

HARDIDE PLC & ITS SUBSIDIARIES

(‘Hardide’ or the ‘Company’)

TERMS OF REFERENCE

for

THE SUSTAINABILITY & RISK MANAGEMENT COMMITTEE

(The ‘Committee’ or ‘SRC’)

As updated & approved on the 1st of November 2021 by the Board of the Company
(the ‘Board’)

1. Composition & Authority

- 1.1. The members of the Sustainability & Risk Management Committee (“the Committee”) shall comprise the company Chairman (‘Chairman’) and two or more executive directors of the Company; each as approved by the Board.
- 1.2. The Company Secretary, the Finance Director, or an alternative nominated by the members, shall act as the Secretary of the Committee.
- 1.3. The quorum necessary shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be authorised to exercise all or any of the powers and discretions vested in the Committee.
- 1.4. The Committee shall meet at least quarterly and at such other times as the chairman of the Committee may require.
- 1.5. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Company shall meet the expense of such advice.

2. Responsibilities

- 2.1. The Committee shall be responsible for:
 - 2.1.1. identifying and characterising matters of sustainability and the principal risks to which the Company may be experiencing or exposed to; together with making recommendations to the Board as to how these are to be dealt with or, if urgent, how they are to be dealt with by management and without reference to a full board meeting but, if appropriate for a full board meeting to ratify subsequently the action taken.
 - 2.1.2. review of the adequacy of the Company’s insurance cover and authorisation of its renewal. This is for risks other than those that may be dealt with directly by management and without reference to the Board or the Audit Committee. The same applies to matters of sustainability. Any matters that may be classified as a ‘strategic risk’ are to be dealt with by the Board, and such matters may be identified independently by it;
 - 2.1.3. if deemed needed and requiring implementation, the development of strategies and procedures for Company Risk Management and Sustainability; together with subsequent amendments thereto;
 - 2.1.4. reviewing reports on matters of risk and sustainability in order to monitor the total level of exposure for both;
 - 2.1.5. identifying and considering risks and matters of sustainability that may be dealt with better by the Audit Committee or the Board. In this case the responsibility for determining how such matters is to be managed may be passed to the Audit Committee or referred to the Board, or both; and
 - 2.1.6. delegating the risk management of certain detailed matters to appropriate members of the management team. This shall be done in consultation with the chief executive officer (‘CEO’).

3. Reporting

3.1. The Committee shall:

- 3.1.1. report to the Board after each of its meetings and include in such report an assessment of the key risks facing the business, including any changes to the risk profile;
- 3.1.2. prepare the Company's statement in the Annual Report and Accounts on risk management prior to review by the Audit Committee, the external auditor and final endorsement by the Board; and
- 3.1.3. contribute as needed to the Environmental and Social Governance (ESG) section of the Company's annual report

4. Duties of the Secretary

4.1. The Secretary shall:

- 4.1.1. keep a proper and timely record of meetings of the Committee and circulate such minutes to all members of the Committee, the Board and to the Company's external auditors.
- 4.1.2. ensure that the Committee is properly constituted in accordance with these Terms of Reference. Any actual or anticipated variance of these terms shall be brought to the attention of the chairman of the Committee and the Chairman of the Company as appropriate.
- 4.1.3. ensure that these Terms of Reference are available to shareholders on its website, on request, and on the day of an AGM.

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