free interest rate	n/a	3.8%	n/a	4.1%
Exercise price (per share)	nil	nil	nil	nil
Expected term (years)	3	3	3	3
Expected dividend yield	nil	nil	nil	nil

For the LTIP awards, vesting of 40% of shares awarded is based on the Group's three-year total shareholder return (TSR) performance relative to that of the constituent companies of the FTSE 250 (excluding investment trusts) and vesting of the remaining 60% of shares awarded is based on ROIC and ESG targets.

Expected volatility was determined by calculating the historical volatility of the Group's share price over the 2.8 years (2024: 2.8 years) prior to the grant date for the April 2025 grant. The risk-free rate of return was assumed to be the yield to maturity on a UK fixed gilt with the term to maturity equal to the expected life of the option. At the discretion of the Remuneration Committee, award holders receive the value of dividends that would have been paid on their vested shares in the period between grant and vesting. Accordingly, there is no discount to the valuation for dividends foregone during the vesting period.

11. Financial Guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its Group, the Company applies IFRS 9 Financial Instruments. At the balance sheet date there is nothing to recognise in the Company's Financial Statements. Guarantees provided by the Company as at 31 December 2025 in respect of the liabilities of its subsidiary companies amounted to £558.0m (2024: £473.2m), which includes guarantees of \$56.0m, €183.0m and £28.0m (2024: \$116.0m, €198.0m and £28.0m) in respect of US Private Placement Loan Notes; £327.0m (2024: £182.5m) in respect of drawings under the syndicated bank facility; £1.2m (2024: £0.1m) in respect of guarantees issued to certain banks covering their exposure on derivative contracts governed by ISDA agreements; and £0.7m (2024: £6.0m) in respect of overdraft facilities utilised by certain of the Company's subsidiary companies.

12. Contingent Liabilities

Vesuvius has extensive international operations and is subject to various legal and regulatory regimes, including those covering taxation and environmental matters. Several of the Company's subsidiaries are parties to legal proceedings, certain of which are insured claims arising in the ordinary course of the operations of the company involved, and are aware of a number of issues which are, or may be, the subject of dispute with tax authorities. Whilst the outcome of litigation and other disputes can never be predicted with certainty, having regard to legal advice received and the insurance arrangements of the Company and its subsidiaries, the Directors believe that none of these matters will, either individually or in the aggregate, have a materially adverse effect on the Company's financial condition or results of operations.

13. Related Parties

All transactions with related parties are conducted on an arm's-length basis and in accordance with normal business terms. The Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with wholly owned Company subsidiaries.

The related parties identified by the Directors include joint ventures, associates and key management personnel. To enable users of our financial statements to form a view on the effects of related party relationships on the Company, we disclose the related party relationship, irrespective of whether there have been transactions between the related parties.

Transactions with joint ventures and associates

All transactions with joint ventures and associates are in the normal course of business. Further details of joint ventures and associates are included in Note 17 to the Group Financial Statements.

Transactions with key management personnel

There have been no transactions with key management personnel of the Company other than the Directors' remuneration.

Directors' remuneration is disclosed in the Annual Report on Directors' Remuneration.

Transactions with other related parties

There are no controlling shareholders of the Company as defined by IFRS. There have been no material transactions with the shareholders of the Company.

Pension contributions are disclosed in Note 27 to the Group Financial Statements.

Other than the parties disclosed above, the Company has no other material related parties.

Five-Year Summary: Divisional Results from Continuing Operations (unaudited)

		2025	2024	2023	2022	2021
Steel Division						
Revenue	£m	1,342.6	1,343.8	1,400.0	1,496.4	1,171.5
Trading profit	£m	120.0	153.0	147.6	172.7	102.0
Return on sales	%	8.9	11.4	10.5	11.5	8.7
Employees: year-end	no.	8,608	9,028	9,228	8,719	8,323
Foundry Division						
Revenue	£m	466.9	476.3	529.8	551.0	471.4
Trading profit	£m	31.1	35.0	52.8	54.5	40.4
Return on sales	%	6.7	7.4	10.0	9.9	8.6
Employees: year-end	no.	2,317	2,105	2,463	2,415	2,881

Shareholder Information (unaudited)

Enquiries

The Company's share registrar is Equiniti who can be contacted if you have any questions about your Vesuvius shareholding.

Equiniti Limited
Aspect House, Spencer Road
Lancing, West Sussex, BN99 6DA
United Kingdom

Telephone*: +44 (0)371 384 2335

Website: www.shareview.co.uk

For the hard of hearing, Equiniti can also be contacted using the Relay UK website at www.relayuk.bt.com.

Any shareholder enquiries not related to the share register should be sent by email to shareholder.information@vesuvius.com or by letter to the Company Secretary at the registered office.

Registered Office and Group Head Office

Vesuvius plc
165 Fleet Street
London EC4A 2AE
United Kingdom

Telephone: +44 (0)20 7822 0000

Registered in England and Wales No. 8217766
LEI: 213800ORZ521W585SY02

Vesuvius Website

Shareholder and other information about the Company, including details of the current and historical share price, can be accessed on the Vesuvius website: www.vesuvius.com.

You can view the online Annual Report 2025 on the website.

Shareview and Electronic Communication

Equiniti's website, www.shareview.co.uk, enables shareholders to register online to view details of their shareholdings. To access online information on your shareholding, you will require your shareholder reference number, which can be found at the top of your share certificate or on your dividend confirmation. The Shareview website provides answers to frequently asked questions and information useful for the management of investments, including indicative share valuations and dividend payment details.

Shareholders can register on Shareview to receive shareholder communications electronically, including the Company's Annual Report and Financial Statements, rather than receiving them in paper form. The registration process requires shareholders to input their shareholder reference number. To receive shareholder communications in electronic form, shareholders should select 'email' as their mailing preference. Once registered, shareholders will receive an email notifying them each time a shareholder communication has been published on the Vesuvius website.

Share Dealing Service

The Company's shares can be traded through most banks, building societies or stockbrokers. UK resident shareholders can also buy and sell shares by telephone or online using Equiniti's Shareview dealing service.

Telephone 0345 603 7037 between 8.00 am and 4.30 pm on any business day (excluding public holidays in England and Wales).

Website: www.shareview.co.uk/dealing

The shareholder reference number (at the top of your share certificate or on your dividend confirmation) is required to use the dealing service.

ShareGift

ShareGift, the charity share donation scheme, is a free service for shareholders wishing to give shares to a wide range of UK charitable causes. It is particularly useful for those shareholders who may wish to dispose of a small quantity of shares in a charitable way where the market value makes it uneconomic to sell on a commission basis. Further information can be obtained from ShareGift.

Telephone: +44 (0)20 7930 3737

Website: www.sharegift.org

Email: help@sharegift.org

Dividend Reinvestment Plan

Equiniti offers a dividend reinvestment plan through which shareholders can use their Vesuvius cash dividends to buy additional shares in Vesuvius. Further details, including how to sign up and the terms and conditions of the plan, are available from the Share Dividend Helpline.

Telephone*: 0371 384 2335
(or +44 371 384 2335 if calling from outside the UK)

Website: www.shareview.co.uk

Overseas Payment Service

Equiniti provides a dividend payment service in over 90 countries that automatically converts dividend payments into local currency and pays the funds into a shareholder's bank account. Further details, including an application form and the terms and conditions of the service, are available from Equiniti.

Telephone*: +44 371 384 2335

Website: www.shareview.co.uk

By post: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom

Please quote Overseas Payment Service, the Company's name and your shareholder reference number.

Financial Calendar

2026 Annual General Meeting

Thursday 28 May 2026

* Lines are open Monday to Friday 8.30 am to 5.30 pm (excluding public holidays in England and Wales).

Shareholder Information (unaudited) continued

Analysis of Ordinary Shareholders

As at 31 December 2025	Investor type		Total	Shareholdings			
	Private	Institutional and other		1-1,000	1,001-50,000	50,001-500,000	500,001+
Number of holders	2,162	425	2,587	1,987	421	110	69
Percentage of holders	83.57%	16.43%	100%	76.81%	16.27%	4.25%	2.67%
Percentage of shares held	0.76%	99.24%	100%	0.10%	1.45%	6.58%	91.88%

Share Fraud – Spot the Warning Signs

Investment scams are designed to look like genuine investments.

Have you been...

- Contacted out of the blue
- Promised tempting returns and told the investment is safe
- Called repeatedly
- Told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

How to Avoid Share Fraud

1. Reject cold calls

If you have been contacted by telephone, email or post, or via a third party or at a seminar or exhibition, with an offer to buy or sell shares, the chances are that it's a high-risk investment or a scam. You should treat any offer with extreme caution.

The safest thing to do is to ignore the approach and if you were contacted by phone to hang up on the call.

2. Check if the firm is authorised by the Financial Conduct Authority (FCA) and recorded on the Financial Services register at register.fca.org.uk

The Financial Services Register is a public record of all the firms and individuals in the financial services industry that are, or have been, regulated by the Prudential Regulation Authority and/or the FCA. If there are no contact details on the Register or if the firm claims the Register is out of date, call the FCA Consumer Helpline on 0800 111 6768.

If you're dealing with an overseas firm, you should check with the regulator in that country and also check the scam warnings from foreign regulators.

3. Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Reporting a Scam

If you suspect that you have been approached by fraudsters, please tell the FCA Consumer Helpline by contacting them on 0800 111 6768 (or +44 20 7066 1000 from outside the UK) or by using the share fraud reporting form at www.fca.org.uk/scams, where you can find out more about investment scams. For calls using next generation text relay, please call the FCA Consumer Helpline on (18001) 0207 066 1000.

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 (or +44 300 123 2040 from outside the UK) or online at www.actionfraud.police.uk.

Find out more at www.fca.org.uk/scamsmart.

Identity Theft

We offer the following advice to shareholders on protecting their personal information and Vesuvius shares:

- Keep all Vesuvius correspondence in a safe place, or destroy correspondence by shredding
- When changing address, inform the registrar, Equiniti. If a letter is received from Equiniti regarding a change of address and there has been no change of address, contact the registrar immediately using the contact information on the previous page
- Have your dividends paid directly into a bank or building society account. This will reduce the risk of a cheque being intercepted or lost in the post
- On changing a bank or building society account, inform Equiniti of the details of the new account and respond, as requested, to any letters Equiniti send regarding this matter

Glossary

8D	Eight Disciplines: an eight-step methodology to resolve customer, supplier and internal quality issues	LPDC	Low Pressure Die Casting
AGM	Annual General Meeting	LTI	Lost time injury
BMC	Bayuquan Magnesium Co acquired in October 2022 and now trading through the legal entity Yingkou YingWei Magnesium Co., Ltd	LTIFR	Lost time injury frequency rate, a KPI which calculates the number of LTIs per million hours worked
Capex	Capital expenditure	Mechatronic	The integration of mechanical systems with electronics and software to create more functional and efficient products and processes
CE	Chief Executive	Median	The middle number in a sorted list of numbers
CFO	Chief Financial Officer	MTI	Medically treated injury
CG Statement	The Corporate Governance Statement	MTIFR	Medically treated injury frequency rate
CO₂	Carbon dioxide	PwC	PricewaterhouseCoopers LLP
CO₂e	Carbon dioxide equivalent	NAFTA	Canada, Mexico and United States
Code	The 2018 UK Corporate Governance Code	Offshore Area	The area around the United Kingdom as specified in the Accounts Regulations Schedule 7, paragraph 15
Company	Vesuvius plc	Ordinary share	An ordinary share of 10 pence in the capital of the Company
CORE Values or Values	The Group's key values of Courage, Ownership, Respect and Energy	R&D	Research and development
DRI	Direct Reduced Iron (DRI) is produced from the direct reduction of iron ore (in the form of lumps, pellets, or fines) into iron by a reducing gas or elemental carbon produced from natural gas or coal	Scope 1 emissions	CO ₂ and CO ₂ e emissions from fuels used in our factories and offices, fugitive emissions and non-fuel process emissions
DSBP	Deferred Share Bonus Plan	Scope 2 emissions	CO ₂ and CO ₂ e from indirect emissions resulting from the generation of electricity, heat, steam and hot water we purchase to supply our offices and factories
DTR	The Disclosure and Transparency Rules of the UK Financial Conduct Authority	Scope 3 emissions	All other indirect CO ₂ and CO ₂ e emissions that occur in the Company's value chain
EAF	Electric Arc Furnace	Senior Leadership Group	The Group Executive Committee plus the most senior Vesuvius managers worldwide. This group comprises between 140 and 170 members
EBITDA	Trading profit before depreciation and amortisation of non-acquired intangible charges	Share buyback	Share buyback programmes announced on 4 December 2023 and 19 November 2024 to return £50m per programme of surplus cash to shareholders
ECL	Expected credit loss	TSR	Total shareholder return
EEMEA	Eastern Europe, Middle East and Africa	UK GAAP	UK Generally Accepted Accounting Principles
EMEA	Europe, Middle East and Africa	UN	United Nations
EPS	Earnings per share	UN SDGs	United Nations Sustainable Development Goals
ESOP	Employee share ownership plan	Universal Refractories	The trade and assets of Universal Refractories, Inc. acquired in December 2021 and now trading through the legal entity Vesuvius Penn Corporation
EU	European Union	USMCA	United States, Mexico and Canada
EU27	The 27 European Union countries	VISO	Vesuvius Isostatic
FRC	Financial Reporting Council	VSP	Vesuvius Share Plan
FRS	Financial Reporting Standards		
FTSE 250	Equity index whose constituents are the 101st to 350th largest companies listed on the London Stock Exchange in terms of their market capitalisation		
FX	Foreign exchange		
GEC	Group Executive Committee		
GHG	Greenhouse gas		
Group	Vesuvius plc and its subsidiary companies		
HeaTt	Vesuvius e-learning programme		
HPDC	High Pressure Die Casting		
IAS	International Accounting Standards		
IFRS	International Financial Reporting Standards		
JKANZ	Japan, Korea, Australia and New Zealand		
KPI	Key Performance Indicator		

Forward-looking statements

This Annual Report contains certain forward-looking statements which may include reference to one or more of the following: with respect to operations, strategy, performance, financial condition, financing plans, cash flows, capital and other expenditures and growth opportunities of the Vesuvius Group. Forward-looking statements can be identified by the use of terminology such as 'target', 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'forecasts', 'may', 'could', 'should', 'will' or similar words.

Although the Company makes such statements based on assumptions that it believes to be reasonable, by their nature, these statements involve uncertainty and are based on assumptions and involve risks, uncertainties and other factors that could cause actual results and developments to differ materially from those implied by the forward-looking statements anticipated.

Such forward-looking statements should, therefore, be considered in light of various important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements.

The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report and, other than in accordance with its legal and regulatory obligations, the Company undertakes no obligation to update these forward-looking statements. Nothing in this Annual Report should be construed as a profit forecast or a guarantee of the Vesuvius Group's future performance.

The imagery included in this Annual Report aims to capture the many different aspects of Vesuvius and our team around the world. The photographer Samuel Dhote shot most of these images. www.samueldhote.com



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VESUVIUS PLC

Vesuvius plc
165 Fleet Street
London
EC4A 2AE

T +44 (0)20 7822 0000
www.vesuvius.com



Visit our online Annual Report at
report2025.vesuvius.com