GlobalData Plc

Annual report & accounts

For the year ended 31 December 2021

www.globaldata.com
COMPANY NO. 03925319

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Reliance on this document

Our Business Review on pages 4-22 has been prepared in accordance with the Strategic Report requirements of section 414C of the Companies Act 2006. The intention of this document is to provide information to shareholders and is not designed to be relied upon by any other party or for any other purpose.

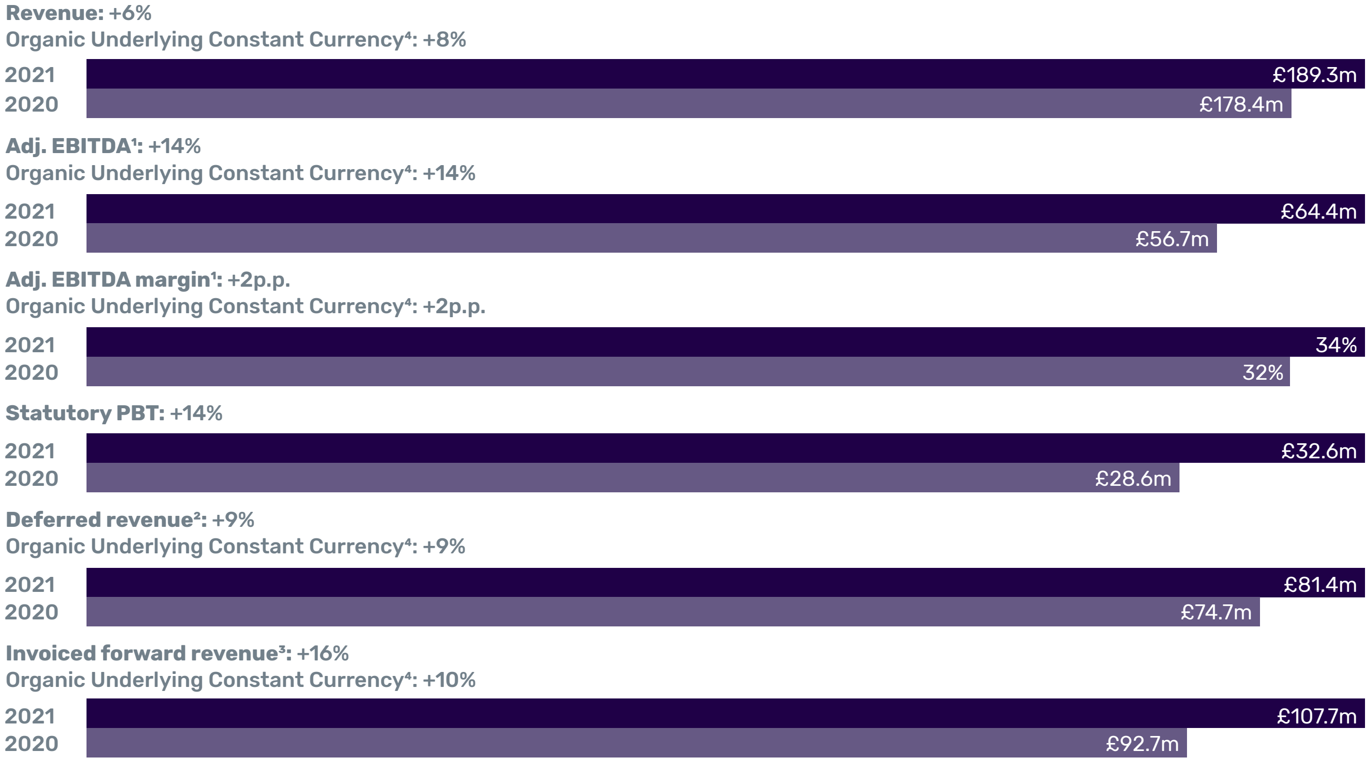
Forward-looking statements

This document contains forward-looking statements which are made by the Directors in good faith based on information available to them at the time of approval of this report. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing, anticipated costs savings and synergies and the execution of GlobalData Plc's strategy, are forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including a number of factors outside of GlobalData Plc's control. Any forward-looking statements speak only as of the date they are made, and GlobalData Plc gives no undertaking to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes to events, conditions or circumstances on which any such statement is based.

Strategic Report

2021 Highlights

Key performance metrics



> "Our clear focus is on sustainable growth delivered through four key pillars: Customer Obsession, World-Class Product, Sales Excellence and Operational Agility."

Mike Danson, Chief Executive Officer

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, adjusted to exclude costs associated with acquisitions, restructuring of the Group, share-based payments, impairment, unrealised operating exchange rate movements and the impact of foreign exchange contracts. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue. This is reconciled to the statutory operating profit on page 18.

Note 2: Deferred revenue: Deferred revenue relates to amounts that are invoiced to clients at the statement of financial position date, which relate to future revenue to be recognised. This is adjusted for amounts that are not yet due for payment and the service has not yet commenced. This is reconciled to invoiced forward revenue on page 20.

Note 3: Invoiced forward revenue: Invoiced forward revenue relates to amounts that are invoiced to clients at the statement of financial position date, which relate to future revenue to be recognised. This is reconciled to deferred revenue on page 20.

Note 4: Organic underlying constant currency: Defined as growth in business (excluding acquisitions) excluding impact of movement in exchange rates. This is reconciled to the reported change on page 21.

Strategic Report

Financial and Operational Highlights

Continued investment in Growth Optimisation Plan and progress across strategic priorities, with Customer Obsession our number-one priority

Organic underlying constant currency[4] revenue growth of

8%

offset with currency headwinds for reported growth of

6%

Statutory PBT grew by £4.0m to

£32.6m

(2020: £28.6m)

Adjusted EBITDA[1] up 14% to

£64.4m

(2020: £56.7m) and Adjusted EBITDA margin[1] improvement of 2 percentage points to

34%

Customer focused initiatives have driven growth and further deepening of our relationships

Final dividend of

13.2p

up 14% (2020: 11.6p); total dividend of 19.3p, up 14% (2020: 17.0p)

Completion of two strategic acquisitions

Deferred revenue[2] up 9% to

£81.4m

(2020: £74.7m) and Invoiced forward revenue[3] up

16%

to £107.7m (2020: £92.7m), with organic underlying constant currency growth of 10%

Set strong foundations for accelerated growth through One Platform enhancements and investment in B2B industry websites

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, adjusted to exclude costs associated with acquisitions, restructuring of the Group, share-based payments, impairment, unrealised operating exchange rate movements and the impact of foreign exchange contracts. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue. This is reconciled to the statutory operating profit on page 18.

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Note 4: Organic underlying constant currency: Defined as growth in business (excluding acquisitions) excluding impact of movement in exchange rates. This is reconciled to the reported change on page 21.

Principal Activity: The principal activity of GlobalData Plc and its subsidiaries ('the Group') is to provide business information in the form of high-quality proprietary data, analytics, and insights to clients in multiple sectors.

Our Mission: To help our clients to decode the future, make better decisions, and reach more customers.

Our Vision: To be the leading data, analytics, and insights platform for the world's largest industries.

A snapshot of our Group

16
industry sector deep coverage

GlobalData.
31 December 2021

+4,600
clients

3,624
employees

Strategic Report

Our Business

OUR BUSINESS MODEL

The Group provides service across a breadth of industry markets and functions, on a global scale on One Platform. We have a clear philosophy of owning our own data and intellectual property, and seek to be a long-term, strategic partner to our clients, by serving their critical activities with a differentiated, "gold standard" offering.

The solutions we provide are highly proprietary and embedded into our customers' workflows, which drives high customer retention. The Group benefits from significant operating leverage due to a "build once, sell multiple times" business model, which drives significant margin expansion.

Our clients typically subscribe for 12 months' access. This approach drives the following business model attributes:

- **Recurring revenue** – highly recurring subscription revenue, with high retention and revenue visibility
- **High incremental margins** – significant operating leverage due to "build once, sell multiple times" model, and a largely fixed cost base.
- **Strong cash flow generation** – low capital requirements and mostly advance customer payments support high cash flow conversion, working capital benefits and capacity for reinvestment.
- **Scalable and defensible position** – large, diversified opportunities with attractive tailwinds, strong competitive moat and an agile, scalable company with one platform.

The visible and recurring revenue base creates a resilient business model, with subscriptions making up over 80% of revenue. The balance of our revenue is made up of ancillary services such as bespoke consulting, single copy reports, and events, which all harness our core assets.

GlobalData's client base is globally diversified, which reflects our globally relevant data assets and gives the Group significant market opportunity.

The Group assesses potential M&A targets and looks for the same business model fundamentals in its targets, which enables greater alignment and integration opportunities.

Strategic Report

Our Business

CAPITAL ALLOCATION

Our objective is to achieve long-term compounding growth and maximise shareholder returns.

GROWING OUR REVENUE
Consistent 10%+ Growth Range

Volume Renewal + Value Renewal + New Logo + M&A

INCREASING OUR PROFITABILITY
Adj. EBITDA Margin 35%-40% Range

Cost Discipline + Scalable Model + Technology Investment + Process Optimisation

REINVEST AND RETURN CAPITAL

Reinvestment + Acquisitions + Dividends/ Share buy-backs

INVESTING IN GROWTH

Reinvestment

The Group benefits from significant operating leverage due to constant fixed costs and a lower variable cost model that generates long-term margin expansion in an accelerating revenue growth environment.

Our operating cost base is very agile and has investment embedded within "business-as-usual" for Customer Obsession, new product development and software and IT enhancements. This agility allows us to direct our resources to focus on organic growth.

We have a low capital intensity model, limited to off-the-shelf software and hardware and capital spend typically represents 1%-1.5% of revenue (2021: 0.7% due to significant investment in prior year; 2020: 2.8% due to IT investment during the pandemic).

Acquisitions

M&A is a significant growth strategy for our business.

Our scalable One Platform infrastructure enables us to efficiently integrate new data sets and content capabilities into our existing vertical offering or expand our breadth into new vertical markets, enabling the Group to realise synergy and value.

As a management team we have extensive experience of acquiring and integrating assets and we currently have an active pipeline of businesses that we are assessing, as well as the firepower to execute.

CAPITAL RETURN

Dividends

We aim to provide a progressive dividend policy which grows in line with Adjusted EBITDA.

Share Purchase

The Company has a policy to try and limit the dilution of its existing shareholders created via the Group's Long-Term Incentive Plans.

As at the date of this report, the Remuneration Committee has approved that the vesting criteria of Scheme 1 has been met, resulting in 6.5 million options becoming available for vest. The company's Employee Benefit Trusts have a current combined holding of 5.9 million shares to cover 90% of the options vesting.

The Group uses debt to fund acquisitions and purchase shares for the Employee Benefit Trusts and targets an operating leverage of 2-3 times net leverage, being the multiple of Adjusted EBITDA compared to Net Debt. The Group will consider the proforma performance of acquisition targets and may go beyond this target, subject to a strong de-levering profile thereafter.

Strategic Report

Our Business

OUR PURPOSE – WHY DO WE EXIST?

In an increasingly fast-moving, complex, and uncertain world, it's becoming more important for businesses and professionals to:

- successfully predict and navigate the future;
- make the right business decisions, at the right time; and
- effectively find, win, and keep customers.

We want to help our clients to decode the future, make better decisions, and reach more customers. We believe Information and Technology are forces for good.

ONE PLATFORM

GlobalData's One Platform model is the foundation of our strategic advantage and is the result of years of continuous capital investment, targeted acquisitions, and organic development.

Our unified model governs everything we do, from how we develop and manage our products, to our approach to sales and customer success, and supporting business operations.

At its core, this approach integrates our entire universe of unique data, expert analysis, and innovative solutions into One Platform, providing easy access to a complete and comparable view of the world's largest industries.

As a result of our unified model, we can respond rapidly to changing customer needs and market opportunities, and continuously manage and develop products quickly, at scale, with limited capital investment, as well as integrate acquisitions quickly and unlock synergies.

GROWTH OPTIMISATION PLAN

We launched our Growth Optimisation Plan in 2020, and our clear focus is on sustainable growth delivered through four key pillars: Customer Obsession, World-Class Product, Sales Excellence and Operational Agility. The key word in this plan is "optimisation", and what we mean by this is that we are not reliant on a single area of growth to be successful. We have multiple levers for growth, both in our organic business and through M&A opportunities.

Customer Obsession

- Develop a trusted, global brand synonymous with delivering exceptional customer value and service;
- Develop a global community of engaged industry professionals; and
- Maintain a customer-centric culture that informs our strategy, operating model, and business decisions.

World-Class Product

- Develop an integrated suite of winning propositions with clear competitive differentiation;
- Provide "must-have" capabilities that are integral to our clients and daily lives of professionals; and
- Consistently lead the market in commercialising new product development and innovation.

Sales Excellence

- Consistently deliver best-in-class sales productivity through targeted campaigns and tailored sales enablement;
- Provide new salespeople with the structured on-boarding support required to accelerate "time-to-target"; and
- Invest in the technology, people, and processes required to deliver exceptional experiences across the customer journey.

Operational Agility

- Use our unified operating model and One Platform to create an integrated portfolio greater than the sum of its parts;
- Ensure we have the organisational structure, capabilities (e.g. people, process, technology), and high-performance culture to execute; and
- Provide effective portfolio-wide planning, business insight and performance reporting, and governance.

"Our Growth Optimisation Plan sets out the framework for growth and is underpinned by sustainability. We believe that Information and Technology are forces for good and our products and solutions can be a catalyst for positive change."

Murray Legg, Chairman

Strategic Report

Chairman's Statement

I would, firstly, like to thank all of my colleagues at GlobalData and congratulate them on a strong set of results and continued execution of the Group's strategy. Notwithstanding the continuing pressure of COVID-19, we have delivered another year of strong organic revenue growth and welcomed the acquisitions of the Life Sciences business and the LMC Automotive and Agribusiness assets. While the timing of the acquisitions meant that the impact on Income Statement earnings for FY21 was immaterial, the strengthening of the Group's capabilities in these sectors gives it greater scale and opportunity for accelerated momentum in 2022.

As we progress the integration of the acquired businesses, we look forward to realising and leveraging the additional capabilities these assets bring to the Group as well as demonstrating GlobalData's value-added content, functionalities and tools to our new customers.

Our Strategy

Our strategy is focused on growth. Our four-pillar Growth Optimisation Plan is focused on achieving long-term, double-digit growth and making strategic, earnings-enhancing acquisitions.

Our Environmental, Social and Governance (ESG) activities focus on our people, our customers, our environment and our communities. These activities are key to our efforts to safeguard GlobalData's long-term viability and sustainable growth. We are setting out our strategy on sustainability and Corporate Social Responsibility; the activities that we are focusing on are strategically important to our organic growth.

Our Growth Optimisation Plan sets out the framework for growth and is underpinned by sustainability. We believe that Information and Technology are forces for good and our products and solutions can be a catalyst for positive change. ESG for us is basically about creating a great company with great people, having a positive impact on the world, leveraging the proprietary granular data and insight that we have to help our clients understand their own impact and help them to develop long-term sustainable strategies. Further details on our ESG activities are set out in our ESG Report on page 47.

Since the formation of GlobalData in 2016, creating a World-Class Product has been our primary pillar of development. We have invested significant resource into the product and have created a real culture of innovation, product development and a strong focus on quality. Strategically, we are now broadening our focus to place Customer Obsession at the forefront of our Growth Optimisation Plan.

We now have +4,600 clients, and further embedding our data, insights, tools and workflows into our customers' businesses represents an attractive opportunity for growth. The sophistication and breadth of our content means there are opportunities beyond the traditional departments that procure Information Services. We intend to get to know our clients better, listen to their business problems and provide the solutions for them to succeed.

Board Composition

During the year we have made changes to the composition of the Board to ensure that we have the right skills and diversity of experience to support and guide the business on its exciting trajectory. I would like to thank my predecessor, Bernard Cragg, for his significant contribution to building the position of strength that the Group is in.

We welcomed Catherine Birkett and Julien Decot as new Non-Executive Directors, who together bring expertise on high-growth environments, the technology sector and corporate financing. Catherine has succeeded me as Chair of the Audit Committee, and we appointed Annette Barnes as Chair of the Remuneration Committee, succeeding Peter Harkness.

I believe that we have a strong group of Non-Executive Directors, each with an excellent track record of success and real diversity in their skills and experiences, who will provide valuable support to Mike Danson and Graham Lilley in executing our strategy.

Dividend

For the financial year ended 31 December 2021, the Group operated a dividend policy whereby dividends grew in line with earnings, at an Adjusted EBITDA level. We are therefore pleased to propose a final dividend of 13.2 pence per share (2020: 11.6 pence). The proposed final dividend will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022. The proposed final dividend increases the total dividend for the year to 19.3 pence per share (2020: 17.0 pence), an increase of 14%.

Looking Forward

The Group's business model is robust and scalable. We are confident we can continue to execute our strategy and that the Group will continue to deliver sustainable organic and inorganic growth in 2022 and in the longer term.

Murray Legg
Chairman
28 February 2022

"Our organic underlying constant currency revenue performance was strong, and, importantly, we exit the year with improved forward revenue visibility. The greater visibility, driven by our organic growth performance and the two completed acquisitions, together with our disciplined approach to costs, gives the Group a strong foundation for accelerated growth and further margin expansion."

Mike Danson, Chief Executive Officer

Strategic Report

Chief Executive's Report

We have continued to expand our position as a leading intelligence platform within the growing Information Services market, both through our organic progress and the two M&A transactions completed near the end of the year.

In 2021 we continued to invest across our Growth Optimisation Plan, with increasing focus on Customer Obsession, our number-one strategic priority. Our organic underlying constant currency revenue performance was strong, and, importantly, we exit the year with improved forward revenue visibility. The greater visibility, driven by our organic growth performance and the two completed acquisitions, together with our disciplined approach to costs, gives the Group a strong foundation for accelerated growth and further margin expansion.

The Group has delivered a strong set of results and has continued to deliver and execute against its strategy. Our 8% organic underlying constant currency revenue growth (6% reported revenue growth) and margin expansion, together with our strengthening visibility on deferred revenues, demonstrate clear progress against our two financial targets of achieving at least 10% annual organic growth and an Adjusted EBITDA margin of between 35%-40%.

Our business model and the sector we are in give us a great platform for growth and significant resilience against wider macro-economic factors. As a trusted intelligence provider, our products and services historically benefit from increased usage and demand, as our customers look to successfully navigate periods of uncertainty. As a result, our subscription renewal rates have been consistently strong over the past two years and the heritage assets that we have consolidated in our One Platform, have a long-standing history of growth during economic cycles. We are confident that our deep customer relationships, diverse market coverage and continued investment in must-have intelligence will maintain this position of strength and resilience.

GROWTH OPTIMISATION PLAN

We launched our Growth Optimisation Plan in 2020, and our clear focus is on sustainable growth delivered through four key pillars: Customer Obsession, World-Class Product, Sales Excellence and Operational Agility. The key word in this plan is "optimisation", and what we mean by this is that we are not reliant on a single area of growth to be successful. We have multiple levers for growth, both in our organic business and through M&A opportunities.

- **Organic growth:** We have a clear strategy for organic growth and our multiple levers mean we are not reliant on a single area of growth. Our key levers for growth are:

    - Increase volume renewal rates;
    - Price increases;
    - Selling more licences within the organisations we already serve;
    - Product cross-sell opportunities within our existing client base; and
    - Selling to new clients. We have +4,600 clients in an overall immediate addressable market of 125,000 companies.

    We have made progress against our ambition of reaching annual 10% organic growth, achieving organic underlying constant currency revenue growth of 8% and growth in organic underlying constant currency invoiced forward revenues of 10%. The latter provides a strong foundation for growth in the current year.

- **M&A:** During the fourth quarter we completed two acquisitions: the Life Sciences business, which adds drug pricing data, as well as other critical Life Sciences data and analysis to our existing world-class pharmaceuticals intelligence; and the LMC Automotive and Agribusiness information businesses (together "LMC"). The integration processes are ongoing and on track.

    Both acquisitions represent strategic bolt-ons of data assets, which are reflective of our M&A strategy and our capability to integrate assets into our One Platform model efficiently.

    We assess potential acquisitions based upon our investment criteria of:

    - Quality product/service that meets the definition of "gold standard" (demonstrated by strong renewal rates);
    - Adds depth to an existing vertical or gives us access to new vertical/horizontal data sets that complement our current coverage;
    - Recurring revenue and operating gearing;
    - Synergy opportunities; and
    - Global and scalable product.

    We continue to have a strong pipeline of potential M&A targets, which we are actively progressing.

The four pillars of our Growth Optimisation Plan:

Customer Obsession
Customer Obsession is central to our strategy. It runs through everything we do and we continue to focus on client needs and on providing unique and innovative solutions.

We have several ongoing initiatives aimed at giving our clients world-class solutions delivered with exceptional levels of service.

- **Focused on our top-tier clients:** We have initiated an ongoing project to deepen our relationships and further embed our products within our top-tier clients. This initiative is based on the enhanced collaboration of our sales teams, analysts, custom research consultants and relationship/client services to truly put our clients first. Aided by our in-house proprietary technology platform Customer360, which pulls together external intelligence with internal metrics on usage, the team has been tasked to increase our understanding of our clients and demonstrate how our varied solutions can help our clients with the challenges they are facing and help them better succeed in their markets.

Strategic Report

Chief Executive's Report

- **Use of client-focused technology:** We have also developed a proprietary technology tool, 'Intelligraph', which gathers data on all our clients and delivers key insights into their business needs and product requirements. This allows us to better serve all our clients and provide timely solutions to the matters of highest priority to our clients.

- **Increased investment in customer service:** Over the past 18 months we have significantly increased the size of our customer success and relationship management teams. Since June 2020, we have nearly doubled the size of this team to 111, demonstrating our commitment to service excellence.

World-Class Products

The core value to our clients is the unique and proprietary "gold standard" data. We continue to develop our capabilities within each individual vertical, to maintain quality and enhance existing data sets.

We continued to enhance our cross-vertical use of business fundamentals (e.g. Companies, Deals, News, Macro-economics), proprietary thematic and ESG intelligence, and expand our innovative horizontal "Alternative" data and analytics. As part of the integration of the Life Sciences and LMC businesses, these valuable insight tools will be integrated into their core offering as part of our One Platform to enrich the existing gold standard data consumed by their client base. These integrated capabilities help to differentiate our products in the marketplace by providing our clients with a richer and more complete intelligence offering.

We have also increased our focus on our free-to-access B2B industry websites and are using our platform and data to enhance our network of sites at speed and scale. Our proprietary data and insights give us the unique platform to create differentiated editorial content and data journalism. As a result of this, we have developed a global audience of engaged professionals, with many of our sites now in the Top-3 within their segment for traffic, which is key for increasing our overall brand awareness.

We have increased our focus on our custom solutions offering to drive additional engagement and deliver additional, high-value solutions for our clients which complement the subscription service. We can now see some early demonstrable success within this team, with revenue growth of 16% compared to 2020. We see custom solutions as a key driver towards greater penetration within our existing clients, which will help us increase the value of existing clients, creating larger accounts.

Sales Excellence

Our sales teams have performed well during 2021 with good growth momentum demonstrated in the closing invoiced forward revenue and deferred revenue numbers (10% and 9% in organic underlying constant currency growth, respectively). The key focuses for the sales team in 2021 have been to deepen the relationships with our top clients and execute upsell and cross-sell opportunities, increase the number of Multi-year Deals and penetrate new client opportunities.

As a business, we are continually focusing on making our sales efforts as efficient as possible. During 2021, we started to embed automation into our sales processes, and while this is only in its infancy for the business, it presents a real opportunity for growth going forward. This includes automated and client-friendly renewal processes as well as developing a sustained inbound lead pipeline.

Operational Agility

We have delivered strong organic growth and executed well on M&A during 2021 within our existing cost structure. Our ability to maintain a relatively fixed cost base, while having the agility to allocate resources for growth and product development, is a core asset of our business model. This is demonstrated by the margin progression from 32% to 34%.

In addition to our existing solutions, our One Platform approach to our product offering places us in a relatively unique position for potential M&A. Our proprietary platform allows us to review M&A opportunities with the confidence that we can 'plug in' and integrate new data sets effectively and execute at speed. Regardless of whether the acquisition is an enhancement to an existing vertical sector or represents an expansion into an adjacent market, the platform software, data taxonomy and architecture will add significant value to any acquired business.

DIVIDEND

Having regard to the financial performance in 2021, cash generation and future prospects, the Board is pleased to propose a final dividend of 13.2 pence per share (2020: 11.6 pence). The proposed final dividend will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022. The proposed final dividend increases the total dividend for the year to 19.3 pence per share (2020: 17.0 pence), an increase of 14%.

Strategic Report

Chief Executive's Report

TRADING PERFORMANCE

Revenue – Renewal rates remained strong throughout 2021 and have been consistent across the past three years, which give us confidence in the defensibility of our product and its resilience in a tough macro-economic environment.

On an organic underlying constant currency basis, revenue grew by 8%, which was driven in large part by underlying constant currency growth in subscriptions of 8% augmented with strong growth in bespoke solutions as we strengthened our client relationships.

We had strong sales order momentum in the last quarter of 2021, resulting in invoiced forward revenue growth of 10% on an organic underlying constant currency basis (16% reported), meaning that we start 2022 with significantly enhanced visibility on our revenues.

Cost base – We have an established cost base, which has a significant amount of growth and product development investment embedded. This means that we do not need to incrementally increase our cost base significantly, in monetary terms, to invest in new initiatives and growth opportunities. Therefore, our operating costs grew only 3% to £124.9m (2020: £121.7m) and resulted in drop through Adjusted EBITDA margin of 71%.

Net Debt – During the year we have extended our banking facilities by exercising the £75m accordion facility and extending by a further £20m. We have been well supported by our banks in executing our M&A strategy, in which we have invested £97.7m during 2021. We have also invested £46.5m supporting our Employee Benefit Trust to buy shares for our employee LTIP, in order to satisfy the upcoming share awards that are due to vest.

Our current financing facility has further headroom of £18m as at 28 February 2022, in addition to the Group cash reserves of ~£40m as of the same date. Although the facility expires in the second quarter of 2023, we are in advanced discussions to refinance and obtain a new facility that supports the Group's M&A strategy over the longer term.

Strategic Report

Chief Executive's Report

FINANCIAL KEY PERFORMANCE INDICATORS

The financial KPIs below are used, in addition to statutory reporting measures, by the Executive Directors to monitor the Group's performance and progress.

	Revenue	Invoiced Forward Revenue	Adjusted EBITDA	Adjusted EBITDA Margin	Net Debt[1]
2021	**£189.3m**	**£107.7m**	**£64.4m**	**34%**	**£177.6m**
2020	£178.4m	£92.7m	£56.7m	32%	£58.1m
% reported growth	6%	16%	14%	2p.p.	206%
% organic growth	5%	9%	13%	2p.p.	206%

Note 1: Net Debt: Short- and long-term borrowings (excluding lease liabilities) less cash and cash equivalents.

We have continued to make strong progress against these KPIs.

Revenue growth on an organic underlying constant currency basis was 8%, with immaterial growth from M&A completed in the latter part of the year. Our revenues were impacted by currency fluctuations in the year, mainly due to volatility between GBP and US Dollar.

Overall our revenue visibility has grown, with invoiced forward revenue growth of 16%. On an organic underlying constant currency basis, invoiced forward revenue growth was 10%, demonstrating the strong growth in sales orders towards the end of the financial year.

Our business model is scalable and benefits from significant incremental margin benefits. Last year we stated our ambition was to achieve Adjusted EBITDA margin of between 35% and 40%, and we have made further progress towards this by increasing our margin by two percentage points to 34% and expect to continue the current trajectory of margin expansion. The incremental margin on the revenue growth in 2021 was 71%.

Our disciplined approach to costs and the benefits of our subscription model give us confidence that we will be in our target range over the course of the next 12 months.

Our Net Debt has increased during 2021 as a result of investment in M&A and the purchase of shares for our Employee Benefit Trust. As at 31 December 2021 the Net Leverage was 2.76 being Net Debt divided by Adjusted EBITDA (2020: 1.02). The Group targets a Net Leverage operating range of between 2-3 times, but will also consider the proforma (pre-acquisition) performance of acquisition targets and going beyond this target, subject to a strong de-levering profile thereafter.

Outlook for 2022

We are well positioned as a business to make further progress in 2022. Underpinned by our strong invoiced forward revenue position of £107.7m at the start of the new financial year and largely fixed cost base driving margin expansion, together with tailwinds which continue to drive information services sector growth and further M&A opportunity, we look forward to strong organic revenue growth and continued margin improvement in 2022.

We acknowledge the continuing economic impact of COVID-19, but we are confident in our business model and the sector we are in provides us with both the resilience and the opportunity to excel in otherwise tough market conditions. We are confident that our deep customer relationships, diverse market coverage and continued investment in must-have intelligence will maintain this position of strength and resilience.

People

The strong set of results that we have delivered is underpinned by the talent and dedication of the GlobalData team. I want to thank all my GlobalData colleagues for their efforts during 2021, and I also would like to welcome the new colleagues who have joined the Group with the Life Sciences and LMC acquisitions. I look forward to sharing further successes together during 2022 and beyond.

I am also delighted that many of our colleagues will be able to exercise their share options, now that the business has achieved the final vesting target of £52m Adjusted EBITDA (pre-IFRS16), in our Scheme 1 LTIP. These awards will be settled from existing shares held in the Group's EBT schemes. JP Morgan, Panmure Gordon and Singer Capital Markets have been appointed to handle any resulting share sales by the EBT schemes in due course.

Board

As previously noted, Murray Legg was appointed as Non-Executive Chairman at the Annual General Meeting in April 2021 and we have also welcomed two new Non-Executives to the Board in 2021. Catherine Birkett joined the Board on 20 April 2021 and succeeded Murray as the Audit Committee Chair, and Julien Decot joined the Board on 30 April 2021. As a Board, I think we have significant strength and capabilities within our Non-Executive team and I thank them all for their insight, advice and challenge over the past year and look forward to their continued support in 2022.

Mike Danson
Chief Executive Officer
28 February 2022

"We have a clear strategy for organic growth and our multiple levers mean we are not reliant on a single area of growth. Our key levers for growth are:

- Increase volume renewal rates;
- Price increases;
- Selling more licences within the organisations we already serve;
- Product cross-sell opportunities within our existing client base; and
- Selling to new clients. We have +4,600 clients in an overall immediate addressable market of 125,000 companies."

Mike Danson, Chief Executive Officer

Chief Financial Officer's Report

£m	Year Ended 31 December 2021	Year Ended 31 December 2020
Revenue	**189.3**	**178.4**
Operating profit	**38.2**	**33.0**
Adjusting items		
Depreciation	6.8	7.0
Amortisation of acquired intangible assets	5.6	10.7
Amortisation of software	0.9	1.1
Share-based payments charge	9.2	4.2
Restructuring and refinancing costs	1.4	0.6
Revaluation loss/(gain) on short- and long-term derivatives	0.9	(0.3)
Unrealised operating foreign exchange gains	(1.0)	(0.3)
M&A costs	2.4	0.7
Adjusted EBITDA	**64.4**	**56.7**
Adjusted EBITDA margin[1]	34%	32%

Statutory Profit Before Tax	**32.6**	**28.6**
Amortisation of acquired intangible assets	5.6	10.7
Share-based payments charge	9.2	4.2
Restructuring and refinancing costs	1.4	0.6
Revaluation loss/(gain) on short- and long-term derivatives	0.9	(0.3)
Unrealised operating foreign exchange gains	(1.0)	(0.3)
M&A costs	2.4	0.7
Adjusted Profit Before Tax	**51.1**	**44.2**
Adjusted income tax expense[2]	(9.4)	(8.4)
Adjusted Profit After Tax	**41.7**	**35.8**

Cash Flow Analysis

Cash flow generated from operations	**60.5**	**59.8**
Cash flow conversion %[3]	94%	105%

Earnings Performance

Profit After Tax	**24.9**	**22.6**
Adjusted Profit After Tax	**41.7**	**35.8**
Basic shares (millions)	113.5	116.2
Diluted shares (millions)	123.0	124.8
Attributable to equity holders:		
Basic earnings per share (pence)	21.9	19.4
Diluted earnings per share (pence)	20.2	18.1
Adjusted basic earnings per share (pence)	36.7	30.8
Adjusted diluted earnings per share (pence)	33.9	28.7

1 Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue. Note 2 discloses the rationale for the adjusting items in detail.

2 Adjusted income tax expense represents the statutory income tax expense adjusted for the tax effect on adjusting items. In addition, the adjusted income tax expense includes the effect of any tax rate changes.

3 Cash flow conversion is defined as: Cash flow generated from operations divided by Adjusted EBITDA.

Chief Financial Officer's Report

The financial position and performance of the business are reflective of the core financial elements of our business model: visible and recurring revenues, high incremental margins, scalable opportunity and strong cash flows. The Directors use statutory profit measures to assess business performance but also believe that Adjusted EBITDA, Adjusted profit after tax and Adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and we review the results of the Group using these measures internally.

THE GROUP'S PERFORMANCE THIS YEAR

1. Revenue
Overall revenue grew by 6% to £189.3m (2020: £178.4m). Organic underlying constant currency growth was 8%, which was driven by strong performance in subscriptions, which grew by 8% on an organic underlying constant currency basis and was augmented by strong growth in bespoke research solutions. Acquisitions contributed ~1% to the overall growth rate.

Currency volatility reduced underlying constant currency performance with a 3% headwind, driven in the main by volatility between GBP and US Dollar, with the pound strengthening on average by 8% (2021: 1.38; 2020: 1.28).

2. Profit before tax
Profit before tax for the year grew by £4.0m to £32.6m (2020: £28.6m), which partly reflects the operating leverage which has driven Adjusted EBITDA to grow by £7.7m to £64.4m (2020: £56.7m), offset with increases in other operating costs.

£m	Year Ended 31 December 2021	Year Ended 31 December 2020	Change %
Revenue	**189.3**	**178.4**	6%
Operating costs	(124.9)	(121.7)	3%
Adjusted EBITDA	**64.4**	**56.7**	14%
Depreciation	(6.8)	(7.0)	(3%)
Amortisation of acquired intangible assets	(5.6)	(10.7)	(48%)
Amortisation of software	(0.9)	(1.1)	(18%)
Share-based payments charge	(9.2)	(4.2)	119%
Restructuring and refinancing costs	(1.4)	(0.6)	133%
Revaluation (loss)/gain on short- and long-term derivatives	(0.9)	0.3	(400%)
Unrealised operating foreign exchange gains	1.0	0.3	233%
M&A costs	(2.4)	(0.7)	243%
Finance costs	(5.6)	(4.4)	27%
Profit Before Tax	**32.6**	**28.6**	**14%**

Adjusted EBITDA
Adjusted EBITDA increased by 14% to £64.4m (2020: £56.7m). The growth in Adjusted EBITDA was driven by our strong revenue growth and our ability to control what is a relatively fixed cost base.

We have an established cost base, which has a significant amount of growth and product development investment embedded. This means that we do not need to incrementally increase our cost base, in monetary terms, significantly to invest in new initiatives and growth opportunities. Therefore, our operating costs grew only 3% to £124.9m (2020: £121.7m) and resulted in drop through Adjusted EBITDA margin of 71%. Our overall margin increased by 2 percentage points to 34% (2020: 32%).

Other operating costs
Other operating costs grew by 13% in total, but there are some significant individual movements of note:

- The amortisation charge for acquired intangibles has declined by £5.1m to £5.6m (2020: £10.7m). This is reflective of assets becoming fully amortised, along with recent M&A activity being phased towards the end of the year. The acquisitions made in the latter part of 2021 had an immaterial effect on 2021's charge but will increase the charge for 2022 and future years.
- The share-based payment charge has increased from £4.2m to £9.2m in 2021 (an increase of £5.0m). This was the result of vesting forecast changes in 2020, which impacted the spread of charge and therefore the cost in 2020 was particularly low.
- M&A costs were minimal in 2020, and 2021 included costs associated with the acquisitions completed.

- Financing costs increased by 27%, reflecting the increase in drawn facility in the year. The drawn facilities were mainly in relation to the M&A which happened in the latter part of the year and therefore we expect a full year effect of the increase in Net Debt to be reflected in the financing cost line in 2022.

Leases
Within our operating costs, depreciation in relation to right-of-use assets was £5.0m (2020: £5.6m). Other income, in relation to sub-let income on right-of-use assets, was £0.4m (2020: £1.3m). Our net finance costs include interest of £1.5m in relation to lease liabilities (2020: £1.7m).

3. Cash Generation
Cash generated from operations grew by 1.0% to £60.5m (2020: £59.8m), representing 94% of Adjusted EBITDA (2020: 105%). We would normally expect operating cash flow to be in excess of 100% of Adjusted EBITDA and if we add back exceptional cash costs in the year (restructuring, refinancing and M&A), cash flow conversion is ~100%.

Capital expenditure was £1.3m in 2021 (2020: £5.0m), including £0.5m on software (2020: £1.5m). There was an uplift in capital expenditure in 2020, reflecting significant investment into the Group's computer hardware and cyber-security systems. The 2021 levels (0.7% of revenue) reflect a return to a normalised state.

Total cash flows from operating activities was £52.0m (growth of £1.0m from 2020), which represented 136% of operating profit (2020: 155%). During the year, the Group paid out £20.4m in dividends (2020: £18.0m).

Short- and long-term borrowings increased by £124.4m (inclusive of a £5.0m repayment) to £200.2m as at 31 December 2021 (2020: £75.8m). The debt drawn was focused on two main areas of expenditure:

- **M&A** – The Group purchased the Life Sciences business and the LMC Automotive and Agribusiness assets for combined cash consideration of £96.7m. In addition, £1.0m was paid in relation to two deferred consideration amounts from prior acquisitions. The cash costs of acquisitions are set out on page 123.

- **Purchase of shares through Employee Benefit Trust** – The Group purchased 2.9m shares for its employee LTIP for net consideration of £46.5m.

4. Net Debt
Net Debt increased to £177.6m as at 31 December 2021 (2020: £58.1m). This increase principally reflects strong operating cash flows, offset by M&A activity of £97.7m, contributions to the Employee Benefit Trust to buy-back shares of £46.5m, dividends of £20.4m and capital expenditure of £1.3m.

The Group defines Net Debt as short- and long-term borrowings (note 20) less cash and cash equivalents. The amount excludes items related to leases.

£m	2021	2020
Short- and long-term borrowings (note 20)	200.2	75.8
Cash	(22.6)	(17.7)
Net Debt	**177.6**	**58.1**

5. Invoiced forward revenue
Invoiced forward revenues grew by 16% from the 31 December 2020 balance of £92.7m to £107.7m, reflecting good momentum on sales orders in the final quarter of 2021 (organic underlying constant currency growth of 10%) and the impact of acquisitions. Invoiced forward revenue is a major component of our significant revenue visibility for the forthcoming year.

£m	2021	2020
Deferred revenue (note 19)	81.4	74.7
Amounts not due/subscription not started at 31 December	26.3	18.0
Invoiced forward revenue	**107.7**	**92.7**

6. Intangible assets

Intangible assets have increased by £105.7m during the year, from £242.0m as at 31 December 2020, to £347.7m as at 31 December 2021. The majority of the increase relates to two acquisitions made during the year of Life Sciences and LMC in which the Group recognised goodwill and intangibles assets on acquisition of £37.8m and £73.8m respectively. Offsetting against these increases was an amortisation charge for the year of £6.5m (2020: £11.8m).

7. Trade receivables

Net trade receivables as at 31 December 2021 were £42.3m, representing a 17% growth compared with the 31 December 2020 balance of £36.2m. Of the 2021 balance, £1.4m related to LMC and £1.2m related to Life Sciences, therefore organic trade receivables totalled £39.7m, representing organic growth of 10%.

8. Foreign exchange impact on results

The Group derives around 60% of revenues in currencies other than Sterling, compared with around 40% of its cost base. The impact of currency movements in the year reduced revenue by £5.7m (2020: positive £0.3m), which represented a headwind of around 3% on growth. The full impact on Adjusted EBITDA was offset by £4.8m of currency benefits on costs, resulting in overall £0.9m of adverse impact on earnings at an Adjusted EBITDA level.

£m	Revenue	Costs	Adjusted EBITDA	Margin
As reported	**189.3**	**(124.9)**	**64.4**	**34%**
Less impact of acquisitions	(1.5)	1.1	(0.4)	
Add back currency movements				
US Dollar	5.1	(3.5)	1.6	
Euro	0.2	-	0.2	
Other	0.4	(1.3)	(0.9)	
Organic underlying constant currency	**193.5**	**(128.6)**	**64.9**	**34%**
2020	178.4	(121.7)	56.7	32%
Organic underlying constant currency growth	*8%*	*6%*	*14%*	*2% p.p.*

The main driver for the movement was the fluctuation throughout the year of Pounds Sterling in comparison to US Dollar. In 2021 the average rate throughout the year was 1.38 compared to an average rate of 1.28 in 2020.

9. Earnings per share

Basic EPS was 21.9 pence per share (2020: 19.4 pence per share). Fully diluted profit per share was 20.2 pence per share (2020: 18.1 pence per share).

Adjusted earnings per share grew from 30.8 pence per share to 36.7 pence, representing 19% growth.

10. Dividends

We are pleased to propose a final dividend of 13.2 pence per share (2020: 11.6 pence). The proposed final dividend will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022. The proposed final dividend increases the total dividend for the year to 19.3 pence per share (2020: 17.0 pence), an increase of 14%.

11. Taxation

The Group's effective tax rate for the reporting period is 23.6%. This exceeds the current UK corporation tax rate of 19.0%, which is broadly due to: the impact of higher tax rates in certain overseas jurisdictions where the Group operates, specifically the United States and India; incurring expenses that are non-deductible for tax purposes; and remeasuring certain deferred tax assets and liabilities at 25.0%, reflecting the change in UK tax rate to be effective from 1 April 2023.

Key factors that may impact the Group's future tax charge as a percentage of underlying profits are: the mix of profits and losses between the jurisdictions in which the Group operates and the corresponding tax rates in those territories; the impact of non-deductible expenditure and non-taxable income; and the utilisation (with a corresponding reduction in cash tax payments) of previously unrecognised deferred tax assets.

Strategic Report

Chief Financial Officer's Report

FINANCIAL RISK MANAGEMENT

The Group's primary objective in managing foreign currency risk is to protect against the risk that the eventual Sterling net cash flows will be affected by changes in foreign currency exchange rates. To do this, the Group enters into foreign exchange contracts that limit the risk from movements in US Dollar and Euro exchange rates with Sterling. Due to the Group's operations in India, the Group also enters into foreign exchange contracts that limit the risk from movements in US Dollars with the Indian Rupee exchange rate. While commercially and from a cash flow perspective this hedges the Group's currency exposures, the Group elects not to apply hedge accounting and accordingly any movements in the fair value of the foreign exchange contracts are recognised in the income statement.

As a data and analytics company, we are not currently impacted by cross-border tariffs and we do not currently expect the renegotiation of tariffs to materially impact our business. Furthermore, the company is continuing to monitor the Inclusive Framework Project established by the OECD, including Pillar One (determining where tax should be paid and on what basis) and Pillar Two (the design of a system that ensures multinational enterprises pay a minimum level of tax), which is expected to be in effect from mid-2023 onwards. However, the application thresholds will be aimed at the very largest companies, and therefore the rules are unlikely to impact the Group.

INTEREST RATE RISK

Interest rate risk is the impact that fluctuations in market interest rates can have on the value of the Group's interest-bearing assets and liabilities and on the interest charge recognised in the income statement. The Group does not manage this risk with the use of derivatives.

IBOR reform refers to the global reform of interest rate benchmarks, which includes the replacement of some interbank offered rates (IBOR) with alternative benchmark rates. The Group has performed an impact review to assess which balances have been impacted as a result of IBOR reform, concluding that external borrowings is the only area affected by the change. During the year, the Group has agreed with the syndicated loan providers to rebase the risk-free rate from LIBOR to SONIA. This change has occurred purely as a result of IBOR reform and has occurred on an economically equivalent basis, i.e. neither the Group nor the bank have gained or lost from the amendment to the loan facility agreement. Due to these circumstances, a practical expedient as permitted under IFRS 9 "Financial Instruments" has been applied whereby the change is not classified as a modification, it is instead accounted for by amending the effective interest rate of the loan. There have been no changes to the Group's risk management strategy as a result of this change.

LIQUIDITY RISK AND GOING CONCERN

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities as they fall due, with surplus facilities to cope with any unexpected variances in timing of cash flows. The Group meets its day-to-day working capital requirements through free cash flow, being operations generated cash (with no external financing required). Although the statement of financial position shows net current liabilities (current assets less current liabilities), included in current liabilities is £81.4m of deferred revenue that represents future income earnings. Excluding deferred revenue, the Group has net current assets of £27.8m (2020: £28.9m).

Based on cash flow projections, the Group considers the existing financing facilities to be adequate to meet short-term commitments. The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Group has prepared the Annual Report and Accounts on a going concern basis. The Directors have prepared a Going Concern and Long-Term Viability statement on pages 34-35, within the Strategic Report.

G. C. Lilley

Graham Lilley
Chief Financial Officer
28 February 2022

“The financial position and performance of the business are reflective of the core financial elements of our business model: visible and recurring revenues, high incremental margins, scalable opportunity and strong cash flows.”

Graham Lilley, Chief Financial Officer

Strategic Report

Principal and Emerging Risks and Uncertainties

GlobalData's mission is to help our clients decode the future to become more successful and innovative, by providing high-value data, analytics, and insights.

The Group provides services across a breadth of industry markets and functions, on a global scale and on One Platform. We have a clear philosophy of owning our own data and intellectual property, and seek to be a long-term, strategic partner to our clients, by serving their critical activities with a differentiated, "gold standard" offering.

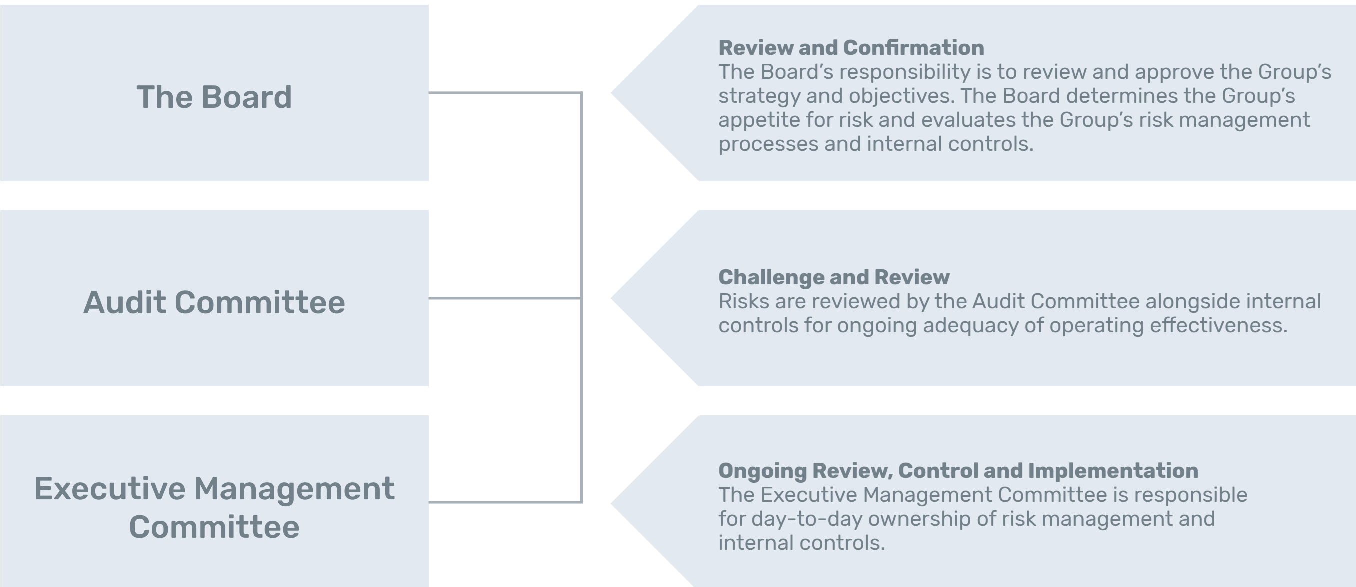
Our Approach to Risk Management

The Group recognises that in order to be successful, we are required to take risks. However, risks need to be taken in a controlled environment. Our approach is one of responsible risk-taking in line with the principles, culture, tolerance and appetite as directed by the Board. Over the past three years, our approach to risk management has matured, developing over time to better serve the needs of a fast-growing business.

The Group Risk Management has three key components:

- *A Risk Appetite Statement:* This provides a high-level indication of how much risk GlobalData is willing to take, accept or tolerate in achieving its strategic goals and objectives. The Board sets the Group's risk appetite and reviews at least annually. In doing so, the Board considers our strategic objectives, the Group's principal risks and uncertainties and assesses against the long-term viability of the Group.
- *A three lines of defence model on internal controls:* (first line: functions that own and manage risk; second line: functions that oversee and specialise in compliance; third line: independent assurance). This model details the key internal controls, policies and assurance the Group has in its risk management processes, as well as those accountable and responsible for their operation.
- *Our risk management processes and tools:* These include an Annual Risk Assessment, assessment of internal controls and review of the control environment. The Board also considers the views of the Executive Management and Audit Committees as part of its systematic review of internal controls.

The below chart reflects the roles and responsibilities within our risk management processes.



The Audit Committee monitors the adequacy and effectiveness of internal control and risk management systems and ensures that a robust assessment of the principal risks facing the Group has been undertaken.

Our Approach to Identifying the Principal Risks

The principal risks and uncertainties identified in the Report are those categories of risk which are considered by the Board to be material to the Group's strategic development, performance and future prospects as well as Group operations. While the categories have not materially changed since our last Annual Report, the risk factors have evolved and we have set out in the report how these have changed in the year. In setting out the principal risks, the Board considers the net impact of mitigations and controls in place. The identified principal risks are not the only risks facing the business but are considered to have a material impact on the business, and therefore are the focus of discussion at Board and Audit Committee meetings.

Principal and Emerging Risks and Uncertainties

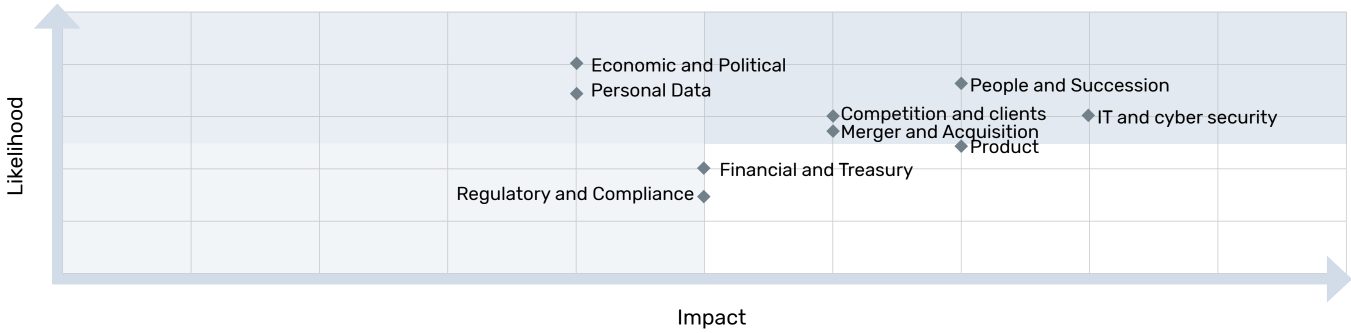
Annual Risk Assessment
At least annually, the Executive Management Committee reviews the Group's principal risks and performs a risk assessment. The assessment considers both the existing principal risks as well as potential emerging risks of the Group. The assessment looks at both the likelihood of a risk event occurring and the impact that would have on the Group and the controls and mitigations the Group has in place.

The assessment as at 31 December 2021 has concluded that there are no new principal risks that have emerged during the year. COVID-19 has impacted the assessment of principal risks across the Group but does not equate to a principal risk on its own. The assessment of principal risks highlights where we believe COVID-19 has had an impact.

We are a data and analytics company in which our products are created and distributed digitally. Our carbon footprint is considerably smaller than for many other companies of our size. Therefore, we have concluded that environmental factors do not represent a principal risk to our business.

Principal Risks
The principal risks and uncertainties reported are not the only risks facing the business but are those which the Board considers to be material to the Group. The Directors consider that the principal and emerging risks and uncertainties facing the Group are:

Risk likelihood and impact:



Business and Strategic risks:

Risk Description	Link to G.O.P.	Potential Impact	Key Mitigations and Controls	Assessment
Product: The success of the Group is dependent on the quality and relevance of our products.	1, 2	Our vision to become the world's trusted source of strategic industry data, analytics, and insights means that our content must be of the highest quality to help our clients be successful. A reduction in quality could result in a loss of reputation, resulting in a loss of revenues from new and renewable business.	• Regular product and research planning meetings consolidate client feedback, competitive positioning and new product development to ensure relevance and drive innovation. • Standard Process Manuals set out consistent research and publishing procedures, which focus on quality and accuracy and are continually reviewed for best practice. • Internal Quality team independently checks compliance against Standard Process Manuals. • External Audit of Standard Process Manual compliance. • Internal production targets are set relating to metrics such as timeliness and monitored against performance metrics. • Review of KPI metrics such as renewal rates and audience numbers on B2B media sites.	**Overall** The product is very well diversified and offers significantly more breadth than rival products. The Group continually looks for innovation to enhance capability and client experience. We have implemented enhanced quality and process controls during the year. **COVID-19** No impact on updating and maintaining product, but the Group continues to provide our clients with real-time insights into how the pandemic is affecting their markets. **Risk Movement** Stable.

Principal and Emerging Risks and Uncertainties

Business and Strategic risks (continued):

Risk Description	Link to G.O.P.	Potential Impact	Key Mitigations and Controls	Assessment
People and Succession: The Group is a people-based business; failure to attract or retain key employees could seriously impede future growth.	1,2,3,4	Failure to recruit or retain key staff could lead to reduced innovation and progress in the business.	The Group actively manages its talent and ensures that there are succession plans for its Board and Executive Management Committee. • The Group operates a competitive remuneration package, with competitive commission and incentive schemes. • Experienced management team with a robust on-boarding programme for salespeople, which allows talented and motivated employees to flourish. • Monitoring of succession plans at Board, Executive and team levels. • Long-Term Incentive Plans with over 100 senior management participants. • The introduction of a new Long-Term Incentive Plan to retain the top level of the Executive throughout the next 5-year plan. • Employee engagement initiatives through Employee Resource Groups and engagement with employee-focused Non-Executive Director.	**Overall** We have maintained a stable senior management team, but market conditions have made the recruitment and retention of junior roles in sales and research and analysis more challenging. **COVID-19** Remote working has provided its challenges, but we quickly adapted and increased our focus on our employees' well-being and their ability to perform their roles remotely. We have adapted our on-boarding programmes to be effective in remote scenarios and conducted online. **Risk Movement** Increased risk due to tougher recruitment market conditions.
Competition and Clients: The Group operates in highly competitive yet fragmented markets.	1,3	Loss of market share due to changing markets and reduced financial performance arising from competitive threats.	The Group operates across a range of industry verticals and across the globe; therefore it has a broad range of clients and competitors. One of the Group's unique selling points is not only the breadth of its coverage, but also its depth. Therefore, it has to ensure that the depth of industry content is competitive and comparable to its competition in that sector. • The Group routinely reviews the competitive landscape to identify potential threats and acquisition opportunities. • We monitor our customer usage metrics and actively seek feedback from our clients in order to improve the services and customer experience. • We constantly monitor new technology capabilities and innovation to ensure that our products are always contemporary and relevant, which allows us to respond to new competitive threats as they arise. • Our data sets and technology platforms are both unique and difficult to replicate. • We aim to embed our products and services in client organisations, thereby increasing switching costs. • We provide improved and best-in-class client support, thereby improving customer satisfaction and retention.	**Overall** The first of our Growth Optimisation Pillars is customer-centricity and we continue to focus on exceeding our clients' expectations. Our renewal rates have remained consistently high during the year. **COVID-19** Our unique position as a multi-sector information services provider has enabled us to leverage our different sector expertise to provide our clients with unrivalled in-depth analysis of the impact of COVID-19 on their markets. **Risk Movement** Reduced.

Principal and Emerging Risks and Uncertainties

Business and Strategic risks (continued):

Risk Description	Link to G.O.P.	Potential Impact	Key Mitigations and Controls	Assessment
Economic and Global Political Changes: The Group's businesses operate in three key geographic markets, namely Europe, North America and Asia Pacific.	1,4	Economic and political uncertainty could lead to a reduction or delay in client spending on the services offered by the Group and/ or a restriction on the Group's ability to trade in certain jurisdictions.	The Group provides high-quality data and analytics services, which are embedded in the day-to-day operations of our clients. In times of uncertainty, we aim to provide clarity and insight. When economic and political uncertainty lead to financial uncertainty, we have the following mitigations: • Management of headcount and overheads. • Visibility of revenue through invoiced revenue and renewable contracts. • We operate across multiple industry sectors and therefore are not reliant on one industry. • We operate in different geographies and therefore operate in a balanced portfolio of markets.	**Overall** We are a global business operating in multiple sectors, which means our risk is spread across multiple economies and industries. There is not one specific economic or political risk factor that is materially impacting the Group. Brexit has not significantly impacted the Group. **COVID-19** COVID-19 has not had a significant impact on the financial performance compared to the previous year. **Risk Movement** Risk has reduced as we have grown to understand the impact of COVID-19/ Brexit and other factors causing uncertainty last year.
Acquisition and Disposal Risk	1,2,4	The failure to successfully identify and integrate key acquisitions could lead to loss of profits, inefficient business processes, inconsistent corporate culture and weakened brand.	M&A is a key pillar of Group strategy. • We engage with external advisers to help us identify and engage with strategic targets. • We have an internal team dedicated to M&A that meets regularly to discuss prospects, pipeline and progress of transactions. • All acquisitions are subject to rigorous due diligence (both internal and with the aid of external advisers) and operational review. A final business case is presented to the main Board as part of the supervision and approval process. • Where necessary, external advisers with either technical and/or local knowledge are engaged. • For smaller acquisitions, a separate investment committee with delegated responsibility from the Board reviews the diligence process. • As a Board, an annual review of the Capital Allocation strategy is performed to ensure funding is available for M&A.	**Overview** As we look to increase the level of M&A activity, the execution risk inherently increases. We believe we have put in place robust controls and processes to mitigate most of the execution risk. **COVID-19** COVID-19 slowed M&A activity in 2020, but had little impact in 2021 as we look to execute further transactions. **Risk Movement** Increase in risk due to increase in activity.

Strategic Report

Principal and Emerging Risks and Uncertainties

Operational risks:

Risk Description	Link to G.O.P.	Potential Impact	Mitigation	How the business and strategic risks have changed
Financial	4	The Group's reporting currency is Pounds Sterling. Given the Group's significant international operations, fluctuations in currency exchange rates can affect the Group's consolidated results. As a global group, we are subject to many forms of direct and indirect taxation, and because of the many territories we are active within, tax law and compliance is a complex area. The debt financing used to fund M&A is subject to interest rate risk, with the bank's margin applied to SONIA (Sterling Overnight Interbank Average Rate). Movement in SONIA would cause variability in interest payments.	A significant mitigation is the natural hedge we have from our global operations. We generate around 60% of revenues from currencies other than Sterling, which is predominantly US Dollar, while around 40% of costs are derived from non-Sterling currencies, which are all primarily linked to movements of US Dollar. • The net cash flow exposure is managed by entering into foreign exchange contracts that limit the risk from movements in US Dollar, Euro and Indian Rupee exchange rates with Sterling. Contracts are entered into in line with our Board-approved treasury policy (the policy is to hedge throughout the year at 20% per quarter for a period of 12 months out, so that in each quarter we enter with 80% of our net cash flow hedged). • We have an internal tax and treasury team with a remit to continually monitor and review tax and treasury matters of the Group. We engage a Big Four firm for tax advice and utilise their global network to both plan our tax exposure and manage compliance across the world. • For related party transactions, a separate subcommittee of the Audit Committee has been established to monitor the controls that identify related party transactions and to authorise the type and nature of each transaction. The committee also regulates the arm's length nature of each agreement.	**Overview** Our Group invoicing profile has not changed significantly and therefore our exposure and controls on currency have not changed. As a Group we have worked on continuing to cease some of the shared services and related party relationships. Both the volume and value of transactions have reduced in 2021 and will continue to reduce in 2022 and beyond. **COVID-19** Limited impact on the Group directly, with some sectoral downturns in some of the sectors we cover. However, these aren't a significant part of the Group revenues. **Risk Movement** Stable.
Personal Data	1,4	The loss/theft or misuse of personal data of employees, clients and others could cause significant harm to our key stakeholders and could lead to regulatory and reputational loss.	We have an obligation to protect the data we hold, whether it is customer or employee data. Loss and/or misuse of this data could result in a loss of reputation, and regulatory sanctions or fines. • Data Privacy steering committee, which is in place, provides continuous monitoring of data and privacy developments and adoption of best practice and advice across the Group. This Group includes commercial, legal and external advisers. • Regular health checks on sites to ensure compliance. • Focus on collecting first-party data, with project to monitor consents and consent management. • Legal department monitors laws and regulations that surround the use and management of data, in conjunction with external advisers. • IT, Cyber and Systems controls to prevent unauthorised access to our data (see right)	**Overview** Most of the data the Company holds is industry, market, and economic data. However, the processes and controls we have for the personal data of our clients, B2B audience and employees is continually being reviewed and improved. **COVID-19** No material impact. **Risk Movement** Stable.

Principal and Emerging Risks and Uncertainties

Operational risks (continued):

Risk Description	Link to G.O.P.	Potential Impact	Mitigation	How the business and strategic risks have changed
IT, Cyber and Systems Failure	1,4	Significant operational or client disruption caused by a major IT disaster or cyber attack. There is a risk of financial loss through successful phishing or whaling attacks or other cyber infiltration.	IT, Cyber and Systems failures continue to be a major area of focus for the Group. Key mitigations and controls for the Group: • Continuous and proactive monitoring of the cyber-threat landscape. • Internal Information Security team. • Business continuity plans have been implemented across the Group, including disaster recovery programmes, and plans to minimise business disruption. • Product and sales infrastructure hosted by external third parties with adequate security protocols. • IT Infrastructure is managed by third-party providers with 24-hour management and monitoring with back-up and disaster protocols. • The Group regularly reviews its cyber security and website security protocols, and has undergone a review by an external third party. • External consultancy engaged to help with design and implementation of IT security, protections and outsourced CISO (Chief Information Security Officer) service. • Performance of automated vulnerability scans of externally exposed enterprise assets. • Maintenance and protection of back-up and recovery data. • Periodic external penetration tests on Group websites.	**Overview** We continue to have significant focus on ensuring that we implement and design best practice controls for our IT systems. We acknowledge that cyber threats including DDoS attacks, malware and hacking are an ever-increasing threat. **COVID-19** COVID-19 has caused a change in working practices with reliance on home-working and portable devices. During 2020, we quickly implemented controls to adapt to the new remote-working environment, which we have continued to review in 2021. **Risk Movement** Stable.
Regulatory Compliance	4	The Group may be subject to regulations restricting its activities or affecting changes in taxation.	The majority of the Group's operations are based in the United Kingdom, United States of America and India. Appropriate advisers are employed in all geographies to ensure the Group remains compliant with local laws and regulations. The Group has policies in place for anti-money laundering, anti-bribery, whistleblowing and data protection and privacy that have been distributed to staff and are available on the Group's intranet.	**Overview** There has been no change to the risk level and the Group continues to operate its employee education for anti-money laundering, anti-bribery policy and data protection and privacy. **COVID-19** No material impact. **Risk Movement** Stable.

Directors' Section 172(1) Statement

The Board acknowledges its responsibility under section 172(1) of the Companies Act 2006 and below sets out the key processes and considerations that demonstrate how the Directors promote the success of the Company. The below statement sets out the requirements of the Act, section 172(1), and explains how the Directors discharge their duties.

As noted in the Corporate Governance Report (pages 39-45), the Board meets monthly with papers circulated in advance to allow the Directors to fully understand the performance and position of the Group, alongside matters arising for decision. Each decision that is made by the Directors is supported by papers, which analyse the possible outcomes, so a decision can be made that best promotes the success of the Company and considers the impact on the wider stakeholder group.

The Group has identified its stakeholder group and analysed each stakeholder based upon their level of interest in GlobalData and their level of power/influence on the Group. The Directors review this analysis, monitor the levels of engagement with each stakeholder and build feedback and stakeholder considerations into the governance and decision-making process.

Factors (a) to (f) below are all taken into account during the decision-making process.

(a) The likely consequences of any decision in the long term
Supporting each decision, the Board is given access to management papers that set out impact analysis surrounding decision-making. The papers include diligence on the financial impact via forecasts, as well as non-financial factors and how the decision fits with the strategy of the Group.

A primary example of this is the process by which acquisitions are considered by the Board. The Directors and Executive Management prepare a pack of information that considers: commercial diligence and analysis of strategic fit; financial and tax diligence on the target (including review of forecast and projections); and legal and compliance diligence. The team will set out the 100-day plan for integration and discuss risks with the Board. This insight will be collectively reviewed to ensure that the long-term impact of the acquisition is positive not only for the Group, but also for our clients (enhancing our capability and offering), our employees and shareholders.

The Group has a 5-year plan, which is a financial plan supported by a Growth Optimisation Plan and has a number of KPIs linked to stakeholders. KPIs such as renewal rates give us insight into customer satisfaction and KPIs such as invoiced forward revenue, revenue and earnings growth are key for our shareholders, banks and our employees. This plan is reviewed regularly to benchmark our performance. Strategy is discussed at the monthly Board meetings and reviewed in detail each year, at the Board Away Day. This strategic thinking is intrinsic to future decision-making.

(b) The interests of the Company's employees
The Directors actively consider the interest of employees in major decisions. People is a regular agenda item at Board meetings where attrition rates, reasons for leaving and employee satisfaction are discussed. Our commitment to our people remains paramount because we recognise that the motivation, creativity and engagement of our people is critical to the Group's success. We aim to be an employer of choice and one where our people feel respected, rewarded and engaged. Our success and future success depends on GlobalData being able to attract and retain the right talent.

The Group holds regular CEO Information Sessions to all colleagues around the globe. The content of these sessions, held by video conference, is aimed at keeping our workforce aligned with our vision, mission and strategy and delivers key strategic updates and initiatives as well as the overall aim to increase the level of employee engagement.

The Company operates a "VOICES" Committee, which is an employee group working together to drive positive change for GlobalData and our employees. We encourage our employees to share their feedback and ideas on the issues that matter to them and their colleagues. This group is the platform to gather and discuss feedback, suggest ideas for improvement, and help to implement them. The results of the initiatives led by VOICES are published to colleagues on the internal intranet. During the year, four meetings were held, of which two were attended by Annette Barnes, our designated workforce Non-Executive Director. Throughout the year, the key themes of discussion were Diversity, Equality and Inclusion, Professional Development, Group Communications, Well-being, Philanthropy and work social events.

The designated workforce Non-Executive Director role has the aim of forging closer relationships between the Board and the workforce. This role includes being involved with the VOICES network and reviewing feedback from the whistleblowing hotline, providing a useful insight into employee matters. Due to this revision to the role of Remuneration Chair and its links to employees, the Board does not believe that workforce representation on the Board is required.

Strategic Report

Directors' Section 172(1) Statement

COVID-19 has brought significant challenges over the past two years, and we have adapted very well. The pandemic has changed the way people work, and at GlobalData we recognise the need to balance these changes with the needs of all our stakeholders. Therefore, we are currently reviewing our flexible working policy to establish a model that is best suited to our customers, the business, and employees for the longer term.

The Group benefits from the diversity and variety of its workforce and is fully committed to maintaining and encouraging diversity, including the composition of the Board. The Board is currently made up of 6 male and 2 female Directors.

The Executive Management Committee had 8 male employees and 2 female employees serve during the year and is a truly global committee, which represents the diverse nature of our Group. The Committee is made up of 6 members from the UK, 2 members from India, 1 from the US and 1 from Australia.

At GlobalData we encourage our people to be actively involved in our strategy, product, and ongoing corporate development, which has been enhanced through the CEO briefings during 2021. This has enabled the Group to maintain a level of agility and the ability to plan, design and launch product enhancements in relatively short time frames.

(c) The need to foster the Company's business relationships with suppliers, customers and others
The Directors have identified the Group's key stakeholders and review, at least annually, to ensure there is sufficient communication and engagement. The review of the stakeholder map, which assesses the influence and interests of our stakeholders, is used to guide our decision-making processes. The key initiatives and developments for each stakeholder group during the year are summarised below:

Our People
- Continuation of regular CEO Information Sessions to all our global colleagues
- Four VOICES Committee meetings, of which two were attended by Annette Barnes in her role as the designated workforce Non-Executive Director.
- Plans to expand the VOICES initiative into a wider Employee Resources Group in 2022, which came from feedback from the individual VOICES Committee meetings.
- Group-wide events such as GlobalData Walks the World challenge, aimed at encouraging teams to take exercise breaks and raise monies for our charity partners.

Shareholders
- Expanded our broker and analyst coverage in the previous year, in response to investor feedback of limited research and coverage of our results and prospects available.
- Increased the number of investor meetings throughout the year, including a Capital Markets Day held on 27 January 2022, which gave investors the opportunity to review the Group strategy in detail, ask questions of management and see demonstrations of the product.
- Outside of the results meetings, we have had several meetings with ESG departments of our institutional investors to talk through our ESG arrangements and plans.

Clients
- Customer Obsession is now the Group's number-one priority in the Growth Optimisation Plan.
- The Group is firmly focused on operating as a customer-centric organisation, and this is harboured through quality account management, customer service processes and review of customer feedback and renewal rates. Page 13, within the Chief Executive's Report, discusses how the Group and its Board address the Customer Obsession priority, and page 26 notes the controls that we have in place to ensure we maintain strong relationships and partnerships with our clients.
- We have initiated a collaborative initiative with our top-tier clients globally, involving relationship managers, sales account managers, customer service, analysts and consultants to embed deeper relationships with our key customers. The initiative has involved more meetings with our clients as well as using technology to understand their needs in greater depth.
- As an information services company, we want to be a catalyst for positive change for the markets and customers we serve. Both within and in front of the paywall, we are providing data-led insight into key areas of ESG. We recognise that ESG is strategically important to all of our clients, and because of the significant amount of data we collect and analyse, we are creating a vast ecosystem of ESG intelligence across our industries.
- Our standard payment terms are zero days ahead of the contract start and we monitor the average debtor days, which were 49 days in 2021 (2020: 46).
- We have a continued focus on product quality, innovation and giving our clients timely insights in an ever-evolving world.

Directors' Section 172(1) Statement

Banks
- We maintain a strong relationship with each of our existing banks and we regularly meet/speak with each of the banks (NatWest Group, HSBC, Bank of Ireland and Silicon Valley Bank) and present financial information to them through quarterly management information packs.
- The Group has an RCF facility of £240.5m, following the exercise of its incremental RCF facility of £75m with NatWest Group, HSBC, Bank of Ireland and Silicon Valley Bank, plus an additional £20m facility entered into during 2021. The drawdown on the facilities is £200.7m as at 31 December 2021.
- The Group's banking facilities are in place until April 2023, at which point the Group will be required to renew or extend its financing arrangements. The Directors expect this to be possible given their experience of accessing finance and discussions with the Group's current bankers, as well as discussions outside of its current banking group.

Auditors
- We appointed Deloitte LLP as auditors for 2020 following a decision to rotate audit firms in line with best practice. We went through an extensive first-year audit process to enable Deloitte to fully understand our business, its processes, people and controls and feedback from the first year audit has been fed into the audit planning for 2021 and beyond.
- Management meets regularly with the audit team throughout the year to discuss company performance, transactions and strategy. The Chair, Audit Committee Chair and CEO also regularly meet with the audit partner and senior team.

Suppliers
- While the majority of our cost base is people, we maintain strong working relationships with our suppliers and continually monitor supplier payment days. For key suppliers we perform diligence around their working practices and ethics as well as their financial stability and viability.
- We have enhanced the technologies we use in our operations significantly during the year, and as such have forged strong relationships with these providers. This has been particularly important as we try and embed and link our technologies together for operating efficiencies.

(d) The impact of the Company's operations on the community and environment
The Group takes its responsibility within the community and wider environment seriously and acknowledge that more can be done. Our ESG Report on page 47 sets out the key themes that are considered by the Board.

Our strategy is underpinned by ESG factors and ESG is integral to everything that we do. It is the foundation of our company and provides the platform for creating a successful and sustainable company for the long term. As a company, we understand that it is mutually beneficial to consider all of our stakeholders (our colleagues, our communities, our customers). We believe that information and technology are both powerful enablers of a successful transition towards a more sustainable society.

For the year ended 31 December 2021, we have reported energy intensity metrics for our UK companies on pages 47-48. The Company has a relatively low carbon footprint because of the nature of its operations, but acknowledges improvements can always be made.

We are working towards reporting against both GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) and have joined the Science Based Targets initiative, and GlobalData is committed to Business Ambition for 1.5°C and is part of the UN-backed campaign, Race to Zero. For more details see **www.sciencebasedtargets.org/companies-taking-action**.

GlobalData is a global company and has based itself in strategic locations for the long term. Within each community in which we operate, we try to engage with local issues and, in particular, look to make positive contributions to those communities.

As a company, we have charity partners across the globe, with a particular focus on charities that help with mental well-being, education and empowering women in education. During the year we supported Mental Health Awareness Week, which included a GlobalData Walks the World challenge, which encouraged our global colleagues to take walks during periods of lockdown and culminated in a team challenge to walk the world.

We will continue to work with our charity partners and are now offering a volunteer programme to our colleagues to enable them to get more involved directly in our communities as well as our usual fundraising efforts.

Directors' Section 172(1) Statement

(e) The desirability of the company maintaining a reputation for high standards of business conduct
The Directors and the Company are committed to high standards of business conduct and governance. The Group has fully adopted the UK Corporate Governance Code despite there being options for more reduced codes for companies on AIM.

GlobalData has improved its governance arrangements and reporting over the past two to three years. During the year:

- We have reviewed areas in the UK Corporate Governance Code in which we were not compliant and have taken actions against each. There is a table of actions and outcomes on page 39 to demonstrate this.
- We have created a skilled and diverse Board of Directors, which has been enhanced this year with the appointments of Catherine Birkett and Julien Decot as well as the appointment of independent Chairman Murray Legg.
- We are embedding an enhanced Enterprise Risk Management Framework across the Group, with an emphasis on internal controls around data privacy, data quality, cyber security and our other principal risks.

Where there is a need to seek advice on particular issues, the Board will seek advice from its lawyers and Nominated Adviser ("NOMAD") to ensure the consideration of business conduct and its reputation is maintained.

(f) The need to act fairly between members of the Company
The Directors regularly meet with investors and give equal access to all investors and potential investors. Through its advisers, the Directors seek and obtain feedback from meeting with the investors and incorporate feedback into the Group's decision-making processes.

The Group's capital allocation policy is set out on page 8, which sets out the strategy on capital allocation including investment, dividend and share buy-back policies.

The Group operates share incentive plans for its employees. The Group uses free cash flow to buy back shares, via its Employee Benefit Trust, to limit the dilutive effect this has on existing shareholders. Each year the company proposes an ordinary resolution at its AGM to grant it authority to buy back up to 10% of its shareholding each year, but will make decisions on share buy-back in reference to its cash flow and distributable reserves position. As at 31 December 2021, there were 10.2 million share options outstanding and the Company had 4.8 million shares in treasury against these options. Following the year end, the Employee Benefit Trust made a further acquisition of 1.1 million shares, resulting in a combined holding at the date of signing of 5.9 million shares.

Strategic Report

Going Concern and Viability

Going concern

The Group has closing cash of £22.6m as at 31 December 2021 and net debt of £177.6m (31 December 2020: net debt of £58.1m), being cash and cash equivalents less short- and long-term borrowings, excluding lease liabilities. The Group has outstanding loans of £200.7m which are syndicated with NatWest Group, HSBC, Bank of Ireland and Silicon Valley Bank. As at 31 December 2021, the Group had undrawn RCF of £31m and as at 28 February 2022 this stood at £18m. The Group's banking facilities are in place until April 2023, at which point the Group will be required to renew or extend its financing arrangements as discussed in the long-term viability section below. The Group has generated £60.5m in cash from operations during 2021.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. The Directors have modelled a number of worst-case scenarios to consider their potential impact on the Group's results, cash flow and loan covenant forecast. Key assumptions built into the scenarios focus on cost savings and consulting revenue growth. In addition to performing scenario planning, the Directors have also conducted stress testing of the Business's forecasts and, taking into account reasonable downside sensitivities (acknowledging that such risks and uncertainties exist), the Directors are satisfied that the business is expected to operate within its facilities. There remains headroom on the covenants under each scenario.

Through our normal business practices, we are in regular communication with our lenders and are satisfied they will be in a position to continue supporting us for the foreseeable future.

The Directors therefore consider the strong balance sheet, with good cash reserves and working capital along with financing arrangements (which are due to be renegotiated prior to April 2023), provide ample liquidity. Accordingly, the Directors have prepared the financial statements on a going concern basis.

Long-Term Viability

The Directors have formally assessed the viability of the Group to December 2026 as part of the 5-year plan, taking account of the Group's current position, its cash flows and the potential impact of the principal risks as outlined on pages 24-29 of this Annual Report. 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 period of their assessment. The Board considers this period as an appropriate review period as it offers a medium-term view and gives actions and strategy sufficient time to review against.

The 5-year plan has been built on the basis that the Group continues to achieve consistent revenue growth. The 2022 budget is the basis for the plan. Our cost base is relatively fixed and predictable and as such we have assumed modest cost growth. The cash flow assumptions follow our business model of our clients being invoiced in advance of the subscription start date and suppliers and employees are paid within 30 days and at the end of the month respectively.

The 5-year plan has been subject to stress testing, the results of which show significant headroom in cash and facility terms. The Group also has strong headroom in relation to the financial covenants in place and no breach is forecast.

The Group's prospects are assessed primarily through the annual budgeting process. Detailed plans are prepared by the Executive Management Committee and are presented to the Board at the Annual Away Day, which allows a deep dive into various areas of the Business and provides the opportunity for input and scrutiny by the Board which ensures alignment with the overall Group strategy. Progress against plan is presented to the Board throughout the year, commenting on performance and any newly identified risks. The individual plans are then consolidated into an overall Group plan.

As noted on page 7 of the Annual Report, our business model has strong fundamental attributes, being significant recurring and visible revenue streams, strong incremental margins, robust working capital and operational cash flow and scalable opportunity.

The Board feels that the Group's four strategic priorities give the appropriate focus to protect the business from risks, threats and uncertainties as well as giving the agility to pursue opportunities as they arise and to capitalise on the business model attributes. The focus on being client centric, developing world-class products, sales excellence and operational agility are the correct focuses aligned with the Group's Mission and Vision.

The Board believes internal execution to be the single greatest risk against its 5-year plan. The Group recognises the key mitigations to protect the Group from this as set out in its Principal Risks on page 26.

Strategic Report

Going Concern and Viability

The Group has a term loan of £50.0m, an RCF facility of £115.5m, plus a further incremental RCF facility of £75.0m with NatWest Group, HSBC, Bank of Ireland and Silicon Valley Bank. The current drawdown on the facilities is £200.7m as at 31 December 2021. The Group's banking facilities are in place until April 2023, at which point the Group will be required to renew or extend its financing arrangements. The Group has to date had a very supportive banking syndicate (as indicated by their willingness to convert the accordion facility to an incremental RCF facility in September 2021 and extension to the original RCF in December 2021). As such the Directors do not believe there will be any issues in renegotiating the loan facilities when necessary. On the basis that refinancing is possible on similar terms to the existing facilities, the Board has reviewed forecast cash flows until 2026 which demonstrate the ability to trade with headroom on its facilities and to meet ongoing repayments of the term loan.

The Board is satisfied that the current financial position of the Group, its significant visibility on revenues and other business model fundamentals provide a stable platform for the Group to pursue its mission and vision for the Group. The Board is confident that in pursuing the four stated strategic priorities, this will protect business interests against threats and allow the Group to pursue opportunities that will drive growth.

Mike Danson
Chief Executive, approving the Strategic Report on behalf of the Board
28 February 2022

Directors' Report

The Directors

The Directors who served the Group during the year and up to the date of signing were:

Murray Legg
Non-Executive Chairman

Murray Legg is a Chartered Accountant with over 35 years of audit and advisory experience gained with PricewaterhouseCoopers in the UK, where he held a variety of senior management, governance and client roles. As a partner he spent 24 years auditing and advising major UK companies whose operations covered a broad range of industry sectors. Murray is currently also a Non-Executive Director of Sutton and East Surrey Water Plc.

Mike Danson
Chief Executive

Mike Danson founded Datamonitor Plc, an online information company, in 1990. In 2000, Datamonitor completed its flotation on the London Stock Exchange and was sold to Informa Plc for £502m in 2007. GlobalData acquired the Datamonitor Financial, Datamonitor Consumer, MarketLine and Verdict businesses from Informa Plc in 2015.

Graham Lilley
Chief Financial Officer

Graham joined the Group in 2011 and progressed through to Group Finance Director before becoming Chief Financial Officer in January 2018. Graham started his career at PricewaterhouseCoopers, where he qualified as a Chartered Accountant and subsequently joined Datamonitor when it was part of Informa Plc.

Annette Barnes
Non-Executive Director

Senior Independent Director, Chair of Remuneration Committee

Annette joined the Board in February 2017. In her Executive career, Annette was most recently Managing Director of Wealth & Mass Affluent for Lloyds Banking Group and CEO of Lloyds Bank Private Banking Limited. Prior to that, Annette was Managing Director of Bank of Scotland (Retail). Annette has over 30 years of Financial Services experience, working for Lloyds Banking Group, Bank of America, MBNA Europe Bank Limited and NWS Bank Limited. Annette is also a Non-Executive Director of Leeds Building Society, Quilter Investment Platform Limited and Quilter Life & Pensions Limited. Annette's prior experience has given her an excellent understanding of Technology, product channels to meet customer needs, Operational Management and Risk Management.

Catherine Birkett
Non-Executive Director

Chair of Audit Committee

Catherine is CFO for GoCardless, a global leader in recurring payments. Before joining GoCardless in 2018, Catherine was CFO for one of Europe's fastest-growing telecoms providers, Interoute, where she took the business from $20m to $800m in turnover over 16 years, leading equity and debt raises, including an inaugural high yield debt issue. While there, she also completed 10 acquisitions, including one for a business half the size of Interoute, before overseeing a successful exit of the business in May 2018.

Directors' Report

The Directors

Peter Harkness
Non-Executive Director

Peter Harkness has more than 35 years' experience as a Director or Chairman of several successful businesses, predominantly in the media sector. In addition to leading a number of private equity deals, Peter has also spent a total of 19 years as a Non-Executive Director of five quoted companies, including Walker Greenbank Plc and Chrysalis VCT Plc, and has twice been a Plc Chairman. Peter was a Non-Executive Director of Datamonitor until its sale to Informa Plc and was Chairman of the Butler Group until its sale to Datamonitor. Peter has also undertaken Board roles in the Third Sector. Peter's experience and understanding of the media and information subscription sector is an excellent asset for the GlobalData Board, particularly how we sell and the selling process.

Andrew Day
Non-Executive Director

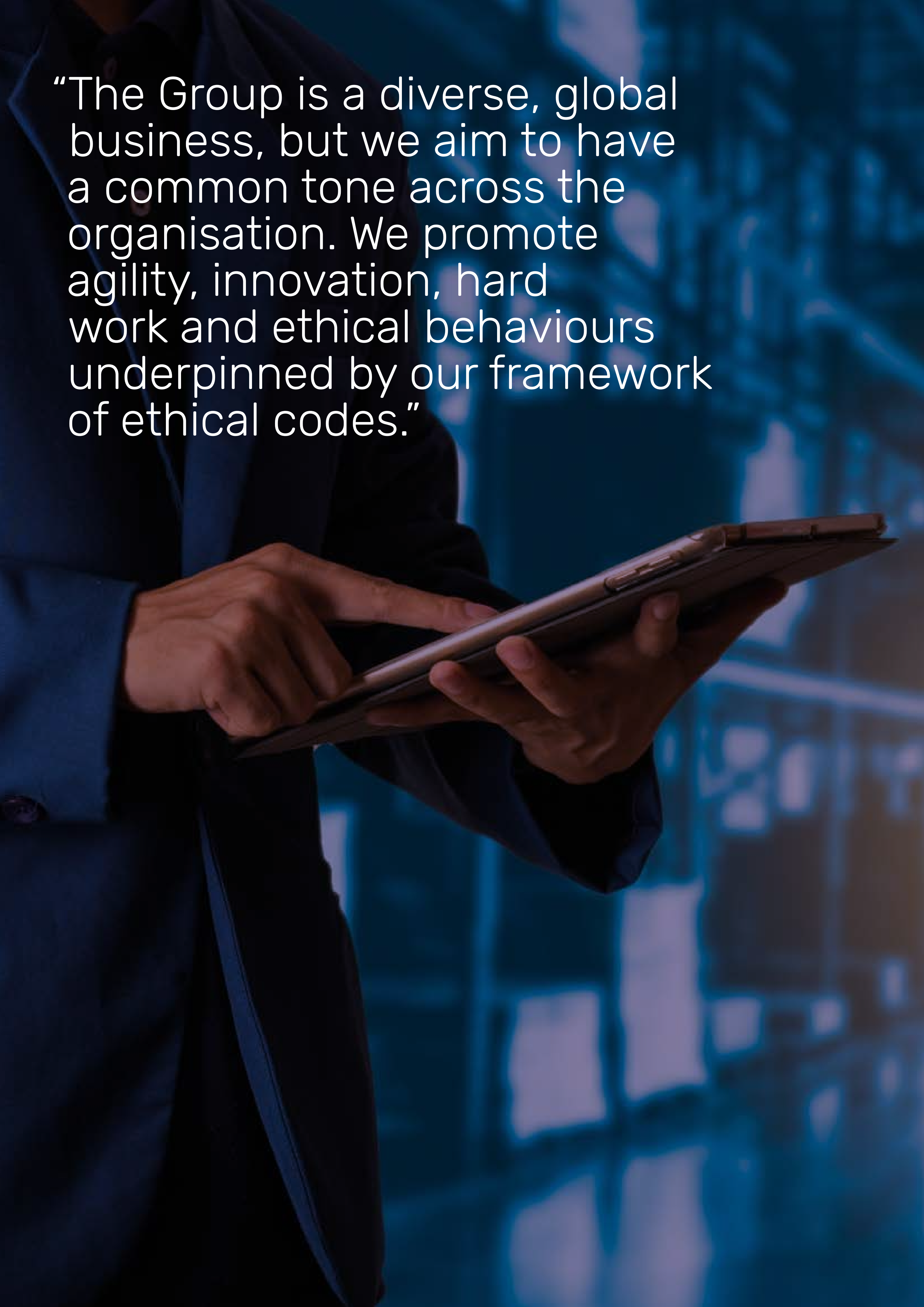
Andrew Day is currently employed as Group Chief Data Officer for Pepper Financial Services Group, where he is responsible for driving the adoption of data, analytics and machine learning across the group businesses to drive positive commercial and customer outcomes. Prior to joining Pepper, Andrew was Group Chief Data Officer at J Sainsbury Plc, Business Intelligence Director at News UK and General Manager of Business Intelligence at Telefónica. With over 25 years' experience in commercially orientated data and analytics, Andrew has a successful track record for implementing transformational data-driven change across a number of industry sectors.

Julien Decot
Non-Executive Director

Julien is a veteran technology executive with more than 20 years' experience in Silicon Valley and Europe across multiple senior roles in major consumer internet companies including Amazon.com, eBay, Skype and Facebook. He joined Skype in 2007, where he built the team in charge of Strategy, Business Development and Corporate Development, and managed the strategic partnership between Skype and Facebook. Prior to joining Facebook, he founded a mobile messaging company called TextMe, which reached 40m users and is now a profitable and successful business. He joined Facebook in 2016 to lead Platform Partnerships for EMEA, and since 2018, has looked after its ecosytem of marketing partners to build innovative technologies and solutions for Facebook's clients around the world. Julien holds a BA in Finance from ESCP Europe in Paris, as well as an MBA from UC Berkeley.

Bernard Cragg
Former Chairman

Bernard Cragg was Chairman of GlobalData Plc until he retired from the Board at the AGM on 20 April 2021. Bernard qualified with PricewaterhouseCoopers as a Chartered Accountant before joining Carlton Communications, becoming Chief Financial Officer and Finance Director. Bernard was the Chairman of Datamonitor Plc and during his time there he was an integral part of the executive team that oversaw the rapid growth of the business and its eventual successful sale to Informa Plc in 2007.



"The Group is a diverse, global business, but we aim to have a common tone across the organisation. We promote agility, innovation, hard work and ethical behaviours underpinned by our framework of ethical codes."

Directors' Report

Corporate Governance Report

The Board has set out its responsibility for preparing the Annual Report and Accounts on page 62. The Board considers the Annual Report and the Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Board is committed to the highest standards of corporate governance and throughout the year has adopted all requirements of the UK Corporate Governance Code that are applicable to it as a 'smaller company' (defined in the UK Corporate Governance Code as being a company below the FTSE 350), with the exception of the provisions listed below.

In the previous year and throughout 2021 there have been some instances of non-compliance with the Code. These are listed below, together with the remedial action taken and position as at 28 February 2022:

Non-compliance with the Code	Remediation taken	Compliant for the full year ended 31 December 2021	Compliant as at 28 February 2022
During 2020, the Board acknowledged that due to Bernard Cragg's time served as a Director, and his participation in the employee share option scheme, he was not independent under the Code. The Company was not in compliance with provisions 9 and 19 of the Code during the time Bernard served as Non-Executive Chairman.	Bernard stood down in his role as Chairman at the AGM on 20 April 2021, and also resigned from the Board on the same date. Bernard was succeeded in his role as Non-Executive Chairman by Murray Legg, who is independent under the Code and from 20 April 2021 the Group has been compliant with provisions 9 and 19 of the Code.	✗	✓
Up to March 2021 Peter Harkness was Chairman of the Remuneration Committee and a member of the Audit Committee. Due to Peter's time served as a Director he was not an independent Non-Executive Director defined within provision 10 of the Code and as such the Company was not in compliance with provision 19 of the Code for the period up to March 2021.	In March 2021, Peter stepped down as Chair of the Remuneration Committee (and is no longer a member of the Committee) and is no longer a member of the Audit Committee. Peter has valuable sector and wider business skills. He also has knowledge of how the Group has evolved and therefore continues as a member of the Board of Directors. Due to the time Peter has served on the Board Peter is not an independent Non-Executive Director.	✗	✓
During 2020 the Company did not engage with the workforce using a method prescribed by the Code, which meant that the Company was therefore not in compliance of provision 5 of the Code up until Annette Barnes was appointed the workforce designated Non-Executive Director in March 2021 and in this role engaged with the workforce.	In March 2021 Annette Barnes was appointed as the workforce-designated Non-Executive Director. In this role Annette attended two VOICES Committee meetings and discussed themes such as Diversity, Equality and Inclusion, Professional Development, Group Communications, Well-being, Philanthropy and work social events. The VOICES Committee will develop into a series of formal Employee Resources Group in 2022 with continued attendance and dialogue with the workforce and feedback to the full Board.	✗	✓
Until February 2022, the Company did not have a policy in respect of post-employment shareholding requirements and as a result did not comply with provision 36 of the Code.	In February 2022 the company has implemented a Group Remuneration Policy, which sets out rules on shareholding and post-employment shareholding requirements. See Remuneration Report on pages 55-61.	✗	✓
In non-compliance with provisions 40 and 41 of the UK Corporate Governance Code, the Remuneration Committee had not engaged with employees and shareholders when setting remuneration.	The remuneration of the Executive Directors has not been set following engagement with shareholders and employees. Our CEO has requested that he does not receive a salary and therefore the review of our Remuneration Committee only relates to the role of CFO. The Committee feels that its review of relevant benchmarks when setting remuneration is appropriate. However, should there be any material change to the remuneration arrangements of the Executive Directors it will seek to consult with key institutional shareholders.	✗	✗

Directors' Report

Corporate Governance Report

The UK Corporate Governance Code is publicly available at: **www.frc.org.uk/directors/corporate-governance-and-stewardship/uk-corporate-governance-code**.

Details of GlobalData's corporate governance practices are publicly available on its website at **www.globaldata.com**.

Responsibility for governance matters lie with the Board, which is accountable to shareholders and wider stakeholders for the activities of the Group.

Board Leadership and Company Purpose
The Group is led by the Board. The Executive Directors meet regularly with investors to discuss the performance and governance of the Group and any feedback is communicated and distributed to the wider Board. The Chairs of the Remuneration and Audit Committees make themselves available to discuss with investors annually at the AGM.

The Board assesses the basis on which the Company generates and preserves value over the long term and have prepared a long-term viability statement on pages 34-35, which considers the 5-year plan. The Board considers the opportunities and threats to the business model and assessment is made on how the Group's strategy is aligned to addressing the Group's mission and protecting the sustainability of the business. The regular challenge and governance provided by the Board keeps the Executive Management Committee and the entire organisation united in achieving the Group goals.

The Board recognises that culture is an important aspect of its four strategic priorities which ultimately drives the Group towards its Mission. The Group is a diverse, global business but we aim to have a common tone across the organisation. We promote agility, innovation, hard work and ethical behaviours underpinned by our framework of ethical codes. We invest in our employees' training and development with clear progression and career plans that allow our colleagues to flourish. We deliver consistent training, communication and policy across the Group and within different work groups. We recognise that it is advantageous to promote different cultures within different functions of the organisation which all contribute to the overall culture of the business. For example in recent years we have implemented a reward structure within our sales teams which is consistent across the globe and is aimed at getting the best out of sales teams, but the reward structures elsewhere in the business differ dependent on performance metrics.

During 2021, the Company operated a VOICES Committee, which is an employee group working together to drive positive change for GlobalData. Following feedback and consultation with the VOICES Committee, during 2022 we aim to transition to a series of targeted Employee Resources Groups, which will take on the role of VOICES and expand its coverage. We encourage our employees to share their feedback and ideas on the issues that matter to them and their colleagues. These groups will be the platform to gather and discuss feedback, suggest ideas for improvement, and help to implement them. The results of the initiatives led by VOICES are published to colleagues on the internal intranet. During the year, four meetings were held, of which two were attended by Annette Barnes, our designated workforce Non-Executive Director. Throughout the year, the key themes of discussion were Diversity, Equality and Inclusion, Professional Development, Group Communications, Well-being, Philanthropy and work social events. The role of designated Non-Executive Director for employees has the aim of forging closer relationships between the Board and the workforce. This role includes being involved with the VOICES Committee and reviewing any feedback from the whistleblowing hotline, providing a useful insight into employee matters. Due to this revision to the role of Remuneration Chair and its links to employees, the Board does not believe that workforce representation on the Board is required.

Our colleagues can also raise concerns in confidence and anonymously via our whistleblowing hotline, which is facilitated via an independent company, with any whistleblowing reports notified to our Group HR Director and the Senior Independent Non-Executive Director.

The Group operates an intranet, which every employee has access to. The intranet publishes Company policies and procedures, and it is also used to communicate Company events, activities and regular corporate updates from the CEO.

The Directors have set out its wider stakeholder analysis in the Directors' section 172(1) statement. The Board views renewal rates and payment statistics for a high-level view on the health of client and supplier engagement, but also has deep dives into engagement through discussion with commercial managers.

Division of Responsibilities
The Board is made up of two Executive Directors and six Non-Executive Directors. The Executive Directors who have served during the year are Mike Danson and Graham Lilley.

The Chairman is responsible for the running of the Board and, together with the Board members, approving the strategy of the Group. The Chief Executive is responsible for developing the Group's strategy and operational management of the business.

Directors' Report

Corporate Governance Report

Our Non-Executive team comprises the Chair, Murray Legg; the Senior Independent Director, Annette Barnes; Andrew Day; Catherine Birkett; Julien Decot and Peter Harkness.

All the Non-Executive Directors are considered independent, with the exception of Peter Harkness, who is not considered to be independent under the definition of the Code. However, the Board believes Peter is independent of mind and brings valuable experience to the Company. With effect from 20 April 2021, Peter Harkness was no longer a member of the Audit and Remuneration Committees.

The Non-Executive Directors' shareholdings are detailed in the Directors' Interests table on page 45 of the report. The Board has determined that the Non-Executive Directors are independent and that their shareholding in the Company does not affect their independence.

In 2021, the Board met 11 times during the year and there is a formal schedule of matters reserved for the consideration of the Board. The Board is responsible to the shareholders for the proper management of the Group. The Board sets and monitors the Group strategy, reviewing trading performance, ensuring adequate funding, examining development possibilities and formulating policy on key issues. The Board is also responsible for monitoring the current and emerging risk and control environment, and has set out its approach to risk on pages 24-29. The Board confirms that it has completed a robust assessment of the Group's emerging and principal risks during the year. The Non-Executive Directors have the opportunity to meet without the Executive Directors in order to discuss the performance of the Board, its committees and individual Directors.

All members of the Board have access to the Company Secretary who is responsible for advising the Board on all governance matters. Procedures are in place for the Directors in the furtherance of their duties to take independent professional advice, if necessary, at the Company's expense. The Company Secretary ensures that the Board and its committees are supplied with papers to enable them to consider matters in good time for meetings and to enable them to discharge their duties. Responsibility for the appointment and removal of the Company Secretary is held by the Board as a whole.

The Board has procedures that require Directors to notify the Chairman and Company Secretary of all new external interests and any actual or perceived conflicts of interest that may affect their role as a Director of the Company. As part of this process, the Board considers each conflict situation separately according to the particular situation and in conjunction with the Company's Articles.

Composition, Succession and Evaluation

The Nominations Committee was established to lead the process for appointments and manage succession plans for its executives. The committee is comprised of one Executive Director and three Non-Executive Directors, including the Chairman. The Board is committed to ensuring that the Nominations Committee always consists of a majority of Independent Non-Executive Directors, but where there is an equal number of Independent and Non-Independent members the casting vote is made by the Independent Chair. The casting vote going to Murray Legg, the Non-Executive Chair of the Nominations Committee. Where the Nominations Committee uses an external search agency to appoint a member of the Board, it is disclosed in the Annual Report. Two new appointments were made during the year (Catherine Birkett and Julien Decot) in which an independent external search agency (Tyzack Partners) was engaged to assist with both appointments. The Group and individual Directors have no other connection with Tyzack Partners outside of this appointment process. When making new appointments the Board takes into consideration other demands on Directors' time, and external appointments by any members of the Board require prior approval to confirm no conflicts of interest or significant demands on time.

The Group benefits from the diversity and variety of its workforce and is fully committed to maintaining and encouraging diversity, including the composition of the Board. The Board is currently made up of 6 male Directors and 2 female Directors and the Executive Management Committee had 8 male employees and 2 female employees serve during the year.

All Directors are required to stand for re-election every year. The terms and conditions of the appointment of the Non-Executive Directors are available for inspection at our registered office. Prior to recommending reappointments at the AGM, the Board considers whether each Non-Executive Director continues to be independent and to appropriately challenge management, as well as each other, in Board and Committee meetings. Following review, the Board has reaffirmed that each Non-Executive Director is able to offer an external perspective on the business, is able to constructively challenge and scrutinise activities, is independent in character and judgement, and has the required experience necessary to perform their role as an independent Director.

The Board conducts an annual evaluation process, which involves the performance appraisal of both the Executive and Non-Executive members of the Board. The review is undertaken by all Directors via an online survey on the overall performance of the Board during the year, which is fed back and debated, and then drives the actions and objectives of the Board.

Individual Directors are appraised by virtue of their role within the Board, whereby the Chairman appraises the Chief Executive and the Non-Executive Directors, the Chief Executive appraises the Chief Financial Officer and the entire Board appraises the Chairman which is delivered by the Senior Independent Non-Executive Director.

The Nominations Committee regularly reviews succession plans for the Board and Senior Management, with plans prepared on an immediate, medium- and long-term basis.

As a 'smaller company' (defined in the UK Corporate Governance Code as being a company below the FTSE 350) the Board has decided that the internal evaluation of Board performance conducted in the year is sufficient and that external facilitation of the evaluation is not necessary in this financial period.

Audit, Risk and Internal Control
The Board has established Audit, Nomination and Remuneration Committees with mandates to deal with specific aspects of its business. The table below details the membership and attendance of individual Directors at Board and committee meetings held during the year ended 31 December 2021.

Board meetings during the year:

	Board	Audit Committee	Remuneration Committee	Nominations Committee
Number of meetings				
Murray Legg	11	4	3	2
Mike Danson	11	-	-	2
Graham Lilley	11	-	-	-
Annette Barnes	11	4	3	2
Peter Harkness	10	1*	1*	2
Andrew Day	11	4	3	-
Catherine Birkett	9	3	-	-
Julien Decot	7	-	1	-

*Peter's attendance at these meetings was prior to the AGM, which was held on 20 April 2021.

The Audit Committee is comprised of the Chair Catherine Birkett, Murray Legg, Annette Barnes and Andrew Day. Catherine Birkett is a Chartered Accountant with recent and relevant financial experience.

The Audit Committee met four times in the year with the external auditors in attendance.

The Audit Committee is responsible for:

- Monitoring the integrity of the financial statements and any formal announcements relating to the company's financial performance, and reviewing significant financial reporting judgements contained in them.
- Providing advice on whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.
- Reviewing the Company's internal financial controls and internal control and risk management systems.
- Considering annually whether there is a need for an internal audit function and reporting its view and findings to the Board.
- Conducting the tender process and making recommendations to the Board about the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor.
- Reviewing and monitoring the external auditor's independence and objectivity.
- Reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements.
- Developing and implementing policy on the engagement of the external auditor to supply non-audit services, ensuring there is prior approval of non-audit services, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, and reporting to the Board on any improvement or action required.

The Audit Committee discharges its responsibilities through receiving reports from management and advisers, working closely with the auditors, carrying out and reviewing risk assessments and taking counsel where appropriate in areas when required to make a judgement.

The Board has overall responsibility for the Group's system of internal controls and for monitoring its effectiveness. Such a system is designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The internal controls are considered within the Principal and Emerging Risks and Uncertainties section of the Strategic Report on pages 24-29.

Directors' Report

Corporate Governance Report

The Directors review the effectiveness of the Group's system of internal controls. This review extends to all controls including financial, operational, compliance and risk management. Formal risk review is a regular Board agenda item.

The key controls reviewed by the Board during the year comprise the following:

- The preparation of comprehensive annual budgets and business plans integrating both financial and operational performance objectives, with an assessment of the associated business and financial risks. The overall Group budget and business plan is subject to approval by the Board.
- Weekly sales reports are produced and reviewed by management.
- Monthly management accounts are prepared and reviewed by the Board. This includes reporting against KPIs and exception reporting.
- An organisational structure with formally defined lines of responsibility. Authorisation limits have been set throughout the Group.
- The monthly preparation and review of balance sheet control account reconciliations.
- Regular review of IT and cyber security controls and enhancements.

The Board, in conjunction with the Audit Committee, reviewed the 2021 Annual Report and Financial Statements to ensure that they provide a fair, balanced and understandable reflection of the Group, its performance, position and future prospects.

Remuneration

The Remuneration Committee comprises the Chair Annette Barnes, Murray Legg, Andrew Day and Julien Decot. The Remuneration Committee is responsible for determining the service contract terms, remuneration and other benefits of the Executive Directors, details of which are set out in the Remuneration Report on pages 55-61. The terms of reference of the Remuneration Committee are available for inspection on request.

As part of Annette's role as Remuneration Committee Chair, she has undertaken the role of designated Non-Executive for the workforce. This role involves a close working relationship with the Group HR Director and the VOICES network. Engagement with the workforce spans a range of items including culture, remuneration and well-being. The Board see this as an important duty to drive positive actions.

To date, in non-compliance with provisions 40 and 41 of the UK Corporate Governance Code, the remuneration of the Executive Directors has not been set following engagement with shareholders and employees. The remuneration of the Executive Directors has been set as outlined in the Remuneration Policy which addresses the requirements of Provision 40 with the exception disclosed above. Our CEO has requested that he does not receive a salary and therefore the remit of our Remuneration Committee as it relates to Executive Directors only addresses the role of CFO. The Committee feels that its review of relevant benchmarks when setting Executive remuneration is appropriate. Should there be any material change to the remuneration arrangements of the Executive Directors in the future, the Remuneration Committee will seek to consult with key stakeholders.

Related Party Transactions

The Related Party Transactions (RPT) Committee comprises the Chairman Murray Legg, Peter Harkness, Annette Barnes and Andrew Day. The Committee met twice during 2021. The Committee ensures that there are adequate controls in place to provide assurance that any transaction which is or may be a related party transaction in nature is conducted on terms that are at arms' length and reasonable.

Going Concern

The Group meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections, the Group considers the existing financing facilities to be adequate to meet short-term commitments.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Group has prepared the Annual Report and Accounts on a going concern basis.

Long Term Viability

The Directors have set out a long-term viability statement on pages 34-35 of the Strategic Report.

Shareholder Relationships

The Company operates a corporate website at **www.globaldata.com** where information is available to potential investors and shareholders.

The Board uses the AGM to communicate with shareholders and seek their participation, as well as one-to-one results presentations with its investors at each full year and interim results announcement. The Group also held a Capital Markets Day for its institutional investors, brokers and research analysts on 27 January 2022 to give an update on strategy. The Notice of the Annual General Meeting will be circulated more than 21 clear days prior to the meeting.

Directors' Report

Corporate Governance Report

The Directors' interests are disclosed on page 45, which includes the shareholding of Mike Danson who owns 74,674,349 shares as at 28 February 2022, representing 63.1% of the total share capital. There are no other individual shareholders owning more than 10% of the company's issued share capital.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all its issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Board Terms of Reference, copies of which are available on request.

The Company has the authority to purchase its own shares. The authority limits the maximum number of shares that can be purchased to approximately 10% of the Company's current issued share capital. The authority is proposed each year as a resolution at the Company's AGM for shareholders to vote on.

Employee Policies

The Group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the factors affecting the performance of the Group. This is achieved through formal and informal meetings. As part of Group communications we hold regular CEO Information Sessions, which are video conference meetings attended by all Group employees. These meetings are used as a forum to keep our colleagues up to date with performance, strategy and other corporate communication. Annette's role as workforce designated Non-Executive Director also helps to increase engagement between the Board and the wider workforce.

The Group benefits from the diversity and variety of its workforce and is fully committed to maintaining and encouraging diversity. It is the Group's policy to give full and fair consideration to the employment of disabled persons, the continuing employment of employees becoming disabled, and to the full development of the careers of disabled employees, having regard to their particular abilities.

The Group does not discriminate on the grounds of gender, race, disability, sexuality, religion, philosophical belief, political belief, trade union membership or age as guided by the Equality Act 2010.

At 31 December 2021, the Group employed the following number of employees of each gender:

	2021 No.	2020 No.
Male	2,066	2,014
Female	1,558	1,458
	3,624	**3,472**

Health and Safety

It is the policy of the Group to conduct all business activities in a responsible manner, free from recognised hazards and to respect the environment, health and safety of our employees, customers, suppliers, partners, neighbours and the community at large.

Political Donations

The Group has not made any political donations during the year.

Supplier Payments Policy

It is the Group's policy to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods and services in accordance with agreed terms and conditions. During 2021, average creditor days were 46 days (2020: 46 days).

Subsequent Events

These are no subsequent events.

Dividends

These are disclosed within the Strategic Report on page 11.

Directors' Report

Corporate Governance Report

Financial Instruments
Use of financial instruments and exposure to various financial risks has been discussed within the Strategic Report (page 22).

Future Developments
Future developments have been discussed within the Chief Executive's Report on page 16.

Directors' Interests
Details of the Company's share capital are set out in note 23 to the financial statements. As at 28 February 2022, Mike Danson had a beneficial interest of 63.1 per cent of the issued ordinary share capital of the Company. No other person has notified any interest in the ordinary shares of the Company, in accordance with AIM Rule 17.

The interests of the Directors as at 28 February 2022 in the ordinary shares of the Company were as follows:

	Number of ordinary shares
Mike Danson	74,674,349
Peter Harkness	55,000
Murray Legg	23,000

As at 31 December 2021, Graham Lilley had 400,000 share options in issue (2020: 400,000), which included 100,000 share options in Scheme 1 and 300,000 in Scheme 2.

Directors' Indemnities
To the extent permitted by English law and the Articles, the Directors are granted an indemnity from the Group in respect of liability arising from, or in connection with, the execution of their powers, duties and responsibilities as a Director of the Company and any of its subsidiaries. The indemnity would not provide coverage where the Director is proved to have acted fraudulently or dishonestly. The Group purchases and maintains Directors' and Officers' insurance cover against certain legal liabilities and the costs of claims in connection with any act or omission by its Directors and Officers in the execution of their duties.

We continue to recognise that how we engage with our people, clients, business partners, the wider community and environment is fundamental to the Group's success. The Group is committed to focusing on creating and maintaining positive long-term relationships with our broad base of stakeholders.

Directors' Report

Environmental, Social and Governance

Environmental, Social and Governance ("ESG") matters are a key part of our strategy, and for us at GlobalData it is about safeguarding long-term viability and sustainable growth for the Company, our people, our clients and our shareholders. Furthermore, we understand ESG is an emerging theme for our clients so we are offering more and more insights and data to help them understand the ESG metrics so they can make long-term strategic decisions, with the impact on the environment, their communities and stakeholders as a main focus.

We continue to recognise that how we engage with our people, clients, business partners, the wider community and environment is fundamental to the Group's success. The Group is committed to focusing on creating and maintaining positive long-term relationships with our broad base of stakeholders.

Environment

As a data and analytics company, our products are created and distributed digitally. This means our carbon footprint is considerably smaller than for many other companies of our size. Despite the structural benefits that we have as a digital company, we are committed to minimising the impact of our operations on the environment.

The Group is pleased to report its current UK-based annual energy usage and associated annual greenhouse gas ("GHG") emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

In accordance with the 2018 Regulations, the energy use and associated GHG emissions are for those assets owned or controlled within the UK only that come under the operational control boundary. Therefore, energy use and emissions are aligned with financial reporting for the UK subsidiaries and exclude the non-UK based subsidiaries that would not qualify under the 2018 Regulations in their own right.

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emissions calculations. The report has been reviewed independently by Briar (Briar Consulting Engineers Limited).

The electricity and natural gas energy use was compiled predominantly from invoices, with some pro-rating to account for missing months by apportioning available data to match the reporting period. Where energy has been recharged by landlords on a fiscal basis, energy consumption has been estimated using an average unit cost. CIBSE (Chartered Institution of Building Services Engineers) benchmark data has been used in relation to serviced office space where energy is included within the rental fee.

Expense claims were used to calculate energy and emissions from grey fleet and one company car. SECR requires that large unquoted companies disclose their emissions related to fuel used in personal/hire cars on business use (including fuel for which the organisation reimburses its employees following claims for business mileage). Under the GHG Protocol Corporate Accounting and Reporting Standard these emissions fall under scope 3 (category 6) and have been grouped under the heading of "Business Travel".

The emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of company activities but occur from sources not owned or controlled by the organisation (scope 3).

Breakdown of Energy Consumption Used to Calculate Emissions (kWh)

	2021 kWh	2020 kWh
Purchased electricity	1,026,836	1,033,265
Natural gas	496,830	462,549
Heat	50,160	50,160
Transport fuel	3,403	9,798
Total gross energy consumed	**1,577,229**	**1,555,772**

Environmental, Social and Governance

Breakdown of Emissions Associated with the Reported Energy Use (tCO_2e)

	2021 tCO_2e	2020 tCO_2e
Scope 1		
Natural gas	91.0	85.0
Transport – company-owned vehicles	0.1	-
Scope 2		
Purchased electricity (location based)	218.0	241.0
Heat	9.0	9.0
Scope 3		
Transport – Business travel in employee-owned vehicles	0.7	2.0
Total gross emissions	**318.8**	**337.0**

Intensity Ratios

Our chosen carbon intensity ratio is gross tonnes of carbon dioxide equivalent emissions per million pounds (£m) of revenue.

	Year Ended 31 December 2021	Year Ended 31 December 2020
Tonnes of CO_2e per £m	**2.44**	2.71

Our activities are split between energy used in buildings and for business travel. As a consequence, we have also chosen to report gross tonnes of carbon dioxide equivalent emissions per 1,000 metres squared of office space for emissions related to buildings, and gross tonnes of carbon dioxide equivalent emissions per 1,000 miles travelled for emissions related to business travel.

Buildings

	Year Ended 31 December 2021	Year Ended 31 December 2020
Tonnes of CO_2e per 000 m^2 Gross Internal Area (GIA)	**45.5**	48.3

Business Travel

	Year Ended 31 December 2021	Year Ended 31 December 2020
Tonnes of CO_2e per 1,000 miles	**0.270**	0.276

Energy efficiency action during current financial year

The management of resources and the need to embed sustainability is an important issue for the Group. We are working towards reporting against both GRI (Global Sustainability reporting standards) and SASB (Sustainability Accounting Standards Board) and have joined the Science Based Targets initiative and GlobalData is committed to Business Ambition for 1.5°C and is part of the UN-backed campaign, *Race to Zero*. For more details see **www.sciencebasedtargets.org/companies-taking-action**.

This is only the second year that we have reported against our UK Only energy consumption and 2020 and 2021 are difficult benchmarks to fully understand our base line (given the impact of the pandemic). The emissions savings resulting from reduced travel and the increased number of video conferences has not been quantified, but this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Given our commitment to the Business Ambition for 1.5°C initiative, we are working on a fully costed and actionable plan to fulfil our commitment on climate change. Going forward we will publish details of this plan and report against our progress towards it.

The Directors believe that environmental risk factors are emerging for the Group but are not a principal risk to the Group.

Directors' Report

Environmental, Social and Governance

Social

The Group benefits from the diversity and variety of its workforce and is fully committed to maintaining and encouraging diversity. It is the Group's policy to give full and fair consideration to the employment of disabled persons, the continuing employment of employees becoming disabled, and to the full development of the careers of disabled employees, having regard to their particular abilities.

The Group does not discriminate on the grounds of gender, race, disability, sexuality, religion, philosophical belief, political belief, trade union membership or age as guided by the Equality Act 2010.

We have made progress during 2021 on greater gender balance throughout our organisation

% Female	As at 31 December 2021	As at 31 December 2020	Change
Board	25%	14%	+11 p.p.
Executive Management Committee	20%	20%	+/ -
Group Colleagues	43%	42%	+1 p.p.

As a company, we have charity partners across the globe, with a particular focus on charities that help with mental well-being, education and empowering women in education. During the year we supported Mental Health Awareness Week, which included a *GlobalData Walks the World* challenge, which encouraged our global colleagues to take walks during periods of lockdown and culminated in a team challenge to *walk the world*.

We will continue to work with our charity partners and are now offering a volunteer programme to our colleagues to enable them to get more involved directly in our communities as well as our usual fundraising efforts.

We are also launching some professional development initiatives including mentoring programmes and funded learning and development.

Governance

The Board is committed to achieving the highest standards of corporate governance. The Group is working towards full adoption of the UK Corporate Governance Code despite there being options for more reduced codes for companies on AIM. Responsibility for governance matters lies with the Board, which is accountable to shareholders and wider stakeholders for the activities of the Group. We are also working towards reporting our ESG activities/performance against SASB and GRI standards.

GlobalData has improved its governance arrangements and reporting over the past two to three years. During the year we have:

- Reviewed areas in the UK Corporate Governance Code in which we were not compliant and have taken actions against each. There is a table of actions and outcomes on page 39 to demonstrate this.
- We have created a skilled and diverse Board of Directors, which has been enhanced this year with the appointments of Catherine Birkett and Julien Decot as well as the appointment of independent Chairman Murray Legg.
- We are embedding an enhanced Enterprise Risk Management Framework across the Group, with an emphasis on internal controls around data privacy, data quality, cyber security and our other principal risks.

"We are well positioned as a business to make further progress in 2022. Underpinned by our strong invoiced forward revenue position of £107.7m at the start of the new financial year and largely fixed cost base driving margin expansion, we look forward to strong organic revenue growth and continued margin improvement in 2022."

Mike Danson, Chief Executive Officer

Directors’ Report

Audit Committee Report

I am pleased to present to you my first Audit Committee report, at GlobalData.

Key Activities of the Audit Committee
The Audit Committee assists the Board in setting Governance standards and has specific responsibility over financial controls, financial reporting and audit effectiveness. In 2021, specifically, the Audit Committee has:

- Conducted a review of the Annual Report and Accounts and Interim Statements to confirm that they were fair, balanced and understandable;
- Reviewed the significant financial judgements made in the year; and
- Reviewed the effectiveness of the Group’s internal controls and risk management framework for both financial and non-financial controls.

During the year the Audit Committee met on four occasions, and I am satisfied that we were presented with papers of good quality and in a timely fashion.

As at 31 December 2021, the Committee comprises only independent Non-Executive Directors and consists of myself, Catherine Birkett as Chair, Annette Barnes, Murray Legg, and Andrew Day.

The Integrity of Financial Reporting
We reviewed the integrity of the financial statements and all formal announcements relating to financial performance during 2021. As part of the review, we challenged management on whether significant areas of judgement and significant risks were adequately evaluated, reported and disclosed.

Fair, Balanced and Understandable
On behalf of the Board, the Committee reviewed the 2021 Annual Report and Financial Statements to ensure that they provide a fair, balanced and understandable reflection of the Group, its performance, position and future prospects.

As part of the review, the Committee considered whether:
- There are any material or sensitive omissions from the narrative;
- The narrative is a true and balanced reflection of events and performance in the year;
- There is consistency throughout the Annual Report and Financial Statements; and
- There is a clear explanation of key performance indicators, their link to performance and strategy and equal prominence of statutory performance measures.

In the view of the Committee, the Annual Report is fair, balanced and understandable in accordance with the requirements of the UK Corporate Governance Code.

Audit Committee Report

Significant Financial Estimates and Judgements

Issue	Consideration of estimation or judgement
Valuation of acquired intangible assets	The Committee reviewed the purchase price allocation calculations and assumptions used in the allocations and concluded that both the application and methodology were consistent with previous acquisitions and the assumptions used were reasonable.
Share-based payments	The Committee reviewed the calculation and assumptions used in calculating the share-based payments charge. The valuation of new awards was conducted by an external consultant and the Committee considered this report when concluding that the share-based payments charge contains reasonable assumptions (such as expected employee churn, Black-Scholes assumptions) were fair and reasonable.
Carrying value of goodwill and acquired intangible assets	The impairment test for the carrying value of goodwill and acquired intangible assets requires forward-looking value-in-use calculations that involve assumptions and judgements by the management team. The Audit Committee sought to review these calculations and challenge the assumptions contained within, particularly around future revenue growth assumptions and discount rate used. The Committee concluded that the impairment review had been completed in line with the provisions of IAS36 and that management had used a range of sensitivities to stress tests the models used. The Audit Committee was satisfied with conclusions reached by management.
Segmental reporting	The Committee assessed management assumptions when reviewing segmental disclosures. In its review, the Audit Committee considered the requirements of IFRS8 ("Operating Segments") and ensured that they were in line with what was reviewed by the Chief Operating Decision Makers (the Executive Board). The Committee is satisfied that the One Platform centralised business model is a differentiator from some of the Group's peers, and that a single reportable segment is an appropriate conclusion given the nature of the Group's operations.
Allocation of Cash-Generating Units	The Committee reviewed management's analysis of cash-generating units ("CGUs") and assessed its conclusion that there were 2 CGUs as at the date of the intangible asset impairment review (30 September). The Committee concluded that it was a reasonable conclusion that significant integration of the Group's recent acquisitions has led to all assets generating cash inflows for the wider business, covering all subject matter areas (named the Data, Analytics and Insights CGU). The exception to this was MEED, which continues to be classified as an individual CGU due to having separately identifiable cash flows and financial results. Since the CGU assessment and intangible asset impairment review was performed, the Group made the LMC acquisition, which constitutes its own CGU. It is management's intention to fully integrate the LMC companies into the Data, Analytics and Insights CGU during 2022.
Adjusted performance measures (APMs)	The Committee reviewed the Strategic Report and the financial statements contained within the Annual Report and Accounts to ensure that APMs were not given undue prominence over statutory numbers, that adjustments made to get to the APMs were both consistent with previous years and that the adjustments gave the reader a clearer understanding of the underlying performance of the business. The Committee is satisfied that the Accounts give a balanced and fair view of performance and APMs are presented in a consistent and clear manner, so that they contribute to the readers' overall understanding of the accounts and the business performance.

Audit Committee Report

The Effectiveness of Internal Controls and Risk Management Framework
The Audit Committee monitors the adequacy and effectiveness of internal control and risk management systems and ensures that a robust assessment of the principal risks facing the Group has been undertaken.

During the year, the Committee has assessed the documentation and review that has taken place with regards to the Group's internal controls and risk management procedures. The Group's approach to internal controls is to follow a three lines of defence model and the Committee is satisfied, in the main, with the control design as well as the policies and procedures in place, however the Committee recognises that there are actions required to remediate some IT control deficiencies and improve some manual controls, specifically within the revenue business process, which will be focused on during 2022. The Committee is satisfied that the review of internal controls and risk assessment were carried out in a robust manner.

As a result of the unlawful distributions identified during 2020, professional advice has been sought during the year in relation to the capital reduction (note 23) and the level of internal scrutiny on distributable reserves has increased. Additionally, the Group now obtains professional advice in relation to financial reporting restructuring matters which involve reserve movements.

The Audit Committee has considered the need for a separate internal audit function and notes that there are some elements of internal audit that are currently outsourced, including specific agreed-upon controls reviews in our Indian businesses, but due to the size of the Group and procedures in place to monitor both trading performance and internal controls, it was concluded that an entirely separate internal audit department was not required. The Audit Committee and Board are continually assessing the need for additional assurance procedures within the Group.

External Auditor
In order to maintain the independence of the external auditors, the Board has determined that non-audit work will not be offered to the external auditors unless there are clear efficiencies and only where such work is permitted under the Financial Reporting Council's Ethical Standard.

The Audit Committee annually reviews the remuneration received by the auditors for audit services and non-audit work. Their audit and non-audit fees are set, monitored and reviewed throughout the year (see note 6 of the financial statements).

The Group has adopted the Competition and Markets Authority Order (CMA Order) and will rotate audit firms at least every 20 years and tender at least every 10 years. 2021 was Deloitte LLP's (Deloitte) second year as Group auditor.

The Committee recommends the reappointment of Deloitte for 2022. We believe that their independence, their objectivity and the effectiveness of the external audit is strong. This is safeguarded through their continuing challenge, their focused reporting and their discussions with both management and the Audit Committee in planning and concluding their work.

The Committee confirms that there are no contractual obligations that restrict the choice of external auditor.

Catherine Birkett
Chair of the Audit Committee
28 February 2022

"A significant pillar of our remuneration strategy is to align the remuneration of our colleagues and Executive Directors to the long-term strategic success and ongoing development of the company."

Annette Barnes, Chair of the Remuneration Committee

Directors' Report

Directors' Remuneration Report

Unaudited information

The Remuneration Committee

I am pleased to present the Remuneration Committee report to you for 2021.

Areas of Responsibility
The Remuneration Committee has the delegated responsibility for setting and agreeing the strategy for Executive Director remuneration and overseeing remuneration strategy and culture for the Group. In 2021, the Remuneration Committee has been focused on:

- Further enhancing Remuneration Governance, including the implementation of a remuneration policy for Executive Directors, as outlined in the Corporate Governance Code;
- Implementing Long-Term Incentive Plans for Executive Directors and senior teams which attract and retain key skills over the long term; and
- Reviewing and approving awards made under the Long-Term Incentive Plans, aligned with the delivery of agreed Group performance measures.

The key activities of the Remuneration Committee are:

- Setting remuneration policy for Executive Directors;
- Review and approval of Long-Term Incentive Plans for Executive Directors and senior teams; and
- Approving awards made under the Long-Term Incentive Plans.

In terms of the three key areas of focus this year, we have made the following observations and key decisions:

Further Enhancing Remuneration Governance
Recognising that the previous Annual Report noted a number of exceptions to the Corporate Governance Code, we have implemented policies and procedures that seek to address these areas. Specifically, we have:

- Reconstituted the Remuneration Committee to be led by an Independent Chair;
- Implemented a new Remuneration Policy, which includes provisions on Executive shareholding, post-employment shareholding, malus and clawback;
- Appointed me as the workforce designated Non-Executive Director. During the year I have attended two meetings with the workforce Committee, the VOICES Committee. Feedback from the VOICES Committee has been shared with the Board; and
- Discussed the content of CEO Information Sessions that the Chief Executive has with all colleagues on a regular basis to provide updates on Group progress, strategy and results. Colleagues are encouraged to ask questions in this forum. In addition, Investor Days have been held during the year, to update investors on key company progress. Again, questions are encouraged at these events. As a result of the current high level of stakeholder interaction, the Remuneration Committee did not feel it necessary to undertake further engagement with shareholders or the workforce to explain how the existing Executive remuneration aligns with the wider company pay policy. Should there be any material changes to the core elements of Executive remuneration in the future, the Committee will seek to engage with appropriate stakeholders.

Implementing Long-Term Incentive Plans
A significant pillar of our remuneration strategy is to align the remuneration of our colleagues and Executive Directors to the long-term strategic success and ongoing development of the company. Information relating to our active Long-Term Incentive Plan (LTIP) Schemes are noted as follows, with further detail on all active schemes documented later in my report:

- **Scheme 1** - We previously implemented an LTIP for a number of our colleagues during 2010, referred to as Scheme 1. The final tranche of share options to vest will occur following the publication of our 2021 results. This scheme will then be closed.
- **Scheme 2** - LTIP Scheme 2 was introduced during 2019, for a number of the senior management team that had not been in role when Scheme 1 was introduced, and/or had gained broader responsibilities.
- **Scheme 3** - This scheme is not yet active; however, we are currently assessing the potential options for an LTIP (Scheme 3) for our CEO, Mike Danson, who currently receives no salary and de minimis benefits. As Mike is a big part of the Group's historic and future long-term success we are keen to ensure that appropriate remuneration is in place and that we retain his services, as CEO, over the longer term. As you would expect, we are taking appropriate advice from our NOMAD and from our remuneration specialist advisers in the creation of this scheme. In addition, we will discuss our proposed approach with our larger institutional shareholders to ensure that any scheme design aligns with the longer term objectives of the Group.
- **Scheme 4** - With the expected expiration of Scheme 1, the Committee recognised that a replacement LTIP for senior colleagues was strategically important. As such, a new scheme, Scheme 4, was approved during the year. No awards have yet been made under this scheme. Further detail is provided on pages 59-60.

Directors' Remuneration Report

Reviewing and approving awards made under the Long-Term Incentive Plans
In addition to implementing appropriate new LTIP schemes, the Remuneration Committee have also reviewed existing Schemes to understand progress against their performance measures outlined.

In relation to Scheme 1, the Remuneration Committee received notification from the Audit Committee that the quality of Adjusted EBITDA in 2021 of £58.6m was in excess of the £52m performance target and is, therefore, sufficient to satisfy the final tranche of the Scheme 1 options. Employees within this scheme will have the opportunity to exercise their vested options following the publication of our 2021 results (total of 6.5 million shares). Scheme 1 will then be closed. Further detail is provided in note 24.

Based upon results to date, Scheme 2 remains on target with its respective performance conditions.

Membership and attendance
The Committee comprises four independent Non-Executive Directors and consists of myself, Annette Barnes as Chair, Andrew Day, Julien Decot and Murray Legg.

The composition of four independent Non-Executive Directors on the Committee as at 31 December 2021 is compliant with the provisions of the UK Corporate Governance Code. I am satisfied that the Remuneration Committee has a good balance of experience and expertise and is appropriately independent of the operations of the business.

During the year the Remuneration Committee met on three occasions. I am satisfied that the committee were presented with papers of good quality and in a timely fashion.

Attendees:	Number of meetings
Annette Barnes	3
Andrew Day	3
Julien Decot	1
Murray Legg	3
Peter Harkness	1*

*Peter's attendance at this meeting was prior to the AGM which was held on 20 April 2021.

Terms of Reference
The Committee operates within the mandate as agreed by the Board. The terms of reference of the Remuneration Committee are available for inspection on request.

Remuneration Policy
The Committee is responsible for setting the Group's policy on Executive Directors' remuneration and the Remuneration Committee decides on the remuneration package of each Executive Director. The primary objectives of the Group's policy on Executive remuneration are that it should be structured so as to attract and retain executives of a high calibre with the skills and experience necessary to develop the Company successfully and, secondly, to reward them in a way which encourages the creation of value for the shareholders. The performance measurement of the Executive Directors and the determination of their annual remuneration package is undertaken by the Remuneration Committee. No Director is involved in setting their own remuneration.

Directors' Remuneration Report

The elements of remuneration that could be offered to Executive Directors are defined in the table below. Currently, only our Chief Financial Officer receives Executive remuneration.

Element	Purpose and link to strategy	Operation	Maximum Opportunity
Base Salary	Is payable in cash spread over 12 monthly payments. It is set at an appropriate level, based on benchmark data, to attract and retain management of a high calibre with the necessary skills and credentials required to deliver a sustainable business model and drive shareholder returns.	Base salaries are normally reviewed annually but may be reviewed at other times if the Committee considers this appropriate. In determining base salary levels and any salary increase, consideration is given to: • the individual's experience and the performance of the Group and the individual; • salary levels at other companies of a similar size and complexity; and • the pay levels and increases for other employees in the Group.	While there is no maximum salary level, salary increases will generally be in line with increases awarded to other colleagues in the Group.
Benefits	Provide Executive Directors with market-competitive benefits consistent with the role.	The Committee's Policy is to set benefits at an appropriate level, taking into account the market benchmarks and benefits offered to the wider workforce. Executive Directors can currently receive private health insurance and life assurance as standard benefits, which is in line with senior roles within the Executive Management Committee.	The overall level of benefits will depend on the cost of providing individual items and the individual's circumstances. The maximum participation levels for any all-employee share plans which may be offered in the future will be the same as any maximum applicable to other employees (and consistent with any relevant tax limits).
Pension	To enable the Company to offer market-competitive remuneration through the provision of additional retirement benefits.	Executive Directors are eligible for defined employer contribution funding to the GlobalData Pension Plan, payments into a personal fund and/or a cash allowance in lieu of pension. Pension arrangements are aligned with those offered to senior roles within the Executive Management Committee.	The aggregate value of any annual pension contributions and cash allowance for each of the Executive Directors will be in line with the maximum employer pension contribution available to the majority of the workforce.
Annual Bonus Plan	Rewards Executive Directors for delivery of defined measures set annually by the Board. Relevant performance metrics are selected to focus on improvements in short term annual performance.	Annual bonus is a cash award of up to 20% of base salary focused on specific performance metrics relevant to each year. In certain circumstances the Committee will have the discretion to reduce the size ("malus") or require the repayment ("clawback") of the bonus following receipt by the Executive Director.	The minimum annual bonus is 0% of salary, if performance falls below expected standards. The maximum annual bonus opportunity is typically 20% of salary, payable in cash.
Long-Term Incentive Plan (LTIP)	Designed to reward delivery of shareholder value in the medium-to-long term.	The Remuneration Committee can award share options on any of our active LTIPs. The Committee will take into account market conditions and incentives of the wider workforce, ensuring that UK Corporate Governance Code and Investment Association Principles are considered. Full details of the share option scheme operated by the Group are set out in note 24.	No maximum, but the Committee will consider benchmark data and consult with shareholders on material awards.

Directors' Report

Directors' Remuneration Report

In response to provision 36 of the UK Corporate Governance Code, the Committee implemented a policy on Executive Director shareholding requirements both during and post-employment. The policy states that all Executive Directors should hold 100% of their base salary in shares within 5 years of appointment and hold on to 100% of their base salary in shares for 1 year post-employment and 50% for 2 years post-employment.

The Remuneration Policy operated as intended during the year, in terms of both remuneration performance and quantum. No further changes are envisaged at this time.

The Remuneration Committee has proactively chosen not to apply discretion to any Executive Director Remuneration Elements or outcomes during the year.

Non-Executive Directors' remuneration
All Non-Executive Directors have letters of appointment with the Company and their remuneration is determined by the Board, having considered the level of fees in similar companies.

Element	Purpose and link to strategy	Operation	Maximum Opportunity
Chairman and Non-Executive Directors' Fees	The fees are set to attract and retain high calibre individuals by offering market-competitive fees, considering the time that is required to fulfil the relevant role.	Fees are reviewed periodically. The Chairman of the Board is paid a consolidated fee to reflect all the duties associated with the position. The Non-Executive Directors receive a base fee reflecting their duties on the Board and memberships of any Committees. The Chairs of Board Committees are eligible for an additional fee, reflecting the additional time and expertise required. The Chairman and Non-Executive Directors are covered under the Group accident and travel policy as it relates to work on behalf of the Company. Expenses in line with Company policy will be reimbursed and the Company will pay any tax incurred, as necessary.	There is no prescribed individual maximum but the fee levels will reflect prevailing market practice and salary increases across the Group. The maximum annual aggregate fee for all Non-Executive Directors is as set out in the Company's Articles of Association, but may increase or decrease if the Articles of Association are amended to reflect such a change.

Long-Term Incentive Plans
Amounts charged to the income statement:

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	£m
Long-Term Incentive Plan	6.3	2.8
Senior Long-Term Incentive Plan	2.9	1.4
	9.2	**4.2**

Directors' Remuneration Report

Long-Term Incentive Plan Detail

Scheme 1 (2010 Scheme)

The Group created a share option scheme (Scheme 1) during the year ended 31 December 2010 and granted the first options under the scheme on 1 January 2011 to certain employees. Each option granted converts to one ordinary share on exercise. In order for the remaining options to be exercised, the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences and excluding the impact of IFRS16, must exceed the remaining target of £52m. The scheme expired to new entrants on 31 December 2020, but each grant expires 10 years from the date of grant.

The Remuneration Committee received notification from the Audit Committee that the quality of Adjusted EBITDA in 2021 of £58.6m was in excess of the £52m performance target and is, therefore, sufficient to satisfy the final tranche of the Scheme 1 options. Employees within this scheme will have the opportunity to exercise their vested options following the publication of our 2021 results (total of 6.5 million shares). Scheme 1 will then be closed.

The total charge recognised for the scheme during the twelve months to 31 December 2021 was £6.3m (2020: £2.8m). The awards of the scheme are settled with ordinary shares of the Company.

The pre-IFRS16 EBITDA calculation is reconciled as follows:

	£m
Adjusted EBITDA (as per results)	64.4
Adjustment for IFRS16	(5.8)
Pre-IFRS16 EBITDA	**58.6**

Scheme 2 (2019 Scheme)

In October 2019 the Group created the 2019 share option scheme (Scheme 2) and granted the first options under the scheme on 31 October 2019. Each option granted converts to one ordinary share on exercise. The awards shall vest based upon the following performance conditions being satisfied:

- 100% of the shares subject to the award will vest provided the compounded annual growth in the Group's Total Shareholder Return (TSR) performance over the 5-year performance period is equal to or exceeds 16% per annum compounded (the "5-Year TSR Target").
- The 5-Year TSR Target will be measured by taking a base-line price per share of 830p and comparing it to the sum of the average closing price of a share derived from the 'official list' over the period of 20 trading days, commencing on the business day on which the Group announces its annual results for the period ending 31 December 2024 and all dividends paid during the performance period.

To the extent that the 5-Year TSR Target has not been met, the awards will not vest. If any of the events pursuant to the rules covering 'takeovers and other corporate events' occur during the performance period or prior to the vesting date, awards shall vest as follows:

- Where the 5-Year TSR Target has been met at the date of the relevant event, 100% of the awards shall vest. Where the 5-Year TSR Target has not been achieved, but a 16% compound annual TSR has been met over the period from the commencement of the performance period, awards shall vest on a pro-rata basis to reflect the proportion of the performance period which has elapsed, although the Company shall have discretion to waive such time pro-rating if they consider it appropriate.

During 2021 the Remuneration Committee awarded 1.0 million options under this scheme (2020: 1.6 million). A charge of £2.9m (2020: £1.4m) has been made to the income statement. Further details are given in note 24.

Scheme 4 (2021 Scheme)

In October 2021 the Group created the 2021 share option scheme (Scheme 4). Scheme 4 is targeted at the management and senior colleagues below the Executive Management Committee level. We have aligned the targets of Scheme 4 to those of Scheme 2, to ensure consistency across schemes. Performance conditions will be based on achievement of TSR targets over a 5-year period, with a phased performance period – with partial vesting in years 3, 4 and 5. No awards have been made on this scheme during 2021. Awards are expected to be made early in 2022.

Directors' Remuneration Report

Awards will be zero priced shares and each option granted converts to one ordinary share on exercise. The awards shall vest based upon the following performance conditions being satisfied:

- Shares subject to the award will vest provided the compounded annual growth in the Group's TSR performance over the 5-year performance period meets the below vesting criteria:
  – TSR on 10% of the award will be 6% compounded over 2022-2024
  – TSR on 20% of the award will be 16% compounded over 2022-2025
  – TSR on 70% of the award will be 16% compounded over 2022-2026
- The 5-Year TSR Target will be measured by taking a base-line price per share of 1385p and comparing it to the sum of the average closing price of a share derived from the 'official list' over the period of 20 trading days, commencing on the business day on which the Group announces its annual results for the periods ending 31 December 2024/ 2025/ 2026 and all dividends paid during the performance periods.

To the extent that the TSR Targets have not been met, those awards will not vest. If any of the events pursuant to the rules covering 'takeovers and other corporate events' occur during the performance period or prior to the vesting date, the Remuneration Committee will decide upon any vesting at its discretion in consultation with stakeholders.

The scheme includes a malus and clawback provision.

Chairman's scheme
During 2016, the Chairman (at that time, Bernard Cragg) carried out an executive role and was awarded 250,000 share options. These were time-based options, rather than being dependent on performance targets. 125,000 of these options vested and were exercised in 2019 and the remaining 125,000 vested on 31 January 2021 and were exercised on 26 April 2021. This scheme is now closed.

During the year the Group purchased an aggregate amount of 2,860,648 shares at a total market value of £46.5m. The purchased shares will be held in treasury and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

The total charge recognised for the schemes during the year ended 31 December 2021 was £9.2m (2020: £4.2m). The awards of the scheme are settled with ordinary shares of the Company.

Directors' service agreements
It is the Group's policy that Directors should not have service agreements with notice periods capable of exceeding 12 months. The existing service agreements have neither fixed terms nor contractual termination payments but do have fixed notice periods. The details of the service agreements of the Directors as at 28 February 2022 are:

	Contract date	Notice period
Murray Legg	23 February 2016	3 months
Mike Danson	1 October 2008	12 months
Graham Lilley	5 April 2021	12 months
Annette Barnes	24 January 2017	3 months
Peter Harkness	12 April 2016	3 months
Andrew Day	24 January 2017	3 months
Catherine Birkett	1 March 2021	3 months
Julien Decot	30 April 2021	3 months

Directors' Report

Directors' Remuneration Report

Directors' emoluments *Audited information*

Year ended 31 December 2021	Basic salary	Bonus	Share-based payment	Other benefits	Total	Total Fixed	Total Variable
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Bernard Cragg[1]	47	–	1,902	–	**1,949**	47	1,902
Murray Legg	90	–	–	–	**90**	90	–
Mike Danson	–	–	–	–	**–**	–	–
Graham Lilley	242	–	–	–	**242**	242	–
Annette Barnes	58	–	–	–	**58**	58	–
Peter Harkness	52	–	–	–	**52**	52	–
Andrew Day	50	–	–	–	**50**	50	–
Elizabeth Pritchard[2]	10	–	–	–	**10**	10	–
Catherine Birkett	51	–	–	–	**51**	51	–
Julien Decot	34	–	–	–	**34**	34	–

[1]Relates to a 4 month period
[2]Relates to a 10 week period

Elizabeth Pritchard joined the Board on 26 March 2021. However, it was mutually agreed on 24 June 2021 that she would step down with immediate effect due to a potential conflict of interest in relation to an executive appointment.

Year ended 31 December 2020	Basic salary	Bonus[1]	Share-based payment	Other benefits	Total	Total Fixed	Total Variable
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Bernard Cragg	150	1	–	1	**152**	150	2
Mike Danson	–	–	–	–	**–**	–	–
Graham Lilley	200	50	609	–	**859**	200	659
Murray Legg	40	–	–	–	**40**	40	–
Peter Harkness	40	1	–	–	**41**	40	1
Annette Barnes	30	–	–	5	**35**	30	5
Andrew Day	30	–	–	1	**31**	30	1

[1]Bonus payments to Bernard Cragg and Peter Harkness are in relation to long service awards.

As at 31 December 2021, Graham Lilley had 400,000 share options in issue (2020: 400,000), which included 100,000 share options in Scheme 1 and 300,000 in Scheme 2. Further details are given in note 24. No other Directors as at 31 December 2021 had share options.

The other benefits consist of travel expenses to GlobalData offices. Share-based payment represents equity settled income received on the vesting of share options in the year.

By order of the Board

Annette Barnes
Chair of the Remuneration Committee
28 February 2022

Directors' Report

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and the Group for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors
A resolution to reappoint Deloitte LLP as auditors to the Company will be proposed at the Annual General Meeting.

Disclosure of information to auditors
The Directors confirm that: so far as each Director is aware, there is no relevant audit information of which the Group's auditors are unaware, and the Directors have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and establish that the Group's auditors are aware of that information.

Annual General Meeting
The Annual General Meeting will be held on 26 April 2022 at John Carpenter House, John Carpenter Street, London EC4Y 0AN at 10am.

Approved by the Board and signed on its behalf by

Mike Danson
Chief Executive
28 February 2022

"The Group has continued to deliver and execute against its strategy. Our 8% organic underlying constant currency revenue growth (6% reported revenue growth) and margin expansion demonstrate clear progress against our two financial targets."

Mike Danson, Chief Executive Officer

“Our ESG activities focus on our people, our customers, our environment and our communities. These activities are key to our efforts to safeguard GlobalData’s long-term viability and sustainable growth.”

Murray Legg, Chairman

Independent Auditor’s Report

Independent Auditor’s Report to the Members of GlobalData Plc

Report on the audit of the financial statements

1. OPINION

In our opinion:

- the financial statements of GlobalData plc (the ‘parent company’) and its subsidiaries (the ‘Group’) give a true and fair view of the state of the Group’s and of the parent company’s affairs as at 31 December 2021 and of the Group’s profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 “Reduced Disclosure Framework”; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company statements of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated statement of cash flows;
- the related notes 1 to 28 to the consolidated financial statements; and
- the related notes 1 to 14 to the parent company financial statements

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 “Reduced Disclosure Framework”.

2. BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (the ‘FRC’s’) Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the Members of GlobalData Plc

3. SUMMARY OF OUR AUDIT APPROACH

Key audit matters	The key audit matters that we identified in the current year were: • the accuracy of subscription revenue recognition; • the recoverability of the MEED cash-generating unit in respect of the carrying value of goodwill and intangible assets; and • the identification and valuation of identified intangibles within the acquisitions of the Life Sciences business of IHS Markit Limited, LMCA Holdings and LMCI Holdings Limited. Within this report, key audit matters are identified as follows: Newly identified Increased level of risk Similar level of risk Decreased level of risk
Materiality	Our materiality was based upon profit before tax adjusted to exclude the amortisation of acquired intangible assets, as we have determined this is an important metric to the users of the financial statements. The materiality that we used for the Group financial statements was £1,700,000 (2020: £1,500,000), representing 4.7% of profit before tax adjusted to exclude the amortisation of acquired intangible assets.
Scoping	We performed full scope audits or audits of specified balances and transactions of the principal entities within the Group, comprising the Group's operations within the UK, the US, India and the United Arab Emirates. These in-scope locations represent the key trading entities within the Group and account for 91% of Group revenue, 98% of profit before tax adjusted to exclude the amortisation of acquired intangible assets and 98% of Group net assets.
Significant changes in our approach	We have removed the key audit matter reported in the prior year audit report in relation to the determination of cash-generating units "CGUs" for assessing the recoverability of the carrying value of goodwill and intangible assets, as the level of judgement required has reduced significantly in the current year and there are no facts or circumstances which would cause us to question the previous conclusions. We have identified a new key audit matter in the current year relating to the recoverability of the MEED cash-generating unit in respect of the carrying value of goodwill and intangible assets, as a result of the sensitivity of management's cash flow model to the assumptions relating to growth in profitability and the discount rate. We have identified a new key audit matter in relation to the determination and valuation of identified intangibles within the acquisitions of the Life Sciences business of IHS Markit Limited, LMCA Holdings and LMCI Holdings Limited as a result of the magnitude of the acquisitions in the context of the wider Group. We have removed the key audit matter reported in the prior year audit report in relation to the modification of the share-based payment Long-Term Incentive Plan as there have been no modifications in the current year. We have removed the key audit matter reported in the prior year audit report in relation to the distributions made other than in compliance with the Companies Act as there were no additional distributions identified in the current year.

Independent Auditor's Report

Independent Auditor's Report to the Members of GlobalData Plc

4. CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- consideration of the cash held by the Group of £22.6m, net debt of £177.6m and further undrawn facilities of £18.0m, in the context of the operating cash flow needs of the Group;
- consideration of the expiry date of the Group's borrowing facilities, which mature at the end of April 2023, and whether there is any current evidence to indicate that a renewal of those facilities may not occur;
- assessment and sensitivity of the headroom on the Group's cash flow forecasts including the assumptions within the one-year detailed budget;
- evaluation of the Group's borrowing covenants and review of the scenarios which could lead to a covenant breach and evaluation of whether any of those scenarios are reasonably possible;
- assessment of the suitability of the model used by the Group to forecast cash flows, including testing of clerical accuracy of the model; and
- assessment of the historical accuracy of cash flow forecasts prepared by management.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Accuracy of subscription revenue recognition

Key audit matter description	The specific nature of the risk of material misstatement in revenue recognition varies across the Group's revenue streams, with total Group revenue of £189.3m (2020: £178.4m). The main source of revenue for the Group is subscription revenue for data, analytics and insights as set out by management in the Strategic Report and note 5 to the consolidated financial statements. Management's accounting policy is to recognise subscription revenue evenly over the period of the contractual term as the performance obligations are satisfied evenly over the term of subscription. Revenue recognised over time represents 83% of consolidated revenue. Due to the complexity of the manual adjustments required in releasing revenue to the consolidated income statement, we identified a significant risk due to fraud or error in relation to the accuracy of revenue arising from such manual adjustments. The Group's revenue recognition accounting policies are disclosed in note 2 to the consolidated financial statements.

Independent Auditor's Report

Independent Auditor's Report to the Members of GlobalData Plc

How the scope of our audit responded to the key audit matter	We obtained an understanding of the Group's business model and terms set out in customer contracts and the sales process. We obtained an understanding of relevant controls over the sales process from ordering to cash collection, including those related to the releasing of revenue from deferred revenue. The procedures we performed across the entities within our audit scope included the following: • we tested relevant controls in relation to revenue recognition; • we used data analytics procedures to recalculate the subscription revenue recognised in the year and the deferred revenue balance recorded at the year end, to identify where actual recorded revenue differed from the recalculated amount to then subject such amounts to further testing procedures; • we obtained evidence to determine whether a sample of variances which were identified through our data analytics were correctly accounted for; this included performing tests of detail to corroborate management's explanations by reviewing third party documentation; and • we performed tests of detail of the accuracy, occurrence and completeness for a sample of revenue transactions, through obtaining and reviewing relevant customer contracts and fulfilment data to assess whether revenue was appropriately recorded across the term.
Key observations	Based on the audit procedures performed we concluded that revenue from subscriptions was not materially misstated across the term.

5.2. The recoverability of the MEED cash-generating unit in respect of the carrying value of goodwill and intangible assets

Key audit matter description	The MEED cash-generating unit comprises an asset base of £15.9m including £13.8m of goodwill and intangible assets. Where goodwill exists, IAS 36 requires that management perform an annual impairment assessment to compare the balance sheet carrying value of each cash-generating unit ('CGU') to the higher of fair value less costs to sell and value in use. Our risk assessment identified that the MEED CGU had a low level of headroom in management's assessment of the carrying value against the discounted cash flows expected to be generated within management's forecasts. The MEED CGU is more sensitive to the growth assumptions and discount rate used within management's cash flow model. Management has highlighted impairment of goodwill in relation to the MEED CGU as a key source of estimation uncertainty in note 1 and provided disclosure on the sensitivity of key assumptions to reasonably possible changes in note 13.
How the scope of our audit responded to the key audit matter	Our procedures included: • gaining an understanding of management's process for developing the short-term cash flow assumptions and the relevant controls mitigating the risks identified in the impairment process; • meeting with management to understand and challenge the growth forecasts through consideration of historical trends and obtaining evidence to support forward-looking assumptions; • understanding and challenging key assumptions underpinning management's forecast growth, including by reference to past performance; • assessing and challenging forecast cash flows and long-term growth rates using external market data; • re-performing management's sensitivity analysis on their cash flow model to understand the impact of changing key assumptions and to understand the breakeven point; • assessing the historical accuracy of forecasts by comparing actual financial results to the previous budgets; • working with internal valuation specialists to perform an independent calculation of the discount rates used in the model; • testing the integrity of the model through testing mechanical and formulaic accuracy; and • reviewing the adequacy of management's disclosure against the requirements of IAS 36.
Key observations	We are satisfied that management's conclusion that no impairment is required is acceptable. We concur with management's assessment that there are reasonably possible scenarios which could result in an impairment being required. We consider the disclosure in the judgements and estimates section of note 1 provided concerning the impairment of assets in the MEED CGU together with the reasonably possible change sensitivity provided in note 13 to comply with the requirements of IAS 36.

Independent Auditor's Report

Independent Auditor's Report to the Members of GlobalData Plc

5.3. The identification and valuation of identified intangibles within the acquisitions of the Life Sciences business of IHS Markit Limited, LMCA Holdings and LMCI Holdings Limited

Key audit matter description	During the year the Group made two significant acquisitions as disclosed in the Strategic Report and notes 13 and 27 of the financial statements. On 1 November 2021 the Group completed the acquisition of the Life Sciences business of IHS Markit Limited, a trade and assets transfer with consideration paid of $50m. Following this, on 15 December 2021, the Group completed the acquisition of two subsidiary entities, LMCA Holdings Limited and LMCI Holdings Limited with consideration paid of £72.7m. We identified these acquisitions as a key audit matter because of the size of the transactions in the context of Group materiality and the judgements associated with the identification and valuation of intangible assets accounted for in accordance with IFRS 3 Business Combinations.
How the scope of our audit responded to the key audit matter	We engaged with internal valuation specialists to evaluate management's valuation of intangible assets acquired during the transactions. We performed procedures to evaluate the competence, capabilities and objectivity of management's third-party expert used to complete the purchase price allocation exercise. We have assessed whether management identified and recognised all intangible assets acquired within the transactions through gaining an understanding of the acquired businesses. We inspected a combination of historical internal and external evidence to assess the assumptions used by management within their valuations, including a critical assessment of the valuation methods used to value the different assets recognised, and to assess their compliance with the accounting standards. We assessed the appropriateness of the useful lives of the acquired assets recorded by management to ensure that they appropriately reflected the expected period of generation of future economic benefits from the use of the acquired assets. We reviewed the disclosure which management has made in relation to these acquisitions within the financial statements and considered its consistency with the fact pattern of our audit work.
Key observations	Based on the audit procedures performed, we concluded that management's identification and valuation of intangible assets within the acquisitions, and their associated disclosures within the financial statements, are appropriate.

Independent Auditor’s Report to the Members of GlobalData Plc

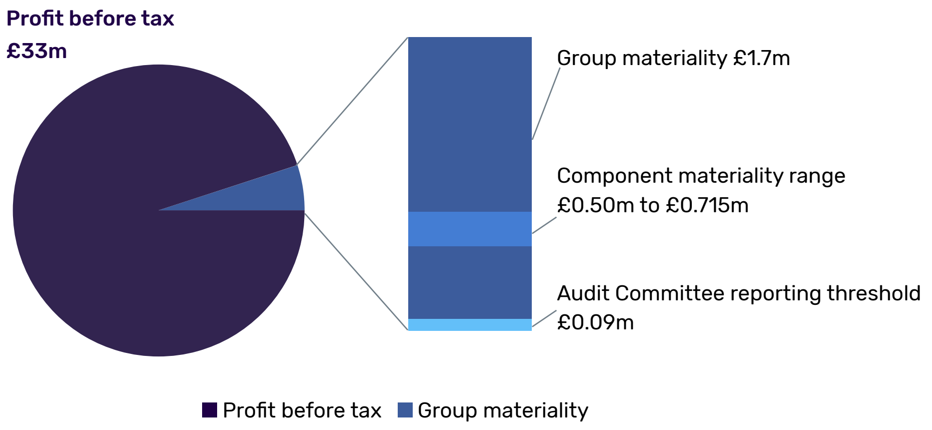
6. OUR APPLICATION OF MATERIALITY

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£1,700,000 (2020: £1,500,000)	£715,000 (2020: £525,000)
Basis for determining materiality	We used profit before tax, adjusted to exclude the amortisation of acquired intangible assets, as our basis for materiality. The materiality that we used for the Group financial statements was £1,700,000 representing 4.7% of profit before tax excluding amortisation of acquired intangible assets.	Parent company materiality equates to 2% of net assets, which has been capped at 50% of Group performance materiality.
Rationale for the benchmark applied	We considered a range of measures, including revenue, profit before tax, Adjusted EBITDA and profit before tax, adjusted to exclude the amortisation of acquired intangible assets. We used profit before tax adjusted to exclude the amortisation of acquired intangible assets as the amortisation has a significant impact on profit before tax and was subject to specific audit procedures. Its exclusion resulted in a materiality level that was more reflective of the profit generation of the Group before such acquisition-related charges. We used a profit before tax-based measure rather than Adjusted EBITDA as the latter is less closely aligned to measures calculated in accordance with generally accepted accounting principles. We highlight that a materiality of £1,700,000 represents 0.9% of revenue, 7.8% of profit before tax and 2.6% of Adjusted EBITDA.	Net assets are typically considered an appropriate benchmark for materiality as the parent company predominantly holds investments in trading subsidiaries.



Independent Auditor's Report to the Members of GlobalData Plc

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	60% (2020: 70%) of Group materiality	70% (2020: 70%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered our past experience of the Group and our risk assessment, including our assessment of the Group's control environment and the value and volume of corrected and uncorrected misstatements identified during the prior year audit, as well as the likelihood of these recurring in the current year. The reduction in Group performance materiality as a proportion of Group materiality in the current year was driven by the cumulative impact of uncorrected misstatements identified during our prior year audit.	In determining performance materiality, we considered our past experience of the Group and our risk assessment, including our assessment of the Group's control environment and the value and volume of corrected and uncorrected misstatements identified during the prior year audit, as well as the likelihood of these recurring in the current year.

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £85,000 (2020: £50,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

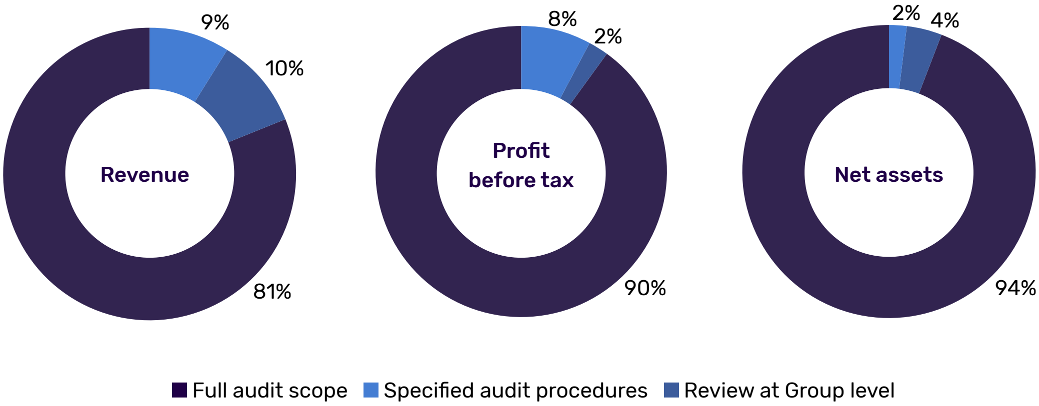
7. AN OVERVIEW OF THE SCOPE OF OUR AUDIT

7.1. Identification and scoping of components

Our group audit was scoped by obtaining an understanding of the Group and its environment, including group-wide controls and assessing the risks of material misstatement at the group level. Our component selection was based on the selection of material balances and components, with additional consideration of whether, at an aggregated level, we had reduced the risk of material misstatement to an acceptably low level.

Based on that assessment we performed full scope or an audit of specified balances and transactions on the principal trading entities within the UK, India and the United Arab Emirates.

The in-scope locations (those at which a full scope audit or an audit of specified balances and transactions was performed as part of a group audit) represent 91% of revenue, 98% of profit before tax adjusted to exclude intangible amortisation and 98% of net assets.



Independent Auditor's Report to the Members of GlobalData Plc

7.2. Our consideration of the control environment

In assessing the control environment of the Group, we identified four relevant IT systems and obtained an understanding of the relevant general IT controls associated with the Group's key accounting and reporting systems. We tested the general IT controls of two relevant systems: the main accounting system Sun Accounting and the revenue system Salesforce; we obtained an understanding of two additional systems, the accounts payable system Compleat and the payroll system Flexipay. We obtained an understanding of the relevant controls associated with the revenue, deferred income and accounts receivables business processes.

We planned to test relevant controls in relation to revenue with the aim of moving towards a controls reliance approach in future years. We were not able to rely on controls in the current year in respect of any business processes. We were not able to take a controls reliance approach due to a combination of the IT control deficiencies and a number of manual control deficiencies identified, as discussed by management within their Audit Committee Report on page 53. We extended the scope of our audit procedures in response to the deficiencies identified by performing specific procedures to address the incremental risk and performing additional substantive audit work.

7.3. Working with other auditors

We used one component audit team in India during the audit of the financial statements for the year ended 31 December 2021 (2020: one) and we were in regular contact with them throughout the year. The Group team conducted the audit of MEED, a component based in the United Arab Emirates. We overcame the challenges in component oversight which arose as a result of the travel restrictions brought about by the COVID-19 pandemic through regular status calls with senior audit personnel, including the component partner.

We held team briefings for the component audit team, to discuss the Group risk assessment and audit instructions, to confirm their understanding of the business and to discuss their local risk assessment. Throughout the audit we maintained regular contact in order to direct and supervise their audit approach. We virtually attended their audit planning and close meetings with local management, performed technology-enabled remote reviews of their working papers and reviewed their reporting to us on the findings of their work.

8. OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of our audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of GlobalData Plc

10. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

11. EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

11.1. Identifying and assessing potential risks related to irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- results of our enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance including the dividends that were made otherwise than in accordance with the Companies Act 2006 (see note 23 of the consolidated financial statements);
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team including the significant component audit team and relevant internal specialists, including tax, valuations, IT and share-based payment specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the Group for fraud and identified the greatest potential for fraud in the accuracy of subscription revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation in the jurisdictions in which the Group operates.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

Independent Auditor's Report to the Members of GlobalData Plc

11.2. Audit response to risks identified

As a result of performing the above, we identified accuracy of subscription revenue recognised as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Independent Auditor’s Report

Independent Auditor’s Report to the Members of GlobalData Plc

Report on other legal and regulatory requirements

12. OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors’ Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors’ Report.

13. MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

13.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

13.2. Directors’ remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors’ remuneration have not been made.

We have nothing to report in respect of this matter.

14. USE OF OUR REPORT

This report is made solely to the Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Jon Young FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
28 February 2022

Consolidated Income Statement

	Notes	Year ended 31 December 2021	Year ended 31 December 2020
		£m	£m
Continuing operations			
Revenue	5	189.3	178.4
Operating expenses	6	(150.8)	(145.4)
Losses on trade receivables	6	(1.2)	(1.3)
Other income		0.9	1.3
Operating profit		**38.2**	**33.0**
Net finance costs	10	(5.6)	(4.4)
Profit before tax		**32.6**	**28.6**
Income tax expense	11	(7.7)	(6.0)
Profit for the year		**24.9**	**22.6**
Attributable to:			
Equity holders of the parent		24.9	22.6
Earnings per share attributable to equity holders:			
Basic earnings per share (pence)	12	21.9	19.4
Diluted earnings per share (pence)	12	20.2	18.1

Reconciliation to Adjusted EBITDA[1]:			
Operating profit		**38.2**	**33.0**
Depreciation		6.8	7.0
Amortisation of software		0.9	1.1
Adjusting items	7	18.5	15.6
Adjusted EBITDA[1]		**64.4**	**56.7**

The accompanying notes form an integral part of these financial statements.

[1] We define Adjusted EBITDA as EBITDA adjusted to exclude costs associated with acquisitions, restructuring of the Group, share-based payments, impairment, unrealised operating exchange rate movements and the impact of foreign exchange contracts. We present Adjusted EBITDA as additional information because it is used internally as a key indicator to assess financial performance. However, other companies may present Adjusted EBITDA differently. EBITDA and Adjusted EBITDA are not measures of financial performance under IFRS and should not be considered as an alternative to operating profit or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any other measure of performance derived in accordance with IFRS. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

Consolidated Statement of Comprehensive Income

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	**£m**
Profit for the year	24.9	22.6
Other comprehensive income		
Items that will be classified subsequently to profit or loss when specific conditions are met:		
Net exchange losses on translation of foreign entities	(0.5)	(0.6)
Other comprehensive loss, net of tax	(0.5)	(0.6)
Total comprehensive income for the year	**24.4**	**22.0**
Attributable to:		
Equity holders of the parent	24.4	22.0

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Financial Position

	Notes	31 December 2021 £m	31 December 2020 £m
Non-current assets			
Property, plant and equipment	14	35.3	43.5
Intangible assets	13	347.7	242.0
Net investment in sub lease		0.1	-
Trade and other receivables	28	-	0.9
Deferred tax assets	18	2.1	5.4
		385.2	**291.8**
Current assets			
Trade and other receivables	17	51.2	44.9
Current tax receivable		-	1.6
Short-term derivative assets	16	0.6	1.2
Cash and cash equivalents		22.6	17.7
		74.4	**65.4**
Total assets		**459.6**	**357.2**
Current liabilities			
Trade and other payables	19	(114.3)	(100.2)
Short-term borrowings	20	(5.0)	(5.0)
Short-term lease liabilities	15	(4.1)	(4.1)
Current tax payable		(4.2)	(1.6)
Short-term derivative liabilities	16	(0.3)	(0.1)
Short-term provisions	22	(0.1)	(0.2)
		(128.0)	**(111.2)**
Net current liabilities		**(53.6)**	**(45.8)**
Non-current liabilities			
Long-term provisions	22	(0.7)	(0.5)
Deferred tax liabilities	18	-	(1.2)
Long-term derivative liabilities	16	(0.1)	-
Long-term lease liabilities	15	(29.3)	(35.8)
Long-term borrowings	20	(195.2)	(70.8)
		(225.3)	**(108.3)**
Total liabilities		**(353.3)**	**(219.5)**
Net assets		**106.3**	**137.7**
Equity			
Share capital	23	0.2	0.2
Share premium account	23	-	0.7
Treasury reserve	23	(66.6)	(21.4)
Other reserve	23	(44.3)	(37.1)
Merger reserve	23	-	163.8
Foreign currency translation reserve	23	(0.3)	0.2
Retained profit		217.3	31.3
Equity attributable to equity holders of the parent		**106.3**	**137.7**

These financial statements were approved by the Board of Directors on 28 February 2022 and signed on its behalf by:

Murray Legg

Murray Legg
Chairman

Mike Danson
Chief Executive

Company Number 03925319
The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

	Notes	Share capital	Share premium account	Treasury reserve	Other reserve	Merger reserve	Foreign currency translation reserve	Retained profit	Equity attributable to equity holders of the parent
		£m	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2020		**0.2**	**0.7**	**(11.0)**	**(37.1)**	**163.8**	**0.8**	**34.2**	**151.6**
Profit for the year		-	-	-	-	-	-	22.6	**22.6**
Other comprehensive income:									
Net exchange loss on translation of foreign entities		-	-	-	-	-	(0.6)	-	**(0.6)**
Total comprehensive income for the year		-	-	-	-	-	(0.6)	22.6	**22.0**
Transactions with owners:									
Share buy-back	24	-	-	(23.7)	-	-	-	-	**(23.7)**
Dividends	23	-	-	-	-	-	-	(18.0)	**(18.0)**
Vesting of share options	24	-	-	13.3	-	-	-	(13.3)	**-**
Share-based payments charge	24	-	-	-	-	-	-	4.2	**4.2**
Tax on share-based payments	18	-	-	-	-	-	-	1.6	**1.6**
Balance at 31 December 2020		**0.2**	**0.7**	**(21.4)**	**(37.1)**	**163.8**	**0.2**	**31.3**	**137.7**
Profit for the year		-	-	-	-	-	-	24.9	**24.9**
Other comprehensive income:									
Net exchange loss on translation of foreign entities		-	-	-	-	-	(0.5)	-	**(0.5)**
Total comprehensive income for the year		-	-	-	-	-	(0.5)	24.9	**24.4**
Transactions with owners:									
Share buy-back	24	-	-	(46.5)	-	-	-	-	**(46.5)**
Dividends	23	-	-	-	-	-	-	(20.4)	**(20.4)**
Vesting of share options	24	-	-	1.3	-	-	-	(1.3)	**-**
Bonus issue of shares	23	171.0	-	-	(7.2)	(163.8)	-	-	**-**
Capital reduction	23	(171.0)	(0.7)	-	-	-	-	171.7	**-**
Share-based payments charge	24	-	-	-	-	-	-	9.2	**9.2**
Tax on share-based payments	18	-	-	-	-	-	-	1.9	**1.9**
Balance at 31 December 2021		**0.2**	**-**	**(66.6)**	**(44.3)**	**-**	**(0.3)**	**217.3**	**106.3**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

	Year ended 31 December 2021	Year ended 31 December 2020
Continuing operations		
Cash flows from operating activities	**£m**	**£m**
Profit for the year	24.9	22.6
Adjustments for:		
Depreciation	6.8	7.0
Amortisation	6.5	11.8
Gain on disposal of property, plant and equipment	(0.2)	-
Impairment	0.4	-
Net finance costs	5.6	4.4
Taxation recognised in profit or loss	7.7	6.0
Share-based payments charge	9.2	4.2
(Increase)/decrease in trade and other receivables	(3.2)	1.5
Increase in trade and other payables	2.2	2.5
Revaluation of short- and long-term derivatives	0.9	(0.3)
Movement in provisions	(0.3)	0.1
Cash generated from operations	**60.5**	**59.8**
Interest paid	(3.4)	(2.4)
Income taxes paid	(5.1)	(6.4)
Total cash flows from operating activities	**52.0**	**51.0**
Cash flows from investing activities		
Acquisitions	(97.7)	(1.0)
Cash received from repayment of loans	0.9	0.9
Proceeds from disposal of property, plant and equipment	0.6	-
Purchase of property, plant and equipment	(0.8)	(3.5)
Purchase of intangible assets	(0.5)	(1.5)
Total cash flows used in investing activities	**(97.5)**	**(5.1)**
Cash flows from financing activities		
Repayment of borrowings	(5.0)	(5.3)
Proceeds from borrowings	129.0	15.0
Loan refinancing fee	(0.4)	(0.7)
Acquisition of own shares	(46.5)	(23.7)
Principal elements of lease payments	(5.8)	(6.1)
Dividends paid	(20.4)	(18.0)
Total cash flows from financing activities	**50.9**	**(38.8)**
Net increase in cash and cash equivalents	**5.4**	**7.1**
Cash and cash equivalents at beginning of year	17.7	11.2
Effects of currency translation on cash and cash equivalents	(0.5)	(0.6)
Cash and cash equivalents at end of year	**22.6**	**17.7**

The accompanying notes form an integral part of these financial statements.

1. GENERAL INFORMATION

Nature of operations
The principal activity of GlobalData Plc and its subsidiaries (together 'the Group') is to provide business information in the form of high quality proprietary data, analytics and insights to clients in multiple sectors.

GlobalData Plc ('the Company') is a company incorporated in the United Kingdom (England & Wales) and listed on the Alternative Investment Market (AIM), therefore is publicly owned and limited by shares. The registered office of the Company is John Carpenter House, John Carpenter Street, London, EC4Y 0AN. The registered number of the Company is 03925319.

Basis of preparation
These financial statements have been prepared in accordance with United Kingdom adopted international accounting standards and in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the IASB.

The financial statements have been prepared on the historical cost basis, except for derivative financial instruments, which are measured at fair value. These financial statements have been prepared in accordance with the accounting policies detailed below. The accounting policies have been applied consistently throughout the Group.

These financial statements are presented in Pounds Sterling (£), which is also the functional currency of the Company. These financial statements have been approved for issue by the Board of Directors.

Critical accounting estimates and judgements
The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in detail below.

<u>Key sources of estimation uncertainty</u>
Valuation of acquired intangibles
Management identified and valued acquired intangible assets on acquisitions that were made during the year. Management has applied judgements in identifying and valuing intangible assets separate from goodwill that consist of assessing the value of IP rights and databases, customer relationships and brands. The Board have a policy of engaging professional advisers on acquisitions with a purchase price greater than £10m to advise and assist in calculating intangible asset values. The Group consistently applies the following methodologies for each class of identified intangible:
- IP rights and database – Cost to recreate the asset;
- Customer relationships – Net present value of future cash flows; and
- Brands – Royalty relief method.

Assumptions are made on the useful life of an intangible and if shortened, would increase the amortisation charge recognised in the income statement. The identified intangibles are set out in note 13.

There are a number of assumptions in estimating the present value of future cash flows including management's expectation of future revenue, renewal rates for subscription customers, costs, timing and quantum of future capital expenditure, long-term growth rates and discount rates. For both acquisitions made during 2021, the Group has engaged professional advisers to calculate the identified intangibles.

Carrying value of goodwill and other intangibles
The carrying value of goodwill and other intangibles is assessed annually to ensure that there is no need for impairment. Performing this assessment requires management to estimate future cash flows to be generated by the related cash-generating unit, which entails making judgements including the expected rate of growth of sales, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows. See note 13 for further details on intangibles and goodwill.

Management have undertaken sensitivity analysis taking into consideration the impact of key impairment test assumptions arising from a range of possible future trading and economic scenarios on each CGU. The following individual scenarios would need to occur before impairment is triggered within the Group:

	Revenue Growth Falls By*	Discount Rate Rises To
Data, Analytics & Insights	(13.8%)	42.2%
MEED	(2.1%)	11.7%

*percentage points

No indication of impairment was noted from management's review; there is headroom in each CGU. Management acknowledge the sensitivity of the assumptions applied to the MEED CGU; however, management are comfortable with these assumptions and will continue to monitor performance regularly for any indicators of future impairment loss.

Critical accounting judgements

Segmental reporting

IFRS8 "Operating Segments" requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Chief Executive Officer (CEO) as its chief operating decision maker.

The Group maintains a centralised operating model and single product platform (One Platform), which is underpinned by a common taxonomy, shared development resource, and new data science technologies. The fundamental principle of the GlobalData business model is to provide our clients subscription access to our proprietary data, analytics, and insights platform, with the offering of ancillary services such as consulting, single copy reports and events. The vast majority of data sold by the Group is produced by a central research team which produces data for the Group as a whole. The team reports to one central individual, the Managing Director of the India operation, who reports to the Group CEO. Management have therefore made the judgement that 'Data, Analytics and Insights' is the single operating segment of the Group. Segmental reporting disclosures are provided in note 4.

The Group profit or loss is reported to the CEO on a monthly basis and consists of earnings before interest, tax, depreciation, amortisation, central overheads and other adjusting items (as detailed in note 7). The CEO also monitors revenue within the operating segment.

The Group considers the use of a single operating segment to be appropriate due to:
- The CEO reviewing profit or loss at the Group level;
- Utilising a centralised operating model; and
- Being an integrated solutions based business, rather than a portfolio business.

Identification of Cash-Generating-Units

IAS36 'Impairment of Assets' requires that assets be carried on the statement of financial position at no more than their recoverable amount. An asset or cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows and is impaired when its carrying amount exceeds its recoverable amount. As at the date of the impairment review (30 September 2021), management made the judgement that the Group had two CGUs, being Data, Analytics & Insights and MEED (a subsidiary based in the United Arab Emirates). During December 2021, the Group acquired LMC which has been assessed to be its own CGU. Management intend to fully integrate the LMC companies into the Data, Analytics & Insights CGU during 2022. Full disclosure is provided in note 13.

Going concern

The Group meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections the Group considers the existing financing facilities to be adequate to meet short-term commitments.

The finance facilities were issued with debt covenants which are measured on a quarterly basis. There have been no breaches of covenants in the year ended 31 December 2021. Management have reviewed forecast cash flows and there is no indication that there will be any breach in the next 12 months.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt over the Group's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Group has prepared the financial statements on a going concern basis.

2. ACCOUNTING POLICIES

a) Basis of consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiary undertakings.

- Subsidiaries are those entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the Group's accounting policies.
- The results and cash flows relating to a business are included in the consolidated income statement and the consolidated statement of cash flows from the date of acquisition or are excluded from the date of disposal as appropriate.

b) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

c) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and comprises amounts derived from services performed by the Group during the year in the normal course of business net of discounts, VAT and sales taxes, and provisions for cancellations/credit notes.

- Subscription income for online services, data and analytics is normally received at the beginning of the services and is therefore recognised as a contract liability, "deferred revenue", in the statement of financial position. Revenue is recognised evenly over the period of the contractual term as the performance obligations are satisfied evenly over the term of subscription.
- Revenue from single copy reports is recognised upon delivery. The client pays for a single static report and the company meets its contract obligation at the point in time the report is delivered to the client.
- Revenue from the provision of bespoke research services is recognised once contractual performance obligations have been delivered. Bespoke projects can have a single or series of different deliverables from reports, presentations or delivery of data workbooks. Revenue is recognised as each different contractual obligation within the series is satisfied.
- Event revenue is recognised when the event is held in line with the contract obligations.
- Other revenue is recognised in reference to performance obligations as contracted.
- In instances where the Group enters into transactions involving a range of the Group's services, for example a subscription and custom research, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices.

Where amounts have been invoiced in advance of services performed and the amounts are due, this is included within deferred revenue as a contract liability. Similarly, if the Group satisfies a performance obligation before it receives the consideration or is contractually due, the Group recognises a contract asset within accrued income in the statement of financial position.

The Group has recognised the incremental costs (for example commission) of obtaining sales contracts as an expense when incurred.

d) Property, plant and equipment

Property, plant and equipment is stated at historic cost, including any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of an asset and is applied to the cost less any residual value. The asset classes are depreciated over the following periods:

- Right-of-use assets: shorter of lease term and useful life;
- Freehold buildings: over 50 years;
- Fixtures, fittings and equipment: over 3 to 5 years; and
- Leasehold improvements: over 3 to 10 years.

The useful life, the residual value and the depreciation method are reassessed at each reporting date.

Where there is an indication of impairment, the carrying value of the property, plant and equipment is compared to the higher of value in use and the fair value less costs to sell. If the carrying value exceeds the higher of the value in use and fair value less the costs to sell the asset then the asset is impaired and its value reduced.

e) Intangible assets

Goodwill

Goodwill is recognised to the extent that it arises through a business combination and represents the difference between the consideration transferred and the fair value of net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to appropriate cash-generating units (those expected to benefit from the business combination) and is tested annually for impairment. In testing for impairment, the recoverable amount of a CGU based on value-in-use calculations is compared to the carrying value of goodwill. These calculations use post-tax cash flow projections based on five-year financial budgets approved by management. Cash flows beyond the five-year period are extrapolated using estimated long term growth rates. Any impairment losses in respect of goodwill are not reversed.

Acquired intangible assets

Acquired intangible assets include software, customer relationships, brands and intellectual property (IP) rights. Intangible assets acquired in material business combinations are capitalised at their fair value. The Board have a policy of engaging professional advisers on acquisitions with a purchase price greater than £10m to advise and assist in calculating intangible asset values. The Group consistently applies the following methodologies when determining the fair value at the date of acquisition for each class of identified intangible:

- Customer relationships: net present value of future cash flows;
- Intellectual property: cost to recreate the asset; and
- Brands: royalty relief method.

Intangible assets are amortised on a straight-line basis over their estimated useful lives of 3 to 15 years for brands, customer relationships and IP rights. Amortisation and impairment charges are accounted for within the administrative costs category within the income statement. Within note 7, the Group separates out amortisation of acquired intangibles from other group amortisation charges.

Computer software and websites

Non-integral computer software purchases are capitalised at cost as intangible assets. The Group also capitalises development costs associated with new products in accordance with the development criteria prescribed within IAS38 “Intangible Assets”. These costs are amortised on a straight-line basis over their estimated useful lives of 3 years. Costs associated with implementing or maintaining computer software programs are recognised as an expense. Amortisation and impairment charges are accounted for within the administrative costs category within the income statement.

Impairment of intangible assets

Goodwill is not subject to amortisation but is reviewed for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

f) Taxation

Tax expense recognised in the income statement for the year comprises the sum of current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using rates substantively enacted at the reporting date, and any adjustments to the tax payable in respect of previous years.

Deferred taxation is provided in full on temporary differences between the carrying amount of the assets and liabilities in the financial statements and the tax base. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is determined using the tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the deferred tax liability is settled or the deferred tax asset is realised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is not provided on temporary differences arising on the initial recognition of goodwill or on assets and liabilities other than in a business combination.

Tax is recognised in the income statement, except where it relates to items recognised as other comprehensive income, in which case it is recognised in the statement of other comprehensive income, and tax which related to items recognised in equity is recognised in equity. Specifically, and in line with the application of IAS12 to share-based payments, tax deductions (current or deferred) up to the IFRS2 cumulative remuneration expense are recognised in the income statement as the tax is viewed as linked to the remuneration event. However, tax deductions (current or deferred) in excess of the IFRS2 cumulative remuneration expense are recognised in equity as the tax is viewed as linked to an equity item.

g) Foreign currencies

The results are presented in Pounds Sterling (£) which is the presentation currency of the Company and Group.

Foreign currency transactions are translated into the functional currency of the entity at the rates of exchange ruling at the date of the transaction, and if still in existence at the year end the balance is retranslated at the rates of exchange ruling at the reporting date. Differences arising from changes in exchange rates during the year are taken to the income statement.

For the purpose of presenting consolidated financial statements, the assets and liabilities of entities with a functional currency other than Sterling are retranslated to Sterling using exchange rates prevailing on the reporting date. Income and expense items and cash flows are translated at the average exchange rates for the period and exchange differences arising are recognised in other comprehensive income. Such translation differences are recognised in the income statement in the period in which a foreign operation is disposed of.

h) Pensions

The Group contributes to defined contribution pension schemes. Contributions to these schemes are charged to the income statement as incurred.

i) Provisions

A provision is recognised in the statement of financial position when the Group has a legal obligation or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle that obligation, and a reliable estimate of the amount can be made. Provisions are discounted if the time value of money is material.

j) Leases

The Group leases offices around the world, plus a small number of motor vehicles. Rental contracts are typically made for fixed periods but may have termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

For any new contracts entered into, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets the following criteria:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- The Group has the right to direct the use of the identified asset throughout the period of use.

At the lease commencement date, the Group recognises the lease as a right-of-use asset and a corresponding liability on the statement of financial position. The right-of-use assets have been included in property, plant and equipment.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available, or the lease specific incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The liability is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or the income statement if the right-of-use asset is already reduced to zero.

Termination options are included in a number of property leases across the Group. These options are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise a termination option. Periods after termination options are only included in the lease term if the termination option is reasonably certain not to be exercised.

The Group has elected to account for short term leases and leases of low-value assets using the practical expedients. Payments associated with short term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short term leases are leases with a term of 12 months or less. Low-value assets comprise IT and copying equipment with a value of less than £5,000.

The Group sub-leases a number of properties in the UK. However, all of the risks and rewards of ownership have not been transferred to the lessee and therefore the Group recognises the head lease asset as a right-of-use asset and recognises the rental income on the sub-lease operating lease contracts as other income.

k) Financial instruments

The Group has derivative and non-derivative financial instruments which comprise foreign currency contracts, receivables, cash, loans and borrowings and trade payables.

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

In the periods presented, all of the Group's non-derivative financial assets are classified as at amortised cost. Financial assets are measured at amortised cost if the assets meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

Classification and initial measurement of financial liabilities
Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Cash
Cash comprises cash balances and highly liquid call deposits. Bank overdrafts that form an integral part of the Group's cash management are included as a component of cash for the purpose of the statement of cash flows.

Derivative financial instruments
The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. Derivatives are measured at fair values and any movement in fair value is recognised in the income statement.

Impairment of trade receivables
The Group recognises lifetime expected credit losses (ECL) for trade receivables. The ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Additionally, as part of the IFRS9 model being used, the Group recognises some provisions at 100% of the receivable balance based on the age of the relevant receivables, external evidence of the credit status of the customer entity and the status of any disputed amounts. The carrying amount is reduced by the ECL through the use of a provision account. When a trade receivable is considered uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision are recognised in the consolidated income statement.

Trade and other payables
Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

l) Borrowings and borrowing costs
Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months from the reporting date.

Borrowing costs, being interest, and other costs incurred in connection with the servicing of borrowings, are recognised as an expense when incurred.

m) Share-based payments
The Group operates two share-based compensation plans under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the income statement. The total amount to be expensed is determined by reference to the fair value of the options granted (fair value at the date of grant determined using the Black-Scholes model for Scheme 1 and the Monte Carlo method for Scheme 2), excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to the share-based payments reserve within equity.

n) Dividends

Dividends on the Group's ordinary shares are recognised as a liability in the Group's financial statements, and as a deduction from equity, in the period in which the dividends are declared. Where such dividends are proposed subject to the approval of the Group's shareholders, the dividends are only declared once shareholder approval has been obtained.

o) Equity

Share capital is determined using the nominal value of shares that have been issued. Premiums received on the initial issuing of share capital are credited to share premium account. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings includes all current and prior period results as disclosed in the income statement.

p) Employee Benefit Trust

The assets and liabilities of the Employee Benefit Trust have been included in the Group's financial statements because the Employee Benefit Trust is controlled by the Group.

The cost of purchasing own shares held by the Employee Benefit Trust is shown as a deduction in arriving at total shareholders' equity.

q) Other income

Other income represents rental income on sub-lease property contracts and research & development tax credits.

r) Presentation of non-statutory alternative performance measures

The Directors believe that Adjusted EBITDA, Adjusted EBITDA margin, Adjusted profit before tax, Adjusted profit after tax and Adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and we review the results of the Group using these measures internally. The term 'adjusted' is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measures of profit.

Adjustments are made in respect of:

Share-based payments	Share-based payment expenses are excluded from Adjusted EBITDA as they are a non-cash charge, the awards are equity-settled and the Directors believe they result in a level of charge that would distort the user's view of the core trading performance
Restructuring, M&A and refinancing costs	The Group considers these items of expense as exceptional and excludes them from Adjusted EBITDA where the nature of the item, or its size, is not related to the core underlying trading of the Group. This is to assist the user of the financial statements to better understand the results of the core operations of the Group and allow comparability of underlying results.
Amortisation and impairment of acquired intangible assets	The amortisation charge for those intangible assets recognised on business combinations is excluded from Adjusted EBITDA since they are non-cash charges arising from historical investment activities. Any impairment charges recognised in relation to these intangible assets are also excluded from Adjusted EBITDA. This is a common adjustment made by acquisitive information service businesses and therefore consistent with peers.
Revaluation of short- and long-term derivatives	Gains and losses are recognised within Adjusted EBITDA when they are realised in cash terms and therefore we exclude non-cash movements arising from fluctuations in exchange rate as these may not reflect the underlying performance of the Group, which better aligns Adjusted EBITDA with the cash performance of the business.
Unrealised operating foreign exchange gain/loss	

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS

This report has been prepared based on the accounting policies detailed in the Group's financial statements for the year ended 31 December 2021 and is consistent with the policies applied in the previous year, except for the following new standards. The new standards which are effective during the year (and have had a minimal impact on the financial statements) are:

- Amendments to IFRS16: COVID-19 related Rent Concessions (effective for periods on or after 1 June 2020); and
- Amendments to IFRS9, IAS39, IFRS7, IFRS4 and IFRS16: Interest Rate Benchmark Reform – Phase 2 (effective for periods on or after 1 January 2021).

International Financial Reporting Standards ("standards") in issue but not yet effective
The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

- Amendments to IFRS16: COVID-19 related Rent Concessions beyond 30 June 2021 (effective for periods on or after 1 April 2021)

The above standard is not yet effective and therefore has not been applied in the financial statements. It is anticipated that there will be minimal impact on the financial statements from the adoption of this revised standard.

4. SEGMENTAL ANALYSIS

The principal activity of GlobalData Plc and its subsidiaries (together 'the Group') is to provide business information in the form of high quality proprietary data, analytics and insights to clients in multiple sectors.

IFRS8 "Operating Segments" requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Chief Executive Officer (CEO) as its chief operating decision maker.

The Group maintains a centralised operating model and single product platform (One Platform), which is underpinned by a common taxonomy, shared development resource, and new data science technologies. The fundamental principle of the GlobalData business model is to provide our clients subscription access to our proprietary data, analytics, and insights platform, with the offering of ancillary services such as consulting, single copy reports and events. The vast majority of data sold by the Group is produced by a central research team which produces data for the Group as a whole. The team reports to one central individual, the Managing Director of the India operation, who reports to the Group CEO. 'Data, Analytics and Insights' is therefore considered to be the operating segment of the Group.

The Group profit or loss is reported to the Chief Executive Officer on a monthly basis and consists of earnings before interest, tax, depreciation, amortisation, central overheads and other adjusting items. The Chief Executive Officer also monitors revenue within the operating segment.

The Group considers the use of a single operating segment to be appropriate due to:

- The CEO reviewing profit or loss at the Group level;
- Utilising a centralised operating model; and
- Being an integrated solutions based business, rather than a portfolio business.

A reconciliation of Adjusted EBITDA to profit before tax from continuing operations is set out below:

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Adjusted EBITDA	**64.4**	**56.7**
Restructuring costs	(1.2)	(0.4)
M&A costs	(2.4)	(0.7)
Refinancing costs	(0.2)	(0.2)
Share-based payment charge	(9.2)	(4.2)
Revaluation loss/(gain) on short- and long-term derivatives	(0.9)	0.3
Unrealised operating foreign exchange gains	1.0	0.3
Amortisation of acquired intangibles	(5.6)	(10.7)
Depreciation	(6.8)	(7.0)
Amortisation (excluding amortisation of acquired intangible assets)	(0.9)	(1.1)
Finance costs	(5.6)	(4.4)
Profit before tax	**32.6**	**28.6**

Geographical analysis

Our primary geographical markets are serviced by our global sales teams which are organised as Europe, US and Asia Pacific by virtue of the team location. The below disaggregated revenue is derived from the geographical location of our customers rather than the team structure the Group is organised by.

From continuing operations

Year ended 31 December 2021	UK £m	Europe £m	Americas[1] £m	Asia Pacific £m	MENA[2] £m	Rest of World £m	Total £m
Revenue from external customers	27.8	51.8	67.8	21.0	13.9	7.0	**189.3**

Year ended 31 December 2020	UK £m	Europe £m	Americas[1] £m	Asia Pacific £m	MENA[2] £m	Rest of World £m	Total £m
Revenue from external customers	26.3	49.7	62.8	19.2	13.1	7.3	**178.4**

1. Americas includes revenue from the United States of America of £65.7m (2020: £59.7m)
2. Middle East & North Africa

Intangible assets held in the US and Canada were £34.3m (2020: £21.1m), of which £29.1m related to goodwill (2020: £19.7m). Intangible assets held in the UAE were £13.6m (2020: £14.3m) of which £11.4m related to goodwill (2020: £11.4m). All other non-current assets are held in the UK. The largest customer represented less than 3% of the Group's consolidated revenue.

5. REVENUE

The Group generates revenue from services provided over a period of time such as recurring subscriptions and other services which are deliverable at a point in time such as reports, events and custom research.

Subscription income for online services, data and analytics (typically 12 months) is normally received at the beginning of the services and is therefore recognised as a contract liability, "deferred revenue", in the statement of financial position. Revenue is recognised evenly over the period of the contractual term as the performance obligations are satisfied evenly over the term of subscription.

The revenue on services delivered at a point in time is recognised when our contractual obligation is satisfied, such as delivery of a static report or delivery of an event. The obligation on these types of contracts is a discrete obligation, which once met satisfies the Group performance obligation under the terms of the contract.

Any invoiced contracted amounts which are still subject to performance obligations and where the payment has been received or is contractually due are recognised within deferred revenue at the statement of financial position date. Typically, the Group receives settlement of cash at the start of each contract and standard terms are zero days. Similarly, if the Group satisfies a performance obligation before it receives the consideration or is contractually due the Group recognises a contract asset within accrued income in the statement of financial position.

	Revenue recognised in the Consolidated Income Statement		Deferred Revenue recognised within the Consolidated Statement of Financial Position	
	Year ended 31 December 2021	Year ended 31 December 2020	As at 31 December 2021	As at 31 December 2020
	£m	£m	£m	£m
Services transferred:				
Over a period of time	156.9	149.1	73.1	64.2
Immediately on delivery	32.4	29.3	8.3	10.5
Total	**189.3**	**178.4**	**81.4**	**74.7**

As subscriptions are typically for periods of 12 months the majority of deferred revenue held at 31 December will be recognised in the income statement in the following year. As at 31 December 2021 £0.4m (2020: £0.6m) of the deferred revenue balance will be recognised beyond the next 12 months. In the year ended 31 December 2021 the Group recognised revenue of £74.1m (2020: £67.5m) that was included in the deferred revenue balance at the beginning of the period.

In instances where the Group enters into transactions involving a range of the Group's services, for example a subscription and custom research, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices.

6. OPERATING PROFIT

Operating profit is stated after the following expenses relating to continuing operations:

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Cost of sales	101.8	101.0
Administrative costs	49.0	44.4
	150.8	**145.4**
Losses on trade receivables	**1.2**	1.3
Total operating expenses	**152.0**	**146.7**

Included within other administrative costs are the following expenses:

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Depreciation of property, plant and equipment	6.8	7.0
Amortisation of intangible assets	6.5	11.8
Gain (including realised and unrealised) on foreign exchange	(0.9)	(0.3)
Short-term and low-value lease expenses	-	0.7
Auditor’s remuneration	0.9	0.8

Auditor’s remuneration:

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Audit of the Company’s and the consolidated financial statements	0.4	0.4
Audit of the subsidiary companies’ financial statements	0.5	0.4
Total auditor’s remuneration	**0.9**	**0.8**

7. ADJUSTING ITEMS

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	£m
Restructuring costs	1.2	0.4
M&A costs	2.4	0.7
Refinancing costs	0.2	0.2
Share-based payment charge	9.2	4.2
Revaluation loss/(gain) on short- and long-term derivatives	0.9	(0.3)
Unrealised operating foreign exchange gains	(1.0)	(0.3)
Amortisation of acquired intangibles	5.6	10.7
Total adjusting items	**18.5**	**15.6**

The adjustments made are as follows:

- Restructuring relates to redundancy payments, professional fees and impairment charges incurred in relation to group reorganisation projects.
- The M&A costs consist of professional fees incurred in both performing due diligence relating to potential acquisition targets and performing completion activities in relation to acquisitions made during the year.
- The share-based payments charge is in relation to the share-based compensation plans (detailed in note 24) under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the income statement. The total amount to be expensed is determined by reference to the fair value of the options granted (fair value at the date of grant determined using the Black-Scholes model for Scheme 1 and the Monte Carlo method for Scheme 2), excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).
- The revaluation of short- and long-term derivatives relates to movement in the fair value of the short- and long-term derivatives detailed in note 16.
- Unrealised operating foreign exchange gains relate to non-cash exchange gains made on operating items.
- Refinancing costs consist of legal fees incurred in relation to amendments made to the facilities agreement during the year.

8. PARTICULARS OF EMPLOYEES

Employee benefit expense

From continuing operations	Year ended 31 December 2021	Year ended 31 December 2020
	£m	£m
Wages and salaries	95.9	91.5
Social security costs	6.7	6.6
Pension costs	1.7	1.6
Share-based payments charge (note 24)	9.2	4.2
	113.5	**103.9**

Termination costs incurred during the year amounted to £0.3m (2020: £0.4m).

Pension costs represents payments made into defined contribution schemes.

Number of employees

The average monthly number of persons, including Executive Directors, employed by the Group during the year was as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	No.	No.
Researchers and analysts	2,914	2,640
Sales and admin	676	743
	3,590	**3,383**

There were no persons employed by the Company during the year (2020: nil).

9. KEY MANAGEMENT COMPENSATION

Key management is defined as Directors plus all members of the Group's Executive Management Committee. In the year ended 31 December 2021, key management consisted of 19 employees (2020: 17 employees).

	Year ended 31 December 2021	Year ended 31 December 2020
	£m	£m
Short-term employee benefits	3.1	3.0
Post-employment benefits	0.1	0.1
Share-based payments	2.4	1.4
	5.6	**4.5**

Post-employment benefits are comprised of payments made into the employee's defined contribution pension schemes.

Information regarding Directors' remuneration, share options and bonuses are set out in the Directors' Remuneration Report on pages 55-61.

10. NET FINANCE COSTS

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Loan interest cost	4.0	2.8
Lease interest cost	1.5	1.7
Other interest cost	0.1	-
Other interest income	-	(0.1)
	5.6	**4.4**

11. INCOME TAX

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Income statement		
Current income tax:		
Current income tax	(10.7)	(6.7)
Adjustments in respect of prior years	0.6	0.4
	(10.1)	(6.3)
Deferred income tax:		
Relating to origination and reversal of temporary differences	2.4	(1.1)
Effect of change in tax rates	(0.6)	0.1
Adjustments in respect of deferred tax of previous years	-	(0.1)
Movement in unrecognised deferred tax	0.6	1.4
	2.4	0.3
Total income tax expense in income statement	**(7.7)**	**(6.0)**

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Recognised in statement of changes in equity		
Corporation tax income on share options exercised	0.4	1.3
Deferred tax income on share-based payments	1.5	0.3
Total tax income recognised directly in equity	**1.9**	**1.6**

The tax charge is reconciled to the standard corporation tax rate applicable in the UK as follows:

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Profit before tax	32.6	28.6
Tax at the UK corporation tax rate of 19% (2020: 19%)	(6.2)	(5.4)
Effects of:		
Non-taxable income for tax purposes	0.2	0.1
Non-deductible expenses for tax purposes	(1.0)	(0.7)
Movement in share-based payments	-	0.2
Deferred tax on unremitted earnings in the Group's subsidiaries	-	(1.1)
Effect of tax rates in overseas jurisdictions	(1.0)	(0.9)
Overseas tax	(0.3)	-
Effect of change in deferred tax rates	(0.6)	0.1
Adjustments in respect of current income tax of previous years	0.6	0.3
Movement in unrecognised deferred tax	0.6	1.4
	(7.7)	**(6.0)**

12. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders of the parent company divided by the weighted average number of shares in issue during the period. The Group also has a share options scheme in place and therefore the Group has calculated the dilutive effect of these options.

	Year ended 31 December 2021	Year ended 31 December 2020
Earnings per share attributable to equity holders from continuing operations:		
Basic		
Profit for the period attributable to ordinary shareholders of the parent company (£m)	24.9	22.6
Weighted average number of shares (no' m)	113.5	116.2
Basic earnings per share (pence)	21.9	19.4
Diluted		
Profit for the period attributable to ordinary shareholders of the parent company (£m)	24.9	22.6
Weighted average number of shares (no' m)	123.0	124.8
Diluted earnings per share (pence)	20.2	18.1

Reconciliation of basic weighted average number of shares to the diluted weighted average number of shares:

	Year ended 31 December 2021 No' m	Year ended 31 December 2020 No' m
Basic weighted average number of shares, net of shares held in Treasury reserve	113.5	116.2
Share options in issue at end of period, net of shares not paid up	9.5	8.6
Diluted weighted average number of shares	**123.0**	**124.8**

13. INTANGIBLE ASSETS

	Software	Customer relationships	Brands	IP rights and Database	Goodwill	Total
	£m	£m	£m	£m	£m	£m
Cost						
As at 1 January 2020	10.7	43.6	16.0	48.9	227.3	346.5
Additions: Business combinations	-	0.4	-	1.3	0.4	2.1
Additions: Separately acquired	1.5	-	-	-	-	1.5
Foreign currency retranslation	-	-	0.1	-	-	0.1
As at 31 December 2020	12.2	44.0	16.1	50.2	227.7	350.2
Additions: Business combinations	0.7	11.8	0.1	25.2	75.4	113.2
Additions: Separately acquired	0.4	-	-	0.1	-	0.5
Reclassification to PPE	(0.5)	-	-	-	-	(0.5)
Fair value adjustment	-	-	-	-	(0.4)	(0.4)
As at 31 December 2021	**12.8**	**55.8**	**16.2**	**75.5**	**302.7**	**463.0**
Amortisation						
As at 1 January 2020	(8.8)	(25.1)	(9.6)	(42.4)	(10.5)	(96.4)
Charge for the year	(1.1)	(3.7)	(1.1)	(5.9)	-	(11.8)
As at 31 December 2020	(9.9)	(28.8)	(10.7)	(48.3)	(10.5)	(108.2)
Additions: Business combinations	(0.5)	-	-	-	-	(0.5)
Impairment	-	-	-	-	(0.4)	(0.4)
Charge for the year	(0.9)	(3.8)	(0.6)	(1.2)	-	(6.5)
Reclassification to PPE	0.3	-	-	-	-	0.3
As at 31 December 2021	**(11.0)**	**(32.6)**	**(11.3)**	**(49.5)**	**(10.9)**	**(115.3)**
Net book value						
As at 31 December 2021	**1.8**	**23.2**	**4.9**	**26.0**	**291.8**	**347.7**
As at 31 December 2020	2.3	15.2	5.4	1.9	217.2	242.0

Additions as a result of business combinations in the year have been disclosed in further detail in note 27.

The Group has not capitalised any internally generated intangible assets (2020: £nil). As at 31 December 2021, the net book value of internally generated intangible assets is £nil (2020: £nil).

As at 31 December 2021, the carrying value and remaining amortisation period of the significant customer relationships, brands and IP rights and database assets were as follows:

	Customer relationships		Brands		IP rights and Database	
	Carrying value	Remaining amortisation	Carrying value	Remaining amortisation	Carrying value	Remaining amortisation
	£m	Period	£m	Period	£m	Period
Current Analysis	0.2	1 year	-	-	-	-
Infinata	0.9	4 years	-	-	-	-
MEED	2.1	3 years	-	-	-	-
AROQ	0.7	7 years	-	-	-	-
Research Views	5.6	2-9 years	-	-	-	-
GlobalData	1.6	1 year	3.4	9 years	-	-
Global Ad Source	0.2	12 years	-	-	-	-
Verdict	-	-	1.4	6 years	-	-
IM EM Databases*	-	-	-	-	0.1	3 years
Progressive Content	0.3	6 years	-	-	0.9	3 years
Life Sciences	4.2	10 years	-	-	9.9	11 years
LMC	7.4	2-12 years	0.1	2 years	15.1	10 years
Total carrying value	**23.2**		**4.9**		**26.0**	

*Investmentmonitor and Energymonitor as disclosed in note 28.

Impairment tests for goodwill and intangible assets

Goodwill and intangibles are allocated to the cash-generating unit (CGU) that is expected to benefit from the use of the asset.

The Group tests goodwill and intangible assets as at 30 September each year for impairment and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount of a CGU is determined based on value in use calculations. These calculations use post-tax cash flow projections based on the next financial year's budget with growth rates applied to generate a 5-year forecast. Cash flows beyond the 5-year period are extrapolated using estimated long term growth rates.

The Group operates within a single operating segment, being 'Data, Analytics and Insights'. However, in accordance with IAS36, Impairment of Assets, the Group has to consider impairment indicators for goodwill and intangible assets on the value of the CGUs. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Management are of the opinion that since acquisition and through being integrated and further developed within the Group, the acquired intangible assets of the Group all contribute to generating cash inflows for the wider business, covering all subject matter areas. All subject matters are accessible through the single operating platform (One Platform), and all products include access to a thin layer of information spanning across all markets and subjects. The exception to this is MEED, which is classified as an individual CGU due to having separately identifiable cash flows and financial results. Management therefore identified that as at the date of impairment review (30 September), the Group had 2 CGUs, being 'Data, Analytics and Insights' and MEED. Management recognise that this approach is different to the conclusion reached regarding the segmental reporting rationale of the Group; however, this is appropriate because the IFRS criteria for identifying segments and CGUs differ. Management have considered whether events should be classified as a separate CGU but have concluded that this is a route to market with the same underlying Data, Analytics and Insights product.

As noted in note 27, on 15 December the Group made the LMC acquisition, which constitutes its own CGU. It is management's intention to fully integrate the LMC companies into the Data, Analytics and Insights CGU during 2022. No indicators of impairment have been noted on the valuation of the assets acquired (valued on an EBITDA multiple basis) between the date of acquisition and 31 December 2021.

Overall, within the impairment review performed as at 30 September 2021, the Group had significant headroom on its goodwill and intangibles carrying value, with the Data, Analytics and Insights CGU having headroom of £1,430.4m and the MEED CGU having headroom of £11.8m.

Assumptions

The recoverable amounts of the CGUs are determined from value in use calculations, which are based on the cash flow projections for each CGU. Value in use projections are based on Board approved revenue and cost budgets for 2022, with revenue and cost increases to cover the period 2023-2026. Revenue growth rates are based on 5 forecast year CAGR which are based upon management's expectation of performance over this period. These rates are comparable with or lower than historic growth performance. Cost increases are based upon the OECD long term forecast.

The discount rate is derived by calculating weighted average costs of equity and debt. The rate reflects appropriate adjustments relating to market risk and risk factors of each CGU.

For the Data, Analytics and Insights CGU, a terminal value calculation has been determined post 2026 using a growth rate of 2% in accordance with the OECD long term forecast. Management are of the view that the MEED CGU has similar long term prospects and opportunities for growth as the Data, Analytics and Insights CGU and would expect the terminal growth rate to be consistent with the OECD long term forecast of 2%.

The key assumptions are set out below:

	Increase in revenue (for years 1 to 5)		Increase in costs (for years 1 to 5)		Pre-tax discount rate		Terminal growth rate	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Data, Analytics & Insights	7.00%	5.67%	2.00%	2.00%	8.52%	9.80%	2.00%	2.00%
MEED	1.39%	2.98%	2.00%	2.00%	7.49%	9.08%	2.00%	2.00%

Management has undertaken sensitivity analysis taking into consideration the impact of key impairment test assumptions arising from a range of possible future trading and economic scenarios on each CGU. The following individual scenarios would need to occur before impairment is triggered within the Group:

	Revenue growth falls by*	Discount rate rises to
Data, Analytics & Insights	(13.8%)	42.2%
MEED	(2.1%)	11.7%

*percentage points

No indication of impairment was noted from management's review, there is headroom in each CGU. Management acknowledge the sensitivity of the assumptions applied to the MEED CGU however management are comfortable with these assumptions and will continue to monitor performance regularly for any indicators of future impairment loss.

Amortisation

Amortisation and impairment charges are accounted for within the administrative costs category within the income statement. Within note 7, the Group separates out amortisation of acquired intangibles from other group amortisation charges.

14. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Fixtures, fittings & equipment	Leasehold improvements	Total
	£m	£m	£m	£m
Cost				
As at 1 January 2020	49.2	7.8	1.0	**58.0**
Additions: Business combinations	-	0.2	-	**0.2**
Additions: Separately acquired	0.3	2.8	0.7	**3.8**
Foreign currency retranslation	(0.5)	(0.1)	-	**(0.6)**
Disposals	(0.9)	(0.1)	-	**(1.0)**
As at 31 December 2020	48.1	10.6	1.7	**60.4**
Additions: Business combinations	-	0.5	-	**0.5**
Additions: Separately acquired	2.5	0.7	0.1	**3.3**
Reclassification from intangibles	-	0.5	-	**0.5**
Foreign currency retranslation	-	-	-	**-**
Disposals	(7.4)	(4.5)	-	**(11.9)**
As at 31 December 2021	**43.2**	**7.8**	**1.8**	**52.8**
Depreciation				
As at 1 January 2020	(4.0)	(6.4)	(0.2)	**(10.6)**
Additions: Business combinations	-	(0.2)	-	**(0.2)**
Charge for the year	(5.7)	(1.2)	(0.1)	**(7.0)**
Foreign currency retranslation	0.1	0.1	-	**0.2**
Disposals	0.6	0.1	-	**0.7**
As at 31 December 2020	(9.0)	(7.6)	(0.3)	**(16.9)**
Additions: Business combinations	-	(0.5)	-	**(0.5)**
Charge for the year	(5.0)	(1.6)	(0.2)	**(6.8)**
Reclassification from intangibles	-	(0.3)	-	**(0.3)**
Foreign currency retranslation	-	-	-	**-**
Disposals	2.5	4.5	-	**7.0**
As at 31 December 2021	**(11.5)**	**(5.5)**	**(0.5)**	**(17.5)**
Net book value				
As at 31 December 2021	**31.7**	**2.3**	**1.3**	**35.3**
As at 31 December 2020	39.1	3.0	1.4	43.5

Included in the net carrying amount of property, plant and equipment as at 31 December 2021 are right-of-use assets as follows:

	Buildings £m
Cost	
As at 31 December 2020	47.6
Additions: Separately acquired	2.5
Disposals	(6.9)
As at 31 December 2021	**43.2**
Depreciation	
As at 31 December 2020	(8.9)
Charge for the year	(5.0)
Disposals	2.4
As at 31 December 2021	**(11.5)**
Net book value	
As at 31 December 2021	**31.7**
As at 31 December 2020	38.7

15. LEASES

The Group has leases for office buildings and motor vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the statement of financial position as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 14).

Lease liabilities are presented in the statement of financial position as follows:

	31 December 2021 £m	31 December 2020 £m
Current lease liabilities	4.1	4.1
Non-current lease liabilities	29.3	35.8
	33.4	**39.9**

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the statement of financial position:

	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with termination options
Office buildings	28	0-12 years	3.2 years	-	2
Motor vehicles	1	1-2 years	1.4 years	-	-

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2021 were as follows:

As at 31 December 2021	Within one year £m	One to five years £m	After five years £m	Total £m
Lease payments	5.4	16.8	17.8	40.0
Finance charges	(1.3)	(3.2)	(2.1)	(6.6)
Net present values	**4.1**	**13.6**	**15.7**	**33.4**

As at 31 December 2020	Within one year £m	One to five years £m	After five years £m	Total £m
Lease payments	5.6	20.9	21.8	48.3
Finance charges	(1.5)	(4.1)	(2.8)	(8.4)
Net present values	**4.1**	**16.8**	**19.0**	**39.9**

Lease payments not recognised as a liability
The Group has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

	Year ended 31 December 2021 £m	Year ended 31 December 2020 £m
Short-term and low-value lease expenses	-	0.7
	-	**0.7**

At 31 December 2021 the Group was committed to short-term leases and the total commitment at that date was £0.1m (2020: £0.1m).

At 31 December 2021 the Group had not committed to any leases which had not yet commenced, excluding those recognised as a lease liability.

The Group sublets certain areas of its property portfolio. As at 31 December 2021, the Group had contracts with sub-tenants for the following future minimum lease rentals:

	31 December 2021 £m	31 December 2020 £m
Land and buildings		
Within one year	0.2	1.3
Within one to two years	0.2	1.3
Within two to three years	0.2	1.3
Within three to four years	0.2	1.3
Within four to five years	0.2	1.3
Over five years	1.1	5.3
	2.1	**11.8**

16. DERIVATIVE ASSETS AND LIABILITIES

	31 December 2021	31 December 2020
	£m	£m
Short-term derivative assets	0.6	1.2
Short-term derivative liabilities	(0.3)	(0.1)
Long-term derivative liabilities	(0.1)	-
Net derivative asset	**0.2**	**1.1**

Classification is based on when the derivatives mature. The fair values of derivatives are expected to impact the income statement over the next year, dependent on movements in the fair value of the foreign exchange contracts. The movement in the year was a £0.9m debit to the income statement (2020: credit of £0.3m).

The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. Forward exchange contracts have been entered into, which has committed the amount of currency below to be paid in exchange for Sterling:

	Euro	US Dollar
	€m	$m
Expiring in the year ending:		
31 December 2022	11.3	30.1

Forward exchange contracts have been entered into, which has committed the amount of currency below to be paid in exchange for Indian Rupees:

	US Dollar
	$m
Expiring in the year ending:	
31 December 2022	12.0

17. TRADE AND OTHER RECEIVABLES

	31 December 2021	31 December 2020
	£m	£m
Trade receivables	42.3	36.2
Prepayments	5.1	5.3
Other receivables	1.4	1.1
Accrued income	1.5	1.4
Related party receivables (note 28)	0.9	0.9
	51.2	**44.9**

The contractual value of trade receivables is £46.8m (2020: £42.3m). Their carrying value is assessed to be £42.3m (2020: £36.2m) after assessing recoverability. The contractual value and the carrying value of other receivables are considered to be the same.

The amounts owed by related parties relate to a loan which is repayable in annual instalments and is interest bearing, as detailed in note 28. The amount outstanding of £0.9m represents the final repayment which was repaid in full after the balance sheet date on 31 January 2022.

The ageing analysis of net trade receivables is as follows:

	31 December 2021	31 December 2020
	£m	£m
Not overdue	34.3	29.8
Not more than three months overdue	7.7	6.0
More than three months but not more than one year overdue	0.3	0.4
	42.3	**36.2**

The ageing analysis of trade receivables which have been impaired is as follows:

	31 December 2021	31 December 2020
	£m	£m
Not overdue	0.6	0.4
Not more than three months overdue	0.8	1.1
More than three months overdue	3.1	4.6
	4.5	**6.1**

The impaired receivables of £4.5m comprises an expected credit loss provision of £3.7m (2020: £3.9m) and credit note provision of £0.8m (2020: £2.2m).

The contractual amounts of the Group's trade receivables are denominated in the following currencies:

	31 December 2021	31 December 2020
	£m	£m
Pounds Sterling	18.1	18.4
US Dollar	23.0	18.8
Euro	3.9	3.4
Australian Dollar	0.7	1.1
Other	1.1	0.6
	46.8	**42.3**

Movement on the Group's loss allowances for trade receivables are as follows:

	31 December 2021	31 December 2020
	£m	£m
Opening expected credit loss allowance	3.9	5.1
Increase in loss allowance	1.2	1.3
Receivables written off during the year as uncollectable	(1.4)	(2.5)
Closing expected credit loss allowance	**3.7**	**3.9**

	31 December 2021	31 December 2020
	£m	£m
Opening credit note provision	2.2	1.2
Increase in credit note provision recognised in revenue	0.2	0.4
Increase in credit note provision charged against deferred revenue	-	1.3
Credit notes raised during the year	(1.6)	(0.7)
Closing credit note provision	**0.8**	**2.2**

Provisions are created and released on a specific customer level on a monthly basis when management assesses for possible impairment. In addition, the Group recognises lifetime expected credit losses (within the ECL provision) which are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The other classes within trade and other receivables do not contain impaired assets.

In calculating the ECL provision, an estimate was made by management to apply an appropriate uplift to the ECL rate to take into account forecast market conditions, including the expected impact of COVID-19. Management reviewed the Group's trade receivables balances outstanding by industry in order to calculate an uplift rate which reflected the weighted average forecast risk levels present within the range of industries relevant to the trade receivables balance. The ECL uplift rate calculated overall was 3.35%. If the ECL uplift rate were increased to 5%, this would have had an impact on the ECL provision of £0.4m.

Details of the provision matrix are presented below:

31 December 2021

Days	0-30	31-60	61-90	91-120	121-150	151-365	365+	Total
Net exposure (£m)	9.1	0.9	0.5	0.2	0.3	0.2	0.0	11.2
ECL rate	4.5%	7.5%	13.9%	24.0%	36.0%	30.0%	100.0%	
Provision (£m)	0.4	0.1	0.1	0.0	0.1	0.1	0.0	**0.8**

31 December 2020

Days	0-30	31-60	61-90	91-120	121-150	151-365	365+	Total
Net exposure (£m)	7.3	1.0	0.4	0.1	0.1	0.2	0.1	9.2
ECL rate	5.0%	8.1%	13.7%	22.2%	32.2%	30.0%	100.0%	
Provision (£m)	0.4	0.1	0.0	0.0	0.0	0.1	0.1	**0.7**

Net exposure presented in the above tables consists of gross debtors, net of specific customer provisions and unreleased deferred revenue.

The maximum exposure to credit risk at 31 December 2021 is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security. Before accepting any new customer, the Group uses a credit-scoring system to assess the potential customer's credit quality. The trade receivables outstanding at year end have acceptable credit scores. The largest customer represented less than 3% of the Group's consolidated revenue. Further details on credit risk have been disclosed within note 21.

18. DEFERRED INCOME TAX

	31 December 2021	31 December 2020
	£m	£m
Balance brought forward	4.2	3.9
Tax income during the period recognised in profit or loss	2.4	0.3
Tax income during the period recognised directly in equity	1.5	0.3
Deferred taxes acquired in business combinations	(6.0)	(0.3)
Balance carried forward	**2.1**	**4.2**

The provision for deferred taxation consists of the tax effect of temporary differences in respect of:

Accelerated depreciation for tax purposes	(0.2)	(0.1)
Deferred tax on unremitted earnings in the Group's subsidiaries	-	(1.1)
Losses available for offsetting against future taxable income	0.9	1.0
Share-based payments	10.4	7.7
Business combinations	(9.5)	(3.7)
Other temporary differences	0.5	0.4
Balance carried forward	**2.1**	**4.2**

	31 December 2021	31 December 2020
	£m	£m
Deferred tax asset	2.1	5.4
Deferred tax liability	-	(1.2)
Net position	**2.1**	**4.2**

Finance Act 2021 increased the UK corporation tax rate from 19% to 25% effective 1 April 2023 for companies with profits in excess of £250,000. The Group's deferred tax assets and liabilities have therefore been remeasured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. The effect of this remeasurement during the period has been recognised in both the income statement (£0.6m tax expense) and directly in equity (£0.4m tax income).

The Group has tax losses of £5.6m (2020: £6.3m) that are indefinitely available for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets at the UK's current statutory income tax rate of 19%, the profit would increase by £1.1m (2020: £1.3m).

The temporary differences associated with investments in the Group's overseas subsidiaries for which a deferred tax liability has not been recognised (i.e. excluding the temporary differences relating to a deferred tax liability already recognised) in the period presented aggregate to £28.3m (2020: £9.7m). The Group is in a position to control the timing of the reversal of these temporary differences and determined it is probable that they will not reverse in the foreseeable future.

There are no income tax consequences attached to the payment of dividends in either 2021 or 2020 by the Group to its shareholders.

19. TRADE AND OTHER PAYABLES

	31 December 2021	31 December 2020
	£m	£m
Trade payables	11.1	8.6
Other taxation and social security	2.9	2.1
Deferred revenue	81.4	74.7
Accruals	18.9	14.8
	114.3	**100.2**

All amounts are short-term. The carrying values are considered to be a reasonable approximation of fair value. The opening deferred revenue balance as at 1 January 2020 was £68.6m.

20. BORROWINGS

	31 December 2021	31 December 2020
	£m	£m
Short-term lease liabilities	4.1	4.1
Short-term borrowings	5.0	5.0
Current liabilities	**9.1**	**9.1**
Long-term lease liabilities	29.3	35.8
Long-term borrowings	195.2	70.8
Non-current liabilities	**224.5**	**106.6**

The changes in the Group's borrowings can be classified as follows:

	Short-term borrowings	Long-term borrowings	Short-term lease liabilities[1]	Long-term lease liabilities[1]	Total
	£m	£m	£m	£m	£m
1 January 2020	**6.0**	**60.5**	**3.9**	**40.7**	**111.1**
Cash flows:					
- Repayment	(5.3)	-	(6.1)	-	**(11.4)**
- Proceeds	-	15.0	-	-	**15.0**
- Loan fees paid	-	(0.7)	-	-	**(0.7)**
Non-cash:					
- Loan fee amortisation until modification date	-	0.1	-	-	**0.1**
- Fair value adjustments since modification	-	0.2	-	-	**0.2**
- Lease additions	-	-	0.3	-	**0.3**
- Lease liabilities[2]	-	-	1.6	(0.5)	**1.1**
- Reclassification	4.3	(4.3)	4.4	(4.4)	-
31 December 2020	**5.0**	**70.8**	**4.1**	**35.8**	**115.7**
Cash flows:					
- Repayment	(5.0)	-	(5.8)	-	**(10.8)**
- Proceeds	-	129.0	-	-	**129.0**
- Loan fees paid	-	(0.4)	-	-	**(0.4)**
Non-cash:					
- Fair value adjustments since modification	-	0.8	-	-	**0.8**
- Lease additions	-	-	2.4	-	**2.4**
- Lease liabilities[2]	-	-	0.6	(3.7)	**(3.1)**
- Reclassification	5.0	(5.0)	2.8	(2.8)	**-**
As at 31 December 2021	**5.0**	**195.2**	**4.1**	**29.3**	**233.6**

[1] Amounts are net of rental prepayments and accruals

[2] Represents lease interest, dilapidations and movement on lease liability accruals and prepayments

Term loan and RCF

In May 2020, the Group announced that it had agreed to increase its current banking facilities with NatWest Group, HSBC and Bank of Ireland, extending the current maturity to April 2023 (previously April 2022). The arrangements increased the total committed facility to £145.5m (previously £100m), plus a further uncommitted accordion facility of £75m. The committed facility comprised a term loan of £50m and a revolving credit facility (RCF) of £95.5m.

In September 2021, the Group amended and restated its facilities agreement in order to convert its uncommitted accordion facility of £75m into a committed incremental RCF. Silicon Valley Bank became an additional lender as part of the syndicate. No other changes to the repayment terms agreed in May 2020 were made.

In December 2021, the Group made a further amendment and restatement to its facilities agreement, increasing the RCF to £115.5m (previously £95.5m) to support future M&A activities. No other changes to the repayment terms agreed in May 2020 were made.

The term loan is repayable in quarterly instalments, with total repayments due in the next 12 months of £5.0m. The outstanding term loan balance as at 31 December 2021 is £41.3m, with a fair value in accordance with IFRS9 of £40.9m. As at 31 December 2021, the Group had drawn down £84.5m of the RCF and £75.0m of the incremental RCF (former accordion facility), with a total fair value in accordance with IFRS9 of £159.3m. Interest is currently charged on the term loan, drawn down RCF and incremental RCF (former accordion facility) at a rate of 3.25% over the Sterling Overnight Interbank Average Rate (SONIA).

In accordance with IFRS9, Management has performed a comparison of the fair value of the new debt with the old debt to determine whether there has been a substantial modification requiring de-recognition. The assessment concluded that there has not been a substantial modification, the difference between the fair value of the new debt with the old debt was £0.0m.

21. FINANCIAL ASSETS AND LIABILITIES

The Group is exposed to foreign currency, interest rate, liquidity, credit and equity risks. Each of these risks, the associated financial instruments and the management of those risks are detailed below.

The Group's financial instruments are classified under IFRS, all at amortised cost, as follows:

	31 December 2021	31 December 2020
	£m	£m
Non-current assets		
Related party receivables	-	0.9
	-	**0.9**
Current assets		
Cash	22.6	17.7
Trade receivables	42.3	36.2
Other receivables	1.4	1.1
Accrued income	1.5	1.4
Related party receivables	0.9	0.9
	68.7	**57.3**
Current liabilities		
Trade payables	(11.1)	(8.6)
Short-term borrowings	(5.0)	(5.0)
Accruals	(18.9)	(14.8)
	(35.0)	**(28.4)**
Non-current liabilities		
Long-term borrowings	(195.2)	(70.8)
	(195.2)	**(70.8)**

The Group's financial instruments classified under IFRS, at fair value, are as follows:

	31 December 2021	31 December 2020
	£m	£m
Current assets		
Short-term derivative assets	0.6	1.2
	0.6	**1.2**
Current liabilities		
Short-term derivative liabilities	(0.3)	(0.1)
	(0.3)	**(0.1)**
Non-current liabilities		
Long-term derivative liabilities	(0.1)	-
	(0.1)	**-**

Maturity analysis

31 December 2021	Less than one month £m	One to three months £m	Three months to one year £m	One to five years £m	Total £m
Current assets					
Cash	22.6	-	-	-	**22.6**
Short-term derivative assets	-	0.2	0.4	-	**0.6**
Trade receivables	22.7	15.8	3.8	-	**42.3**
Other receivables	-	1.4	-	-	**1.4**
Accrued income	-	1.5	-	-	**1.5**
Related party receivables	0.9	-	-	-	**0.9**
Current liabilities					
Short-term borrowings	-	(3.0)	(8.9)	-	**(11.9)**
Short-term derivative liabilities	-	(0.2)	(0.1)	-	**(0.3)**
Trade accounts payable	(7.5)	(3.6)	-	-	**(11.1)**
Accruals	-	(18.9)	-	-	**(18.9)**
Non-current liabilities					
Long-term borrowings	-	-	-	(203.8)	**(203.8)**
Long-term derivative liabilities	-	-	-	(0.1)	**(0.1)**
	38.7	**(6.8)**	**(4.8)**	**(203.9)**	**(176.8)**

31 December 2020	Less than one month £m	One to three months £m	Three months to one year £m	One to five years £m	Total £m
Non-current assets					
Related party receivables	-	-	-	0.9	**0.9**
Current assets					
Cash	17.7	-	-	-	**17.7**
Short-term derivative assets	0.1	0.5	0.6	-	**1.2**
Trade receivables	19.6	13.2	3.4	-	**36.2**
Other receivables	-	1.1	-	-	**1.1**
Accrued income	-	1.4	-	-	**1.4**
Related party receivables	0.9	-	-	-	**0.9**
Current liabilities					
Short-term borrowings	-	(1.8)	(5.2)	-	**(7.0)**
Short-term derivative liabilities	-	(0.1)	-	-	**(0.1)**
Trade accounts payable	(3.9)	(4.7)	-	-	**(8.6)**
Accruals	-	(14.8)	-	-	**(14.8)**
Non-current liabilities					
Long-term borrowings	-	-	-	(73.2)	**(73.2)**
	34.4	**(5.2)**	**(1.2)**	**(72.3)**	**(44.3)**

The long-term borrowing's contractual features are detailed in note 20 and it is not expected that those loans will be repaid within a year or until replaced with equivalent debt or equity financing. The debt shown in the table above is inclusive of the projected interest payments in accordance with IFRS7 (interest on short and long-term borrowings £15.5m (2020: £4.4m)).

Reclassifications
There have been no reclassifications between financial instrument categories during the years ended 31 December 2021 and 31 December 2020.

Fair value of financial instruments
Financial instruments are either carried at amortised cost, less any provision for impairment, or fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
- Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2 – other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3 – techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2021, the only financial instruments measured at fair value were derivative financial assets/liabilities and these are classified as Level 2.

Type of financial instrument at Level 2	Measurement technique	Main assumptions	Main inputs used
Derivative assets and liabilities	Present-value method	Determining the present value of financial instruments as the current value of future cash flows, taking into account current market exchange rates	Observable market exchange rates

There are no amounts of collateral held as security in respect of the derivative financial instruments.

Cash, trade receivables, trade accounts payable and borrowings
The carrying amounts of cash, trade receivables and trade payables are approximately equivalent to their fair value because of the short term to maturity. In the case of borrowings, the floating rate of interest (SONIA, including credit adjustment spread plus margin) allows the carrying value to approximate to fair value.

Market risk
The Group is exposed to market risk primarily from changes in foreign currency exchange rates and interest rates.

Currency risk
The Group's primary objective in managing foreign currency risk is to protect against the risk that the eventual Sterling net cash flows will be adversely affected by changes in foreign currency exchange rates. Due to the Group's operations in India, the Group has entered into foreign exchange contracts that limit the risk from movements in US Dollars with the Indian Rupee exchange rate. The Group additionally enters into foreign exchange contracts that limit the risk from movements in US Dollars and Euros with Pounds Sterling.

The Group's exposure to foreign currencies arising from financial instruments is:

31 December 2021	US Dollar	Euro	Other	Total
	£m	£m	£m	£m
Exposures				
Cash	8.2	1.7	5.0	**14.9**
Short- and long-term derivative assets/ (liabilities)	-	0.2	-	**0.2**
Trade receivables	23.0	3.9	1.2	**28.1**
Trade accounts payable	(0.9)	-	(0.1)	**(1.0)**
Net exposure	**30.3**	**5.8**	**6.1**	**42.2**

31 December 2020	US Dollar	Euro	Other	Total
	£m	£m	£m	£m
Exposures				
Cash	4.2	0.7	5.0	**9.9**
Short- and long-term derivative assets/ (liabilities)	1.1	-	-	**1.1**
Trade receivables	18.9	3.4	0.7	**23.0**
Trade accounts payable	(0.3)	-	(0.5)	**(0.8)**
Net exposure	**23.9**	**4.1**	**5.2**	**33.2**

Forecast sales and purchases in foreign currencies have not been included in the table above as they are not financial instruments.

As at 31 December, a movement of 10% in Sterling (reflecting a significant but reasonably plausible scenario) would impact the income statement as detailed in the table below:

	10% decrease		10% increase	
	2021	2020	2021	2020
	£m	£m	£m	£m
Impact on profit before income tax:				
US Dollar	3.4	2.6	(2.8)	(2.2)
Euro	0.6	0.4	(0.5)	(0.4)
	4.0	**3.0**	**(3.3)**	**(2.6)**

This analysis assumes a movement in Sterling across all currencies and only includes the effect of foreign exchange movements on financial instruments. All other variables remain constant.

Interest rate risk
The Group is exposed to interest rate risk on its overdraft and the outstanding syndicated loans. The Group does not manage this risk with the use of derivatives. No other liabilities accrue interest. The table below shows how a movement in interest rates of 100 basis points (reflecting a significant but reasonably plausible scenario) would impact the income statement based on the additional interest expense for the year then ended:

	100 basis point decrease		100 basis point increase	
	2021	2020	2021	2020
	£m	£m	£m	£m
Impact on:				
Net earnings before income tax	2.0	0.8	(2.0)	(0.8)

This analysis assumes all other variables remain constant.

Liquidity risk
Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its financial liabilities.

The Group's main source of financing for its working capital requirements is free cash flow.

The Group's exposure to liquidity risk arises from trade accounts payable and syndicated loans. All contractual cash flows from trade accounts payable are the same as the carrying value of the liability due to their short-term nature.

At 31 December 2021, the Group has a revolving credit facility of £115.5m, an incremental facility (former accordion facility) of £75.0m and a £50.0m term loan (of which £41.3m is outstanding as at 31 December 2021). See note 20 for further details.

Credit risk
In the normal course of its business, the Group is exposed to credit risk from cash and trade and other receivables. The Group's financial instruments do not have significant concentration of risk with any related parties.

A total of £68.7m of the Group's assets are subject to credit risk (31 December 2020: £58.2m). The Group does not hold any collateral over these amounts. See note 17 for further details of the Group's receivables.

The Group operates a credit risk management process within the finance and credit control teams. The process starts prior to a contract being entered into, whereby factors such as company size, location and payment history are taken into account before the contract is signed. Following the commencement of the contract, which is usually signed on a zero-day payment policy unless other agreements are reached, the credit control team will monitor debt in reference to the due date. When the credit control team starts to assess that the debt is becoming more of a credit risk (usually around 90 days after the due date or sooner if escalated) it is then escalated to our internal debt recovery team. At this point the debt recovery team will review on a debt-by-debt basis, taking into consideration:

- the responses received back from the client;
- internal responses from the client service and account management team;
- the status of the transfer of services, such as delays and disputes; and
- a reassessment of credit worthiness.

The debt recovery team and credit manager will then decide whether an impairment is made, but the team will continue to pursue the debt and also use means such as legal advice to further advance the process. In cases such as contract errors or delivery disputes, whereby we are either at fault or a commercial decision to appease the client has been made, credit notes are issued.

Following the detailed line-by-line review of debts and potential impairment, an overall review will be made of the reasonableness of provision for potential credit write-off based upon the write-off as a percentage of revenue which guides management as to the general trend of credit write-off. The write-off history, including 2021, is shown as below:

	2021	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Revenue (£m)	**189.3**	**178.4**	**178.2**	**157.6**	**118.6**	**100.0**	**60.5**
Provision added for bad debt (£m)	1.4	1.7	2.9	2.4	0.8	0.9	0.8
% of revenue	0.7%	1.0%	1.6%	1.5%	0.7%	0.9%	1.3%

Management has provided for all debts greater than one year, except for instances whereby there is sufficient reasonable grounds of recovery. This will be assessed by the nature of the debts and communication between the Group and the clients involved.

Once the debt recovery team has explored all particular avenues of recovery, including legal advice and professional recovery services, and the debt is deemed completely unrecoverable (i.e. the customer is in default), the amount is fully written off from the debt ledger and from within the provision.

At each year end and half year, management will assess for further impairment based upon expected credit loss over and above the specific impairments noted through the year. Management also takes into account forward-looking information (including macro-economic data) when making this assessment.

The Group considers the current level of its allowance for doubtful debts to be adequate to cover expected credit losses on trade receivables. Bad debt expenses are reported in the income statement.

Equity risk

It is the Group's policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the development of the business. See note 23 for further details of the Group's equity. The impact of the sensitivity analysis noted in the various risk categories above would impact the income statement for the year.

22. PROVISIONS

The movement in the provisions is as follows:

	Dilapidations Right-of-use assets	Dilapidations Other	Total
	£m	£m	£m
At 1 January 2020	0.4	0.2	0.6
Increase in provision	-	0.1	0.1
At 31 December 2020	0.4	0.3	0.7
Increase in provision	0.1	-	0.1
Utilised	-	(0.1)	(0.1)
Business combination additions	-	0.1	0.1
At 31 December 2021	**0.5**	**0.3**	**0.8**
Current:	-	0.1	0.1
Non-current:	0.5	0.2	0.7

Dilapidations

Provision has been made for the net present value of future dilapidations that are owed due to legal or constructive obligations under the Group's operating leases of office premises. The provision is expected to be utilised over the period to the end of each specific lease, over a period of less than one year to 12 years. Due to the nature of the obligations, there is a good degree of certainty over the amount and timing of the expected cash flows. There is no expectation of reimbursement in relation to these obligations.

23. EQUITY

Share capital

Authorised, allotted, called up and fully paid:

	31 December 2021		31 December 2020	
	No'000	£000s	No'000	£000s
Ordinary shares (1/14th pence)	118,303	**84**	118,303	**84**
Deferred shares of £1.00 each	100	**100**	100	**100**
Total authorised, allotted, called up and fully paid	**118,403**	**184**	118,403	**184**

Share purchases

As detailed in note 24, during the year the Group's Employee Benefit Trust purchased an aggregate amount of 2,860,648 shares (representing 2% of the total share capital), each with a nominal value of 1/14th pence, at a total market value of £46.5m. The purchased shares will be held for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

During the year, a total of 125,000 shares (representing 0.11% of the total share capital), each with a nominal value of 1/14th pence, which were held by the Group's Employee Benefit Trust were utilised as a result of the vesting of Bernard Cragg's share options (at a total market value of £1.9m), as disclosed in note 24.

The maximum number of shares (each with a nominal value of 1/14th pence) held by the Employee Benefit Trust (at any time during the year ended 31 December 2021) was 4,801,890 (representing 4% of the total share capital).

Capital management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to fund future growth and provide an adequate return to shareholders and, when appropriate, distribute dividends.

The capital structure of the Group consists of net debt, which includes borrowings (note 20) and cash and cash equivalents, and equity.

The Company has two classes of shares. The ordinary shares carry no right to fixed income and each share carries the right to one vote at general meetings of the Company.

The deferred shares do not confer upon the holders the right to receive any dividend, distribution or other participation in the profits of the Company. The deferred shares do not entitle the holders to receive notice of or to attend and speak or vote at any general meeting of the Company. On distribution of assets on liquidation or otherwise, the surplus assets of the Company remaining after payments of its liabilities shall be applied first in repaying to holders of the deferred shares the nominal amounts and any premiums paid up or credited as paid up on such shares, and second, the balance of such assets shall belong to and be distributed among the holders of the ordinary shares in proportion to the nominal amounts paid up on the ordinary shares held by them respectively.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all its issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Board Terms of Reference, copies of which are available on request.

Capital reduction

On 19 May 2021, following the passing of Special Resolutions at the Group's Annual General Meeting, GlobalData Plc ("the Company") reduced its merger reserve and other reserve by a total of £171.0m, by way of a bonus issue of shares which were shortly thereafter cancelled and further resolved to cancel the Company's share premium account. The share premium account totalled £0.7m, meaning that as a result of these actions, distributable reserves increased by a total of £171.7m. The Directors are permitted to allot shares and convert the merger reserve and other reserve into shares under section 551 of the Companies Act 2006.

Merger reserve and other reserve

The merger reserve contained the premium on the shares issued in consideration for the purchase of GlobalData Holding Limited in 2016 and the premium on the shares issued in consideration for the purchase of Research Views Limited and its subsidiaries in 2018. Other reserves consisted of a reserve created upon the reverse acquisition of TMN Group Plc in 2009. The parent company's reserve differs from this due to the restatement of consolidated reserves at the time of the reverse acquisition. The parent company other reserve was generated in 2008 upon the issue of shares to fund acquisitions.

In order to utilise the merger reserve and other reserve to create additional distributable reserves, it was necessary to capitalise those reserves, totalling £171.0m, by way of a bonus issue of new shares (named the Capital Reduction Shares) and thereafter cancel the Capital Reduction Shares. At the Annual General Meeting held on 20 April 2021, the Company's shareholders approved by way of Special Resolution to carry out the Capital Reduction Bonus Issue. The Capital Reduction Shares were allotted and issued on 17 May 2021. The Court confirmed the cancellation of the Capital Reduction Shares at a Court Hearing held on 19 May 2021.

The Capital Reduction Shares were not admitted to trading on any regulated market. No share certificates were issued in respect of the Capital Reduction Shares. The Capital Reduction Shares had extremely limited rights. In particular, the Capital Reduction Shares carried no rights to vote, no rights to participate in the profits of the Company and no rights to participate in the Company's assets, save on a winding-up in extremely limited circumstances, such that they have no effective market value.

Share premium account

The share premium account had arisen as a result of the vesting of share options, held by employees of the Company's group. Under the Companies Act, the amount credited to the share premium account constitutes a non-distributable reserve. At the Annual General Meeting held on 20 April 2021, the Company's shareholders approved by way of Special Resolution the cancellation of its whole share premium account. The cancellation was subsequently confirmed by the Court on 19 May 2021.

Impact of capital reduction
There has been no impact on the nominal value of the ordinary shares, and there has been no dilution to holders of ordinary shares. There was also no impact on the Company's cash position or on its net assets, and the capital reduction did not itself involve any distribution or repayment of capital or share premium and will not result in any changes to the Group's existing dividend policy.

Dividends
The final dividend for 2020 was 11.6 pence per share and was paid in April 2021. The total dividend for the current year is 19.3 pence per share, with an interim dividend of 6.1 pence per share paid on 1 October 2021 to shareholders on the register at the close of business on 3 September 2021, and a final dividend of 13.2 pence per share will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022.

Following the 2020 year end, the Directors became aware that the Company had made unlawful distributions in 2018, 2019 and 2020 on account of the fact that it had incorrectly included reserves arising from share-based payments, relating to employees of subsidiaries, as distributable and had not filed interim accounts in accordance with section 838 of the Companies Act 2006 to demonstrate sufficient reserves were available for distribution. Therefore, during the period from May 2018 through to January 2021, contributions made to the Employee Benefit Trust, in order to buy-back shares to satisfy the employee share options plan, and distributions by way of dividends were unlawful distributions in accordance with section 838 of the Companies Act 2006.

In order to correct the position, the Company filed interim (unaudited) accounts with Companies House on 23 March 2021 (in advance of the Annual General Meeting) to demonstrate it had sufficient reserves. At the Company's Annual General Meeting, the Company proposed a resolution to remove any right the Company may have had to claim from Directors and Shareholders in respect of the relevant contributions and distributions. The payments deemed to be unlawful during this period were £7.1m in 2018, £18.3m in 2019, £34.8m in 2020 and £0.3m in January 2021. Upstream dividends were paid in advance of the interim accounts to create additional distributable reserves in the Company and the resolutions regularised the matter. In addition, as disclosed above, the Company undertook a Capital Reduction and cancelled the Share Premium account which created additional distributable reserves of £171.7m. Interim (unaudited) accounts were filed on 31 May 2021 to demonstrate sufficient distributable reserves in advance of the interim dividend being paid.

Treasury reserve
The treasury reserve represents the cost of shares held in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

The disclosures above are for both the Group and the Company.

Foreign currency translation reserve
The foreign currency translation reserve contains the translation differences that arise upon translating the results of subsidiaries with a functional currency other than Sterling. Such exchange differences are recognised in the income statement in the period in which a foreign operation is disposed of.

24. SHARE-BASED PAYMENTS

Scheme 1

The Group created a share option scheme during the year ended 31 December 2010 and granted the first options under the scheme on 1 January 2011 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options subject to employment conditions and Adjusted EBITDA targets being met. For these options to be exercised the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed certain targets. The fair values of options granted were determined using the Black-Scholes model. The inputs used in the model were:

- share price at date of grant;
- exercise price;
- time to maturity;
- annual risk-free interest rate; and
- annualised volatility.

The following assumptions were used in the valuation:

Award tranche	Grant date	Fair value of share price at grant date	Exercise price (pence)	Estimated forfeiture rate p.a.	Weighted average of remaining contractual life (years)
Award 1	1 January 2011	£1.089	0.0714p	0%	0.0
Award 3	1 May 2012	£1.866	0.0714p	0%	0.0
Award 4	7 March 2014	£2.550	0.0714p	0%	0.0
Award 6	22 September 2014	£2.525	0.0714p	0%	0.0
Award 7	9 December 2014	£2.075	0.0714p	0%	0.0
Award 8	31 December 2014	£2.025	0.0714p	0%	0.0
Award 9	21 April 2015	£1.980	0.0714p	0%	0.0
Award 10	28 September 2015	£2.420	0.0714p	0%	0.0
Award 11	17 March 2016	£2.380	0.0714p	0%	0.0
Award 12	17 March 2016	£2.380	0.0714p	0%	0.0
Award 13	21 October 2016	£4.300	0.0714p	0%	0.0
Award 14	21 March 2017	£5.240	0.0714p	0%	0.0
Award 15	21 March 2017	£5.240	0.0714p	0%	0.0
Award 16	21 March 2017	£5.240	0.0714p	0%	0.0
Award 17	21 September 2017	£5.540	0.0714p	0%	0.0
Award 18	20 March 2018	£5.910	0.0714p	0%	0.0
Award 19	20 March 2018	£5.910	0.0714p	0%	0.0
Award 20	23 October 2018	£5.270	0.0714p	0%	0.0
Award 21	23 October 2018	£5.270	0.0714p	0%	0.0
Award 22	23 October 2018	£5.270	0.0714p	0%	0.0
Award 23	19 March 2019	£5.860	0.0714p	0%	0.0
Award 24	22 October 2019	£8.189	0.0714p	0%	0.0
Award 25	14 February 2020	£12.500	0.0714p	0%	0.0
Award 26	23 March 2020	£9.080	0.0714p	0%	0.0
Award 27	23 June 2020	£13.910	0.0714p	0%	0.0
Award 28	22 September 2020	£14.260	0.0714p	0%	0.0
Award 29	23 March 2021	£13.480	0.0714p	0%	0.0

Awards 2 and 5 have been fully forfeited.

The estimated forfeiture rate assumption is based upon management's expectation of the number of options that will lapse over the vesting period. The assumptions were determined when the scheme was set up in 2011 and are reviewed annually. Management believes the current assumptions to be reasonable based upon the rate of lapsed options and proximity to the vesting targets.

Each of the awards are subject to the vesting criteria set by the Remuneration Committee. In order for the remaining options to be exercised, the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed the remaining target of £52m in any one year before the end of the period in which the options are exercisable, which is generally 10 years from the date of the grant (£52m target excludes the impact of IFRS16).

As noted in the Remuneration Report, the Remuneration Committee has received notification from the Audit Committee that the quality of Adjusted EBITDA in 2021 of £58.6m was in excess of the £52m performance target and is, therefore, sufficient to satisfy the final tranche of the Scheme 1 options. Employees within this scheme will have the opportunity to exercise their vested options following the publication of our 2021 results (total of 6.5 million shares). Scheme 1 will then be closed.

	Group achieves £10m Adjusted EBITDA	Group achieves £32m Adjusted EBITDA	Group achieves £41m Adjusted EBITDA[1]	Group achieves £52m Adjusted EBITDA[1]
Awards 1-4	20% Vest	20% Vest	20% Vest	40% Vest
Award 6	N/a	25% Vest	25% Vest	50% Vest
Award 7	N/a	20% Vest	20% Vest	60% Vest
Award 8	N/a	25% Vest	25% Vest	50% Vest
Award 9	N/a	20% Vest	20% Vest	60% Vest
Award 10	N/a	N/a	N/a	100% Vest
Award 12	N/a	17.5% Vest	17.5% Vest	65% Vest
Award 13	N/a	17.5% Vest	17.5% Vest	65% Vest
Award 14	N/a	17.5% Vest	17.5% Vest	65% Vest
Award 15	N/a	12.5% Vest	12.5% Vest	75% Vest
Award 16	N/a	25% Vest	25% Vest	50% Vest
Award 17	N/a	10% Vest	10% Vest	80% Vest
Award 18	N/a	10% Vest	10% Vest	80% Vest
Award 19	N/a	N/a	N/a	100% Vest
Award 20	N/a	N/a	N/a	100% Vest
Award 21	N/a	N/a	14% Vest	86% Vest
Award 22	N/a	N/a	33% Vest	67% Vest
Award 23	N/a	N/a	10% Vest	90% Vest
Award 24	N/a	N/a	N/a	100% Vest
Award 25	N/a	N/a	N/a	100% Vest
Award 26	N/a	N/a	N/a	100% Vest
Award 27	N/a	N/a	N/a	100% Vest
Award 28	N/a	N/a	N/a	100% Vest
Award 29	N/a	N/a	N/a	100% Vest

Note 1: Excluding the impact of IFRS16

Award 11 relates to options awarded to the Group's previous Chairman, Bernard Cragg, during 2016. These did not carry any performance obligations and vested at a point in time. 125,000 options vested on 31 January 2019 and the remaining 125,000 vested on 31 January 2021 and were exercised on 26 April 2021.

The total charge recognised for the scheme during the 12 months to 31 December 2021 was £6.3m (2020: £2.8m). The awards of the scheme are settled with ordinary shares of the Company.

During the year, the Group purchased an aggregate amount of 2,860,648 shares at a total market value of £46.5m. The purchased shares will be held in treasury and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2020	1/14th	6,940,837
Granted	1/14th	70,000
Exercised	1/14th	(125,000)
Forfeited	1/14th	(338,280)
31 December 2021	1/14th	**6,547,557**

The following table summarises the Group's share options outstanding for Scheme 1 at each year end:

Reporting date	Options outstanding	Option price (pence)	Remaining life (years)
31 December 2011	5,004,300	1/14th	3.7
31 December 2012	4,931,150	1/14th	4.3
31 December 2013	4,775,050	1/14th	3.3
31 December 2014	8,358,880	1/14th	2.5
31 December 2015	7,557,840	1/14th	2.5
31 December 2016	9,450,183	1/14th	3.2
31 December 2017	10,621,857	1/14th	2.2
31 December 2018	10,808,861	1/14th	1.4
31 December 2019	8,853,882	1/14th	1.0
31 December 2020	6,940,837	1/14th	1.0
31 December 2021	**6,547,557**	**1/14th**	**0.0**

Scheme 2 - 2019 scheme

In October 2019, the Group created and announced a new share option scheme and granted the first options under the scheme on 31 October 2019 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options subject to employment conditions and performance targets being met. For these options to be exercised, the Group's share price must reach certain targets. The fair values of options granted were determined using the Monte Carlo method. The inputs used in the model were:

- grant date;
- vesting date;
- performance start and end date;
- expected term;
- risk-free rate;
- dividend yield;
- volatility; and
- share price at date of grant.

The awards shall vest based upon the following performance conditions being satisfied:

- 100% of the shares subject to the award will vest provided the compounded annual growth in the Group's Total Shareholder Return (TSR) performance over the 5-year performance period is equal to or exceeds 16% per annum compounded (the "5-Year TSR Target").
- The 5-Year TSR Target will be measured by taking a baseline price per share of 830p and comparing it to the sum of the average closing price of a share derived from the 'official list' over the period of 20 trading days, commencing on the business day on which the Group announces its annual results for the period ending 31 December 2024 and all dividends paid during the performance period.

To the extent that the 5-Year TSR Target has not been met, the awards will not vest. If any of the events pursuant to the rules covering 'takeovers and other corporate events' occur during the performance period or prior to the vesting date, awards shall vest as follows:

- Where the 5-Year TSR Target has been met at the date of the relevant event, 100% of the awards shall vest.
- Where the 5-Year TSR Target has not been achieved, but a 16% compound annual TSR has been met over the period from the commencement of the performance period, awards shall vest on a pro-rata basis to reflect the proportion of the performance period which has elapsed, although the Company shall have discretion to waive such time pro-rating if they consider it appropriate.

The following assumptions were used in the valuation:

Award tranche	Grant date	Fair value of share price at grant date	Exercise price (pence)	Estimated forfeiture rate p.a.	Weighted average of remaining contractual life (years)
Award 1	31 October 2019	£2.02	0.0714p	0%	3.0
Award 2	7 May 2020	£4.62	0.0714p	0%	3.0
Award 3	25 May 2020	£5.50	0.0714p	0%	3.0
Award 4	23 June 2020	£6.12	0.0714p	0%	3.0
Award 5	22 September 2020	£6.35	0.0714p	0%	3.0
Award 6	17 November 2020	£7.12	0.0714p	0%	3.0
Award 7	23 March 2021	£5.15	0.0714p	0%	3.0

The estimated forfeiture rate assumption is based upon management's expectation of the number of options that will lapse over the vesting period and are reviewed annually. Management believes the current assumptions to be reasonable.

The total charge recognised for the scheme during the 12 months to 31 December 2021 was £2.9m (2020: £1.4m). The awards of the scheme are settled with ordinary shares of the Company.

Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2020	1/14th	3,025,000
Granted	1/14th	1,040,000
Forfeited	1/14th	(405,000)
31 December 2021	**1/14th**	**3,660,000**

The following table summarises the Group's share options outstanding at each year end:

Reporting date	Options outstanding	Option price (pence)	Remaining life (years)
31 December 2019	1,400,000	1/14th	5.00
31 December 2020	3,025,000	1/14th	4.00
31 December 2021	**3,660,000**	**1/14th**	**3.00**

25. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

As at 31 December 2021, a subsidiary of GlobalData Plc has ongoing claims with former employees. The Group disputes the claims and management believes the cases can be successfully defended, with the range of outcomes expected to be between \$0.4m-\$2m. The Group's insurance policy covers the initial \$0.7m charged, therefore the maximum income statement impact is anticipated to be \$1.3m. Through reference to IAS37, management has concluded that a possible obligation exists in which an economic outflow is neither remote nor probable, and there are too many variables to make a reliable estimate at this stage; therefore the Group is treating these claims as contingent liabilities and, as such, has not recognised a liability in the financial statements of the Group as at 31 December 2021.

There were no capital commitments at 31 December 2021 (2020: £nil).

26. RETIREMENT BENEFIT SCHEMES

As a result of the Research Views Limited acquisition in March 2018, the Group had a final salary defined benefit pension scheme, the Progressive Media Markets Limited Pension Scheme. On 16 December 2019 the Group entered into an irrevocable agreement to sell the pension scheme to Just Retirement Limited ("Just"). The buy-in involved the purchase of a qualifying insurance policy at a net cost to GlobalData Plc of £1.3m which was recognised in the financial statements for the year ending 31 December 2019. Final buyout took place on 22 February 2021, meaning the Group no longer consolidates a pension asset or liability on the statement of financial position as at 31 December 2021.

27. ACQUISITIONS

Life Sciences

On 1 November 2021, the Group acquired the trade and assets of the Life Sciences business from IHS Markit for consideration of US$50.0m. Life Sciences offers comprehensive and independent coverage of drug pricing, reimbursement and market access trends, as well as healthcare forecasts and healthcare economic data microsimulation modelling. These capabilities represent a strategic bolt-on addition to our existing pharmaceuticals vertical and will result in a true end-to-end offering with industry-leading breadth and depth for our clients.

The amounts recognised for each class of assets and liabilities at the acquisition date were as follows:

	Carrying value	Fair value adjustments	Fair value
	£m	£m	£m
Intangible assets consisting of:			
Customer relationships	-	4.3	**4.3**
IP rights and Database	-	10.1	**10.1**
Net assets acquired consisting of:			
Trade and other receivables	1.1	-	**1.1**
Trade and other payables	(2.5)	0.4	**(2.1)**
Deferred tax	-	(0.4)	**(0.4)**
Fair value of net (liabilities)/assets acquired	**(1.4)**	**14.4**	**13.0**

The goodwill recognised in relation to the acquisition is as follows:

	Fair value
	£m
Consideration	36.4
Less net assets acquired	(13.0)
Goodwill	**23.4**

In line with the provision of IFRS3, fair value adjustments may be required within the 12-month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above. The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and research methodology. The fair values of the identified intangible assets were calculated in line with the policies detailed on page 84.

The Group incurred legal and professional expenses of £1.4m in relation to the acquisition. In the period from the date of acquisition to 31 December 2021, the trade of Life Sciences generated revenues of £1.0m and contribution of £0.3m. The amount of goodwill which is expected to be deductible for tax purposes is £9.5m.

LMC

On 15 December 2021, the Group acquired 100% of the share capital of two groups of companies, named LMCA Holdings Limited and LMCI Holdings Limited, for consideration of £72.7m. The companies within these groups provide data, analytics, and insights of the Automotive and Agribusiness markets respectively. The acquisitions add further scale and capabilities to the Group's existing Automotive intelligence proposition and bring new and unique gold standard Agribusiness data to broaden and complement the existing sector coverage.

The amounts recognised for each class of assets and liabilities at the acquisition date were as follows:

	Carrying value	Fair value adjustments	Fair value
	£m	£m	£m
Intangible assets consisting of:			
Customer relationships	-	7.5	**7.5**
IP rights and Database	-	15.2	**15.2**
Brand	-	0.1	**0.1**
Net assets acquired consisting of:			
Property, plant and equipment	0.1	-	**0.1**
Intangible assets	0.7	-	**0.7**
Cash and cash equivalents	7.4	-	**7.4**
Trade and other receivables	2.5	(0.1)	**2.4**
Trade and other payables	(6.2)	0.6	**(5.6)**
Provisions	(0.1)	-	**(0.1)**
Corporation tax payable	(0.4)	-	**(0.4)**
Deferred tax	-	(5.6)	**(5.6)**
Fair value of net assets acquired	**4.0**	**17.7**	**21.7**

The goodwill recognised in relation to the acquisition is as follows:

	Fair value
	£m
Consideration	72.7
Less net assets acquired	(21.7)
Goodwill	**51.0**

In line with the provision of IFRS3, fair value adjustments may be required within the 12-month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above. The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and research methodology. The fair values of the identified intangible assets were calculated in line with the policies detailed on page 84.

The Group incurred legal and professional expenses of £0.8m in relation to the acquisition. In the period from the date of acquisition to 31 December 2021, the trade of LMC generated revenues of £0.5m and profit before tax of £0.0m.

The amount of goodwill which is expected to be deductible for tax purposes is £nil.

Cash Cost of Acquisitions
The cash cost of acquisitions comprises:

	31 December 2021 £m
Acquisition of Life Sciences	35.3
Acquisition of LMC:	
Cash consideration	68.8
Cash acquired	(7.4)
Deferred consideration payment CHM Research Limited	0.6
Deferred consideration payment Competenet	0.4
	97.7

Cash consideration for both Life Sciences and LMC are net of bonuses which have been borne by the acquiree however will be settled by the Group post-acquisition.

28. RELATED PARTY TRANSACTIONS

Mike Danson, GlobalData's Chief Executive Officer, owned 64.1% of the Company's ordinary shares as at 31 December 2021 and 63.1% as at 28 February 2022, and is therefore the ultimate controlling party. Mike Danson owns a number of businesses that interact with GlobalData Plc, largely in part as a result of past M&A transactions (GlobalData Holdings in 2016 and Research Views Limited in 2018).

It is the intention of the Board and management to reduce and eventually eliminate the number of related party transactions and wind down the service agreements that are currently in place. The Related Party Transactions Committee, consisting of four Non-Executive directors, oversees related party transactions and reviews to ensure that the transactions are in the best interest of GlobalData and its stakeholders, and that the transactions are recorded and disclosed on an arm's length basis.

Accommodation
During 2021, we have made significant progress towards this goal. In particular, as at 31 December 2021, the Group now has no related party landlords, following the sale of the John Carpenter and Essex Street properties by the Estel Properties Group to third party landlords, and secondly, the surrender of the Hatton Garden lease by GlobalData. The surrender of the lease is beneficial to the Group and removes the liability, which was due to run to 2028, and a non-cash gain of £129,000 has been recognised on disposal of the lease. This represents the difference between the value of the lease asset and lease liability under IFRS16 at the date of surrender.

Prior to the removal of the related party relationship with the landlord, the Group incurred accommodation charges of £0.8m (2020: £2.9m).

In addition, GlobalData Plc sub-leases office space to other companies owned by Mike Danson. The total sub-lease income for the year ended 31 December 2021 was £0.4m (2020: £1.3m).

Corporate support services
Corporate support charges of £0.2m (2020: £0.4m), which principally consist of shared IT as well as payroll, facilities and HR support which has now ceased. These have been recharged on a consistent basis to the previous year and are determined by specific drivers of cost such as proportional occupancy of building for facilities and headcount for IT, HR and payroll services.

Loan to Progressive Trade Media Limited
Interest income on the outstanding loan of £0.05m was credited to the income statement (2020: £0.1m), based upon a rate of 2.25% above LIBOR. The initial £4.5m loan issued has one further instalment of £0.9m remaining and was repaid in full after the balance sheet date on 31 January 2022.

Revenue contract containing IP sharing clause

The ongoing data services agreement with NS Media Group Limited ("NSMGL"), a related party by virtue of common ownership, continued into its second year of the five-year service contract signed in June 2020. The agreed suite of data services provided to NSMGL have been contracted on terms equivalent to those that prevail in arm's length transactions. During the first half of 2021, the content delivery was modified based upon the client's revised requirements. Therefore, the revenue arising in the year has reduced compared to the original contractual terms. In the year ended 31 December 2021, the total revenue generated from this contract was £1.4m and the net contribution generated was £0.8m. Each year's fixed fees are invoiced quarterly in advance.

In addition to the IP and content, there are other shared costs such as software development, webinar production, lead generation and content creation platforms with NSMGL, for which GlobalData received a net charge of £0.01m.

Other

In March 2021, the Group hired 51 employees who at the time were working for NSMGL. The Related Party Transactions Committee oversaw the hiring process and all negotiations and contracting was done directly with the employees themselves. No fees or compensation were given to NSMGL.

Separately, GlobalData purchased two start-up websites from NSMGL for £55,000. These websites, energymonitor.ai and investmentmonitor.ai, were new websites with no revenues or sales contracts attached and low audience figures. The valuation was conducted on an arm's length basis and benchmarked audience figures and comparable valuations, as well as using a discounted cash-flow valuation. The Related Party Transactions Committee reviewed the calculations to ensure a fair and reasonable arm's length basis was used.

Because of the proximity of the hire of the team from NSMGL and the purchase of the websites, management reviewed the provisions of IFRS3: Business Combinations to assess whether the fact pattern met the requirements of a business combination. Management concluded that the assets and the team being brought into GlobalData did not constitute the definition of a business under IFRS3, because the majority of the inputs that the team will be applying process to are pre-existing GlobalData assets and there were no outputs brought into the Group (no revenues, contracts or customer relationships). Therefore, management concluded that this did not meet the definition of a business combination under IFRS3.

Balances outstanding

As at 31 December 2021, the total balance receivable from NSMGL was £nil. There is no specific credit loss provision in place in relation to this receivable and the total expense recognised during the period in respect of bad or doubtful debts was £nil.

The Group has taken advantage of the exemptions contained within IAS24: Related Party Disclosures from the requirement to disclose transactions between Group companies as these have been eliminated on consolidation. The amounts outstanding for other related parties were £0.9m due within one year owed from Progressive Trade Media Limited for the outstanding loan (2020: £1.9m). There were no other balances owing to or from related parties.

Directors and Key Management Personnel

The remuneration of Directors is disclosed within the Directors' Remuneration Report on page 61.

Subsidiary undertakings
The Group has a large number of subsidiaries due to the M&A activities in recent years. The Group is continuing to go through a corporate simplification process to reduce the number of its subsidiaries, focusing operations through its main subsidiaries in its main territories.

The Group owns 100% of the ordinary shares of all subsidiary undertakings listed below with the exception of LMC Automotive (Thailand) Company Limited, which is 49% owned. This entity is being fully consolidated into the Group on the basis that the Group holds majority voting rights for the entity and has exposure to variable returns, therefore management has assessed that the Group has control over the entity. The listing below shows the subsidiary undertakings as at 31 December 2021:

Subsidiary undertaking	Principal activity	Country of registration	Registered address
GlobalData Australia Pty Limited	Data and analytics	Australia	65A Mitcham Road, Donvale, Victoria 3111, Australia
GlobalData Brasil, serviços e informações empresariais Ltda.*	Data and analytics	Brazil	Rua Tuiuti, 436 Conj 31 - Tatuapé, São Paulo - SP, 03081-003, Brazil
Adfinitum Networks Inc* GlobalData Canada Inc*	Data and analytics Data and analytics	Canada Canada	77 King Street West, Suite 400, Toronto Ontario M5K 0A1, Canada
GlobalData Trading (Shanghai) Co Limited*	Data and analytics	China	Room 368, Area 302, No.211, North Fute Road, Pilot Free Trade Zone, Shanghai, China
LMC Automotive Consulting (Shanghai) Co. Ltd*	Data and analytics	China	Suite 1016J, 10th Floor, Building 1, No. 1728-1746 West Nanjing Road, Jing'an District, Shanghai, China

Subsidiary undertaking	Principal activity	Country of registration	Registered address
AROQ Limited*	Non-trading	England & Wales	John Carpenter House, John Carpenter Street, London, EC4Y 0AN, United Kingdom
Attentio Research Limited*	Data and analytics		
Canadean Limited	Data and analytics		
CHM Research Limited*	Non-trading		
Current Intelligence and Analysis Limited*	Non-trading		
Financial News Publishing Limited*	Non-trading		
GlobalData Holding Limited	Holding company		
GlobalData Investments Limited*	Non-trading		
GlobalData UK Limited*	Data and analytics		
GlobalData EBT Trustees Limited	Non-trading		
Internet Business Group Limited	Performance advertising		
JBAD Limited*	Non-trading		
Kable Business Intelligence Limited	Non-trading		
LMC Automotive Forecasting Limited*	Data and analytics		
LMC Automotive Limited*	Data and analytics		
LMC International Limited*	Data and analytics		
LMC Oxford Holdings Limited*	Holding company		
LMC Tyre & Rubber Limited*	Data and analytics		
LMCA Holdings Limited*	Holding company		
LMCI Holdings Limited*	Data and analytics		
Progressive Content Limited*	Data and analytics		
Progressive Digital Media (Holdings) Limited	Holding company		
Progressive Digital Media Limited	Data and analytics		
Progressive Media Group Limited*	Non-trading		
Progressive Media UK Limited*	Non-trading		
Progressive Media Ventures Limited*	Holding company		
Progressive Ventures Limited*	Holding company		
Research Views Limited*	Holding company		
Sociable Data Limited*	Non-trading		
Sportcal Global Communications Limited*	Non-trading		
Verdict Media Limited*	Non-trading		
World Market Intelligence Limited*	Data and analytics		
GlobalData France SAS*	Data and analytics	France	133 bis Rue de l'Universite, 75007, Paris, France
Attentio Research Centre Private Limited*	Data and analytics	India	3rd - 6th Floors, Jyothi Pinnacle Building, SY No.11, Kondapur Village, Serilingampally Mandal, Ranga Reddy Dist, Hyderabad, Telangana- 500081, India
Digital Insights and Research Private Limited*	Data and analytics	India	
GD Research Centre Private Limited*	Data and analytics	India	
Progressive Digital Media Pvt Ltd	Data and analytics	India	
GlobalData Japan KK*	Data and analytics	Japan	Tokyo Club Building 11F, 3-2-6 Kasumigaseki, Chiyoda-ku, Tokyo, Japan
LMC Automotive Japan KK*	Data and analytics	Japan	8F Shinkawa Ohara Building, 1-27-8 Shinkawa, Chou-ku, Tokyo, Japan
Canadean Mexico Y Centro America, F. De R.L. De C.V*	Data and analytics	Mexico	Avenida Ejército Nacional 769 Piso 2. Colonia Granada. Alcaldía Miguel Hidalgo. CP 11520. Ciudad de México

Subsidiary undertaking	Principal activity	Country of registration	Registered address
GlobalData Poland sp. z o.o*	Data and analytics	Poland	ul. Grzybowska 2/29, 00-131, Warsaw, Poland
GlobalData Pte Limited* GlobalData Singapore Pte Limited*	Data and analytics	Singapore	50, Raffles Place Unit 38-04A, Singapore Land Tower, Singapore 048623
Progressive Media Korea Limited*	Data and analytics	South Korea	37th Floor, ASEM Tower, 517 Yeongdong-daero, Gangnam Gu, Seoul, Republic of Korea 06164
LMC Automotive (Thailand) Company Limited*	Data and analytics	Thailand	66 Q. House Asoke Building, Room no.1106, 11th floor, Sukhumvit 21 Road, Klongtoeynua, Watthana, Bankok 10110, Thailand
MEED Media FZ LLC*	Data and analytics	United Arab Emirates	GBS Building, 6th Floor, Dubai Media City, Dubai, United Arab Emirates
Global Data Publications, Inc	Data and analytics	United States of America	441 Lexington Avenue, 2nd Floor, New York, NY, 10017, United States of America
LMC Automotive US Inc*	Data and analytics	United States of America	2285 South Michigan Road, Eaton Rapids, Michigan 48827, United States of America

** indirectly held*

“Our One Platform approach to our product offering places us in a relatively unique position for potential M&A. Our proprietary platform allows us to review M&A opportunities with the confidence that we can ‘plug in’ and integrate new data sets effectively and execute at speed.”

Mike Danson, Chief Executive Officer

Company Statement of Financial Position

	Notes	31 December 2021 £m	31 December 2020 £m
Non-current assets			
Property, plant and equipment	5	26.4	33.5
Intangible assets	4	0.9	1.3
Investments	7	201.6	191.1
		228.9	**225.9**
Current assets			
Trade and other receivables	8	196.6	208.7
Corporation tax receivable		5.6	7.2
Short-term derivative assets	9	-	0.7
Cash and cash equivalents		-	4.2
		202.2	**220.8**
Total assets		**431.1**	**446.7**
Current liabilities			
Trade and other payables	10	(30.7)	(133.9)
Short-term derivative liabilities	9	-	(0.1)
Short-term lease liabilities	6	(1.6)	(2.1)
Short-term borrowings	12	(5.0)	(5.0)
		(37.3)	**(141.1)**
Non-current liabilities			
Deferred tax liability	13	-	(0.2)
Long-term provisions	11	(0.2)	(0.2)
Long-term lease liabilities	6	(23.8)	(29.6)
Long-term borrowings	12	(195.2)	(70.8)
		(219.2)	**(100.8)**
Total liabilities		**(256.5)**	**(241.9)**
Net assets		**174.6**	**204.8**
Equity			
Share capital		0.2	0.2
Share premium account		-	0.7
Treasury reserve		(66.6)	(21.4)
Other reserve		-	7.2
Merger reserve		-	163.8
Retained earnings		241.0	54.3
Equity attributable to equity holders		**174.6**	**204.8**

These financial statements were approved by the Board of Directors on 28 February 2022 and signed on its behalf by:

Murray Legg
Chairman

Mike Danson
Chief Executive

The accompanying notes form an integral part of these financial statements.

Company profit for the year: £27.5m (2020: £31.3m).

Company number: 03925319

Company Statement of Changes in Equity

	Share capital £m	Share premium account £m	Treasury reserve £m	Other reserve £m	Merger reserve £m	Retained earnings £m	Total equity £m
Balance at 1 January 2020	**0.2**	**0.7**	**(11.0)**	**7.2**	**163.8**	**50.1**	**211.0**
Total comprehensive income	-	-	-	-	-	31.3	**31.3**
Transactions with owners:							
Dividends	-	-	-	-	-	(18.0)	**(18.0)**
Share buy-back	-	-	(23.7)	-	-	-	**(23.7)**
Vesting of share options	-	-	13.3	-	-	(13.3)	**-**
Share-based payments charge	-	-	-	-	-	4.2	**4.2**
Balance at 31 December 2020	**0.2**	**0.7**	**(21.4)**	**7.2**	**163.8**	**54.3**	**204.8**
Total comprehensive income	-	-	-	-	-	27.5	**27.5**
Transactions with owners:							
Dividends	-	-	-	-	-	(20.4)	**(20.4)**
Share buy-back	-	-	(46.5)	-	-	-	**(46.5)**
Vesting of share options	-	-	1.3	-	-	(1.3)	**-**
Bonus issue of shares	171.0	-	-	(7.2)	(163.8)	-	**-**
Capital reduction	(171.0)	(0.7)	-	-	-	171.7	**-**
Share-based payments charge	-	-	-	-	-	9.2	**9.2**
Balance at 31 December 2021	**0.2**	**-**	**(66.6)**	**-**	**-**	**241.0**	**174.6**

The accompanying notes form an integral part of these financial statements.

The Company distributable retained earnings as at 31 December 2021 was £117.8m (2020: distributable retained deficit £13.9m), comprising of £241.0m retained earnings and £66.6m treasury reserves which net to £174.4m, of which non-distributable elements are £47.7m share-based payment reserve and £8.9m of non-distributable profits.

Note 23 within the Group Accounts provides an explanation of the movements in equity and reserves above for both the Group and the Company.

Notes to the Company Financial Statements

1. GENERAL INFORMATION

Nature of operations
The principal activity of GlobalData Plc is as a holding company of subsidiary entities which are engaged in providing business information in the form of high-quality proprietary data, analytics, and insights to clients in multiple sectors.

GlobalData Plc ('the Company') is a company incorporated in the United Kingdom (England & Wales) and listed on the Alternative Investment Market, and is therefore publicly owned and limited by shares. The registered office of the Company is John Carpenter House, John Carpenter Street, London, EC4Y 0AN. The registered number of the Company is 03925319.

Going concern
The Company meets its day-to-day working capital requirements through free cash flow. Based on cash-flow projections, the Company considers the existing financing facilities to be adequate to meet short-term commitments.

The existing finance facilities were issued with debt covenants, which are measured on a quarterly basis. Management has reviewed forecast cash flows and there is no indication that there will be any breach in the next 12 months.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Company's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Company has prepared the annual report and financial statements on a going concern basis.

Critical accounting estimates and judgements
The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may deviate from these estimates and assumptions. Management has assessed that there are no critical judgements or key estimates in relation to this Company.

2. ACCOUNTING POLICIES

a) Basis of preparation
The parent Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2021 the Company has undergone transition from reporting under IFRS Standards adopted by the IASB to FRS 101 'Reduced Disclosure Framework'. This transition is not considered to have had a material effect on the financial statements.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets, certain related party transactions, and certain disclosure requirements in respect of leases.

As permitted by s408 of the Companies Act 2006, no separate statement of comprehensive income is presented in respect of the parent Company. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet.

b) Basis of accounting policies
This report has been prepared based on the accounting policies detailed in the Group's financial statements for the year ended 31 December 2021 and the additional policies described below.

c) Property, plant and equipment
Property, plant and equipment is stated at historic cost, including expenditure that is directly attributable to the acquired item, less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the deemed useful life of an asset and is applied to the cost, less any residual value. The asset classes are depreciated over the following periods:

- Computer and equipment – over 3 to 5 years; and
- Leasehold improvements – over 3 to 10 years.

The useful life, the residual value and the depreciation method is assessed annually.

Where there is an indication of impairment, the carrying value of the property, plant and equipment is compared to the higher of value in use and the fair value less costs to sell. If the carrying value exceeds the higher of the value in use and fair value less the costs to sell, then the asset is impaired and an impairment loss recognised in profit or loss.

d) Intangible assets
Computer software
Non-integral computer software purchases are capitalised at cost as intangible assets. The Company also capitalises development costs associated with new products in accordance with the development criteria prescribed within IAS38 “Intangible Assets”. These costs are amortised on a straight-line basis over their estimated useful lives of 3 years. Costs associated with implementing or maintaining computer software programmes are recognised as an expense.

e) Investments
Investments in subsidiaries are stated at cost less any provision for impairment.

f) Taxation
Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using rates substantively enacted at the reporting date, and any adjustments to the tax payable in respect of previous years.

Deferred taxation is provided in full on temporary differences between the carrying amount of the assets and liabilities in the financial statements and the tax base. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is determined using the tax rates that have been enacted or substantially enacted by the reporting date, and are expected to apply when the deferred tax liability is settled or the deferred tax asset is realised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Tax is recognised in the income statement, except where it relates to items recognised as other comprehensive income, in which case it is recognised in the statement of other comprehensive income.

Tax relating to items recognised in equity is recognised directly in equity.

g) Foreign currencies
The results are presented in Pounds Sterling (£), which is the functional currency of the Company.

Foreign currency transactions are translated into Sterling at the rates of exchange ruling at the date of the transaction, and if still in existence at the year end the balance is retranslated at the rates of exchange ruling at the reporting date. Differences arising from changes in exchange rates during the year are taken to the income statement.

h) Provisions
A provision is recognised in the statement of financial position when the Company has a legal obligation or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle that obligation, and a reliable estimate of the amount can be made. Provisions are discounted if the time value of money is material.

i) Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held on call, together with other short-term highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value.

j) Dividends
Dividends on the Company’s ordinary shares are recognised as a liability in the Company’s financial statements, and as a deduction from equity, in the period in which the dividends are declared. Where such dividends are proposed subject to the approval of the Company’s shareholders, the dividends are only declared once shareholder approval has been obtained.

k) Financial instruments
The Company has derivative and non-derivative financial instruments which comprise foreign currency contracts, receivables, cash, loans and borrowings, and trade payables.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised if the contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. Financial liabilities are de-recognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Cash comprises cash balances and highly liquid call deposits. Bank overdrafts that form an integral part of the Company's cash management are included as a component of cash for the purpose of the statement of cash flows.

Derivative financial instruments
The Company uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. Derivatives are measured at fair values and any movement in fair value is recognised in the income statement.

Receivables
Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively impacted.

A specific provision will be raised for trade receivables when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default (confirmation from the debtor of failure to repay) or delinquency in payments are considered indicators that the trade receivable is impaired.

In determining the provision, the Company also applies the IFRS9 simplified approach to measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade receivables. The ECL on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the trade receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at an effective interest rate.

When a trade receivable is considered uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision are recognised in the income statement.

Trade and other payables
Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

l) Borrowings and borrowing costs
Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months from the reporting date.

Borrowing costs, being interest and other costs incurred in connection with the servicing of borrowings, are recognised as an expense when incurred.

m) Share-based payments
The Group operates two share-based compensation plans under which the entity receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the Group income statement. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Group income statement, with a corresponding adjustment to equity.

The Company does not directly employ those participating in the share-based payments scheme as they are employed by other Group companies. The issue of share incentives by the Company to employees of its subsidiaries represents additional capital contributions. An addition to the Company's investment in Group undertakings is reported with a corresponding increase in shareholders' funds.

n) Leases

The Company leases a number of offices in the United Kingdom, plus a small number of motor vehicles. Rental contracts are typically made for fixed periods but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

For any new contracts entered into, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Company assesses whether the contract meets the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use.

At the lease commencement date, the Company recognises the lease as a right-of-use asset and a corresponding liability on the statement of financial position. The right-of-use assets have been included in property, plant and equipment.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available, or the lease-specific incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The liability is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or the income statement if the right-of-use asset is already reduced to zero.

Termination options are included in a number of property leases across the Company. These options are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise a termination option. Periods after termination options are only included in the lease term if the termination option is reasonably certain not to be exercised.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a term of 12 months or less. Low-value assets comprise IT and copying equipment with a value of less than £5,000.

The Company sub-leases a number of properties in the UK; however, all of the risks and rewards of ownership have not been transferred to the lessee and therefore the Company recognises the head lease asset as a right-of-use asset and recognises the rental income on the sub-lease operating lease contracts as other income.

3. DIVIDENDS

The final dividend for 2020 was 11.6 pence per share and was paid in April 2021. The total dividend for the current year is 19.3 pence per share, with an interim dividend of 6.1 pence per share paid on 1 October 2021 to shareholders on the register at the close of business on 3 September 2021, and a final dividend of 13.2 pence per share will be paid on 29 April 2022 to shareholders on the register at the close of business on 1 April 2022. The ex-dividend date will be on 31 March 2022.

Following the 2020 year end, the Directors became aware that the Company had made unlawful distributions in 2018, 2019 and 2020 on account of the fact that it had incorrectly included reserves arising from share-based payments, relating to employees of subsidiaries, as distributable and had not filed interim accounts in accordance with section 838 of the Companies Act 2006 to demonstrate sufficient reserves were available for distribution. Therefore, during the period from May 2018 through to January 2021, contributions made to the Employee Benefit Trust, in order to buy-back shares to satisfy the employee share options plan, and distributions by way of dividends were unlawful distributions in accordance with section 838 of the Companies Act 2006.

In order to correct the position, the Company filed interim (unaudited) accounts with Companies House on 23 March 2021 (in advance of the Annual General Meeting) to demonstrate it had sufficient reserves. At the Company's Annual General Meeting, the Company proposed a resolution to remove any right the Company may have had to claim from Directors and Shareholders in respect of the relevant contributions and distributions. The payments deemed to be unlawful during this period were £7.1m in 2018, £18.3m in 2019, £34.8m in 2020 and £0.3m in January 2021. Upstream dividends were paid in advance of the interim accounts to create additional distributable reserves in the Company and the resolutions regularised the matter. In addition, as disclosed above, the Company undertook a Capital Reduction and cancelled the Share Premium account which created additional distributable reserves of £171.7m. Interim (unaudited) accounts were filed on 31 May 2021 to demonstrate sufficient distributable reserves in advance of the interim dividend being paid.

4. INTANGIBLE ASSETS

	Computer software	Brand	Total
	£m	£m	£m
Cost			
As at 1 January 2020	5.5	0.1	5.6
Additions	0.8	-	0.8
As at 31 December 2020	6.3	0.1	6.4
Additions	0.3	-	0.3
Reclassification to PPE	(0.5)	-	(0.5)
As at 31 December 2021	**6.1**	**0.1**	**6.2**
Amortisation			
As at 1 January 2020	(4.3)	(0.1)	(4.4)
Charge for the year	(0.7)	-	(0.7)
As at 31 December 2020	(5.0)	(0.1)	(5.1)
Charge for the year	(0.5)	-	(0.5)
Reclassification to PPE	0.3	-	0.3
As at 31 December 2021	**(5.2)**	**(0.1)**	**(5.3)**
Net book value			
As at 31 December 2021	**0.9**	**-**	**0.9**
As at 31 December 2020	1.3	-	1.3

5. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Leasehold improvements	Computer equipment	Total
	£m	£m	£m	£m
Cost				
As at 1 January 2020	36.5	0.7	4.2	41.4
Additions	-	0.6	1.2	1.8
As at 31 December 2020	36.5	1.3	5.4	43.2
Additions	0.2	-	-	0.2
Reclassification from intangibles	-	-	0.5	0.5
Disposals	(5.7)	-	(2.7)	(8.4)
As at 31 December 2021	**31.0**	**1.3**	**3.2**	**35.5**
Depreciation				
As at 1 January 2020	(2.8)	(0.1)	(3.4)	(6.3)
Charge for the year	(2.7)	(0.1)	(0.6)	(3.4)
As at 31 December 2020	(5.5)	(0.2)	(4.0)	(9.7)
Charge for the year	(2.5)	(0.2)	(0.6)	(3.3)
Reclassification from intangibles	-	-	(0.3)	(0.3)
Disposals	1.5	-	2.7	4.2
As at 31 December 2021	**(6.5)**	**(0.4)**	**(2.2)**	**(9.1)**
Net book value				
As at 31 December 2021	**24.5**	**0.9**	**1.0**	**26.4**
As at 31 December 2020	31.0	1.1	1.4	33.5

The buildings category all relates to right-of-use assets.

6. LEASES

The Company has leases for office buildings and motor vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 5).

Lease liabilities are presented in the statement of financial position as follows:

	31 December 2021	31 December 2020
	£m	£m
Current lease liabilities	1.6	2.1
Non-current lease liabilities	23.8	29.6
	25.4	**31.7**

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on the statement of financial position:

	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with termination options
Office buildings	7	3 – 13 years	7 years	-	2
Motor vehicles	1	1 – 2 years	1 – 2 years	-	-

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2021 were as follows:

As at 31 December 2021	Within one year	One to five years	After five years	Total
	£m	£m	£m	£m
Lease payments	2.5	11.2	17.6	31.3
Finance charges	(0.9)	(2.9)	(2.1)	(5.9)
Net present values	**1.6**	**8.3**	**15.5**	**25.4**

As at 31 December 2020	Within one year	One to five years	After five years	Total
	£m	£m	£m	£m
Lease payments	3.5	14.2	21.8	39.5
Finance charges	(1.1)	(3.6)	(2.8)	(7.5)
Net present values	**2.4**	**10.6**	**19.0**	**32.0**

At 31 December 2021 the Company had not committed to any leases which had not yet commenced, excluding those recognised as a lease liability.

The Company sublets certain areas of its property portfolio. As at 31 December 2021, the Company had contracts with sub-tenants for the following future minimum lease rentals:

	31 December 2021	31 December 2020
	£m	£m
Land and buildings		
Within one year	0.2	1.3
Within one to two years	0.2	1.3
Within two to three years	0.2	1.3
Within three to four years	0.2	1.3
Within four to five years	0.2	1.3
Over five years	1.1	5.3
	2.1	11.8

7. INVESTMENTS

	Group undertakings £m
Cost	
As at 1 January 2020	196.4
Share-based payments to employees of subsidiaries – scheme 1	2.8
Share-based payments to employees of subsidiaries – scheme 2	1.4
Acquisition of subsidiary	2.9
As at 31 December 2020	203.5
Share-based payments to employees of subsidiaries – scheme 1	6.3
Share-based payments to employees of subsidiaries – scheme 2	2.9
Increase in investment in subsidiary	1.3
As at 31 December 2021	**214.0**
Impairment	
As at 31 December 2020 and 31 December 2021	**(12.4)**
Net book value	
As at 31 December 2021	**201.6**
As at 31 December 2020	191.1

Share-based payments to employees of subsidiaries
The issue of share incentives by the Company to employees of its subsidiaries represents additional capital contributions. An addition to the Company's investment in Group undertakings is reported with a corresponding increase in shareholders' funds.

Increase in investment in subsidiary
As part of a group restructuring project undertaken during the year, Progressive Digital Media (Holdings) Limited (which is a 100% owned subsidiary of the Company) issued an additional share at a premium of £1.27m.

Impairment review
Management has performed an impairment review which entails making judgements including the expected rate of growth of sales, margins expected to be achieved and the appropriate discount rate to apply when valuing future cash flows. The cash flow projections for each statutory entity are based on each statutory entity's 2021 profit before tax, with growth factors applied to cover the period 2022-2026. The discount rate is derived by calculating weighted average costs of equity and debt. The rate reflects appropriate adjustments relating to market risk and risk factors of each entity. A terminal value calculation has been determined post-2026 using a growth rate of 2% in accordance with the OECD long-term forecast.

Impairment indicators
In addition to the review described above, management has performed an assessment to identify whether there are any indicators of impairment to the investment balances. As the Company's net assets exceeded the Group net assets there is an indication of possible impairment, however sufficient evidence has been obtained to support that there is no impairment as the value in use forecasts have sufficient headroom over the carrying amount of the investments. The assumptions applied within the value in use forecasts (revenue, cost and terminal value growth rates and discount rate) are in line with the assumptions disclosed within the intangible asset impairment review in note 13 of the Group accounts.

8. TRADE AND OTHER RECEIVABLES

	31 December 2021 £m	31 December 2020 £m
Prepayments	-	1.4
Other receivables	0.1	0.6
Amounts owed by group undertakings	196.0	206.1
Other taxation and social security	0.5	0.6
	196.6	**208.7**

The carrying values are considered to be a reasonable approximation of fair value. The effect of discounting other receivables has been assessed and is deemed to be immaterial to the results.

Following an internal group re-organisation exercise, the Company has impaired £0.6m in relation to balances owed by group undertakings (2020: £0.4m).

Amounts owed by group undertakings are repayable upon demand and outstanding balances contain transactions including the following:
- Loans to group undertakings
- Inter-company interest receivable
- Recharge of costs
- Cash pooling

None of the transactions with group undertakings incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

9. DERIVATIVE ASSETS AND LIABILITIES

	31 December 2021 £m	31 December 2020 £m
Short-term derivative assets	-	0.7
Short-term derivative liabilities	-	(0.1)
Net derivative asset	**-**	**0.6**

Classification is based on when the derivatives mature. The fair values of derivatives are expected to impact the income statement over the next year, dependent on movements in the fair value of the foreign exchange contracts. The movement in the year was an expense of £0.6m (2020: £nil).

The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. Forward contracts are now being entered into by GlobalData UK Limited (an indirect subsidiary), therefore as at 31 December 2021, the Company has not entered into any forward exchange contracts.

10. TRADE AND OTHER PAYABLES

	31 December 2021 £m	31 December 2020 £m
Trade payables	0.5	0.9
Accruals	3.3	3.4
Amounts owed to group undertakings	26.9	129.6
	30.7	**133.9**

The Directors consider the carrying amount of trade payables approximates to their fair value. The effect of discounting trade and other payables has been assessed and is deemed to be immaterial to the Company's results. Amounts owed to related parties are repayable on demand and non-interest bearing.

Notes to the Company Financial Statements

11. PROVISIONS

	Dilapidations Right-of-use assets	Dilapidations Other	Total
	£m	£m	£m
As at 1 January 2021 and 31 December 2021	**0.1**	**0.1**	**0.2**
Current:	-	-	-
Non-current:	*0.1*	*0.1*	*0.2*

12. BORROWINGS

	31 December 2021	31 December 2020
	£m	£m
Short-term lease liabilities	1.6	2.1
Short-term borrowings	5.0	5.0
Current liabilities	**6.6**	**7.1**
Long-term lease liabilities	23.8	29.6
Long-term borrowings	195.2	70.8
Non-current liabilities	**219.0**	**100.4**

The changes in the Company's borrowings can be classified as follows:

	Short-term borrowings	Long-term borrowings	Short-term lease liabilities[1]	Long-term lease liabilities[1]	Total
	£m	£m	£m	£m	£m
As at 1 January 2020	**6.0**	**60.5**	**1.8**	**32.0**	**100.3**
Cash flows:					
- Repayment	(5.3)	-	(3.5)	-	**(8.8)**
- Proceeds	-	15.0	-	-	**15.0**
- Loan fees paid	-	(0.7)	-	-	**(0.7)**
Non-cash:					
- Loan fee amortisation until modification date	-	0.1	-	-	**0.1**
- Fair value adjustments since modification	-	0.2	-	-	**0.2**
- Lease liabilities[2]	-	-	1.4	-	**1.4**
- Reclassification	4.3	(4.3)	2.4	(2.4)	-
As at 31 December 2020	**5.0**	**70.8**	**2.1**	**29.6**	**107.5**
Cash flows:					
- Repayment	(5.0)	-	(3.3)	-	**(8.3)**
- Proceeds	-	129.0	-	-	**129.0**
- Loan fees paid	-	(0.4)	-	-	**(0.4)**
Non-cash:					
- Fair value adjustments since modification	-	0.8	-	-	**0.8**
- Lease additions	-	-	0.2	-	**0.2**
- Lease liabilities[2]	-	-	0.5	(3.7)	**(3.2)**
- Reclassification	5.0	(5.0)	2.1	(2.1)	-
As at 31 December 2021	**5.0**	**195.2**	**1.6**	**23.8**	**225.6**

[1] Amounts are net of rental prepayments and accruals

[2] Represents lease interest, dilapidations and movement on lease liability accruals and prepayments

Term loan and RCF

In May 2020, the Group announced that it had agreed to increase its current banking facilities with NatWest Group, HSBC and Bank of Ireland, extending the current maturity to April 2023 (previously April 2022). The arrangements increased the total committed facility to £145.5m (previously £100m), plus a further uncommitted accordion facility of £75m. The committed facility comprised a term loan of £50m and a revolving credit facility (RCF) of £95.5m.

In September 2021, the Group amended and restated its facilities agreement in order to convert its uncommitted accordion facility of £75m into a committed incremental RCF. Silicon Valley Bank became an additional lender as part of the syndicate. No other changes to the repayment terms agreed in May 2020 were made.

In December 2021, the Group made a further amendment and restatement to its facilities agreement, increasing the RCF to £115.5m (previously £95.5m) to support future M&A activities. No other changes to the repayment terms agreed in May 2020 were made.

The term loan is repayable in quarterly instalments, with total repayments due in the next 12 months of £5.0m. The outstanding term loan balance as at 31 December 2021 is £41.3m, with a fair value in accordance with IFRS9 of £40.9m. As at 31 December 2021, the Group had drawn down £84.5m of the RCF and £75.0m of the incremental RCF (former accordion facility), with a total fair value in accordance with IFRS9 of £159.3m. Interest is currently charged on the term loan, drawn down RCF and incremental RCF (former accordion facility) at a rate of 3.25% over the Sterling Overnight Interbank Average Rate (SONIA).

In accordance with IFRS9, Management has performed a comparison of the fair value of the new debt with the old debt to determine whether there has been a substantial modification requiring de-recognition. The assessment concluded that there has not been a substantial modification, the difference between the fair value of the new debt with the old debt was £0.0m.

13. DEFERRED INCOME TAX

	31 December 2021	31 December 2020
	£m	£m
Balance brought forward	0.2	-
Tax (income)/expense during the period recognised in profit or loss	(0.2)	0.2
Balance carried forward	-	**0.2**

The provision for deferred taxation consists of the tax effect of temporary differences in respect of:

Accelerated depreciation for tax purposes	-	0.1
Other temporary differences	-	0.1
Balance carried forward	-	**0.2**

	31 December 2021	31 December 2020
	£m	£m
Deferred tax assets	-	-
Deferred tax liability	-	(0.2)
Net position	-	**(0.2)**

Finance Act 2021 increased the UK corporation tax rate from 19% to 25%, effective 1 April 2023, for companies with profits in excess of £250,000. The company's deferred tax assets and liabilities have therefore been remeasured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

The company has unrecognised tax losses of £0.3m (2020: £nil) that are indefinitely available for offsetting against future taxable profits. If the company were able to recognise all unrecognised deferred tax assets at the UK's current statutory income tax rate of 19%, the profit would increase by £0.1m (2020: £nil).

14. RELATED PARTY TRANSACTIONS

Directors
The remuneration of the Directors of the Group and Company is set out on page 61 in the consolidated accounts of the Group within the Directors' Remuneration Report.

Accommodation
As at 31 December 2021 the Company has no related party landlords, following the sale of the John Carpenter and Essex Street properties by the Estel Properties Group to third party landlords and, secondly, the surrender of the Hatton Garden lease by GlobalData. The surrender of the lease is beneficial to the Company and removes the liability, which was due to run to 2028, a non-cash gain of £129,000 has been recognised on disposal of the lease. This represents the difference between the value of the lease asset and lease liability under IFRS16 at the date of surrender.

Prior to the removal of the related party relationship with the landlord, the Company incurred accommodation charges of £0.8m (2020: £2.9m).

In addition, the Company sub-leases office space to other companies owned by Mike Danson. The total sub-lease income for the year ended 31 December 2021 was £0.4m (2020: £1.3m).

Corporate support services
Corporate support charges of £0.2m (2020: £0.4m) were recharged during the year, which principally consisted of shared IT as well as payroll, facilities and HR support which has now ceased. These have been recharged on a consistent basis to the previous year and are determined by specific drivers of cost such as proportional occupancy of building for facilities and headcount for IT, HR and payroll services.

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Registered number
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“Our business model and the sector we are in give us a great platform for growth and significant resilience against wider macro-economic factors. As a trusted intelligence provider, our products and services historically benefit from increased usage and demand, as our customers look to successfully navigate periods of uncertainty.”

Mike Danson, Chief Executive Officer

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