

## HOSTMORE PLC (THE “COMPANY”)

### Terms of Reference of the Disclosure Committee

#### 1. Membership

1.1 Members of the Committee will be appointed by the Board of Directors of the Company (the “**Board**”).

1.2 Members of the Committee will comprise:

- (a) Neil Johnson (Chairman)
- (b) Robert Cook (Chief Executive Officer)
- (c) Alan Clark (Chief Finance Officer)
- (d) Rob Henry (General Counsel and Company Secretary)

#### 2. Secretary

The General Counsel and Company Secretary, or a nominee of the General Counsel and Company Secretary, will act as the Secretary of the Committee (“**Secretary**”) and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the matters contained in them.

#### 3. Quorum and procedural matters

3.1 A minimum of two members is necessary for the transaction of the business of the Committee. At least one member of the Committee must be an executive director.

3.2 A duly convened meeting of the Committee is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

3.3 It is not necessary for all members of the Committee to be present in the same physical location, provided that each member can communicate with the others.

3.4 Decisions will be taken on a majority basis.

3.5 Other executives and/or employees of the Company and/or external advisers may be invited to attend all or part of any Committee meeting as and when appropriate.

#### 4. Chair

4.1 The Chair of the Committee (“**Chair**”) will be appointed by the Board.

4.2 In the absence of the Chair and/or an appointed deputy, the remaining members present will elect one of themselves to chair the meeting.

4.3 The Chair will have a casting vote in case of deadlock.

#### 5. Meetings

- 5.1 The Committee will meet at such times and using such means as are necessary or appropriate, to carry out its duties and responsibilities at the request of any member of the Committee.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, date and time, will be given by the Chair, or the General Counsel and Company Secretary, to each member of the Committee and any other person required to attend, where practicable, prior to the meeting. Supporting papers, where appropriate, together with an agenda of items to be discussed, will be sent with the notice of meeting.
- 5.3 Notices, agendas and supporting papers can be sent in hard copy or in electronic form. All documentation will be prepared to the highest standards of confidentiality to protect the security of the information.

## 6. Role

- 6.1 The role of the Committee is to evaluate on an ad hoc basis (taking advice from internal and external advisers, as appropriate) as to whether:
  - (a) information concerning the Company (and/or its subsidiary undertakings) (the Company and its subsidiary undertakings together being the “**Group**”), or its shares or other financial instruments constitutes inside information which should be disclosed to the market;
  - (b) the Company can delay announcing that information; and
  - (c) the Company can, prior to disclosure to the market, selectively disclose the information, for example, in connection with market soundings in compliance with applicable regulation.
- 6.2 The role of the Disclosure Committee is to support the Board in overseeing the Company’s compliance with its disclosure obligations. The Board retains ultimate responsibility for the Company’s compliance with its disclosure obligations and the Committee will refer matters to the Board as it sees fit.
- 6.3 The Committee must also carry out the tasks set out in paragraph 8 below (Duties and Responsibilities).

## 7. Background to Disclosure Regime

- 7.1 In accordance with the Market Abuse Regulation, the Listing Rules (the “**LRs**”) and the Disclosure Guidance and Transparency Rules (the “**DTRs**”), the Company is required to disclose in the prescribed manner, as soon as possible, any inside information directly concerning the Company or its shares or other financial instruments. The Company is permitted to delay disclosure of inside information in limited circumstances where the following conditions are met: (a) immediate disclosure of the information is likely to prejudice the legitimate interests of the Company; (b) delaying disclosure is not likely to mislead the public; and (c) the Company is able to ensure the confidentiality of the information.
- 7.2 For this purpose, “inside information” is information which:

- (a) is of a precise nature;
- (b) has not been made public;
- (c) relates, directly or indirectly, to an issuer or certain publicly traded securities; and
- (d) if made public, would be likely to have a significant effect on the price of those securities or certain related investments.

7.3 The Company is also subject to strict requirements limiting access to inside information to those who 'need to know' within the Company and its immediate advisers and requiring the maintenance of insider lists.

7.4 In addition, the Company has a range of other announcement obligations under the Market Abuse Regulation, LRs and DTRs, including in relation to:

- (a) dealings by directors and other persons discharging managerial responsibility;
- (b) transactions;
- (c) board changes; and
- (d) periodic financial reporting.

The LRs also require that the Company take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its disclosure and reporting obligations.

## 8. Duties and Responsibilities

8.1 The Committee has been established to carry out the following duties on an ongoing basis:

8.1.1 prepare and keep under periodic review the procedures, systems and controls for the identification, treatment and disclosure of inside information and for complying with all of the Company's disclosure and reporting obligations under the Market Abuse Regulation, LRs and DTRs (the "**Disclosure Procedures**"), including the preparation of a Disclosure Policy;

8.1.2 implement the Disclosure Procedures, including where appropriate arranging for the dissemination of guidelines and training;

8.1.3 monitor compliance with the Disclosure Procedures and make recommendations to the Board on changes to the Disclosure Procedures;

8.1.4 evaluate whether information that is submitted to the Committee requires disclosure pursuant to the Market Abuse Regulation, the LRs and/or the DTRs and undertake any other tasks or determine any other issue relating to the application of the Disclosure Procedures including:

- (a) assessing and deciding whether information constitutes inside information to determine whether an announcement is required to be made to the market;
  - (b) assessing relevant and substantive market rumours or speculation concerning the Group and monitoring the Company's share price and making recommendations as to what response, if any, should be made;
  - (c) assessing whether it is permissible to delay disclosure of inside information and maintaining a record of any such decision, monitoring the conditions permitting delay, preparing any required notification to the Financial Conduct Authority regarding the delay in disclosure and preparing any required explanation to the Financial Conduct Authority of how the conditions for delay set out in paragraph 7.1 were met;;
  - (d) assessing whether other action is required to be taken, for example, preparing a holding announcement or seeking a suspension of listing of the Company's securities pending clarification of uncertainties;
  - (e) assessing whether inside information may be disclosed selectively to third parties when it is permissible to delay disclosure;
  - (f) putting in place arrangements to monitor the market for rumours or leaks where inside information has been selectively disclosed and preparing leak announcements;
  - (g) ensuring that the form and content of regulatory announcements, financial statements, annual reports, preliminary results announcements, shareholder circulars, prospectuses and other documents which are to be publicly disclosed by the Company under any legal or regulatory requirement are scrutinised in order to ensure that they comply with applicable requirements and implementing an appropriate verification process to ensure that such announcements or documents are true, accurate, complete and not misleading;
  - (h) making recommendations to the Audit & Risk Committee on whether the annual report, financial statements and preliminary results announcements are fair, balanced and understandable;
  - (i) (where necessary) approving the content of any disclosure prior to publication (unless the relevant document has been approved by the Board);
  - (j) ensuring that a record is maintained of the Company's disclosures; and
  - (k) maintaining a record of matters considered for disclosure but not disclosed;
- 8.1.5 maintain a central list of all current projects which could involve inside information;
- 8.1.6 alert the General Counsel and Company Secretary to the existence of any inside information that may require an amendment to the Company's insider list;

- 8.1.7 maintain records of the Committee's meetings, material discussions and key decisions, together with copies of all announcements made to the market containing inside information and copies of any advice received (for the avoidance of doubt, the Disclosure Committee is not required to maintain a verbatim record of all meetings);
- 8.1.8 monitor the Group's performance against its own forecasts and monitor analysts' expectations as to the Group's performance and any research recommendations of third parties and recommend any necessary corrective action;
- 8.1.9 review the Company's relationship with, and procedures for dealing with, investors and analysts;
- 8.1.10 review and amend as necessary all communications to employees, shareholders and other stakeholders;
- 8.1.11 recommend appropriate employee training in respect of the Disclosure Policy and the handling of inside information;
- 8.1.12 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; and
- 8.1.13 undertake all such other tasks as may be referred to the Committee by the Board.

## **9. Committee Performance**

- 9.1 The Committee should arrange for annual reviews of its own procedures, performance, constitution and terms of reference in order to ensure that it continues to operate effectively.
- 9.2 The Committee will submit the results of such annual reviews to the Board. Any changes that it considers necessary should be put before the Board for approval.

## **10. Authorities**

- 10.1 The Committee is authorised by the Board to obtain external legal or other professional advice as it sees fit at the Company's expense (within any budgetary constraints imposed by the Board) and, in particular, will consult with the Company's corporate brokers and legal advisers, where appropriate, to:
  - (a) assess whether information is inside information;
  - (b) determine whether an announcement is required; and
  - (c) assist in the preparation of the announcement.
- 10.2 Where external professional advice is obtained, a summary of the advice will be recorded and circulated to all members of the Committee.

10.3 The Committee is authorised by the Board to seek any information it requires from any employee of the Group or any member of the Board in the performance of its duties. Employees and members of the Board are directed to co-operate with any request for information made by the Committee.

## 11. Reporting

11.1 The Secretary will minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. Draft minutes will be circulated to all members of the Committee and, once agreed, to all members of the Board unless in the opinion of the Chair it would be inappropriate to do so.

11.2 A resolution in writing which is signed by all members of the Committee will be as effective as a resolution passed at a Committee meeting. Any written resolution will be tabled and noted at the next meeting of the Committee.

11.3 The Chair will report formally to the Board after each meeting on matters that have been discussed which are within its duties and responsibilities unless, in the Chair's opinion, it would be inappropriate to do so.

11.4 The Committee will make whatever recommendations to the Board it deems appropriate on any area that is within its remit.

## 12. Other Matters

12.1 The Committee will:

- (a) have full access to the Company's records and personnel;
- (b) have access to sufficient resources to carry out its duties, including access to the General Counsel and Company Secretary and external broker(s), and legal or other professional advice for assistance as required on all Committee matters;
- (c) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; and
- (d) give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code, the provisions of the Market Abuse Regulation and delegated regulation and the requirements of the LRs and DTRs sourcebook and any other applicable rules, as appropriate.

Approved by the Hostmore plc Disclosure Committee on 5 October 2021

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## VERSION CONTROL

Version	Date	Comment
1.0	5 October 2021	Original version.