

GROUP POLICY

Share Dealing



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Document Control

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1 Purpose

The UK Market Abuse Regulation (“MAR”) and Insider Information Rules apply to any company whose shares are admitted to trading on a regulated market in the UK and therefore applies to Diploma PLC (“Diploma”). The Rules are focused on:

- the disclosure and control of inside information by a company to the market; and
- the preparation and maintenance of ‘Insider Lists’.

Under the Rules, Diploma is required, amongst other things:

- to draw up a list of those persons working for them who have access to inside information¹ on a regular or occasional basis (i.e. PDMRs² and Restricted Persons³). If requested, this list must be provided to the UK Financial Conduct Authority (“FCA”) as soon as possible;
- to document systems, procedures and controls set up by Diploma to enable the identification, escalation, consideration and, where necessary, the disclosure of information to the market; and
- to take the necessary measures to ensure that its Restricted Persons with access to inside information acknowledge the legal and regulatory duties entailed (including dealing restrictions in relation to the company’s shares) and are aware of the sanctions attaching to the misuse or improper circulation of such information.

This policy sets out responsibilities of those persons working for Diploma dealing in Company Shares who have access to inside information on a regular or occasional basis. Diploma has also adopted a Group Share Dealing Code to ensure that PDMRs and Restricted Persons do not abuse, and do not place themselves under suspicion of abusing, insider information that they may have, or be thought to have, especially in periods leading up to an announcement of results.

2 Scope

This policy extends to the entirety of the Diploma group (“Group”), encompassing all directors, officers, and employees of Diploma and its subsidiaries (Restricted Persons) in relation to dealing in company shares. Restricted Persons will be informed if they are required to comply with the Group Share Dealing Code in addition to this policy.

3 Policy Statement

All Group directors, officers, and employees (PDMRs and Restricted Persons) must **not**:

- deal in any shares of the Group if they are in possession of inside information about the Group;
- recommend or encourage someone else to deal in the Group’s shares at that time – even if they will not profit from such dealing; and
- disclose any confidential information about the Group (including any inside information) except where required to do so as part of their employment or duties. This means that the Group’s confidential information shall not be shared with family, friends or business acquaintances.

From time to time, Restricted Persons may be given access to inside information about another group of companies (for example, one of the Group’s customers or suppliers). Restricted Persons must not deal in the shares of that group of companies at those times.

¹ Information not publicly available, likely to have non-trivial effect on share price which investors would likely use (see definitions)

² Person discharging managerial responsibilities (see definitions)

³ PDMRs or any other person informed by Diploma that clearance procedures in Diploma’s Share Dealing Code apply.

4 Responsibilities of an Insider

Responsibilities of an Insider

- Any Insider who becomes aware of insider information is required to immediately (without delay) notify an Executive Director of the Diploma PLC Board.
- An Insider should not discuss inside information with any other person, until they have discussed this with an Executive Director of the Diploma PLC Board.
- If you are in doubt as to whether a piece of information falls within the definition of “inside information”, this should also be reported directly to an Executive Director of the Diploma PLC Board.
- An Insider should have regard to their obligations under the Insider dealing provisions of the Criminal Justice Act 1993 and the market abuse regime under FSMA⁴ and MAR, for which there may be criminal or civil sanctions.

Responsibilities of Executive Directors

Executive Directors should discuss above notifications with the Diploma PLC Board Chair and convene a Board meeting to agree details relating to the disclosure of inside information or agree reasons relating to any delay in disclosing such information.

5 Compliance & Non-Compliance

The Group Company Secretary has lead responsibility for ensuring compliance with this policy and will review its contents on a regular basis. They are responsible for monitoring its effectiveness, ensuring its continuing viability, applicability, and legal compliance.

A breach of any of the provisions of this policy and its supporting policies will constitute a disciplinary offence and will be dealt with in accordance with Diploma’s Disciplinary Procedure which can be found in our Group [Code of Conduct](#).

All breaches should be notified immediately to the Group Company Secretary.

Failure to comply with this policy may mean that you have committed a civil and/or criminal offence.

6 Contacts

John Morrison, Group General Counsel & Company Secretary
John.Morrison@diplomapl.com

Group Legal Team
Legal@diplomapl.com

⁴ Financial Services and Markets Act 2000

7 Definitions

Company Shares

Any publicly traded or quoted shares of Diploma or other financial instruments.

Deal and dealing

Together with corresponding terms such as 'Deal' or 'Deals' means any type of transaction in Diploma Shares, including purchases, sales, the exercise of nil-cost options, the receipt of shares under share plans, using Diploma Shares as security for a loan or other obligation and entering, amending or terminating any agreement in relation to Diploma Shares (e.g. a Trading Plan).

Group

The Diploma group ("Group"), encompassing all directors, officers, and employees of Diploma and its subsidiaries.

Insider

An insider is somebody who is:

- a Person Discharging Managerial Responsibilities (PDMR);
- working on a project, such as an acquisition or the Annual Report, that gives them access to inside information.

Inside information

Information that:

- is of a precise nature;
- which has not been made public;
- relates, directly or indirectly, to Diploma;
- is likely to have a significant effect on the share price if made public.

Information will only be of a "precise nature" if it indicates a set of circumstances which exists or may reasonably be expected to come into existence, or an event which occurred or may reasonably be expected to occur, specific enough to conclude as to its possible effect on the prices of the financial instruments or related derivative instrument.

MAR clarifies that even an intermediate step in a protracted process can be sufficient to comprise inside information if the step satisfies the above criteria. Each stage, as well as the entire process, could constitute inside information if the criteria in the definition are met.

Refer to the Group Share Dealing Code for examples of inside information.

PDMR

A person discharging managerial responsibilities in respect of the Company, being a Director of Diploma, with regular access to inside information relating directly or indirectly to Diploma and has power to take managerial decisions affecting the future developments and business prospects of Diploma.

Restricted Persons

PDMRs or any other person who has been told by Diploma that the clearance procedures in Part A of the Group Share Dealing Code apply.

Shares

Any publicly traded or quoted shares and any linked financial instruments. This would include shares and nil-cost options.