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## AIM Compliance Committee

### Constitution and Terms of Reference

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#### 1. Purpose

The general purpose of the committee is to:

- a) Monitor and report on compliance with the AIM Rules for Companies (“AIM Rules”) from time to time.

#### 2. Responsibilities

The Committee is a Committee of the Board from which it derives its authority and to which it regularly reports. The Committee shall undertake its responsibilities for the Group as a whole and where relevant for the individual entities forming part of the Group.

The Committee shall:

- a) Ensure that the Company has in place at all times sufficient procedures, resources and controls to enable its compliance with AIM Rules
- b) Ensure that the executive directors are communicating as necessary with the Company’s Nomad regarding ongoing compliance with the AIM Rules and in relation to proposed or potential transactions
- c) Ensure that advice from the Nomad is recorded and taken into account
- d) Ensure that all announcements made have been verified and approved by the Nomad whose name must be on all material announcements
- e) Monitor press coverage to ensure that executive directors are not including price sensitive information in any press briefings
- f) Question the executive directors to ascertain the reasons for any unusual movement in the Company’s share price
- g) Ensure that the Nomad is supplied with information on the Company’s financial condition on a regular and timely basis and any other developments in the Company from time to time.
- h) Assess (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 will not imply that the members of the Committee have professional expertise in the interpretation and application of the AIM Rules).
- i) Circulate 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 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.

- j) Meet with the executive directors at least every six months to discuss and confirm that the AIM Rules have been complied with in the period. Keep the minutes of these meetings and send a copy to the Nomad.
- k) In the event that the meeting with 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
- l) Be responsible for the Company's response to any investigation launched by AIM into the Company's affairs

### **3. Membership**

- a) The Committee shall comprise of at least two members, one of which must be an independent non-executive director. At least one of whom shall have relevant and recent experience.
- b) Only members of the Committee have the right to attend Committee meetings. However, other individuals including external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- c) 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 remains independent.

### **4. Secretary**

- a) The Company Secretary, or in their absence a nominee shall act as the Secretary of the Committee and attend all meetings. The Company Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to all matters considered by the Committee.

### **5. Quorum**

- a) The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the 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 Committee.

### **6. Frequency of Meetings**

- a) The Committee shall meet at least two times a year and otherwise as required at the discretion of the Chairman or a majority of the members as may be required by Applicable Laws.

## **7. Notice of Meetings**

- a) Meetings of the Committee shall be convened by the secretary of the Committee at the request of its members, or by the Committee Chair directly.
- b) Unless otherwise agreed by the Committee, notice of each meeting confirming the time and date, together with a physical venue or conference call, shall be forwarded to each member of the Committee no later than three working days before the date of the meeting or otherwise as agreed by the members of the Committee.
- c) Notices, agendas and supporting papers may be sent in electronic form.

## **8. Minutes of Meetings**

- a) The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- b) Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and once approved, to all members of the Board, unless a conflict of interest exists.

## **9. Annual General Meeting and Annual Report**

- a) The Chair of the Committee shall attend the Annual General Meeting to respond to any shareholder questions on the Committee's activities.
- b) The existence and membership of the Committee will be disclosed in each annual report and accounts of the Company. If the Committee and Board consider this appropriate, such disclosure will be accompanied by a summary of the Committee's activities during the relevant reporting year.

## **10. Reporting Responsibilities**

The Committee Chair shall

- a) Report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall make whatever recommendations to the Board it deems appropriate on any area within its remit.
- b) Compile a report on its activities to be included in the annual report.
- c) Be responsible to the Board for its work without prejudice to the Board's responsibility for such work or the duties and authority of the Committee.
- d) Make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

## **11. Authority**

The Committee shall be authorised to:

- a) Involve itself in, and be informed about, any matters relating to any matters relating to any issue of procedure resources and/or control, so as to ensure that the Company complies with AIM Rules.
- b) Seek any information it requires from any employee of the Company in order to perform its duties
- c) Obtain, at the company's expense, independent, legal, accounting, or other professional advice on any matter it believes necessary to do so
- d) Call any employee to be questioned at a meeting of the Committee as an when required
- e) Conduct any investigation

## **12. Other Matters**

The Committee shall:

- a) have access to sufficient resources to carry out its duties, including access to the company secretariat for assistance as required.
- b) be provided with appropriate and timely training on an ongoing basis for all members. The induction programme for new members shall cover the role of the Committee, including its terms of reference and expected time commitment by members, an overview of the business, identifying the main business and financial dynamics and risks, and meeting staff, as appropriate.
- c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Rules, Prospectus and Disclosure Guidance and Transparency Rules as appropriate.
- d) Oversee any investigation of activities which are within its terms of reference
- e) 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. The Board shall review the Committee's effectiveness annually.
- f) work and liaise as necessary with all other board committees.