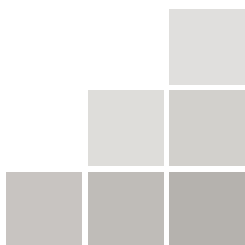


The United Basalt Products Ltd.

Position Statement Chairperson





1. INTRODUCTION

The Chairperson of the Company guides and directs the governance process, focusing the role of the Board of Directors on the Company's vision, mission and strategic direction.

The Chairperson shall be a duly-elected Non-Executive member of the Board of Directors, appointed in accordance with the Constitution of the Company.

2. RESPONSIBILITIES

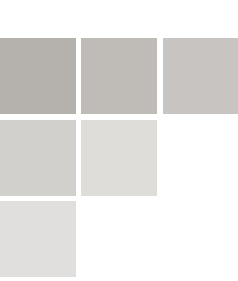
The Chairperson is responsible for:

2.1 Leadership

- 2.1.1 Providing effective leadership to the Board and leading the Board effectively to fulfill its duties.

2.2 Meetings

- 2.2.1 Chairing Board and shareholders meetings;
 - 2.2.2 Upholding rigorous standards of preparation for meetings;
 - 2.2.3 Running the Board and ensuring its effectiveness in all aspects of its role, including regularity and frequency of meetings;
 - 2.2.4 Setting the Board agenda, taking into consideration the issues and concerns of the members of the Board. The agenda should be forward looking and focus on strategic matters;
 - 2.2.5 Ensuring that there is appropriate delegation of authority from the Board of Directors to Board committees and executive management and;
 - 2.2.6 Ensuring that Board committees are properly structured with appropriate terms of reference;
 - 2.2.7 Encouraging all Board members to engage in Board and committee meetings by drawing on their skills, experience, knowledge and independence;
 - 2.2.8 Ensuring that the Directors receive accurate, timely and clear information, including that on the Group current performance, to enable the Board to take sound decisions, monitor the affairs of the Group effectively and provide advice to promote sustained success of the Group;
 - 2.2.9 Setting the tone of Board discussions to promote effective decision making and constructive debate;
- 



2.2.10 Managing the Board to allow enough time for discussion of complex or contentious issues. The Chairperson should ensure that Directors (particularly Non-Executive Directors) have sufficient time to consider critical issues and obtain answers to questions or concerns they may have and not be faced to unrealistic deadlines for decision making;

2.2.11 Ensuring that the decisions of the Board are executed; and

2.2.12 Arranging for the Chairpersons of Board committees to be available to answer questions at the Annual Meeting of shareholders.

2.3 Directors

2.3.1 Facilitating the effective contribution of Non-Executive Directors and encouraging active engagement by all members of the Board;

2.3.2 Ensuring that Directors are fully informed about all issues on which the Board will have to make a decision, through briefings with the CEO and members of the executive management, as appropriate;

2.3.3 Building an effective and complementary Board and with the nomination committee, plan succession in Board appointments, subject to the approval of the Board and/or shareholders, as relevant; and

2.3.4 Ensuring constructive relations between the Executive and Non-Executive Directors, both inside and outside the boardroom.

2.4 Induction, development, succession and performance evaluation

2.4.1 Ensuring that new Directors participate in a full, formal and tailored induction programme, facilitated by the Company Secretary;

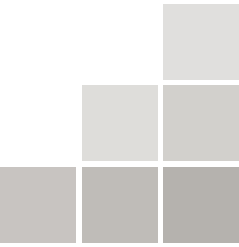
2.4.2 Ensuring, with the assistance of the Company Secretary, that the development needs of Directors are identified and met;

2.4.3 Mentoring to develop their skills and enhance Directors' confidence and encourage them to speak up and make an active contribution at meetings;

2.4.4 Identifying the development needs of the Board as a whole to enhance its overall effectiveness as a team;

2.4.5 Overseeing a formal succession plan for the CEO and key management executives; and

2.4.6 Ensuring that the performance of the Board, its committees and individual Directors are evaluated at least once each two years and that actions are taken on the results of such evaluation by recognising the strengths and addressing the weaknesses of the Board. And where appropriate, proposing, through the nomination committee, that new members be appointed to the Board or seeking the resignation of others.





2.5 Relations with shareholders

- 2.5.1 Chairing shareholders meetings;
- 2.5.2 Ensuring effective communication with shareholders;
- 2.5.3 Maintaining sufficient contact with major shareholders to understand their issues and concerns, in particular discussing governance, strategy and remuneration with them; and
- 2.5.4 Ensuring that the views of shareholders are communicated to the Board as a whole so that all Directors develop an understanding of their views.

2.6 Ethics and other responsibilities

- 2.6.1 Setting the ethical tone for the Board and the Company and upholding the highest standards of integrity and probity;
- 2.6.2 With the assistance of the Company Secretary, promoting the highest standards of corporate governance. If full compliance is not possible, ensuring that the reasons for non-compliance are fully understood, agreed by the Board and explained to shareholders;
- 2.6.3 Ensuring that an appropriate balance is maintained between the interests of shareholders and other stakeholders;
- 2.6.4 Ensuring the long term sustainability of the business;
- 2.6.5 Ensuring a continuous improvement in the calibre of the executives;
- 2.6.6 Establishing a close relationship of trust with the CEO and the Group Finance Manager, providing support and advice while respecting executive responsibility;
- 2.6.7 Ensuring effective communication with stakeholders;
- 2.6.8 Building and maintaining stakeholders trust and confidence in the Company and, in conjunction with the CEO, representing the Company to key stakeholders; and
- 2.6.9 Carrying out any special assignments which may be assigned by the Board from time to time.

3. REVIEW

This Position Statement shall be reviewed at such interval as may be necessary.

Adopted by the Board of Directors of The United Basalt Products Limited on December 14, 2016.

