

BYTES TECHNOLOGY GROUP PLC

CONFLICT OF INTEREST POLICY NOVEMBER 2020

1. PURPOSE

The purpose of this Conflict of Interest Policy (the "**Policy**") is to protect Bytes Technology Group plc (the "**Company**") and its board of directors (each a "**Director**" and together the "**Board**") and employees from any appearance of impropriety. In addition to this Policy, under section 175 of the Companies Act 2006, the Directors have a duty to avoid a situation in which they (or their connected persons) have an interest that conflicts or may possibly conflict with the Company's interests.

2. DEFINITIONS

2.1 Conflicts of Interest

Conflicts of interest may arise where an individual's personal, family or professional interests or loyalties to another individual or group conflicts with those of the Company.

2.2 Duality of Interest

Conflicts can arise between an individual's duty to the Company and a public obligation or a board membership of another organisation or an employment relationship with another organisation. This may be defined as duality of interest: that is, the Board member may have divided loyalties, but does not stand to gain financially.

3. PROCEDURE FOR HANDLING CONFLICTS OF INTEREST

3.1 Directors and employees of the Company and of each of its subsidiaries have a duty to declare all conflicts of interest (whether actual or potential) at the first available opportunity. All declarations of interest by Directors should be made at Board meetings, not at meetings of its sub-committees.

3.2 Any Board member or employee who:

3.2.1 has a financial interest in a matter under discussion, or

3.2.2 has a professional interest in a matter under discussion, or

3.2.3 has any other interest in the matter under discussion,

which creates a bias or a danger of bias (i.e. the interest affects the organisation which they represent) must declare the nature of the interest and withdraw from the discussions, unless they have permission from the Chair to speak, and may not

vote on the matter in question. Directors are also required to annually complete a list of their actual or potential conflicts of interest (the "**Directors Lists**") and must notify the Company Secretary of any changes (see Appendix 2).

- 3.3** A Director who has any other interest, which does not in the opinion of a clear majority of the rest of the Board members present at a meeting (or a majority of the Senior Management Team in the case of an employee outside of a Board meeting), create a danger of bias but which might reasonably cause others to think it could influence their decision, should declare the nature of the interest. However, they may remain in the room, participate in the discussion, and unless otherwise prohibited by the Company's articles of association vote if a majority of the Board members (or Senior Management Team as relevant) consider this to be appropriate in the circumstances.
- 3.4** The Chair should be consulted about the procedure for handling conflicts of interest, particularly if there is any doubt about any aspect of this Policy.
- 3.5** If a Director fails to declare an interest that is known to the Company Secretary or the Chair, these individuals will declare that interest.
- 3.6** Any authorisation in respect of a Director's interest must be passed at a meeting of the Board, which is quorate without counting the interested Director, and such Director must not vote on the resolution to authorise the interest. The Board resolution approving a Director's actual or possible conflict should:
- 3.6.1** set out the matter that has been authorised;
 - 3.6.2** state the duration of the authority and that it can be revoked at any time;
 - 3.6.3** set out any circumstances when the Director must revert to the Board for the authority to be reviewed;
 - 3.6.4** include, where appropriate, provisions stating that the Director may not receive information relating to the conflict or participate in Board discussions where the conflict is relevant; and
 - 3.6.5** include, where appropriate, provisions stating that where the Director obtains information as a result of his or her position with another company that is confidential to such company and he or she will not be obliged to disclose this information to the Company, or to use the information in relation to the Company's affairs, if this would breach that confidence.

4. PROCEDURE FOR HANDLING DUALITY OF INTEREST

- 4.1** Where a duality of interest exists, as defined above, a Director must declare it, and is expected to act in the best interests of the Company.
- 4.2** If a Director is appointed by, represents, or is a member of another body, they must remember that their duty to the Company as a member of the Board overrides all other obligations. If a conflict arises between the interests of the Company and the interests of the shareholders of the Company, it is the duty of a Director to act in the interests of the Company rather than that of the shareholders. An employee is similarly required to act in the interests of the Company where such a duality of interest exists.

- 4.3** If irreconcilable conflict arises, a Director may have to avoid taking part in decisions of the Board, or may have to absent themselves while matters relating to the duality of interest are discussed and voted on, or may have to resign from one or other position.

5. RECORDING OF CONFLICTS OF INTEREST

All declarations of conflict of interest, whether actual or potential, and any authorisations given must be recorded in the minutes of Board meetings. Any changes to the Directors Lists should be minuted at the next Board meeting following the notification of the change.

Appendix 1

Declaration of Understanding – Conflict of Interest Policy

Each Board and Sub-committee member is required to sign the following:

I have read and understood the Conflict of Interest Policy for Board and Committee Members, and hereby undertake to comply with it:

Name (print): _____

Signed: _____

Date: _____

This Declaration of Understanding should be signed and returned to the Chief Executive Officer

Appendix 2

Declaration of Conflicts of Interest

[Date]

Dear Sirs

Disclosure of directors' interests, roles and other details

I am writing to disclose the following interests^{1:2}

1. [I am a director [and/or other officer] of, [and/or I am employed as [details to be inserted] by,] the following:

[details of current appointments to be inserted in the table below. Where you consider there to be any potential or actual conflict of interest which arise between the Company and these companies please include further details, with specific reference to those companies which are competitors or potential competitors of the Company, together with details of the markets or sectors or other aspects of their business (e.g. supply/distribution arrangements) in which they compete or potentially compete.]

External Appointments				
Company	Role	Location	Date of appointment	Details of any potential or actual conflict
Listed companies				
[•]	[•]	[•]	[•]	[•]
Unlisted companies				
[•]	[•]	[•]	[•]	[•]

2. [I have previously been a director of the following companies in the last five years³:

External Appointments				
Company	Role	Location	Date of appointment	Date of termination of appointment
Listed companies				
[•]	[•]	[•]	[•]	[•]
Unlisted companies				
[•]	[•]	[•]	[•]	[•]

3. [I am a holder of shares [and details of any other securities] [in the Company] [in •⁴]]

¹ Interests will also encompass any indirect interests that you may have by virtue of any relevant interests your connected persons may have (e.g. adult children, step-children and/or spouse/partner).

² Please complete/amend/delete the following paragraphs as appropriate.

³ This information is required to comply with LR9.6.13

⁴ This could, for example, be a company which is: a significant shareholder in the Company, in partnership with the Company or in a joint venture with the Company; or it could, for example, be a supplier, customer, competitor, distributor of the Company or any other entity which has an ongoing material relationship with the Company.

4. [I have the following other interests in Investment Funds⁵ (and/or any of their Associated Funds⁶) which to my knowledge directly or indirectly hold shares in the Company:

[details to be inserted]

5. [I have interests in other Group companies⁷ by virtue of my appointment as director to the boards of the following Group companies:

[details of interests to be inserted]

6. [I have the following interests in contractual arrangements, or potential contractual arrangements, which concern the Company:

[details of interests in contractual arrangements, or potential contractual arrangements with the Company or any member of the Group to be inserted]

7. [I confirm that there are no [other] details to be disclosed in accordance with Listing Rule 9.6.13 (being directorships of other publicly quoted companies, unspent convictions, insolvency arrangements and public criticisms by statutory or regulatory authorities).]

8. [I have no significant commitments other than those disclosed in question 1 above.] [In addition to the directorships disclosed in question 1 above, I have the following additional significant commitments: *[details to be included]*.] In aggregate, I spend approximately [●] [days] per annum on my other significant commitments.

9. [In accordance with the Market Abuse Regulation I confirm the following are people or entities who may be 'persons closely associated' with me:]

Relationship	Name
Spouse/Civil Partner	
A dependent child, meaning a child or stepchild under the age of 18 years, who is unmarried and does not have a civil partner.	
A relative who has shared the same household for at least one year (this is to be determined as at the date of the transaction)	
A legal person, trust or partnership: (a) the managerial responsibilities of which are discharged by a PDMR or by a person referred to in any of the three points above; or (b) which is directly or indirectly controlled by such a person; or (c) which is set up for the benefit of such a person; or (d) the economic interests of which are substantially equivalent to those of such a person.	

⁵ "Investment Fund" means any company, body corporate, trust, limited partnership, partnership or fund holding shares for investment purposes.

⁶ "Associated Funds" means, in relation to an Investment Fund, other Investment Funds which have the same general partner or manager as such Investment Fund, or which have a general partner or manager which controls, is controlled by, is under common control with or has substantially similar shareholders as the general partner or manager of such Investment Fund.

⁷ i.e. within the Company's group.

10. [Any other relevant details.⁸]

I declare that, to the best of my knowledge and belief (having taken all reasonable care to ensure that such is the case), the responses set out above are true, complete, accurate and not misleading.

I agree to notify the Company immediately if the information given in my responses to this letter changes at any time.

Yours faithfully

[Director/employee]

⁸ You must disclose any other situation(s) in which you have, or can have, a direct or indirect interest that conflicts or may possibly conflict, with the interests of the Company e.g. any other association with any body which has a relationship with the Company (e.g. supplier, customer, competitor, banker, distributor or any other entity which has an ongoing relationship with the Company).