

# Directors' report

The Directors present their report, together with the audited accounts in relation to the Group activities for the year ended 31 March 2022.

In accordance with s414c of the Companies Act 2006, certain matters that would otherwise be required in the Directors' Report are included elsewhere in this document including, the Strategic Report (from pages 02 to 59), the Corporate Governance Statement (from pages 64 to 71) or as indicated in the table below. All of this information is incorporated into this report by reference.

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## Financial results and dividends

The Group's financial results, risk management objectives and policies are discussed in the Financial Review on pages 42 to 47 and within note 27. The Directors have recommended a final ordinary dividend of 3.81 pence per share (2021: 3.40 pence per share) amounting to £9.6 million (2021: £6.7 million). If approved by shareholders at the Annual General Meeting ('AGM'), the final dividend will be paid on 3 August 2022 to ordinary shareholders whose names were on the Register of Members on 24 June 2022. A Dividend Reinvestment Plan ('DRIP') will be offered, allowing eligible shareholders to reinvest their dividends into GBG shares. Further information regarding the DRIP is set out on page 188.

## Substantial shareholders

In accordance with the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, we have been notified of the following interests in the ordinary share capital, representing 3% or more of our issued share capital. Details of substantial shareholders is regularly published and updated on our website.

The position as at 31 March 2022 is detailed in the substantial shareholder table.

Since 31 March 2022 to the date of release of this Annual Report and Accounts, we have not received any notifications from our shareholders in accordance with the Disclosure and Transparency Rules.

Substantial shareholder	No. of shares owned at 31 March 2022	Percentage of shares owned at 31 March 2022
Aegon Asset Management UK	13,946,120	5.54%
Octopus Investments	13,517,968	5.37%
Liontrust Sustainable Investments	11,959,873	4.75%
Ninety One	10,875,769	4.32%
AG Acuant Holdings LP	9,623,234	3.82%
BlackRock	8,597,390	3.41%
AXA Framlington Investment Managers	8,260,940	3.28%
abrdn	8,071,281	3.20%
Swedbank Robur	7,770,398	3.08%

## Share capital

Details of the authorised and issued share capital of the Company and options over shares of the Company are set out in notes 22 and 29 to the financial statements.

## Restrictions on transfers

We are not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and for voting rights. The only restrictions which may exist from time to time are those imposed by laws and regulations (for example, insider trading laws and market requirements relating to close periods) or pursuant to the internal policies of the Company whereby certain team members of the Company require the approval of the Company to deal in the Company's securities.

## Ordinary shares

On a show of hands at a General Meeting of the Company, every holder of ordinary shares present in person and entitled to vote shall have one vote on each resolution and on a poll, every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held. The Notice of the General Meeting specifies deadlines for exercising voting rights either by proxy notice or present in person or by proxy in relation to resolutions to be passed at the General Meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution is announced at the AGM and the results are released as an announcement after the meeting.

## Articles of Association

The Company's Articles of Association may only be amended in accordance with the provisions of the Companies Act 2006 by a special resolution at a General Meeting of the shareholders. This year we are not recommending any changes.

## Directors and their interests

Dave Wilson stepped down from the Board on 30 June 2021. David Ward joined the Board on 1 July 2021. Bhav Singh also joined the Board on 1 November 2021 as an Independent Non-Executive Director. Further information on his appointment can be found in the Nomination Committee Report. The Directors who have served during the year ended 31 March 2022 and details of their interests in the share capital

and share options are set out in the Report on Directors' Remuneration on pages 85 to 89.

No Director had a material interest in any contract of significance, other than a service contract or contract for services, with the Company or any of its subsidiaries at any time during the year.

## Directors and their powers

Full biographies of each Director as at the date of this report are set out on pages 62 to 63.

Directors are reappointed by ordinary resolution at a General Meeting of the shareholders. Once appointed by the Board, a Director must be reappointed by an ordinary resolution at the next General Meeting. In accordance with the Articles of Association, Bhav Singh, who was appointed to the Board on 1 November 2021, will, being eligible, stand for reappointment at the next AGM.

Directors who have held office for more than three years since their last appointment are eligible for re-election by rotation at the next AGM. In accordance with the Articles of Association, Nick Brown will be retiring by rotation and seeking reappointment by the Group's shareholders.

Any Non-Executive Director considered by the Board to be independent who has served on the Board for at least nine years or more will be subject to annual re-election. In 2022 this applies to David Rasche and he will be seeking re-election at this year's AGM.

The Directors confirm that, having conducted the Board performance evaluation process, Nick Brown and David Rasche continue to contribute effectively and demonstrate commitment to their roles. In addition, the Board has considered David Rasche's length of service and has always been satisfied that he remains independent in both character and judgement. Details of each Directors' notice periods and service agreements are detailed in the Report on Directors' Remuneration on pages 84.

As we announced on 16 June 2022, David will step down from the Board on 30 September 2022. This follows a rigorous process to find a suitable successor using an independent external search firm. Details of the process can be found in the Nomination Committee Report on pages 90 to 91.

## Directors' indemnities

During the year and up to the date of approval of this Annual Report, the Company maintained third-party indemnification provisions for its Directors subject to the conditions set out in the Companies Act 2006. The Company also maintains Directors' and Officers' Liability Insurance which gives appropriate cover for legal action brought against its Directors.

## Employee engagement

We continue to involve our team members in the future development of the business. Information is provided to team members through virtual briefing sessions, website and intranet 'be/connected', which is continually updated. How we engage our team members and have due regard to their interests in considering principal decisions taken during the year are demonstrated in the Section 172 Statement on pages 34 and 35.

We are committed to the investment in our team at all levels to ensure a culture of continuous improvement. In order to attract and retain a high calibre of team members, we provide various benefit packages including share options schemes in order to align team members' interests with the long-term strategic objectives of the Group. We are committed to our equality and diversity policies and seek regular feedback and engagement from our workforce. Engaging with our workforce in this way allows GBG to retain its competitive advantage as ensuring our team members are composed of the most talented in their respective fields and allows us to maintain our impressive growth and results. This year, in direct response to team member feedback on increased flexibility we introduced our "Work When and Where You Want.", further details can be found in the ESG Statement on page 28.

Applications for employment by disabled persons are always fully considered, where the candidate's particular aptitudes and abilities adequately meet the requirements of the job. When existing team members become disabled every effort is made to ensure that their employment at GBG continues and they are supported appropriately, making physical or procedural adjustments where possible. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other team members.

# Directors' report continued

Further information regarding our workforce policies and employee engagement can be found on pages 26 and 27 of the ESG Statement. Information regarding GBG's activities to promote diversity is contained within the Nomination Committee Report on page 91.

## Change of control

Within the Group's revolving credit facility, the lender has the right to demand immediate payment of any outstanding balances upon a change of control of the Group following a takeover bid.

The Group does have an agreement with a data supplier which, if the Group were acquired by a competitor of that data supplier, would allow it to terminate its agreement with the Group. The data supplier would, however, continue to be bound to service arrangements with the Group's customers existing on the date of termination.

Upon a change of control, share options may be exercised within six months of the time when the change of control takes effect and any subsequent conditions at the offer process have been satisfied.

There are no agreements between the Group and its Directors or team members providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

## Proposed resolutions for the Annual General Meeting

Details of business to be conducted at this year's AGM to be held on 28 July 2022 contained in the Notice of the Annual General Meeting which will be communicated to shareholders separately. It is the opinion of the Directors that the passing of these resolutions are in the best interest of the shareholders.

## Financial

The Group's financial risk management objectives and policies are discussed in the Financial Review on pages 42 to 47 and within note 27.

## Research and development

Research and development activities continue to be a high priority with the development of new products and maintaining the technological excellence of existing products. During the year ended 31 March 2022, 34.6% (2021: 33.6%) of our team members were employed in research and development activities.

GBG understands the importance of using modern, innovative and effective technology in order to provide its services to the highest standards. We therefore place a great importance on investing in our technology and our ability to apply said technology in the best ways, ensuring that we keep our competitive advantage and are aware of changes in the technological landscape.

## Auditor

A resolution proposing the appointment of Ernst & Young LLP as auditor to the Group will be put to the shareholders at the AGM. During the financial year we conducted a competitive tender process to appoint a new external auditor for the financial year beginning 1 April 2023. For further information please see pages 74 and 75 of the Audit & Risk Committee Report.

## Directors' statement as to disclosure of information to auditor

The Directors who were members of the Board at the time of approving the Directors' Report are listed on pages 62 to 63. Having made enquiries of fellow Directors and of the Group's auditor, each Director confirms that:

- to the best of their knowledge and belief, there is no information relevant to the preparation of their report of which the Group's auditor are unaware
- they have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Group's auditor are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## Energy and carbon emissions reporting

In accordance with Streamlined Energy & Carbon Reporting guidelines we are required to disclose the annual quantity of emissions, in tonnes of carbon dioxide equivalent. This year the data disclosed covers our Scope 1 and 2 global energy usage and reimbursed mileage in Scope 3. We set out details of our emissions on page 29 of the Strategic Report and include them as part of the Directors' Report disclosures.

## Political donations

No political donations were made in the year (2021: £nil).

## Health and safety

GBG has a formal Health and Safety Policy. It is the policy of the Group to consider the health and welfare of team members by maintaining a safe place and system of work as required by legislation in each of the countries where the Group operates.

## Charitable donations

During the year, the GBG team has managed to raise over £28,000 for charity which has been given to a varied group of worthy causes such as Mind and The Trussell Trust.

## Modern Slavery Statement

Our Modern Slavery Statement can be found on our website at: <https://www.gbgplc.com/media/giwg5ckv/modern-slavery-statement-2021.pdf>

## Treasury policy

The Group's treasury policy aims to manage the Group's financial risk and to minimise the adverse effects of fluctuations in the financial markets on the value of the Group's financial assets and liabilities, on reported profitability and on the cash flows of the Group.

By Order of the Board



**Annabelle Burton**  
Company Secretary

22 June 2022

# Directors' responsibility statement

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable United Kingdom law regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 (IFRSs) and have also chosen to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom 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 as at the end of the financial year and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select and apply accounting policies in accordance with accounting standard IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors 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 IFRSs (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 international accounting standards as applied in accordance with the provisions of the Companies Act 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, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for taking such steps as are reasonable to safeguard the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report and directors' remuneration report 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.