



Annual Report on remuneration continued

Information not subject to audit

At 31 March 2022, GBG's quoted share price on the London Stock Exchange was 552.0p and the lowest and highest prices during the year ended 31 March 2022 were 507.5p and 952.5p on 8 March 2022 and 10 September 2021, respectively.

Directors' interests

Set out below are the beneficial interests of the Directors and their families in the Group's share capital at the beginning and end of the year.

Ordinary shares of 2.5p	31 March 2022	1 April 2021
David Rasche	731,536	699,333
Chris Clark	312,423	278,601
David Ward	24,000	-
Dave Wilson	142,009	142,009
Nick Brown	649,095	575,085
Liz Catchpole	20,665	12,195
Natalie Gammon	5,872	5,872
Bhav Singh	-	-

There have been no other changes to Directors' interests in the Group's shares from the end of the year to 14 June 2022. The Register of Directors' Interests contains full details of the Directors' interests in the Group's shares and is open to inspection.

In accordance with the calculations set out in GBG's Shareholding Policy, based on the closing share price at 15 June 2022 of 4.89p, the value of Chris Clark, Nick Brown and David Ward's shareholding represented 303%, 1,079% and 31% of their salaries. The CEO and GMD have exceeded the shareholding requirements applicable in 2021/22 of 200% of salary. As mentioned previously Executive Directors are expected to meet our shareholding guidelines within five years of appointment, David Ward has one year of service.

Total shareholder return graph

The graph below shows the percentage change in total shareholder return for each of the last five financial years compared to the FTSE 250.

The FTSE 250 was selected as it represents a broad equity index in which the Group can be compared against.



Remuneration in 2022-23

Salary	<p>Executive salaries in the year commencing 1 April 2022 will increase by 5% in line with the standard increase applied to the majority of team members, which are as follows:</p> <p>CEO: £529,515 CFO: £393,750 Group Managing Director: £308,884</p> <p>The Remuneration Committee will continue to monitor the remuneration of Executive Directors of other companies in the IT sector and other listed companies with similar market capitalisation to ensure that the Executive Directors remain sufficiently rewarded to promote long-term success.</p>
Benefits	<p>There will be no change to the Executive Directors' benefits for the year commencing 1 April 2022.</p>
Annual bonus	<p>We will operate the annual bonus for the year commencing 1 April 2022 within the policy disclosed in this report. The principles of bonus criteria which we will apply to each Executive Director during the year ending 31 March 2023 will be similar to those applied during the year ended 31 March 2022. We will not disclose the targets for the annual bonus for 2022-23 in this report as that information is deemed commercially sensitive and may be interpreted as forecast. That information will be disclosed retrospectively in the 2023 Annual Report.</p>
Performance share plan ('PSP')	<p>The Committee agreed to amend the PSP to allow Executive Directors to participate and to increase the aggregate value on date of grant up to 225% of salary (or 400% in exceptional circumstances).</p> <p>The Committee has recently completed a comprehensive review of the Company's incentive arrangements for senior management. Following this review, the Committee has concluded that the current structure of the long-term incentive arrangements for Executive Directors should be revised to align performance and reward more effectively with the Company's strategy and market practice.</p> <p>Therefore, it is proposed that the Company's Share Matching Plan will no longer be used. Instead, Executive Directors will be eligible to participate in the new GB Group Plc Performance Share Plan (the 'PSP'). This PSP removes the link to bonus and it is intended that annual awards will be granted with three-year rolling performance periods.</p> <p>It is intended that PSP Awards will take the form of nil cost options. A holding period may apply to any shares acquired pursuant to a PSP Award. Any such holding period would normally apply for two years from the date of vesting. Where a PSP Award has vested (or an option has been exercised), the Committee may apply clawback to all or a proportion of shares.</p>
Restricted Share Plan (the 'RSP')	<p>In addition, the Company intends to implement the GB Group Restricted Share Plan (the 'RSP'). The RSP's primary purpose is to incentivise and retain selected participants below Board level.</p> <p>In practice, it is intended that RSP Awards will take the form of conditional share awards, which will normally vest three years after the applicable grant date, subject to malice and the participant's continued employment with the Group.</p> <p>We will seek shareholder approval for the PSP and RSP under an ordinary resolution at the AGM.</p>
Non-Executive Director Remuneration	<p>NED fees were reviewed by the Board (excluding the Non-Executive Directors) during the year. Taking taken into account the substantial demands on NED time with significant acquisition discussions and reviews, as well as the additional governance required on all Committees and overall Board work, the base fees for GBG's three NEDs will be increased by the standard company rate of 5% to £59,325. The additional fees for the Committee Chairs and Senior Independent Director of £10,000 will remain the same.</p> <p>The Chair fee was also reviewed by the Remuneration Committee and it was determined that the outgoing Chair fee should be increased by the same rate, 5% to £156,450 per annum to the remainder of his tenure. As announced on 16 June 2022 we are appointing a new Chair to the Board 1 September 2022. The current Chair fee is towards the lower end of market practice for a company of our size and complexity reflecting our growth and development in recent years. To ensure that our Chair fee is fair, and enables us to attract an individual of the right calibre to Chair the Board through the next phase of our strategic evolution, the Committee determined that it was appropriate to set the fee for the incoming Chair at £200,000. This fee is more aligned with typical market practice for a company of our size and complexity.</p>