

Corporate Governance Statement

Summary of Board Activity	Further information
Governance	
Reviewed developments to Corporate Governance reporting and made necessary changes	Corporate Governance Statement
Took part in annual internal evaluation of the Board, Directors & Committees	Corporate Governance Statement
Approved our 2020 Modern Slavery statement	
Received an update on AIM obligations & market from NOMAD	
Review of the Board, Executive Team and Committees' Terms of Reference	
The Non-Executive Directors held an investor roadshow in March 2021, to address governance points of importance to investors	Corporate Governance Statement
People	
Continued discussions on succession planning and initiated successful planning for replacement CFO and Company Secretary	Nomination Committee Report
Considered Board & Group diversity and approved the appointment of Lara Clark (Chief Regulation Officer), Annabelle Burton (Company Secretary), Dev Dhiman (APAC Regional Managing Director) and Boris Huard (Managing Director of Identity and Fraud)	Nomination Committee Report
Discussed and approved developments to the Share Save Scheme to offer more inclusivity and encourage more take-up from team members	ESG Statement
Discussed the results of our annual employee engagement survey and put in place action plans to deal with any issues we identified	ESG Statement
Discussed the findings of our 2021 Gender Pay Gap Report	ESG Statement
Strategy	
Held our annual strategy meeting to discuss our ongoing vision, the direction of our business and our strategic priorities	
Received and reviewed regular reports from the Executive Team on progress against strategic objectives, as well as risk management and operational matters	
Reviewed key risks that may threaten our strategy, such as cyber risk and data privacy	Principal Risks and Uncertainties Report
Financial	
Reviewed and approved the FY21/22 Budget	
Considered the impact of Covid-19 on the going concern status of the Group and conducted various stress tests against a number of scenarios to test resilience of the Group cash forecasts	Note 2.2
Reviewed and approved the half and full-year announcements and the 2021 Annual Report and Accounts	
Approved LTIP, Share Match and Share Save schemes	Remuneration Report

We have set out this year's statement using the ten principles from the QCA Code.

Deliver growth

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

Our vision is to help create a world where everyone can transact online with confidence with our purpose being to build trust in a digital world. Our strategy is to create and maintain unique online products and services that give our customers added value and are strong enough to let us create new markets and win new business. We achieve this by investing in people, business and product development and applying innovation, quality and excellence in everything we do.

Our strategy, business model and business operations are set out on pages 11 to 17. The Executive Team, led by the Chief Executive, is responsible for recommending the Group's strategy to the Board, based on the interests of our shareholders, customers, team members and other stakeholders. The Board is fully involved in discussing and developing our strategy and business model with the Executive Team before we implement it. The Executive Team is then responsible for putting the strategy into action and managing the day-to-day business.

As they follow our strategy and operational plans, the Executive and Management teams will usually face day-to-day challenges that we see as our principal risks and uncertainties. We have agreed on steps to mitigate them and we always look to follow these steps whenever the risks appear. You can find more details on our internal control and risk management process on pages 28 to 40.

We believe that our AIM listing continues to add long-term value to our shareholders. It gives us access to capital markets, flexibility to make acquisitions and the ability to incentivise and reward management through share schemes. It also provides a regulatory environment that is appropriate to the size of the Group.

Our progressive dividend policy and share performance over the last five years are also indicators of long-term value for our shareholders. For the past 17 years GBG has consistently paid a final dividend. However, due to uncertainties presented by Covid-19, we made the decision to suspend declaring and paying a final dividend for FY20 until our outlook was more certain. Thanks to prudent steps GBG took at the start of the pandemic to preserve liquidity, combined with strong performance and confidence in the outlook of the Group, the Board reinstated the progressive dividend policy and declared an interim dividend of 3 pence per share in December 2020. The Chairman's Statement on page 8 and in the Directors' Report on page 94 contain further information on this financial year's dividend.

You can also see a total shareholder return graph in the Remuneration Committee Report on page 89.

Seek to understand and meet shareholder needs and expectations

Chris Clark (CEO), Dave Wilson (CFO & COO) and where appropriate, other members of the Board communicate regularly with institutional investors and analysts through our investor roadshows. Here, they give updates on any changes to our business, strategy, marketplace and acquisition pipeline. Understanding what analysts and investors think about GBG and in turn, helping them understand our business, is a key part of driving the business and investment forward. We tailor our communication based on whether we are speaking with new or longstanding investors.

The AGM is the main forum for dialogue between private investors and the Board. The chairs of the Board and its Committees, along with all other Directors, attend the AGM and are available to answer shareholder's questions formally during the meeting, or, informally afterwards. The AGM is also a chance to demonstrate our products and services and explain how they work and how our customers use them. This year's AGM and all future AGM's will be held as hybrid meetings to allow shareholders the option to attend in person, or join via electronic means.

During the year, myself, Liz Catchpole and Natalie Gammon, conducted a 'Non-Executive Director Investor Roadshow'. The Roadshow gave our major investors the chance to virtually meet with us and raise any questions or concerns they wanted us to address. We felt that this was particularly important this year due to the uncertainties presented by the Covid-19 pandemic. I am pleased to say that the event was a success and we discussed in depth many important topics, including: Environmental, Social and Governance ('ESG') matters and what additional disclosures shareholders would like GBG to make. We also discussed ensuring an orderly succession of the departing CFO and general governance matters, such as remuneration. Shareholders indicated their approval of our Remuneration Committee's work and the remuneration framework adopted. These conversations allow us to gain greater insight into what our investors expect of us and what improvements we may need to make throughout the Group.

Whenever any of the Board meets with investors, they always give feedback to the other Board members either verbally on an as and when basis, or through the monthly investor update provided to the Board.

As always, Liz Catchpole (Senior Independent Director) and I are available to speak with shareholders to discuss governance and anything else that is important to them. You can send a meeting request to: investor.relations@gbgplc.com to arrange this.

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

Engaging with our stakeholders strengthens our relationships and helps us make better business decisions that deliver on our commitments. We take our wider stakeholder and social responsibilities seriously. That means maintaining effective working relationships with stakeholders including team members, partners, customers, suppliers and regulatory authorities. There is more detail on how we do this in our ESG Statement on page 42, Directors' Report on page 94 and through our Section 172 Statement on page 99.

In our operations and working methods, we balance the needs of all of these stakeholder groups while still ensuring our success. We promote a culture of honesty, integrity, trust and respect. We expect all members of our team to operate in an ethical way, whether they are dealing with people inside or outside the business.

Our customers and suppliers are mainly long-term partners, so an important part of our culture is to establish and maintain relationships of trust. Our priority is to create a positive customer experience across our whole business, including our product experience, customer success management, professional services and helpdesk.

As part of our commitment to continually improve the GBG Customer Experience, we listen to customers across all business areas. Each year we welcome direct feedback from all our customers and in the last 12 months we have received over 2,000 pieces of feedback. As part of our Voice of the Customer programme, we use this feedback to drive material improvements that are evidenced in key metrics over time. We continue to use the feedback we receive to inform our strategy, product roadmap and customer interactions across all parts of the customer journey.

Embed effective risk management, considering both opportunities and threats, throughout the organisation

Risk management and controls

The Board and Group approach to risk is set out in the Principal Risks & Uncertainties Report on pages 28 to 40 and the Audit & Risk Committee report on pages 72 to 77.

The Board has overall responsibility for our approach to assessing risk, systems of internal control and our risk appetite, with the Audit and Risk Committee taking responsibility for monitoring and reviewing how effective these systems are. These systems are designed to manage risks rather than eliminate them. They provide only reasonable and not absolute assurance against material misstatement or loss and flag any new and material risks to the Board.

The Board believes risk assessment and control, with an acceptable risk/reward profile, is fundamental to achieving our corporate objectives. We confirm that there is an ongoing process to identify, evaluate and manage the significant risks the Group faces and the effectiveness of related controls.

Budgets

As reported last year, the events of Covid-19 and the uncertainties this placed on agreeing to any meaningful and accurate budget meant that the formal annual budget was replaced with regular updates from the Executive Directors on the Group's financial performance. These updates included but were not limited to, revenue, growth and cash and helped us monitor progress, trends and assessment of the Group banking covenants.

For the FY22 financial year, we have reverted to the normal process of approving an annual budget which has been reviewed, challenged and approved by the Board. The Executive Directors will provide regular updates on performance against this Budget and any updates to the forecast results due to Covid-19 or other factors.

The Board has conducted a rigorous and in-depth assessment of GBG's financial position and outlook and has adopted the going concern principle in preparing these financial statements, as described in note 2.2 of the accounts.

Insurance

We have comprehensive insurance cover against material loss or claims against GBG. We are also covered for actions taken against the Directors because of their roles. Each year, we carry out an extensive renewal programme which allows us to review the sums we insure and what type of cover we have across the Group and assess whether current cover is still suitable for a company of our size operating in our current industry.

Maintain a dynamic management framework

Maintain the Board as a well-functioning, balanced team led by the Chair

As at 31 March 2021, the Board was made up of the Non-Executive Chair David Rasche, three Executive Directors, Chris Clark, Dave Wilson and Nick Brown plus two Non-Executive Directors, Liz Catchpole and Natalie Gammon.

David Rasche, Chairman of the Board stood down from being a member of the Audit & Remuneration Committees effective 31 March 2020. This action was as in response to feedback from governance proxy agencies and institutional shareholders, taking into account their guidelines for long-serving directors who also serve on Board committees.

In compliance with the QCA Code, independence is to be determined by the Board. In the Board's opinion, Liz and Natalie are independent in both character and judgement. The Board have considered David Rasche's length of service and remain confident that he is still independent in character and judgement however, in line with best practice, he will be subject to annual re-election.

The Executive Directors all work full-time for the Group. The Non-Executive Directors work part-time, alongside other commitments outside of GBG. A summary of these commitments appears in their biographies on pages 58 to 61. In the Chair's opinion and as confirmed in the annual Board evaluation, each member of the Board dedicates the appropriate amount of time to fulfil their responsibilities.

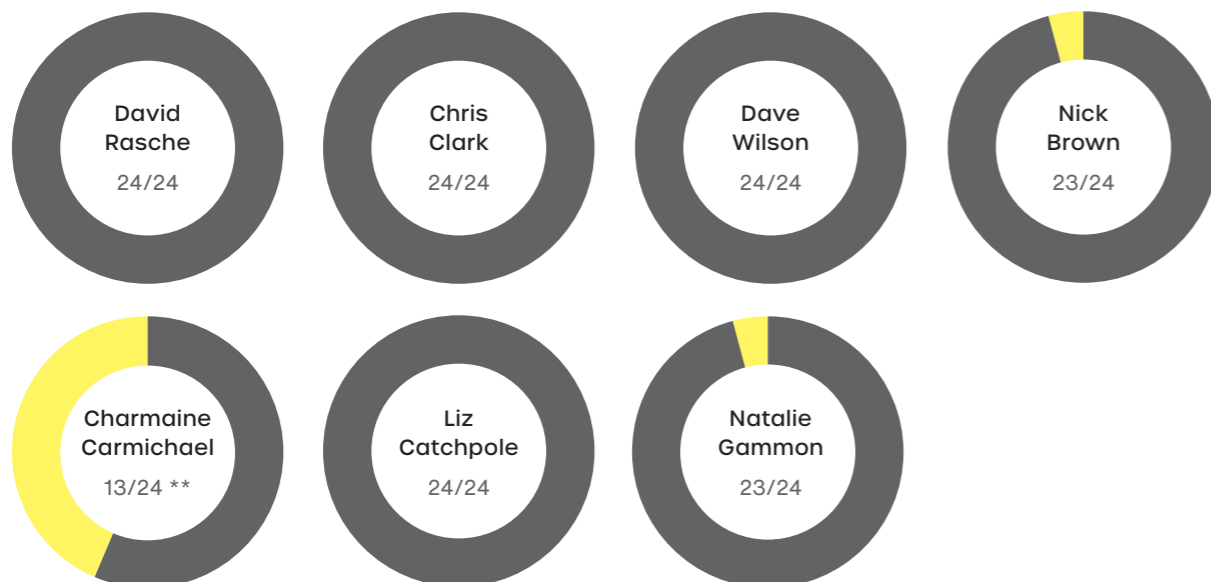
In accordance with our Articles of Association all Directors' retire by rotation and are subject to election by shareholders at least once every three years. In line with best practice, Non-Executive Directors who have served on the Board for 9 years or more, will be subject to annual re-election. Currently this only applies to David Rasche. To see which Directors have been put forward for re-election at the 2021 AGM, please go to the Directors' Report on pages 94 to 98 and the Notice of AGM. The service agreements for each of the Directors are available from our registered office in Chester.

The Board has a formal schedule of matters reserved for it to decide on, which is available on our website.

The Non-Executive Directors have also met during the year without the Executive Directors and Chair being present.

In the year to 31 March 2021, the Board met virtually on twenty-four occasions. A summary of their attendance is as below.

Board Meeting Attendance



** Charmaine resigned from the Board effective 30 August 2020 and her attendance is calculated against the number of meetings she was eligible to attend prior to her resignation.

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

The Directors' biographies can be found on pages 58 to 61, these outline their experience and skills, along with their Committee memberships. The Board and Nomination Committee are satisfied that the Board composition currently has the right balance of experience, skills, independence and expertise to deliver the strategy of the company. In terms of gender balance, the Board are satisfied that positive steps have been taken in recent years to address this, with the Board (following the departure of Charmaine Carmichael) including two female members and four male members. Gender balance and diversity of thought and remains an important factor in any Board appointments.

Throughout the year, Board members receive regular business updates and have full access to the Company Secretary and external advisors. Each member of the Board is accountable for maintaining their skills and furthering their knowledge and experience, which includes (but is not limited to) roles and experience with other boards and organisations as well as formal training.

Liz Catchpole holds the Senior Independent Director role (the 'SID') to give shareholders another channel of communication and to act as an intermediary for the other Directors where needed. All Directors are able to seek independent professional advice on the Group's affairs, at the Group's expense, though no Director did so this year.

Led by the SID, the Non-Executive Directors meet without the Chair at least once a year to appraise the Chair's performance. The Chair also regularly meets with the Chief Executive and other Directors to discuss progress and Board performance. In addition to this, the Board as a whole maintain ongoing communications throughout the year, between formal meetings.

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Evaluations

Every year, we ask each Board member to complete an online questionnaire as part of our Board evaluation process. This is a chance to suggest improvements on a number of areas such as Board structure, functionality, objectives, meetings (including the quality of information presented at such meetings) administration and the committees. The responses to the questionnaire are collated by the Company Secretary and then passed on to the Chair in a detailed report to discuss and take forward any resulting action plans.

This year, the annual evaluation showed that the main areas of focus were continuing to work towards effective management succession and improving Board composition and balance, all of which, were highlighted in the last external evaluation. We have taken and continue to take steps to improve our review of succession planning from operational and strategic standpoints. We continue to keep the Board composition in mind when recruiting for further Board appointments, as we intend to do this year. We plan on carrying out another external evaluation towards the end of the next financial year and will report on the outcome of this in next year's Annual Report.

As well as evaluating the Board and its Committees, we evaluate individual Directors through peer-group meetings. The Non-Executive and Executive Directors monitor, evaluate and appraise each other's performance. The Non-Executive Directors also meet at least once a year to appraise the Chair's performance.

The appraisal process lets the Board see whether a Director is contributing effectively and showing commitment to the role. During the process, the Chair or Chief Executive Officer takes up any performance issues with the individual Director and the Chair assesses whether they need any training and development.

The Chair also regularly meets with the Chief Executive Officer and the other Directors outside of the Board meetings to discuss progress and performance of the Group and the Board.

Appointments to the Board

The Nomination Committee is responsible for recommending appointments taking into account the right balance of skills, knowledge and experience. We assess whether or not to use recruitment consultants on a case-by-case basis. New Directors receive a formal induction covering guidance about the workings of the Board and its Committees. They also meet with senior managers of the Group for detailed information and presentations on Group strategy, products and services.

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

Overall employee experience is really important at GBG, from traditional HR and talent management practices to business ethics, the environment, internal communications and our office spaces. Our culture is about honesty, integrity, trust and respect. We expect all members of our team to operate in an ethical way, whether they are dealing with people inside or outside the business. GBG does not tolerate behaviour that goes against this, or that could damage our reputation.

Our vision is to have 'the best and most engaged people' because we understand the link between highly engaged people and results. We have clear strategies for how to achieve this objective and each year our Annual Report aims to demonstrate what we are doing to make it happen. We run an engagement survey twice a year (the Q12 survey) to give all team members a voice and allow us to identify and respond to any issues that might affect engagement. On the back of the Q12 results, all senior managers and Executive Team members must champion action plans in each of their areas for any improvements that need to happen. More information on the results of this year's Q12 surveys can be found on in our ESG Statement on page 53.

The Board and Executive Team communicates with team members regularly to keep them informed about how the business is performing through our global intranet platform called 'be/connected'. This platform also lets team members share news stories and access learning resources and general information about GBG.

Chris Clark, CEO, also hosts fortnightly virtual live business updates across the Group, ensuring that all team members are kept up to date with how the business is performing and any key changes they need to know about. Team members also have the opportunity to ask the CEO any questions they may have. Throughout the first half of the year and in response to the Covid-19 pandemic, the CEO held weekly business updates to keep team members as informed as

possible during uncertain times and also to address any key concerns. We believe this approach promotes transparency throughout the Group.

More information on our culture can be found in our ESG Statement on pages 42 to 57.

Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

Our Board believes that good corporate governance is essential for building a successful and sustainable business in the long-term interests of all our stakeholders.

- The Executive Directors have day-to-day responsibility for the operational management of our activities
- The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions
- The Board sets the direction for the Group through a formal schedule of matters reserved for it to decide on

There is a clear separation of the roles of Chief Executive Officer and Non-Executive Chair:

- The Chair is responsible for overseeing the running of the Board, making sure that no individual or group dominates the Board's decision-making and seeing that Non-Executive Directors are properly briefed. The Chair is responsible for corporate governance overall and chairs the Nomination Committee
- The Chief Executive Officer is responsible for implementing the strategy of the Board and managing day-to-day business activities
- The Company Secretary is responsible for making sure the Board follows its procedures and sticks to rules and regulations

A calendar of Board meetings and key matters for discussion are agreed at the beginning of each year. As a result of the Covid-19 pandemic, throughout the financial year, the Board met on a weekly basis up until August, on a fortnightly basis from August to October and then held monthly meetings thereafter. This was the caveat that should any urgent business arise, the Board would once again hold weekly meetings (this is reflected in the attendance table on page 68).

Board papers are usually circulated securely via our Board Intelligence portal five days before each meeting. This allows for sufficient reading time and any necessary clarifications ahead of the meeting. However in response to the weekly meeting calendar adopted at the start of the year, verbal updates were given at each meeting to ease the administrative burden of producing formal papers. The Board found that this approach was just as useful as producing the usual papers, as it allowed members to have focussed discussions. Prior to the Covid-19 pandemic the Board would usually meet in person at the Chester or London offices. The Board has met virtually since March 2020 and this continues to work well. We do though intend to resume some face to face meetings after the Summer and will then continue with a combination of virtual and in person meetings.

The Board has established Audit & Risk, Remuneration and Nomination Committees with formally delegated duties and responsibilities. The Terms of Reference for each can be found on our website and a summary of their work for the year ended 31 March 2021, found in each individual report.

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

It is the Chair's responsibility to:

- Communicate with shareholders and make sure that the Board is made aware of any concerns in a timely manner
- Make sure members of the Board, particularly the Non-Executive Directors, understand major shareholders' views
- Make sure the Board keeps its integrity and effectiveness

It is very important to us to communicate regularly with our various stakeholder groups in a clear, fair and accurate way. We do this through regular announcement and update statements to the London Stock Exchange and through our website, particularly the investors section where you can register for emails about our future announcements.

Our main ways of communicating with shareholders are through the Annual Report and Accounts, full-year and half-year announcements, the AGM and GBG Investor Roadshows.

You can read our historical financial reports and AGM Notices on our website.

We announce the results of voting on all AGM resolutions shortly after the AGM itself. We also post a more detailed analysis of voting at general meetings on our website. This includes any actions we would propose to take, in situations where more than 20 percent of shareholders voted against a resolution.