



Rosslyn Data Technologies plc
Corporate Governance Statement

Rosslyn Data Technologies plc (“RDT”, “Company”, “we” or “us”)

Statement of Compliance with the Quoted Companies Alliance Corporate Governance Code

Introduction:

In 2018, the London Stock Exchange introduced changes to the AIM Rules for Companies requiring all AIM listed companies to adopt and comply with a recognised corporate governance code. The Company’s board of directors (Board) adopted the Quoted Companies Alliance (QCA) Corporate Governance Code (Code). This statement provides a summary of how we comply with the Code as in force at the date of this statement. The Board’s view is that, as of the date of this statement, the Company complies with the Code but any divergence from the Code (details of which are set out in this statement) are, in the circumstances, reasonable, appropriate and in the best interests of shareholders as a whole.

We will provide regular updates on our compliance with the Code.

Rosslyn Data Technologies plc (AIM: RDT), the provider of a leading cloud-based enterprise data analytics platform, through the development of products that reduce time and costs for our clients and with business partners, by seeking to interact in an ethical and equitable manner; with employees by offering rewarding careers with the right support and encouragement to allow each individual to reach their potential; and with shareholders, by deploying capital against a well thought through and measured business plan to seek to ensure that long-term, sustainable, growth is achieved. It is the role of the Board to ensure that RDT is managed for the long-term benefit of all its shareholders. Underpinning this are the corporate governance processes that have been put in place since IPO that are designed to ensure control, reduce risk and add long-term value.

James Appleby
Chairman

1st November 2019

The Quoted Companies Alliance Corporate Governance Code

The Code is constructed around 10 principles, taking key elements of good governance and applying them in a manner which is workable for the needs of a growing company in pursuit of medium to long-term value creation for shareholders.

Each of these principles is set out below together with a commentary of RDT's compliance. To the extent that an explanation of RDT's compliance set out against a principle is equally as relevant against another principle, the explanation is deemed to apply to all relevant principles.

Deliver Growth

1. Establish a strategy and business model which promote long-term value for shareholders.

The Company is a provider of a leading cloud-based enterprise data analytics platform. The need for joined-up predictive data analytics to see how market forces and movements will have an impact for businesses, the requirement for better managing internal compliance policies, external contracts and a growing demand for cloud technologies are factors fuelling the growth of the data analytics market. However, the recurring difficulty in migrating from legacy systems is the biggest restraint for the spend, operational and workforce planning analytics market.

By analysing financial and other relevant data along with pricing, operational and workforce data, organisations can come up with strategies to improve profits and restrict unwanted spending. Rosslyn's RAPid analytics platform provides a solution to measure and standardise performance, monitor trends, and optimise strategies, which are instrumental in allocating capital, managing assets, and mitigating risks.

2. Seek to understand and meet shareholder needs and expectations

We encourage shareholder engagement and have an "open door" for shareholder interaction. We are committed to active communication with all shareholders to ensure that our strategy and business model is understood but also to understand any concerns that shareholders may have. The Board believes that active engagement provides the Company with a stable shareholder base for the long-term. Our executive team engage in investor relations activities, including individual meetings and roadshows. Furthermore, our Chairman and non-executive directors regularly engage with institutional shareholders to gain feedback and discuss any areas of concern to ensure that they can be addressed at an executive level.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The size of the Company and stage of development is such that we receive regular direct feedback from all relevant stakeholders. This allows the Board, and consequently the Company, to ensure that it is designing the business for long-term growth and success. Aside from our shareholders and the ultimate users and beneficiaries of the products we are developing, our employees, partners and suppliers are our most important stakeholder groups, and we seek to continuously engage with them and ascertain their feedback.

We have regular "all employee" meetings to discuss progress of product development against current business plans. These meetings allow us to focus on areas that need greater support

and also consider what resources the Company may need going forward. This approach is taken into the workplace on a day to day basis. Over the last 12 months we have implemented regular training and knowhow workshops for all employees on key skills to ensure that we provide continuous development and enhance team collaboration. We continue to encourage continuous development and education for employees.

Notwithstanding the stage of development of the business, we believe that the achievement of long-term success requires us to maintain excellent relationships with our partners, clients and suppliers. We seek to pay suppliers within agreed timescales and we have the required checks on our supply chain to encourage all to meet and adhere to the high ethical standards that we seek to achieve. To mitigate risk in our supply chain, the Company aims to dual source all, where possible, critical services. This gives the Company opportunity to develop good relationships and plan for long term success.

Although the Company falls below the reporting threshold for Modern Day Slavery, many of our clients insist that we have these policies in place. The Company has therefore adopted Anti-Slavery compliance and has an Anti-Slavery and Human Trafficking policy. We seek to ensure that all suppliers and business partners also adopt and adhere to similar policies.

Anti-Bribery and Corruption

The Company has also adopted an Anti-Bribery and Corruption policy. Many of our employees have previously worked within larger technical businesses; accordingly they are well versed in the need to undertake business in an appropriate and transparent way. However, we do not simply rely on this. We seek to include provisions in our agreements with third parties to ensure that bribery and corruption does not form part of any business undertaken by or on behalf of the Company and is not within our supply chains.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation's Internal Controls

The Board is responsible for maintaining a sound system of internal financial and operational control and the ongoing review of their effectiveness. The Board's measures are designed to manage risk and, as such, provide reasonable but not absolute assurance against material misstatement or loss.

Some key features of the internal control system are:

- Management accounts information, budgets, forecasts and business risk information which are regularly reviewed by the Board;
- Operational, accounting and employment policies are in place and regularly reviewed and updated when appropriate;
- Clearly defined organisational structure within the Company; and
- Established financial reporting and control systems within the Company.

The Company reviews its internal controls regularly to ensure that they give the Company the flexibility that is necessary to allow it to grow and deliver long-term value to shareholders while having the correct checks and balances in place.

Risk Register

The Company maintains a risk register which is reviewed regularly. This register allows the Board to appraise external and internal threats to the business and to plan and mitigate accordingly. Principal risks and uncertainties that may affect the business are set out in more detail in the Company's annual report and accounts.

Code of Conduct

The Company has adopted a Code of Conduct which sets out the minimum standards that it expects all employees and representatives of the Company to meet to ensure that we maintain our high standards that we set ourselves. It is the Board's view that by encouraging high working standards we will mitigate against risks arising in our day to day activities.

5. Maintain the Board as a well-functioning, balanced team led by the chair

The Board: RDT has a strong and effective leadership team.

RDT's Board comprises of an Independent Non-Executive Chairman, three Executive Directors, and 2 further Non-Executive Directors. The Board is made up of the following individuals:

Non-Executive Board Members:

James Appleby - Chairman

Bernard Quinn

Virginia Warr

Executive Directors:

Roger Bullen - Chief Executive Officer

Ash Mehta - Chief Financial Officer

Hugh Cox – Chief Data Officer

Brief biographies for all Directors are included in the Company Annual Accounts and on the Company website, which detail their skills and experience. The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance.

Directors stand for re-election at each AGM by rotation. The Company's articles of association require one third of its directors to stand for re-election at each AGM. The Company's articles of association can be downloaded from the Company's website.

James Appleby acts as Chairman. James has a limited shareholding in the Company. Given James share holdings, the Board does not consider his participation to be significant and therefore consider him to have been independent upon his appointment as Chairman.

Barney Quinn acts as RDT's Remuneration Committee and Audit Committee Chair in his role as Non-Executive Director. Barney has a limited shareholding in the Company and a limited interest in the Company's share option scheme. Given Barney's share and option holdings the

Board does not consider participation to be significant and therefore consider him to be an independent non-executive director.

Virginia Warr acts as a Non-Executive Director. Her full-time role is a Chief Procurement officer of British Land plc, and she is considered by the board to be independent.

The Board feels that it has an appropriate balance between independence, knowledge of the Company's technology, sector experience and professional standing to allow it to discharge its duties and responsibilities well.

All Directors are encouraged to debate and use independent judgement based on their respective knowledge and experience on all matters effecting the business.

Details of the directors' independence, time commitments and board meeting attendance are set out in the annual report.

Conflicts of interest

To address the provisions of Section 175 of the Companies Act 2006 relating to conflicts of interest, the Company's Articles of Association allow the Board to authorise situations in which a Director has, or may have, a conflict of interest.

Directors are required to give notice of any potential situation or transactional conflict that are to be considered at the next Board meeting and, if considered appropriate, conflicts are authorised or Directors do not attend or participate in such discussions.

Directors are not permitted to participate in such considerations or to vote regarding their own conflicts.

6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Board considers that it contains an appropriate range of skills, experience and knowledge and is mindful of the need to continuously review the needs of the business to ensure that this remains true. All Directors retire by rotation in accordance with the Company's Articles of Association, and the Board makes decisions regarding the appointment and removal of directors. Descriptions of directors' relevant experience, skills and qualities are set out in the annual report.

The Board members are of sufficient calibre to bring independent judgment of issues of strategy, performance, resources, and standards of conduct, which are vital to the future growth and success of the Group. The Board believes that it operates in an open and constructive manner, working effectively as a team.

The Board is supported by a number of internal professionals, including the Company's Chief Technology Officer and Chief Revenue Officer, both of whom have appropriate experience for their level of responsibility. The Board and senior management from time to time seek advice on significant matters from external advisers. These advisers include, amongst others, the Company's nominated adviser and broker, public relations, external auditors and legal advisers.

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Since IPO, the Board has sought to improve the ways in which it interacts and the manner in which information is presented to it. The processes that have been put in place allow for a consistent approach to reporting, thus aiding analysis by the Board of all matters at hand. While the Company does not currently have any formal appraisal processes or evaluation criteria for Board members, the Chairman and Non-Executive Directors regularly meet and discuss performance with members of the executive team, which in the Board's opinion is currently sufficient for the Company's purposes.

The Group intends to introduce a framework on which to assess the performance of the board more formally on an annual basis. This will be kept under review and the Board will consider whether formal evaluations are appropriate in the future.

8. Promote a corporate culture that is based on ethical values and behaviours

Ethical values and behaviours are at the heart of what we do. The Board seeks to enshrine such ethical values and behaviours throughout the conduct of all of RDT's activities. Our values are set out in our code of conduct and other policies, our working practices and our systems, which are available to all employees.

The Board leads by example. The Board seeks to treat all persons fairly and equitably, through clearly defined parameters of operation. This includes full compliance with safe working practices but also maintaining and protecting a positive and supportive working environment. The board seeks feedback from all stakeholders in the business, as described in more detail in relation to Principle 3, allows the Board to monitor its corporate culture, ethical values and behaviours.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Chairman provides leadership to the Board and is responsible for agreeing the agenda for Board meetings, ensuring that the Directors receive the information that they need to participate in Board meetings, and that the Board has sufficient time to discuss issues on the agenda, especially those relating to strategy and governance.

The Chief Executive Officer is responsible for the day to day leadership of RDT, the management team and its employees. The Chief Executive Officer is responsible, in conjunction with senior management, for the execution of the Company's strategy approved by the Board and the implementation of Board decisions.

The Board is collectively responsible for the long-term success of the Company. Its principal role is to provide leadership within a framework of prudent and effective controls, which enables risk to be assessed and managed. The Board considers the management team's strategic proposals and, following a rigorous review, determines strategy and ensures that the necessary resources are in place for the management team to execute against that strategy.

Board meetings

The Board meets regularly, monthly where possible, but in any event holds no fewer than 10 board meetings in each year. In addition to the scheduled meetings, informal discussions with both executive directors and senior operational managers of the Company in relation to strategic business development and other topics important to the Company's progress are held by members of the Board regularly. The Board and its committees are provided with information ahead of meetings to give time for review and analysis. For each board meeting an agenda is prepared and approved by the Chairman and followed. The Board maintains an ongoing list of matters arising from the Board meetings which are then followed up at subsequent meetings to ensure that matters and decisions are being implemented. The Board assesses the relevance and effectiveness of its Corporate Governance Framework each year and aims to improve upon it as the Group grows.

Audit committee

The Audit Committee is chaired by Barney Quinn and its other member is James Appleby, each of whom are independent non-executive directors. The Audit Committee seeks to ensure that the financial performance of the Company is properly reported on and reviewed.

Its role includes monitoring the integrity of the financial statements of the Company (including annual and interim accounts and results announcements), reviewing internal control and risk management systems, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on their appointment.

The Board considers that the members of the Audit Committee have sufficient competence to understand, analyse and when necessary challenge the management accounts and public financial statements of the Company. The Company's Auditor has unrestricted access to the Chairman of the Audit Committee. The Chief Executive Officer and a representative of the Auditor of the Company are normally invited to attend meetings of the Audit Committee.

Remuneration committee

The Remuneration Committee is chaired by Barney Quinn and its other member is James Appleby. The Remuneration Committee ensures that the Company's remuneration policy and practice promotes, encourages and drives the long-term growth of shareholder value in an effective manner and in accordance with the Board's strategy and policies.

More particularly, the Remuneration Committee determines, within the agreed terms of reference, the Company's policy on the remuneration packages of the Company's Chief Executive, Chairman, the Executive Directors, the Company Secretary, senior managers and such other members of the executive management as it is designated to consider.

The Remuneration Committee also has responsibility for determining (within the terms of the Company's policy and in consultation with the Chairman and/or the Chief Executive Officer) the total individual remuneration package for each executive director, the Company Secretary and other designated senior employees (including bonuses, incentive payments and share options or other share awards). The remuneration of non-executive directors will be a matter for the Chairman and executive directors of the Board.

No Director or manager permitted to participate in any discussions as to their own remuneration.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company seeks to maintain dialogue with shareholders and other relevant stakeholders through several channels. Our annual report and accounts, full year and half year announcements are the primary sources of information for shareholders. These are supplemented by regular and appropriate RNS and RNS Reach announcements. The above, together with other relevant information on the Company, can be obtained from our website.

The AGM offers an opportunity all shareholders to meet and have direct and meaningful discussions with the Board. We encourage shareholders to attend and participate in the AGM. In addition to our AGM, we seek to hold investor roadshows following the release of half and full year results and our Directors attend a number of investor and sector specific conferences which give smaller investors opportunity to speak with us.

Our active dialogue with shareholders means that the Board receives regular updates on the views of shareholders. The Company's collegiate and open working environment means that all employees are able to relay concerns to the executive team on a daily basis. The Company has a whistleblowing policy to allow and encourage all employees to bring matters which cause them concern to the attention of certain persons within the Company and, ultimately, to the attention of the Chairman.

The Group maintains a corporate website with up to date and relevant information for its shareholders. Information on the Group and its activities can be found on the Group website, including financial reports, shareholder documents, corporate policies and Company announcements. www.rosslyndatatech.com.

The Company's annual report includes a Corporate Governance statement, the Directors' Remuneration Report and the Audit Committee Report.