

We are GBG

We are in business to build trust in a digital world. Whoever you are, wherever you are, we believe in a world where you can transact online with confidence.

As one of the world's most trusted digital identity specialists, we work with the best data, the best technology and the best people. We make it possible for businesses to balance the growing need for frictionless digital customer experience with the increasing risk of fraud and financial crime.

In an increasingly data-driven economy and society, the trends driving our long-term growth are clear and the global opportunity facing us remains greater than ever before.

About this report

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Financial highlights

Revenue ¹	Operating profit
£242.5m (2021: £217.7m)	£23.4m (2021: £35.5m)
Adjusted operating profit ²	Adjusted operating profit margin ²
£58.8m (2021: £57.9m)	24.3% (2021: 26.6%)
Profit before tax	Adjusted diluted earnings per share (restated) ²
£21.7m (2021: £34.3m)	20.2p (2021: 22.4p)
Diluted earnings per share	Final dividend per share
6.9p (2021: 13.5p)	3.81p (2021: 3.40p)

Operational highlights

- Strong financial results with record revenue of £242.5m (up 11.4% vs. FY21) and adjusted operating profit of £58.8m (up 1.6% vs. FY21)
- High customer advocacy scores alongside record team member engagement
- Organic investment has focused on our data and solution portfolio, securing new customers and extending our geographic reach
- Geographic expansion into the Philippines, Thailand and Vietnam alongside the bolt-on acquisition of Cloudcheck in New Zealand
- Accelerated our strategic progress with the acquisition of Acuant, a leading US identity verification and identity fraud prevention business

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¹ FY22 reported revenue impacted by the deferred revenue 'haircut' acquisition accounting adjustment

² These measures are defined on pages 184 to 187 to the accounts

Our business at a glance

We are experts in digital location, identity verification and fraud prevention software. We enable fast, simple and compliant onboarding with reduced risk of fraud for many of the world's leading organisations who put their trust in our technology and data.

Total FY22 revenue
£242.5m



FY22 revenue by geography

USA	UK	APAC	Europe	Rest of World
36%	34%	16%	11%	3%

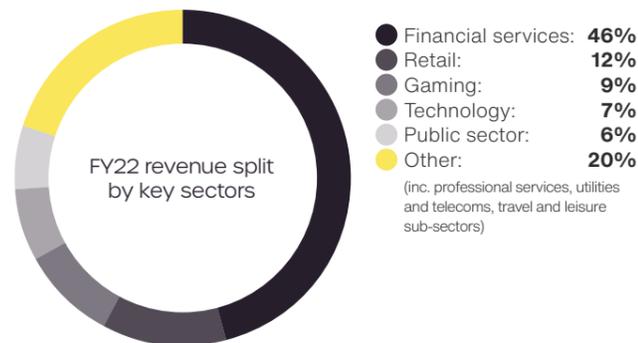
Revenue generated from international customers is now 66% of the Group, up from 31% in FY17.

Building trust across business

From onboarding to in-life, we help businesses build trust at every stage of the customer lifecycle. We serve small start-ups to many of the world's biggest and fastest-growing brands with our global platform of digital location, identity and fraud and compliance solutions.

Over the last five years, we have diversified both geographically and by sector. From international banks to tech giants, automotive manufacturers to fast fashion retailers, we partner with our customers as they set the agenda for the future of business.

Read more on pages 08 and 09



GBG has a diversified offering across three core solutions:

Location



Powered by the most accurate global location intelligence data sourced from a range of worldwide data banks updated daily, our Loqate solutions are used millions of times a day by businesses of all sizes in all sectors. We provide address verification, real-time address lookup, validation and data enhancement and maintenance solutions. We aim to connect every business in the world to every customer in the world.

Segment revenue

£66.3m

27% of Group revenue

Identity



We keep businesses safe by providing secure, smooth onboarding. Our fully configurable digital identity verification solutions build trusted relationships with brands, through document and data verification. We can verify and authenticate the identity of much of the world's population, anywhere in the world, helping businesses welcome more good customers while reducing digital identity fraud.

Segment revenue

£142.8m

59% of Group revenue

Fraud



Protecting businesses and brand reputations while reducing losses from financial crime, our end-to-end fraud and compliance solutions deliver real-time protection and regulatory compliance. We help businesses know their customers and screen out fraudulent transactions, preventing application fraud and detecting and preventing money laundering activity while maintaining a frictionless digital customer experience.

Segment revenue

£33.3m

14% of Group revenue

Read more on pages 10 and 11

Why GBG?

- We are at the forefront of the fast-growing and global digital identity sector**
Our powerful solutions are at the forefront of a fast-growing market driven by increased eCommerce, regulation and fraud.
- Our data infrastructure and technology are best in class; we are experts in data intelligence**
Our proprietary technology provides fast, resilient and consistent analysis of consumer identity attributes worldwide. Our global breadth and depth of data and knowledge give us a market-leading advantage.
- We have a compelling strategy to deliver long-term sustainable growth**
Strategic investment continues to expand our capability and geographic coverage, creating convergence and cross-selling opportunities. The business has grown through mergers and acquisitions with 15 transactions since 2011.
- Our people and culture underpin our success**
Globally we now have 1,250+ team members who embody our expertise throughout our network of talented local teams and close customer relationships.
- Attractive financial model and a strong balance sheet**
Our subscription model drives profitable and cash generative growth underpinning our strong balance sheet, which provides scope for ongoing investment and a progressive dividend policy.

Chairman's statement



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I am pleased to report that GBG has achieved strong financial results again this year, with record revenue and adjusted operating profit ahead of original market expectations. We have also made important strategic progress through the acquisitions of Acuant and Cloudcheck. GBG now has more talent and expertise than ever before to execute on the attractive long-term market opportunity through accelerating our global expansion and technology roadmap.

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Our excellent customer advocacy and record team member engagement scores demonstrate why we are a trusted partner and supplier to many great organisations around the world. We continue to be confident, despite the current macroeconomic uncertainties, in the strength and resilience of our diversified business to deliver sustainable growth underpinned by our strong, cash generative model.

Purpose, strategy and progress

GBG's purpose is to build trust in a digital world with a vision where everyone can transact online with confidence. We see it as our mission to act as a force for good in the expanding digital marketplace. Our solutions are used millions of times each day to keep individuals and businesses safe. We improve trust, increase efficiency and prevent bad actors from causing loss and distress. Embedding sustainability in our strategy is fundamental to our success and we are committed to a holistic approach that takes account of all stakeholders in our decisions.

We have a track record in developing and scaling innovative solutions; our customers trust those solutions because of our competitive advantage in data software, technology and people. This year we have achieved significant strategic progress throughout the business, allowing us to capitalise on the structural growth in our markets. Organic investment has focused on our data sources and solution portfolio, helping to secure new customers and extending our geographic reach.

In November 2021 we acquired Acuant, a leading US identity verification and identity fraud prevention business. This transaction strengthens our competitive differentiation, materially increases our US presence and primes GBG for accelerated global expansion. We are able to leverage the knowledge and experience developed following 13 successful acquisitions in the last 10 years prior to Acuant, which will ensure that integration risk is well managed and the full benefits of the combination are realised.

Our strong operating margins and cash generation mean that we can pursue geographic and sector expansion as well as continued product and technology development. In January 2022 we completed the bolt-on acquisition of Cloudcheck, a New Zealand-based identity verification and anti-money laundering provider. This demonstrates how GBG can combine its international data, solutions and expertise with local capabilities to expand at pace regionally.

These strategic actions will allow GBG to capture significant long-term value for shareholders. We have created a leader in data, document and biometric-driven identity verification with combined FY22 pro forma revenue of £273.8 million. Our Location, Identity and Fraud segments all benefit from expanding total addressable markets. This includes the identity verification and adjacent identity fraud markets which industry analysts forecast to reach an estimated \$25 billion¹ by 2025.

Our highly engaged team

Our people bring the global expertise and passion responsible for GBG's ongoing success with record levels of team engagement achieved throughout the business this year. We are committed to providing an inclusive and supportive environment to enable all of our team members to grow, develop and fulfil their potential. Positive change is being made to improve our diversity and inclusion, well-being and professional development. These changes reflect our desire to innovate working practices for our team members.

Our 2022 AGM



For the second year running GBG will host its Annual General Meeting as a hybrid meeting. Shareholders are encouraged to attend either virtually or in person.

The AGM will be held at our Chester office on 28 July 2022 at 10.00am (BST) and all directors will be present. To connect virtually shareholders will need to register for a live audio link. Shareholders can participate in the meeting using this link with the ability to listen live to the meeting, ask questions and vote.

Read more in our Notice of AGM

¹ Source: Markets and Markets - Identity Verification Market and Fraud Detection and Prevention Market Reports (2020 - 2021)

Chairman's statement continued

The team has delivered our strong results despite a backdrop of fast-evolving macroeconomic challenges, such as the continued impact of the Covid-19 pandemic and the effects of rising inflationary pressures on our team members and customers alike. We do not expect any direct impact from the war in Ukraine. Our sympathies are with the Ukrainian people afflicted by this conflict and we are proud to support charities sending help to the country and its displaced citizens in Europe and the UK.

Governance

On 1 November 2021 we welcomed Bhavneet (Bhav) Singh to the Board as an independent Non-Executive Director. Bhav has over 25 years of experience leading successful digital businesses through ambitious periods of growth and transformational change. His experience managing international expansion is highly applicable to GBG's strategic priorities and the Board is already benefiting from his sector expertise and global perspective.

Our solutions have an important contribution to society, establishing trust between our customers, consumers and citizens, preventing fraud, enabling compliance and verifying locations to reduce climate emissions from failed or repeated deliveries. Recognising its ongoing significance to GBG, the Board formed an Environmental, Social and Governance ('ESG') Committee during the year. This committee will provide oversight of the strategy, targets and investments we make. In particular, the UN's COP26 climate summit demonstrated the need for ambitious action to reduce global emissions. At GBG we are committed to reducing our climate impact with a near-term plan to become carbon neutral in our own operations by FY23.



In summary, it has been a very good year. The business has performed strongly and the team has made significant progress against our priorities. We are well-positioned to continue delivering the critical digital identity solutions that enable our customers to be safe and successful.

Financial performance

Our financial performance this year was ahead of original market expectations. Revenue increased 11.4% to £242.5 million (2021: £217.7 million), which represented growth on an organic constant currency basis of 10.6%. The level of growth is pleasing given the substantial one-off benefit in the prior year relating to the US government's stimulus programme. Adjusting for this, underlying growth was 15.5%. Adjusted operating profit increased by 1.6% to £58.8 million (2021: £57.9 million). On a statutory basis, operating profit decreased to £23.4 million (2021: £35.5 million), principally due to the increase in amortisation of acquired intangibles and exceptional costs related to the acquisition of Acuant.

Strong cash generation enabled the Group to repay £30.1 million (\$40.2 million) of the £157 million (\$210 million) of debt financing drawn in November 2021 to finance the Acuant acquisition. The Group's net debt position at the year end was £107.0 million. We expect that our ongoing ability to generate good levels of cash will allow net debt to reduce further during FY23.

AGM and dividend

We plan to host GBG's AGM 2022 as a hybrid meeting on 28 July 2022 at 10.00am (BST). Shareholders are encouraged to attend virtually. The meeting will be held at our Chester office using a live audio link. Shareholders can participate in the meeting using this link with the ability to listen live to the meeting, ask questions and vote, although there will be the possibility to attend in person. Further details will be provided in the Notice of AGM.

The Board would like to reiterate the Group's progressive dividend policy. This ongoing commitment to delivering increased returns to shareholders is supported by our confidence that GBG is well-positioned for the future. The Board will propose a final dividend of 3.81 pence per share to shareholders at the AGM in July. If approved, it will represent the fourteenth consecutive year of dividend growth.

Closing remarks

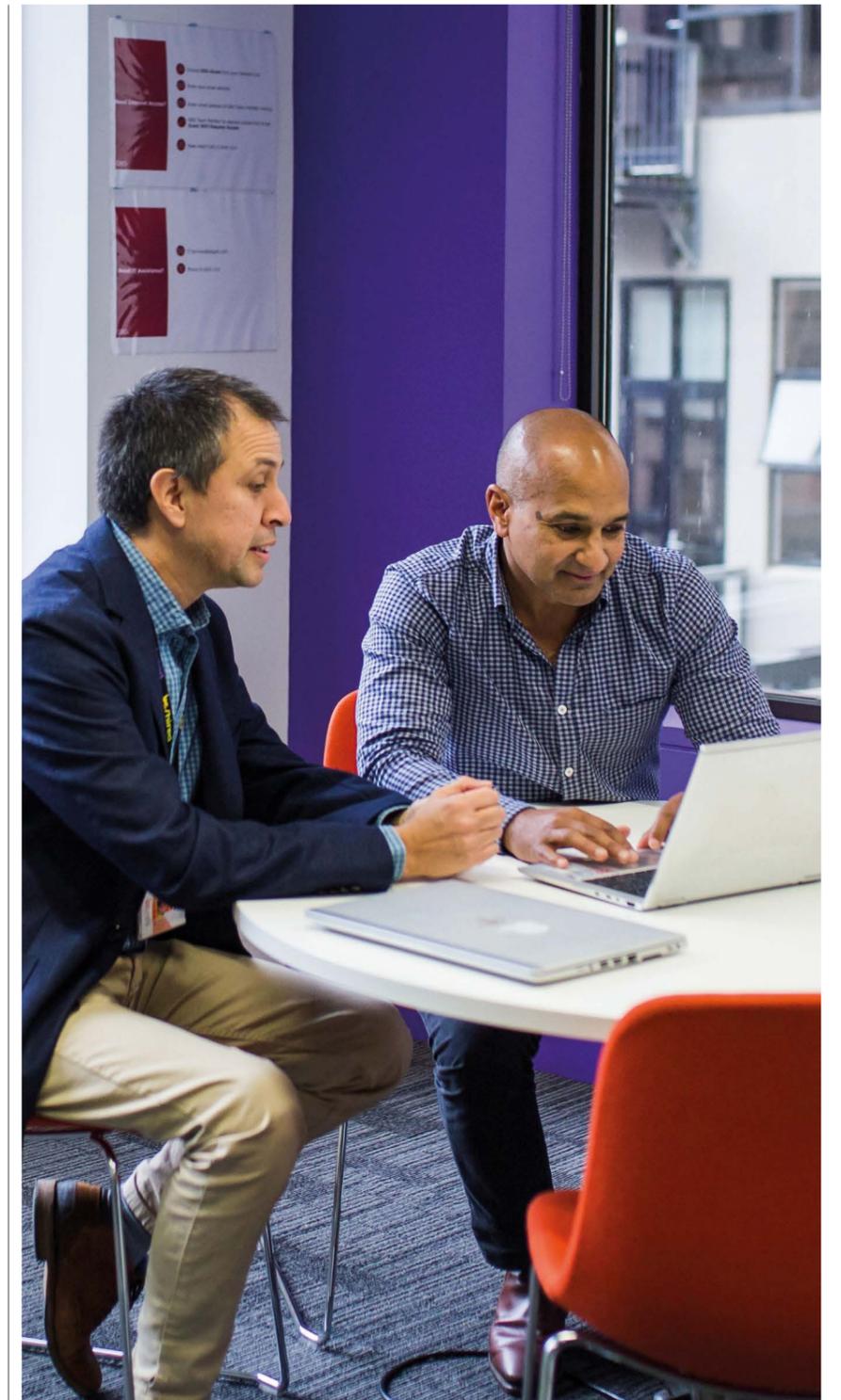
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On a personal note, I have talked with my colleagues on the Board concerning my intention to retire from this great business during the first half of the current financial year. It has been a genuine privilege to be the Chairman of GBG as the company has grown to become the largest pure-play identity software solutions provider on the public markets. It is, however, now time to hand on the baton after twelve enjoyable and successful years.

On behalf of the Board, I take this final opportunity to extend my appreciation to our customers and shareholders for their ongoing support. To the GBG team, I express my sincere thanks for your hard work and contribution to the business. I know that you will continue to work effectively for our customers, our communities and our shareholders.

David Rasche
Chairman

22 June 2022



Building trust in a digital world

What we do

From onboarding to in-life, our global platform of digital location, identity, and fraud and compliance solutions helps businesses build trust at every stage of the customer lifecycle. Our world-class data and proprietary technology welcome more good customers, streamline compliance and prevent fraud.

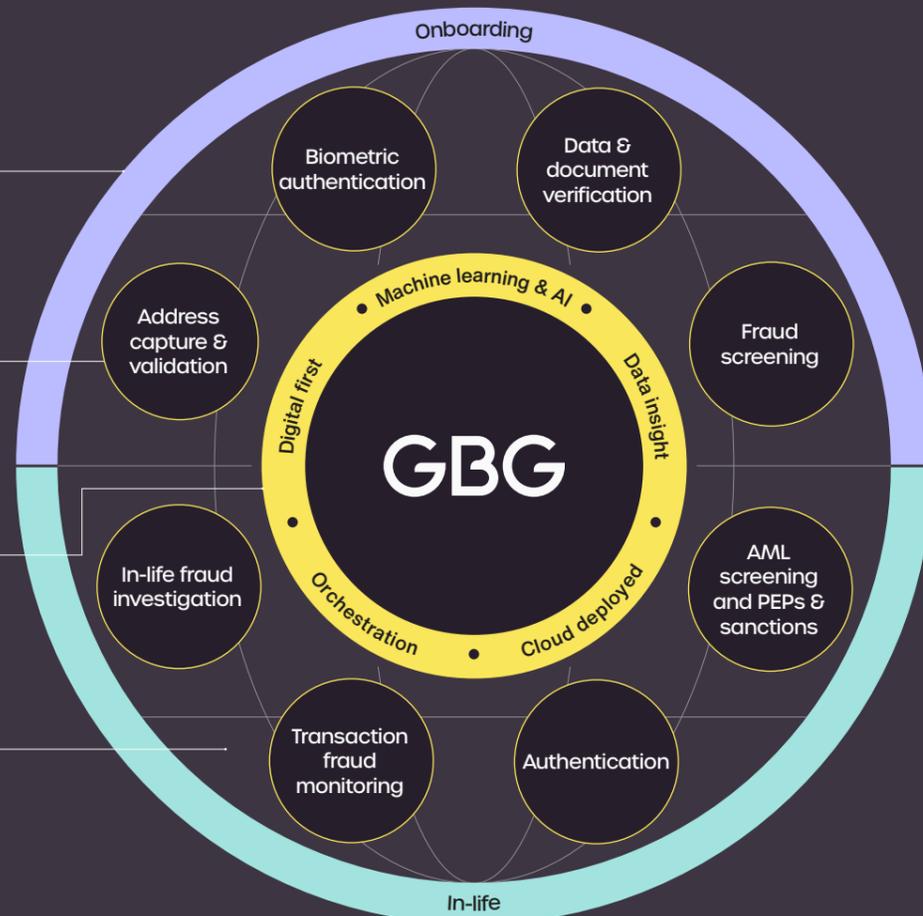
Our strengths
World-class data, technology and trust experts

Customer lifecycle
Covering the full customer lifecycle, building trust from onboarding new customers to monitoring in-life activity.

Capabilities
Standalone or layered capabilities to address multiple customer channels and touchpoints.

World-class solutions
Market-leading global address and identity data, document library and tampering detection technology.

Global reach
Worldwide location and identity verification of anyone, anywhere in seconds.



Business benefits
We work with businesses worldwide to build customer relationships based on trust.

- Onboarding**
- Enhances customer experience, reducing friction with real-time verification
 - Improves customer onboarding speed, verifying more genuine customers
 - Streamlines KYC and AML compliance processes
 - Prevents fraud at application and origination

- In-life**
- Monitors and analyses 'normal' transaction behaviour continuously
 - Detects and quantifies risk of suspicious activity with unparalleled fraud intelligence
 - Builds, verifies, monitors and re-uses digital identities with AI and machine learning
 - Visualises links between people, places and businesses for investigation

Our strategy

Our strategy is designed to deliver long-term, sustainable growth in a dynamic and growing global industry. We will fulfil our purpose of 'building trust in a digital world' by executing against six priorities to deliver for all our stakeholders.

Build



Build markets
Grow globally, serving customers in new and existing sectors and geographies.

- Growing in new and existing geographies where there is demand for location, identity and fraud solutions
- Targeting new sectors where market and regulatory drivers create the value, volume and speed of opportunity
- Serving small, medium and large customers with appropriately packaged solutions for their needs



Build differentiation
Create unique data insights and innovative technology solutions to serve evolving customer needs.

- Creating unique data insights by combining the data we ingest, process and create
- Building innovative propositions with best-in-class technology and unique data to serve the needs that competitors can't
- Launching next-generation products using cloud-native, secure and scalable infrastructure



Build once
Drive single platform experience and digital go-to-market strategy across the globe.

- Enabling customers to access solutions through a single platform experience with intelligent orchestration
- Building capabilities that can be re-used across all products globally
- Giving customers a choice of self-serve, low-code and no-code products

Trust



Customer trust
Proactively pursue the best customer experience with cross-selling and up-selling opportunities that best suit their needs.

- Actively listening and responding to customer feedback, ensuring our customers are completely satisfied
- Proactively making our customer experience the best that it can be
- Focusing on getting, growing and keeping customers with solutions that suit their evolving needs



Team trust
Recruit and retain the best, most engaged and diverse team members, trusting each other to deliver together.

- Empowering and engaging our team in our purpose, vision and strategy
- Retaining, developing and attracting talent to support our growing needs
- Ensuring GBG is a diverse and inclusive workplace, so we can genuinely be ourselves



Investor trust
Deliver shareholder value through a well-diversified business, resilient operating model and a focus on cash generation.

- Achieving low-mid teens revenue growth year-on-year to deliver sustainable results that benefit all stakeholders
- Maintaining profitability while re-investing to deliver our strategy
- Executing the integration of Acuant to accelerate our platform strategy and create synergies

Our solutions

Thousands of businesses of all sizes trust GBG solutions to onboard and deliver to more customers while reducing the risk of fraud.

Digital economy

In today's digital-first economy, consumers and businesses are increasingly moving online. The pace of this digital transformation has significantly accelerated through the COVID-19 pandemic as the way we live, work and transact with each other has changed.

In this context, increased digital adoption is elevating the importance of digital identity to a level greater than ever before and digital identities are fast becoming the foundation of internet-mediated transactions and a data-driven economy and society. Businesses both big and small increasingly need to have digital identity at the core of their go-to-market strategy. We believe GBG's solutions enable our customers to adapt to this change, building their businesses while transacting safely online and, as businesses increasingly rely on digital identity, there is a clear opportunity for GBG to serve customers across our three segments of Location, Identity and Fraud.

Solution convergence

We develop best-in-class point solutions and orchestrate these to deliver global digital location, identity and fraud and compliance solutions for our customers in this growing digital economy. As digital identity becomes central to building and maintaining trusted customer relationships, the ability to consistently prove and reauthenticate identity seamlessly will become more important as our customers respond to increasingly complex threats.

In this space, business needs and our diversified offering across three core solution areas begin to converge, presenting a clear structural growth opportunity for GBG. Identity verification, proving that an identity exists; identity authentication, corroboration of a person's claim to a customer identity; reauthentication of an identity previously established with a business; and online fraud detection of malicious or anomalous activity are all moments in the same customer relationship. As the lines between GBG's core solutions begin to blur, there is a long-term strategic opportunity to serve customers through a single platform wherever they operate.

Read more about our business model and strategy on pages 08 and 09.



Location

Address verification powered by the most accurate global location data, delivering exceptional experiences to every customer, wherever they are located.

Our range of location verification solutions helps businesses worldwide reach every customer. Our technology gives businesses the ability to verify customer addresses at the point of capture, with simple and easy-to-integrate address validation. As well as ensuring high-quality location data capture, our data cleansing software helps businesses maintain existing customer records in bulk using batch processing, eliminating the need for manual updates and unnecessary admin.

Our products are used by leading brands across a range of industries delivering benefits throughout organisations, such as:

- global customer reach
- exceptional customer experiences
- improved conversion rates
- higher delivery success rates
- enhanced data quality

Differentiators

We focus on sourcing the most complete location data from over 250 countries and territories. We deliver an easy-to-use API for eCommerce, powerful search options for address lookups and IP and URL restriction capabilities for those brands who need to control access. We also offer email and phone validation which can boost customer onboarding.

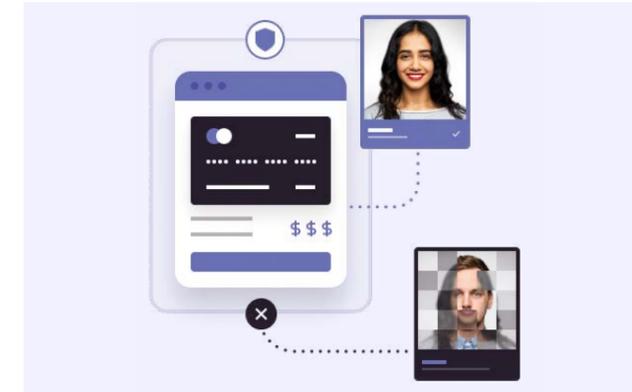
Advancing

- Increasing cloud agnostic deployment options for our Address Verify solution
- Parsing data with machine learning to match and standardise addresses for improved verification rates
- Testing new CRM and eCommerce integrations, increasing our global reach

Revenue

£66.3m

5.9% Consumption
93.1% Subscription
1.0% other



Identity

We verify and authenticate the identity of much of the world's population, anywhere in the world, helping businesses welcome good customers and root out fraudsters.

Our digital identity solutions help businesses worldwide know and trust the prospective customers who come their way. In today's digital-first economy, businesses need to be sure that the people they're dealing with are who they say they are. We provide fast, secure customer onboarding to pass more good customers, helping businesses maintain full regulatory compliance and prevent fraud.

Regardless of industry or location, our document and data verification solutions can be implemented quickly, balancing compliance with a swift and smooth customer experience. This includes:

- enhanced customer onboarding
- complete identity proofing
- identity fraud protection
- global regulatory compliance

Differentiators

Our technology has data at its core, layering global data sources to meet all compliance and risk levels. Businesses can configure our solutions to manage their onboarding journey, balancing their compliance and fraud prevention needs.

While we operate globally, our local experts understand the identity, privacy and regulatory differences that pertain to their markets, ensuring our customers get the best advice wherever they do business.

Advancing

- Using alternative data sources (mobile, social, device and behaviour) to verify 'thin file' consumers and authenticate verified identities
- Layering data sources to boost match rates and deliver more 'good' customers
- Working closely with regulatory bodies to shape our product roadmaps

Revenue

£142.8m

76.9% Consumption
18.0% Subscription
5.1% other



Fraud

In a digital-first economy, our end-to-end fraud and compliance solutions enable fast and accurate decisions across the customer journey.

We help our customers orchestrate a multi-layered defence against the evolving and increasingly complex threat of fraud, maintain comprehensive regulatory compliance and deliver secure and frictionless digital customer experiences.

With real-time decisioning, our advanced capabilities prevent fraud losses at the point of application, detect and prevent payment and transaction fraud, detect and prevent money laundering activity and meet global regulatory requirements. We ensure our customers can easily adapt to evolving risks and changing compliance needs worldwide, focusing on growth without sacrificing safety or security. This includes:

- Know Your Customer (KYC) checks
- accelerated customer onboarding
- ensuring regulatory compliance
- reducing fraud loss and false positives

Differentiators

We address risk and help businesses eliminate fraud across the complete customer lifecycle of application, onboarding and transaction. This means we understand and can quickly react to new and emerging trends in financial crime. Our global customer reach and depth of sectoral expertise ensures we provide our customers with solutions to high- and low-tech fraud typologies prevalent in different markets.

Advancing

- Building a next-generation fraud platform for modular, agile response to financial crime
- Deploying machine learning to increase the detection and accuracy rates of fraud solutions
- Extending global network capability to enable fraud detection and sharing across our customer base

Revenue

£33.3m

4.5% Consumption
74.4% Subscription
21.1% other

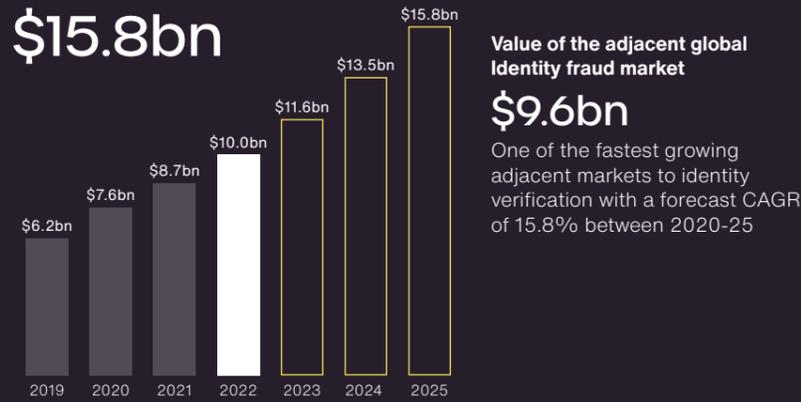
Creating a leader in the global digital identity market

In November 2021, we announced the acquisition of Acuant, a leading US identity verification and Know Your Customer compliance provider. The combination of our two businesses is a complementary and powerful one. Together we are creating a global leader in identity verification as well as strengthening our capability to capitalise on the adjacent, emerging and fast-growing identity fraud market.

Large, fast-growing global markets

GBG's acquisition of Acuant strengthens our offering in the large, fast-growing and global identity verification and identity fraud markets. We can now offer our solutions to a range of sectors that need to trust an identity, whether driven by managing compliance, reducing the cost of fraud or improving customer experience at the point of purchase.

Value of global identity verification market by 2025



Source: Markets and Markets Identity Verification, and Fraud Detection and Prevention Reports (2020-2021)

Value of the adjacent global Identity fraud market \$9.6bn

One of the fastest growing adjacent markets to identity verification with a forecast CAGR of 15.8% between 2020-25



Accelerating our data, product and technology ambitions

Acuant brings key roadmap accelerators:

- Adds an industry-leading no-code identity verification solution to our portfolio
- Brings a market-ready SaaS solution to our existing on-premise fraud detection products
- Increases the GBG document library with greater coverage in the US and other markets, enabling quicker access to new markets via documents and biometrics
- Accelerates our platform strategy with advanced customer interfaces, data capabilities, and cloud-based technology
- Acuant's approach to big data and the use of customer data will accelerate our work exploring digital identity insights

Accelerating our strategy

We have worked in partnership over several years and Acuant has built a product suite that naturally complements our existing solutions. We are pleased to welcome a team of over 200 identity and fraud experts to GBG, bringing common values and a closely aligned culture that supports our purpose to build trust in the digital world.

Acuant immediately extends the market reach of our highly successful IDology business in the strategically important North American market. It brings a complementary customer base of over 1,000 customers that creates clear cross-selling opportunities and increased exposure to sectors such as government, healthcare and automotive.

In April 2022, we announced that IDology and Acuant are uniting under the leadership of Christina Luttrell (previously IDology CEO) to create the largest pure-play identity verification and fraud prevention provider in the Americas, encompassing the USA, Canada, and Central and South America.

We will increase our scale as we rollout a combined portfolio of identity and fraud solutions globally and accelerate our product and technology capability. Over the medium term we expect Acuant to accelerate the growth of the enlarged GBG business, driven by higher rates of growth in its subscription revenues as we build on the substantial market opportunity. Acuant's operating profit margins are similar to GBG's and going forward the enlarged Group operating margin target will increase to 23-24% as the full benefits of the combination are realised.



Behind the acquisition

Given the fragmented market in which we operate, acquisitions have been a core part of our strategy to grow GBG. We have a proven track record of delivering shareholder value, executing 15 acquisitions and one investment over the last 10 years, including Acuant and Cloudcheck, a smaller bolt-on acquisition in New Zealand, during FY22.

Responsibility for approving a transaction is taken by our Board, which assesses M&A opportunities in the context of how they contribute to our strategy. Our M&A team and external financial advisors support the Board throughout an acquisition to ensure any opportunity delivers acceptable financial returns.

Our M&A strategy focuses on acquisitions that bring a range of benefits. This includes geographic expansion, customer growth and diversification, or data and technological capabilities to deliver sustainable growth. Acuant brings a powerful combination of those benefits and capabilities which is entirely consistent with our M&A strategy. Our Board unanimously approved the transaction reflecting the strategic importance of the acquisition.

Financing

Typically, we will look to finance acquisitions through a mix of cash, debt and equity. This approach maintains GBG's prudent and efficient capital allocation while incentivising key talent.

The equity placing related to the Acuant acquisition raised gross proceeds of approximately £300 million from existing and new institutional shareholders in addition to a retail offer for individual shareholders which raised gross proceeds of approximately £5 million.

Purchase price for Acuant

Funded by:



The timeline

- Prior to 2021**
 GBG partners with Acuant for five years, consuming some Acuant technology and building relationships with the management team.
- March 2021**
 Acuant granted the latest in a line of 30+ digital identity verification patents.
- May 2021**
 Acuant continues to build its trusted identity platform and global position in the digital identity market with the bolt-on acquisition of Hello Soda.
- August 2021**
 GBG begins exclusive discussions with Acuant's private equity partner.
 GBG conducts a due diligence process, including several GBG and Acuant executive team meetings to ensure strategic and cultural fit.
- November 2021**
 GBG announces the acquisition of Acuant and related equity placing. The transaction closes November 29 2021.
- March 2022**
 GBG and Acuant complete a discovery phase and execute a detailed integration plan.
 Joint marketing sessions with Acuant and IDology customers highlight the power of our combined teams.
- April 2022**
 GBG IDology & Acuant teams unite to create the largest pure-play identity verification provider in the Americas.
 A Global Products Group is established to accelerate market leadership. It brings together our product roadmaps globally to support regional deployment of global products alongside local solutions.

Market review

Consumer demand, industry regulation and increasing fraud continue to drive the need for robust solutions across our key markets and sectors.

Sector

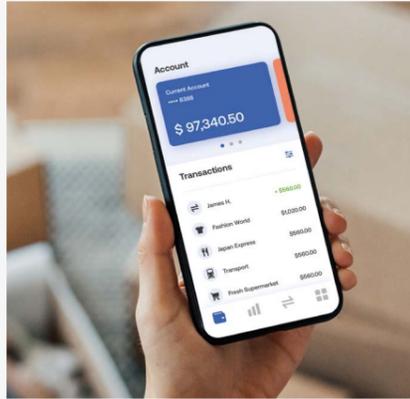
Description

Market indicators

Building trust

Footnotes

1. Juniper Research, Digital identity verification spend to exceed \$16.7 billion globally in 2026, fuelled by remote onboarding
2. Grand View Research, Market Analysis Report 2022
3. Bain & Company, Buy Now, Pay Later in the UK Report 2021
4. Loqate, Responding to the Rise, 2021
5. Statista, E-commerce in the United Kingdom, 2022
6. The Business Research Company, Online Gambling Market 2022
7. Gartner Forecasts Worldwide IT Spending to Exceed \$4 Trillion in 2022
8. United Nations, E-Government Survey 2020



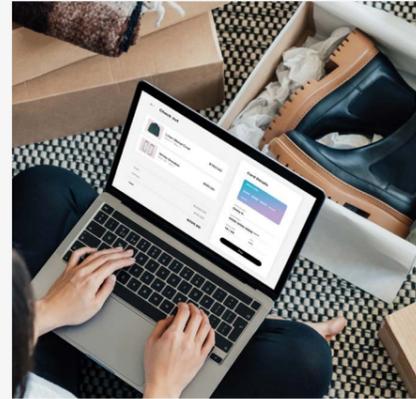
Financial services

The scale and complexity of this highly regulated sector, confidential customer data and high-value products put building trust at a premium.



The rapid adoption of digital services has created fundamental changes in the financial services industry. Consumers expect a safe and seamless experience whether opening a new account, applying for credit, making a payment or trading in cryptocurrency.

Neobanks and challenger banks are expected to grow globally at 53.4% CAGR to 2030² and users of Buy Now, Pay Later (BNPL) products are growing at an estimated 70-80% in the UK³ alone. Meanwhile, stringent and complex regulation continues to drive the compliance-led need for robust Know Your Customer (KYC) and anti-money laundering (AML) solutions and ongoing screening and monitoring of transactions. With cryptocurrencies, BNPL and others under increasing regulatory scrutiny, digital identity verification and fraud prevention are more important than ever before to power a consumer experience that is both swift and secure.



Retail

eCommerce and convenience continue to drive online retail transactions, creating demand for fast and secure checkout experiences and accurate deliveries from consumers and business.



The line between high street and home delivery continues to blur with the value of online retail sales in the United Kingdom alone increasing by more than 60% in the last three years from £75 billion in 2019 to £120 billion in 2021⁵.

Bad data and poor customer experience can both negatively impact a digital retailer's bottom line and brand reputation. From confirming the identity of a customer to ensuring delivery addresses and bank account details are 100% correct, retailers need to trust who and where consumers are to detect fraud, improve conversion rates and reduce failed deliveries. Big online retailers need to flag and prevent suspicious transactions at checkout and require real-time address verification to ensure fewer failed deliveries, improved on-time delivery rates and trusted data in retail systems.



Gaming

Online casinos, sports betting and other operators boomed during lockdown and continue to grow, with player protection and affordability both imperative.



Increased popularity during the pandemic, smartphone adoption and the rise of digital payments have all spurred the increase in iGaming operators and expansion into new regulated markets.

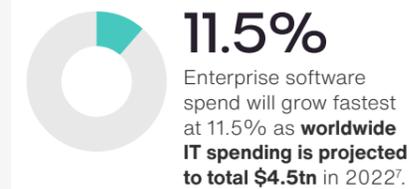
More mature markets in the UK, Europe and Australia, are now being joined by newcomers in Asia and the Americas, with iGaming Ontario (iGO), Canada, the latest to launch. In most countries, online gambling is governed by heavily regulated frameworks with licensed operators obliged to comply with AML and KYC regulations that require the protection of vulnerable and underage players as well as protection from fraud.

Operators want to onboard more players online at pace and continue to seek out trusted identity verification solutions; solutions that automate worldwide data and document checks and offer data solutions for eligibility and affordability.



Technology

Digital business transformation continues to drive a big technology sector and a lucrative network of data and technology specialisms.



As digital transformation continues to be a brand imperative, digital technology initiatives remain a top strategic priority for business. Technology companies are at the forefront of innovation in this space. From the tech giants to the smallest start-ups, software solutions, such as AdTech, CRM, HRM, MDM and payment processing can all be bought in from application providers.

This diverse ecosystem of tech companies continues to support a thriving network of partnerships among data and technology specialisms. GBG's digital identity, location and fraud expertise makes us a trusted partner in this ecosystem, cleansing, formatting and parsing location data, verifying identities and monitoring transactions within these distributed platforms supporting business transformation.



Public sector

Despite rapid advances in digital delivery during the pandemic, online services for citizens still run on trusted tech know-how delivered by the private sector.



Digital identity systems have increasingly become the gatekeepers that allow citizens to access and interact with public sector systems, border controls and healthcare services. Verification and authentication solutions increase ease of use, accessibility and security. Yet, despite the rapid development of e-government during the pandemic, governments still have some distance to travel before they will be able to deliver a fully digital and wholly inclusive citizen service.

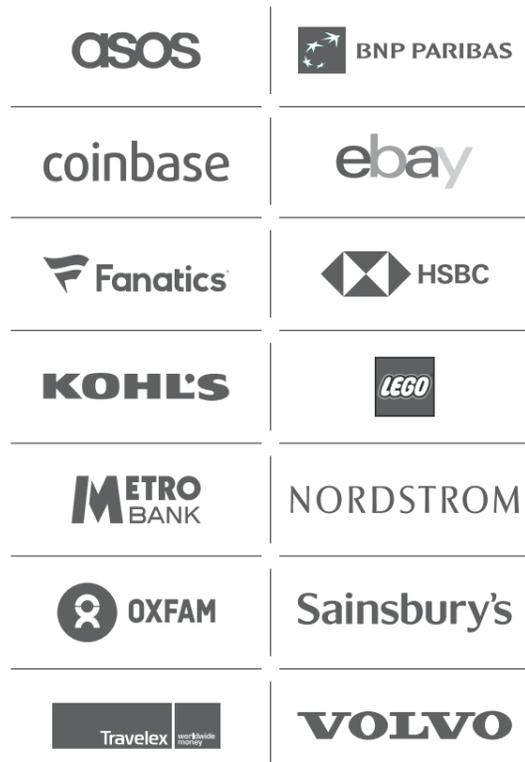
In this context, the public sector continues to partner with data and technology trust experts to prove and protect citizens' identities, prevent fraud, and provide low-friction access to critical services. These data-driven trust frameworks are central to ongoing digital transformation efforts in public sector processes.

Our impact

We work with businesses worldwide to help them build customer relationships based on trust

We serve organisations all across the globe. We work with start-ups to some of the world's best-known businesses, including US eCommerce giants, Asia's biggest banks and European household brands. Our unique combination of digital location, identity and fraud and compliance solutions cover the full customer lifecycle, from the smooth onboarding of new customers to monitoring in-life activity for fraud. With over 1,250 GBG trust experts working across the Americas, APAC and EMEA, our customers benefit from our unrivalled experience, market-leading technical capabilities and deep local knowledge wherever they operate in the world.

In FY22, we welcomed new customers from across financial services, technology, gaming, retail and the public sector, including ASICS, E.ON, HarperCollins, JetBlue Airways, AXA and Nintendo.



This award-winning luxury beauty and skincare brand is partnering with us to offer an exceptional and reliable online shopping experience to its growing community of customers around the world.

The challenge

The dramatic shift to eCommerce during the pandemic meant Charlotte Tilbury had to quickly adapt its online shopping experience to ensure not only that it was easy and efficient, but exceptional; communicating the high quality that the brand has become known for. The business needed to manage surging website traffic and protect its high conversion rates, while still delivering an effortless customer experience.

The solution

Our technology ensures Charlotte Tilbury's customers can checkout easily and efficiently whilst providing a guarantee that data input is accurate. GBG's Loqate Address Capture solution helps customers purchasing a product on the Charlotte Tilbury website to quickly and accurately enter their address data.

Our Address Verification software then verifies and formats this customer data, ensuring it works for Charlotte Tilbury's couriers in the markets in which the company operates. This process delivers efficient online order fulfilment and assures products consistently arrive on time and to the right customer location.

The impact

GBG helps Charlotte Tilbury deliver an online shopping experience that reflects the reputation for quality and luxury that the brand has successfully built. Our solutions ensure a smooth customer checkout process and keep cart abandonment to a minimum. This in turn has had a significant impact on conversion rates and streamlined back-end processes within Charlotte Tilbury's warehouses.

- Reduced checkout abandonment rates and maintained high conversion rates
- Outstanding experience for online customers consistent with the efficiency of shopping in-store
- Customers have confidence that orders will arrive on time and to the right location
- Back-end processes within Charlotte Tilbury's warehouses have been streamlined



Secure Medical provides telemedicine services including online prescription fulfilment. Partnering with GBG, the company delivers a safe, swift and compliant patient onboarding experience while preventing identity fraud.

The challenge

The number of US adults who rely on virtual healthcare services like Secure Medical to obtain important prescriptions has continued to rise following the global pandemic; it is important that these medical prescriptions arrive promptly and into the right patient's hands. The challenge for Secure Medical's onboarding process is to ensure that new customer identities are verified and validated without delay, before engaging with the company's network of contracted physicians or a prescription centre.

The solution

Our IDology ExpectID Identity Verification solution enables Secure Medical to digitally verify patient identities during onboarding, avoiding the submission of identity documents that delay consultation with a physician or the fulfilment of a prescription.

When a patient signs up to Secure Medical, our solution works in the background in real time, analysing multiple identity attributes using thousands of data sources to be sure an individual is who they say they are. The solution verifies and protects the patient's identity while maintaining individual patient privacy during onboarding and when processing prescription orders.

The impact

At the heart of Secure Medical's digital service to its customers is the ability to correctly match patients with prescriptions. GBG ensures the right Secure Medical patients get the right prescription quickly. The company maintains compliance with industry regulations, protects its contracted physicians and prevents the use of identity fraud using stolen identity data.

- Secure Medical can be confident its patients are who they say they are
- Patients are onboarded and consult with a physician quickly
- Compliance with industry regulations is consistently met
- Identity fraud is significantly reduced



One of Malaysia's biggest retail banks is partnering with GBG to safeguard customer transactions and ensure regulatory risk compliance, using our enterprise-level fraud risk management solution.

The challenge

With a growing digital customer base and suite of digital banking services, AmBank needed to maintain its excellent customer experience while safeguarding against fraud. With dated and siloed fraud protection infrastructure, however, the bank needed to upgrade to an enterprise-level fraud risk management solution that complied with Malaysia's new Risk Management in Technology regulations governing all financial institutions.

The solution

The bank's high volume of transactions are monitored continuously for suspicious activities by GBG Predator, providing real-time fraud detection and prevention. Meanwhile, GBG Predator and our technology partner Group IB's Secure Bank solution together provide an augmented endpoint protection against cyber threats including bots, malware, and high-risk devices. As AmBank continues to grow, these solutions can quickly be applied to all new digital channels and retail banking products.

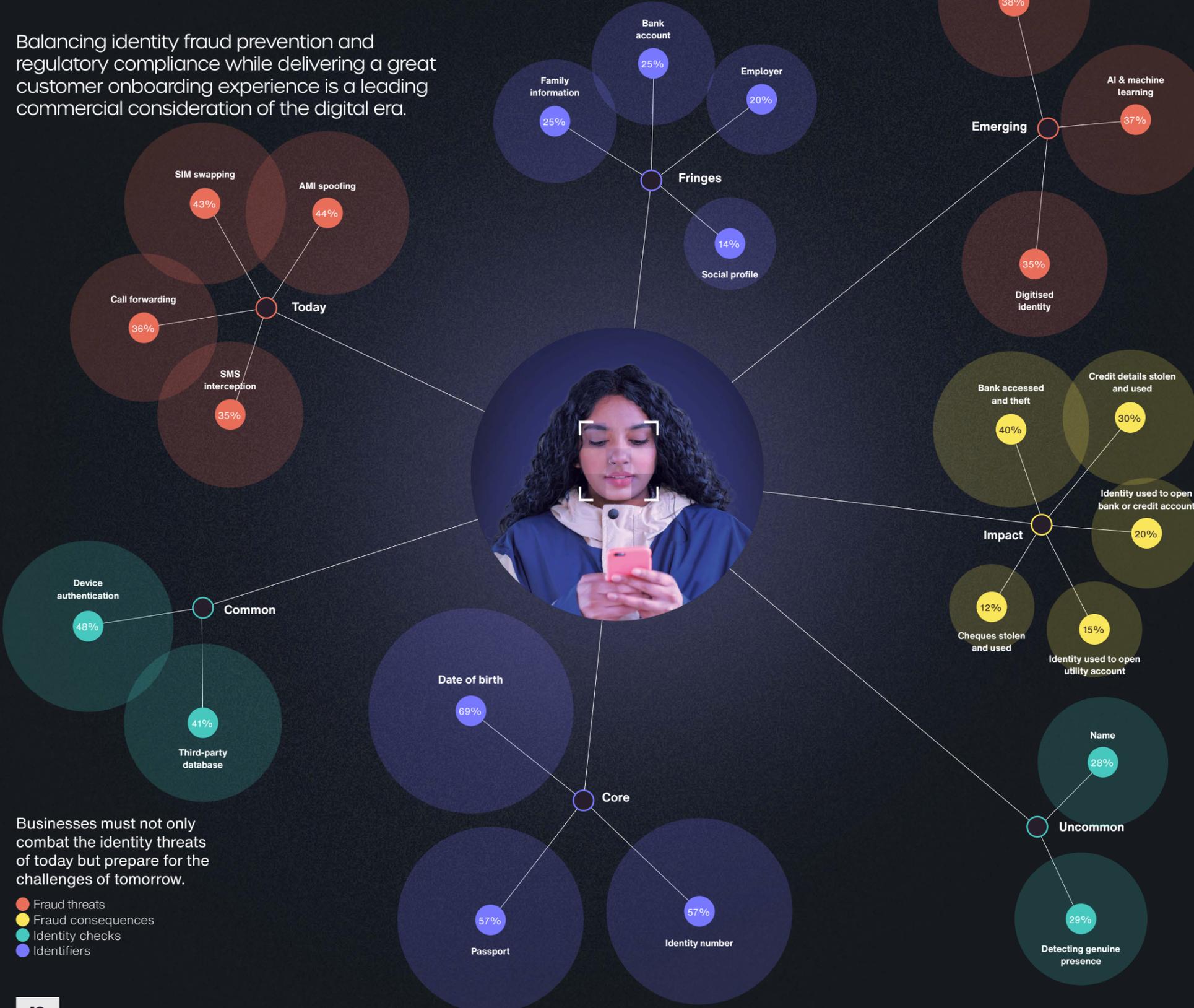
The impact

GBG has helped AmBank improve its detection of unusual or suspicious transaction patterns and endpoint threats, safeguarding against complex fraud and protecting its customers in real-time, while meeting regulatory requirements for financial institutions. Moreover, AmBank is achieving this higher accuracy in fraud detection while minimising false positives, enhancing the seamless online transaction experience between the bank and its customers and strengthening digital trust.

- Higher accuracy in fraud detection with false positives at a single digit
- Improved detection of high-risk transactions resulting in a reduction of fraud losses
- Seamless digital banking experience and enhanced AmBank customer satisfaction
- Full compliance with Malaysia's Risk Management in Technology policy

The state of digital identity

Balancing identity fraud prevention and regulatory compliance while delivering a great customer onboarding experience is a leading commercial consideration of the digital era.



Businesses must not only combat the identity threats of today but prepare for the challenges of tomorrow.

- Fraud threats
- Fraud consequences
- Identity checks
- Identifiers

The great switch

The modern consumer demands a smooth onboarding experience and expects to be able to transact online securely. With people accessing goods and services online more than ever before, consumers have put convenience at the core of their buying behaviours.

The consumers we surveyed in **The State of Digital Identity 2022** will no longer stand for poor, confusing or time-consuming digital services – they are now more than happy to ditch a brand for a new provider. Our research reveals during the past 12 months many consumers have decided it's time for a change and we have entered the age of 'The Great Switch'.

Simple and secure onboarding

As the battle for new customers heats up, having an onboarding process that lets them sail through and sign up is crucial. But sceptical consumers revealed there's some way to go. More than a quarter (28%) said they'd abandoned signing up for a new online account because it took too long, while around one in eight (12%) stated they didn't complete registration because it was too difficult.

We asked consumers to rate the importance of factors when opening a new account online.

These factors were rated 'extremely important'



Businesses recognise they have more to do in providing both a frictionless experience and protection against fraud. When asked to rate their success at striking the right balance, on a scale from zero to 10 - with the top mark considered a friction-free approach - companies gave themselves an average mark of just six. If businesses want to protect their brand and continue to grow, they must do more to improve that onboarding experience.

A major reason many businesses do not deliver a satisfying onboarding operation is that they're failing to balance the twin challenges of delivering a frictionless experience while simultaneously continuing to prevent fraud. Consumers, however, feel strongly about both these factors when opening a new online account. This problem is amplified as identity fraud continues to rise. Nearly one-in-ten consumers have been victims in the past 12 months. Yet almost a third of businesses still don't use an identity verification service.

Business fortune or failure

Getting this wrong can cost businesses thousands, if not millions. According to digital marketing agency WebFX, the average small and medium-sized business spends between \$9,000 and \$10,000 on pay per click every month driving customers to their websites. Larger businesses spend more. In our experience, however, 80% of those leads are lost if a business asks a consumer to complete a manual onboarding process.

The modern consumer is more than happy to walk away from a poor experience or process. And, with the onboarding experience often the first interaction a customer has with a brand, this will not only lead to lost custom in the short term but could also damage a brand in the long term.

This change in their behaviour is already altering the way businesses operate, with many decision-makers realising that people will not forgive a brand for a poor customer experience. Indeed, many brands are now competing with their rivals to ensure switching is as simple as possible. Challenger banks, for example, are making it possible to ditch a high street bank and join them in just a few clicks.

Switchers' behaviour can therefore be a precious commodity for companies - but they must do everything they can to ensure it's not sacrificed through substandard service which swells the dropout rates that are such a problem for many brands. The ability of businesses to successfully tap into The Great Switch could mean the difference between fortune and failure in this new golden era of eCommerce.

Rapid digitalization means increased fraud



1 The State of Fraud 2022, Acuant

More online

Scan the QR code to read **The State of Digital Identity Report 2022**.



Environmental, Social & Governance statement



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At GBG we know that delivering positive ESG outcomes is fundamental to our success.

At GBG, we build solutions that protect individuals. Safeguarding our customers and their consumers from negative environmental and social impacts is at the heart of the solutions we offer.

Please read below for some of the ways we impact these outcomes.

- Identity

Our identity solutions allow the verification of individuals' true identity to ensure they are who they say they are.

Identifying that an individual is who they say they are prevents crimes, such as money laundering and identity fraud, which can have a hugely negative social and financial impact on the businesses and individuals it affects. It can also verify an individual's age to make sure that children are not exposed to potentially harmful products and services.

- Location

Our location solutions validate accurate and reliable address data.

Accurate and reliable address data ensures that our customers can get their products and services to the right people, in the right place. This is crucial in times of need. For healthcare services, for example, knowing that medication is reaching the right people, in the right place, is critical. Getting your customer's location right can also prevent failed and therefore repeated, deliveries, which saves additional and unnecessary fuel usage.

- Fraud

Our fraud solutions offer defence against modern-day financial crimes.

Our solutions can identify and therefore help prevent the bad actors, averting crimes such as identity, application and transaction fraud. This makes the digital world safer for everyone else.

We know that our team are the fundamental force behind delivering our strategy. That is why they remain our principal priority. A resilient and engaged team with access to training, benefits and progression will deliver exceptional results for our customers. This, in turn, benefits the business, which benefits the wider community and our investors. As a result, we are able to build trust in a digital world.

We have continued to grow the team through organic and inorganic growth and are delighted to have welcomed Acuant and Cloudcheck to the GBG team this year. They bring over 200 highly experienced professionals, as well as a shared vision, enabling trust in the digital economy. We listened to our new team members during the acquisition journey to understand their values so we could prioritise the most impactful opportunities. You can read more about this on page 26.

We formed an ESG Committee to ensure we have the people and governance in place for ESG to be central to our decision-making, which I am proud to chair. The Committee means that ESG considerations have Board-level oversight and involvement. This equips us to deliver on our ambitions and makes sure we are accountable for our commitments.

To make a meaningful change, we need to link our commitments to global action. In recognition of the urgency to drive global sustainable development and the business' duty to play its part, we aligned our ESG programme with the United Nations Sustainable Development Goals ('SDGs') in our 2021 Annual Report. With less than a decade left to deliver the SDGs, we are committed to continually improving our approach. We have prioritised the goals that are most relevant to our business and sphere of influence and you can see an update on our progress on page 22.

The UN Climate Change Conference in Glasgow (COP26) demonstrated the need for scaled up and ambitious action from governments, companies and individuals. At GBG we are committed to reducing our environmental impact. That is why we have set a target to be carbon neutral in our own operations by 2023. You can read more about this target and how we are planning on delivering it on page 29.

In the year ahead, one of our key priorities will be continuing to improve the collection and validation of our ESG-related data. We want to ensure that we maintain the same level of rigour in the ESG targets and metrics we set, as we do in all other areas of our organisation.

At GBG we know that delivering positive ESG outcomes is fundamental to our success. By identifying and preventing the bad actors, the solutions we offer address societal, environmental and regulatory issues. We look forward to continuing to scale up our action and impact, as well as increasing our ambition in the coming year.

Natalie Gammon
Chair of ESG Committee
22 June 2022

FY22 highlights



UN Sustainable Development Goals
We support the UN Sustainable Development Goals (SDGs). Please see the following pages for information on our contribution to the SDGs.



Slave-Free Alliance
We became a member of the Slave-Free Alliance.



ISO 27001
We maintained ISO 27001 certification.

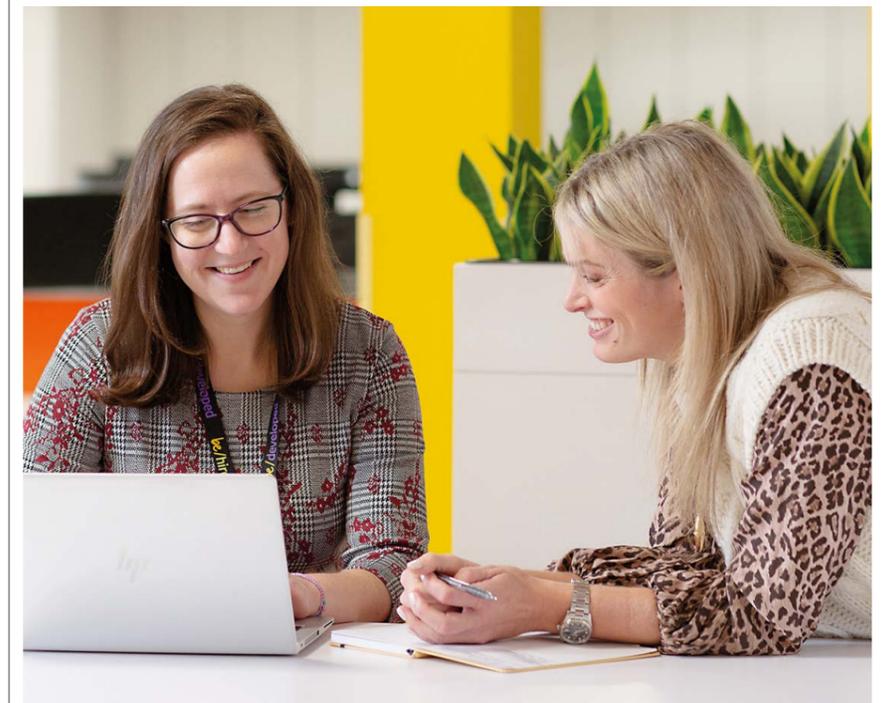
95%

of our team "would recommend GBG as a great place to work".

ESG Committee

FY22 was our first year of ESG Committee meetings.

¹ Please see page 27 for further details.

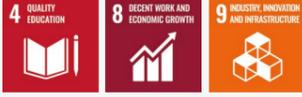


Environmental, Social & Governance statement continued

The United Nations Sustainable Development Goals (SDGs) are “the blueprint to achieve a better and more sustainable future for all”.² To achieve the SDGs, we all need to act.

Last year we assessed which of the goals we could have the biggest impact on. Please find progress against those goals below, summarised under the key pillars of our ESG programme.

Our contributions to the UN SDGs

Our focus areas	FY22 progress	FY23 and longer-term objectives
Inclusion, diversity and equality Building a culture of inclusion, celebrating our diversity and creating fair and equal opportunities 	<ul style="list-style-type: none"> Set long-term gender and ethnicity targets Launched our first global diversity data collection process Expanded our Gender Pay Gap Report to represent our global team Created our first women’s network, GALvanise Continued to be a gold sponsor of Women in Identity’s research, the ID Code of Conduct 	<ul style="list-style-type: none"> Exceed 40% female representation across our global workforce and at a senior team level by 2026 Continually increase participation in all areas of voluntary diversity data collection, especially ethnicity. We plan to use this data to publish a report on our team global ethnicity in 2023³ Be an early adopter of the Women in Identity Code of Conduct
People and policies Putting the structures in place to engage great people 	<ul style="list-style-type: none"> Our team spent 17,899 hours on formal training 95% of our team “would recommend GBG as a great place to work”, achieving our objective to stay above 90% (2021: 91%)⁴ Invested over £540,000 in training and development Launched our Work When and Where You Want Policy Created a GBG mentoring programme, with over 100 participants 	<ul style="list-style-type: none"> Expand Progression@GBG across the Group – giving clarity to how to progress internally Launch enhanced training on manager capability and confidence Maintain employee satisfaction above 90%
Trust and responsibilities Delivering our purpose as a responsible business 	<ul style="list-style-type: none"> Our solutions prevent and reduce financial crimes, making the digital world safer for everyone else We enable financial inclusion by using multiple data sets, which are wider than traditional approaches Maintained ISO 27001 accreditation Formed a partnership with the Slave-Free Alliance Expanded our Scope 1 and 2 greenhouse gas emissions to our global operations 	<ul style="list-style-type: none"> Continue to maintain a high level of data protection and security, including reacting to evolving threats Review our practices to strengthen our commitment to preventing modern slavery in our supply chain Achieve carbon neutrality by 2023 through energy management and high-quality offsetting Broaden our Scope 3 greenhouse gas emissions measurement

² <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>
³ Please see page 26 for further details on our target setting.
⁴ Please see page 27 for further details

Stories from our solutions



Improving patient referrals

A key challenge for primary healthcare providers is ensuring that the referrals they make are the best choice for their patients. Inaccurate and incomplete address data can result in additional communication being needed, which can cause delays in treatment, or patients being referred to providers further from their home than necessary.

GBG’s Loqate address verification and geocoding can integrate into referral management systems to reduce this challenge. By automatically checking that incoming and existing addresses are accurate, we can reduce the administrative burden and lag times associated with incomplete referrals.

Our solution is also able to work with NextGate by Lyniate’s Enterprise Master Person Index to decrease duplicate records across healthcare systems. This ensures that there is one single record for each patient, minimising the need for a manual correction process and reducing the potential for errors.

This single record can then be used to calculate the distance from the patient’s address to the options of specialist healthcare providers and share this information with the patient’s doctor. This results in more accurate patient matching, saving unnecessary travel and therefore, time, money and energy.



Providing solutions for local authorities

GBG’s Trace and Investigate business unit works with around 50 local authorities to help prevent and detect fraudulent activity.

The solution offers use cases, such as helping housing authorities to find and locate rogue landlords, trading standards authorities to investigate criminal gangs selling counterfeit goods and waste enforcement teams to identify the sources of fly-tipping incidents.

We help to maintain the integrity of the solution by requiring individual users to input unique, user-specific credentials and accept data-use terms and conditions every time they access the secure web-based interface. They can then search the Investigate database. As well as protecting the way the solution can be used, it also ensures that data compliance and GDPR regulations are met.

The combination of contact, business, financial, open source and historical data – all searchable in one place – has proved a powerful asset for local authority fraud, compliance and debt tracing teams.



Preventing fraudulent applications

GBG partnered with CTOS IDGuard, South East Asia’s first fraud prevention bureau, to provide real-time automated alerts on potentially suspicious loan applications.

Powered by our fraud and financial crime solution, CTOS IDGuard is a pivotal fraud platform for the key members, who are from financial institutions in Malaysia. The initial participating group of banks prevented confirmed fraudulent credit applications that would have cost RM28 million (approx. £5 million) in the first 12 months (as of December 2021). Victims of fraud can suffer from devastating emotional and financial impacts, so preventing these types of crimes reduces wider negative social outcomes.

Over half of the alerts are due to applications made by fraudsters known by the syndicate. So, the fraud bureau is able to detect these threats by using the partnership to pool multiple data sets. As of December 2021, CTOS IDGuard saw an uplift in fraud detection of up to 30% for credit card applications.

Currently, GBG and CTOS IDGuard are progressing the fraud bureau by leveraging the Instinct Hub and GBG machine learning module to further reduce the false positive rate and improve the accuracy of fraud detection for its members.

Environmental, Social & Governance statement continued

Governance underlines everything we do. This then supports our people, who then act to protect communities and the environment through our innovative solutions, our policies and our practices.



Governance

Corporate governance

We created our ESG Committee to reinforce our governance over ESG-related activities. The Committee represents the Board in defining our ESG strategy and makes sure we take a systematic approach to reviewing relevant practices and initiatives.

To support the ESG Committee in delivering our programme of work, we hired a full-time ESG Strategist and Programme Manager. By creating this role, we have bolstered our ability to develop, implement and communicate our ESG strategy and create clear responsibility for our activities.

The Board and its committees oversee and are ultimately responsible for ethical issues. We provide training as part of our Group learning management system, 'be/developed', which outlines how to apply an ethical framework to decision-making in the workplace.

This year we introduced ESG-linked targets in our Executive Directors' remuneration. The targets emphasise senior accountability for ESG and make sure that they consider ESG factors in business planning, priorities and decision-making.

We fully comply with the Quoted Companies Alliance Corporate Governance Code. For further information on our ESG Committee please see page 92 and on remuneration targets please see page 79.

Ethical practices and policies

This year, we updated our Code of Conduct to reaffirm our approach to professional and ethical standards. This makes sure that we continue to enable organisations to create trust with their customers, helping them mitigate ethical risk within their own businesses.

Our Code of Conduct defines what our team members can expect from us, and what we expect from every team member, third-party contract and agency, including (but not limited to) the following areas:

- Anti-corruption and anti-bribery
- Dignity at work
- ESG
- Health and safety
- Inclusion, diversity and equal opportunities
- Modern slavery
- The wellbeing of our team members

In addition, it ensures our team are familiar with the GBG Whistleblowing Policy. This policy outlines how to raise a concern confidentially to our external Whistleblowing Hotline, which is available 24/7 in local languages, without fear of reprisals. The policy applies to all individuals working at GBG (whether permanent, fixed-term, or temporary), consultants, contractors, volunteers, interns or any other person associated with GBG. You can find out more about our Whistleblowing procedures on page 76.

We have an open culture and seek to resolve most issues informally. When this isn't possible, however, we have a formal grievance procedure that supports all team members in resolving concerns.

Modern slavery

We recognise that all businesses have a key role to play in preventing all types of modern slavery in their own business and supply chains.

We have published a Modern Slavery Statement on our website. This statement sets out our commitment to improving our practices to ensure that slavery and human trafficking are not taking place in any part of our business or supply chain.

We circulate and share our Modern Slavery Statement with team members annually. We do this to make sure everyone understands the risks of modern slavery and human trafficking in our business and supply chain. In addition, we require all new starters to review and confirm their understanding of our Modern Slavery Statement as part of their online induction process.

This year we partnered with the Slave-Free Alliance to help us create and adapt the structures and processes needed to improve our approach systematically. Together we are performing a gap analysis to identify opportunities to strengthen our commitment and the strategy needed to deliver on these. Following the completion of this process, we will then set out a roadmap for improvement so we can maintain a thorough and proportionate approach that remains flexible to this evolving issue.

Bribery and corruption

Our Anti-Corruption and Anti-Bribery Policy sets out our responsibilities in observing and upholding a zero-tolerance position on bribery and corruption. The policy applies to all team members who work for GBG, including its subsidiary companies across all jurisdictions. We require all team members to read, understand and comply with the information contained within the policy.

Working with suppliers

We have a responsibility to protect and improve outcomes for people and the planet not only within our own operations but also within our supply chain.

This year we enhanced our vendor due diligence process to ensure we have the necessary information before deciding on a supplier or partner. This means that as well as stringent information security, data compliance checks, and financial stability checks, we also understand the ESG policies and activities they have in place. We continue to provide fair access to opportunities and equal treatment for all vendors during the selection process.

Data security and privacy

While we have always been committed to complying with applicable legislation and ensuring secure processing, we believe the ethical use of data goes beyond this.

Building trust with all stakeholders – individuals, our customers, suppliers, team members, investors and regulators – is of utmost important to us.

We have a global team of experts focused on privacy and data security. With individuals at the heart of what we do, our data and privacy experts work collaboratively with our commercial teams to find solutions that enable compliant, appropriately controlled business innovation and development that delivers real benefits.

Prior to any processing, we conduct robust privacy and information security due diligence on the third parties we engage with. We also carry out a detailed review of the activity involved to ensure we meet legal requirements and maintain high standards.

Internally we have a program known as 'be/compliant', which, at its simplest level, is based on four guiding principles:

1. We will ensure we know what we can do with data and, if unsure, we will ask
2. We will be clear about how we are going to use data
3. We will ensure we protect the data we hold or process
4. We will ensure compliance, both individually and as a team

We embed be/compliant into our business operations, utilising a number of mechanisms which includes training and awareness. We deliver global privacy and information security training for all GBG's team members annually, including part-time and contract team members. It is mandatory regardless of a person's role and it is also tracked to ensure completion.

IT Security

As well as maintaining the standards you would expect – ISO27001, Cyber Essentials Plus and PCI DSS compliance – we have also implemented a 24/7 security operations centre this year. The centre responds to any event or notification to uphold GBG's security posture. This means we have eyes and ears on the threats and threat actors that are most likely to impact our business.

We also maintain product and location-specific controls and certifications, such as Loqate Verify's ISO20243 certification or IDology's SOC Type II audit.

Our Cloud Security Posture Management now monitors 100% of our cloud accounts, alerting us to risks immediately and creating a security baseline across all our accounts.

We conduct external information security systems audits at least annually.

Maintaining the highest levels of privacy and security operations is fundamental to what we do.

Environmental, Social & Governance statement continued

Social

Our solutions

One of the key ways we impact positive social outcomes is through our products and solutions. From identifying, preventing and investigating crimes to improving financial inclusion, societal benefits are inbuilt in our solutions.

Find out more about our solutions on pages 10 and 11

Our team members

We have a vision to have the best and most engaged team members in the industry. This year our team expanded to 1,056 through organic growth and to 1,276 including the Acuant and Cloudcheck acquisitions (2021: 1,024). Our team members span across 17 countries (2021: 14) and over 97% are permanent employees.

To make sure our new team members felt part of the GBG family, we brought them into our group policies and practices as quickly and smoothly as possible. We ran virtual sessions in FY22 with Acuant across the different locations to introduce the team to our people plan, be@GBG, including access and insight into our programmes and benefits (and will do so with Cloudcheck in FY23).

Inclusion, diversity and equality

Our be/yourself programme aims to support and promote an inclusive and diverse culture at GBG and encourage individuals to be their authentic selves at work.

The be/yourself programme is supported by our Inclusion, Diversity and Equality Policy. The policy communicates our team members' responsibility and rights to inclusion and equality, as well as clarifying our zero-tolerance towards discrimination.

Understanding our People initiative

We know that we can't manage what we haven't measured. That's why we launched Understanding our People, our first diversity data collection process. This voluntary process is a fundamental step in our diversity programme, be/yourself. It gives us the tools to measure and track the progress we are making and set our first diversity and inclusion targets.

We ran a series of internal communications across our global team on what data we wanted to collect, why it was important and what it would be used for. This helped our team understand and become comfortable with the process, which created a positive response.

So far, 37.3% of our workforce has responded to at least one of the categories, enabling us to start to set targets for gender and ethnicity across our workforce and wider leadership team.

Embedding our partnerships

Black Young Professionals ('BYP')
In 2020, Chris Clark made a public declaration of support to improve inclusion of Black people within the workplace by signing their open letter.

We engaged the BYP network to help us deliver on this commitment and scale up action on increasing representation of Black and Minority Ethnic people within our team.

To do this, BYP provides us with access to a community of talented and motivated young black professionals, across the UK and USA, through their job board.

Stonewall

We have launched a partnership with Stonewall, a charity dedicated to supporting members of allies of the LGBTQ+ community. This partnership is helping us understand and support our LGBTQ+ team members and encourage a culture of belonging and acceptance. To start, we have conducted a gap analysis of our current approach and policies to confirm good practice and to act on improvement areas. We will also be assessing our progress with our first UK workplace equality index submission this summer.

Diversity and inclusion objectives

GBG aims to exceed **40% female representation** across our **global workforce** and at a **senior team** level by 2026.

Across our whole workforce (including Acuant and Cloudcheck), 37% of our team identify as female and 63% identify as male. In our Executive Team plus their direct reports, 33% identify as female and 67% identify as male. The diversity of our recent acquisitions is not as strong as GBG's organic growth and so this will give us an additional challenge.

This target is of our organic growth and therefore does not include future acquisitions. We wanted to set targets for the senior team level, which is our Executive Leadership Team and their direct reports, to ensure that our key decision-makers also reflect a more diverse workforce.

Please see the 'Attracting and retaining talent' section on page 27 for some of the approaches we are taking to achieve this objective, alongside the partnerships outlined in this section.

GBG aims to continually **increase participation in all areas of our voluntary diversity data collection**, especially ethnicity. We plan to use this data to publish a **report on our team global ethnicity by 2023**.

We are planning to publish our Global Ethnicity Report alongside our Gender Pay Gap Report in 2023 and for this report to reflect our major global locations.

Our ESG Committee has oversight of our diversity and inclusion objectives.

Women in Identity

GBG is a gold sponsor of Women in Identity's flagship research, the ID Code of Conduct. This work seeks to define a set of guiding principles that will drive greater diversity and inclusion in the design and development of digital identity solutions.

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At GBG, we are proud of our rich tapestry of experiences, thoughts and backgrounds that make us who we are. Our be/yourself initiative is our commitment that we will all be treated as equals. As allies to one another, we will continue to support and celebrate our differences so that we can all feel empowered to be our authentic selves in the workplace.

James Miller Chief People Officer

GBG has taken an active role in all areas of their work to date. A number of our product team members will provide input into the development of the key principles through their participation in the Code of Conduct Design Sprint. We are also committed to being an early adopter of the Code of Conduct and will formally commit to abiding by the principles via certification (upon release).

Alongside our work on improving the accessibility of our products via the GBG Design System (developed in-house by our User Experience Team), we are committed to ensuring that our products and services are designed for and can be used by the broadest possible consumer base.

Events and networks

To help embed the be/yourself philosophy in everything we do, our be/yourself champions network runs an engaging calendar of events, stories, blog posts and celebrations.

We are also excited to have launched our first GBG women's network, GALvanise. The network, launched on International Women's Day 2022, aims to support women within their career, focusing specifically on barriers facing women in technology and the workplace. GALvanise will help foster positive relationships between all genders in the workplace and encourage allyship, as well as address more general gender equality issues.

Training and reporting

All new starters receive an introduction to the be/yourself programme in their mandatory induction training. This year we also ran a number of live virtual sessions on the bystander effect. These sessions covered the importance of being an active bystander and several ways you can safely and effectively support others at work.

This new topic was supported by previous learning and training, such as: unconscious bias, microaggressions, conscious inclusion, and allyship vs advocacy. We required all managers to complete this training and encouraged everyone to attend the interactive sessions.

Gender pay gap

We continue to publish an annual Gender Pay Gap Report, available on our website at <https://www.gbtplc.com/en/legal-and-regulatory/gender-pay-reports/>. In our 2021 report, we expanded from reporting solely on the UK to representing our global team.

Attracting and retaining talent

One of our top priorities is to attract and retain a diverse workforce of great people. As an equal opportunity employer, we are committed to providing fair opportunities for everyone regardless of age, gender, race, religion, sexual orientation, parent status or disability.

This year we launched our Culture+ programme as a way of hiring equitably for a more equal GBG. The scheme asks hiring managers to look at the diversity of their teams, recognise gaps and work with the Talent Attraction Team to support them in hiring candidates who can help grow our culture.

Our Family Friendly Policy provides enhanced paid maternity leave, up to 10 paid 'keeping in touch' days for team members on maternity leave and offers added flexibility for all new parents (all genders) to support their families by returning to work part-time. We know that supporting our team members in their family lives ensures they get the support they need to create a smooth transition when they are ready to return to work.

We continue to offer apprenticeships to new starters and existing team members. In 2021/22, we had 11 team members undergoing training at a variety of levels and stages in their careers, which are progressing as planned. This year we started a partnership with QA, who offer technology and digital apprenticeships to help empower our team with the skills they need.

Our attrition rate has increased this year, from 9.9% in 2021 to 15.6% (including Acuant). While we know that average attrition rates have been increasing globally following the Covid-19 pandemic and we are not at levels reported elsewhere in the

industry, this is an area we would like to improve on. We will aim to do so by listening to our team and taking appropriate action to make sure we continue to be an employer of choice.

Communication with team members

With our team expanding globally and with the introduction of our Work When and Where You Want Policy, effective internal communications have never been more vital.

These communications include:

- **be/connected** – our global intranet
- **Bi-weekly Business Update** – Chris Clark, our CEO, and James Miller, our Chief People Officer, host a bi-weekly update, inviting different guests to join to provide insight from across the business
- **In-Brief** – our bi-weekly all team newsletter provides key news stories from the business
- **InTouch** – a monthly managers' newsletter providing insight, support and news
- **InspireME Talks** – bi-monthly talks featuring internal and external speakers, who share insight into inspiring stories
- **Quarterly Check-ins** – an opportunity to discuss current expectations, growth and development within the business
- **Kick Off** – an annual team event where we discuss our business priorities for the coming year

Engagement and satisfaction

Every six months, we invite our team members to respond to a series of questions relating to workplace satisfaction, management quality and overall engagement. We are delighted that 95% of our team "would recommend GBG as a great place to work" (2021: 91%), with 93% of our team members responding (2021: 94%).

We have worked closely with Gallup, the global consultancy, to make sure we are following best practice. As a result, we will record Acuant responses separately for 12 months following the acquisition. We track the survey results over time to understand how it feels to be at GBG and empower our leaders and our teams to create an engaging environment that positively affects performance.

Another way of gauging the effectiveness of our culture is through our Glassdoor score, which is an anonymous public online employee-to-company review platform. We are seeing a steady increase in our year-on-year scores, from 4.0 in 2021 to 4.1 this financial year (2020: 3.8).

Environmental, Social & Governance statement continued

Work When and Where You Want Policy



As part of our commitment to our team and flexible working approach, we have created a Work When and Where You Want Policy. This policy gives our team members choice, empowers them and supports a balance in work and home life based on trust.

To find out more about the policy, please see page 35.

“When my mum was diagnosed with dementia, the Work When and Where You Want Policy allowed me to have the flexibility I needed to care for her. This meant that I could have precious time with her and that I was able to build my work schedule around my other responsibilities, knowing that my company was supporting me to do so.”

Marina Bosley
Workplace Experience Manager, Europe

Training and development

We want everyone in our team to have access to opportunities to learn, develop their skills and grow their careers and progress. Through our training platform, be/developed, we offer a broad range of learning opportunities, which are updated regularly. The platform is available to all GBG team members, including part-time and contractors, who are also required to complete our mandated training courses.

Enhancing the leadership skills and confidence of managers can have a ripple effect across the business. Gallup estimated that team members who work for highly engaged managers are 59% more likely to be engaged than those who work for actively disengaged managers. While we have always offered our managers learning and development opportunities, in the

coming year we commit to enhancing our offering to continue to improve manager capability and confidence.

In FY22, our team members were pursuing 40 external formal qualifications and training, accounting for 1,057 hours of activity.

This year we launched a global mentoring scheme. The scheme provides opportunities for both the mentor and the mentee to develop their career, broaden their network and increase their knowledge of what we do. We are delighted to already have over 54 active partnerships and over half of the mentees are female. So far, nearly a fifth of the mentees have progressed in their career since the scheme launched, either into new roles or via a promotion.

Recognition and incentives

We operate an annual Sharesave Plan, which affords all team members at GBG (except for China where there are challenges in respect of personal share ownership) the opportunity to share in the Group's performance.

To recognise their contribution, we awarded all our eligible team members share options in April 2021.

We continue to recognise success through our VOS ('Vision, Objectives, Strategies') Awards, to celebrate team members for their outstanding contribution to the business. We also reward our team members who have demonstrated consistently high performance through our Annual Incentive Scheme.

We want to ensure our team members are clear about expectations and feel supported to achieve them. We ask everyone to have quarterly check-ins with their manager to discuss progress, development and growth. It gives a structured opportunity to get feedback and have a conversation about professional development and gives managers a real-time understanding of what can be done to enhance and support their team.

Health and safety and wellbeing

We value the wellbeing of our team members above all else. Wellbeing at GBG covers five core areas shown above right.

We are continuing to release resources and run events and training, with the support of our wellbeing consultant, to give tools and techniques to our team members on staying mentally and physically fit.

- 1 Mental Fitness
- 2 Healthy Lifestyle
- 3 Social Engagement
- 4 Physical Fitness
- 5 Financial Stability

All team members globally have access to our Employee Assistance Programme ('EAP') to help get them the support they need. EAP grants team members access to confidential help with issues such as health, financial support, family matters or other problems which may lead to worry or anxiety.

We take our responsibility for health and safety very seriously and are committed to a programme of progressive improvement. Our Health and Safety Policy outlines our key standards, systems and procedures. We share guidance updates on health and safety with our team members regularly.

Society

We encourage our team members to be active citizens in their local communities through volunteering. One of the key ways we do this is through the GBG Challenge. In FY22, with the pandemic still an urgent and ongoing issue, we chose to continue supporting Covid-19 relief. The teams travelled (walking, running, cycling or otherwise) to collectively reach their goal distances to raise money for their local charity. In FY22 our team members raised £39,644.41, including donations matched by GBG.

Donating laptops

This year we started a project to donate our used laptops. Historically, when it was time for a laptop to be updated, we would replace it and send the old one to be recycled. Instead, we started to securely wipe and rebuild the laptops, with age-appropriate settings, so we could donate them to young carers. With so much of today's learning only accessible via technology, a laptop can be a crucial tool for students.

Environmental

Measuring our carbon footprint

We are excited to announce our commitment to be carbon neutral in our own operations by 2023. This means reducing our Scope 1 and 2 greenhouse gas emissions through energy management and efficiency measures and using high-quality offsetting solutions to counteract the remaining emissions.

We also wanted to set a longer-term target to ensure that we are improving our efficiency as we grow. Therefore, we have also set a target of reducing our Scope 1 and 2 carbon intensity for revenue by 10% by FY25.

To make this happen, we've measured our global Scope 1 and 2 emissions, which you can see outlined to the right. This is the first time we've expanded this measurement to our global (not just UK) emissions.

This is the first step in our long-term carbon reduction process. We are planning to set further targets as we build on the measurement of our Scope 3 emissions and will report on our progress annually.

Energy and waste management

As we've been able to start returning to our global offices following the loosening of restrictions, we've reinvigorated our approach to equipping our team members with sustainable solutions to enable recycling and reducing waste. We've increased the information and guidance shared with our team to raise environmental awareness and highlight what they can do.

We operate a 'Cloud-first Policy' and will work with our providers to improve the measurement of the emissions of our activities, which will help support our future Scope 3 reporting.

Our offices also operate with light sensors and air conditioning and heating timers, as well as electrical sensors to minimise water usage. As we work towards reducing the intensity of our emissions, we are planning to seek out additional solutions.

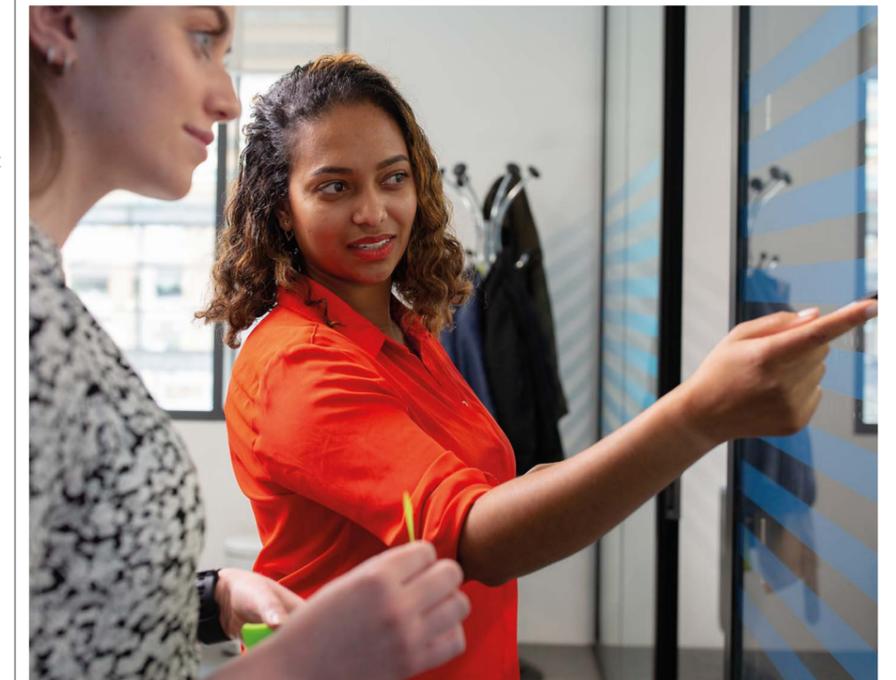
Task Force for Climate-related Financial Disclosures

The recommendations of the Task Force for Climate-related Financial Disclosures ('TCFD') create a useful framework for companies to measure and mitigate their climate risk. Although TCFD-aligned reporting is not required of us until FY24, we plan to set up an internal working group in the coming year to develop our approach to the recommendations. We intend on disclosing our progress in next year's report.

Source	Location	Tonnes CO ₂ e		
		FY2022	FY2021	FY2020
Scope 1 (natural gas)	UK	13	36	55
	Rest of the world	0	0	0
	Total	13	36	55
Scope 2 (location-based purchased electricity)	UK	89	86	144
	Rest of the world	200	204	304
	Total	289	290	448
Intensity ratio for revenue (Scope 1 and 2 tCO₂e/£m revenue)		1.25	1.50	2.53
Scope 3 (reimbursed car travel)	UK	46	5	256
	Rest of the world	2	0	104
	Total	48	5	360
Total gross emissions	UK	148	127	455
	Rest of the world	202	204	408
	Total	350	331	763

This data has been prepared in line with the Greenhouse Gas Protocol. The footprint methodology conforms to ISO 14064-1 and the verification conforms to ISO 14064-3, with limited assurance from Clearstream Solutions. This year's reporting does not include Acuant and Cloudcheck.

In addition, in the last year we have enhanced our approach to data collection and are therefore re-reporting our historic figures to reflect this improved approach, as well as reporting our FY20 figures for the first time.



Section 172 statement

Maintaining strong relationships with our diverse stakeholder base is key to GBG's long-term success.

The GBG Board takes its responsibilities under section 172 of the Companies Act 2006 seriously; the Directors strive to act in the way that they consider, in good faith, would be most likely to promote the Company's success for the benefit of all our stakeholders. You can find more information on each of the statements and further detail on how the Directors engage with each stakeholder group in the corresponding section of this Annual Report.

The Board recognise the importance of engaging with stakeholders to help inform our strategy. They also acknowledge that every decision they make will not necessarily result in a positive outcome for all of our stakeholders.

The Board carefully considers key and material decisions regarding the likely consequences on all stakeholders and, where appropriate, they discuss these matters with the affected stakeholder group. This helps the Board to understand their views and factor their feedback into our decision process.

The business units and our central services teams regularly report to the Board about the strategy, performance and key decisions they've taken and on the regulatory environment in which GBG operates. This assures the Board that senior management consider stakeholder interests in decision-making and also that they consult the Board on matters and decisions that require its support and approval.

Stakeholders and how we have engaged



Investors

GBG has only one class of share in issue and investors benefit from the same rights as set out in GBG's Articles of Association.

Key areas of interest

- Financial performance
- Dividends
- Share price
- Strategy
- Business model
- ESG

How we have engaged

We actively engaged with our investors during the year, including the live webcast presentation and Q&As for our full and half-year results and the Annual General Meeting.

At our 2021 AGM we invited shareholders and their duly appointed representatives to participate remotely via live audiocast. This gave our shareholders confidence that they could engage with the business of the meeting without physical attendance.

During the year, we launched an updated investor website that reflects our refreshed brand and features new site content. The new content helps our investors understand more about our business and view the latest announcements and associated materials, including playback of recent results presentation webcasts.

We also engage with institutional investors across the UK, US and Europe throughout the year. Senior management supported by Investor Relations, conducts group and one-to-one meetings on investor roadshows and at conferences hosted by various banks. During the year we appointed a dedicated investor relations senior manager, expanding our capacity to manage our investor relations programme effectively and engage with existing and potential investors as the business grows.

These discussions cover a wide range of topics, including financial performance, strategy, outlook and governance matters.

Senior management conducted a deal roadshow ahead of the equity placing to finance the Acuant acquisition in mid-November. Engagement with 39 institutional investors covered the strategic rationale, background, financials and structure of the deal. Investor feedback demonstrated support for the acquisition and was taken into account by the Board when reaching its unanimous decision to proceed with the transaction.



People

Our people are key to our success and we want them to be successful both as individuals and team members. We are very proud of the culture we have across the Group and the way that our team members work and collaborate together. Their cooperation creates a unique environment in GBG and our colleagues continue overwhelmingly to recommend GBG as a great place to work.

Key areas of interest

- Safe working environment
- Development and progression
- Competitive remuneration
- Diversity and inclusion
- Environmental footprint
- Clear policies

How we have engaged

We promote a culture of honesty, integrity trust and respect. We support this culture by engaging with our team members through:

- regular employment engagement surveys; 95% of our team "would recommend GBG as a great place to work", this is a 4% increase from the previous year
- quarterly awards for outstanding performance in supporting our core values
- annual kick-off seminars to provide in-depth detail of our strategy and objectives and to thank our team members for exceptional performance
- encouraging and supporting a range of team building events

Although for much of the year we were limited by travel restrictions in place as a result of Covid-19, in recent months our Board and Executive Team have been travelling to our offices to meet team members face-to-face.

We hope to continue this over the next financial year.

Chris Clark, CEO, also hosts bi-weekly virtual live business updates across the Group, ensuring that all team members globally 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. We believe this approach promotes transparency throughout the Group. Attendance and active participation are both consistently high, with our team members citing it as a valuable way of obtaining key information on GBG's performance, mission and strategy

In July 2021, we implemented a "work when and where you want" policy, which enables our team members to work flexibly and which has been extremely well received. Please see page 35 for further details.

We support a number of initiatives and activities that focus on the health and wellbeing of our people: diversity and inclusion; personal development opportunities and charitable activities within the communities where we work.

We recognise the challenge that rising prices are having on our people and their families and as a result a pay increase equivalent to 5% is to be awarded with effect from 1 April 2022 for all eligible team members. In some markets we have also added to benefits such as holiday entitlement, to ensure we remain competitive and fair to our team.

In September 2021 we launched our Share Plans Portal which enables team members to view, exercise and sell their shares. We also established an electronic Global Nominee Service for all team members participating in share options.



Customers

We build strong lasting relationships with our customers. We spend considerable time understanding their needs and views, listening to how we can improve our products for them. GBG has thousands of customers of all sizes, across the world, so our global approach with local expertise is valued by customers, as we understand complex regulation in different markets that will impact them.

Key areas of interest

- Relationship management
- Product quality
- Product availability
- Product cost

How we have engaged

We run a continuous Voice of the Customer programme throughout the year to gain feedback from customers on how well we are performing in our overall relationship with them. Each piece of feedback is read and acted on, while we measure customer loyalty through the net promoter score (NPS). Each customer has a dedicated account manager as their main point of contact and the account manager proactively engages with the customer throughout the year. As part of the programme we lead innovation workshops to gain more in-depth insight, and action feedback as part of an ongoing action plan.

Section 172 statement continued

Stakeholders and how we have engaged continued



Customers continued

All customers have access to our 24/7 helpdesk should they need support, which is available via multiple channels including live chat. Support queries are all logged via relationship management systems, and escalated to be resolved where necessary. As well as our continuous Voice of the Customer programme, we gain feedback on their helpdesk experience via an automated survey, to continuously improve the service.

Throughout the year we regularly engage with customers through marketing activities including thought leadership webinars and 'customer lab' sessions, where customers get to discuss relevant industry topics with peers. As restrictions eased throughout this year (locally dependent), we were able to meet more customers face-to-face, including at industry exhibitions and hospitality events.



Society

GBG's products and services benefit society by building trust in a digital world. Put simply, we help GBG's customers to onboard their own customers safely and securely, reducing online friction, enabling them to comply with their regulatory requirements and to reduce fraud.

We engage with the communities where we operate by supporting local and international charities. We raise funds and encourage team members to volunteer and participate in activities that support these local causes.

We operate a 'reduce, reuse and recycle' policy across all our offices. This includes technology and office consumables. To conserve energy, we have installed light sensors as well as air conditioning and heating timers in our offices. We actively promote video conferencing for team meetings to reduce unnecessary travel between offices.

Key areas of interest

- Social and ethical impact
- ESG
- Supporting communities in which we work
- Diversity and inclusion

How we have engaged

During the Covid-19 pandemic, digital services have become even more critical to the UK economy, with GBG's research indicating significant increases in the number of people who have opened new accounts online in the past 12 months. GBG's products and services enable individuals to access online services safely and securely.

With increased online traffic, email volumes and working from home, fraudsters have become ever more opportunistic in targeting vulnerabilities for both businesses and consumers. As such, data enabled fraud detection and prevention services, such as those provided by GBG have become important. These enable retailers, financial services institutions and other online service providers to give frictionless onboarding for customers whilst also protecting against fraud. This has delivered significant public benefits during the pandemic in helping sustain the economy by making online transactions safe and secure whilst also protecting against bad actors.

Last year we aligned our Environmental, Social and Governance (ESG) programme with the United Nations Sustainability Development Goals. We also established an ESG Committee this year to formulate our ESG framework and set realistic Group-level targets. This year, in order to support the integration of ESG considerations into our long-term strategy, we have appointed a dedicated ESG Strategist and Programme Manager. For further details please see our ESG Committee Report on pages 92 to 93.

Each year, we support the GBG Challenge, a global event where team members across all our locations globally complete some form of challenge in order to raise money for their chosen charity.



Suppliers

There is a direct correlation between the way we interact with our key suppliers and the quality of the product and services we deliver to our customers. Alongside looking for new suppliers to enhance our business and to provide resilience, we also recognise the importance of our existing supplier relationships. Developing these long-term relationships builds trust and support within a partnership environment.

Key areas of interest

- Social and ethical impact
- Payment practices
- Develop and maintain longstanding relationships

How we have engaged

Our key suppliers provide us with data and technology. To ensure that our suppliers meet our and our customers' expectations, we conduct a rigorous supplier due diligence process. This includes an assessment of their privacy compliance, information security standards and, where relevant, the quality of the data they provide to us.

During the year, we appointed a dedicated Procurement Manager to design, own and communicate Group-wide procurement policies to be followed throughout the procurement lifecycle. Our dedicated procurement team focuses on developing and managing our relationship with suppliers.

In January 2022 the Board approved our updated Code of Conduct. The Code reflects our consideration of our suppliers' social, ethical and environmental credentials during our sourcing process. The updated Code is used as part of the procurement process for new suppliers to set the tone with regards to the standards we expect from them.



Governments and regulators

Compliance with laws and regulations, especially in relation to data privacy, accounting standards, health & safety and governance, are key focus areas for the business. We actively engage with regulators as and when required.

Key areas of interest

- Compliance
- Maintaining good relationships with regulators

How we have engaged

We engage with our data regulators and governmental departments, including the UK Department for Digital, Culture, Media and Sport ('DCMS'), through a range of industry consultations, trade association memberships and conferences.

This year, we engaged with the DCMS as part of the UK Digital Identity and Attributes Trust Framework. We also responded to the UK government's Data Strategy Consultation.

We engaged with the Kommission für Jugendmedienschutz in Germany when applying for approval of our age verification products.

In Australia we participated in consultations on the Digital Identity Framework and proposed new Australia Privacy Law.

We have interacted with the UK Information Commissioner's Office on an ongoing basis throughout the year and have an open and collaborative relationship with them.



Banks

We actively engage with our bankers to secure optimum rates and terms, while also providing them with information about the Group's prospects and governance. By doing this, we continue to secure long-term relationships, built on trust and mutual benefit.

Key areas of interest

- Low risk
- Ability to repay loans

How we have engaged

During the year, we ran a competitive tender across our banking syndicate to refinance existing facilities and provide funding for the Acuant acquisition.

Based on the relationships we have developed and regular engagement, each of the banks were supportive and entered into the tender for the new facility. The decision was made to change one of the members of the banking syndicate to ensure we received the optimum rates and terms for the benefit of the Group.

Section 172 statement continued

Key Decisions made in accordance with s172 Companies Act 2006

During the year, the Board has made a wide range of decisions. With each decision, it has focused on what would most likely contribute to the Company's success, thus benefiting its members as a whole, while paying careful attention to the factors set out in section 172 of the Companies Act 2006. Below, we have set out a number of decisions which demonstrate how the Board have exercised this duty and considered the views of different stakeholder groups:

<p>Acuant acquisition Connected stakeholders: 1 2 3 7</p>	<p>The combination of our two businesses is a complementary and powerful one. Together, we are creating a global leader in identity verification as well as strengthening our capability to capitalise on the adjacent, emerging and fast-growing identify fraud market.</p> <p>The US is the largest and most strategic market for location, identity and fraud services. The combination of GBG and Acuant strengthens the breadth of our technology portfolio. We are now able to support our current customers in new ways in growth geographies such as APAC and Europe, where we already have a strong footprint.</p>	<p>The Board was unanimous in believing this acquisition would significantly benefit the Company and therefore was in the strategic and long-term interests of all our stakeholders, notably our team members, customers and investors.</p> <p>People – Bringing GBG and Acuant together creates a global leader in biometric and automated document verification.</p> <p>Customers – The acquisition enables GBG to expand further in the US – the world's largest and most strategically important market.</p> <p>Our existing customers will benefit from a combined product portfolio and we are primed to support potential customers via accelerated expansion into APAC and other new geographies over time.</p> <p>Investors – The Board agreed that acquiring Acuant would be accretive to the Group's organic revenue growth and EBIT margins through increased operating leverage, increasing shareholder value alongside strong cash performance.</p> <p>Given our longstanding relationship with Acuant, we were able to enter exclusive talks to buy the business from its previous owners and conduct extensive due diligence, thus maximising our potential to deliver future success.</p> <p>Having initially approved the transaction, the Board was disappointed that the placing of new equity share capital to fund the acquisition required a 17% discount. When it became clear that this was necessary in order to raise the additional capital, the Board met along with our key advisors to discuss whether the transaction should proceed. The Board agreed unanimously that the proposed transaction and equity placing remained in the best long-term interests of shareholders, a decision that was validated by some of our largest shareholders.</p> <p>The Board were mindful of including retail shareholders given the size of the equity placing and used the PrimaryBid platform to give retail holders a chance to participate.</p> <p>Banks – To provide funding for the Acuant acquisition we ran a competitive tender across our banking syndicate, to refinance existing facilities. Having such strong relationships with each of the banks meant that they were all supportive and were keen to work with us in order to provide the new facility. The strength of our engagement meant that we received the optimum rates and terms for the benefit of the Group.</p>
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Stakeholders

- 1 Investors
- 5 Suppliers
- 2 People
- 6 Governments and regulators
- 3 Customers
- 7 Banks
- 4 Communities

<p>Slave Free Alliance Connected stakeholders: 2 5</p>	<p>This year, we became a member of the Slave Free-Alliance ('SFA'), a not-for-profit social enterprise launched and wholly owned by Hope for Justice. The SFA and its members' vision is to live in a world free from slavery. All profits are reinvested into Hope for Justice's global work preventing exploitation, rescuing victims of modern slavery, restoring lives and reforming society. Membership gives us access to a range of services designed to help find and prevent cases of Modern Slavery in our supply chain – including site assessments, crisis response, investigation, training, online resources, and technical consultations.</p>	<p>In the financial year SFA conducted a gap analysis to identify areas where we could improve our processes and training. We will now work together to establish our formalised modern slavery strategy. The programme is to be rolled out over the next three years.</p> <p>People – Our membership will help us to protect temporary and permanent team members during the recruitment process and employment. The gap analysis has also highlighted areas where we can improve team members' awareness of modern slavery by introducing formalised training sessions.</p> <p>Suppliers – Improving our supplier risk assessment and supplier engagement process. Our membership has helped us identify any suppliers who may require an additional level of due diligence.</p>
<p>Work When and Where You Want Connected stakeholders: 2 3 5</p>	<p>For GBG, there is no longer such a thing as the typical 9-5 workday. We are a global business where there are different requirements to attend team/customer meetings in different time zones. Work has moved from 'somewhere you go' to 'something you do'. The time you work and the place you work in have become less relevant and what is considered standard practice differs between location.</p>	<p>People – In July 2021 we introduced our 'Work When and Where You Want Policy' policy to enable our team members to balance work and home life by having the choice and flexibility to work in a way that suits them.</p> <p>Customers and Suppliers – Our flexible policy enables team members to meet the needs of our customers and suppliers such as attending meetings in different time zones across the globe.</p>

Chief Executive's review



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I am proud of the team's performance this year, their focus on delivering critical digital identity solutions with a great customer experience underpin GBG's strong financial results. Our strong customer advocacy and record team engagement scores highlight the huge contribution each team member makes towards achieving our success and delivering on the considerable potential in our markets.

I am proud of the team's performance this year, their focus on delivering critical digital identity solutions with a great customer experience underpins GBG's strong financial results. Our excellent customer advocacy and record team engagement scores highlight each team member's huge contribution towards achieving our success and delivering on the considerable potential in our markets. The acquisition of Acuant marks a powerful and complementary addition to GBG, accelerating our strategic progress and strengthening our leadership position in the identity verification and fraud markets.

Our strategy for sustainable growth

GBG is at the forefront of fast-growing global markets in location intelligence, identity verification and fraud prevention, underpinned by powerful long-term structural drivers. Our solutions enable our customers to quickly respond to the adoption of digital commerce, increased regulatory demands and the growing risk of digital fraud in their sectors.

Our strategy to deliver long-term sustainable growth is unchanged and built upon six key strategic priorities with a clear purpose to build trust in a digital world:

- **Build Markets:** Continue to grow in our existing markets and identify demand in new markets to increase our geographic and sector reach.
- **Build Differentiation:** Increase our competitive advantage by continuously innovating; enhancing our solutions and data. In particular, we will use the data we ingest, process or create to develop proprietary insights.
- **Build Once:** Accelerate our vision for a single platform experience by leveraging global solutions and capabilities. Core technology will be interoperable across products and regions for a consistent user experience.

- **Customer Trust:** Listen and respond to customer feedback to ensure satisfaction. We will get, keep and grow our customers, identifying cross-selling and up-selling opportunities that best suit their needs and by being easy to work with.
- **Team Trust:** Nurture the industry's best and most engaged team, empowered and proud to deliver on our purpose. We will retain, develop and attract talent by making GBG a diverse and inclusive place to work.
- **Investor Trust:** Deliver shareholder value through a well-diversified business, resilient operating model and a focus on cash generation.

Significant strategic progress

We have delivered significant strategic progress this year, advancing our technology and data insights in our core solution areas of location intelligence, identity verification and fraud prevention. Our sustainable business model, comprising both subscription and consumption revenue streams, continues to deliver the strong cash generation required to fund organic investment and acquisition opportunities as they arise and to increase the pace of our go-to-market initiatives.

This year we also pursued growth in APAC through organic expansion into the Philippines, Thailand and Vietnam and the bolt-on acquisition of Cloudcheck in New Zealand, where it is a leader in identity verification. Investment has been maintained in our products, data and technology. This enables innovation to drive the scale, flexibility and compliance required to help our customers onboard new consumers quickly and securely across the regions and sectors we serve.

Acuant is a strategically compelling acquisition that will enhance our ability to help our global customers address the ever-increasing challenges of the digital world. Progress on integration has been pleasing and continues at pace, with our Acuant and IDology teams in the Americas combining to form the largest pure-play identity verification provider throughout the region. We now have the scale and breadth of offering to lead and win in North America, the biggest and most strategically important market for our solutions.

We are confident that this acquisition will deliver significant value to GBG over the medium term. This is underpinned by the excellent progress to date from our teams on the integration. We will realise at least £5 million of synergy benefits in FY23, with £3 million already identified and implemented alongside a strong sales pipeline of cross-selling opportunities where we expect to derive revenue synergies.

The formation of our Global Products Group brings together Acuant and GBG's identity verification and fraud prevention roadmaps as we execute on the strategic benefits of the acquisition. This combination creates an opportunity to accelerate our data, product and platform strategy by approximately two years as we focus on developing a consistent global experience for current and future customers. We will also build on our proprietary document and data verification knowledge as well as expand our automated fraud detection capabilities. For instance, offering the market's largest, continuously updated identity document library and accelerating the development of a best of breed cloud-based fraud prevention solution for release in the second half of FY23.

Customers and growth

GBG's revenue in FY22 was £242.5 million which represents constant currency organic growth for the year of 10.6%. This was a good result given the substantial one-off benefit related to the US government's stimulus programme in the prior year; excluding this, underlying growth was 15.5%. With high net retention of revenue, existing customers accounted for two-thirds of growth, with new business driven by initiatives undertaken to expand our sectors and geographic presence across our segments.

Location's growth of 12.7% was driven by demand for our solutions supporting the ongoing consumer shift to greater online activity and structural tailwinds as brands adopt direct-to-consumer strategies. New customer wins this year include ASICS, HarperCollins and JetBlue Airways which demonstrate the broad market opportunity.

Chief Executive's review continued



// **GBG has a large and diverse customer base, a strong product portfolio and a highly skilled team offering global reach with local expertise. When combined with our strong margins and cash flows, we believe the business is well-positioned to successfully achieve its strategic and financial objectives in the medium term.**

Identity delivered growth of 8.5% across all regions. Adjusting for the one-off benefit impact of the US stimulus programme, this was 17.1%. Our identity verification capabilities were chosen by customers for an increasing number of digital transformation projects, while our frictionless and efficient user experience makes us the partner of choice for many fintech customers. New customers won include Hymans Robertson, St James's Place, Nintendo and CUNA Mutual.

Our acquisition of Acuant positions GBG to deliver a wider scope of identity verification and identity fraud solutions to our customers and partners than ever before. The experience and track record from prior acquisitions is proving valuable in helping generate a strong cross-selling pipeline. North America has the most opportunities in the short term, with many already being converted between existing customers for document verification and compliance solutions.

As anticipated, with on-premise deployment activity resuming, our Fraud segment experienced strong year-on-year growth of 15.7%. New multi-year contracts were secured in APAC with Bank Simpanan Nasional (Malaysia), Bank BTPN (Indonesia) and FE Credit (Vietnam) in addition to E.ON and AXA in Europe. We also continued to see high renewal rates, which demonstrates our strong customer retention.

The acceleration of digital commerce continues to be of net benefit to GBG's customers. This year we continued to expand our sales reach and marketing activity across our direct, digital-first and partnership channels to market. This means we are well placed to capture the growth opportunity from new sectors, geographic expansion and further customer development during FY23.

Advancing our solutions

We provide end-to-end coverage of the customer identity lifecycle, from onboarding to in-life management, offering standalone or layered capabilities to address multiple customer channels and touchpoints. Differentiated location intelligence, identity verification and fraud and compliance solutions drive competitive advantage for GBG as we increasingly combine capabilities to be delivered through resilient and secure global platforms.

Digital identities have never been so complex and we have continued to innovate and advance solutions to address customer challenges throughout the year. In the US, ExpectID Flex API enables enterprise businesses to utilise IDology's full portfolio of verification solutions through the customer journey while ProID offers an advanced data and document solution to SME clients in Europe. The launch of Mobile Signal Intelligence in Europe expands our identity fraud capability, integrating mobile network operator data to more easily verify customers during a transaction and combat growing levels of origination fraud. In APAC, we have developed a low and no code option version of our GreenID platform for faster onboarding of new customers.

Location released the latest generation of the industry's most advanced type-ahead address capture solution, adding machine learning and predictive addressing capability to effectively self-learn 'hard-to-find' locations. The benefits to businesses in a digital-first economy are clear as more activity moves online, ensuring an improved customer experience, reduced shopping cart abandonment and reduced failed deliveries.

Our fraud prevention portfolio has evolved with the successful integration of the Investigate platform. The full breadth and depth of GBG data now available within the platform offers a leading fraud and investigation capability. A broad range of use cases has secured significant new customer wins in sectors such as insurance, financial services and utilities alongside existing customer upgrades.

Our reputation continues to grow in an expanding market, attracting industry recognition and demonstrating our strategic progress as a business. In their 2022-2026 industry forecast, Juniper Research recognises GBG as an established leader in global digital identity, while Gartner names GBG as a Representative Vendor in the 2022 Gartner® Market Guide for Identity Proofing and Affirmation¹.

Our team

Every day we build, collaborate and partner to create a safer digital world. It is the energy and expertise of our team that takes GBG to new heights and we are proud of our people and the culture we create together. Empowering and engaging our people remains a key priority for the Board and Executive Team.

We invest considerable time each year developing GBG's culture and improving our team member experience. This is shaped by our absolute commitment to reducing inequality, broadening diversity and facilitating inclusion. We are committed to ongoing investment in our 'be/yourself' programme and family-friendly initiatives. This includes our 'Work When and Where You Want Policy' that offers our team the flexibility to manage their work-life balance.

Our culture is a key differentiator enabling GBG to retain talent and successfully execute our hiring plans. We are now a team of 1,276 people, up from 1,024 last year, with new joiners welcomed through the Acuant and Cloudcheck acquisitions among those coming into the business. Our senior team has also evolved. Christina Luttrell (previously IDology CEO) now leads our combined teams in the Americas and Yossi Zekri (previously Acuant CEO) joins our Executive Team and will lead our newly formed Global Products Group.

¹ Source: Gartner "Market Guide for Identity Proofing and Affirmation," Akif Khan, 2 March 2022.

We believe our investment in people makes a real difference to business performance. Our recent record team engagement score reflects this, putting us in the top quartile of global companies surveyed by Gallup. Importantly, 95% of our team "recommend GBG as a great place to work". This is a fantastic endorsement as we aim to become an employer of choice in a highly competitive marketplace for talent.

Sustainability

Safeguarding the current and future needs of our customers and their consumers from negative environmental and social impacts is at the heart of GBG's offering. We balance fraud prevention, regulatory compliance and great user experience to help our customers establish trust in their digital services. Our broad portfolio is continually evolving across our three segments to help our customers address the societal, environmental and regulatory challenges they face.

Alongside the benefits our products and solutions offer, we have also invested in other areas to build on our environment, society and governance (ESG) impact. Examples include the launch of our first women's network, a mentoring scheme with over 100 participating team members and working in partnership with the Slave-Free Alliance to ensure that no exploitation of vulnerable people occurs in our business and supply chain. In addition, we recruited our first ESG strategist & programme manager as we scale up our positive action, which includes stretching targets to reduce our climate impact and increase our diversity.

We take pride in our ethical approach to data throughout the Group. This ranges from our internal practices to the advice and solutions provided to customers. As we have communicated previously, the Information Commissioner's Office (the data industry regulator in the UK) announced in November 2018 that it was conducting audits on a number of companies, including GBG, to understand the use of data in their services. We continue to work collaboratively with the Commissioner's Office as it strives to improve privacy compliance and we will keep investors informed of any material developments.

Outlook

GBG addresses a broad range of large and expanding end markets all of which are adapting to structural drivers such as digitalisation and an ever-increasing need to protect against fraud. This plays to GBG's strength and will bring further opportunity for the Group. The Board is excited by the long runway of sustainable growth opportunities and our unique ability to capitalise on these given the significant strategic progress of the last few years and additional capability presented by the acquisition of Acuant.

As demonstrated by our ability to adapt to the challenges of the pandemic over the last two years, we have a resilient and adaptable business model and we are used to navigating macroeconomic uncertainty. In FY23 we will continue to manage the business tightly through the current climate of rising inflation and interest rates.

We have previously communicated that we did benefit in the first quarter of last year from particularly high transaction volumes, partly driven by the US Covid-19 stimulus project and new entrants into the crypto currency market, which gave us a fast start to FY22 and will be a tough comparative for the first half of FY23. However, taking the year as a whole, the business is well-positioned to successfully achieve its strategic and financial objectives in FY23. Our teams will continue to move at pace with the Acuant integration and we are confident in our ability to deliver the committed financial synergies.

Chris Clark
Chief Executive Officer

22 June 2022

Key performance indicators

The Board monitors the Group's progress against its strategic objectives and the financial performance of the Group's operations on a regular basis. Performance is assessed against the strategy and budget using financial and non-financial measures.

The following details the principal Key Performance Indicators ('KPIs') used by the Group, giving the basis of calculation and the source of the underlying data. A summary of performance against these KPIs is given below. Non-Statutory measures are defined within the last note to the financial statements.

The Group uses the following primary measures to assess the performance of the Group.

Financial

Revenue and Organic Revenue Growth at Constant Currency

Revenue and revenue growth are used for internal performance analysis to assess the execution of our strategies. Organic growth is also measured, although the term 'organic' is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies. Organic growth is defined by the Group as year-on-year continuing revenue growth, excluding acquisitions (until the date of their anniversary) and disposed businesses that will be reported at each reporting interval. Organic growth is measured on a constant currency basis to remove the impact of changes in exchange rates.

Adjusted Operating Profit

This is used for internal performance analysis and to assess the execution of our strategies. Management believe that this adjusted measure is an appropriate metric to understand the underlying performance of the Group.

Adjusted EBITDA

This is used for internal performance analysis to assess the execution of our strategies. Management believe that this adjusted measure is an appropriate metric to understand the underlying performance of the Group.

Earnings per Share

Earnings per share is calculated as basic earnings per share from continuing operations on both an adjusted and unadjusted basis.

Earnings per Share Growth

This is calculated as the growth in year-on-year earnings per share on both an adjusted and unadjusted basis.

Net Cash/Debt

This is calculated as cash and cash equivalent balances less outstanding external loans. Unamortised loan arrangement fees are netted against the loan balance in the financial statements but are excluded from the calculation of net cash/debt.

Cash Conversion

This is calculated as cash generated from operations in the Consolidated Cash Flow Statement, adjusted to exclude cash payments for exceptional items, as a percentage of Adjusted EBITDA.

Deferred Revenue

Deferred revenue, which is included in our Consolidated Balance Sheet within Trade and Other Payables, is the amount of invoiced business in excess of the amount recognised as revenue. This is an important internal measure for the business and represents the amount that we will record as revenue in our Consolidated Statement of Profit or Loss in future periods. Trends may vary as business conditions change.

Non-Financial

Employee Engagement

Team member engagement is a key focus area for the business in order to retain and grow what we believe is some of the best talent in our industry. This is measured twice a year through a group wide employee survey conducted through an external provider.

Performance against KPIs

A summary of the Group's progress in achieving its objectives, as measured against KPIs, is set out opposite. Non-Statutory measures are defined on pages 184 to 187.

	2022	2021
Revenue Growth	11.4%	9.3%
Organic Revenue Growth at Constant Currency	10.6%	12.1%
Organic Revenue Growth	8.8%	12.1%
Fraud Organic Growth at Constant Currency	15.7%	(27.4%)
Identity Organic Growth at Constant Currency	8.5%	28.5%
Location Organic Growth at Constant Currency	12.7%	10.5%
Recurring Revenue %		
– Subscription Revenues %	46.3%	43.6%
– Consumption Revenues %	47.5%	51.1%
Adjusted Operating Profit (£'000)	58,839	57,896
Adjusted Operating Profit %	24.3%	26.6%
Adjusted EBITDA (£'000)	62,196	61,410
Adjusted EBITDA %	25.6%	28.2%
Earnings per Share – Basic	7.1p	13.8p
Earnings per Share – Adjusted Basic (Restated)	20.6p	22.8p
Earnings per Share Growth – Basic	(48.6%)	56.8%
Earnings per Share Growth – Adjusted Basic (Restated)	(9.6%)	17.5%
Net (Debt)/Cash (£'000)	(106,952)	21,135
Cash Conversion %	95.7%	119.5%
Deferred Revenue (£'000)	58,823	42,843
Employee Engagement	95%	91%

Financial review



In GBG's financial year 2022 we delivered record revenue and adjusted operating profit at a level that exceeded market expectations. In November 2021 we also completed the acquisition of Acuant, the largest in GBG's history, which firmly positions the enlarged Group as a global leader in identity and fraud solutions – particularly in the strategically important North American market.

Principal Activities and Business Review

The principal activity of GB Group plc ('GBG') and its subsidiaries (together 'the Group') is the provision of identity data intelligence services. GBG helps organisations simply, safely and securely transact with their customers. Through the application of our proprietary software technology, our vision is to help create a world where everyone can transact online with confidence and build trust in a digital world.

The performance of the Group is reported by segment, reflecting how we run the business and the economic characteristics of each segment. There are three reportable segments, Location, Identity and Fraud.

The Group results are set out in the Consolidated Statement of Profit or Loss and explained in this Financial Review. A review of the Group's business and future development is contained in the Chairman's Statement, the Chief Executive's Statement and in this Financial Review.

In GBG's financial year 2022 we delivered revenue and adjusted operating profit at a level that exceeded market expectations. In November 2021 we also completed the acquisition of Acuant, the largest in GBG's history, which firmly positions the enlarged Group as a global leader in identity and fraud solutions – particularly in the strategically important North American market.

In the prior year the level of revenue growth was influenced by non-recurring revenue linked to the US Government's Covid-19 stimulus package. This created a tough revenue comparator and therefore to still achieve organic growth at constant currency of 10.6% was a significant achievement. Excluding this non-recurring revenue, the growth would have been 15.5%.

	2022 £'000	2021 £'000	Change £'000	Change %
Revenue	242,480	217,659	24,821	11.4%
Gross profit margin	70.9%	70.1%	0.8%	1.1%
Adjusted operating profit	58,839	57,896	943	1.6%
Adjusted operating profit margin	24.3%	26.6%	(2.3%)	(8.6%)
Share-based payments charge	(6,171)	(5,170)	1,001	19.4%
Amortisation of acquired intangibles	(24,735)	(17,671)	7,064	40.0%
Operating profit before exceptional items	27,933	35,055	(7,122)	(20.3%)
Exceptional items	(4,526)	448	(4,974)	-
Operating profit	23,407	35,503	(12,096)	(34.1%)
Net finance costs	(1,754)	(1,240)	514	41.5%
Profit before tax	21,653	34,263	(12,610)	(36.8%)
Total tax charge	(6,390)	(7,385)	(995)	(13.5%)
Profit for the year	15,263	26,878	(11,615)	(43.2%)
Proposed final dividend per share	3.81	3.40	0.41	12.1%
Basic earnings per share (pence)	7.1	13.8	(6.7)	(48.6%)
Adjusted basic earnings per share (pence) – restated	20.6	22.8	(2.2)	(9.6%)

As expected, the adjusted operating profit margin has decreased relative to the prior year. The margin last year benefited from the non-recurring revenue mentioned above, but also from the temporary cost-saving measures implemented at the start of the Covid-19 pandemic such as pay and recruitment freezes. In the second half of the prior year and continuing throughout the current year, these temporary measures were removed and we returned to a focus on investing in our team and technology to enable future growth.

Throughout the pandemic we have been supported by our strong balance sheet. This is a result of the level of recurring revenue (over 46% of FY22 revenue came from subscriptions and a further 48% from consumption) giving predictability, repeatability and continued strong cash conversion, demonstrating our ability to turn revenue and profits into cash quickly.

This strength supported GBG in obtaining favourable commercial terms on the refinancing of our Revolving Credit Facility ('RCF') to part fund the Acuant acquisition – extending the length of the facility through to July 2025 provides a platform to support future growth.

The Group uses adjusted figures as key performance indicators in addition to those reported under UK-adopted International Financial Reporting Standards and in accordance with standards issued by IFRIC. Adjusted figures exclude certain non-operational or exceptional items, which is consistent with prior year treatments. Adjusted measures are marked as such when used and are explained on pages 184 to 187.

Financial review continued

Revenue and gross margin

Total revenue growth in the year was 11.4% (FY21: 9.3%). On an organic basis, adjusting for the impact of acquisitions and disposals in the past twelve months, revenue growth was 8.8% (FY21: 12.1%). This result was negatively impacted by movements in exchange rates, particularly the higher GBP:USD relative to 2021. On a constant currency basis, the organic revenue growth was 10.6% (FY21: 12.1%) which we consider to be a significant achievement given the tough comparator.

More detail on revenue performance in each of our operating segments is included in the CEO Review.

The FY22 revenue includes four months of revenue from Acuant and two months of revenue from the acquisition of Cloudcheck. As required by IFRS 3 (Business Combinations), the revenue for Acuant includes a negative adjustment of £1.4 million related to the restatement to fair value of the acquired deferred revenue balance (commonly known as the deferred revenue 'haircut'). We have presented a pro forma revenue measure that includes pre-acquisition revenue from Acuant (eight months) and Cloudcheck (ten months) so that both have 12 months included. In addition, we have adjusted for the deferred revenue haircut adjustment explained above to present revenue on a normalised basis.

In total, 94% (pro forma 91%) of revenue came from the combination of subscriptions and consumption revenue models. On a pro forma basis 49% of revenue came from subscription agreements.

Term-based subscriptions increased by 12.8% driven by recovery in the Fraud segment while consumption revenue, which is predominantly in the Identity segment, grew by 9.6%. Excluding the revenue from the US stimulus project, consumption revenue increased by 19.6%.

Gross margin for the year was 70.9% (FY21: 70.1%) and increased due to a change in the sales mix, such as growth in the higher-margin Fraud segment relative to the prior year.

Operating profit and cost management

Adjusted operating profit was £58.8 million (FY21: £57.9 million), which represents a margin of 24.3% (FY21: 26.6%). The decrease in margin was expected as the FY21 level was influenced by the cost-saving measures taken at the start of the Covid-19 pandemic. In FY22, on an organic basis, expenditure increased on people costs as we reintroduced salary increases and grew headcount. We also increased investment in R&D and technology in addition to increasing spend on marketing activities.

On a statutory basis, operating profit decreased to £23.4 million (FY21: £35.5 million), principally due to the increase in amortisation of acquired intangibles and exceptional costs related to the acquisition of Acuant explained below.

Exceptional and normalised items

Amortisation of acquired intangibles

The charge for the year of £24.7 million (FY21: £17.7 million) represents the non-cash cost of amortising separately identifiable intangible assets including technology-based assets and customer relationships that were acquired through business combinations.

The increased charge in the year is due to the full-year impact of the acquisition of HooYu in the prior year and more significantly the current year acquisitions of Acuant and Cloudcheck.

Share-based payments

During FY22 1.9 million (FY21: 1.8 million) new share option awards were granted to Directors and team members across the Group. This included 258,000 related to an award of 300 share options to each team member in April 2021 which will vest provided those employees are still in employment in April 2023. This was both to reward the team for their performance during the pandemic, but also supports our ambition to retain team members given the current competitive recruitment market.

The charge for the year of £6.2 million (FY21: £5.2 million) has increased as this was the first year in which there has been a full 12-month charge for three LTIP awards (2019, 2020 and 2021).

Exceptional items

Exceptional costs of £4.5 million (FY21: exceptional income of £0.4 million) were incurred by the Group in the year and have been detailed in note 7 to the accounts.

The most significant elements in the current year were acquisition related with legal & professional fees, integration costs and related team member reorganisations resulting in expenditure of £7.1 million (FY21: £1.3 million). This was offset by a gain of £3.1 million on a foreign currency forward contract put in place to fix the rate at which the equity placing funds for the Acuant acquisition were converted from GBP to USD.

	Total revenue £'000	Pre-acquisition / disposal revenue £'000	Deferred revenue haircut £'000	Pro forma revenue £'000
Subscription revenues:				
Consumption-based	35,830	5,848	-	41,678
Term-based	76,465	14,781	1,381	92,627
Total subscription revenues	112,295	20,629	1,381	134,305
Consumption	115,212	(409)	-	114,803
Other	14,973	9,711	-	24,684
Revenue	242,480	29,931	1,381	273,792

In the prior year the exceptional income arose from the £1.4 million gain on disposal of the Employ & Comply and Marketing Services businesses. In the current year there was a cost of £0.3 million related to the finalisation of those disposals.

Net finance costs

The Group incurred net finance costs for the year of £1.8 million (FY21: £1.2 million). The increase is due to the interest payable on the loan drawn down to part fund the Acuant acquisition in November 2021. The interest rate on the loan is variable and we expect the interest rate payable to increase in FY23. As noted in the cash flows section below, we expect to mitigate this increase by continuing to reduce the outstanding loan balance.

Taxation

The total tax charge of £6.4 million (FY21: £7.4 million) includes £12.1 million of current tax payable on the Group's profits in the year (2021: £12.4 million), offset by a deferred tax credit of £5.7 million (FY21: £5.0 million).

The reported effective tax rate for the Group has increased from 21.6% in 2021 to 29.5% in 2022. The majority of this increase is due to non-deductible costs related to acquisitions.

The adjusted effective tax rate, which excludes the impact of amortisation of acquired intangibles, share-based payments and exceptional items increased from 21.5% to 22.1%.

Earnings per share

Basic earnings per share decreased by 48.6% from 13.8 pence to 7.1 pence reflecting the lower operating profit and higher number of shares in issue.

Since the 31 March 2021 financial statements were produced, the Group has decided to amend the adjusted earnings per share calculation so that an adjusted tax charge is used rather than the full reported tax charge. The calculation of the adjusted tax charge is consistent with the calculation of adjusted operating profit and therefore excludes the impact on tax of amortisation of acquired intangibles, equity-settled share-based payments and exceptional items.



At the AGM, the Board of Directors will propose a final ordinary dividend of 3.81 pence per share (2021: 3.40 pence), amounting to £9.6 million (2021: £6.7 million).

This has resulted in a restatement of the comparative figures for the year to 31 March 2021. The impact was a decrease to adjusted basic earnings per share for the period and adjusted diluted earnings per share for the period of 2.4p and 2.4p respectively. Adjusted earnings (adjusted operating profit less net finance costs and adjusted tax) was £44.5 million (2021 restated: £44.5 million) resulting in a 9.6% decrease in adjusted basic earnings per share from 22.8 pence to 20.6 pence.

The basic weighted average number of shares at 31 March 2022 increased to 216.2 million (FY21: 195.2 million), primarily due to the issue of 52.1 million shares to part fund the acquisition of Acuant in November 2021.

Deferred revenue

Deferred revenue at the end of the year increased by 37.3% to £58.8 million (2021: £42.8 million). Excluding the year-end deferred revenue balance for Acuant the increase was 21.2%.

This balance principally consists of contracted licence revenues and profits that are payable up front but recognised over time as the Group's revenue recognition criteria are met.

The deferred revenue balance does not represent the total contract value of any future unbilled annual or multi-year, non-cancellable agreements as the Group more typically invoices customers in annual or quarterly instalments. Deferred revenue is determined by several factors, including seasonality, the compounding effects of renewals, invoice duration, invoice timing and new business linearity within a reporting period.

Cash flows

In November 2021 the Group refinanced its RCF, increasing the facility to £175 million (from £110 million) and extending the expiry to July 2025 (from February 2023). £157 million (\$210 million) of this facility was drawn down to part fund the Acuant acquisition.

Financial review continued

Group operating activities before tax payments and exceptional items generated £59.5 million of cash and cash equivalents (FY21: £73.4 million) representing Adjusted EBITDA to cash conversion ratio of 95.7% (FY21: 119.5%). This strong operating cash flow and cash conversion is ahead of pre-pandemic levels and enabled £30.1 million to be repaid against the RCF in the four months since the Acuant acquisition.

Dividend

At the AGM, the Board of Directors will propose a final ordinary dividend of 3.81 pence per share (FY21: 3.40 pence), amounting to £9.6 million (FY21: £6.7 million).

If approved, this will be paid on 3 August 2022 to ordinary shareholders on the register on 24 June 2022. The Group continues to operate a Dividend Reinvestment Plan, allowing eligible shareholders to reinvest their dividends into GBG shares.

Acquisitions and synergy benefits

In November 2021 we announced the acquisition of Acuant for a purchase price of \$736 million (£555 million). The purchase price was funded through cash of £305 million raised through a new equity placing, £157 million from a drawdown against the new RCF and £87 million issued as new GBG shares to the sellers.

Since the acquisition we have been successfully executing against our 100 and 200 day integration plans and our teams have made excellent progress in realising at least £5 million of synergy benefits for FY23, with £3 million already identified and implemented.

In January 2022 we announced the acquisition of Cloudcheck, a leading New Zealand based provider of identity verification services, for an initial NZ\$20 million (£10.0 million). The purchase price was funded through \$12 million (£6.7 million) of cash which came from existing cash resources, and the issue of \$8 million (£3.4 million) of new GBG shares to the sellers.

Contingent upon Cloudcheck's revenue growth, a further payment of up to NZ\$4 million (£2 million) in cash may become payable at the conclusion of the financial year ending 31 March 2023; then another NZ\$4 million (£2 million) in cash at the conclusion of the financial year ending 31 March 2024.

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Our strong operating cash flow and cash conversion has enabled £30.1 million to be repaid against the revolving credit facility in the four months since the Acuant acquisition.



Further information regarding the acquisitions have been detailed in note 34.

Treasury Policy and Financial Risk

The Group's treasury operation is managed by a Treasury Committee within formally defined policies and reviewed by the Board. The Treasury Committee meets on a regular basis to review cash flow forecasts, covenant compliance, exposure to interest rate and foreign currency movements and make recommendations to the Board based on these reviews.

The Treasury Committee receives weekly cash information to monitor liquidity across the Group and ensure that significant cash outflows, such as the acquisition payments, dividends and loan repayments, could be made without exposing the Group to undue risk.

The Group finances its activities principally with cash, short-term deposits and borrowings but has the ability to draw down up to £46 million of further funding from a revolving credit facility that is in place. Other financial assets and liabilities, such as trade receivables and trade payables, arise directly from the Group's operating activities. Surplus funds of the Group are used to repay the RCF, whilst ensuring that a suitable operational level of cash is retained.

The Group is exposed to a variety of financial risks including: market risk (including foreign currency risk and cash flow interest rate risk), credit risk and liquidity risk which are described in note 27 to the accounts. It is not the Group's policy to engage in speculative activity or to use complex financial instruments.

Approved by the Board on 22 June 2022

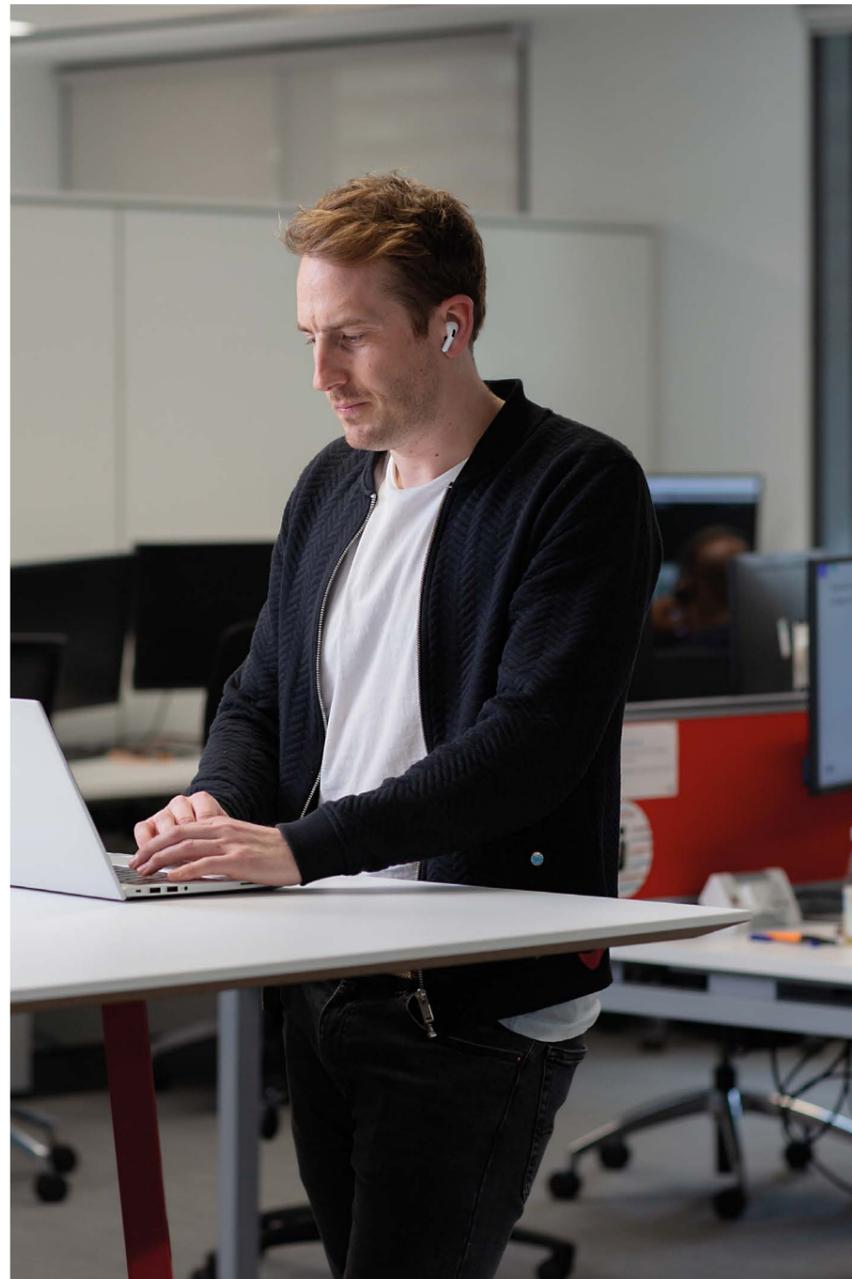
David Ward
Chief Financial Officer

22 June 2022

Principal risks & uncertainties

Risk management overview

GBG has an enterprise-wide risk management approach which is described in the GBG Risk Management Framework document. This Board-owned framework sets the standards and expectations of how risks are identified and managed within GBG.



The risk framework has been developed in line with external best practice and incorporates feedback from an internal audit review conducted by BDO LLP.

Taking risk management seriously, and following the framework, enables GBG to achieve its strategic objectives and helps us continue to build a sustainable business that delivers long-term stakeholder value.

GBG recognises that, to be successful, risks need to be identified and managed. This means creating the right risk culture; one where team members feel able to raise risk concerns and have access to the right mechanisms to consistently identify, assess and report risks.

GBG's risk strategy is aligned to the safe achievement of business objectives

Our risk strategy is to embed risk management within business processes and make sure everyone understands their role when it comes to managing risk.

Significant progress has been made to mature GBG's risk management capabilities

During the reporting period, GBG conducted a company-wide review, with business workshops, of all risks. This resulted in the creation of risk registers across all GBG business areas, which we refresh regularly in line with our standardised risk assessment approach.

We categorise risks in line with a risk taxonomy, which enables us to regularly report our risk profile to the Board's Audit & Risk Committee. These processes are led by a new, dedicated risk manager and include expert input from specialist risk teams as well as the views of the executive management team.

This work extends to newly acquired parts of GBG, including Acuant where, as a result of the recent acquisition and in line with all major acquisitions, there is a need to consider integration risks, and the impact of the acquisition on existing risks.

GBG will continue to invest in risk expertise and resources

GBG's risk management capabilities will continue to be matured in line with the growth of the business, so management can focus on the key risks and control issues. To make this happen, the Audit & Risk Committee oversee an ongoing risk management programme which is driving GBG's continuous risk management approach.

GBG's Chief Regulation Officer ('CRO') is accountable for delivering the risk programme. The CRO regularly provides updates to the Executive Team and the Audit & Risk Committee on progress with developing GBG's Risk Management Framework, as well as providing an independent view on what the top risks are in GBG.

GBG's risk programme incorporates the recommendations for improvements and developments to risk management processes which were identified through internal audit review.

The programme has delivered the new Risk Management Framework, enhanced risk reporting, risk and control registers across GBG and risk framework training for all team members about their role in managing risk.

We have also refreshed the top risks throughout the year, considering material business changes and external factors like economic and political risks. We have highlighted these top risks in the key risk section of this report.

External risk environment

The impacts of global disruption on the GBG business, its customers and team members are monitored closely.

Unexpected external events highlight the importance of robust incident management processes and skilled specialist teams who can identify potential weaknesses and close any gaps. While GBG hasn't experienced any significant issues, we continue to proactively manage any GBG impacts arising from Russia's invasion of Ukraine and the ongoing Covid-19 pandemic.

Russia's invasion of Ukraine

As the situation in Ukraine evolves, GBG is continually monitoring and reviewing its technology and operations to mitigate against any risks that may emerge.

An internal incident team conducted a thorough review of the risks for GBG and confirmed to the Board that the direct impacts were very low. GBG has no active customers or suppliers and no operations or team members in Russia, Ukraine or Belarus.

The Group supported team members who were impacted, and made sure that information security controls remained robust and internal and external communication requirements were dealt with.

We recognise that there will be continued political and economic impacts and the situation will continue to require close tracking.

Coronavirus ('Covid-19')

As the impacts of the pandemic continue to be felt across the globe, GBG continues to track developments and consider the impacts on our team members, customers and the Group's risks.

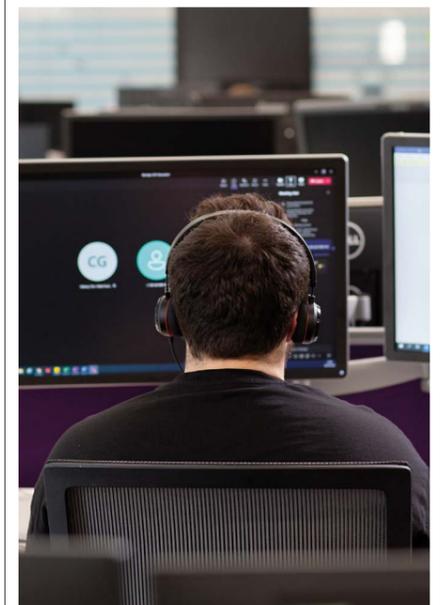
In a global business like GBG, an approach of local leadership provides team members with the advice and support they need to feel comfortable working through this pandemic, and there haven't been any operational issues.

The Board, and the Audit & Risk Committee, are aware that the impacts of Covid-19 could still have an adverse impact on business performance. As such GBG's 'Covid Team', led by the Executive Team members, continue to actively monitor and manage the situation. The Board continues to receive regular updates from the CEO, which confirms that the Group continues to demonstrate financial and operational resilience to the effects of the pandemic.

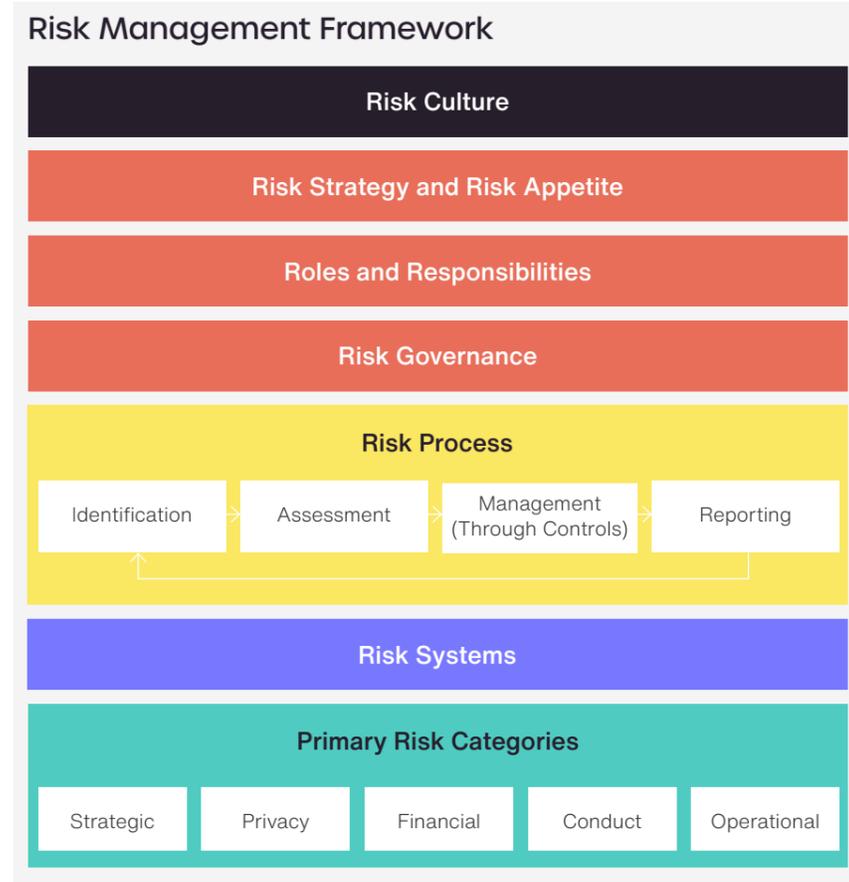
GBG continues to manage a diverse commercial portfolio so its future is not overly reliant upon sectors or customers that may suffer from the long-term effects of the pandemic.

Internally, we continue to focus on the health and wellbeing of team members, maintaining controls while team members work remotely.

While the long-term outlook for the effects of Covid-19 remains somewhat uncertain, the progress being made with vaccination programmes and new ways of working means the position seems to be improving. However, particularly given the global nature of our business whereby the situation can be inconsistent, we continue to monitor the situation and potential exposures closely.



Principal risks & uncertainties continued



Key elements of GBG's Risk Management Framework

The Board owns GBG's Risk Management Framework. It reviews the framework at least once a year, or where there are significant changes to the risk profile, business strategy, risk appetite and/or desired risk culture. The framework is based on accepted best practice and its implementation is supported by risk processes and risk guidance.

The key elements of the risk framework are as follows:

Roles and responsibilities

The Board

GBG's Board has overall responsibility for GBG's Risk Management Framework, as well as setting risk appetite and expectations for a positive proactive risk management culture. The Board's risk strategy is embedded in GBG's objectives and strategic aims as we proactively seek to identify, measure and report the risks that exist as a natural consequence of doing business.

The Board reviews the recommendations made to it by the Audit & Risk Committee and oversees strategic risk through our strategic planning cycle.

During the year, the Board was also updated on a range of risk topics that they oversee. These have included:

- monitoring and reviewing Group strategy
- new product and technology strategy updates
- acquisitions
- Covid-19 actions
- going concern reviews
- information security matters
- people initiatives
- relationships with investors
- remuneration matters
- succession planning
- governance and regulatory developments

Audit & Risk Committee

The Committee meets to assess and monitor progress with managing GBG's key risks. The Committee has responsibility to review the effectiveness of the GBG Risk Management Framework and make recommendations to the Board about any changes that may be required. The Committee also oversees and approves the external and internal audit plans.

The Executive Team

As well as owning GBG's key risks, the Executive Team are responsible for promoting a culture in which risk management is used proactively, enables innovation and is owned by everyone. The Executive Team review and monitor how much risk GBG is willing to tolerate (its risk appetite, as approved by the Board) and have accountability to manage and monitor the risks applicable to each business unit.

Collectively the team also make up our Crisis Management Team response and provide strategic direction and leadership in the event of a major risk issue occurring.

Specialist risk management teams

Specialist teams in information security, compliance, legal and risk are responsible for helping everyone at GBG understand their role in the identification, assessment and escalation of risks and issues. These teams continue to grow in line with the GBG's growth and risk profile.

Internal and external auditors

The Group's internal and external auditors are responsible for reviewing and assessing the Group's risk management and internal controls process and reporting their findings and recommendations to the Audit & Risk Committee.

BDO LLP were appointed to provide GBG with an outsourced internal audit arrangement. Reviews of cyber security controls, risk management framework, procurement and financial controls processes have been completed to date and the findings and recommendations are being monitored and closed out to agreed timescales.

Risk culture

Our risk culture has a significant impact on our ability to manage risk and helps make sure we do not allow activity which is at odds with our risk appetite. GBG's Executive Team is responsible for establishing, communicating and promoting the Board's expected risk culture, which aligns with GBG's strategy, objectives and risk management principles.

Risk strategy

GBG's risk strategy is embedded within the Company's objectives and strategic aims. GBG's risk strategy is to proactively identify, measure and report the risks that exist as a natural consequence of doing business. The customer is at the heart of our decisions as we seek to innovate our products and remain competitive.

GBG's risk management strategy includes investing in appropriate levels of control to keep GBG secure, support sustainable business growth and minimise losses.

Risk appetite

At GBG, risk appetite is defined as 'the amount and type of risk that we are prepared to seek, accept or tolerate'. The risk appetite framework is built around the principle of setting risk appetite in line with business strategy and aligned to controlling key risks. The Board approves appetite statements at least once a year. These statements are then translated into policy and process. We use key risk indicators to measure performance against agreed thresholds.

Risk policies

GBG's policy framework set the standards and expectations that must be observed when working across the various jurisdictions where we do business. Policies align with the top risks and, where necessary, team members are required to attest to having read and understood the policy.

Risk training

All team members participate in regular training on key risk topics, e.g. privacy and information security. Everyone is reminded routinely of the importance of their role in managing risk at GBG. Where it is felt necessary, GBG uses tests to make sure team members understood what they have learned and are meeting regulatory expectations. Those involved in specialised risk roles have budget allocated to make sure they stay on top of new developments and remain competent to fulfil their role.

Risk controls

As part of the risk assessment processes, risk control measures are put in place. Key controls are documented against the key risks and tested to ensure they provide adequate protection. Key controls include:

- Financial Controls - to make sure management information is relevant, timely, reliable and compliant with the applicable laws and regulations and controls for the approval of capital expenditure
- Strategic Planning Controls - to make sure GBG regularly reviews budgeting, strategic plans and business performance against the strategic plan, which is closely monitored by the Executive Team and Board
- Operational Risk Controls - to make sure GBG controls key operational risks and reports performance, e.g. cyber security, operational resilience and technology
- Conduct Risk Controls - to make sure GBG remains compliant with applicable laws and regulations and maintains a strong reputation
- Privacy Risk Controls - to make sure GBG collects, processes and analyses data in a way that complies with data privacy legislation

Risk incident management

Capturing, evaluating and learning from incidents that occur through the course of doing business helps us to highlight any inadequacies in controls. We have mechanisms in place to report and manage internal and external events which impact or could impact the Company adversely.

We have put detailed business continuity plans, disaster recovery plans and incident management processes in place so we can make sure we react swiftly where necessary. We test plans periodically.

We closely monitor levels of business disruption and these remain low. We quickly identify issues that might impact service and bring them under control.

Principal risks & uncertainties continued



GBG risk profile

GBG's risk profile remains stable and top risks remain under control

Like all businesses, GBG faces a number of risks and uncertainties. Our goal is to make sure that identified risks are managed within acceptable levels. As well as good judgement, GBG applies a methodical and consistent process, which we think increases the chances of identifying and managing risk successfully.

GBG uses a "bottom up" approach to identifying risks by conducting risk assessment workshops covering each of GBG's business units and central services functions.

The output from the risk assessment workshops creates risk registers, which set out all risks applicable to GBG globally.

The Executive Team then conducts a "top down" review to validate the workshop findings and to ratify the risk register. This enables further consideration of more strategic risks. This process is conducted annually and refreshed regularly to make sure risks arising from business changes are captured, e.g. the acquisition of Acuant.

The stability of the risk profile is evidenced by low levels of business disruption and no actual material reputation, legal or financial impacts because of risks occurring.

GBG risk appetite and primary risks

GBG have identified five inherent categories of risk which we seek to manage. Using these categories helps ensure full coverage of the more detailed risks that make up the GBG risk profile.

GBG's five primary risk categories:

1. Operational risks - Risks that affect GBG's ability to execute our strategy.

Risk Appetite Statement:

GBG has minimal appetite for operational disruption which adversely impacts our customers or reputation. We have low appetite for financial loss arising from inadequate systems, process, people or external events. We implement appropriate levels of control to maintain operational resilience while growing sustainably.

2. Financial risks - Risks relating to financial reporting, valuation, market, liquidity and credit risks.

Risk Appetite Statement:

We maintain a prudent liquidity profile to make sure we meet our long-term commitments and a balance sheet structure that limits reliance on potentially volatile sources of funding. We aim to deliver high-quality consistent earnings and have low appetite for earnings shocks.

3. Conduct risks - Risks relating to GBG's legal and regulatory compliance.

Risk Appetite Statement:

We aim to comply with all relevant regulation and laws in the jurisdictions within which we operate. We seek to maintain robust governance arrangements and meet ethical and societal expectations including transparent tax behaviour.

4. Privacy risks - Risks relating to failure to prepare for privacy changes which impact the business.

Risk Appetite Statement:

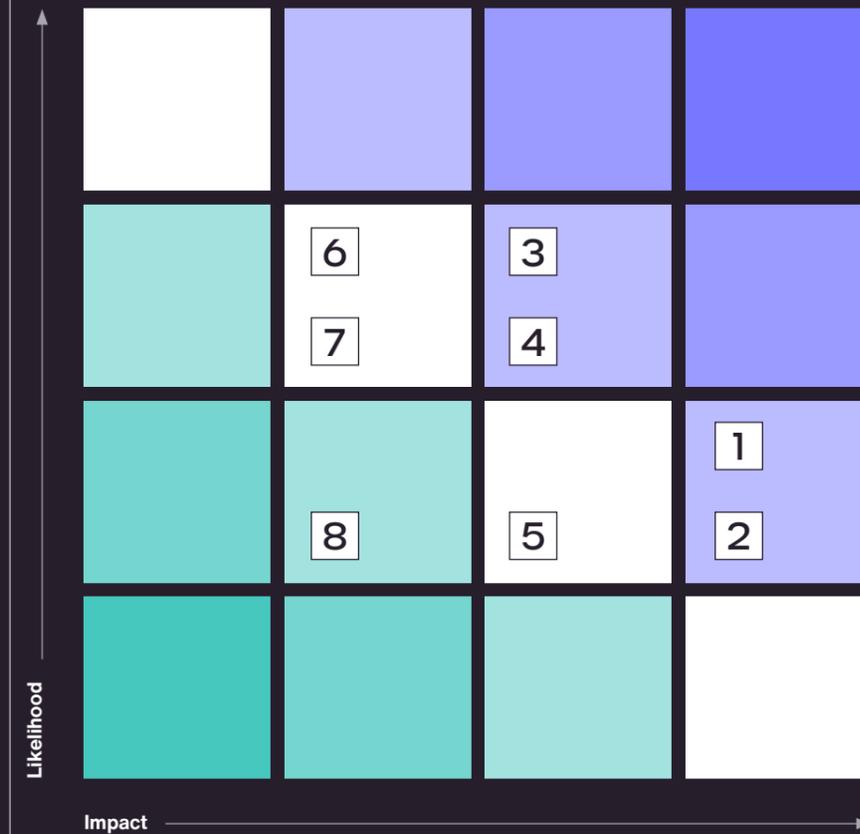
We expect to meet all relevant privacy rules and regulations in the countries within which GBG operates. We have no appetite for major breaches.

5. Strategic risks - Risks that affect or are created by GBG's strategic objectives.

Risk Appetite Statement:

We maintain appetite for organic and inorganic growth from complementary, diverse sources with palatable return on investment. We offer our products at prices which appropriately balance risk, growth and reward.

Risk heatmap



- | | | | |
|------------------------------------|---------------------------|--------------------------------------|--------------------------------|
| 1. Information security
Page 54 | 2. Integration
Page 54 | 3. Operational resilience
Page 55 | 4. Competition
Page 55 |
| 5. People
Page 56 | 6. Compliance
Page 56 | 7. Technology
Page 57 | 8. Third-party risk
Page 57 |

GBG's top risks

Aligned to our primary risk categories the top, more specific, residual risks are set out below together with a summary of the control measures and mitigations. We review these risks constantly, because we recognise the need for vigilance in identifying developing threats, including external changes.

The treatment of reputational risk

Everyone at GBG recognises reputational risk is an ever-present risk. The Board never underestimates the potential effects on GBG's good name and reputation. While the following risks do not include reputational damage, this is because it is treated as an overarching consideration in assessing all risks.

See our risk heatmap shown left.

Principal risks & uncertainties continued

Risk	Mitigation	Progress
<p>1</p> <p>Information security The threat of cyber-attacks breaching our controls, resulting in the potential loss or compromise in the confidentiality, integrity and/or availability of GBG information assets.</p> <p>GBG recognises there are many different information security risks, but cyber-attack risk continues to be the main threat to the Group's strategy.</p> <p>The inherent risk remains significant.</p> <p>As a custodian (Controller/Processor) of client identity data for some of the largest organisations in the world, GBG aims to set the highest standards of information security.</p>	<p>Any breaches of information security are reported and investigated, with appropriate corrective actions implemented.</p> <p>All team members receive information security training and must comply with this and all associated information security policies.</p> <p>We have adopted Information Security Policy & Standards that provide our Company with a common baseline set of information security controls that need to be in place to protect GBG information assets wherever they are being used. We use threat intelligence to better inform our risk position.</p> <p>GBG meets and maintains the requirements of ISO 27001 and PCI-DSS globally and aligns to other best practises where appropriate.</p> <p>We regularly assess the risk level of all GBG's critical suppliers.</p> <p>We have invested extensively in preventative and detective controls and continuously test the effectiveness of these controls.</p>	<p>The Group has continually strengthened its information security capabilities during the year as part of our ongoing cyber strategy. This means investing further in systems and controls, as well as expertise, in respect of threat and vulnerability assessment.</p> <p>We perform cyber simulation tests to assess the effectiveness of management response. The most recent test was positive, and learnings are incorporated into process updates.</p> <p>During the year, GBG has continued to use external certifications and standards to benchmark our defences. This work extends to all newly acquired or expanding business areas.</p>
<p>2</p> <p>Integration Risk of failing to integrate businesses including the newly acquired Acuant business and deliver on benefits.</p>	<p>We conducted detailed due diligence before confirming the acquisition. Any areas identified for further review have since been closed into detailed workstream plans. No major concerns were identified.</p> <p>Since the acquisition was announced, robust executive-level programme governance has been in place.</p> <p>This activity is led by experienced programme management resources who, together with the Executive Team, have put in plans to manage risks, track benefits and ensure a clear integration plan, centred on clear strategy.</p> <p>Regular updates are shared with the Board, who oversee the integration programme.</p>	<p>The discovery phase of programme integration has completed. We have created a new regional business, 'GBG Americas'. This business will advance the combining of resources, so we can deliver for our customers and maintain our strong reputation.</p> <p>We have created global teams to support the product development and operations for GBG's global product portfolio.</p> <p>The progress of the integration creates the opportunity to expand the provision of Acuant services into other core GBG regions (EMEA and APAC).</p>

Risk	Mitigation	Progress
<p>3</p> <p>Operational resilience Risk of unplanned interruption impacting our ability to deliver critical operations.</p> <p>We rely upon IT systems, suppliers and people to maintain continuity of our service.</p> <p>There is a risk that service could be disrupted if an internal or external incident occurred.</p>	<p>GBG recognises the importance of maintaining service availability to our customers, therefore we have comprehensive Information Technology Service Management ('ITSM') processes in place over all services in GBG plc.</p> <p>Our ITSM framework is aligned with the Information Technology Infrastructure Library ('ITIL') framework. As such, GBG has detailed policies, processes and procedures in place covering incident and problem management, change management, access management, capacity management and risk management among others.</p> <p>GBG operates full lifecycle ITSM. This is, naturally, subject to continuous improvement plans.</p>	<p>Service availability performance continues to be very strong.</p> <p>GBG has ISO27001 certification, which requires regular audits of our information security management systems and controls. No major issues have been identified.</p> <p>GBG has set up global business continuity policies and procedures, as well as disaster recovery plans, backups and data centre provisions.</p> <p>Our plans for further migration to cloud-based solutions will strengthen our controls further.</p>
<p>4</p> <p>Competition We operate in a highly competitive market. We recognise there is a risk of being undercut on price, reducing margins, or competitors introducing new products which would make GBG uncompetitive.</p> <p>Linked to this is the risk that we fail to respond to meet opportunities when they arise or we see unexpected shifts in customer or market demand.</p>	<p>We work to identify and manage trends, threats and opportunities, as we pursue a business strategy that seeks to build a strong reputation in the industry and ensure a sustainable future.</p> <p>We track the following factors proactively, and incorporate them in our thorough strategic planning lifecycle;</p> <ul style="list-style-type: none"> • increased competition • changes in the markets in which we operate • regulatory changes limiting or opening up sources of data • the political stability within the countries where we do business <p>Business development and product teams track established and market disruptor competitors. This information influences our go-to-market strategy, and we have increased our focus on data sourcing, product innovations, product marketing and pricing to support this.</p> <p>We continue to enhance our product portfolio, focusing on innovation through a mix of:</p> <ul style="list-style-type: none"> • internal development • partnering • acquisition and investment • strategic recruitment <p>We maintain a strong focus on our core target markets within UK, EMEA, Europe, North America and APAC and work with partners to extend our reach.</p>	<p>Our acquisition strategy has enabled geographic and market expansion, as well as enhanced product capabilities to increase competitive advantage in key markets.</p> <p>The acquisition of Acuant in November 2021 was the latest in a line of strategic decisions designed to bring complementary and differentiated features to our Company and our customers.</p> <p>We are always on the lookout for future acquisition opportunities to further develop our strategic aims – always striving to differentiate ourselves from the competition.</p>

Principal risks & uncertainties continued

Risk	Mitigation	Progress
<p>5</p> <p>People</p> <p>There is a risk that GBG fails to attract and retain top talent in a highly competitive market, resulting in key skills gaps and/or reducing our ability to grow.</p> <p>Over the past year, we have seen an increase in attrition as pandemic lockdowns have eased.</p> <p>Like many organisations, we recognise that we operate in a competitive market. We have team members with skills and expertise which are attractive to many of our competitors.</p> <p>Not having, or having access to, the right people could impact our business opportunities adversely.</p>	<p>We continue to invest in our team members' growth and development. We offer competitive total reward packages, which we regularly benchmark and review.</p> <p>We have strategies we can use if we need to retain top talent.</p> <p>We monitor attrition rates, vacancy levels and employee engagement levels by location and business function to make sure we have corrective actions in place.</p>	<p>GBG's 'Work When and Where You Want Policy' empowers all our team to work as flexibly as they require.</p> <p>This enables strong work/life balance by providing choice and flexibility to work in a way that suits. The impact of this policy has been positive for recruitment and employee advocacy.</p> <p>The GBG annual team member survey of people engagement continues to demonstrate high levels of engagement right across the Group.</p> <p>In a recent Gallup employee engagement survey 95% of team members said they would recommend GBG as a great place to work.</p> <p>We also monitor the Board's effectiveness and skill set and recruit additional members where necessary. This helps us to:</p> <ul style="list-style-type: none"> • make sure we have effective succession on the Board • supplement the Board's skill set • maintain strong, independent directors
<p>6</p> <p>Compliance</p> <p>Risk of GBG global products and services being non-compliant with privacy rules and regulations.</p> <p>We recognise the importance of complying with rules and regulations across all the jurisdictions where we do business.</p> <p>Internationally, privacy compliance rules and regulations are increasing for companies like ours that control and process data. Data subjects are also becoming more aware of their rights.</p> <p>For GBG, privacy compliance is one of our top inherent risks. This is because of:</p> <ul style="list-style-type: none"> • the global nature of our business • our use of customer and supplier data to provide our services • the changing nature of our business as we seek to innovate and grow <p>This risk recognises it's important to have appropriate controls in place to make sure we comply today, that we comply with changes to rules and regulations and that we maintain a positive relationship with regulators.</p>	<p>GBG has a dedicated legal and privacy team who, led by the CRO, are collectively responsible for monitoring changes to legislation and ensuring privacy compliance controls are in place and effective.</p> <p>We continue to invest in this area and we have increased the number and skills levels of the respective teams in the past year.</p> <p>We have access to an extensive and global range of external professional advisors, and we have an internal global network of data protection/privacy experts. These experts work with business teams to make sure team members comply with regulatory obligations associated with data protection and privacy legislation.</p> <p>We also monitor these processes to make sure all team members complete the necessary training.</p> <p>We will continue to invest in training team members in relation to data handling and privacy best practices.</p>	<p>As reported in previous periods, in November 2018, the Information Commissioner's Office, the data industry regulator in the UK, announced that it was conducting audits on several companies to understand the use of data in their services.</p> <p>GBG was included in this review and continues to engage positively with the Commissioner as this nears conclusion. We will keep the market informed of any material developments.</p>

Risk	Mitigation	Progress
<p>7</p> <p>Technology</p> <p>Risk of loss, disruption or damage because of the failure of IT systems.</p> <p>Our technology supports service continuity and our team members. It also strengthens our ability to develop our products so we can stay competitive and reliable.</p>	<p>Our product and technology teams use methods, tools and skills that reinforce best-practice development approaches. Our technology development roadmap makes sure we maintain our systems, optimise performance and carefully implement end of life management.</p> <p>As part of product lifecycle management, we have increased our focus on product retirement, to make sure we focus our development resources on the activities that drive growth.</p>	<p>We continue to invest in modernising our customer-facing platforms so we can achieve greater scale and reach.</p> <p>We have implemented new front-end platforms for location and fraud and a new back-end platform for identity. We have also improved our product platforms and we're investing in business support systems that help the business scale.</p> <p>We are also focused on integrating our newly acquired businesses (including Acuant). This will help us drive synergies, insights and collaboration across the businesses to maximise value from our acquisitions.</p>
<p>8</p> <p>Third-party risk</p> <p>Risk of loss because of failure to onboard or manage a third-party relationship appropriately.</p> <p>It's the nature of our business to secure data and infrastructure from third-party suppliers and partners.</p>	<p>We maintain a list of our most critical suppliers. This helps us make sure we have robust contract, performance and relationship management in place.</p> <p>When we start a relationship, we perform due diligence to make sure we understand and mitigate key risks.</p> <p>We have put regular supplier relationship management in place to assess performance and make sure issues like supplier's business continuity and risk management plans are in line with our policy expectations.</p>	<p>Recognising the potential risk associated with poor supplier performance, the Risk and Audit Committee requested an internal audit review.</p> <ul style="list-style-type: none"> • we have adopted internal audit's recommendations to make sure any risks are fully mitigated. This included: • creating a Group procurement team • standardising the procurement process • increasing automation • improving the efficiency of the due diligence process while addressing risks

Emerging risks

Our risk landscape continues to evolve. Our assessment of the top risks highlighted in this year's report recognises this fact. We continually scan the horizon for regulatory developments, market trends and changes in customer expectations. It is our ability to identify, assess and respond to these changes that will ensure the sustainability of our business.

Our risk profile work monitors for risks like customer concentration, compliance with local governance expectations, environmental changes, societal trends, external economic factors like the impact of inflation and change execution to make sure we are staying within appetite. When necessary, we conduct reviews to make sure our strategy is aligned to developments. Increasingly, we see a role for GBG to guide our customers through changes and trends we have identified by helping them with their business plans.

Covid-19 and Russia's invasion of Ukraine have highlighted the need to carefully consider responses to potentially major events, to have robust incident management responses and to track the subsequent developments for impacts on GBG.

Viability statement

Our business model and strategic priorities are key to the Board's assessment of the Group's prospects and determination about whether the Group can continue in operation and meet liabilities as they fall due. We continuously review these alongside forecasts and budgets to have a clear view, so far as is possible, on the Group's viability over the medium term.

The Board's assessment of viability is influenced by the business' current and projected performance against financial and non-financial KPIs and an analysis of principal risks within the Group's risk assessment framework.

In particular, the assessment includes consideration of, and recent recovery from the pandemic, the impact of the external economic environment, the impact of any Merger & Acquisition activity and the regulatory agenda.

Management currently forecasts a variety of different time horizons relevant to assessing our prospects as part of the business planning process and capital investment cycle. We use a detailed bottom-up budget model to forecast for a period of one-year in advance and a top-down model for a period of five years.

We use a five-year timeline when considering viability, because we believe it's difficult to forecast across the entire Group for a period longer than this with any significant level of certainty.

The principal risks and uncertainties that affect the Board's assessment of the Group's viability in this period are operational, conduct, strategic, privacy and financial risks. The Board considers the key mitigants:

- GBG's operations being spread across diverse sectors and increasingly global presence in politically and economically stable markets
- a history of limited business disruption or major incidents due to investment in commensurate controls
- strong cash reserves and access to pools of liquidity
- continued strong customer demand for GBG's innovative and reliable products
- Board-approved prudent risk appetite
- being well placed to manage regulatory change

Based on the actions available to them, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period of their assessment. We acknowledge that this assessment is subject to uncertainties outside of our control and accordingly, the viability of the Group cannot be guaranteed. Although the RCF facility is due to expire in July 2025, there are two one-year extension options (subject to further bank approval) and so the RCF facility would need to be extended, refinanced or repaid in full during the viability period. Based on current forecasts we would expect to have fully repaid the current outstanding RCF facility within the viability period.

Going concern

The Group's business activities, together with the factors likely to affect our future development, performance and position are set out in the Chief Executive's Review on pages 36 to 39. The financial position of the Group, its cash flows and liquidity position are described in the Financial Review in pages 42 to 47. Full details of the Group's going concern assessment is set out in note 2.2 in the consolidated financial statements.

Following consideration of the budget, downside and stress test scenarios, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence beyond the assessment period which covers through to 30 September 2023. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.