

Chesnara plc

DISCLOSURE COMMITTEE

TERMS OF REFERENCE

In these Terms of Reference, references to:

“**Board**” shall mean the board of directors of the Company;

“**Committee**” shall mean the Disclosure Committee of the Board;

“**Company**” shall mean Chesnara plc;

“**Group**” shall mean the Company and its subsidiaries from time to time;

“**inside information**” shall have the meaning given in Article 7 of MAR;

“**MAR**” shall mean Regulation EU 596/2014 as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended);

“**RIS**” shall mean a Regulatory Information Service; and

“**Secretary**” shall mean the secretary of the Committee.

1 Formation

The Committee has been established by the Board at a Board meeting held on [●] and is a properly constituted committee of the Board. The Committee is to be known as the “Disclosure Committee”.

2 Membership

2.1 The Committee shall comprise at least three members.

2.2 The members of the Disclosure Committee shall, unless decided otherwise by the Board, comprise the:

2.2.1 Group Chief Executive Officer;

2.2.2 Group Chief Financial Officer;

2.2.3 Chair of the Board; and

2.2.4 Group General Counsel and Company Secretary.

2.3 The Committee shall be chaired by the Chair of the Board, or in their absence, by any other member of the Committee.

2.4 The Group General Counsel and Company Secretary or their nominee shall be Secretary of the Committee.

2.5 If a member of the Committee is unable to act due to absence, illness or any other cause, the Chair of the Committee may appoint another person to cover as an alternative member.

- 2.6** If the Chair of the Committee is unable to act due to absence, illness or any other cause, the Senior Independent Director of the Board or an alternative appointed Non-Executive director of the Board may be appointed to cover as an alternative member.

3 Other Attendees

The Committee may require the attendance of any employee or officer, professional advisers or such other person(s) with relevant experience and expertise as it considers necessary or appropriate, at meetings of the Committee.

4 Quorum

- 4.1** Subject to paragraphs 7.2 and 7.3 below, the quorum for a meeting of the Committee shall be two members including the Chair of the Committee (or whom failing the Senior Independent Director of the Board or an alternative appointed Non-Executive director of the Board).

- 4.2** A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all of the authorities, powers and discretions vested in or exercisable by the Committee.

5 Frequency of Meetings

The Committee shall meet at such times as shall be necessary or appropriate as requested by any one or more members of the Committee.

6 Notice of Meetings

Reflecting the nature of the Committee, there shall be no minimum notice requirement for the convening of meetings.

7 Mode of Meetings

- 7.1** Subject to meeting the requisite quorum requirements in paragraphs 4.1, 7.2 or 7.3 below, members of the Committee shall regulate their proceedings as they see fit.

- 7.2** The members of the Committee shall be deemed to meet together if they are in separate locations but are linked by conference telephone or other communication equipment which allows those participating to hear and speak to each other, and a quorum in that event shall be two members of the Committee so linked (or such other number fixed from time to time by the Committee). Where the matter to be determined at a meeting of the Committee is deemed to be procedural in nature (for example relating to a disclosure the key terms of which have been approved by the Board) the requirement detailed in paragraph 4.1 for the Chair of the Committee (or the Senior Independent Director of the Board or an alternative appointed Non-Executive Director) to be present shall be waived.

- 7.3** A decision of the Committee may be taken by at least two members of the Committee (always including the Chair or whom failing the Senior Independent Director of the Board or an alternative appointed Non-Executive director of the Board) indicating to each other by any written means (which may include e-mail) that they share a common view on a matter. A decision may not be taken in accordance with this provision if the members of the Committee would not have formed a quorum at a meeting.

8 Minutes or records of Meetings

- 8.1** The Secretary shall keep minutes of the proceedings and resolutions of all Committee meetings, including the names of those persons present and in attendance.
- 8.2** The Secretary shall maintain a record of the following:
- 8.2.1** the Company's public disclosures;
 - 8.2.2** matters considered for disclosure but not disclosed, including a record of whether in each case such a matter is not disclosed because:
 - (i) it is inside information but there are grounds for delaying an announcement, in which case a record must be maintained of certain information as required by Technical Standards under MAR, including the time and date that inside information first existed and that a decision to delay announcement was made, including which persons made that decision together with a note of how the conditions for delay were met;
 - (ii) it is not yet inside information but it has the potential to become inside information; or
 - (iii) it is not inside information and is not thought to be capable of becoming inside information;
 - 8.2.3** decisions of the Committee and any procedures put in place to ensure the effective dissemination of information to it is kept.

9 Authority

- 9.1** The Committee shall have no authority to delegate its powers and duties but may delegate the implementation of its decisions to any relevant officers or employees of the Company or its advisers as it considers necessary.
- 9.2** The Committee is authorised to seek any information it requires from any employee or officer of the Company in order to perform its duties and all employees and officers are directed to co-operate with any requests made by the Committee.
- 9.3** The Committee is authorised, at the expense of the Company, to obtain any external legal or other professional advice it shall reasonably require in connection with the performance of its duties, and to carry out any steps within its remit.
- 9.4** This remit may be amended from time to time, subject to the approval of the Board.
- 9.5** Nothing in these terms of reference will preclude the Board from assuming any of the Committee's duties or responsibilities.

10 Role and Duties

- 10.1** The Committee has responsibility for the identification of inside information and for determining on a timely basis how and when the Company should disclose that information in accordance with the Company's disclosure policy. In doing so, the Committee will have regard, in particular, to information previously disclosed by the Company.

- 10.2** The Committee's primary duty shall be to procure the disclosure of inside information which directly concerns the Company to an RIS as soon as possible as required by MAR. In its fulfilment of this role, it shall have the following duties:
- 10.2.1** monitor, with the assistance of the relevant project manager, the status of projects or transactions that could potentially constitute inside information;
 - 10.2.2** assess all other developments or information notified to it (or of which any member of the Committee becomes aware), and considering whether such information could potentially constitute inside information;
 - 10.2.3** assess whether there are grounds for delaying an announcement of inside information, and where such disclosure is delayed maintain the requisite records (see paragraph 8.2.2 (i)) and assess whether the information can be disclosed selectively to third parties in accordance with MAR;
 - 10.2.4** monitor whether there are any changes in circumstances that may require an announcement (because conditions for delay are no longer fulfilled) or a change in designation of the information being considered by the Committee to inside information;
 - 10.2.5** prepare and monitor holding announcements or leak announcements;
 - 10.2.6** ensure that announcements are made in such a way as to avoid the creation or continuation of a false market in the Company's shares;
 - 10.2.7** ensure that any announcement by the Company is not misleading, false or deceptive and does not omit anything likely to affect the import of the information;
 - 10.2.8** assess relevant and substantive market rumours or speculation concerning the Company or Group and consider whether a holding announcement or a leak announcement is required and determine what action, if any, should be taken;
 - 10.2.9** monitor any changes in the Company or Group's circumstances and consider current market expectations and whether or not the information being considered by the Committee is significantly different to what the market would expect and the requirements for an announcement;
 - 10.2.10** arrange for the posting of information announced to an RIS without delay on the Company's website and ensure that it is kept on the website for a period of at least five years;
 - 10.2.11** if inside information exists, assess who should be placed on the Company's insider list;
 - 10.2.12** determine who, if anyone, should be placed on the Company's permanent insider list;
 - 10.2.13** ensure that the Company's procedures and systems relating to inside information are adequate to enable effective dissemination of information to the Committee from within the Company and its Group;
 - 10.2.14** periodically review the Company's Disclosure Policy and recommend changes to the Board for approval;
 - 10.2.15** identifying inside information and determining how and when the Company should disclose inside information;

10.2.16 take any other action it sees fit to ensure that the Company or Group complies with the law and regulation in relation to disclosure of inside information; and

10.2.17 to review and, where necessary, propose the amendment of this remit of the Disclosure Committee.

11 Reporting Responsibilities

11.1 The Committee shall be responsible for keeping the Board apprised of material developments in connection with the identification, treatment and disclosure of inside information.

11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

12 Other Matters

12.1 The Committee shall give due consideration to laws and regulations including MAR, the Listing Rules, the Prospectus Regulation Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

12.2 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 for approval.