

Chapter 8: Terms of Reference of the AIM and MAR Compliance Committee

1. Membership

- 1.1 Members of the AIM and MAR Compliance Committee shall be appointed by the Board.
- 1.2 The AIM and MAR Compliance Committee must comprise of a minimum of two members from amongst the non-executive Directors of the Company identified by the Board as independent.
- 1.3 Appointments to the committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director still meets the criteria for membership of the committee.

2. Chairman

- 2.1 The Board shall appoint the chairman of the AIM and MAR Compliance Committee. The chairman has the responsibility of liaising with the Board.
- 2.2 The chairman of the AIM and MAR Compliance Committee shall chair the meetings of the AIM Compliance Committee.
- 2.3 In the absence of the chairman of the AIM and MAR Compliance Committee, the remaining members present shall elect one of themselves to chair the meetings of the AIM and MAR Compliance Committee.
- 2.4 The Chairman of the Board shall not be appointed as the chairman of the AIM and MAR Compliance Committee.

3. Secretary

- 3.1 The General Counsel or his/her delegate shall be the secretary of the AIM and MAR Compliance Committee.
- 3.2 The secretary of the AIM and MAR Compliance committee or his/her delegate shall attend meetings of the AIM and MAR Compliance Committee to take minutes.
- 3.3 In the absence of the secretary of the AIM and MAR Compliance Committee, the members present at the meeting of the AIM and MAR Compliance Committee shall elect another person as the secretary.

4. Quorum

- 4.1 The quorum necessary for the transaction of business of the AIM and MAR Compliance Committee shall be two members.
- 4.2 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the AIM and MAR Compliance Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the AIM and MAR Compliance Committee in which he/she and/or his/her associates have a material interest.
- 4.3 A duly convened meeting of the AIM and MAR Compliance Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the AIM and MAR Compliance Committee.

5. Frequency of meetings

- 5.1 The AIM and MAR Compliance Committee shall meet at least twice a year and at such other times as the chairman of the AIM and MAR Compliance Committee shall require.
- 5.2 Any member of the AIM and MAR Compliance Committee may request a meeting if he/she considers that one is necessary.

6. Attendance at meetings

- 6.1 Members of the AIM and MAR Compliance Committee may attend meetings of the AIM and MAR Compliance Committee either in person or through other electronic means of communication, provided all participating Committee members can hear each other.
- 6.2 Should any member of the AIM and MAR Compliance Committee wish to attend a meeting through electronic communications, prior arrangements shall be made with the secretary of the AIM Compliance Committee.
- 6.3 Apart from the members of the AIM and MAR Compliance Committee, the Chairman, the Chief Executive Officer, the Head of Human Resources (if any) and external advisers (in each case only upon the determination of the Chairman of the AIM and MAR Compliance Committee) may be invited to attend for all or part of any meeting as and when appropriate.

7. Notices of meetings

- 7.1 Meetings of the AIM and MAR Compliance Committee shall be summoned by the secretary of the AIM and MAR Compliance Committee at the request of any of its members.
- 7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the AIM and MAR Compliance Committee, and to any other person required to attend within a reasonable time prior to the date of the meeting and at least 5 working days before the date of the meeting. Supporting papers shall be sent to AIM and MAR Compliance Committee members and to other attendees as appropriate within a reasonable time prior to the date of the meeting and at least 5 working days before the date of the meeting.
- 7.3 Any member of the AIM and MAR Compliance Committee shall be entitled, by notice to the secretary of the AIM and MAR Compliance Committee, to include other matters relevant to the functions of the AIM and MAR Compliance Committee in the agenda of a AIM and MAR Compliance Committee meeting.

8. Minutes of meetings

- 8.1 The secretary of the AIM and MAR Compliance Committee (or his/her delegate) in attendance at the meetings of the AIM and MAR Compliance Committee shall minute in sufficient detail the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the AIM and MAR Compliance Committee and/or dissenting views expressed.
- 8.2 Draft and final versions of minutes of the AIM and MAR Compliance Committee meetings shall be sent to all AIM and MAR Compliance Committee members for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the secretary of the AIM and MAR Compliance Committee shall circulate the minutes, and reports of the AIM and MAR Compliance Committee, to all members of the AIM and MAR Compliance Committee and to all members of the Board, unless a conflict exists.
- 8.3 Minutes of the AIM and MAR Compliance Committee meetings shall be kept by the secretary of the AIM and MAR Compliance Committee and shall be available for inspection by any member of the AIM and MAR Compliance Committee or Director at any reasonable time on reasonable notice.

9. Annual general meeting

The chairman of the AIM and MAR Compliance Committee shall attend the AGM of the Company and be prepared to respond to any Shareholder questions on the AIM and MAR Compliance Committee's activities.

10. Duties

The AIM and MAR Compliance Committee shall be responsible for:

- 10.1 ensuring that procedures, resources and controls are in place to ensure that the Company complies with its obligations under the AIM Rule and under MAR;
- 10.2 ensuring that each meeting of the full board includes a discussion of AIM matters, in particular a briefing of the Committee by the executive directors as to issues raised with the Nomad and advice given. These discussions should be minuted and made available to the Nomad on reasonable request;
- 10.3 ensuring that the executive directors are communicating as necessary with the Nomad regarding ongoing compliance with the AIM Rules and in relation to proposed or potential transactions;
- 10.4 ensuring that advice received from the Nomad is recorded and taken into account;
- 10.5 ensuring that all announcements made have been verified and approved by the Nomad whose name must be on all material announcements to RNS;
- 10.6 monitoring press coverage to ensure that the executive directors are not including price sensitive information in any press briefings;
- 10.7 questioning the executive directors to ascertain the reasons for any unusual, substantial movement in the company's share price;
- 10.8 ensuring that the Nomad is supplied with information on the company's financial condition on a regular and timely basis and of any other key developments in the company from time to time;
- 10.9 assessing (with the assistance of the Nomad and the Company's other advisers) whether the executive directors are aware of their AIM responsibilities from time to time and, where any deficiencies are noted, arranging for the Nomad to brief the director(s) concerned (provided that this shall not imply that the members of the Committee have professional expertise in the interpretation and application of the AIM Rules);
- 10.10 ensuring that the Nomad is maintaining contact with the Company on a regular basis. Where this is not the case, the Committee should contact the Nomad and remind them of their responsibilities under the AIM Rules for Nomads to the company;
- 10.11 circulating to the other members of the board details of any rule changes which are notified to the Chairman of the Committee by the Nomad and provided that the Nomad notifies any such changes to the Chairman of the Committee it will be his responsibility to circulate these changes to the rest of the board;
- 10.12 meeting with the executive directors at least every 6 months to discuss and confirm that the AIM Rules have been complied with in the period. Keeping minutes of these meetings and sending a copy of these minutes to the Nomad;
- 10.13 in the event that the meeting with the executive directors has identified any actual or possible non-compliance issues, these should be discussed immediately with the Nomad to determine the course of action to be taken;
- 10.14 ensuring that the executive directors take into account advice given by the Nomad from time to time;
- 10.15 being responsible for the company's responses to any investigation launched by the AIM Team

into the Company's affairs; and

- 10.16 approving a statement on AIM Rule compliance for inclusion in the Company's interim statement and annual accounts; and.
- 10.17 to assume responsibility for overseeing that disclosure of information by the company to meet its obligations under MAR and the AIM Rules.

11. MAR Compliance

The duties of the Committee, with regards to MAR Compliance, include (without limitation):

- 11.1 to consider and decide whether information provided to the Committee is inside information and, if so, the date and time at which that inside information first existed within the Company;
- 11.2 to consider and decide whether inside information gives rise to an obligation to make an immediate announcement and, if so, the nature and timing of that announcement or whether it is permissible to delay the announcement. Guidance on which can be found at:
<https://www.fca.org.uk/publication/forms/delayed-disclosure-form-guide.pdf>
- 11.3 when disclosure of inside information is delayed, to:
 - 11.3.1 maintain all required Company records;
 - 11.3.2 monitor the conditions permitting delay;
 - 11.3.3 prepare any required notification to the FCA regarding the delay in disclosure which can be submitted at:
https://marketoversight.fca.org.uk/electronicssubmissionsystem/MaPo_DDII_Introduction; and
 - 11.3.4 prepare any required explanation to the FCA of how the conditions for delay were met,
- 11.4 to take external advice on the need for an announcement and the form of any announcement where it considers this is appropriate;
- 11.5 to consider the requirement for an announcement in the case of rumours about the Company or in the case of a leak of inside information and in particular whether a holding statement should be made.
- 11.6 to review any announcement the Company proposes to make, other than an announcement of a routine nature or that has been considered by the board;
- 11.7 to review and advise generally on the scope and content of disclosure by the Company;
- 11.8 to review the steps taken to ensure that any announcement is not incorrect or incomplete;
- 11.9 to alert the Company Secretary to the existence of any inside information that may require an amendment to the Company's insider list;
- 11.10 to ensure that effective arrangements are in place to deny access to inside information to persons other than those who require it for the exercise of their functions in the Company or its group;
- 11.11 to ensure that procedures are in place for employees with access to inside information to acknowledge the legal and regulatory duties that apply to them and to be aware of the sanctions attaching to the misuse or improper circulation of such information;
- 11.12 to approve and keep under review the design, implementation and evaluation of the Company's disclosure controls and procedures;

- 11.13 to monitor compliance with the Company's disclosure controls and procedures;
- 11.14 to review other public disclosures by the Company, including those that are part of the regular reporting cycle;
- 11.15 to approve and keep under review the Company's procedures for the issue of announcements;
- 11.16 to ensure that procedures are in place for notification of transactions by persons discharging managerial responsibilities and persons closely associated with them with such notifications to made here:

https://marketoversight.fca.org.uk/electronic submissions system/MaPo_PD MR_ Introduction
- 11.17 to review the Company's relationship with, and procedures for dealing with, investors and analysts;
- 11.18 to approve the Company's policy for communications with the market;
- 11.19 to refer to the board, if practicable, any decision to make an unplanned announcement about trading or about an event or development, or, if a meeting of the board cannot be convened sufficiently quickly, to take such a decision; and
- 11.20 to monitor the markets' views about the Company (including those based on signals set by the Company) and its share price, including rumours.

12. Reporting responsibilities

- 12.1 The chairman of the AIM and MAR Compliance Committee shall report formally to the Board on proceedings after each meeting on all matters within its duties and responsibilities.
- 12.2 The AIM and MAR Compliance Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 12.3 The AIM and MAR Compliance Committee shall annually compile a report to Shareholders on its role and activities to be included in the Company's Corporate Governance Report.

13. Others

- 13.1 The AIM and MAR Compliance Committee shall have access to sufficient resources in order to discharge its duties. In the event that the AIM and MAR Compliance Committee determines that it has insufficient resources, it may make a request for additional resources to the Chief Executive Officer. If the request for additional resources is denied, the AIM and MAR Compliance Committee may, if it chooses, make a request to the Board through the office of the Chief Executive Officer. The Board shall convene a Board meeting as soon as reasonably practicable to consider the request.
- 13.2 All members of the AIM and MAR Compliance Committee shall have access to the advice and services of the secretary of the AIM and MAR Compliance Committee with a view to ensuring that procedures of the AIM and MAR Compliance Committee and all applicable rules and regulations are followed.
- 13.3 In the event that the AIM and MAR Compliance Committee or any member of the AIM and MAR Compliance Committee requires access to independent professional advice in connection with its/his/her duties, a request may be made to the Chief Executive Officer. All such requests shall be processed in accordance with the Company's pre-defined procedures for seeking independent professional advice at the Company's expense (as set out in Chapter 5 of this Handbook).
- 13.4 Every member of the AIM and MAR Compliance Committee shall give sufficient time and attention to his/her duties as a member of the AIM and MAR Compliance Committee. He/she shall give the Company the benefit of his skills and expertise through regular attendance and active participation.

- 13.5 The AIM and MAR Compliance Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 13.6 The AIM and MAR Compliance Committee shall give due consideration to applicable laws and regulations, the provisions of the UK Corporate Governance Code, the QCA Corporate Governance Guidelines for Small and Mid-Sized Quoted Companies and the requirements of the AIM Rules and MAR as appropriate.

14. Authority

- 14.1 The AIM and MAR Compliance Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it reasonably requires from any employee and all employees are directed to co-operate with any reasonable request made by the AIM and MAR Compliance Committee to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference.