



BYTES TECHNOLOGY GROUP PLC

Incorporated in England and Wales
Registered number: 12935776

ESG COMMITTEE TERMS OF REFERENCE

BYTES TECHNOLOGY GROUP PLC (THE "COMPANY")

ESG COMMITTEE TERMS OF REFERENCE

1. CONSTITUTION

- 1.1** The board of directors of the Company (the "**Board**") has established a committee of the board known as the ESG Committee (the "**Committee**").
- 1.2** The meetings and proceedings of the Committee are governed by these Terms of Reference which were adopted by the Board on 7 June 2024, and last reviewed on 26 February 2025.

2. MEMBERSHIP

- 2.1** The Committee shall consist of a minimum of three members appointed by the Board on the recommendation of the Nomination Committee and in consultation with the Chair of the Committee, with membership being confined to independent non-executive directors.
- 2.2** The Chair of the Committee, who shall be an independent non-executive director, shall be appointed by the Board on the recommendation of the Nomination Committee, which shall determine the period for which he/she shall hold office. In the absence of the Chair of the Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.
- 2.3** The Chair of the Board shall not be eligible to be appointed as Chair of the Committee but may serve on the Committee as an additional member if they were considered independent on appointment as Chair.
- 2.4** Members of the Committee may attend meetings of the Committee in person or through the medium of conference telephone or similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. The Committee may take decisions without a meeting by unanimous written consent, when deemed necessary or desirable by the Chair of the Committee.
- 2.5** Only Members of the Committee have the right to attend Committee Meetings. However, other individuals such as the Company's Chief Executive and/or Chief Financial Officer and/or Group Sustainability Manager may be invited to attend and speak at meetings (or parts thereof) of the Committee. Other persons may be called upon or shall be able to speak by prior arrangement with the Chair of the Committee.

3. SECRETARY

- 3.1** The Company Secretary or their nominee shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

4. QUORUM

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

5. FREQUENCY OF MEETINGS

- 5.1** The Committee shall meet not less than twice each year or otherwise as required. Formal meetings may be held by conference telephone or other communication equipment allowing those participating to hear and speak to each other and the quorum in that event shall be any two Committee members so linked.

6. NOTICE OF MEETINGS

- 6.1** Meetings may be called by the Secretary of the Committee at the request of any member of the Committee.
- 6.2** At least five working days' notice of any meeting of the Committee shall be given, although such notice period may be waived or shortened with the consent in writing of all the members of the Committee for the time being. Notice of the meeting shall confirm the venue, time and date, together with an agenda of items to be discussed. Notice shall be sent to each member of the Committee, any other person required to attend and all other non-executive directors. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time. Late submission or circulation of supporting papers will be permitted at the discretion of the Chair of the Committee.
- 6.3** Notices and supporting papers may be circulated electronically (if the recipient has agreed to receive them in this way) or in hard copy as circumstances permit.

7. MINUTES OF MEETINGS

- 7.1** The Secretary shall minute the proceedings and discussions of all meetings of the Committee, including recording the names of those present and in attendance and any conflicts of interest.
- 7.2** The draft minutes of the meeting of the Committee shall be circulated to all members of the Committee and, once agreed, to the Board unless a conflict of interest exists or, exceptionally, it would be inappropriate to do so in the opinion of the Chair of the Committee.

8. ENGAGEMENT WITH SHAREHOLDERS

The Chair of the Committee shall attend the Company's Annual General Meeting prepared to respond to any shareholder questions on the Committee and its activities and achievements. In addition, the Chair of the Committee should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

9. DUTIES

The Committee should have oversight of the Group as a whole and, unless required otherwise by regulation, carry out the duties below for the Company and its subsidiary undertakings and the Group as a whole, as appropriate.

- 9.1** Consider the Company's impact on the natural environment and its response to the challenge of climate change including greenhouse gas emissions, energy consumption, use of renewable energy, the efficient use of resources and the impact of the business' supply chain. The Committee shall review the sustainability strategy of the Company, including targets, initiatives and objectives, having consideration for the long-term success of the Company and the view of its wider stakeholders.
- 9.2** Review the performance of the Company against associated targets and strategy including those approved by the Committee and the implementation of relevant policies and practices.
- 9.3** Review the potential impact to the Company from climate-related risks and opportunities, presented within specific reporting requirements, including, but not limited, to the Task Force on Climate-Related Disclosures, and as part of the Enterprise Risk Management framework. Review the effectiveness of the process for identifying risks and opportunities.
- 9.4** Monitor emerging regulatory and reporting requirements regarding sustainability that are relevant to the Company, in line with the Company's policies and strategies to ensure the Company remains compliant and adopts new standards appropriately.
- 9.5** Review significant sustainability-related projects, including impact, materiality and budget.
- 9.6** Review relevant internal audit reports and the Company's response and progress against actions that impact people, planet and communities, where affected by the Company's strategy and procedures – including interaction with the Audit Committee on relevant matters, where appropriate.
- 9.7** Review and monitor progress against Company strategy and metrics for gender balance, gender pay gap and ethnic diversity.
- 9.8** Reviewing key charitable and community initiatives and partnerships for the Company, monitoring alignment with Company ethics and transparency.
- 9.9** The Committee shall review reports and statements within its remit, including among others the Modern Slavery and Human Rights policies.

- 9.10** Review responsible Board member engagement with employees and report on feedback and learnings that can enhance the Company's strategies in employee welfare and performance.
- 9.11** Where requested by the Board, the Committee should review the content of the Annual Report and Accounts and advise the Board on whether, taken as a whole, it is fair, balanced, and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy, in relation to ESG and sustainability matters.

10. REPORTING RESPONSIBILITIES

- 10.1** All decisions of the Committee shall be reported formally to the Board by the Chair of the Committee.
- 10.2** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed. All decisions on recommendations referred to the Board shall take effect only upon approval thereof by resolution of the Board, through written resolution, or at a meeting that is properly convened and constituted and in accordance with the Company's articles of association.
- 10.3** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.4** Through the Chair of the Board, the Committee shall ensure that the Company maintains contact as appropriate and required with its principal shareholders in respect of ESG and sustainability issues.

11. OTHER MATTERS

The Committee shall:

- 11.1.1** have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for advice and assistance as required;
- 11.1.2** be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 11.1.3** give due consideration to applicable laws and regulations, the provisions of the UK Corporate Governance Code and any other applicable rules, as appropriate;
- 11.1.4** oversee any investigation of activities that are within its terms of reference;
- 11.1.5** work and liaise as necessary with all other Board committees, ensuring interaction between committees and with the Board is reviewed regularly,

taking particular account of the impact of risk management and internal controls being delegated to different committees.

11.2 The Committee is authorised:

- 11.2.1** To investigate any activity within its terms of reference and seek directly any information it requires from any employee or contractor of the Company (all such persons being directed to co-operate with any such request by the Committee);
- 11.2.2** to obtain outside legal or other independent professional advice at the cost of the Company to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary (but such persons shall not be members of the Committee);
- 11.2.3** to call any employee to engage with at a meeting of the Committee as and when required; and
- 11.2.4** to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.

11.3 The Committee shall conduct an annual review of its work, constitution, performance and these terms of reference to ensure it is operating at maximum effectiveness and shall make recommendations for any changes to the Board.

11.4 The Chair of the Committee shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.

11.5 The Committee shall make available its terms of reference on the Company's website explaining clearly its role and authority delegated to it by the Board.

11.6 References in these terms of reference to the "**Group**" mean the Company, its subsidiaries and any subsidiary undertakings.

END

Owner	Company Secretary
Version	2.0
Approver	BTG Plc Board
Approval Date	26 February 2025