

Governance report

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Why is diversity, equity and inclusion so important to BTG?



It's a foundation of our winning culture. Bringing together people from different backgrounds – including gender, age, ethnicity and experience – creates the diversity of thought that fosters innovation and growth.

Anna Vikström Persson
Independent non-executive director



Chair's introduction to corporate governance

The Board had a busy and productive year: appointing a CEO and two new non-executive directors, strengthening our governance processes and supporting BTG in delivering further growth.

Overseeing the Board changes and ensuring that members were equipped to excel in their new positions was a primary task this year. We were delighted to appoint Sam Mudd as CEO on 10 May 2024. Sam, who has been an executive director since July 2023, had become Interim CEO in February 2024, on the resignation of the former CEO.

Sam was appointed after a benchmarking exercise against strong external candidates. We chose her, not just because she had the right skills and experience, but also because she was the best cultural fit. Sam has proven to be the right choice. She is a great leader, who is very credible with all our stakeholders, including our employees, customers, partners and investors. Stakeholder engagement is one of our main duties so, for our investors, for example, Sam and I swiftly set about an intensive round of meetings with them in the months immediately following the leadership change.

The strong investor support the Board received at our 2024 AGM – with just one resolution gaining less than 95% of the vote – felt like a vindication of our decisive approach and a sign of confidence in Sam and the Board, which we also strengthened with two new non-executive directors. Anna Vikström Persson and Ross Paterson joined the Board on 1 June. Anna became Chair of our new ESG Committee and Ross became Chair of our Audit Committee, succeeding the Interim Audit Committee Chair, Dr Erika Schraner. Erika, in turn, stepped up to the role of senior independent director in the year and has added significant strength and value to this position.

BTG's strong commercial performance this year, particularly in the second half, as well as its refreshed leadership, also served to reassure the markets and deliver us a strong year end.

A strong, collaborative Board

Our refreshed Board has a great mix of skills and experience. Anna's HR experience will be invaluable as we further develop our culture and our people; Erika, who is also our Remuneration Committee Chair, has a strong track record in M&A, finance, technology and strategic analysis; Ross is steeped in finance and M&A; while Shruthi Chindalur, our designated non-executive

director for employee engagement, who joined in February 2024, has a strong commercial and international background in the technology sector. BTG's executive directors complement this mix. Sam brings more than 20 years of tech company leadership experience and CFO Andrew Holden has a long-standing tenure with the Group and is experienced in finance, strategy and operations.

We became a strong, collaborative team in a very short time, with each director fully aligned with Group culture. I'm already pleased with how much we've achieved together.

Part of the Board's strength comes from our diversity. We adhere to the Financial Conduct Authority (FCA) UK Listing Rules, with women making up 57% of the Board against the FCA's target of 40%; two directors coming from an ethnic minority background, against its requirement of at least one; and two of our senior roles being held by women, against the FCA target of at least one. Diversity alone does not create a strong Board, of course, but it often brings the breadth of thought and mindset that is so essential to healthy board debate.

Strengthening governance processes

Our Board fully embraces the principles and requirements of the UK Corporate Governance Code and strives to continually improve our governance. This year, we introduced additional measures to keep directors mindful of their regulatory responsibilities, including an online training module on market abuse regulations and an annual governance refresh session by our external legal counsel. More details of Board training are set out in my Nomination Committee report on pages 102 to 105.

To continue to increase the rigour of our processes, we introduced a corporate governance tracker. This sets out all necessary Board activity – such as updates of shareholding records and ongoing succession planning – enabling us to effectively track our performance. The tracker is discussed at each of our Board meetings and is shared with our external auditor. We also use a dedicated tool to manage our insider lists.

Supporting and challenging the executive team

Supporting and challenging the executive team in pursuing the right strategy for long-term success and shareholder value is one of our key roles. We discuss the ongoing implementation of BTG's strategy at each meeting, including assessing the potential to expand in our offering with acquisitions.

At our annual November strategy day, we considered and agreed BTG's updated five-year strategic plan. The main points discussed were:

- Investment in key technology propositions, notably cloud migration, hybrid cloud security and AI innovation
- More investment in services, to complement our historical focus on software sales and to build on our existing service offerings
- Maintaining our strong culture and ensuring our senior managers have the management skills to lead our business and people as BTG grows.

Supporting our people and culture

Our collaborative, customer-focused culture is key to our success. This year we supported the business in taking steps to nurture and enhance this asset – for more details, see page 11.

A key decision was to appoint our first CPO, who will report directly to Sam. Until now, our HR teams in each business have provided strong support across core HR operations, but appointing a proven CPO – with experience in areas like assessing and maintaining company culture, and developing a solid approach to success planning and leadership development across our business – will help us build more strategic HR foundations.

Employee engagement is essential to keeping our culture strong. Shruthi met many of our people during the year and reported back to the Board – for details, see her introduction to stakeholder engagement on pages 86 to 91.

However, employee engagement is not only Shruthi's role – it is shared by all directors. In July, for example, we all attended a town hall at Bytes's Leatherhead offices where I led a session about the Board, including the strategy and governance oversight role we play, our key strategic priorities, investments being made to support the ongoing growth of the business, and our focus on promoting and supporting a strong culture across the Group. Half the town hall time was then given over to questions and I was delighted at the level of employee participation.

Our internal auditors held focus groups at both Bytes and Phoenix to assess employee perception of our culture. The results were reported to the Board and fed into a Group culture framework, incorporating our purpose and values and our new mission, which has been developed by Sam in collaboration with the businesses.

Supporting internal investment

The quality of our customer service, reflected in our strong net promoter score (NPS) with customers is core to our competitive advantage. To ensure that our service quality remains high, the Board supported more investment in customer service, in particular, the recruiting of more technically skilled pre-sales and services delivery people. In line with our strategic emphasis on AI, we welcomed BTG's creation of an AI practice, to develop projects based on AI technologies, and a Group AI forum, to share good practice across our two businesses. These steps aim to both meet customer demand and enable BTG to improve internal productivity.

Enhancing our focus on ESG issues

Customers, and other stakeholders, are also increasingly demanding action on environmental, social and governance (ESG) issues. This year we established a Board ESG Committee, chaired by Anna Vikström Persson. The committee will monitor BTG's progress against its ESG targets and help the Group manage related risks and opportunities. It works closely with our other Board committees, particularly the Audit Committee.

BTG reached some significant environmental milestones this year. In June 2024, the Group's carbon reduction targets were validated by the Science Based Targets initiative. Other pleasing external recognition included the rise in our ISS ESG corporate rating from C- to B-, a level attained by less than 10% in our industry. This illustrated our strengthened ESG governance, and was supported by external validation and BTG's carbon reduction targets and actions – which contribute to sustainability awareness and carbon reduction across the Group. This is discussed in the Planet section on pages 42 to 46.

Our focus for 2025/26

In the coming year, the Board will continue to support and challenge our Group growth strategy; focus on our governance; engage with our investors, employees, customers, suppliers and vendors, and communities; and support our great people and the strong culture that are so fundamental to our future success.



Patrick De Smedt

Chair
12 May 2025

Board of directors

Our directors draw on a rich pool of collective industry knowledge and skills and experience of UK and international business, gained from senior roles both within BTG and in other leading companies.



Patrick De Smedt Chair **Nationality** Belgian, British **Age** 69
Appointed 15 October 2020

Patrick has a strong track record in international business, including 23 years in senior roles at Microsoft. During his two decades at Microsoft, he founded the company's Benelux subsidiaries, led the development of its Western European business and served as chairman of its Europe, Middle East and Africa region. Since leaving Microsoft in 2006, Patrick has served as chair and non-executive director on the boards of a diverse range of European public and private equity-backed companies.

External board appointments None

Committees **Nomination, Remuneration, ESG** **Attends by invitation** **Audit**



Sam Mudd Chief Executive Officer **Nationality** British **Age** 56
Appointed 12 July 2023

Sam brings more than 20 years' experience in leadership positions to the Board. Sam joined Phoenix in November 2003, having previously held senior roles at WordPerfect, Novell Inc. and Trustmarque Solutions. Sam became MD Phoenix in 2014, overseeing a period of significant growth during which Phoenix won numerous awards, including Microsoft UK Partner of the Year 2021. She joined the Board in July 2023 and was appointed as CEO on 10 May 2024. In October 2020, Sam won the Industry Achievement Award at IT reseller magazine CRN's Women in Channel Awards.

External board appointments None

Attends committees by invitation **Audit, Nomination, Remuneration, ESG**



Andrew Holden Chief Financial Officer **Nationality** British, South African **Age** 58
Appointed 21 October 2021

Andrew brings strong financial and commercial acumen to the Board, and has a proven record of delivering insights into strategy implementation and executive decision making. In his role as CFO, he has guided the Group, as it continues to pursue its growth strategy. He joined BTG as COO in June 2021 from JSE-listed technology company Altron Limited, BTG's former parent company, from which it demerged in 2020. Andrew was appointed as BTG's CFO in October 2021.

External board appointments None

Attends committees by invitation **Audit, Nomination, Remuneration, ESG**



Dr Erika Schraner Senior independent director **Nationality** British, American, Swiss **Age** 57
Appointed 11 September 2021

Erika brings more than 25 years' experience in senior leadership positions to the Board of BTG. During her executive career, she spent more than 18 years working in Silicon Valley in the technology sector. She held senior professional services roles with Ernst & Young and PricewaterhouseCoopers, and an executive role with Symantec Corporation, a global cybersecurity company. Earlier in her executive career, she held roles with IBM, REL Consultancy Group and Computer Science Corporation. Erika earned a PhD in management science and engineering at Stanford University.

External board appointments JTC plc, HgCapital Trust plc, Pod Point Group Holdings plc (until 5 June 2025)

Committees **Audit, Nomination, Remuneration, ESG**



Read the full biographies



Shruthi Chindalur Independent non-executive director **Nationality** Indian **Age** 47
Appointed 1 February 2024

Shruthi has more than 20 years' experience across the technology, software-as-a-service and advertising technology industries. She was most recently an executive managing director at the AI-based advertising group Criteo, where she led EMEA and Global Indirect Channels. Shruthi has also held a number of senior commercial roles at Oracle and LinkedIn, with market responsibility covering APAC, EMEA and the Americas. She is our designated non-executive director for employee engagement.

External board appointments None
Committees Audit, Nomination, Remuneration, ESG



Ross Paterson Independent non-executive director **Nationality** British **Age** 53
Appointed 1 June 2024

Ross is a qualified chartered accountant and brings extensive listed-company board experience as a CFO and non-executive director. Ross spent more than 23 years at Stagecoach Group Limited (formerly Stagecoach Group plc and listed until 2022) in senior executive finance positions, including ten years as CFO. Ross is currently on the boards of FTSE 100 company The Unite Group plc and AIM-listed technology business Tracsis plc.

External board appointments The Unite Group plc, Tracsis plc
Committees Audit, Nomination, Remuneration, ESG



Anna Vikström Persson Independent non-executive director **Nationality** Swedish **Age** 55
Appointed 1 June 2024

Anna was previously chief human resources officer for Pearson plc and executive vice president, head of human resources at Sandvik AB and SSAB AB. She also held senior HR roles at Ericsson Group and was an independent non-executive director at Knowit AB. Anna currently serves as an independent non-executive director of Videndum plc and will chair its remuneration committee from 16 June 2025.

External board appointments Videndum plc
Committees Audit, Nomination, Remuneration, ESG

Board changes

- Erika Schraner assumed the role of senior independent director and Interim Audit Committee Chair on 24 March 2024, and stepped down as Interim Audit Committee Chair on 1 June 2024.
- Ross Paterson was appointed as an independent non-executive director and Audit Committee Chair on 1 June 2024.
- Anna Vikström Persson was appointed as an independent non-executive director and ESG Committee Chair on 1 June 2024.
- Sam Mudd was appointed as CEO on 10 May 2024.
- Shruthi Chindalur assumed the role of designated non-executive director for employee engagement on 25 March 2024, a role previously held by Erika Schraner.
- Mike Phillips resigned as an independent non-executive director on 24 March 2024.

Board of directors continued

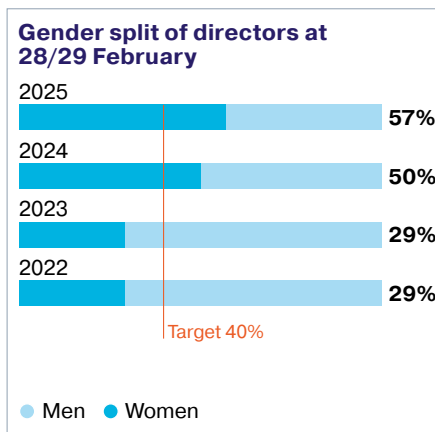
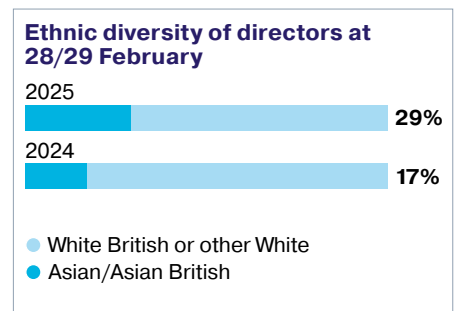
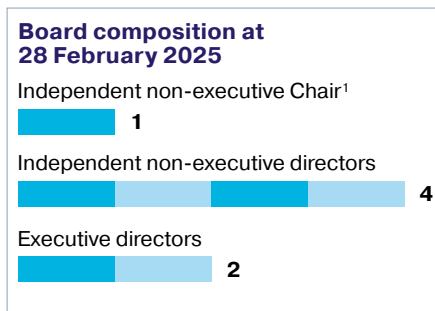
Board attendance*	
Board member	For the financial year to 28 February 2025
Patrick De Smedt	13/13
Sam Mudd	13/13
Andrew Holden	13/13
Erika Schraner	13/13
Shruthi Chindalur	12/13
Ross Paterson – appointed 1 June 2024	6/6
Anna Vikström Persson – appointed 1 June 2024	6/6
Former directors	
Mike Phillips – resigned 24 March 2024	2/2

* This table includes scheduled Board meetings and excludes Board calls.

Board independence and diversity

During the year, we continued to focus on independence and diversity, as illustrated in the charts below and set out in this governance report.

The data here reflects the position at year end. We set out more details about changes to the Board during the year in the Nomination Committee report on pages 102 to 105.



¹ At time of appointment.



Directors scored themselves out of three for each skill.

Executive Committee

The committee meets monthly and helps to develop and deliver BTG’s strategy. Individual Executive Committee members are responsible for leading their directorates and ensuring they are run effectively and efficiently.



Sam Mudd Chief Executive Officer



Andrew Holden Chief Financial Officer

Biographies for Sam and Andrew can be found on page 78.



Jack Watson MD Bytes Software Services **Nationality** British **Age** 41
Appointed as MD 1 March 2021

Jack joined Bytes as a new business account executive in November 2006. He was promoted to Sales Manager in 2012 and grew his team’s sales profit by more than 200% in less than four years. He developed the ‘7 steps’ sales programme, which boosted individual sales performance and accelerates new talent in the organisation.

Bytes’s sales profitability doubled during Jack’s five years as Sales Director, from 2016 to 2021. During this time, he oversaw the rollout of a new CRM system, launched a sales management competency framework and coaching programme, and integrated the sales teams from Bytes Security Partnerships, when the previously separate business was merged with Bytes in 2020. Jack was promoted to MD Bytes in March 2021.



Clare Metcalfe MD Phoenix Software **Nationality** British **Age** 56
Appointed as MD 10 May 2024

Clare joined Phoenix in 1997, following a decade of experience in sales and procurement roles in the IT industry. Having held a number of senior management positions within the company, she was appointed as Operations Director and to the Phoenix Board in 2018. Clare has overseen a wide range of responsibilities, including risk, governance, operations and systems development.

She stepped up to be Interim MD Phoenix on 21 February 2024 and MD Phoenix on 10 May 2024, where her passion for innovation and transformation continues, alongside a commitment to supporting customers to transform digitally and deliver on their business objectives.

The Board's year

Here is a round-up of events during a busy year for the Board, with our activities ranging from appointing a new CEO to engaging with BTG's great people.

How we reshaped our Board

Our main priority in 2024/25 was reshaping the Board after the former CEO resigned in February 2024, and completing our related investigation, conclusions of which we announced on 16 May 2024 and are available on our website.

The Board acted decisively, and we swiftly appointed Sam Mudd as Interim CEO, making her role permanent in May after a rigorous recruitment process. Sam has been one of our executive directors since July 2023 and was Phoenix's MD for a decade.

We appointed two new independent non-executive directors shortly afterwards. Ross Paterson and Anna Vikström Persson joined the Board on 1 June, just a few months after we appointed Shruthi Chindalur.

Ross became Chair of our Audit Committee, succeeding Dr Erika Schraner – who was Interim Chair and appointed as senior independent director earlier in the year. Anna took up the role of Chair of our new ESG Committee, while Shruthi succeeded Erika as designated non-executive director for employee engagement.

➔ **For more details, see our Nomination Committee report on pages 102 to 105.**



Patrick speaking at the town hall meeting at Bytes in July 2024

“

My closed listening sessions with employees encouraged unfiltered, insightful and direct feedback from them.

Shruthi Chindalur

Keeping our stakeholders engaged

Stakeholder engagement is one of our main duties – one that was even more important this year following the change of CEO and appointment of two new non-executive directors. Our Chair, Patrick De Smedt, and CEO, Sam Mudd, spoke to numerous investors, particularly in the months immediately following the leadership change.



The Board also met with Microsoft UK's leadership, to discuss the technology market, partner landscape and key technologies. Deepening our market insights and remaining aligned with the priorities of BTG's vendors is an ongoing part of the Board's work, and will continue in the year ahead.

Staying close to BTG's people was another priority. In her designated employee engagement role, Shruthi met many employees on day-long visits to Bytes's Leatherhead office and Phoenix's Pocklington office. She also had one-to-one meetings with BTG's two MDs.

As part of our wider employee engagement role, our whole Board attended a town hall meeting at Bytes, where Patrick outlined the Board's role and why engagement is so crucial. Time was also devoted to answering questions and engaging with employees in a more informal setting.

➔ **For more details, see our introductions to corporate governance on pages 76 to 77 and to stakeholder engagement on pages 86 to 87.**

How we preserve trust in our business

Trust in the way BTG operates is essential to keeping our stakeholders' support. To ensure that such trust remains justified, we took more steps to strengthen our governance processes.

We made regular awareness training central to our Board calendar, and directors received presentations on corporate governance from BTG's legal counsel and external auditors. Our Board also received a refresher session on market abuse regulations. All BTG directors have signed up to the Deloitte Academy, which offers governance briefings, webinars and seminars.

→ **For more details, see our Nomination Committee report on pages 102 to 105.**

Ensuring BTG's strategy continues to deliver

BTG's strategy has delivered exceptional growth since the 2020 IPO. One of the Board's key functions is to oversee and advise on strategy and to ensure that, as markets change, the Group continues in the right direction.

Our annual strategy day, the first with Sam Mudd as CEO, gave the Board the chance to discuss and challenge BTG's strategic growth plans with the senior management team.

We fully support the executive team's strategy, which remains largely consistent with previous years, while evolving in line with the industry and vendors' changing needs. It will concentrate on investing in key technologies, notably cloud migration, hybrid cloud security and AI innovation, investing more in managed services, and maintaining a strong culture.

→ **For more details, see our Chair's introduction to corporate governance on pages 76 to 77.**



Keeping our winning culture

Numerous awards, including vendor recognitions, being Great Place to Work-certified, and continuing growth testify to BTG being a leading company to do business with.

Employees enjoy working for the Group – they care about delivering an exceptional service to customers and developing long-term relationships with them, which can sometimes span decades.

The Board supported the executive team's continuing efforts to uphold the strong culture, as BTG grows. These have included focus groups to determine what Bytes and Phoenix people think about BTG's culture and to identify areas for continual improvement. Their findings were fed back to the Board and incorporated into a culture framework, including a revised BTG mission, that Sam Mudd developed with the businesses.

As part of this drive to maintain BTG's winning culture, in early 2025 the Board approved the appointment of a CPO. The CPO will help BTG to continue to develop our HR tools, including advancing our succession and leadership development plans.

→ **For more details, see our Chair's introduction to corporate governance on pages 76 to 77 and Our people on pages 36 to 39.**

Culture Blueprint

The Board's year continued



Upping our oversight of ESG issues

Environmental, social and governance (ESG) issues remain important to our investors, regulators, employees and communities.

This year the Board established our ESG Committee, chaired by Anna Vikström Persson. With BTG being a 'people business', the 'S'/social aspect of ESG is particularly important to the Group. A former chief human resources officer, Anna's strategic, executive-level expertise is helping us bring out the best in our people.

The committee will monitor BTG's progress on implementing the Group's ESG strategy, which the Board approved in October. It will work particularly with the Audit Committee to make sure BTG reports accurately on ESG issues. Reflecting the importance of the ESG function, all our non-executive directors are members of this committee.

→ **For more details, see our ESG Committee Chair's introduction on pages 106 to 107 and Our planet on pages 42 to 46.**



The Group has already achieved notable ESG milestones and has ambitious goals – and will continue to work to make these a reality over the long term.

Anna Vikström Persson

Staying up to date with what matters to the business

A thorough understanding of BTG's operations and industry is essential if directors are to support and challenge the executive team effectively.

Both our new non-executive directors had comprehensive inductions on joining BTG. They visited key sites; met Bytes's MD, Jack Watson, and Phoenix's MD, Clare Metcalfe, plus our Group Company Secretary, Group Sustainability Manager and a senior HR manager; were introduced to our external legal counsel, remuneration consultants and brokers; and were briefed on BTG, its strategy and governance processes, and the year ahead.

At Board meetings, directors heard updates on market and industry trends, had briefings from both BTG MDs, and received valuable perspectives from senior vendor partners within the market. Senior BTG operations managers presented on topics relevant to our business, including a session with Bytes's and Phoenix's chief technology officers on the risks and opportunities of AI.

→ **For more details, see our Nomination Committee report on pages 102 to 105.**

Preparing for ongoing regulatory changes

Staying ahead of regulatory change is essential.

This year the Board oversaw BTG's preparations for provision 29 of the UK Corporate Governance Code 2024, which, from the year ending 28 February 2027, will require BTG to declare the effectiveness of its material controls; and for IFRS S1 and S2, the new sustainability reporting requirements expected to come into force for UK companies in 2026, which will affect the Group's 2026/27 reporting. We are also preparing for the new failure to prevent fraud offence, introduced through the Economic Crime and Corporate Transparency Act 2023, which becomes effective from 1 September 2025.

We used these regulatory preparations as an opportunity to review, and make recommendations for improving, BTG's risk management and governance processes.

→ **For more details, see our Audit Committee Chair's introduction on pages 92 to 93.**

Completing an efficient internal review

The Board continued to get the most out of our internal review by using expert help with the annual process.

Lintstock, a board-review advisory firm, again brought external insights to our 2024/25 internal evaluation. Our directors completed bespoke questionnaires on our effectiveness, returning them anonymously to Lintstock for analysis and feedback. Our Chair, Patrick De Smedt, met all directors individually to hear their thoughts, while Erika Schraner, our senior independent director, met with Patrick and had discussions with her Board colleagues. Members of our Audit, Nomination, Remuneration and ESG Committees also provided feedback on the performance of their committees.

Lintstock found the Board performed well above, or equal to, its governance index of more than 200 other companies, against comparable metrics. It recommended that we continue to focus on BTG's growth strategy, people and culture, and on supporting the executive team. We discussed the review findings at our February Board meeting and, going forward, agreed to prioritise:

- Maintaining a strong focus on the Group's growth strategy
- Ongoing focus on strengthening governance
- External communication and engagement
- Continually developing our plan for succession, leadership development and a strong culture
- Continually assessing and reviewing our collective Board and committee skills and experience
- Developing leadership in AI
- Ongoing strategic support and guidance for the executive team.

We also spent time addressing recommendations from last year's internal review, making good progress on Lintstock's recommendations for 2024/25, by:

- Maintaining our focus on reviewing composition, diversity, skills and experience
- Continuing to expand our knowledge of topics that matter most to customers and vendors, such as emerging technology
- Continuing to focus on strategy and future direction, particularly around customer requirements, emerging technologies like GenAI, vendor offerings and strategies, and outcomes from the annual strategy session
- Providing ongoing opportunities for the Board to hear from external experts to challenge our thinking
- Continuing to focus on company identity and culture, particularly as we grow, through succession planning, leadership development and talent recruitment.

Our Board will have its next full external review in 2025/26.

“With high ratings for its dynamics, the Board shows a healthy and respectful culture of debate and challenge, and directors share their views openly.”

Lintstock

Our Board will have its next full external review in 2025/26.



Stakeholder engagement (s.172 compliance)

Introduction from our designated non-executive director for employee engagement

Fulfilled employees are at the heart of great companies. Commitment to caring through words and actions is fundamental to employee success, company success and the success of its customers.



“
BTG people have unswerving customer focus, a passion for technology, deep pride in what they do, big ambitions and a lot of gratitude for their colleagues.

Shruthi Chindalur

Foundational principles and focus areas

Since becoming BTG’s designated non-executive director for employee engagement in March 2024, I have met peers in the same role from other listed technology and non-technology companies to discuss what our role could become and achieve. I am keen to build on the good work of my predecessors and engage more deeply and broadly with our people than we have before. The Board decided that the focus areas for the designated non-executive director for employee engagement will cover company culture, attracting and retaining the best talent, and future-proofing organisational strength and structure.

As a Board, we have crafted our operating principles on employee engagement to revolve around:

- Maintaining the integrity of employee relationships with the Board
- Building a structured feedback loop between employees and the Board
- Engaging the Chair and all the non-executive directors with the employees meaningfully
- Working closely with the ESG Committee on diversity, equality and inclusion matters.

The central tool for this engagement is our listening sessions with employees.

An encouraging engagement journey so far

I’ve had the pleasure of meeting several groups of BTG employees. The full-day visits to our Leatherhead and Pocklington offices, employee forums, HR/culture sessions, structured and unstructured floor walks, individual and group site leadership meetings, and meetings with the MDs revealed some unmistakable observations – the pure passion and positivity from the employees.

At both sites, I held closed listening sessions with employees across four levels of seniority from various departments. A new prescriptive format encouraged unfiltered, insightful and direct feedback from them. For me, this information formed the foundation for the first set of actionable items to move forward, working with the CEO and the rest of the Board. The combined learnings from the employee forums were consolidated, prioritised and fed back to the Board and the MDs to take actions across the year and the next.

Preserving positive cultural traits as we grow and amplifying the employee voice

In the process of taking a company pulse, I was positively struck by the strong culture of community within the company. Our people have unwavering customer focus, a passion for technology, deep pride in what they do, big ambitions and a lot of gratitude for their colleagues. Their voice matters more than ever and, as a Board, we will strive to preserve these positive traits as the company grows.

Employee listening sessions provided valuable insights that are shaping key plans and policies in HR, organisational structure, diversity, equality and inclusion, remuneration, reward and recognition, culture, succession planning, and talent and leadership development. Employees also shared useful perspectives on the company strategy.

Based on employee feedback, the Board and the leadership team took action through the decision to appoint a CPO, and to approve a new office building to support the company's growth and employees' wellbeing. Other steps included strengthening career and succession planning, expanding the finance team, formalising the Women in Technology employee group, enhancing pay parity, and reinforcing staff recognition and rewards.

As a Board we also prioritised preserving key initiatives that enhance the employee experience, including apprenticeship programmes, culture workshops, induction, learning and development, community collaboration, and a strong focus on customer and technology excellence.

This Board commitment to engaging with employees was also demonstrated at the Bytes 2024 town hall, which followed one the Board had held at Phoenix the previous year. With full Board attendance, our Chair presented on our role as a board, our duties and how and why we engage with stakeholders. An informal lunch followed with several employees who shared positive feedback about the presentation. Our committee chairs visited different sites and enjoyed meeting various employee groups across the year.

Employee engagement is core to the way the Board and the leadership team works. It has always been important at BTG, but we want to amplify it even more. The perspectives of employees will remain an important part of our Board deliberations and decision making – and, in my employee engagement role, it has been and will be my continued duty to bring their voice to the Board at and beyond our formal meetings.

Making BTG a shining example of culture, inclusion and leadership

In the year ahead, we will continue our wider Board engagement with employees and share how their feedback has powered the actions taken by the company as it grows and scales.

If companies have great leadership, are inclusive by design and sustain an excellent culture, employees are automatically more engaged – which, of course, drives results. My personal goal is for BTG to be a shining example of culture, inclusion and leadership in the tech company ecosystem. I am really looking forward to working with my colleagues and BTG's people this year to further that ambition.



Shruthi Chindalur

Designated non-executive director for employee engagement

Stakeholder engagement (s.172 compliance) continued

Our approach to Section 172

Customers, suppliers and vendors, employees and investors are core parts of BTG, while support for our communities and the environment – which is also a stakeholder – underpins the company’s values and purpose.

Section 172 of the Companies Act 2006 imposes a duty on directors to act in a way that they consider, in good faith, best promotes the success of the company for the benefit of all its members.

In our decisions and actions during the year, we, the Board, believe we promoted the success of BTG for the benefit of its members as a whole, while also considering stakeholders and the matters set out in Section 172(1) (a) to (f) of the Companies Act 2006. We know that different stakeholders may hold different views about the decisions we take, and that we sometimes need to act based on competing priorities. Our engagement activities help us to understand what matters most to our stakeholders and to make fully informed decisions in their interests.

We believe strongly in doing business in the right way, with all our decisions underpinned by their impact on BTG’s main stakeholder groups. We describe these groups in the tables that follow, alongside a discussion of how we engaged with and responded to them in the year.

Principal decisions in 2024/25

It was another busy year for the Board. Here we set out two examples of principal decisions we took in 2024/25 and how we considered Section 172 matters in the process.

Setting up our ESG Committee



The Board established the ESG Committee with effect from June 2024, as a natural evolution of the company’s governance arrangements.

How the Board made its decision

Given the importance of climate change, and that the issues are evolving constantly, ESG is now part of our governance structure and overseen at the highest level of the Group. To increase this oversight, and to more closely monitor the implementation of BTG’s ESG and sustainability strategy, as a Board we decided to delegate our authority to a new, dedicated ESG Committee.

Chaired by independent non-executive director Anna Vikström Persson, the committee provides focused input to the Board and other Board committees on ESG matters. Its mandate encompasses the ongoing focus on the company’s climate transition strategy, including reaching net zero emissions; addressing employee matters, including diversity, equality and inclusion, as well as matters related to customers, partners and communities; and overseeing the company’s business conduct, including corporate and commercial governance, business ethics, anti-bribery and -corruption measures.

The ESG Committee provides more rigour as the company matures its ESG strategy, bringing together knowledge of financial, operational and sustainability strategies to find synergies, and to identify conflicts, risks and opportunities. It also helps the company navigate ESG regulations and reporting requirements.

For BTG’s stakeholders, like employees, it means greater consideration of diversity and inclusion; for the environment, additional oversight of our carbon reduction goals; for customers, and suppliers and vendors, help to reduce their carbon footprint and support their employees and communities; and for investors, more robust governance and assurance in our ESG reporting.

Appointing a chief people officer

During the year, the Board agreed and approved the appointment of a CPO at Group level, which the company will undertake in 2025/26.

How the Board made its decision



With an increasing focus on maintaining BTG’s culture in light of continued company growth, the Board agreed the need to appoint a CPO. Feedback from employees, received during internal audits, continues to highlight how important the company’s strong, collaborative and supportive culture is – and what a key part of its attraction and retention strategy it is.

This decision not only supports employees but, in doing so, also drives operational excellence, increasing sales productivity, customer satisfaction and repeat business. This directly benefits BTG as well as its customers, suppliers and vendors, and investors.

A CPO also allows us, as a Board, to better support the development of the next level of the company’s leadership – senior management – which is a crucial part of our succession planning for future executive roles. A CPO will lead the work here, taking responsibility for diversity and succession planning among the company’s senior leaders and wider management team.

Stakeholder engagement

Here we set out how, as the Board, we have engaged with and been influenced by the interests of different stakeholders, as well as by the macroeconomic and environmental factors that affect them. Our engagement activities are well established, as is our investor community as a stakeholder group since the company's listing in December 2020.

Our key stakeholder groups

Stakeholder groups	How the Board stays informed	What the Board has learnt is important to our stakeholders
<p>Employees</p> <p>E</p> <p>People are at the heart of BTG's business and are instrumental to its continued growth and success</p>	<ul style="list-style-type: none"> Regular updates from the managing directors and HR about talent and succession planning, and employee remuneration and benefits, including pensions. Updates from management about career development and BTG's leadership coaching programme, online staff feedback platforms, quarterly whole-company meetings, eNPS surveys and engagement with the leadership team. Feedback, insights and ideas from Bytes and Phoenix employees, including constructive challenge about how management can improve. Dental treatment is now included in Bytes's optional employee healthcare plan as a result of feedback in 2023/24. Direct email communication from the CEO to employees during the year, and invitations for various teams to brief her directly on their roles and areas of work. Visits by our new non-executive directors to the Phoenix office to meet employees, and meetings with senior leaders from Bytes and Phoenix. Meeting between our new Audit Committee Chair and members of the Group finance team to better understand their systems and processes. Town hall held at Bytes at which our Chair gave a presentation and introduced the refreshed Board to employees, and where the Board took questions from employees and talked with them over an informal lunch. Monitoring the all-employee ShareSave scheme, which this year saw the 2021 scheme mature, enabling employees to exercise their shares. Reports from our designated non-executive director for employee engagement on the programme she has developed to enhance the relationship between employees and the Board. She also gave us feedback from her site visits to Bytes and Phoenix. Report from the company's internal auditors on a review of employee perceptions of BTG's culture, values and talent. 	<ul style="list-style-type: none"> On accepting her new role, our CEO prioritised learning from, and embedding herself, in the wider business. Similarly, our new non-executive directors made the most of their induction process, by taking opportunities to familiarise themselves with the business and its culture. These efforts reinforced what we as a Board know we must prioritise for BTG's people: <ul style="list-style-type: none"> Opportunities for professional development and career progression A safe, diverse and inclusive working culture The ability to deliver market-leading solutions to our customers. Employees' physical and mental health and safety also remains a priority for us as a Board. We support the culture of openness promoted by the leadership team, particularly their direct interaction with employees and their decision to implement an anonymous incident reporting hotline. We continue to support the company's ongoing employee programmes, such as offering health support by partnering with an independent health and wellbeing specialist. We supported management's decision to roll out an EV scheme to Bytes this year, a scheme already in place at Phoenix. We reviewed the findings and recommendations from our company culture review to understand how employees are feeling and to support continual improvements.

Stakeholder engagement (s.172 compliance) continued

Stakeholder groups	How the Board stays informed	What the Board has learnt is important to our stakeholders
<p>Customers</p> <p>Cu</p> <p>Building trusted relationships with customers, based on a deep understanding of their needs, is critical to BTG's strategy</p>	<ul style="list-style-type: none"> • Feedback from BTG's account and sales teams' meetings with customers in person and at virtual events, including tradeshow and conferences, and through social media and podcasts. • Feedback and insights from management about BTG's clients' strategies and future investment plans, through contract reviews and feedback from the company's customer success teams. • Feedback from management's interactions with customers in roundtable and summit events, and other events. • Annual customer experience survey, which is sent to customers, requesting honest feedback. Results are reported to the Board against the results of the previous year to track progress. • Interactions between the CEO and customers about what they want to see from BTG's products and services from an operational and sustainability perspective. Major feedback is discussed with management and the Board. 	<ul style="list-style-type: none"> • Customers valued the open and honest way our CEO discussed the former CEO's resignation with them. • Through direct customer feedback and events, we can prioritise what is most important to our customers, such as: <ul style="list-style-type: none"> – Effective and cost-efficient technology sourcing, adoption and management across software, and security and cloud services – Help to identify their software needs, select and deploy appropriate software products, manage licence compliance and, ultimately, optimise their software assets – Guidance and expertise on emerging technologies, especially AI and GenAI. • BTG often screens customers for reputational and financial risks to identify issues that could damage its reputation or finances, and flags any material issues with us at Board level.
<p>Suppliers and vendors</p> <p>S V</p> <p>BTG's well-established relationships with suppliers and vendors helps it to provide the best solutions and support for employees and customers</p>	<ul style="list-style-type: none"> • Updates from management keep us informed about the major third parties with which the company does business, including its suppliers, banks and regulators. • Direct engagement with vendors and partners at industry events, through specific company-directed engagements and in interactions around solutions and services. The CEO updates the Board on these engagements. • Close engagements with suppliers and vendors about changes within their programme and pricing structures. They discussed how the company and Board could best manage interactions and relations with customers. • Long-standing relationships between our non-executive directors and the industry, which includes material vendors and partners that the Group works with on a daily basis. 	<ul style="list-style-type: none"> • Based on these updates, the Board understands how important to suppliers and vendors a close and mutually beneficial relationship with BTG is. • The Board's strategy and decision making are also informed by developments in technology, which highlight the importance of maintaining strategic and trusted partnerships with the world's most successful software companies. • BTG screens all major third parties for reputational and financial risks to make sure there are no apparent issues that could damage its reputation or finances, and flags any material issues at Board level.

Stakeholder groups	How the Board stays informed	What the Board has learnt is important to our stakeholders
<p>Investors</p> <p>I</p> <p>BTG's investors own the company and have made a financial commitment to its success</p>	<ul style="list-style-type: none"> • Insights from the regular engagement between the CEO, CFO or members of the senior leadership team with the company's larger shareholders and potential investors. • Regular market announcements and presentations from the company, as well as feedback from discussions with investors and through the investor relations section on BTG's website. • Feedback from the executive directors' in-person and virtual roadshows that they hold following key announcements, including the company's full-year and half-year results. • Insights from the follow-up one-to-one conversations the executive directors hold with investors and analysts following these announcements. • Regular analysis of shareholder and analyst sentiment and of peers. • Meetings between our Board Chair, CEO, CFO and various investors to, this year, discuss finance, strategy, AI and technology topics, and the company's growth – and to introduce our new CEO to the market. • Availability of our Chair, senior independent director and committee chairs to meet with shareholders during the year. • Our AGM, which is a key opportunity for shareholders and Board members to meet face to face to discuss the company's annual performance, strategy and any other matters shareholders wish to raise. We look forward to welcoming and meeting shareholders at this year's meeting. 	<ul style="list-style-type: none"> • As a Board, we understand that investors are interested in a wide range of issues about BTG, including the implementation of its strategy, and its financial and operational performance, governance, remuneration, M&A and other capital allocations. • The directors are aware of their duty to treat members as a whole fairly, with Board decisions taken with all members' long-term interests in mind. • We maintained strong engagement with our shareholders in 2024/25, introducing our refreshed Board, including our new CEO and two new Board members.
<p>Community and environment</p> <p>Co En</p> <p>BTG recognises that it is part of the communities in which it operates and strives to make a meaningful contribution to sustainable environments</p>	<ul style="list-style-type: none"> • Briefings from management to keep Board members informed that BTG's operations, products and services are aimed at not adversely affecting the environment and positively contributing to the communities in which the company operates. • Briefings on BTG's sustainability programme and progress against its ESG strategy, the objectives of which cover both BTG's operating companies. Briefings included updates on the rollout of a carbon literacy awareness programme and increasing uptake of volunteer days. • Updates on key developments in the company's sustainability work including receiving validation from the SBTi of its sustainability targets and improved scores from disclosures, including CDP and the ISS ESG quality score and corporate rating. 	<ul style="list-style-type: none"> • We support the company to provide engaging and well-paid local employment. • We endorse how BTG encourages employees to help charities and various social and environmental causes – including matching charitable donations, supporting employees' fundraising events and offering paid time to volunteer. • We also support the company to continue working to minimise its impact on the environment, including recent refurbishments that switched to LED lighting, used less harmful refrigerant gases and installed sensor taps. • In response to management's carbon reduction efforts, we continued to support a salary sacrifice scheme to help employees participate in an EV programme, which was rolled out to the entire Group in the last year and promotes cleaner air in our communities. We also endorsed capital expenditure for solar panels at Phoenix's office.

Audit Committee report

Introduction from our Chair

Over the past year, the Audit Committee has continued to focus on ensuring the Group has robust and appropriate systems in place to manage risk, internal controls and external reporting.



“ I have been heartened by the strength of BTG’s audit, risk management and financial reporting infrastructure – although, of course, we will strive to continually improve it.

Ross Paterson

I became Audit Committee Chair on 1 June 2024, taking over from Erika Schraner who became Interim Chair in March 2024, following the resignation of Mike Phillips. Erika did a great job ensuring that the committee continued to operate smoothly and effectively during her tenure.

Anna Vikström Persson also joined the committee in June 2024 and Shruthi Chindalur had become a member in February 2024, while Erika’s continuing committee membership and Patrick De Smedt’s regular attendance at our meetings provided continuity throughout the year. The fact that we have had the same external auditors, EY, and the same EY lead audit partner since BTG listed in 2020, also delivered valuable consistency during a period of change on the Board and the committee.

A good mix of skills and experience

Our committee has a good mix of relevant skills and experience. Shruthi brings great experience of the technology sector, complementing that of Patrick and Erika. Meanwhile, Anna’s track record in HR is invaluable, with BTG being very much a people business. Audit committees have been part of my own professional life for almost 30 years, in my roles as an auditor, a finance executive, a company secretary, a CFO and an audit committee chair of listed and unlisted companies. This gives me an understanding of ‘both sides of the fence’: an awareness of the pressures faced by the CFO and their team, particularly in regard to the ever-increasing tide of regulation, and an understanding of the role and significance of the audit committee.

On getting to know BTG’s business, I have been heartened by the strength of its audit, risk management and financial reporting infrastructure – although, of course, we will strive to continually improve it.

This year, as generally, the committee concentrated on the core areas I discuss here: financial and narrative reporting, internal control and risk management systems, compliance and fraud, and internal and external audits.

The broadening of reporting to encompass ESG issues

Overseeing BTG’s annual and half-year reporting this year included a reasonable focus on preparing for IFRS S1 and S2, the new standards in the ESG sphere. These are expected to come into force for UK companies in 2026, meaning we will be in scope for our financial year 2026/27. As well as preparing for the new regulations, we have been intent on ensuring that BTG is mindful of the ESG opportunities and risks it faces.

The Audit Committee works closely with our new ESG Committee in preparing for the new regulations. It’s helpful for dovetailing the committees’ remits that I sit on both, as does Anna, who is the ESG Committee Chair. As one might expect, while the ESG Committee has a broad remit (see pages 106 to 107), the Audit Committee’s main concern here is to ensure BTG reports ESG information accurately.

Preparing to declare the effectiveness of material controls

Another key focus has been preparing for provision 29 of the revised UK Corporate Governance Code, which, from the year ending 28 February 2027, will require BTG to comment on the effectiveness of our material controls. PwC has been helping us identify which internal controls should be considered material – aligned to our principal risks – as a prelude to testing their effectiveness and to making our declaration. One of PwC’s specialist teams is carrying out this work, which is independent of its internal audit function. As well as ensuring we are prepared for provision 29, we are using this exercise as an opportunity to further enhance our risk management structure.

Ensuring readiness for compliance and fraud regulations

We have also been reviewing our controls and processes in readiness for the new corporate criminal offence of failure to prevent fraud, which comes into force on 1 September 2025. Once again, we’re using the new legislation as a catalyst to assess and, if necessary, improve our anti-fraud systems.

On compliance and fraud, we reviewed and revised our whistleblowing policy, making it less legalistic and more accessible.

A good year with our internal and external audit teams

We continue to work well with, and be pleased with the contribution of, our internal auditors, PwC, and our external auditors, EY.

While still reviewing traditional internal audit areas of interest, such as payroll and purchasing, this year the PwC team continued to broaden its range of work. For example, it led focus groups at Bytes’s and Phoenix’s offices, to gain insights into employees’ perception of

our corporate culture. The findings were discussed at both the Audit Committee and the Board and will influence BTG’s approach to developing Group-wide best practice. PwC also reviewed our approach to ESG issues.

In other internal audit work, PwC is reviewing the implementation of new accounting systems at Bytes and Phoenix, which are scheduled to go live this spring, to provide further assurance before they are used for reporting our 2025/26 half-year results.

The lead PwC partner reports directly to the Audit Committee. Before PwC’s findings are presented to us, they are reviewed by the relevant teams to ensure they are accurate and complete. This year, to ensure BTG is rigorous in reviewing and acting on PwC’s recommendations, the business strengthened accountability for monitoring and ensuring follow-up of internal audit recommendations.

EY has continued as BTG’s external auditor. In the coming year, our EY audit will be led by a new partner, since James Harris has completed his five years in the role. I know I speak for all my Board colleagues in thanking James for his commitment and expertise in steering our audit over the past five years, and particularly for his support during last year’s more challenging audit process.

Both Andrew Holden, our CFO, and I met James’s successor, Anup Sodhi, after EY first nominated him as our new lead partner. We were both satisfied with our meetings, so his appointment was supported by the Audit Committee and, on our recommendation, by the Board.

I am also pleased that we will retain continuity with BTG’s wider EY team members after James stands down. This will ensure that we have the fresh perspective of a new audit partner combined with the knowledge offered by the existing team familiar with the business.

The committee again oversaw the questionnaire-based evaluation of our external auditor, reflecting the Financial Reporting Council’s (FRC’s) Minimum Standard for Audit Committees. The standard, while not yet mandatory, asks audit committees to consider the culture of their auditor (among other usual matters, such as the skill, quality and robustness of the audit). We concluded that we remain confident in EY’s independence, effectiveness and ability to provide rigorous review and challenge.

In light of the efficiency and quality of the audit, and what we see as the benefits of continuity, we have recommended that the Board presents a resolution to shareholders to reappoint EY for 2025/26.

We approved EY’s work plans and estimated fees for 2024/25 ahead of this year’s audit. A full breakdown of the firm’s fees, for audit and non-audit services, for this year and for 2023/24, is on page 97.

Continually improving our governance to support growth

BTG has delivered another set of excellent results. In the coming year, the Audit Committee will continue to work to improve our processes and controls to support greater efficiency and oversight, to retain shareholder trust and to help the Group maintain the secure foundations to prosper.



Ross Paterson
Audit Committee Chair
12 May 2025

Audit Committee report continued

Significant issues considered in relation to the financial statements

Accounting judgements			
Issue	Key uncertainties and judgements	Review and challenge by the committee	Conclusion
<p>Revenue recognition</p> <p>Misstatement of revenue recognised at or near the year end</p>	<p>The Group transacts high volumes of customer orders across multiple vendor products and many software licensing programmes.</p> <p>Within each income stream, management has made judgements focused on determining when the Group's performance obligations are satisfied and the point at which revenue should be recognised, including the accounting for accrued and deferred revenue. This is most sensitive at or near the year end.</p>	<p>As new product areas and licensing programmes are introduced by vendors, the Group reviews its revenue recognition policy at least annually to ensure that it is being applied appropriately and consistently across the Group.</p> <p>During the year, the committee engaged with management in its assessment of the policy, and to understand whether any new revenue streams have been introduced.</p> <p>The Board received detailed monthly reports from management on business performance, which include revenue and gross profit trends against budget and previous periods, to help identify anomalies that may indicate a mismatch of revenue and costs.</p>	<p>The committee concluded that there is a consistent understanding and application of the revenue recognition policy across the Group, with processes in place to minimise cut-off errors that may result in revenue being reported in the wrong period.</p>
<p>Incentives receivable</p> <p>Misstatement of incentives receivable in the reported results</p>	<p>The Group receives significant incentive income across multiple vendors and schemes, including rebates and fees relating to transactions and activities it carries out. These give rise to large receivable balances (totalling £5.6 million at 28 February 2025), because payments are received up to 90 days following the year end. Judgement is therefore required by management to estimate the Group's incentives receivable at the end of the financial year.</p>	<p>As vendor schemes evolve and new ones are introduced, the Group must ensure consistency in determining the incentive recognition triggers aligned to completion of its performance obligations across schemes and from year to year.</p> <p>The committee reviewed the Group's policy and procedures in relation to recognising supplier and vendor incentives through the year and at the year end, and discussed with the management team any significant changes to incentive schemes during the year.</p>	<p>The committee concluded that the Group has appropriate knowledge and processes in place to ensure incentives are accurately and completely accounted for in the correct period, including materially accurate estimates of the incentives receivable at the year end.</p>
<p>Accounting for new property purchase</p> <p>Assessment of appropriateness of accounting treatment to classify the new buildings as owner-occupied property, plant and equipment rather than as investment property</p>	<p>During the year, the Group purchased property (two buildings directly adjacent to its main office in Leatherhead). This new property is intended for the immediate and future use of the Group to provide additional capacity in line with its current and continued organic growth.</p> <p>Given there are a number of tenants within the property at the purchase date with rental leases expiring over the next few years, management has reviewed IAS 16 Property, Plant and Equipment (PPE) and IAS 40 Investment Property to determine the appropriate accounting treatment.</p>	<p>The committee reviewed and discussed with management its assessment that the property be accounted for as owner-occupied, noting key considerations that:</p> <ul style="list-style-type: none"> • The buildings will be owner-occupied with refurbishment and phased occupation in line with growth • The property is not held for the primary intention of earning rental or for capital appreciation or both. While the property will generate rental income for the Group initially from the existing tenants, the intention of the acquisition is for full occupation by the Group in the long term. 	<p>The committee concluded that the Group has correctly interpreted and applied the requirements of IAS 16 and IAS 40 to ensure that the property purchase has been correctly accounted for as owner-occupied at the end of the financial year.</p>

Strengthening our financial reporting and internal controls

This year, the committee focused on several significant areas of financial reporting and internal control, including financial, operational and compliance controls. For example, we:

- Reviewed BTG’s financial statements and assessed whether suitable accounting policies were adopted and whether management made appropriate estimates and judgements
- Reviewed the detailed scenarios and assumptions behind the going concern basis of accounting and longer-term viability
- Monitored the effectiveness of BTG’s enterprise risk management and internal control systems, and received detailed reports and presentations on principal risk tolerance levels and management
- Oversaw the implementation of the internal audit plan for 2024/25 and approved the new plan for 2025/26
- Continued to support the strong finance leadership team, with insights from PwC’s internal audit experience within BTG and from other organisations
- Reviewed the progress around implementing the new accounting system in Bytes and upgraded accounting system in Phoenix, ahead of them going live in 2025/26
- Reviewed the Annual Report and Accounts 2024/25 and half-year results for the six months to 31 August 2024
- Monitored the implementation of improved controls for share dealings and share register analysis, with continued monitoring of the ongoing process.

Membership

At the year end, the Audit Committee comprised four independent non-executive directors who have a combination of recent and relevant financial experience and competence in accounting, risk management and governance. As a whole, the committee has expertise that is relevant to the technology sector in which BTG operates.

Ross Paterson as Audit Committee Chair is a qualified chartered accountant with extensive listed-company board experience as a CFO and non-executive director. Erika Schraner has recent relevant financial experience as a result of her previous executive work and her roles as chair of the audit committee of UK-listed companies, and considerable technology sector experience. Shruthi Chindalur and Anna Vikström Persson also have considerable expertise across multiple sectors.

For the purposes of the code, Ross is currently the designated financial expert. Biographies for all the committee members are set out on pages 78 to 79.

Following Mike Phillips’s resignation from the Board as an independent non-executive director on 24 March 2024, we were not compliant with provision 24 of the code until 1 June 2024, because the Audit Committee only comprised two independent non-executive directors (Erika Schraner and Shruthi Chindalur) during that time. At this date, two new independent non-executive directors joined us: Ross Paterson as Audit Committee Chair and Anna Vikström Persson as a member of the Audit Committee.

How the committee operates

Our committee generally meets on the same day as Board meetings, to make interacting with the other directors as efficient and effective as possible. Our external auditor, EY, and internal auditor, PwC, are invited to attend our meetings, as are the other members of the Board and the Group Company Secretary. Depending on the agenda, other members of senior management are also invited.

Committee attendance

Committee member	For the financial year to 28 February 2025
Ross Paterson ¹	4/4
Erika Schraner ²	7/7
Shruthi Chindalur	7/7
Anna Vikström Persson ³	4/4
Mike Phillips ⁴	n/a

1 Appointed and Chair from 1 June 2024.

2 Interim Chair from 25 March to 31 May 2024.

3 Appointed 1 June 2024.

4 Chair and member until 24 March 2024. There were no meetings held from 1 March 2024 to the date of resignation.

During 2024/25, we met seven times. These meetings include those held approximately one week before our main half-year and year-end results meetings to consider reports from the auditors and management teams. This ensures that any material aspects relating to the results are raised and addressed by the committee in an efficient way.

The Board receives monthly financial reports for BTG and, at each Board meeting, the CFO provides a written and verbal report on our financial performance and outlook. This gives members a good understanding of the Group’s financial performance and a platform to ask questions and challenge management. Additional financial information and management reports are provided around financial reporting periods.

This year we benefited from a series of meetings with key members of the management teams of Bytes and Phoenix, as part of Board engagement sessions.

Our committee has reviewed and approved its terms of reference, which were set on 30 November 2020 as part of the IPO process, and these were last updated on 27 February 2025. We have also agreed a schedule of items for each of our planned meetings for the 2025/26 financial year, with two of these dedicated to risk management.

Audit Committee report continued

Responsibilities

During the year, the Audit Committee reviewed its current practices against the new Minimum Standard for Audit Committees and confirmed it is fulfilling its responsibilities, as set out below.

The committee's principal responsibilities, as delegated by the Board, remained unchanged this year. They include oversight, assessment and review of:

Financial statements and reporting

- The integrity of BTG's financial reporting as a whole and any formal announcements relating to its financial performance, including any significant judgements contained in them
- BTG's assessment of its going concern and longer-term prospects and viability

External auditor

- The effectiveness of the external audit process, with consideration of relevant UK professional and regulatory requirements
- Developing and implementing policy on the supply of non-audit services by the external auditor and approving relevant work
- Obtaining comfort that the external auditor is independent and objective

Internal auditor

- The relationship with the internal auditor, advising on its effectiveness
- Considering and approving the internal audit review plan, the outcome of audit reviews and associated actions

Risk management and internal controls

- The effectiveness of BTG's internal financial controls, risk management and internal control systems, including the activities of the internal audit function, and supporting an agenda of continuous improvement
- Reviewing BTG's finance and risk management policies for ensuring regulatory and legal compliance

- Identifying and assessing principal and emerging risks and risk exposures
- The effectiveness of anti-fraud and anti-bribery systems, and whistleblowing arrangements where employees and third parties can raise concerns in confidence.

Other responsibilities

As well as these responsibilities, the committee:

- Supports the Board in discharging its responsibilities to comply with the code
- Advises the Board on proposed full-year and half-year financial results and periodic reporting, and related announcements
- Reviews the annual and half-year financial statements and accounting policies, and internal and external audits and controls
- Recommends to the Board the payment of final, interim and special dividends
- Assesses the effectiveness of financial reporting procedures
- Advises the Board on the outcome of the external audit and whether it considers that the Annual Report and Accounts, when taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess BTG's position and performance, business model and strategy
- Makes recommendations to the Board on the appointment, reappointment or removal of the external or internal auditors
- Approves both the external and internal auditors' fees and terms of engagement
- Maintains strong relationships with the Board, executive management and the external and internal auditors in the execution of their respective responsibilities
- Reports to the Board on how the committee has discharged its responsibilities during the year.

External auditor

The external auditor is a key stakeholder in helping the committee fulfil its oversight role for the Board.

For its core audit work, during the year EY presented to the committee its detailed audit plan for 2024/25, which outlined its audit scope, planning materiality and assessment of key audit risks. The committee also received reports from EY on its assessment of the accounting and disclosures in the financial statements, including observations around financial controls where identified, and was satisfied that the audit work remained appropriate to BTG's business.

EY attends each committee meeting, receiving all committee papers in advance and, during the year, the committee met with EY without management present. Outside formal meetings, EY's audit partner, James Harris, had direct access to the committee Chair throughout the year and continues to do so, to raise any matters of concern or clarification. This enables efficient engagement.

In addition, two workshop sessions were held during the year between BTG's finance team and the external auditor – and one was attended by the committee Chair. These were good opportunities for proactive teamwork and for sharing knowledge of our business, processes, policies and lessons from previous audits, and to support an efficient 2024/25 audit.

Our committee approved EY's fees for the external audit with the total recurring fee element increasing from £766,822 in 2023/24 to £808,026 in 2024/25, representing an increase of 5.4% and reflecting an inflationary rise in EY's underlying costs.

Both years also included an element of non-recurring fees. The higher amount in 2023/24 was substantially in connection with the two investigations into unreported share dealings and associated governance matters, which totalled £415,000. The rest of the non-recurring fees in 2023/24 covered EY's review of the minority interest investment in technology company Cloud Bridge.

The lower level of non-recurring fees in 2024/25, totalling £62,510, includes EY's review of BTG's software capitalisation, changes in vendor incentive arrangements, the new payroll system at Phoenix and the consolidation system at Group level, as well as some follow-on costs relating to the previous year's corporate governance issue.

The committee assesses the quality, effectiveness, objectivity and independence of EY's annual audit, and seeks feedback from the Board. The committee concluded that EY had provided appropriate focus and challenge throughout the audit and had remained objective and independent. The committee once again recommended EY's reappointment as BTG's auditor and that the directors determine its remuneration. This will be proposed at the 2025 Annual General Meeting.

Non-audit services

It is the Board's policy that all proposals from EY for any non-audit services must be approved in advance by the committee and must not be prohibited by the FRC's Revised Ethical Standard 2019. EY may only provide such services if its advice does not conflict with its statutory responsibilities and ethical guidance. The committee is aware of the requirements of the Statutory Auditors and Third Country Auditors Regulations 2016. The regulations cap non-audit services in any financial year at less than 70% of the average audit fees paid on a rolling three-year basis.

The ratio between audit and non-audit services performed by EY during the year was 7.3:1 (2023/24: 10.7:1), and non-audit services in the year were 12.1% compared with the cap of 70%.

External auditor fees	2024/25	2023/24
Consolidated Group and parent company	£289,542	£268,281
Subsidiary audits	£413,315	£397,417
Half-year review (non-audit services)	£105,169	£101,124
Total recurring fees	£808,026	£766,822
Non-recurring (investigation reviews)	£–	£415,000
Non-recurring (other)	£62,510	£5,000
Total non-recurring fees	£62,510	£420,000
Total fees	£870,536	£1,186,822

Audit risks and areas of focus

As part of its audit planning process, EY advised our committee of the key audit risks and other areas of audit focus.

Key audit risks

- Misstatement of revenue recognised at or near year end
- Management override of controls
- IFRS 15 revenue presentation and disclosure in respect of principal versus agent
- Misstatement of rebate receivable at period end and recognition of vendor incentives

Other areas of audit focus

- Going concern and viability
- Accounting for share-based payments
- Impairment of goodwill
- Software capitalisation
- Accounting for property purchase

Our committee has the authority to request that additional areas are reviewed should the need arise.

Working with the external auditor

The committee approved EY's terms of engagement and reviewed the effectiveness of the external audit through the year-end reporting period. We assessed the auditor's performance, based on our evaluation and feedback from senior members of BTG's finance team, across a range of relevant topics.

We concluded that the auditor showed appropriate focus, critical analysis and challenge on the key audit areas and applied robust challenge and scepticism throughout the audit. We recommended

to the Board, which, in turn will recommend to shareholders in a resolution at our 2025 Annual General Meeting, that EY should continue as external auditor.

The external auditor reported to the committee on its independence from BTG, in line with all UK regulatory and professional requirements, and confirmed that the objectivity of the audit partner and staff is not impaired. The committee also confirmed that BTG has adequate policies and safeguards to ensure EY remains objective and independent.

Internal controls and risk management systems

The management of risk is treated as a critical and core aspect of our business activities. Although the Board has ultimate responsibility for establishing and maintaining BTG's internal control and risk management systems – ensuring the Group has robust risk identification and management procedures in place – certain risk management activities are delegated to the level that is most capable of overseeing and managing the risks. On behalf of the Board, the committee keeps the adequacy and effectiveness of the company's internal financial controls and risk management systems under review, and assesses and approves the Annual Report statement concerning internal control and risk management. This includes assessing principal and emerging risks and the viability statement. As part of its internal audit this year, PwC confirmed to the committee that BTG's internal controls have been appropriately documented for the areas reviewed.

Audit Committee report continued

For more on our risks and mitigation and our risk management framework, see the Risk report on pages 48 to 56. To gain a comprehensive understanding of the risks facing the business and management, the committee periodically receives presentations from senior managers and external advisors.

We have also followed the code's key requirements on risk management and control. For example, this year, as the code requires, the Board has:

- Continued to implement our enterprise risk management framework and policy
- Carried out a robust assessment of our risk appetite, and principal and emerging risks
- Confirmed that we have completed this assessment in our Annual Report, along with describing our principal risks and indicating how we identify emerging risks and manage or mitigate risks
- Monitored and reviewed the effectiveness of our material risk management and internal control systems and summarised this effectiveness review in our Annual Report.

Assessing our principal risks twice a year

The Board carries out a robust assessment of BTG's principal risks twice a year. This considers the risks that could threaten our business model, future performance, solvency or liquidity, and the Group's strategic objectives over the short to medium term. Our principal risks are documented in a schedule that includes a comprehensive overview of the key controls in place to mitigate the risk and the potential impact on our strategic objectives, KPIs and business model.

Given its importance, changes to BTG's risk register can only be made following approval from the committee or the Board. We outline changes to the principal risks during the year on page 50.

Risks that are not principal to BTG are documented within the risk registers of our two primary subsidiaries, which are overseen by the Executive Committee.

The Audit Committee received updates on material aspects relating to these risk registers at intervals during the year. In addition, risks that are considered key indicators of changes in BTG's risk profile, or deviation from the Board's risk tolerance level, are identified and reported to the committee.

Following our review, the committee confirmed to the Board that it is satisfied BTG's internal control and risk management procedures operated effectively throughout the period and are in accordance with the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting.

The committee continues to use the Group's enterprise risk management framework and policy and its risk appetite framework. Our enterprise risk management approach determines our overall principles, requirements and responsibilities for a sound approach to risk management and an effective and continual internal control assurance framework within the business.

The committee also assessed the Group risk register – which consolidated the risk registers of BTG, Bytes and Phoenix – during the year. This included the underlying methodologies, inherent risk scores of the identified risks and what mitigation, if any, could be applied to the inherent risk scores depending on the classification of green, amber and red. Green (low) risks can be accepted without mitigation, amber (medium) risks should be mitigated where possible and red (high) risks must be mitigated as much as possible. Once mitigations are taken into account, management scrutinises the net red risks to determine if they are compatible with the Group's risk appetite.

Our committee formally reviews the Group risk register twice a year to identify the likelihood and business impact of any material or emerging risk, as well as any mitigating factors or controls. A robust assessment of the principal and emerging risks facing the Group was carried out by management – and reviewed and incorporated into the register by the committee – during the year.

The boards of directors of Bytes and Phoenix have implemented internal controls and processes to deliver financial control and reporting, including controls incorporated into their underlying systems. On a day-to-day basis, the Group system of internal control is managed and coordinated by our CFO.

At our meetings in October 2023 and February 2024, the committee considered the process by which management evaluates internal controls across the business. IT security risk, in respect of data security breaches around the Group's own data and that held on behalf of third parties, remained a key theme. So too did the broader and continuing challenges in the macroeconomic environment.

Our business continuity plans for Bytes and Phoenix remain robust. We continue to embed an annual business continuity plan management cycle as part of our overall risk management process, to track, review and evolve our plans.

For 2025/26, the Board at the recommendation of the Audit Committee agreed that the following areas of risk remain relevant and should be reviewed and assessed:

- Cybersecurity risk of breaches of BTG's own data and that held on behalf of third parties
- Factors linked to high interest rates, supply chain constraints and geopolitical uncertainty – given their significant impact on the global economy, customer behaviours and associated cash flows, and the carrying amount of assets and projected future cash flows in the context of going concern and impairment assessments
- People- and culture-related risks, in particular the ability to continue to attract and retain talented people or to maintain the unique nature of our culture
- Increasingly competitive environment and evolving vendor landscape
- Non-compliance- and governance-related risks.

Going concern and viability statements

The committee considered BTG's going concern and viability statements at our meeting in May 2025. We also challenged the nature, quantum and combination of the unlikely but significant risks to our business model, future performance, solvency and liquidity, which were modelled as part of the scenarios and stress-testing for our viability statement.

As part of this review, we:

- considered our financial forecasts position to the end of August 2026 for going concern and over the next three years for viability
- conducted a principal risk assessment
- analysed the impact of sensitivities on cash and available funding, individually and collectively, in a reasonable worst-case scenario.

These scenarios considered the mitigating actions we could take.

We are satisfied that our going concern statement, on page 134 of the Directors' report, and our Viability statement, on pages 73 to 74 of the Strategic report, have been prepared appropriately.

Internal audit

Our internal audit function's main task is to provide independent assurance about the adequacy and effectiveness of the Group's internal controls and risk management systems.

This year marked PwC's third full year as BTG's internal auditor and once again the committee reviewed and approved the internal audit charter. This provides the framework for how internal audit is conducted in BTG and was created to formally establish its purpose, authority and responsibilities. The committee approved the internal audit plan for 2024/25, designed to support BTG's organisational objectives and priorities and to identify the risks that could prevent the Group from meeting those objectives.

PwC carried out six audit reviews across our two primary subsidiaries covering:

- Talent retention
- Payroll (Bytes)
- Payroll (Phoenix)
- Budgeting/forecasting
- ESG
- Cybersecurity.

While these identified certain areas for continued improvement, PwC found no material issues or areas of concern. Before each review, PwC holds a planning meeting to understand the context, key stakeholders, audit objectives and timeframes. Together with our CFO, it also reviews areas of particular importance to the committee to ensure the scope of the audit meets the committee's expectations.

So that we can continually improve our internal audit processes, PwC considers a range of feedback and issues as part of its planning process each year. This includes gathering views from our senior executives and managing directors of our two primary subsidiaries, as well as considering previous areas of internal audit focus and their results, and the most significant risks that we face as an organisation.

Following up on internal audit reviews

The committee receives a report on internal audit activity at each scheduled meeting and monitors the status of internal audit recommendations and management's responsiveness to their implementation. The committee keeps other Board committees updated on the outcome of any reviews that fall within their areas of responsibility. To ensure management completes actions from internal audit reviews in a timely manner, PwC follows up on the completion and implementation of critical, high and medium findings after their nominated completion date and examines supporting data to validate the information provided. PwC also carries out follow-up reviews with management if unsatisfactory conclusions are reached. We will continue to strengthen the way we monitor actions following internal audits.

The committee approved the internal audit plan for 2025/26 at our meeting in February 2025. It includes five planned reviews covering:

- The new accounting systems at Bytes (Oracle Netsuite) and Phoenix (Sage Intact), in two separate reviews
- Readiness of Bytes's newly developed Next Gen platform
- Fraud risk assessment aligned to the new corporate criminal offence of failure to prevent fraud in the Economic Crime and Corporate Transparency Act 2023 (ECCTA)
- Company-level controls.

Audit Committee report continued

Effectiveness review of the internal auditor

As planned, we conducted a formal review of the effectiveness of the internal auditor and internal audit process following year end. The review looked at several areas, including the qualifications and expertise of PwC's team, the depth and breadth of our internal audits, and the quality of planning.

Overall, the committee is satisfied with the way PwC manages our internal audit function. The team's extensive combined experience means it can draw on subject-matter expertise from within the wider PwC ecosystem. It also meets with the senior BTG team each month to understand the changes and challenges in the business and engages with the committee Chair ahead of committee meetings. PwC also meets regularly with our external auditor to exchange knowledge on the risk and control environment and to coordinate plans where appropriate.

At the start of any review, PwC holds scoping meetings with key stakeholders to agree the depth and breadth of the internal audit, and to ensure the scope covers the risks identified during the planning stage while focusing on the most relevant areas. All significant audit findings remain 'open' until approved by our CFO with input from the committee.

Reporting

As part of BTG's financial reporting cycle, it is the committee's responsibility to review the quality and appropriateness of the annual and half-year financial statements with the management team and external auditor. For the period under review, we focused on:

- The quality, appropriateness and completeness of our significant accounting policies and practices and any resulting revisions
- The reliability of processes underlying the integrity of our financial reporting
- The clarity, consistency and completeness of our disclosures, including compliance with relevant financial reporting standards and other reporting requirements
- Significant issues where management judgements and/or estimates were material to our reporting, or where discussions took place with the external auditor to reach a judgement or estimate
- The committee's advice to the Board on the long-term viability statement.

The committee received reports from management on the identification of critical accounting judgements, significant accounting policies and the ongoing application of accounting standards in financial year-end reporting.

Fair, balanced and understandable statement

The committee considered this Annual Report as a whole, and the processes and controls underlying its production, in light of the requirement that it must be fair, balanced and understandable. This included making sure that we addressed the following areas:

Process

- All team members involved in the process were properly briefed on the fair, balanced and understandable requirement
- The core team responsible for coordinating content submissions, verification, detailed review and challenge had the necessary experience to carry out their work well
- The committee received drafts early enough to review and comment in a timely manner

Content

- The report includes accurate key messages, market and performance reviews, principal risks and all other financial and narrative disclosures required for good corporate governance
- The report is balanced in describing potential challenges and opportunities and includes relevant forward-looking information

- Information in the different parts of the report is consistent
- The report is written concisely, without unnecessary verbiage, and avoids jargon as far as possible
- Senior management confirmed that they believe that the information included about their respective areas of responsibility is fair, balanced and understandable.

On the basis of this review, we recommended to the Board that this Annual Report is indeed fair, balanced and understandable, and gives readers the information they need to assess the Group's position and performance, business model and strategy.

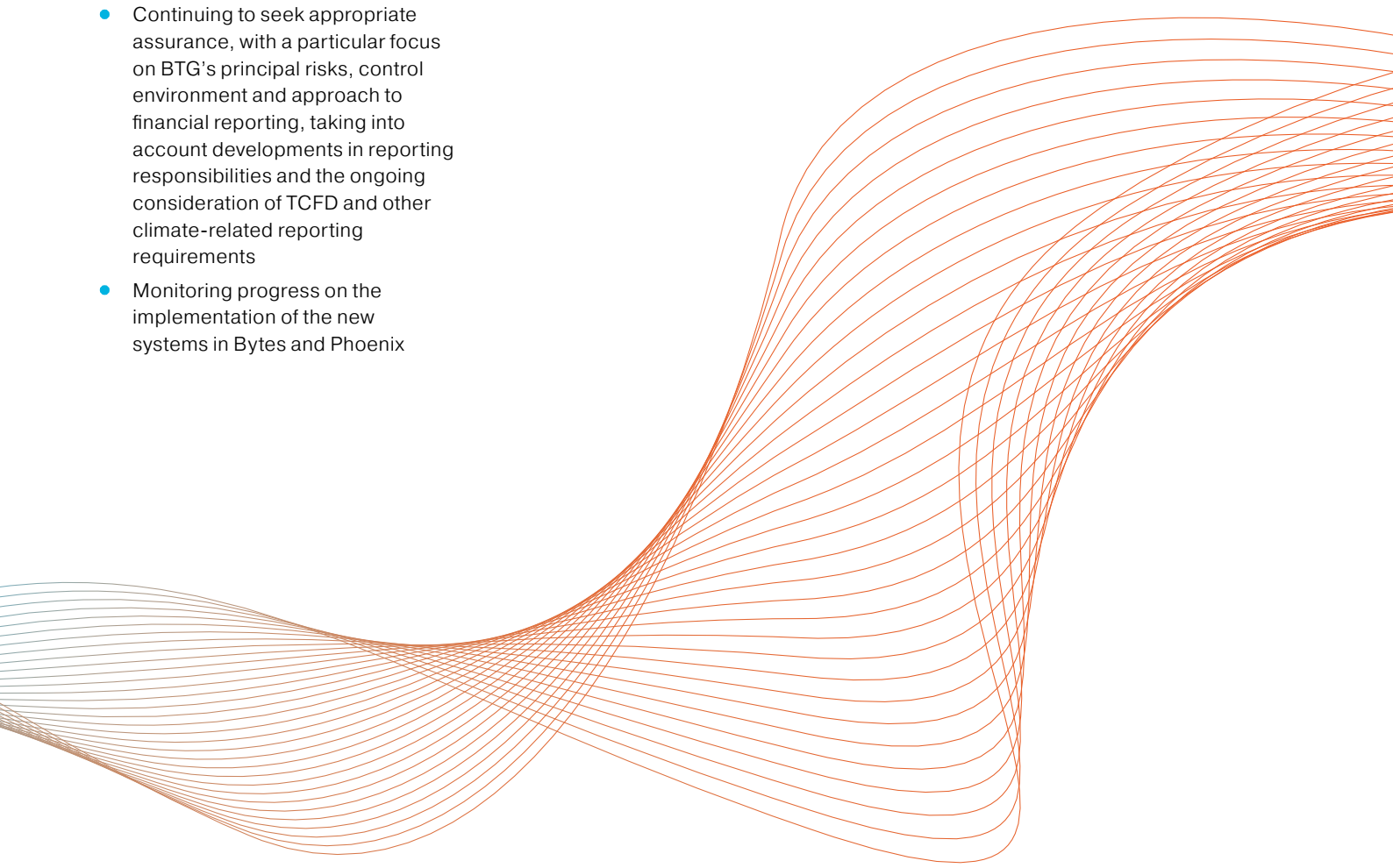
Looking forward

During 2025/26, our committee will remain focused on the key areas of responsibility delegated to it by the Board, which include:

- Continuing to seek appropriate assurance, with a particular focus on BTG's principal risks, control environment and approach to financial reporting, taking into account developments in reporting responsibilities and the ongoing consideration of TCFD and other climate-related reporting requirements
- Monitoring progress on the implementation of the new systems in Bytes and Phoenix

- Monitoring BTG's preparations for the new provision 29 in the code relating to the effectiveness of material controls, which will come into effect for BTG's financial year ending 28 February 2027
- Monitoring BTG's preparations for the new ECCTA regulations, which are effective from September 2025
- Reviewing the external audit strategy coming into EY's sixth year as BTG auditor
- Supporting BTG's continuing governance improvement initiatives.

We welcome questions from shareholders about the committee's activities. If you wish to discuss any aspect of this report, please contact us through our Group Company Secretary at wk.groenewald@bytesplc.com.



Nomination Committee report

Introduction from our Chair

In a busy year for the committee, we welcomed two new directors and our permanent CEO, and ensured we had a balanced mix of skills and knowledge among our Board members to provide the right support and challenge to the executive team.



“
BTG ended the financial year with a strong, collaborative Board, who have a complementary skill set and a shared commitment to the Group’s strategic ambitions.

Patrick De Smedt

Our committee’s primary duty this year was to formalise the Board changes that BTG announced around the end of 2023/24. As I mentioned in my introduction to governance, Sam Mudd was appointed CEO on 10 May, having become Interim CEO in February 2024 following the resignation of former CEO, Neil Murphy.

Sam was appointed after a benchmarking exercise against strong external candidates, led by executive search partner Odgers Berndtson. As part of this rigorous process, Sam took part in psychometric tests, a 360-degree assessment, and a review of her leadership strengths and development areas.

Welcoming our new non-executive directors

Three weeks after Sam took up her post, our two new non-executive directors, Anna Vikström Persson and Ross Paterson joined the Board, on 1 June 2024. Anna and Ross bring invaluable skills and experience. Anna was formerly chief human resources officer of FTSE 100 company Pearson plc, and Ross chairs the audit and risk committee of another FTSE 100 business, The Unite Group, and is a former CFO of Stagecoach Group.

Anna’s recruitment satisfied a need we had identified for a Board member with strong HR experience, while Ross’s appointment was prompted by the requirement for a permanent Audit Committee Chair. Their capabilities complement those of our Board colleagues, with the full Board now providing the right balance of skills and experience to support and challenge our executive directors and the wider management team in delivering our strategy.

Anna became Chair of our new ESG Committee and a member of this Nomination Committee and our Audit and Remuneration Committees. Ross became Chair of our Audit Committee, succeeding Dr Erika Schraner, who served as Interim Audit Committee Chair for part of the year. Ross also joined our committee, as well as the ESG and Remuneration Committees.

Odgers Berndtson once again supported us with the appointment of the new non-executive directors, carrying out initial vetting and interviews before shortlisting two strong candidates for both Anna’s and Ross’s roles. As well as receiving candidate suggestions from our executive search partners, we received recommendations from our directors and the 350 Club, an online community for FTSE 350 board members. Board members met each of the shortlisted candidates before the committee recommended Anna’s and Ross’s appointments.

UK Corporate Governance Code compliance

These two appointments brought us back to full compliance with the UK Corporate Governance Code 2024, following two months in which we did not comply with provisions 24 and 32. Ross’s appointment as Audit Committee Chair and Anna’s as an Audit Committee member mean we comply with provision 24, while their appointments to the Remuneration Committee mean we comply with provision 32.

Our Board composition also reflects good practice on diversity. Women make up 57% of our Board, well above the FCA's UK Listing Rules requirement of at least 40%. The Board also has two directors from an ethnic minority background, compared with the FCA requirement of one, and two of our senior roles are held by women, against the requirement for at least one.

Prioritising governance training for directors

The committee continued to prioritise governance training and education for directors. This is essential, both to remind Board members of their regulatory responsibilities and to keep them up to date with the ever-changing governance requirements.

Some training is mandatory. During this year, for example, directors completed two online training sessions on market abuse regulations. They must also sign up to the Deloitte Academy, which offers briefings, webinars and seminars on governance and other Board-related matters. Our directors also drew on the Academy's or similar governance resources.

Our committee arranged a programme of development events, including presentations on corporate governance by our legal counsel, Travers Smith, and our external auditors, EY. Travers Smith also delivered a session on market abuse regulations. More widely, Board members received updates on market and industry trends and on new audit and sustainability reporting requirements.

Our Group Company Secretary logs every individual director's training session.

Bringing new directors up to speed

Our committee prepared comprehensive induction programmes for both our new non-executive directors to familiarise them with our business. These included internal meetings with our MDs, Group Company Secretary, Group Sustainability Manager and a senior human resources manager, and introductions to our external legal counsel, remuneration consultants and brokers; visits to key sites; and briefings on our business and strategy, our governance processes and the year ahead.

Succession planning

Our ability to immediately appoint Sam as Interim CEO on Neil's resignation – and shortly afterwards as permanent CEO – was testimony to the strength and adaptability of our succession planning and, of course, to her capabilities. We discuss Board succession planning at every Nomination Committee meeting, supported by a matrix of suitable internal and external candidates, available in the short, medium and long term. This year, Sam introduced a similar system for the Group's senior managers.

Overseeing the development of BTG's senior managers is an important part of our committee's role. To manage our growth and achieve our strategic ambitions, senior managers must have the right leadership capabilities to support that growth and to reinforce and enhance our strong culture. The central importance of BTG's culture to the Group's success, and the need to preserve it, was a key topic of committee discussions, as I discuss in my introduction to governance on page 77.

BTG continues to use external and internal trainers to develop their senior leaders and is planning to introduce a mentoring framework in 2025/26. During the year, following the success of Phoenix's women's leadership acceleration programme and female coaching scheme, the committee welcomed BTG's introduction of similar initiatives at Bytes, including the launch of a Women in Technology group.

Succession planning is an ongoing focus of the committee. Our work in this area will continue to evolve in line with BTG's business requirements, individual career development plans and the external networks that directors bring to the Board.

Future priorities

BTG ended the financial year with a strong, collaborative Board, who have a complementary skill set and a shared commitment to the Group's strategic ambitions. Looking ahead to 2025/26, to help achieve those strategic ambitions, our committee will continue to focus on:

- Further aligning Board composition with our corporate strategy and future business needs
- Ensuring compliance with the UK Corporate Governance Code 2024 and other regulatory requirements
- Maintaining directors' development and overseeing the progression of succession planning for BTG's senior managers.



Patrick De Smedt

Chair
12 May 2025

Nomination Committee report continued

Committee attendance

Committee member	For the financial year to 28 February 2025
Patrick De Smedt	7/7
Erika Schraner	7/7
Shruthi Chindalur	7/7
Ross Paterson ¹	3/3
Anna Vikström Persson ¹	3/3
Mike Phillips ²	1/1

1 Appointed 1 June 2024.

2 Resigned from the committee on 24 March 2024.

Our Nomination Committee works to ensure that we have the right executive and non-executive leaders to deliver our strategic plans and maximise our business potential – now and in the future.

As part of this, we focus on three complementary elements: ensuring appropriate leadership and succession planning for our Board and senior management, overseeing the development of a diverse and inclusive succession pipeline, and promoting BTG’s long-term sustainable success in the interests of our stakeholders.

Each year, we review and approve our committee terms of reference, which are available at bytesplc.com.

Our responsibilities

Our committee’s main responsibilities are to:

- Regularly reassess the composition of the Board and committees – including size, skills, knowledge, experience and diversity – to ensure they remain appropriate, and to make recommendations for changes, as necessary, to the Board
- Review the criteria for identifying and nominating candidates for appointment to the Board, based on the specification for a prospective appointment, including the required skills and capabilities
- Identify and nominate candidates for Board approval to fill Board vacancies when they arise, considering other demands on directors’ time

- Lead the process regarding appointments to the Board, including that of the Chair
- Review the time commitment and independence of the non-executive directors, including potential conflicts of interest
- Deliver succession planning for the Board and senior executives, including recruitment, talent development, identifying potential internal or external candidates, and making recommendations to the Board
- Ensure that all new Board members have an appropriate and tailored induction, and that training and development is available to existing members.

Exceeding diversity expectations

As well as being the right thing to do, establishing a truly diverse leadership team ultimately benefits our stakeholders by enabling us to perform better. We are proud of our Board and Senior Management Diversity Policy (available at bytesplc.com), through which we continue to make progress against or exceed diversity recommendations. This is especially true of the board elements of the FTSE Women Leaders Review:

- Aspire to having at least 40% female directors on the Board and senior leadership team by the end of the 2025/26 financial year
- Consider appointing at least one woman in the Chair, senior independent director, CEO or CFO role by the end of 2025/26
- Consider candidates for non-executive director roles from diverse gender and ethnic backgrounds
- Develop a pipeline of diverse, high-calibre candidates by encouraging a range of employees with different ethnic, gender and experiential backgrounds to take on additional responsibilities and roles.

With the changes to the Board this year, women represent 57% of our Board at the date of this report. That means we are also aligned with the UK Listing Rules to have women represent at least 40% of the Board and to have at least one director from a minority ethnic background.

With women in the roles of CEO (Sam) and senior independent director (Erika), we have reached a significant milestone, because they contribute to the diversity of thought and mindset that we value so highly at BTG. Our priority, of course, will always be to ensure we have the right person in the right role, and the requirements will continue to inform our future appointments.

We would like to see more progress at the next level of the company’s leadership: senior management. When appointed, BTG’s new CPO will lead the work here, taking responsibility for diversity and succession planning of the company’s senior management.

Focus areas for 2025/26

Our committee will continue to monitor its compliance with the code and, with the Board, review succession plans to continue to build on the skills balance and diversity across the business.

This will include:

- Building on the breadth of our directors’ skills, as we have done in appointing Ross and Anna, to support BTG’s growth strategy and maximise the potential of the business
- Continuing our Board-level succession planning process and giving more time to developing the succession pipeline at senior management level
- Supporting our executives as they work with the new CPO to continue developing the leadership capabilities of the wider senior management team, especially as the company grows
- Supporting the ongoing development of our Board and that of the executive directors.

Our Board and executive diversity data

The following tables provide data on gender and ethnicity across our Board and senior management team as at the date of this report. The information was collected on a self-reporting basis.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (Chair, SID, CEO, CFO)	Number in the Executive Committee	Percentage of senior management team
Gender					
Men	3	43%	2	2	50%
Women	4	57%	2	2	50%
Not specified/prefer not to say	–	–	–	–	–
Ethnicity					
White British or other White (including minority-white groups)	5	71%	4	4	100%
Mixed/multiple ethnic groups	–	–	–	–	–
Asian/Asian British	2	29%	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Independence of non-executive directors and potential conflicts of interests

Our committee reviewed the independence and potential conflicts of interests of the non-executive directors in line with the code. Having considered their time commitments and other roles, and the time they have served with BTG, we concluded that they are all independent and continue to make independent contributions and effectively challenge management.

Managing succession planning

We manage succession planning in line with the Group's relevant policies. These are aligned with regulatory requirements around diversity targets and with the company's growth aspirations, which we consider in relation to the skills and expertise that we need or will need in future at Board level.

In 2024/25, we continued to evaluate BTG's succession planning for senior executive roles. This included assessing the strengths of senior managers, areas that need improvement and plans to address those areas. While we identified immediate and long-term candidates among internal leaders, we also identified

areas where there are gaps for natural long-term successors – and this is where we will focus our attention in the coming year.

We also again assessed the existing succession planning for our executive Board member roles, and reviewed the formal succession plans for each of our non-executive positions.

Carrying our performance reviews

This year, we again carried out internal performance reviews of our Chair, directors and committees, completing our current external consultancy Lintstock's three-year board development programme.

Progress on implementing the findings and recommendations of these reviews is made during Nomination Committee meetings. The Chair, with support from the Group Company Secretary, monitors this progress and, with feedback from the CEO, reports back to the Board.

For more details, see The Board's year on pages 82 to 85.

ESG Committee report

Introduction from our Chair

The creation of our ESG Committee reflects the company’s strong commitment to our planet, people and communities, making sure we progress and achieve important milestones. Our committee aims to inspire the business with good practice from our members’ wide-ranging experience.



Setting up our committee

The ESG Committee was established in June 2024, and we held two meetings during the year. A dedicated committee allows us to focus on, advocate and monitor our approach to and progress on ESG areas. It will help us to meet the expectations of all our stakeholders – employees, customers, suppliers and vendors, investors, and community and environment – and ensure BTG’s ESG activities support the company’s competitive business advantage.

Our mandate and focus

Our mandate covers these three areas, which form part of the Group’s ESG strategy:

- 1 Environmental – our main focus is our oversight of performance and initiatives to meet the Group’s carbon reduction targets, including a transition plan to net zero
- 2 Social – our people and culture, including a strong commitment to diversity, equity and inclusion
- 3 Governance – we oversee BTG’s business conduct, including corporate and commercial governance, policies around business ethics and anti-bribery and -corruption measures, and consider emerging regulatory and reporting requirements regarding sustainability that are relevant to the Group.

Approving the ESG strategy

At our first meeting, we considered our committee’s terms of reference, and discussed and reviewed the proposed ESG strategy and environment policy, before approving both. The strategy and policy are intended to be supportive and living documents. We will review and amend them at least once a year – as the landscape changes, as we get feedback from our stakeholders, and as we learn from experience and best practice.

Reflecting the business significance of the ESG agenda, all five non-executive directors are members of the committee, including our Board Chair – while our CEO, CFO, Group Company Secretary and Group Sustainability Manager all have a standing invitation to attend. Our members bring a wide variety of skills and experiences from leading companies and different industries to our discussions.

Adding rigour and monitoring progress

I see the committee’s main role to add rigour: setting clear targets, continually monitoring progress, following up and improving data accuracy. The Group has already achieved notable ESG milestones, by calculating Scope 3 emissions across all categories relevant to the business, achieving SBTi validation for carbon reduction targets, and by beginning to measure ethnicity. This significant progress has been reflected in the high scores the Group has received from external ratings agencies, such as the ISS ESG, CDP and EcoVadis.

Continuing to develop our culture will be a particular focus. While there is already so much that is good about BTG’s culture, there is always room for improvement.

The diversity, including gender balance, at Board level is impressive, but we need to make sure we measure and encourage diversity across all levels of management and the wider workforce. Similarly, while the gender pay gap has improved, there is still some disparity.

BTG will benefit from a more structured way of working on talent management and succession planning. We also need to encourage greater diversity of thought. My learning from other businesses is that progress takes time and requires hard, dedicated work.

How the committee works

The ESG Committee will meet formally three times each year. We work closely with the other Board committees, especially the Audit Committee to ensure the accuracy of data and reporting. I am keen that we do not duplicate the work of our other committees. The fact that all directors are members of this and other committees will help – as will my own membership of the Audit Committee and Shruthi's role as designated NED for employee engagement.

Priorities to grow our business

We look forward to 2025/26, as the ESG Committee focuses on supporting the business in working towards these priorities:

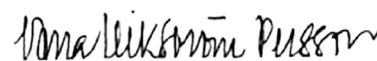
- Building the first phase of our net zero transition plan
- Establishing a water conservation and waste policy
- Enhancing BTG's culture, with wider promotion of diversity, equity and inclusion, so we continue to be a great workplace, attracting and retaining the best talent
- Advancing succession planning
- Addressing the highest-rated risks from the ESG audit
- Continuing education across the Group, through the continuing rollout of the carbon literacy awareness programme
- Wider, more impactful, communication of our plans and successes.

Committee attendance

Committee member ¹	For the financial year to 28 February 2025
Anna Vikström Persson	2/2
Patrick De Smedt	2/2
Erika Schraner	2/2
Shruthi Chindalur	2/2
Ross Paterson	2/2

¹ Committee formed 1 June 2024.

I also look forward to reporting back to stakeholders in 2026 on how the ESG Committee has supported the business in delivering these priorities in our first full year.



Anna Vikström Persson
ESG Committee Chair
12 May 2025

ESG Committee's terms of reference

The new committee will focus on:

General	Environmental	Social	Governance
Significant ESG-related projects, including their impact, materiality and budget	BTG's impact on the natural environment and our response to climate change, including reviewing plans and targets	Progress against targets for gender balance, the gender pay gap and ethnic diversity	Reviewing ESG content in our Annual Report and Accounts to ensure it is fair, balanced and understandable
Relevant internal audit reports and BTG's response to actions that affect people, planet and communities, including interacting with the Audit Committee	BTG's performance against our science-based targets, and the implementation of relevant policies and practices	Board member employee engagement and ways to enhance employee welfare and performance	Reviewing other reports and statements, including our modern slavery statement and human rights policy.
Monitoring emerging regulatory and reporting requirements for ESG issues to ensure we remain compliant.	The potential impact on BTG of climate-related risks and opportunities.	Key BTG charitable and community initiatives and partnerships, monitoring alignment with Group ethics and transparency.	

Compliance with the UK Corporate Governance Code

For the year ended 28 February 2025, we applied the principles of UK Corporate Governance Code 2024.

We complied with all the provisions of the UK Corporate Governance Code 2024 (code) during the financial year and up to the date of this report, with two exceptions:

- At the time of Mike Phillips's resignation from the Board as an independent non-executive director on 24 March 2024, we were not compliant with provisions 24 and 32.

This was resolved on 1 June 2024 when two new independent non-executive directors joined us:

- Ross Paterson as Audit Committee Chair and a member of the Remuneration Committee
- Anna Vikström Persson as a member of the Audit and Remuneration Committees.

The code is available in full on the FRC's website at [frc.org.uk](https://www.frc.org.uk).

1 Board leadership and company purpose

A The Board's role	<p>Our Board's objective is to create and deliver BTG's long-term sustainable success, supported by the right culture and behaviours, to generate value for shareholders and contribute to wider society. Our governance framework ensures that we have a robust decision-making process and a clear structure within which decisions can be made and strategy delivered.</p> <p>Our delegation of authority matrix ensures that decisions are taken by the right people at the right level with accountability up to the Board. This enables an appropriate level of debate, challenge and support in the decision-making process. We continue to be led by an effective Board, which ensures that the most relevant topics are discussed at meetings throughout the year. The Board's main activities are detailed on pages 82 to 85.</p>
B Purpose, culture and strategy	<p>The Board has overall responsibility for establishing BTG's purpose, culture and strategy and, in doing so, delivering our long-term sustainable success and generating value for shareholders. Central to this role is the need for the Board collectively to set the right 'tone from the top', in living and upholding our values, encouraging open and honest debate, and behaving ethically. The Board places great importance on ensuring that its conduct and decision making are appropriate for the businesses and sector in which we operate, and in line with our culture.</p> <p>Our Board is committed to delivering our strategy and to advancing our purpose: empowering and inspiring our people to fulfil their potential, so they can help our customers make smarter buying decisions and meet their business objectives through technology. The Board discusses company culture during its meetings and regularly reviews reports from the CEO, CFO and senior management that provide insight into the culture across the organisation. The Chair also receives regular updates from management around culture. Together, this helps to promote behaviours throughout the business to align with BTG's purpose, culture and strategy.</p>
C Resources and controls	<p>The Board ensures that BTG has the necessary resources to meet its objectives and to continually measure its performance against them. Through the Audit Committee, it oversees BTG's control environment and risk management framework. The Board's agenda is set to deal with those matters relating to BTG's strategic plan, risk management and systems of internal control, and corporate governance policies.</p>
D Stakeholder engagement	<p>Our key stakeholders play an important role in the successful operation of our business. Our Board is fully aware of, and takes seriously, its responsibilities to them under Section 172(1) of the Companies Act 2006. Our Board members are mindful of the potential effect on our stakeholders when considering the company's strategy or other activities.</p> <p>Board members take an active role in engaging with shareholders and wider stakeholders. Non-executive directors are available to meet shareholders and discuss their concerns in person at the Annual General Meeting. They also attend investor calls when requested and are invited to attend relevant industry events.</p> <p>We have a designated non-executive director who takes responsibility for employee engagement. This role engages with staff, including operational managers. Senior managers are also given opportunities to present at Board meetings and so engage with Board members in a different setting. This work contributes to our employee net promoter score (eNPS).</p> <p>We provide more information about how we consider all stakeholders' views in our decision making on pages 86 to 91.</p>

E Workforce engagement	<p>Shruthi Chindalur took on the role of designated non-executive director for employee engagement in March 2024, a role previously held by Erika Schraner, when she assumed other Board roles. For more details, see pages 86 to 87.</p> <p>Our speak-up policy sets out how employees and third parties can raise concerns in confidence, either to one of our whistleblowing officers, directly to our independent Chair or through our independent whistleblowing line. We also offer external whistleblowing guidance and have a process for investigating whistleblowing reports. Our speak-up policy is available at bytesplc.com. There were no whistleblowing reports this financial year.</p>
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2 Division of responsibilities

F Role of the Chair	<p>Our Chair, Patrick De Smedt, leads the Board. He determines the agendas for meetings, manages the meeting timetable and encourages open and constructive dialogue during meetings, inviting the views of all Board members.</p> <p>Patrick was considered independent when he was appointed. We review the status of all our independent non-executive directors each year and confirm that each continues to be independent.</p>
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G Composition of the Board	<p>At year end, the Board consisted of four independent non-executive directors and two executive directors, as well as an independent non-executive Chair. The roles of the Chair and CEO are clearly defined, with their role profiles reviewed as part of the Board’s annual governance review. The Chair is responsible for effective leadership of the Board and for maintaining a culture of openness and transparency at its meetings. The CEO has day-to-day responsibility for the effective management of BTG’s business and for ensuring that Board decisions are implemented.</p> <p>Our Board has agreed a clear division of responsibilities between its leadership function – supported by our corporate governance framework – and the executive leadership of the business. To ensure that no individual has unrestricted powers of decision making and no subgroup of directors can dominate the Board, we have defined responsibilities clearly in our role statements and in the matters reserved for the Board. Committee terms of reference determine the authority given to each Board committee.</p> <p>For more on our Board composition, leadership and role statements, see pages 78 to 79. The responsibilities of our Chair, CEO and senior independent director, and our Board and committees, are set out on page 135 and at bytesplc.com.</p>
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H Non-executive directors’ role and time commitment	<p>Our non-executive directors scrutinise the performance of the executive team and hold it to account against agreed objectives. Our Chair holds discussions with the non-executive directors without the executive directors being present, a practice that continued in the past year.</p> <p>Our senior independent director serves as a sounding board for the Chair and is available as an intermediary for our other directors and shareholders. For the year ended 28 February 2025, our Chair’s performance appraisal was done through our senior independent director, with input from external advisor Lintstock, and was concluded in February 2025.</p> <p>Regular Board and committee meetings are scheduled throughout the year to ensure directors allocate sufficient time to discharge their duties effectively. A non-executive director role generally takes up at least 24 days a year, after the induction phase, plus additional time to prepare for each meeting. Directors are also required to regularly update and refresh their skills, knowledge and familiarity with the company, and attend additional Board, committee or shareholder meetings at certain times.</p> <p>Before appointing a candidate, the Nomination Committee assesses that person’s commitments, including other directorships, to ensure they have enough time for the role. The committee reassesses the directors’ time commitments every year to ensure they each still have time for their role; the Chair also does this periodically as part of his role. Our directors must obtain approval before taking on additional external appointments.</p>
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I Role of the Company Secretary	<p>The Group Company Secretary is secretary to the Board and also oversees BTG’s legal function. Their responsibilities include ensuring the Board has the information, time and resources to discharge its duties and to function effectively and efficiently. They provide briefings and guidance to the Board on governance, legal and regulatory matters and facilitate induction of new directors.</p>
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Compliance with the UK Corporate Governance Code continued

3 Composition, succession and evaluation	
J Appointments to the Board and succession planning	<p>The Board, with the Nomination Committee's support, continually reviews its own composition and that of its committees, and considers succession planning, diversity, inclusion and governance-related matters.</p> <p>The Nomination Committee has overall responsibility for leading the process for new Board appointments. It also ensures that these appointments bring the required skills and experience to the Board to assist in developing and overseeing BTG's strategy. The committee makes sure all appointments are made on merit, having evaluated the capabilities of all potential candidates against the requirements of the Board and considered all types of diversity, including gender.</p> <p>For more details, see our Nomination Committee report on pages 102 to 105.</p>
K Skills, experience and knowledge of the Board	<p>As part of our succession planning, the Nomination Committee considers the balance of skills, experience and knowledge our Board needs to work effectively and help BTG deliver its strategic goals. Find all the details of our directors' tenure, skills and experience on pages 78 to 80.</p>
L Board evaluation	<p>In line with the need to undertake an externally facilitated evaluation every three years, we have now completed a three-year board effectiveness programme with external advisor Lintstock. The programme includes one Board review with interviews followed by two survey-based reviews.</p> <p>During the year, BTG again worked with Lintstock around its Board evaluation process, which consisted of tailored surveys and one-to-one discussions by the Chair with Board members. Lintstock provided feedback to the Chair and the senior independent director in January 2025, followed by its report to the Board in February 2025. The Board then agreed actions for 2025/26 to further strengthen the way it operates. The Chair and Group Company Secretary are managing these actions, which we set out on page 85.</p>
4 Audit, risk and internal control	
M Internal and external audit	<p>The Board receives regular updates on audit, risk and internal control matters, with the Audit Committee having detailed oversight and reporting its findings to the Board.</p> <p>Provision 24 of the code recommends that the audit committees of companies within the FTSE 350 should comprise a minimum of three members, all of whom should be independent non-executive directors. Following Mike Phillips's resignation from the Board as an independent non-executive director on 24 March 2024, the company was not compliant with provision 24. However, this was resolved on 1 June 2024, when Ross Paterson joined us as independent non-executive director and Audit Committee Chair, and when Anna Vikström Persson joined us as an independent non-executive director and a member of the Audit Committee.</p> <p>The Audit Committee report on pages 92 to 101 sets out more about audit, risk management and internal control, and the committee's work. The report also includes details about how the committee assesses the effectiveness and independence of EY – our external auditor – and PwC, our internal auditor, which reports to the Audit Committee about progress against audit reviews and identifies areas of our control environment for review.</p>
N Fair, balanced and understandable assessment	<p>The Board considers this report to be fair, balanced and understandable and to provide the information necessary for shareholders to assess BTG's position and performance, business model and strategy. The Board's assessment is described on pages 100 to 101.</p>
O Risk management and internal control framework	<p>Our Board is accountable to our stakeholders for ensuring BTG is managed appropriately. It sets the Group's risk appetite, satisfies itself that its financial controls and risk management systems are robust, and ensures that it is adequately resourced.</p> <p>A description of the principal risks facing the Group is set out on pages 50 to 56. This shows how the directors have assessed the prospects of the company, over what period and why they consider that period to be appropriate (see Viability statement on pages 73 to 74).</p>

5 Remuneration

P Remuneration policies and practices	<p>Provision 32 of the code recommends that the remuneration committees of companies within the FTSE 350 should establish a remuneration committee of independent non-executive directors with a minimum membership of three. In addition, the chair of the board can only be a member if they were independent on appointment and cannot chair the committee. Following Mike Phillips's resignation from the Board as an independent non-executive director on 24 March 2024, the company was not compliant with provision 32. However, this was resolved on 1 June 2024, when two new independent non-executive directors joined us – Ross Paterson and Anna Vikström Persson – both as new members of the Remuneration Committee.</p> <p>Our Board, supported by the Remuneration Committee, ensures that our remuneration policies support BTG's strategy and promote long-term sustainable success. Executive remuneration is aligned to the successful delivery of our long-term strategy and considers overall BTG remuneration policies and practices. This includes linking executive remuneration more closely with achieving our sustainability targets for 2025/26.</p> <p>Our current directors' remuneration policy was approved by a binding shareholder vote at our Annual General Meeting held on 11 July 2024 and took formal effect from that date. It will apply for three years from the date of approval, and will next be included as part of our Annual General Meeting in 2027 – unless a new policy is presented to shareholders before then. The updated directors' remuneration policy can be found in full on pages 108 to 115 of our Annual Report and Accounts 2023/24.</p>
Q Executive remuneration	<p>The Remuneration Committee is responsible for setting the remuneration for executive directors. No director is involved in deciding their own remuneration. See our directors' remuneration report on pages 112 to 130 for more on our remuneration policy and how it is implemented.</p>
R Remuneration outcomes and independent judgement	<p>Details of the composition and work of the Remuneration Committee are set out in the directors' remuneration report on pages 118 to 130.</p>

Directors' remuneration report

Introduction from our Chair

As in previous years, the Remuneration Committee's decisions for 2024/25 have been shaped by BTG's performance and broader developments, and guided by the remuneration policy and the Group's values.



“ I'm proud of our strong performance this year, which reinforced our track record of growth. With Sam stepping into the CEO role, we sharpened our strategic focus and strengthened execution. We further aligned our executive compensation frameworks with the company's strategic goals and the interests of all stakeholders.

Dr Erika Schraner

The start of the financial year brought unique challenges for the Board, during which the committee upheld the robustness and fairness of BTG's remuneration framework. This included overseeing the successful resolution of the former CEO's remuneration clawback and actively supporting the leadership transition. The adoption of a new remuneration policy at the 2024 AGM – backed by 98.71% of shareholder votes – underscores our commitment to clear governance and to building stakeholder confidence through transparent, accountable decision making.

For the rest of the year, our committee turned its attention to establishing the remuneration package for our new CEO, onboarding our new Remuneration Committee members, reviewing developments in relation to the UK Corporate Governance Code 2024 (code) and implementing the new remuneration policy. The committee devoted considerable time to ensuring that our remuneration policies and practices align to strategy and that rewards are linked firmly to performance and are fair.

When considering the implementation of the policy for the 2025/26 financial year, as a committee we paid particular attention to developing rewards to keep pace with the growth of BTG and the increasing complexity it brings, while seeking fairness, and achieving competitiveness in attracting and retaining top talent. In our deliberations, we carefully consider the interests of shareholders, management and employees, drawing on relevant market data to provide context and guide our decision making. Following a thorough review of the appropriateness of the executive directors' salaries and taking into consideration the feedback from our major shareholders, the committee is proposing adjustments to the salaries of the CEO and CFO for the 2025/26 financial year.

We also launched our fourth ShareSave plan, in August 2024. This was again well received by employees, with more than 50% participating in one or more of these plans. The first ShareSave plan, launched in 2021, vested this year, with participants able to exercise their options.

Board changes

Sam Mudd was appointed Interim CEO on 21 February 2024 and subsequently as CEO on 10 May 2024. Having served as an executive director on the Board since July 2023 – and, for the ten years before that, as MD at Phoenix, where she oversaw an extended period of strong organic growth – Sam has continued to apply the expertise and experience gained from more than 20 years in leadership positions to her role as CEO. The Board was further strengthened during the year with the appointments of Ross Paterson as an independent non-executive director and Chair of the Audit Committee, and of Anna Vikström Persson as an independent non-executive director and Chair of the ESG Committee, both with effect from 1 June 2024. On joining the Board, Ross and Anna were also appointed as members of the Remuneration Committee.

Following Neil Murphy's resignation as CEO on 21 February 2024, the company reached a settlement agreement with him, enforcing BTG's remuneration policy clawback provisions, requiring the repayment of net bonuses received over the previous three years (resulting in repayment of £274,825 in May 2024), the forfeiture of any bonus due for 2023/24, and the forfeiture of all entitlements under the company's Performance Share Plan and Deferred Bonus Plan. More details are available in the annual report on remuneration on page 123.

Remuneration outcomes for 2024/25

As outlined in the Financial review on pages 28 to 33, BTG delivered another year of strong financial results in 2024/25, achieving record gross invoiced income, gross profit and operating profit. This performance – delivered against a backdrop of ongoing economic uncertainty – demonstrates the strength of our business and the resilience of our operations.

We achieved double-digit growth across key performance indicators, further building on the momentum established since our IPO. Our earnings per share (EPS) performance over the five financial years since listing highlights our sustained ability to deliver value for shareholders.

Equally important to our long-term success are the non-financial measures that support sustainable growth. In 2024/25, we continued to prioritise employee satisfaction and customer engagement – both strong indicators of organisational health and essential drivers of our future performance.

The Board is highly encouraged by the progress made across both financial and non-financial dimensions. As we look to the future, the Board recognises the importance of retaining our high-performing leadership team, incentivising ongoing delivery, and ensuring we remain well positioned to attract the talent required to sustain our growth trajectory.

For 2024/25, the CEO and CFO were eligible for a maximum annual bonus opportunity of 125% of their base salary. The 2024/25 performance for the CEO and CFO was assessed based on a balanced scorecard of financial and non-financial metrics, with 80% based on adjusted operating profit and 20% based on key ESG-related and other strategic objectives.

As a result of this year's strong performance, our executive directors received an annual bonus payout of 84% of salary (being 67% of the maximum bonus). More details of performance against the targets are set out on page 120. In line with our Deferred Bonus Plan, these bonuses will be paid two thirds in cash and one third in shares, deferred for two years.

We were pleased with the strong performance that led to the vesting of 83% of the maximum under the Performance Share Plan (PSP) awards granted on 1 June 2022. These awards were structured with 75% based on adjusted EPS and 25% on relative total shareholder return (TSR) versus the FTSE 250 Index (excluding investment trusts and real estate investment trusts) over the three-year performance period to 28 February 2025.

Importantly, this represents the first PSP award eligible to vest for our executive directors since our IPO in 2020, marking the first time a long-term incentive value will be reflected in the single total figure of remuneration for each director. As a result, the total remuneration figures for Sam Mudd and Andrew Holden are notably higher this year compared to the prior year.

The committee considered the appropriateness of the annual bonus and PSP outcomes following the end of 2024/25 and whether any adjustments or use of discretion might be appropriate. We concluded that the overall outcomes reflect the underlying performance of the business and are in line with the experience of shareholders and other stakeholders over the respective performance periods, so that no adjustments to the outcomes are necessary.

Sam's participation in incentive plans in 2024/25 was prorated over the periods when she acted as Interim CEO and then as CEO. For 2024/25, this meant applying a weighted average salary for the full-year bonus calculations and also for her PSP award – reflecting Sam's increase in salary, which took effect on her appointment as permanent CEO on 10 May 2025, as set out in this remuneration report.

As fully described in last year's Annual Report, the Board asked some of the non-executive directors to provide substantial additional support to the company during the second half of the 2023/24 financial year and into 2024/25, to lead specially established Board subcommittees overseeing the investigation of undisclosed share dealings by two former directors. At the end of this work, BTG paid additional non-executive directors' fees in 2024/25 for these purposes in line with our remuneration policy. As indicated last year, the Board regards the payment of these additional fees in 2024/25 as appropriate and in shareholders' best interests.

Remuneration policy and UK Corporate Governance Code 2024

Shareholders approved BTG's new remuneration policy at the 2024 Annual General Meeting, offering strong endorsement with 98.71% of votes in favour. During the year, our committee conducted a review of the policy and concluded that it continues to align well with the company's objectives and remains appropriate for its purpose.

We welcomed the updates to the code published in early 2024. Having considered the updates to malus and clawback provisions under the new code, we were satisfied that these have been duly addressed by the company – as set out in the updated disclosures in the directors' remuneration report – and determined that no changes to the remuneration policy were needed at this time.

Directors' remuneration report continued

Pay arrangements for 2025/26**Base salaries**

The executive directors' salaries were increased by 9% from 1 March 2025. Following these increases, the salaries of Sam as CEO and Andrew as CFO are £459,000 and £381,000, respectively.

Over the past year, Sam has demonstrated exceptional leadership in a challenging environment, driving strong performance. Beyond ensuring stability following the former CEO's resignation in February 2024, she swiftly established herself in the role, infusing the business with renewed energy and a growth mindset. Looking ahead, her leadership is pivotal to capitalising on significant growth opportunities and driving continued success. As the company scales, the CEO role has become increasingly complex, requiring strategic vision and operational expertise. With strong ambitions for the future, we are committed to retaining Sam to lead BTG through its next phase of growth, recognising her tremendous value and highly sought-after skill set.

When Sam was appointed CEO in the first quarter of 2024/25, she inherited the same fixed pay level as her predecessor. This was deemed appropriate at the time to allow her to demonstrate results in her first year. However, an important distinction is that our previous CEO was a pre-IPO leader who benefited from a material shareholding as the result of the successful outcome of a pre-IPO equity-based incentive plan. His equity position influenced all elements of his pay, with low fixed pay at IPO and subsequently forgoing adjustments beyond inflationary measures. This led to a continued market pay gap, which further widened with the growth of the company. In comparison to both the pan-sector FTSE 250 comparator group and the bespoke technology sector comparator group, our assessment shows that Sam's compensation falls below the lower quartile.

After careful consideration of pace of growth, complexity and the interests of stakeholders, including consultation with 16 of our largest shareholders representing around 63% of our register,

as well as key proxy agencies, the committee has decided to increase the CEO's reward this year as permitted within our existing policy. We are therefore increasing Sam's annual base salary by 9.0%, bringing her 2025/26 base salary to £459,000, and so moving it closer to, but still below, market median levels.

Andrew Holden, CFO, joined BTG in 2021 and the committee initially set his base salary 6.25% lower than his predecessor's, to recognise that, while he was an experienced senior executive at JSE-listed technology company Altron Limited, BTG's former parent company, this was his first executive director role in a UK-listed environment. As was the case with Neil Murphy, Andrew's predecessor as CFO was also a pre-IPO leader with the benefit of a successful pre-IPO equity plan, and that status affected the level of CFO salary that Andrew assumed from appointment. Andrew quickly established himself in the role, and, over the past four years, has provided excellent leadership of the company, delivering strong progress against our financial objectives and robust financial results in a challenging and uncertain economic environment. Since joining, while Andrew's base salary has been adjusted through annual increases aligned to BTG's workforce levels, the continuing discount of Andrew's base salary to market levels for CFOs remains. After more than four years in post and given Andrew's contributions and strong track record of delivery, the committee has determined that it is an appropriate time to review his base salary and address its continuing discount of Andrew's base to wider market levels.

Against the pan-sector FTSE 250 comparator group and the bespoke technology sector comparator group, our CFO is below lower quartile at base rate and bonus as a percentage of salary. The committee considered the company performance over the past four years, the scale of the CFO role, his experience and his contribution to the company, and determined that an adjustment to Andrew's salary is warranted. The committee is therefore increasing Andrew's salary by another 6.2% over the 3% workforce increase to £381,000.

On page 128 we set out more details of the market data reference points that we have considered in relation to the appropriateness of our executive directors' salary levels.

The salary increases for the CEO and CFO move their fixed pay closer to market median levels while remaining below median. The committee has therefore adopted a phased approach over a number of financial years to progressively align executive director pay with competitive benchmarks. As part of this approach, the committee may consider more corrective adjustments in the 2026/27 financial year. However, any such increases will only be implemented following a thorough review of both company and individual performance. In line with our overarching remuneration philosophy, the committee remains firmly committed to ensuring that reward follows performance – not precedes it. Any future salary adjustments will be subject to rigorous evaluation, with careful consideration given to performance outcomes, market positioning, retention needs, and the views and expectations of shareholders.

Pension and benefits

Pension contributions for our executive directors will remain unchanged at up to 4% of salary, and continue to be in line with the level provided to the majority of our employees.

Annual bonus

The annual bonus opportunity will be maintained at 125% of salary for the CEO and CFO for 2025/26. This is the same as the previous year and within the headroom allowed for in the remuneration policy. Targets are based on the Board-approved budget and aligned with the financial and non-financial objectives for the year. The bonus opportunity is structured as a percentage of base salary as follows: 72% operating profit (and no longer adjusted operating profit), 28% key strategic metrics, which include services gross profit, and other measures linked to our strategic goals.

PSP

The award level under the PSP in 2025/26 will be maintained at 150% of salary for the CEO and CFO. This is the same as the previous year and within the headroom allowed for in the remuneration policy. Vesting will be subject to performance conditions based on EPS (previously, adjusted EPS) – still with 75% weighting, and relative TSR with a continued 25% weighting, measured over three years – and will be subject to a two-year post-vesting holding period.

Non-executive director and committee evaluation

The committee's performance was assessed as part of the annual Board evaluation. I am pleased to report that the committee is operating highly effectively.

Our Board Chair's fees and the fees of our non-executive directors were reviewed and increased last year and have been held at that level for 2025/26, as set out on page 130.

Looking ahead to 2025/26

Over the next 12 months, the committee will focus on:

- Keeping the directors' remuneration policy under review to ensure our arrangements continue to support BTG's strategy and objectives
- Ensuring that the 2025/26 annual bonus plan continues to drive performance and reward sustainable growth and is set against appropriate financial and non-financial targets
- Granting PSP awards in 2025 with appropriately stretching EPS and TSR performance conditions
- Monitoring corporate governance developments and addressing any associated differences as appropriate
- Reviewing the performance of our external remuneration consultants after five years of service
- Monitoring external market practice, and developments in the governance expectations of institutional shareholders and shareholder representative bodies.

Conclusion

Our committee remains committed to ensuring that remuneration supports BTG's objectives and drives the company forward, while aligning the interests of both BTG shareholders and management. We will continue to take a disciplined, performance-driven approach to compensation, and I look forward to continuing that discussion with my committee colleagues over the coming year and listening to stakeholders' input.

At the 2025 Annual General Meeting, shareholders will be asked to approve a single remuneration-related resolution – on the directors' remuneration report – which is the normal annual advisory vote on this report.

The committee welcomes all input on remuneration matters. If you have any comments or questions on any element of the directors' remuneration report, please email me through our Group Company Secretary at wk.groenewald@bytesplc.com. We are grateful for the guidance and support we have received from our shareholders on remuneration matters in the past year.

I would like to express my gratitude to our shareholders, the Board, and the BTG team and its advisors for their unwavering support and engagement throughout the 2024/25 financial year. I hope you will join the Board in supporting our directors' remuneration report at the Annual General Meeting on Wednesday, 2 July 2025.



Erika Schraner

Remuneration Committee Chair
12 May 2025

Directors' remuneration report continued

Remuneration at a glance

Our pay principles

- Clear and simple
- Aligned with the interests of shareholders and other stakeholders
- Performance-related and linked to our KPIs
- Competitive but not excessive
- Aligned with our culture and values

Implementing our policy in 2025/26

The following table shows how we intend to apply the policy for 2025/26 for our two executive directors.

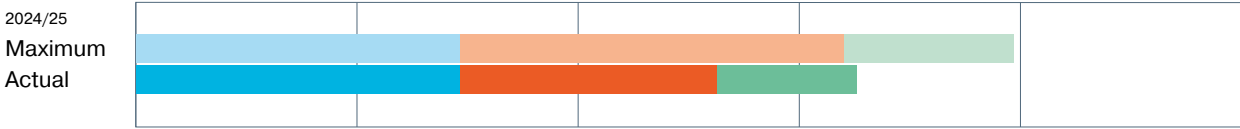
Fixed pay	Salary	<ul style="list-style-type: none"> – CEO: £459,000 (9.0% increase effective 1 March 2025) – CFO: £381,000 (9.2% increase effective 1 March 2025) – Workforce average increase 3%
	Pension	– 4% of salary (in line with workforce)
	Benefits	– Medical and life insurance
Bonus	Maximum	– CEO and CFO: 125% of salary (within policy limit of 150% of salary)
	Performance measures	<ul style="list-style-type: none"> – Operating profit (72%) – Strategic financial and ESG objectives (28%)
	Operation	<ul style="list-style-type: none"> – One third deferred into shares for two years – Malus and clawback provisions operate – Discretion to adjust formulaic outcomes
Long Term Incentives (LTI) (Performance Share Plan (PSP))	Award level	– CEO and CFO: 150% of salary (within policy limit of 200% of salary)
	Performance measures	<ul style="list-style-type: none"> – Earnings per share (EPS) (75%) – Relative total shareholder return (TSR) (25%)
	Operation	<ul style="list-style-type: none"> – Performance measured over three years – Two-year post-vesting holding period applies to vested awards – Malus and clawback provisions operate – Discretion to adjust formulaic outcome
Share ownership guidelines	In-employment	– 200% of salary
	Post-employment	– 200% of salary to be held for two years post-cessation
	Current shareholding	<ul style="list-style-type: none"> – CEO: 101% of salary – CFO: 100% salary – Both the CEO and CFO will continue to move towards the 200% guideline, as share options awarded under the LTI vest and are exercised each year

Implementing our policy in 2024/25

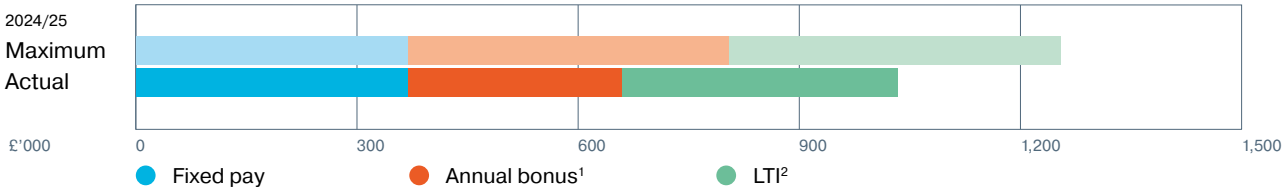
The following charts show the actual levels of remuneration earned by the executive directors for 2024/25 relative to the maximum potential remuneration that was available.

2024/25 remuneration outcomes versus policy maximum

Sam Mudd, CEO



Andrew Holden, CFO



1 Annual bonus was 125% of salary maximum (with one third deferred), and measured against adjusted operating profit (80%) and strategic/ESG objectives (20%).
 2 The PSP was awarded in June 2022, and measured against adjusted EPS (75%) and relative TSR (25%) over a three-year performance period to 28 February 2025.

Compliance with the UK Corporate Governance Code 2024

In designing our remuneration policy, and implementing it throughout the year, the code has been a core source. The committee took full account of its remuneration-related provisions – as we illustrate below in describing how we sought to comply with the six factors in provision 40:

Clarity	Our remuneration framework supports financial delivery and the achievement of strategic objectives, aligning the interests of our executive directors and shareholders. Our approved policy is transparent and has been well communicated to our senior executive team. It will be clearly articulated to our shareholders and representative bodies (both on an ongoing basis and during consultation, if any changes are considered necessary).
Simplicity	Our framework has operated on a consistent basis since IPO and has been designed to be straightforward to communicate and operate.
Risk	Our incentives have been structured to align with the Board's system of risk management and risk appetite. Inappropriate risk-taking is discouraged and mitigated by, for example: <ul style="list-style-type: none"> • A balance of fixed pay to performance-related incentive pay and through multiple performance measures based on a blend of financial and non-financial targets • Deferring a proportion of annual bonus into shares and operating a post-vesting holding period for the Long Term Incentive Plan (LTIP) • Significant in-employment and post-employment shareholding guidelines • Robust recovery and withholding provisions.
Predictability	Our incentive plans have individual caps, with share plans also subject to market standard dilution limits. The committee has full discretion to alter the payout level or vesting outcome to ensure payments are aligned with our underlying performance.
Proportionality	Our approach is underpinned by the principle that failure should not be rewarded. There is a clear link between individual awards, strategic delivery and our long-term performance. This is demonstrated, for example, by the connection between executive directors' pay arrangements and their building and maintaining meaningful levels of shareholding; through linking our incentive measures and KPIs; by our ability for, and openness to, using discretion to ensure appropriate outcomes; and via the structure of our executive directors' contracts. As mentioned above, the committee reviews formulaic incentive outcomes and may adjust them in the light of overall Group performance and our wider employee remuneration policies and practices.
Alignment to culture	Our policy is aligned to our dynamic, can-do culture and strongly held values. The committee strives to embed a sustainable performance culture at management level that can cascade down throughout our business. The Board sets the framework of KPIs against which we monitor the company's performance and the committee links the performance metrics of our incentive arrangements to those indicators. We are also keen to foster a culture of share ownership and operate employee share schemes across the workforce.

Directors' remuneration report continued

Annual report on remuneration

Committee attendance	
Committee member	For the financial year to 28 February 2025
Erika Schraner	4/4
Patrick De Smedt	4/4
Shruthi Chindalur	4/4
Ross Paterson ¹	2/2
Anna Vikström Persson ¹	2/2
Mike Phillips ²	n/a

1 Appointed 1 June 2024.
 2 Resigned from the committee on 24 March 2024.

The committee's role and composition

The Board is ultimately accountable for executive remuneration and delegates this responsibility to the Remuneration Committee. The committee is responsible for developing and implementing a remuneration policy that supports BTG's strategy and for determining executive directors' individual packages and terms of service, together with those of other members of senior management (including the Group Company Secretary).

When setting the remuneration terms for executive directors, the committee reviews and considers wider employee reward and related policies. It also takes close account of the remuneration-related provisions of the UK Corporate Governance Code 2024 (code) (see page 117).

The committee is formally constituted and operates with written terms of reference, which are available at bytesplc.com.

In the year, the committee comprised Erika Schraner (Chair), Patrick De Smedt, Shruthi Chindalur, Ross Paterson and Anna Vikström Persson. Mike Phillips resigned from the Board and from the committee on 24 March 2024, while Ross Paterson and Anna Vikström Persson joined the Board and the committee on 1 June 2024. All the other members of the committee were members throughout the year ended 28 February 2025. The committee met four times during the year, with full attendance at all meetings.

At the committee's invitation, the Group's executive directors, the Group Company Secretary (who acts as committee secretary) and FIT Remuneration Consultants LLP (FIT) – BTG's retained remuneration consultants – also attend its meetings. The executive directors are consulted on matters discussed by the committee unless these relate to their own remuneration. Advice or information is sought from other employees and from FIT where the committee feels it would assist its decision making.

The committee is authorised to take such internal and external advice as it considers appropriate to carry out its duties, including appointing external remuneration advisors. During the year, it was assisted by FIT. FIT was appointed by the Board in September 2020 and provided advice during the year on general remuneration matters, the former CEO clawback settlement, and on the design and implementation of the policy. Fees paid to FIT for advising the committee during the year to 28 February 2025 were £112,830 (excluding VAT), charged on a time/cost basis. FIT did not provide any other services to BTG during the year to 28 February 2025. FIT is a member of the Remuneration Consultants Group and, as such, voluntarily operates under its code of conduct on executive remuneration consulting in the UK. The committee is satisfied that FIT's advice was objective and independent.

The committee carried out the following significant activities during the 2024/25 financial year:

- Concluded a comprehensive review of the executive directors' remuneration arrangements and prepared a revised directors' remuneration policy, which was put to shareholders for approval at the 2024 Annual General Meeting
- Engaged with our major shareholders on the proposed revision of the directors' remuneration policy
- Reviewed and approved remuneration packages for the current executive directors
- Established the compensation for the Interim CEO, and subsequently determined the terms of the package on her appointment as CEO

- Reviewed and approved the annual bonus outcomes for the 2023/24 financial period
- Reviewed and approved the terms of the 2024 PSP awards
- Oversaw the PSP, DSB, CSOP and SAYE plans
- Monitored corporate governance developments, and ensured that BTG is appropriately positioned to comply with the code
- Monitored external market practice, and developments in the governance expectations of institutional shareholders and shareholder representative bodies
- Determined the treatment of remuneration for the former CEO following his resignation, including the clawback in full of all cash bonuses paid since IPO and the forfeiture of all outstanding share awards.

Since the end of the 2024/25 financial year, the committee has:

- Determined the outcomes under the annual bonus plan for the year ended 28 February 2025
- Determined the outcomes under the PSP for the year ended 28 February 2025 – that is, relating to the awards granted on 1 June 2022
- Aligned our executive compensation package and the annual bonus structure for the year ending 28 February 2026 with the company's strategic goals and 2025/26 budget, ensuring a strong correlation between pay and performance, while ensuring competitiveness of executive pay packages in attracting and retaining top talent in support of the Board's succession planning
- Reviewed and agreed the award levels and performance targets for the PSP grants to be made to eligible participants in 2025
- Engaged with our leading shareholders with regard to our approach to implementing the directors' remuneration policy for the 2025/26 financial year.

The current directors' remuneration policy was approved by shareholders at our 2024 Annual General Meeting on 11 July 2024 – receiving strong support, with 98.71% of votes in favour – and took formal effect from that date. The committee currently intends that the policy will apply for the full three-year period until the 2027 Annual General Meeting. The full shareholder-approved policy can be found on pages 108 to 115 of Annual Report and Accounts 2023/24, available at bytesplc.com.

The information that follows has been audited (where indicated) by BTG's external auditor, EY. The annual report on remuneration and the annual statement will be put to a shareholder vote at the Annual General Meeting on 2 July 2025.

Single total figure of remuneration for each director (audited)

The table below reports the total remuneration for BTG directors during the year ended 28 February 2025. As previously noted, Sam Mudd joined the Board as MD of Phoenix on 12 July 2023, with 2023/24 remuneration prorated from that date. She became Interim CEO on 21 February 2024 and was confirmed as CEO on 10 May 2024. Her salary remained unchanged for the brief period she was Interim CEO in 2023/24. From 1 March 2024, she received an annualised salary of £400,000 (including a supplement of £91,725 as Interim CEO), increasing to £421,000 from 10 May on her appointment as permanent CEO. Compensation shown in the table below for 2024/25 has been prorated to reflect her time in both roles.

Directors' total remuneration									
£		Base salary/ fees	Benefits ¹	Annual bonus	Long-term incentives ²	Pension ³	Total	Total fixed	Total variable
Executive directors									
Sam Mudd ⁴	2024/25	416,997	5,803	347,984	190,537	16,680	978,001	439,480	538,521
	2023/24	187,957	530	101,114	–	6,368	295,969	194,855	101,114
Andrew Holden	2024/25	348,926	5,480	291,179	374,215	13,957	1,033,757	368,363	665,394
	2023/24	333,900	816	184,544	–	13,356	532,616	348,072	184,544
Non-executive directors									
Patrick De Smedt	2024/25	205,000	–	–	–	–	205,000	205,000	–
	2023/24	187,200	–	–	–	–	187,200	187,200	–
Shruthi Chindalur ^{5,6}	2024/25	115,221	–	–	–	–	115,221	115,221	–
	2023/24	6,233	–	–	–	–	6,233	6,233	–
Ross Paterson ⁷	2024/25	51,000	–	–	–	–	51,000	51,000	–
	2023/24	–	–	–	–	–	–	–	–
Mike Phillips ^{6,8}	2024/25	56,933	–	–	–	–	56,933	56,933	–
	2023/24	86,050	–	–	–	–	86,050	86,050	–
Erika Schraner ^{6,9}	2024/25	80,583	–	–	–	–	80,583	80,583	–
	2023/24	92,133	–	–	–	–	92,133	92,133	–
Anna Vikström Persson ⁷	2024/25	51,000	–	–	–	–	51,000	51,000	–
	2023/24	–	–	–	–	–	–	–	–
Total	2024/25	1,325,660	11,283	639,163	564,752	30,637	2,571,495	1,367,580	1,203,915
	2023/24	893,473	1,346	285,658	–	19,724	1,200,201	914,543	285,658

1 Non-salary benefits include life insurance and the discount on options granted under the 2024 SAYE (2023/24: nil).

2 This relates to the PSP award granted in June 2022. The value of PSP awards has been calculated using the three-month average share price measured to 28 February 2025 of 440 pence per share less the 1-pence-per-share exercise price. See more on pages 120 to 121.

3 The amount of employer contribution based on a percentage of base salary.

4 Joined the Board in her position as MD Phoenix on 12 July 2023. All remuneration amounts for 2023/24 are prorated over the period from this date. Promoted to Interim CEO on 21 February 2024 and subsequently appointed as CEO on 10 May 2024. Sam's salary was unadjusted during the few days in 2023/24 when she served as Interim CEO. Annual salary of £400,000 (including a salary supplement of £91,725) for the period of acting as Interim CEO from 1 March 2024 to 9 May 2024 and annual salary of £421,000 from 10 May 2024. Base salary amounts for 2024/25 are prorated over these periods and include the Interim CEO salary supplement, being £76,345 from 1 March 2024 to 9 May 2024 and £340,652 from 10 May 2024 to 28 February 2025. Annual bonus for 2024/25 is based on annual target achievements applied to the prorated base salary, being £63,710 from 1 March 2024 to 9 May 2024 and £284,274 from 10 May 2024 to 28 February 2025. Annual pension for 2024/25 is based on the employer contribution percentage applied to the prorated base salary, being £3,054 from 1 March 2024 to 9 May 2024 and £13,626 from 10 May 2024 to 28 February 2025.

5 Joined the Board on 1 February 2024.

6 Includes additional fees during 2024/25 and 2023/24 for work on special Board subcommittees investigating undisclosed share dealings by former directors (Shruthi Chindalur £50,888 in 2024/25 and £1,900 in 2023/24, Mike Phillips £50,350 in 2024/25 and £13,250 in 2023/24, Erika Schraner £nil in 2024/25 and £32,000 in 2023/24).

7 Joined the Board on 1 June 2024.

8 Resigned from the Board on 24 March 2024. All fees earned were in respect of services performed while a director.

9 Erika received £1,833 for her role as Interim Audit Chair from 24 March 2024 to 31 May 2024. See more on page 92.

Directors' remuneration report continued

Annual bonus for the year ended 28 February 2025 (audited)

For the 2024/25 financial year, executive directors were eligible for an annual discretionary bonus, for which performance objectives with suitably challenging 12-month goals were set at the beginning of the period. These comprised measures based 80% on adjusted operating profit (adjusted for amortisation and share-based payment charges) and 20% on key ESG and other strategic objectives, which itself comprised five equally weighted metrics (cash conversion, employee net promoter score (eNPS), customer net promoter score (NPS), gross margin and ESG rating). Sliding scale threshold-to-stretch targets operate for all the metrics other than for cash conversion and ESG rating, for which straightforward stretch targets were set. This was considered appropriate for these two metrics because the objectives were quantitative measures and their weightings not material in isolation. The committee also evaluated each objective considering industry standards and the company's specific context. No discretionary adjustments were made to the annual bonus outcome for the year.

The maximum annual bonus payable for the CEO and CFO was 125% of salary, against which bonuses of 67% of maximum (84% of salary) were earned.

The targets and the related performance outcomes were as follows:

Performance metric	Proportion of bonus determined by metric	Threshold performance (25% of max payable)	Target performance (50% of max payable)	Stretch performance (100% of max payable)	Actual performance	Bonus earned (% of max for this element)	Bonus earned (% of salary)
Adjusted operating profit (£'000)	100%	63,985	71,094	74,649	72,355	68%	68%
Key strategic objectives	Proportion of bonus determined by metric	n/a	n/a	Target	Actual performance	Bonus earned (% of max)	Bonus earned (% of salary)
Cash conversion	5%	n/a	n/a	Not <100%	104%	100%	5%
Employee satisfaction (eNPS) ¹	5%	60	n/a	70	57	0%	0%
Customer satisfaction (NPS) ¹	5%	60	n/a	70	79	100%	5%
Gross margin ¹	5%	7.6%	n/a	9%	7.8%	14%	1%
ESG rating (ISS Quality Score) ²	5%	n/a	n/a	Not >3	2	100%	5%
Total	125%					67%	84%

1 Measured on a straight-line basis between threshold and stretch.

2 As per ISS Quality Score methodology, where 1/10 equates to a higher level of environmental and social disclosure, and to a lower level of governance risk.

No discretionary adjustments were made to the annual bonus outcome for the year.

For all executive directors, two thirds of the bonus is paid in cash and one third will be deferred in shares, which will vest after a two-year period.

PSP awards vesting for the year ended 28 February 2025 (audited)

Awards were granted on 1 June 2022 under the PSP to the CEO (before joining the Board and in her position as MD Phoenix) and the CFO, and these were based on performance targets measured over the three financial years to 28 February 2025. A total of 75% of the award was subject to an adjusted earnings per share (EPS) growth condition and 25% subject to a relative total shareholder return (TSR) condition.

Performance metric	Proportion of PSP determined by metric	Threshold performance (20% vesting)	Intermediate performance (50% vesting)	Stretch performance (100% vesting)	Actual performance	Vesting level (% of max for this element)	Vesting level (% of overall award)
Adjusted EPS ¹	75%	18.4 pence	21.7 pence	24.1 pence	25.1 pence	100%	75%
Relative TSR ²	25%	Median	n/a	Upper quartile	66th of 142	32%	8%
Total vesting							83%

1 Measured on a straight-line basis between threshold to intermediate and between intermediate to stretch. The adjusted EPS target was based on performance in the final year of the performance period.

2 Measured on a straight-line basis between median and upper quartile relative to the constituents of the FTSE 250 Index (excluding investment trusts and real estate investment trusts).

The committee considered that the underlying performance of the company and the performance of the executive directors fully justified the level of vesting. The committee did not consider it necessary to apply any discretion to adjust the outcome for these awards.

	PSP shares granted (1 June 2022)	Shares after performance conditions applied	Share price at end of performance period (three-month average to 28 February 2025)	Value at end of performance period ¹
Sam Mudd	52,230	43,402	439 pence	£190,537
Andrew Holden	102,580	85,243	439 pence	£374,215

¹ Values shown in the Single total figure of remuneration for each director table are based on the share price at the end of the performance period of 440 pence less the 1-pence-exercise price per share. None of the value is as a result of share price growth over the period.

PSP awards granted in the year (audited)

The table below provides details of share awards made to the executive directors on 1 June 2024.

	Date of award	Type of award	Basis of award (% of salary)	Number of shares under award ¹	Face value of award (£'000)	% vesting at threshold	End of vesting period
Sam Mudd ²	1 June 2024	Nil cost option	137%	99,700	557	20%	31 May 2027
Andrew Holden	1 June 2024	Nil cost option	150%	91,600	512	20%	31 May 2027

¹ The number of awards was calculated using a share price of £5.71, which was based on the company's average closing share price on 29, 30 and 31 May 2024.

² Sam Mudd's award was calculated on a prorated basis over the financial year based on an award equivalent to 100% of salary over the period she was Interim CEO (with her salary for this purpose excluding her Interim CEO salary supplement) and 150% of salary over the period she was CEO. At the date of grant, this equated to 137% of her annual salary in her position as CEO, with the applicable salary being £59,121 from 1 March 2024 to 9 May 2024 and £510,390 from 10 May 2024 to 28 February 2025, with 10,350 and 89,350 awards, respectively.

The PSP awards granted on 1 June 2024 are subject to a combination of performance conditions, being adjusted EPS and TSR compared with the constituents of the FTSE 250 Index (excluding investment trusts and real estate investment trusts) measured over a three-year performance period. The targets are set out here:

Measure	Weighting	Performance period	Targets
Adjusted EPS	75%	Three financial years to 28 February 2027 ¹	Adjusted EPS of 23.6 pence (20% vests) rising on a straight-line basis to 50% vesting for 27.7 pence, and on a straight-line basis again to full vesting for achievement of 30.6 pence
Relative TSR versus constituents of the FTSE 250 Index (excluding investment trusts and real estate investment trusts)	25%	Three financial years to 28 February 2027	Median (20% vests) rising on a straight-line basis to full vesting for upper-quartile performance

¹ The adjusted EPS target is based on performance in the final year of the performance period.

In addition, the committee retains discretion to reduce the overall PSP vesting level (potentially to zero) if it considers that the underlying business performance of the company does not justify it.

A two-year holding period will apply to any awards vesting, and recovery and withholding provisions will apply in line with our approved policy.

Directors' remuneration report continued

Executive directors' share options outstanding at the year end (audited)

Details of share options outstanding at the financial year end are shown in the following table.

Scheme	No. of options at 29 February 2024	Options granted in year	Options forfeited in year	Options exercised in year	No. of options at 28 February 2025	Date of grant	Share price at date of grant	Exercise price	Date from which exercisable	Expiry date
Sam Mudd										
PSP	137,855	–	–	–	137,855	17 December 2020	£3.43	£0.01	17 December 2023	16 December 2030
CSOP	50,000	–	–	–	50,000	1 June 2021	£5.00	£5.00	1 June 2024	31 May 2031
SAYE	4,500	–	–	4,500	–	22 June 2021	£4.53	£4.00	1 August 2024	1 February 2025
PSP	52,230	–	–	–	52,230	1 June 2022	£4.53	£0.01	1 June 2025	31 May 2032
PSP	60,300	–	–	–	60,300	1 June 2023	£5.16	£0.01	1 June 2026	31 May 2033
DBP ¹	–	5,902	–	–	5,902	1 June 2024	£5.59	£0.01	1 June 2026	1 December 2026
PSP ²	–	99,700	–	–	99,700	1 June 2024	£5.59	£0.01	1 June 2027	31 May 2034
SAYE ³	–	4,059	–	–	4,059	28 June 2024	£5.59	£4.57	1 August 2027	1 February 2028
Andrew Holden										
CSOP	45,000	–	–	–	45,000	1 June 2021	£5.00	£5.00	1 June 2024	31 May 2031
SAYE	4,500	–	–	4,500	–	22 June 2021	£4.53	£4.00	1 August 2024	1 February 2025
DBP ⁴	10,305	611	–	10,916	–	1 June 2022	£4.53	£0.01	1 June 2024	1 December 2024
PSP	102,580	–	–	–	102,580	1 June 2022	£4.53	£0.01	1 June 2025	31 May 2032
DBP	20,376	–	–	–	20,376	1 June 2023	£5.16	£0.01	1 June 2025	1 December 2025
PSP	102,400	–	–	–	102,400	1 June 2023	£5.16	£0.01	1 June 2026	31 May 2033
DBP ¹	–	10,773	–	–	10,773	1 June 2024	£5.59	£0.01	1 June 2026	1 December 2026
PSP ²	–	91,600	–	–	91,600	1 June 2024	£5.59	£0.01	1 June 2027	31 May 2034
SAYE ³	–	4,059	–	–	4,059	28 June 2024	£5.59	£4.57	1 August 2027	1 February 2028

Key

PSP: Performance Share Plan
DBP: Deferred Bonus Plan

CSOP: Company Share Option Plan
SAYE: Save As You Earn Plan (ShareSave)

- The face value of the DBP awards granted on 1 June 2024 to Sam Mudd and Andrew Holden on the date of the grants was £32,992 and £60,221, respectively. These grants are not subject to any other performance conditions.
- The face value of the PSP awards granted on 1 June 2024 to Sam Mudd and Andrew Holden on the date of the grants was £557,323 and £512,044, respectively. These grants are subject to performance conditions set out in notes above.
- The face value of the SAYE awards granted on 28 June 2024 to Sam Mudd and Andrew Holden on the date of the grants was £22,690 and £22,690, respectively. These grants are not subject to any other performance conditions.
- Options granted in the year relate to dividend equivalents under the terms of the DBP plan.

The closing share price of the company's ordinary shares at 28 February 2025 was 419 pence, and the closing price range during the year ended 28 February 2025 was 405 pence to 604 pence.

Statement of directors' shareholding and share interests (audited)

The following table shows the interests of directors and those connected to them in BTG's ordinary shares at 28 February 2025.

	No. of shares owned outright	No. of shares owned outright	No. of options vested, unexercised and not subject to performance	No. of options unvested and not subject to performance	No. of options unvested and subject to performance	Shareholding as % of salary at 28 February 2025 ¹	Shareholding guideline as % of salary	Company shareholding guideline met
	29 February 2024/ date of joining	28 February 2025/ date of leaving						
Current directors								
Sam Mudd	81,548	99,948	187,855	9,961	212,230	101%	200%	No
Andrew Holden	72,990	83,237	45,000	35,208	296,580	100%	200%	No
Patrick De Smedt	102,592	102,592	–	–	–	n/a	n/a	n/a
Shruthi Chindalur	–	–	–	–	–	n/a	n/a	n/a
Ross Paterson ²	–	15,831	–	–	–	n/a	n/a	n/a
Erika Schraner	10,037	10,037	–	–	–	n/a	n/a	n/a
Anna Vikström Persson ²	–	9,141	–	–	–	n/a	n/a	n/a
Former directors								
Mike Phillips ³	20,000	20,000	–	–	–	n/a	n/a	n/a

¹ Sam Mudd joined the Board in 2023 and Andrew Holden in 2021. Both have increased their shareholdings since the time of appointment and will continue to move towards the 200% shareholding guideline as share options awarded under their PSP, DBP and SAYE vest each year and can be exercised. Shares held at the year end are valued using the closing share price on 28 February 2025, so variations in the percentage of salary may arise because of share price changes, even though the underlying quantity of shares may be increasing.

² Joined the Board on 1 June 2024 – the opening number of shares is at the date of appointment to the Board.

³ Resigned from the Board on 24 March 2024 – the number of shares and share interests is at the date of resigning from the Board.

The interests of those directors holding a position on the Board at the year end did not change between 28 February 2025 and the date of signing the Annual Report and Accounts 2024/25.

Payments for loss of office and to past directors (audited)

Mike Phillips

Mike Phillips resigned from the Board on 25 March 2024. On ceasing to be a director, he received £6,583 in respect of fees in relation to his last month of March 2024, and £63,600 in relation to additional services provided to the company during the investigation following the resignation of Neil Murphy (of which £13,250 had already been accrued in 2023/24). He received no payments in lieu of notice or for loss of office and no other payments have been or will be made to Mike Phillips.

Neil Murphy

As announced on 21 February 2024, and described fully in Annual Report and Accounts 2023/24, Neil Murphy resigned as CEO of BTG with immediate effect from that date. Neil Murphy did not receive, nor will receive, any remuneration after the date of his resignation and all his unvested share-based awards were forfeited in full on the date of his resignation.

In addition, under the terms of a settlement agreement reached between the company and Neil Murphy on 9 May 2024, the committee exercised its powers to pursue clawback for the full amount of the cash portion of all annual bonuses awarded to him since IPO (on a net-of-tax basis reflecting the actual amounts received). The total agreed was £274,825, payable to the company within 28 days from the date of the agreement. The committee can confirm that this amount was received in full within the allotted timeframe.

Directors' remuneration report continued

Recovery and withholding provisions

Robust recovery and withholding provisions – that is, malus and clawback – operate for our annual bonus, Deferred Bonus Plan and PSP.

The following provisions apply:

- Before payment of an annual bonus or vesting of a Deferred Bonus Plan or PSP award, the committee may operate malus to cancel the award
- For up to two years following the payment of an annual bonus award, the committee may operate clawback to require the repayment of any cash amount paid or may cancel any deferred bonus award, and
- For up to two years after the vesting of a PSP award, the committee may operate clawback to cancel the award during the holding period (or require repayment of the award if it has been released before the end of the holding period), reduce future vesting under the company's share plans or reduce the number of shares already vested but unexercised.

The circumstances in which malus and clawback may be operated are as follows:

- The company materially misstated its financial results
- The relevant individual's conduct being such that it would entitle (or, where the employment has terminated before the date on which the Board becomes aware of such act or omission, would have entitled) the Group to terminate the employment summarily
- A material error having occurred in determining whether any performance conditions relating to the bonus or PSP award have been met (or any other material error having occurred in calculating the sum that was awarded as a bonus or the size of the PSP award)
- Circumstances that, in the opinion of the Board, would have (or would have, if made public) a sufficiently significant impact on the reputation of the company or Group

- The company becomes insolvent or otherwise suffers a corporate failure and the Board determines that such circumstances arose from events occurring (in whole or substantial part) during any period in which the relevant individual was a participant, or
- Such other exceptional circumstances that, at the Remuneration Committee's absolute discretion, justify such reimbursement being imposed.

Our clawback provisions were invoked during the 2024/25 financial year in relation to the termination arrangements of former CEO, Neil Murphy, details of which are set out on page 123.

Non-executive directors' fees (audited)

In last year's Annual Report we reported that, as a consequence of undisclosed share dealings by two former directors during 2023/24, it was necessary for the Board to establish specifically constituted additional subcommittees of the Board to investigate these matters, and to oversee and direct the work of both internal teams and external professional advisors who were appointed to support these processes. To recognise the complexity of such additional responsibilities and the additional time commitment, which extended beyond the normal responsibilities of non-executive directors, additional remuneration was considered for those non-executives serving on and leading these subcommittees. The majority of this additional work took place during the last quarter of the 2023/24 financial year and also continued into the first quarter of 2024/25.

It was agreed by the Board that it was appropriate and in shareholders' best interests that BTG non-executive directors should receive additional fees per additional day worked on these matters – and that the levels of such fees should reflect an equivalent day rate set by reference to continuing normal BTG non-executive director fees for roles fulfilled (non-executive base fees and additional fees for chairing Board subcommittees).

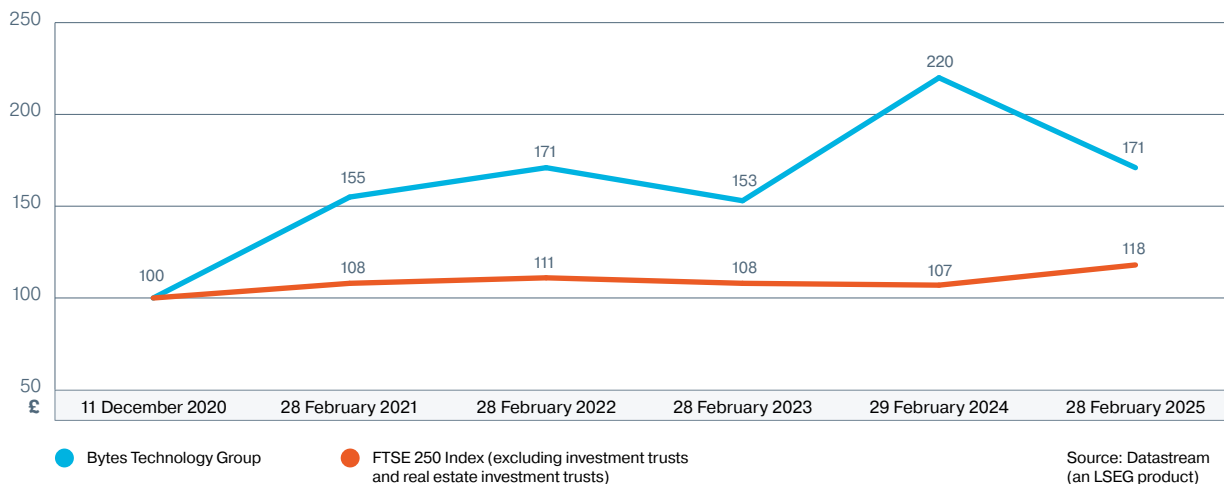
In 2024/25, such additional fees comprised £50,350 to Mike Phillips (2023/24: £13,250), £50,888 to Shruthi Chindalur (2023/24: £1,900) and £nil to Erika Schraner (2023/24: £32,000). All these amounts are reflected in the Single total figure of remuneration for each director table on page 119. This additional work ended during 2024/25, and no extra fees will be payable in future years in relation to this issue.

Following the resignation of Mike Phillips from the Board and his role as Audit Committee Chair, Erika Schraner was appointed as Interim Chair of the Audit Committee effective 25 March 2024. She served in this capacity until 31 May 2024, receiving a fee of £1,833 for her service in the role during this period. On Ross Paterson's appointment to the Board and his taking up the Audit Committee Chair role on 1 June 2024, Erika stepped down from her interim position.

Total shareholder return performance

The graph below shows the value at 28 February 2025 of £100 invested in BTG on 11 December 2020, the date of commencement of conditional trading on the London Stock Exchange, compared with £100 invested in the FTSE 250 Index (excluding investment trusts and real estate investment trusts) on the same date, on the assumption that dividends are reinvested for additional equity.

The FTSE 250 Index (excluding investment trusts and real estate investment trusts) was selected as a comparator because BTG is a constituent. This allows our performance to be compared against the index as a whole.



CEO and Interim CEO remuneration

The total remuneration figure for the CEO in 2024/25 is shown in the table below, along with the value of bonuses paid, and PSP vesting, as a percentage of the maximum opportunity. This table will build to show a rolling 10 years' worth of data over time.

Year	CEO or Interim CEO	CEO single total figure of remuneration	Annual bonus payout % of maximum	PSP vesting % of maximum
2024/25	Sam Mudd ¹	£978,001	67%	83%
2023/24	Sam Mudd ^{2,3}	£11,412	63%	n/a
2023/24	Neil Murphy ^{2,3}	£415,675	0%	n/a
2022/23	Neil Murphy ³	£776,301	94%	n/a
2021/22	Neil Murphy ³	£739,364	95%	n/a
2020/21	Neil Murphy ^{3,4}	£92,025	100%	n/a

1 Interim CEO until her appointment as CEO on 10 May 2024.

2 Appointed Interim CEO on 21 February 2024 and her total remuneration is the prorated figure for nine days from that date to 29 February 2024. Neil Murphy's total remuneration covers the period until his resignation on 21 February 2024.

3 No PSP awards capable of vesting in relation to the period.

4 Total remuneration is the prorated, post-IPO figure (for the period from admission to the London Stock Exchange to 28 February 2021).

Directors' remuneration report continued

Change in directors' remuneration compared with other employees

The following table shows the percentage change in the remuneration of the executive directors and non-executive directors compared with the average change for all employees of the parent company for the year ended 28 February 2025. 2022/23 was the first year in which this table was included, because it represented the first time where two full years of data had been available since IPO. This table will build up over time to cover a rolling five-year period.

Current directors		Salary and fees (% change)	Taxable benefits (% change)	Annual bonus (% change)
Sam Mudd ¹	2024/25	121.9%	994.9%	244.2%
	2023/24	n/a	n/a	n/a
	2022/23	n/a	n/a	n/a
Andrew Holden ²	2024/25	4.5%	571.5%	57.8%
	2023/24	5%	20.9%	(38.3%)
	2022/23	198.6%	n/a	195.4%
Patrick De Smedt	2024/25	9.5%	n/a	n/a
	2023/24	0%	n/a	n/a
	2022/23	4%	n/a	n/a
Shruthi Chindalur ³	2024/25	1,748.5%	n/a	n/a
	2023/24	n/a	n/a	n/a
	2022/23	n/a	n/a	n/a
Ross Paterson ⁴	2024/25	n/a	n/a	n/a
	2023/24	n/a	n/a	n/a
	2022/23	n/a	n/a	n/a
Erika Schraner ⁵	2024/25	(12.5%)	n/a	n/a
	2023/24	77.2%	n/a	n/a
	2022/23	108.0%	n/a	n/a
Anna Vikström Persson ⁴	2024/25	n/a	n/a	n/a
	2023/24	n/a	n/a	n/a
	2022/23	n/a	n/a	n/a
Mike Phillips ⁶	2024/25	(33.8%)	n/a	n/a
	2023/24	18.2%	n/a	n/a
	2022/23	4%	n/a	n/a
All employees ⁷	2024/25	4.5%	4.5%	7.1%
	2023/24	6.7%	24.2%	(6.3%)
	2022/23	5.7%	6.2%	21.7%

1 Salary and annual bonus percentage increase in 2024/25 were in relation to comparison with pro rata salary and bonus earned in 2023/24 since date of appointment to the Board on 12 July 2023. Sam Mudd was MD Phoenix from her appointment to the Board on 12 July 2023, and was subsequently appointed as Interim CEO on 21 February 2024 and as CEO on 10 May 2024. Taxable benefits percentage increase in 2024/25 relates to the grant of discounted SAYE options during the year (2023/24: nil).

2 Salary and annual bonus percentage increase in 2022/23 were in relation to comparison with pro rata salary and bonus earned in 2021/22 since date of appointment to the Board on 21 October 2021. Taxable benefits percentage increase in 2024/25 relates to the grant of discounted SAYE options during the year (2023/24: nil).

3 Fee increase in 2024/25 was in relation to comparison with pro rata fees earned in 2023/24 since date of appointment to the Board on 1 February 2024.

4 Joined the Board on 1 June 2024.

5 Fee increase in 2022/23 was in relation to comparison with pro rata fees earned in 2021/22 since date of appointment to the Board on 1 September 2021. Fee increase in 2023/24 relates to amounts received for additional work on Board subcommittees established to investigate undisclosed share dealings.

6 Resigned from the Board on 24 March 2024. Fee increase in 2023/24 relates to amounts received for additional work on Board subcommittees established to investigate undisclosed share dealings.

7 Reflects the average percentage change in salary, benefits and bonus for employees of the parent company (excluding the Board). To aid comparison, the employees of the parent company are those full-time employees who were employed over the complete two-year period.

Relative importance of spend on pay

The following table shows the actual spend on pay for all BTG employees relative to dividends.

Year	Staff costs	Dividends
2024/25	£97.2m	£42.8m
2023/24	£88.4m	£36.6m
% increase	10%	17%

CEO-to-employee pay ratio

The table below sets out the ratio between the total pay of the CEO and that of employees at the 25th, 50th (median) and 75th percentiles of BTG's UK employees. This table will expand to show a rolling 10 years' worth of data over time.

Year	Method	25th percentile	50th percentile	75th percentile
2024/25	A	26:1	17:1	11:1
2023/24	A	12:1	8:1	5:1
2022/23	A	22:1	15:1	8:1
2021/22	A	24:1	15:1	8:1
2020/21	A	14:1	9:1	5:1

The 25th, 50th and 75th percentile-ranked individuals were identified using 'option A' in the reporting regulations, selected on the basis that this is the most robust and statistically accurate means of identifying the relevant people. Given ratios could be unduly affected by joiners and leavers who may not participate in all remuneration arrangements in the year of joining and leaving, the committee has modified the statutory basis slightly to exclude anyone not employed throughout the entire financial year. The 25th, 50th and 75th percentile employees were identified at 28 February 2025.

The CEO pay figure is derived from the total remuneration set out in the Single total figure of remuneration for each director table on page 119.

Pay in respect of the CEO and employees is shown in the table below (the employee pay includes the same pay elements as for the CEO).

Year	CEO	All employees		
		25th percentile	50th percentile	75th percentile
2024/25 salary	£416,997	£30,590	£41,900	£65,000
2024/25 total pay	£978,001	£37,865	£57,412	£92,633

The significant increase in the ratio from 2023/24 to 2024/25 primarily reflects the removal of any bonus to the former CEO, Neil Murphy, for the 2023/24 financial year as a result of his resignation on 21 February 2024, and the absence of any PSP vesting for the same year. Given this effect, and the limited number of years for which we have reported data so far, there is not yet any clear trend in the median pay ratio over the period of financial years covered by the pay ratio table. After taking this into account, the committee is satisfied that the ratio is reasonable and consistent with our wider policies on employee pay, reward and progression.

External appointments

At the date of this report, neither of the executive directors are directors of any other listed company.

Executive directors' service contracts

The table below summarises key details of the executive directors' contracts.

	Date of joining BTG	Date of service contract	Notice period (from either party)
Sam Mudd	2018 ¹	12 July 2023	6 months
Andrew Holden	2021 ²	1 November 2021	6 months

¹ Appointed to the BTG Board on 12 July 2023, and then as Interim CEO on 21 February 2024 and CEO on 10 May 2024. She was previously MD Phoenix from 2014. Phoenix was acquired by Bytes UK in September 2017.

² Joined BTG as COO on 1 June 2021 and joined the Board as CFO on 21 October 2021.

Non-executive directors' letters of appointment

The table below summarises key details of the non-executive directors' contracts.

	Date of joining BTG	Date of letter of appointment	Date of last re-election	Notice period (from either party)
Patrick De Smedt	27 July 2020	27 July 2020	11 July 2024	1 month
Erika Schraner	1 September 2021	1 September 2021	11 July 2024	1 month
Shruthi Chindalur	1 February 2024	30 January 2024	11 July 2024	1 month
Ross Paterson	1 June 2024	9 May 2024	11 July 2024	1 month
Anna Vikström Persson	1 June 2024	9 May 2024	11 July 2024	1 month

Directors' remuneration report continued

Implementation of policy for the year ending 28 February 2026

Base salary

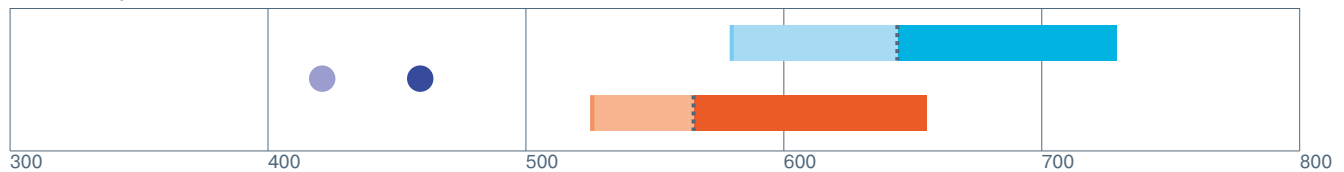
The committee reviews the executive directors' base salaries annually, with any increases taking effect from 1 March each year. The rationale for the changes for the year ending 28 February 2026 is explained in the Remuneration Committee Chair's introduction on pages 112 to 115, and the committee's decisions have been informed by independent benchmarking analysis. We considered two relevant peer groups for this purpose:

- 1 A group of 12 UK FTSE-listed technology companies that represent sector-specific peers to BTG, with BTG being a mid-sized entity in this group in terms of market capitalisation
- 2 A pan-sector group of UK-listed companies (excluding financial services) of a similar size to BTG (with market capitalisation in the range of £800 million to £1.2 billion).

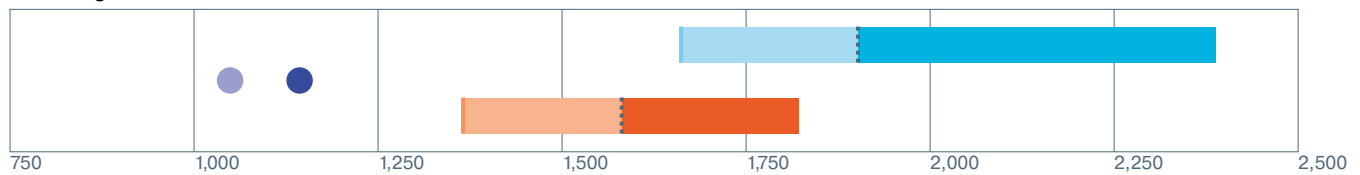
The charts below show the summary benchmarking analysis, prepared by BTG's independent remuneration advisors for the two peer groups considered.

CEO positioning v peers £'000

Base salary



Total target remuneration

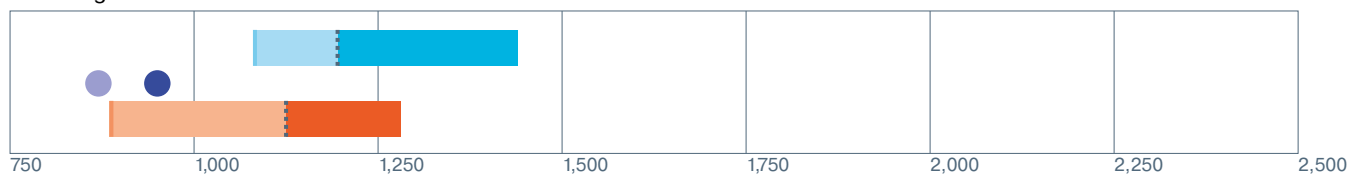


CFO positioning v peers £'000

Base salary



Total target remuneration



Pan-sector
 ● Lower quartile to median
 ● Median to upper quartile

Technology sector
 ● Lower quartile to median
 ● Median to upper quartile

BTG
 ● 2024/25
 ● 2025/26

⋮ Median

As set out in the introduction from our Remuneration Committee Chair on pages 112 to 115, after careful consideration of pace of growth, complexity and the interests of stakeholders – including consultation with our largest shareholders, as well as key proxy agencies – the committee has decided to increase the CEO’s and CFO’s base salaries this year, as permitted within our existing policy. The comparison to both peer groups showed that the compensation levels of Sam and Andrew fall well below the market levels (below the lower quartile), both in terms of fixed pay and total remuneration. The committee considered this positioning relative to the market to be disproportionately low, which gave the committee additional comfort that the salary adjustments represent a prudent and fair investment in leadership stability and continued performance.

The decision was also informed by Sam and Andrew’s contributions to our operating profit and EPS performance in the five financial years since IPO, with Sam initially as MD Phoenix and then CEO, and Andrew as CFO since 2021, as shown below.

Financial performance since IPO	2021	2022	2023	2024	2025
Operating profit (£m)	26.8	42.2	50.9	56.7	66.4
Basic EPS (pence)	8.52	13.72	16.88	19.55	22.78

The resulting base salaries effective from 1 March 2025 are:

	Base salary 2024/25	Base salary 2025/26	Increase
Sam Mudd ¹	£421,000	£459,000	9.0%
Andrew Holden	£348,926	£381,000	9.2%

¹ Up to 9 May 2024, Sam Mudd’s substantive role was as MD Phoenix. From 9 May 2024, Sam was Interim CEO for which she was paid a salary supplement of £91,725 a year (increasing her total salary over this period to £400,000 a year). On 10 May 2024, Sam was appointed as CEO and her salary was increased to £421,000 a year.

The increases of 9% and 9.2%, respectively, for the executive directors compare to the overall workforce increase of 3% for 2025/26.

Pension and benefits

No changes are proposed to pension and benefits for 2025/26. Executive directors will continue to receive benefits that include private medical and life insurance, and pension contributions of up to 4% for the CEO and CFO, in line with policy and with the level provided to the wider workforce.

Annual bonus

The maximum opportunity under the annual bonus plan will remain at 125% of salary for the CEO and CFO. One third of the total bonus payment will be deferred into shares for two years, and recovery and withholding provisions will apply in line with our approved policy.

Annual bonus performance structure and measures will be aligned with BTG strategy and budget to incentivise the achievement of annual delivery targets.

Bonuses will be based on targets relating to operating profit (72% weighting, previously 80%) and a number of key strategic objectives (28% weighting, previously 20%). The strategic objectives will include metrics relating to specific financial targets and ESG measures (including employee and customer NPS and an external ESG quality assessment). The committee has not disclosed the detailed performance targets for the forthcoming year in advance, because it considers that they include commercially sensitive matters. Retrospective disclosure of the performance against targets will be made in next year’s annual report on remuneration, if the targets are no longer considered commercially sensitive at that time.

Directors' remuneration report continued

Performance Share Plan

The executive directors will participate in the PSP in 2025/26. The CEO and CFO will receive awards of 150% of salary. Vesting will be subject to the following performance conditions.

Measure	Weighting	Performance period	Targets
EPS	75%	Three financial years to 29 February 2028 ¹	EPS of 26.3 pence (20% vests) rising on a straight-line basis to 50% vesting for 28.8 pence, and on a straight-line basis again to full vesting for achievement of 32.0 pence
Relative TSR versus constituents of the FTSE 250 Index (excluding investment trusts and real estate investment trusts)	25%	Three financial years to 29 February 2028	Median (20% vests) rising on a straight-line basis to full vesting for upper-quartile performance

¹ The EPS target is based on performance in the final year of the performance period.

In addition, the committee retains discretion to reduce the overall PSP vesting level (potentially to zero) if it considers that the underlying business performance of the company does not justify it.

A two-year holding period will apply to any awards vesting, and recovery and withholding provisions will apply in line with our approved policy.

Non-executive directors' fees

For 2025/26, the non-executive directors' fees are:

	Fee 2024/25	Fee 2025/26	% increase
Chair	£205,000	£205,000	0%
Base fee	£57,000	£57,000	0%
Senior independent director fee	£11,000	£11,000	0%
Audit Committee Chair fee	£11,000	£11,000	0%
Remuneration Committee Chair fee	£11,000	£11,000	0%
ESG Committee Chair fee	£11,000	£11,000	0%
Designated non-executive director for employee engagement	£8,000	£8,000	0%

Remuneration voting outcomes

At our 2024 Annual General Meeting, our remuneration report was approved with 98.60% of votes cast in favour, 1.40% of votes against and 1,635 votes withheld. At the same meeting, our remuneration policy was approved with 98.71% of votes cast in favour, 1.29% of votes against and 1,669 votes withheld.

On behalf of the Board.


Erika Schraner

Remuneration Committee Chair
12 May 2025

Directors' report

This report summarises other useful information, from our Companies Act disclosures and going concern statement, to the details of our main shareholders and our forthcoming Annual General Meeting.

BTG's directors present this report together with the audited consolidated financial statements for the year ended 28 February 2025.

The report has been prepared in accordance with the requirements outlined in The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and forms part of the management report as required under Disclosure Guidance and Transparency Rule (DTR) 4. Certain information that fulfils the requirements of the directors' report can be found elsewhere in this report and is referred to below. The information is incorporated into this directors' report by reference.

The directors' report is made up of the governance report and this report. Other relevant information that is incorporated by reference can be found in the strategic report, including:

- An outline of the important events that occurred during the year, on pages 6 to 11
- An indication of likely future developments in the business of BTG and its subsidiaries, Bytes Software Services and Phoenix Software, on pages 8 to 11
- Financial performance, on pages 28 to 33
- Business environment, on pages 18 to 19
- Outlook and financial management strategies, including particulars of any important events affecting the company since the year end (with subsidiary undertakings included in the consolidated statements), on pages 8 to 11 and 23 to 27
- Internal controls, principal risks and risk management framework, on pages 47 to 56
- Stakeholder engagement, including employee engagement, on pages 86 to 91
- Directors' biographies, on pages 78 to 79
- Section 172 statement, on page 74.

Requirements of UK Listing Rule 6.6.1

Information to be included in the Annual Report and Accounts under UK Listing Rule (UKLR) 6.6.1 may be found as follows:

Relevant Listing Rule	Pages
UKLR 6.6.1R (3): details of any long-term incentive schemes	118 to 130
UKLR 6.6.1R (4): details of any arrangements under which a director has waived or agreed to waive any emoluments from the company or any subsidiary undertaking	118 to 130

The strategic report and the directors' report together form the management report for the purposes of the DTR 4.1.8R. Information relating to financial instruments can be found on page 175 and is incorporated by reference. For information on our approach to social, environmental and ethical matters, please refer to our strategic report, including our Task Force on Climate-related Financial Disclosures (TCFD) statement on pages 58 to 67, and our ESG Committee report on pages 106 to 107.

Financial risk management instruments

The company's exposure to financial risks and how these risks affect the company's future financial performance is disclosed in notes 23 and 24 to the financial statements.

Research and development

The company did not carry out any research activities during the year (2023/24 research and development: none). However, BTG did undertake work to develop new internal and customer-facing software systems during the year – for more details, see page 163.

Directors' report continued

Directors

The directors who held office at 28 February 2025, and up to the date of this report, are set out below and on pages 78 to 79 with their biographies. Changes to the composition of the Board or committees during the year ended 28 February 2025, and up to the date of approval of the financial statements, were:

- Our new Board-level ESG Committee, which took effect on 1 June 2024, comprising Anna Vikström Persson (Chair), Patrick De Smedt, Erika Schraner, Shruthi Chindalur and Ross Paterson
- Erika Schraner, who assumed the role of senior independent director and Interim Audit Committee Chair on 24 March 2024, and who stepped down as Interim Audit Committee Chair on 1 June 2024 while remaining a member of the committee
- Ross Paterson, who was appointed as an independent non-executive director on 1 June 2024 and Audit Committee Chair
- Anna Vikström Persson, who was appointed as an independent non-executive director on 1 June 2024
- Sam Mudd, who was appointed as CEO on 10 May 2024
- Shruthi Chindalur, who assumed the role of designated non-executive director for employee engagement on 25 March 2024, a role previously held by Erika Schraner
- Mike Phillips, who resigned as an independent non-executive director on 24 March 2024.

Directors

as at 28 February 2025

Name	Effective date of joining BTG Board	Position
Patrick De Smedt	15 October 2020	Independent non-executive Chair
Sam Mudd	12 July 2023	CEO (appointed on 10 May 2024)
Andrew Holden	21 October 2021	CFO
Erika Schraner	1 September 2021	Independent non-executive director
Shruthi Chindalur	1 February 2024	Independent non-executive director
Ross Paterson	1 June 2024	Independent non-executive director
Anna Vikström Persson	1 June 2024	Independent non-executive director

The company's Articles of Association govern the appointment, removal and replacement of directors and explain the powers given to them. All directors will stand for re-election at the Annual General Meeting on 2 July 2025. The remuneration of the directors, including their respective shareholdings in the company, is set out in the directors' remuneration report on pages 118 to 130.

Avoiding conflicts of interest

Since their respective dates of appointment, and up to the date of this report, no director held any beneficial interest in any contract significant to the company's business, other than a contract of employment.

The Board regularly reviews each director's interests outside BTG and considers how the Chair ensures they are applying objective judgement in their role, as required by the UK Corporate Governance Code. To help directors avoid conflicts, or possible conflicts, of interest, the Board must first give clearance to any potential conflicts, including directorships or other interests in outside companies and organisations. This is recorded in the company's statutory records.

Should a director become aware that they, or their connected parties, have an interest in an existing or proposed transaction with the Group, they are required to notify the Board or the Group Company Secretary as soon as reasonably possible. In such an instance, unless allowed by the company's Articles of Association, the director cannot take part in any decisions about the contract or arrangement.

Directors' and officers' liability insurance and indemnification of directors

The company maintains directors' and officers' liability insurance, which gives appropriate cover should legal action be brought against its directors. The company has also provided an indemnity for its directors, which is a qualifying third-party indemnity provision, for the purposes of Section 234 of the Companies Act 2006. This was in place for the duration of the financial year ended 28 February 2025 and up to the date of approval of the financial statements.

Share capital

The issued share capital of the company at 28 February 2025 was 241,068,265 ordinary shares of £0.01 nominal value, with no shares held in treasury. A total of 73,904 additional shares were issued after the year ended 28 February 2025, relating to the company's long-term incentive plans. Note 20 to the consolidated financial statements on page 177 contains full details of the issued share capital. As far as the company is aware, there are no restrictions on the voting rights attached to its ordinary shares and there are no agreements that may result in restrictions in the transfer of securities or voting rights. No securities carry any special rights.

An analysis of shareholdings is shown on page 133. The closing mid-market price of a share of the company on 28 February 2025, together with the range since admission to the London Stock Exchange, is also shown on page 125.

Dividends and dividend policy

Our dividend policy remains a progressive one, which targets an annual dividend of 40–50% of post-tax pre-exceptional earnings to shareholders in each financial year. Subject to any cash requirements for ongoing investment, the Board considers returning excess cash to shareholders, as and when appropriate.

We recommend a final dividend of 6.9 pence per ordinary share, taking the total full-year dividend to 10.0 pence per ordinary share. In addition, we recommend a special dividend of 10.0 pence per ordinary share is paid at the same time as the final dividend. Shareholders will be asked to approve the final and special dividends at the Annual General Meeting on 2 July 2025.

Substantial shareholdings

At 30 April 2025, the company had been notified under the DTRs, or had ascertained from its own analysis, that the following held notifiable interests in the voting rights in the company's issued share capital of 3% or more of its ordinary share capital:

Shareholder	Number of voting rights	% of voting rights
Coronation Fund Managers	26,619,154	11.04%
JPMorgan Asset Management	21,744,729	9.02%
Biltron	18,262,478	7.57%
BlackRock	12,830,424	5.32%
Vanguard Group	12,221,026	5.07%
Quilter Cheviot Investment Management	7,661,783	3.18%

Committees of the Board

The Board has established Audit, Nomination, Remuneration and ESG Committees. The Audit Committee has been mandated to also oversee and monitor BTG's enterprise risk management. For more details of these committees, including membership and key focus areas for 2024/25, see their respective reports in the corporate governance report.

Remuneration voting outcomes

At our 2024 Annual General Meeting, the remuneration report was approved, with 98.60% of votes cast in favour, 1.40% of votes against and 1,635 votes withheld. Our current remuneration policy was also approved by shareholders at our 2024 Annual General Meeting, with 98.71% of votes cast in favour, 1.29% of votes against and 1,669 votes withheld. The remuneration policy will apply for a period of three years until the 2027 Annual General Meeting, unless a new or revised policy is presented before then.

Companies Act 2006 disclosures

In accordance with Section 992 of the Companies Act 2006, the directors disclose the following information:

- The company's capital structure and voting rights are summarised in note 20, and there are no restrictions on voting rights nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights
- The company does not hold any shares in treasury
- No securities exist that carry special rights with regard to the control of the company
- Details of the substantial shareholders and their shareholdings in the company are listed in the previous table
- The Deferred Bonus Plan has been implemented from 1 June 2022. The number of shares awarded under the company's Deferred Bonus Plan for the year ended 28 February 2025 is set out in note 27 and shown on pages 181 to 182
- The appointment and replacement of directors, amendment to the Articles of Association and powers to issue or buy back the company's shares are contained in the Articles of Association of the company and the Companies Act 2006
- There exist no agreements to which the company is party that may affect its control following a takeover bid
- No agreements exist between the company and its directors providing for compensation for loss of office that may occur because of a takeover bid.

Articles of Association

The company's Articles of Association set out the rights of shareholders, including voting rights, distribution rights, attendance at general meetings, powers of directors, proceedings of directors, borrowing limits and other governance controls. A copy of the Articles of Association can be requested from the Group Company Secretary at wk.groenewald@bytesplc.com.

Political donations

No donations were made for the year ended 28 February 2025 and up to the date of this report (2023/24: £nil). Generally, the company's policy remains to not make political donations, either directly or through a subsidiary. However, authority will again be sought at the 2025 Annual General Meeting to authorise the company to make political donations provided that the aggregate amount is not more than £50,000. This resolution has been proposed to ensure BTG and its subsidiaries do not, because of the wide-reaching definition in the Companies Act 2006, unintentionally breach the act.

Directors' report continued

Equality and diversity

The company has an equal opportunities philosophy that endeavours to treat individuals fairly and not to discriminate on the basis of gender, disability, race, national or ethnic origin, sexual orientation or marital status. Applications for employment are fully considered on their merits, and employees are given appropriate training and equal opportunities for career development and promotion.

The company is committed to ensuring that adequate policies and procedures are in place to give disabled applicants training to perform safely and effectively, and to provide development opportunities to ensure they reach their full potential. If someone becomes disabled during their employment with the company, the company will seek to provide, wherever possible, continued employment on normal terms and conditions. Adjustments will be made to the environment and duties or, alternatively, suitable new roles within the company will be secured with additional training where necessary.

The company values involving its people and continues to keep them informed about what affects them as employees. This is done using a variety of methods, including town hall meetings, whole-company meetings, team briefings, company days, emails and the intranet. Shruthi Chindalur assumed the role of designated non-executive director for employee engagement in March 2024, a role previously held by Erika Schraner. At team meetings, managers are responsible for ensuring that information sharing, discussion and feedback take place on a regular basis. As a result of these meetings, management can communicate the financial and economic factors affecting the company and make sure that the views of employees are considered in company decisions that are likely to affect their interests.

Going concern

BTG's business activities, financial position and cash flows, together with the factors likely to affect its future performance and position, are set out in the strategic report on pages 1 to 74. Details of its objectives and policies on financial risk management are set out in note 23 to the financial statements on pages 178 to 180.

The directors have made appropriate enquiries and consider that BTG has adequate resources to continue to operate for the foreseeable future, which comprises the period of at least 12 months from the date of approval of the financial statements, that is 12 May 2025. There are no material uncertainties that would prevent the directors from being unable to make this statement. Accordingly, the directors continue to adopt the going concern basis in preparing BTG's financial statements.

Events after the reporting period

There were no events after the end of the reporting period that require disclosure.

Auditor and disclosure of information

The directors who held office at the date of approval of this directors' report confirm that, as far as they are each aware:

- There is no relevant audit information of which the company's auditor is unaware
- Each director has taken all the steps they ought to have taken as a director to make themselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. Separate resolutions will be proposed at the forthcoming Annual General Meeting concerning the auditor's appointment and to authorise the Board to agree its remuneration.

Annual General Meeting

The 2025 AGM will be held at 14:00 (BST) on Wednesday, 2 July 2025, at Bytes House, Randalls Way, Leatherhead KT22 7TW, UK.

The company will make use of the electronic voting facility provided by its registrars, Computershare Limited. The facility includes CREST voting for members holding their shares in uncertificated form. For more information, please refer to the section on online services and electronic voting in the notes to the notice of meeting.

The notice of Annual General Meeting and an explanation of the resolutions being put to the meeting are set out in the notice of meeting accompanying this Annual Report. The directors fully support all the resolutions set out in the notice and encourage shareholders to vote in favour of each of them, as they intend to in respect of their own shareholdings.

The directors' report was approved by the Board of directors on 12 May 2025 and is signed on its behalf.


WK Groenewald FCG

Group Company Secretary

12 May 2025

Statement of directors' responsibilities

This report outlines our directors' responsibilities for ensuring that our Annual Report and financial statements comply with regulation.

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards (IAS), and the parent company financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the company and of the profit or loss of the Group and the company for that period.

In preparing these financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements in IFRS (and in respect of the parent company financial statements, FRS 101) is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and company financial position and financial performance
- In respect of the Group financial statements, state whether UK-adopted IAS have been followed, subject to any material departures disclosed and explained in the financial statements
- In respect of the parent company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and/or the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the Group, and enable them to ensure that the company and the Group financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Group and parent company and for taking reasonable steps to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, directors' remuneration report and corporate governance statement that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Directors' confirmations pursuant to FCA's Disclosure Guidance and Transparency Rule 4

The directors confirm, to the best of their knowledge, that the:

- Consolidated financial statements, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the parent company and undertakings included in the consolidation, taken as a whole
- Annual Report, including the strategic report, includes a fair review of the development and performance of the business and the position of the company and undertakings included in the consolidation, taken as a whole, together with a description of the principal risks and uncertainties that they face.

The directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group and parent company's position and performance, business model and strategy. In the case of each director in office at the date on which the directors' report is approved:

- As far as the director is aware, there is no relevant audit information of which the Group and parent company's auditor is unaware
- They have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group and parent company's auditor is aware of that information.

This responsibility statement was approved by the Board of directors on 12 May 2025 and is signed on its behalf.



Sam Mudd
CEO
12 May 2025



Andrew Holden
CFO
12 May 2025