

**ITIM GROUP PLC**

**TERMS OF REFERENCE FOR THE AIM COMPLIANCE COMMITTEE**



## **ITIM GROUP PLC (COMPANY)**

### **TERMS OF REFERENCE FOR THE AIM COMPLIANCE COMMITTEE**

**Adopted on 21 June 2021**

#### **DUTIES AND TERMS OF REFERENCE**

**1.** The committee shall:

- (a) ensure that sufficient procedures, resources and controls are in place (including without limitation appropriately documented financial policies and procedures) and are operating effectively from time to time so as to ensure compliance by the Company and its directors with the AIM Rules for Companies published by London Stock Exchange plc as amended and updated from time to time ("**AIM Rules**");
- (b) ensure that each meeting of the full board should include a discussion of AIM matters, in particular a briefing to the committee by the executive directors of issues raised with the Nominated Adviser and advice given. These discussions should be minuted and made available to the Nominated Adviser on request;
- (c) ensure that the executive directors are communicating in a timely manner as appropriate with the company's Nominated Adviser regarding ongoing compliance with the AIM Rules and in relation to proposed or potential transactions and other material developments;
- (d) ensure that advice from the Nominated Adviser is sought whenever appropriate and that advice received from the Nominated Adviser is recorded and taken into account;
- (e) ensure that all matters which will or may require an announcement to be made via RNS in accordance with the AIM Rules are brought to the attention of the Nominated Adviser as soon as possible, including, without limitation, the following:

- i. any dealings requested or effected by directors and Restricted Persons (as defined in the Company's Share Dealing Code) in respect of any ordinary shares in the capital of the Company (or any other dealing falling within the scope of the Share Dealing Code);
- ii. the acquisition directly or indirectly by any person of an interest in 3% or more of the ordinary shares of the Company and any change to the interests of any shareholder of the Company holding 3% or more of any such ordinary shares which increases or decreases such holding through any single percentage;
- iii. the resignation, dismissal or appointment of any director;
- iv. any change in the Company's accounting reference date, registered office address or any change in its legal name;
- v. any proposal to make any payment (whether by way of dividend or otherwise) in respect of, or to issue (whether to any director or employee of the Group or to a third party), ordinary shares in the capital of the Company;
- vi. any proposal to apply for admission to trading, or the cancellation, of any ordinary shares on AIM;
- vii. the occurrence and number of ordinary shares in the capital of the Company taken into and out of treasury;
- viii. the admission to trading (or cancellation from trading) on any other exchange or trading platform of such ordinary shares;
- ix. any change in the website address operated by the Company and any changes in order to ensure continued compliance with Rule 26 of the AIM Rules; and

- x. any proposal to call a general meeting (including an annual general meeting) of the Company and the terms of any resolutions proposed to be put to shareholders at such meeting;
- (f) ensure that before they are released all announcements are verified by the Company and approved by the Nominated Adviser whose name must be on all material announcements via RNS;
- (g) monitor press coverage to ensure that executives are not including price sensitive information in any press briefings;
- (h) question the executive board of directors to ascertain the reasons for any unusual and/or, substantial movement in the Company's share price;
- (i) ensure that the Nominated Adviser is supplied with information it reasonably requests on the financial condition of the Company and its subsidiaries (together the "**Group**") on a regular and timely basis and on any other key developments in relation to the Company and/or the Group from time to time;
- (j) assess (with the assistance of the Nominated Adviser and the Company's other advisers) whether the directors are aware of their AIM responsibilities from time to time and, where any deficiencies are noted, arrange for the Nominated Adviser to brief the director(s) concerned;
- (k) ensure that a Nominated Adviser is retained at all times and that the Nominated Adviser is maintaining contact with the Company on a regular basis. Where this is not the case, the committee should contact the Nominated Adviser and remind them of their responsibilities to the Company under the AIM Rules for Nominated Advisers;
- (l) appoint someone internally (**'Internal Monitor'**) to be responsible for monitoring the AIM webpages on the London Stock Exchange's website and bringing to the attention of the committee any material developments, such as changes in the AIM Rules, releases of "Inside AIM" and any AIM Notices that are relevant to the Company;

- (m) circulate to other members of the board details of any relevant rule changes or other material developments which are notified to the Chairman of the committee by the Nominated Adviser or the Internal Monitor (if the Nominated Adviser or Internal Monitor notifies any such changes to the Chairman of the committee it will be his/her responsibility to circulate these changes to the rest of the board of directors);
- (n) meet as a committee with the executive directors at least every 6 months to discuss and confirm that the AIM Rules have been complied with in the period. Keep minutes of these meetings and send a copy of these minutes to the Nominated Adviser;
- (o) in the event that the meeting with the executive directors has identified any actual or possible non-compliance issues, discuss these immediately with the Nominated Adviser to determine the course of action to be taken;
- (p) ensure the executive directors take into account advice given by the Nominated Adviser from time to time;
- (q) be responsible for any investigation launched by the AIM Team into the Company's affairs; and
- (r) approve a statement on AIM Rule compliance for inclusion in the Company's interim statement and annual accounts.

## **MEMBERSHIP**

2. The members of the committee shall be appointed by the Board from time to time.
3. The members of the committee shall consist of at least three directors, of whom the majority shall be non-executive directors, at least one of whom shall have recent and relevant listed company experience. A quorum shall be any 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.

4. The chairman of the committee, who shall be a non-executive director, shall be appointed by the board of directors.

#### **ATTENDANCE AT MEETINGS**

5. Only members of the committee shall have the right to attend committee meetings. However, both other directors and any other persons that the committee considers appropriate may be invited to attend all or part of any meeting.
6. The Company's Nominated Adviser shall be invited to attend all committee meetings but shall not be required to attend.
7. The company secretary shall act as secretary of the committee.

#### **FREQUENCY OF MEETINGS**

8. The committee shall meet at least four times during the 12 months immediately following the admission of the Company's shares to trading on AIM and thereafter at least twice each calendar year. The committee may meet at other times during the year as agreed between the members of the committee.
9. Further extraordinary meetings of the committee shall be convened if requested by the Nominated Adviser.
10. Notwithstanding the foregoing, the members of the committee shall where appropriate report to the Company's Nominated Adviser on any matter falling within their terms of reference at the earliest possible opportunity in line with the general objective and purpose of the committee and shall not wait for a formal meeting of the committee before so reporting.

#### **NOTICE OF MEETINGS**

11. Meetings of the committee shall be summoned by the company secretary at the request of the chairman of the committee.
12. Unless otherwise agreed, notice of each meeting confirming the venue (or conference/video call arrangements), time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person requested to attend no later than 10 working days before the date of the meeting. Any supporting papers shall be sent to each member of the committee (as appropriate) at the same time. Meetings may be held by telephone or video conference call in accordance with the articles of association of the Company as they apply to the conduct of meetings of the board of directors.
13. Each member of the committee shall disclose to the committee:
  - (a) any personal, financial or other interest in any matter to be decided by the committee; or
  - (b) any potential conflict of interest arising from a cross-directorship or otherwise; andany such member shall abstain from voting on resolutions of the committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the board of directors) shall resign from the committee.

#### **VOTING ARRANGEMENTS**

14. Each member of the committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the committee.
15. If a matter that is considered by the committee is one where a member of the committee, either directly or indirectly, has a personal interest, that member shall not be permitted to vote at the meeting.

16. Save where he has a personal interest, the chairman will have a casting vote in the case of an equality of votes.

#### **AUTHORITY**

17. The committee is authorised by the board of directors to carry out any action within its terms of reference. In this respect the members of the committee have been given full power and authority to perform, approve, execute, deliver and/or issue all things which the committee considers necessary or expedient in connection with the Company's admission to and subsequent trading of its shares on the AIM market, or any matter incidental thereto.
18. The committee is authorised to seek any information they may require from any director or employee and all directors and employees will be directed to co-operate with any request made by the committee.
19. The committee is authorised by the board of directors to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if the committee considers this necessary.

#### **REPORTING**

20. Draft minutes of each meeting will be circulated to all members of the committee. On finalisation and signature by the chairman, the minutes of each meeting will be submitted to the board of directors as a formal record of the decisions of the committee on behalf of the board of directors.

#### **GENERAL MATTERS**

21. Finalised minutes of the meetings of the committee will be circulated to the members of the board of directors as part of the board papers for each full meeting of the board of directors.



- 22.** A representative of the committee shall attend the Annual General Meeting of the Company prepared to respond to any shareholder questions on the committee's activities.
- 23.** The recommendations recorded in the committee minutes must be approved by the board of directors before they can be implemented.
- 24.** The 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 of directors for approval.