

Engaging with our stakeholders and Section 172

Stakeholder engagement is central to the formulation and execution of our strategy and, therefore, to the Group's success.

The Board considers the interests of our different stakeholders in all decisions but is mindful that the interests of different groups may compete, and decisions may not always lead to positive outcomes for all stakeholders. This section explains who GBG's stakeholders are, provides insight into how the Board engages with them, explains the actions or outcomes resulting from this engagement and points you to where you can read more about how our business is aligned to stakeholder interests.



Investors

How we have engaged

- live full and half-year results presentations and Q&A's (in-person in London and broadcast virtually);
- the Annual General Meeting;
- regularly updated Investor area on our website, www.gbgplc.com, providing information on the business, news, reports and presentations;
- one-to-one meetings between investors and the Chair and, where appropriate, the Committee Chairs;
- the CEO and CFO participate extensively in investor engagement, conducting investor roadshows at the full and half-year results announcements as well as attending investor conferences hosted by investment banks throughout the year. Feedback is regularly collected by our corporate brokers to provide to the Board following these activities;
- our proactive engagement programme involving our management team conducted over 200 meetings with existing and potential investors, supported by the Group's Investor Relations Senior Manager, with the Board again being updated frequently on these activities; and
- in January 2023, we held a well-attended Capital Markets Day covering the longer-term investment case for GBG. The event was hosted by our CEO and CFO involving senior management from across the business and an independent industry analyst. The event was held in-person in London but also well attended virtually. You can view the materials and watch a recording of the event online (www.gbgplc.com/en/investors/resources/capital-market-events/), read more on page 50.

What is important to this stakeholder group:

- financial performance;
- dividends;
- share price;
- strategy and business model; and
- ESG initiatives & performance.

Actions or outcomes resulting from our engagement:

- ongoing engagement supports good understanding of GBG's current strategy and investment case from the investment community

How our business positively impacts this stakeholder group:

- read about our strategic priority of 'Investor Trust' on page 6



People

How we have engaged

- visits to office locations to meet team members informally;
- bi-weekly live business updates hosted by the CEO and held at two different times of the day, to accommodate different time zones. Approximately two thirds of each session is given over to a live Q&A where team members can have questions answered by the CEO, the Chief People Officer or other Executive Team members;
- regular team member engagement surveys, the results of which are shared with the Board; and
- quarterly awards for outstanding performance, annual 'kick-off' seminars to provide team members with information on strategy and objectives and regular team building events. Key feedback from these activities is shared with the Board to celebrate exceptional performance and identify areas of improvement.

What is important to this stakeholder group:

- safe working environment and flexible working;
- development and progression;
- competitive remuneration;
- diversity and inclusion;
- environmental footprint; and
- clear policies.

Actions or outcomes resulting from our engagement:

- engagement survey feedback is collated and management are given action points to address areas of improvement

How our business positively impacts this stakeholder group:

- read about our strategic priority of 'Team Trust' on page 6



Customers

How we have engaged

- a 'Voice of the Customer' programme, run throughout the year, to gain feedback on how well we are performing for our customers. The Board receives an update on the programme at every Board meeting;
- a 24/7 helpdesk, for all customers, is available via multiple channels, with an automated survey to gain feedback that can be used to improve the service; and
- marketing activities, thought leadership webinars and 'customer lab' sessions where customers can discuss topics with industry peers.

What is important to this stakeholder group:

- relationship management;
- product quality;
- product availability; and
- product cost.

Actions or outcomes resulting from our engagement:

- all 'Voice of the Customer' feedback is acted on by dedicated account managers

How our business positively impacts this stakeholder group:

- read about our strategy on page 6 and discover how our solutions are delivering for our customers on pages 10 to 17

Engaging with our stakeholders and Section 172 continued



Communities

How we have engaged

- hosting events to support diversity, equity and inclusion, such as our 'Women in Tech' events;
- conducting a materiality assessment, with responses fed back to the ESG Committee so that feedback can be embedded into our ESG strategy. You can read more on pages 18 and 19; and
- running fundraising events and charitable initiatives that raise money for charitable causes or provide practical help to local causes.

What is important to this stakeholder group:

- social and ethical impact;
- ESG;
- supporting the communities in which we work; and
- diversity and inclusion.

Actions or outcomes resulting from our engagement:

- activities designed to support charitable causes through fundraising and volunteering

How our business positively impacts this stakeholder group:

- read how our products and services enable individuals to access online services safely and securely on pages 10 to 17 and read our ESG Statement on pages 18 and 19



Suppliers

How we have engaged

- approving, annually, our supplier Code of Conduct, ensuring it continues to set the tone with regards to the standards we expect from them;
- onboarding due diligence for new suppliers including assessing privacy compliance and infosec standards, with the Board overseeing the expectations we place upon our suppliers; and
- a dedicated procurement team to develop strong relationships with our suppliers. The Board receive an update from the Procurement Team at least annually.

What is important to this stakeholder group:

- social and ethical impact;
- payment practices; and
- develop and maintain long-standing relationships.

Actions or outcomes resulting from our engagement:

- an established GBG Supplier Code of Conduct and procurement process means we have strong relationships with our suppliers

How our business positively impacts this stakeholder group:

- read about Ethics on pages 30 and 31



Government and Regulators

How we have engaged

- the Chair of the Audit and Risk Committee regularly attends events to understand areas of regulatory focus;
- industry consultations, with responses vetted and approved by the Board or a relevant Committee; and
- trade association memberships and conferences, with updates provided to the Board by the relevant area of the business attending.

What is important to this stakeholder group:

- compliance; and
- maintaining good relationships with regulators.

Actions or outcomes resulting from our engagement:

- through engagement with the UK Digital Identity and Attributes Trust Framework, GBG has gained certification to the Framework and you can read more on page 15

How our business positively impacts this stakeholder group:

- read about how our risk management (pages 51 to 59) and our governance processes (pages 64 to 71) ensure compliance with laws and regulations



Banks

How we have engaged

- regular meetings with our banking syndicate, to update them on our prospects and governance and to secure optimum rates and terms

What is important to this stakeholder group:

- well-managed risk; and
- ability to repay loans.

Actions or outcomes resulting from our engagement:

- the strength of our banking relationships and the confidence the banks have in GBG was illustrated by their approval, in November 2022, of a one-year extension to the termination date of our loan agreement to July 2026. The collapse of Silicon Valley Bank (SVB), in March 2023, further demonstrated the strength of our relationships. SVB was our main banking partner in the US and its collapse could have impacted the Group's ability to make and receive payments. Being part of a banking syndicate and our positive relationships with other banks within it, meant we were quickly able to appoint a new banking partner in the US. The same bank also absorbed SVB's part of our key credit facility

How our business positively impacts this stakeholder group:

- read about our financial performance (pages 38 to 43) and our risk management (pages 51 to 59)

Engaging with our stakeholders and Section 172 continued

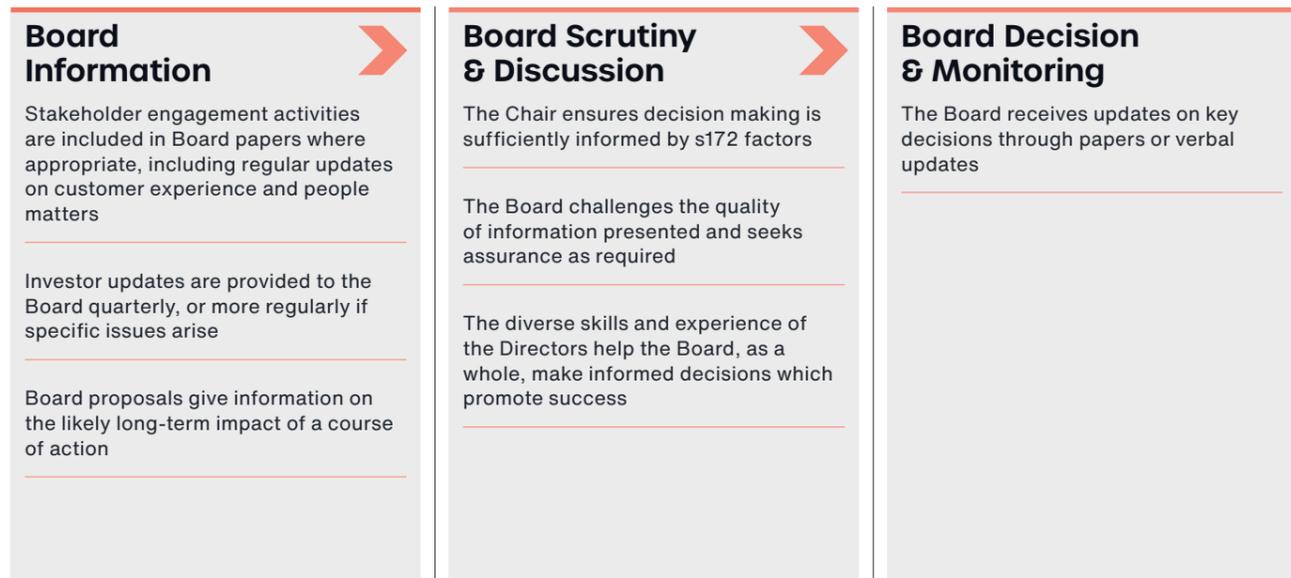
In accordance with section 172 of the Companies Act 2006, the Board have a duty to act in a way they consider, in good faith, would be most likely to promote the success of the Company. This part of our report explains how the Board have had regard to the matters set out in section 172 when performing their duty.

This section is the Board’s “section 172(1) statement” in accordance with section 414CZA of the Companies Act 2006.

The table below sets out the factors to which the Board should have regard when performing their duty under section 172 and points to other disclosures within this report that are relevant to each factor:

Section 172 Factor:	Where you can read more:
(a) the likely consequences of any decision in the long term	Business Model & Strategy – pages 8 and 9 CEO Statement – pages 32 to 35 KPIs and Financial Review – pages 36 to 43
(b) the interests of the company’s employees	ESG Statement – Everyone – pages 25 to 29 Whistleblowing – page 76
(c) the need to foster the company’s business relationships with suppliers, customers and others	Business Model & Strategy – pages 8 and 9 Solutions and Marketplace – pages 10 to 17 CEO Statement – pages 32 to 35
(d) the impact of the company’s operations on the community and the environment	Solutions – pages 10 to 17 ESG Statement – Environment – pages 20 to 24
(e) the desirability of the company maintaining a reputation for high standards of business conduct	ESG Statement – Ethics – pages 30 and 31 Internal Controls – page 76 Sanctions and ABC – page 76
(f) the need to act fairly as between members of the company	Financial Review – Dividend Policy – pages 38 to 43 Annual General Meeting – page 5

The graphic below explains how the Board incorporate stakeholder interests into their decision making process and monitor the impact of key decisions:



The decisions highlighted below have been included as examples of how the Board have had regard to the matters set out in section 172 when making decisions that impact our different stakeholder groups:

Introduction of a Restricted Share Plan ('RSP')

At the 2022 AGM, shareholders were asked to approve the introduction of a new Restricted Share Plan. Under the plan, executives below Board level can be granted share options that are not subject to performance conditions. Options granted under the RSP are coupled with a greater number of options granted under our Performance Share Plan ('PSP'), which are subject to performance conditions.

Why was this important to the Board?

This was an important decision for the Board, which required them to balance the interests of our team members (who need to be confident that incentive arrangements will provide reasonable return as we navigate a challenging macroeconomic climate), with the needs of shareholders (who need any incentive arrangements to challenge team members to produce growth).

Which s172 factors were at the heart of this decision?

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company’s employees; and
- (c) the need to foster the company’s business relationships with suppliers, customers and others.

Which stakeholder groups were impacted by this decision?

Investors and People.

Brand Alignment in the Americas

The acquisition of Acuant (covered in detail in last year’s Report) significantly expanded the Group’s opportunity in the Americas. To capitalise on this opportunity, the Board has taken the decision to align our brand proposition in the region, for our identity business, to “GBG IDology”. This will allow us to maximise cross-selling opportunities, increase collaboration between team members and identify opportunities to streamline processes and, therefore, reduce costs.

Why was this important to the Board?

The Americas region and the successful implementation of the Acuant acquisition are key to the successful delivery of our strategy.

Which s172 factors were at the heart of this decision?

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company’s employees; and
- (c) the need to foster the company’s business relationships with suppliers, customers and others.

Which stakeholder groups were impacted by this decision?

Investors, People, Customers and Suppliers.

Takeover Approach by GTCR

In September 2022, the Board was advised by GTCR that they were considering making a formal offer to acquire GBG’s entire issued share capital. An approach such as this is not uncommon but news of the approach was leaked by an unknown source. This leak required both GBG and GTCR to comply with the strict timescales set out in the Takeover Code and meant that all shareholders, team members, customers and suppliers knew of and were interested in the approach.

Why was this important to the Board?

The Board, in responding to the approach, was obliged to comply with their Directors duties under the Companies Act 2006 and with Rule 3 of the Takeover Code by ensuring any offer was fair and reasonable and promoted the success of the Company for the benefit of shareholders. The Board also had to consider the interests of team members and all other stakeholder groups. The Board met 4 times within 6 weeks, receiving regular updates on internal activities required to be undertaken in response to the approach. Ultimately, no formal offer was made by GTCR. However, the Board’s response and decisions during the period demonstrated their ability to balance the competing interests of all stakeholders.

Which s172 factors were at the heart of this decision?

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company’s employees;
- (c) the need to foster the company’s business relationships with suppliers, customers and others;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct (in so far as compliance with the Takeover Code was an imperative); and
- (f) the need to act fairly as between members of the company.

Which stakeholder groups were impacted by this decision?

Investors, People, Customers, Suppliers and Regulators.

Engaging with our stakeholders and Section 172 continued

Our capital markets event

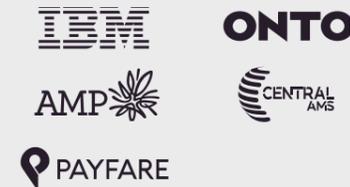
We actively engage with investors throughout the year. Our capital markets event on 19 January 2023 provided one of the anchors to our engagement in FY23, articulating our strategy and refreshing investor understanding of our investment case over the mid-term.

Our capital markets event snapshot

260+
Attendees

5
Customer testimonials

8
Presentations from GBG senior management



Watch highlights video from the event and additional materials at

gbgplc.com/en/investors/resources/capital-market-events/



Reinforced GBG's market opportunity

- Discussed the positive structural tailwinds and themes driving our markets as we heard from Aite Novarica, an independent industry analyst
- Reiterated our strategy to deliver growth



Educated investors on how we differentiate

Remember most investors are generalists!

- Our strategy to deliver growth
- Driven by differentiated offering
- Data, technology & people



Brought GBG's business to life

Added weight and credibility to our investment case:

- Hearing and meeting from the wider senior management team
- Customer testimonials
- Held a number of product demonstrations including our recently launched GBG GO solution

Principal risks and 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 framework is in line with external best practice and updated at least annually.

Taking risk management seriously and following the processes described in the framework enable the safe delivery of business objectives and helps us to continue to build a sustainable business.

“GBG’s risk strategy is aligned to GBG’s purpose and the achievement of business objectives”

GBG risk strategy recognises that risks are a natural consequence of business activity and to be successful, need to be identified and managed.

Fundamental to GBG’s risk strategy is the nurturing of a positive proactive risk management culture whereby team members feel able to raise risk concerns and have access to processes to consistently identify, assess, manage and report risks.

Wherever possible risk management is embedded within business processes and steps are taken to make sure everyone understands their role when it comes to managing risk.

“GBG’s risk management capabilities continue to mature and embed”

The Audit and Risk Committee oversee an ongoing risk management programme which drives GBG’s risk management approach.

GBG’s Chief Regulation Officer (“CRO”) is accountable for delivering the risk programme and supported in this role by GBG’s Risk Manager.

The CRO, together with the Risk Manager, provide updates to the Executive Committee and Board Audit and Risk Committee on progress with developing GBG’s risk management framework. Both the CRO and Risk Manager have direct access to the Chair of the Board and the Chair of the Audit and Risk Committee and attend the Committee to provide their independent view about the management of the top risks.

In this reporting period the risk programme has:

- delivered an updated risk management framework incorporating ESG;
- matured the risk policy framework;
- enhanced risk reporting;
- managed risk appetite;
- simplified incident reporting;
- improved risk training; and
- continued risk assessment activity.

GBG’s key risks are reviewed throughout the year, considering control issues, business changes and external factors. The top risks are highlighted in the key risk section of this report.

External risk environment

The external risk environment is monitored closely. We seek to proactively manage any potential impacts arising from global events or uncertain economic conditions.

Russia’s invasion of Ukraine

GBG’s exposure to the impacted regions is negligible. However, recognising the potential for risk to arise from this conflict, technology and operations continued to be monitored and reviewed to mitigate against any risks that may emerge e.g. we have strengthened controls surrounding sanctions checking.

Coronavirus (Covid-19)

Recognising the social and economic impacts of the pandemic are still being felt across the globe, and could still impact business performance, regular updates continue to be provided to the Executive. These updates confirm the Group continues to demonstrate financial and operational resilience to the effects of the pandemic.

External Economic Conditions

During this reporting period the state of the global economy has created challenging conditions for our customers and our team members with resultant impacts on GBG’s risks.

The impact of inflation, increasing interest rates, energy price increases and the ‘cost of living crisis’ on the supply chain and the real incomes of our global team members is closely monitored.

Direct action was taken to compensate team members on lower incomes to help alleviate some of the impacts. We continue to listen to team member feedback, benchmark reward packages, track external developments and may act if necessary, overall though the level of People risk has remained stable and attrition rates are reducing.

Customers’ operating conditions have also been very challenging.

Particularly for our Identity customers these difficult conditions resulted in less transactional demand. This is especially true in sectors like cryptocurrency and for our internet economy customers, however, GBG continues to manage a diverse commercial portfolio and is not overly reliant upon specific sectors. As described in the Financial Review section on pages 38 to 43, the collapse of Silicon Valley Bank and subsequent issues surrounding the banking sector did not have any adverse impact on GBG.