Directors' Remuneration report

Remuneration Committee

The Committee is primarily responsible for determining and recommending to the Board the policy for the remuneration and employment terms of the Executive Directors and the Chair of the Board and, in consultation with the CEO, for determining the remuneration packages of executives on the Executive Committee, as well as those of the Company Secretary and the Group Counsel. The Committee is also responsible for the review of share incentive plans and performance related pay schemes and their associated targets, and for making recommendations, to the Board in connection with them. It is responsible for the oversight of employee benefit structures across the Group.

No Director or other senior executive is involved in any decisions as to their own remuneration.

The Committee's terms of reference are reviewed and approved by the Board annually and are available on the Company's website.

Meetings attended

Henrietta Marsh (Chair)	7/7
Martin Lea	7/7
Richard Last	7/7
Xavier Robert	5/7[1]

1 Xavier Robert did not attend the Remuneration Committee meetings on 24 March and 9 December 2022 due to prior commitments.

Directors' Remuneration report structure and content

This report for the year ended 31 December 2022 is split into the following main areas:

Dear shareholder,

I am pleased to introduce the Directors' Remuneration report for the year ended 31 December 2022.

Performance

The year has been one of continued positive progress at Gamma. The Chair's statement (on pages 2 to 3) provides an overview of the strong financial performance and the strategic steps the Group has achieved. The highlights include Revenue growth of 8% to £484.6m, and growth of 14% in Adjusted Profit Before Tax to £87.8m.

Our continued good growth underpinned a 13% increase in dividend to shareholders in respect of 2021 and paid in 2022. This maintained our record of having increased our dividend every year since IPO in 2014. A 14% increase is recommended for 2022.

Executive Director remuneration outcomes in 2022

The Executive Directors participate in a bonus scheme. The Committee awarded the CEO a bonus at 97% of opportunity and 97% in the case of the CFO. 25% of the bonus earned in both cases is subject to deferral into shares for three years. The awards reflected full achievement of the Adjusted PBT target, achievement of most of their personal objectives and a good start for the first year in which ESG objectives were set. A detailed breakdown of awards made is set out on page 82.

As part of the engagement package, the CFO was awarded a Special Conditional Recruitment payment of £400,000 which was paid in December 2022 to cover forfeited elements of the incentive structure he had with his previous employer maturing in the same year. It has been structured with appropriate clawback provisions.

The three-year performance conditions for the LTIP share option awards made in 2019 to the CEO were exceeded in the case of the EPS target and were partially achieved in the case of the absolute Total Shareholder Return target. Consequently, these options vested to the extent of 73.7% in 2022.

In line with the remuneration policy, LTIPs were granted in 2022 to the Executive Directors at 150% of salary. The share price used for calculating award numbers for the LTIPs for the CEO represented a 19% decrease on that for the LTIPs issued in 2021 and a 32% increase on the figure in 2020. For the CFO who joined in May the figures were a 30% decrease and a 14% increase respectively. The Committee decided not to adjust awards as it considers a consistent approach to be fair and in the long-term interests of the Company. The performance conditions were unchanged.

Whether the Policy operated as intended and exercise of discretion

The Committee considers that the Remuneration Policy has operated as intended. The LTIP scheme has rewarded the excellent long-term performance of the business but has also reflected the shareholder experience which has seen the Company's share price fall in recent months along with those of other technology businesses.

The bonus scheme has also operated as intended, incentivising collective effort across the senior team towards common financial goals as well as bringing individual focus on specific contributions to the major strategic goals. The Committee exercised discretion in the determination of the current Executive Directors' remuneration during 2022, in the case of the CEO's personal objectives to take account of his changed responsibilities during the year.

Appropriateness of Executive Director remuneration

In addition to considering the competitiveness of remuneration, incentivisation and alignment with shareholders, the Committee also considers appropriateness in the context of the workforce. We saw the significant competitive pressures on pay from 2021 continue in 2022. Consequently we made of out of cycle changes as required as part of a tightly managed process. As a result, the median pay increase for existing employees year on year was 6% (Gamma's annual pay review takes place in January) for the overall Group. We also saw pressure on CEO and CFO pay during the succession management processes which culminated during 2022 and which are described in the following section. However, the change in base pay of the person undertaking the CEO role for 2022 over 2021 was limited to 4.8% and the CFO's base pay was set in line with that of the previous CFO at the end of the year. More detail is provided in the Annual Report on Remuneration.

For 2023, the CEO has only recently been appointed and consequently no rise is considered appropriate. The CFO's pay has been increased by 5.0% in line with the year end increase across the Executive Committee. This increase is below the median pay increase across the workforce.

The CEO pay ratios have declined from those of 2021 which reflected full vesting of LTIPs in that year as well as the pay increases in the workforce as described earlier.

Management change

2022 has seen significant evolution in Gamma's senior management. In May, Bill Castell joined as CFO, in July, Andrew Taylor advised of his intention to retire and Andrew Belshaw became Interim CEO, and in November Andrew Belshaw was appointed CEO.

When deciding on the remuneration of each of the new CEO and the new CFO, the Committee took account of market information gained in the thorough recruitment processes which were run with the assistance of external agencies, as well as benchmarking exercises and the Company's remuneration policy. The Committee is satisfied that the remuneration being paid is competitive. From appointment as Interim CEO in July, the CEO's remuneration package was set in line with the remuneration package of the previous CEO. When he was appointed CEO in November, his base pay was increased by 7.5%, his bonus opportunity was unchanged and his LTIP award was increased to 175% of salary from 150%. On appointment the CFO's remuneration package was set in line with that of the previous CFO, this package having been brought into line with market during 2021.

Andrew Taylor announced his intention to retire in July 2022 and is due to leave the Company in July 2023. The Committee decided that he should leave on a good leaver basis. His LTIPs will be time pro-rated and subject to the performance conditions and to the two-year holding period. The Committee has awarded him a bonus for 2022 at 97% of opportunity in line with the scheme's normal operation. No bonus will be paid to Andrew Taylor for 2023.

Oversight of workforce remuneration

Employee remuneration

2022 has been an increasingly challenging year for employees. Although post pandemic we have codified more flexible patterns of working which have been well received by employees, inflation, energy prices and rising interest rates have impacted all employees but particularly those who are less well paid. In October, we brought in a mid-year assistance package. This provided for a minimum salary across the business of £23,000 pa and a one-off cost of living allowance of a minimum of £1,000 for those earning less than £30,000 as well as other more moderate measures for those employees in slightly higher pay grades.

Despite the toughening economic environment, we continued to see significant competition for staff, particularly in sales and software development and we made ad hoc pay rises where necessary. We maintained our previous practice of reviewing all employees' pay at the year-end but, given mid-year increases and adjustments, we evolved our practice to a differentiated approach which takes account of local market conditions and in year rises.

The Group is growing and requires increasing numbers of experienced and skilled staff. The total number of employees rose from 1,745 to 1,760. Through careful management, the overall rise in the cost of pay roll (excluding share-based payments) was contained to 6.8% as shown in note 9 to the accounts.

Employees in the Group generally participate in a bonus scheme that enables them to earn up to and in exceptional circumstances over 10% of basic salary based on a combination of personal and Group performance. This scheme continued in 2022.

During the year, the Group continued its use of employee surveys as described on pages 47 to 48. In the latest six-monthly survey, employees had the opportunity to comment on their pay and reward. Comments were reviewed by the central Reward Team and Executive Committee to enable actions to be taken where pay was not deemed to be fair.

Employee share schemes

In order to continue to strengthen the alignment of our employee and shareholder interests, the Group operates a Save As You Earn scheme ("SAYE") and a Share Incentive Plan ("SIP") which are open to all UK employees.

In addition, there is a Company Share Option Plan ("CSOP") which is designed to enable the Group to selectively incentivise key high-performing employees. In 2022 awards of 263,672 options were made to high-performing employees under the CSOP.

Under the SAYE scheme, employees who choose to participate are granted options at a 20% discount to market price, and then save a pre-determined sum over a period of three years. The money saved can then be used by the employee to exercise their options. In 2022 29% (2021: 34%) of all employees chose to participate, with options being granted over 257,201 (2021: 155,514) shares.

The SIP is evergreen. It allows staff to buy up to £150 of shares each month out of gross salary ("Partnership shares"). The shares need to be held for five years for the employees to keep the tax benefit. We have 189 employees who are buying shares monthly through our SIP scheme and 684 in total who hold shares through the SIP Trust.

Looking forward to 2023

Review of Executive Director remuneration

During 2022, the Committee reviewed its LTIP scheme with the assistance of its remuneration advisers h2glenfern Remuneration Advisory alongside its newly appointed share scheme lawyers and has incorporated their recommendations in a new set of Rules which will be proposed to shareholders at the 2023 AGM. While all major areas of best practice have been embraced in previous years, a number of modest changes are being included to align with market practice: the period over which performance is measured will start and finish with the Company's year ends; share prices at the beginning and end of the periods will be calculated using five-day averages; the award for threshold performance will be 25% rather than 30%; dividend equivalents are being introduced and will accrue during the first three-year vesting period; and awards will normally lapse ten years from grant.

The Committee considered whether to change the metrics for the LTIP awards which relate to the achievement of TSR and EPS growth goals over a three-year measurement period from absolute to relative. Given the Group's growth profile, its stage of development and the challenges of identifying a relevant peer group, the Committee considers that absolute performance goals remain more relevant than comparative performance measures.

While not relevant to Executive Directors, the new LTIP Rules allow for the award of restricted shares. It is intended that senior employees below the Board and Executive Committee may be issued lower levels of these instead of CSOPs.

The Committee conducted a full review of the bonus scheme. It reviewed the size of opportunities under the bonus scheme against comparators and decided not to make any changes. While the Committee felt that the broad structure continued to be appropriate, it has decided to replace part of the Adjusted PBT element with an element based on Gross Profit (GP). This element will account for 15% of bonus opportunity and the PBT element will reduce from 75% to 60%. The GP metric has been chosen rather than revenue to eliminate potential distortion from pass through revenues. The intention is to support the long-term growth of the business while continuing to incentivise Adjusted PBT. This structure is also being applied to the senior management with the GP target tailored to the appropriate part of the business.

The Committee has reviewed the Remuneration Policy and amended it to reflect the changes described above concerning LTIPs and to bring it more into line with Premium List standards in form and substance. The new policy is set out below. The key changes are: the normal LTIP award for the CEO is being increased from 150% to 175% of salary, which reflects the information gained in the competitive process to appoint him and benchmarking; there will be an ability to pay relocation expenses on recruitment; the limit on LTIP awards at 400% of base salary will exclude buyout of forfeited incentives; and there is an amendment to the post cessation shareholding requirement to exclude personal purchases so as not to disincentivise these. There is also a change to Committee discretions on change of control to align with market practice – performance conditions can no longer be waived.

Chair and Non-Executive Director remuneration

Remuneration of all Non-Executive roles was reviewed during the year (with no director involved in reviewing their own remuneration). All fees and expense allowances have been increased by 5.0% which is in line with the increase for the Executive committee and below the median rise across the workforce.

Improving reporting to shareholders and accountability

Governance disclosure and the year ahead

This report is included in line with the requirements of the QCA Corporate Governance code. As a matter of best practice, we are progressively aligning ourselves to the UK Corporate Governance Code in the area of remuneration and it is our intention to continue to increase the scope and content of the report. This year we have reviewed the format of the Remuneration Policy and we hope it is easier for shareholders to compare it with those of companies on the Premium List.

Engagement with shareholders

The Company regularly consults with institutional shareholders on strategic matters, including consultation through the Chair of the Board. At this stage in its development, the Company requires the flexibility associated with the AIM market to support its continued strong growth and we have not at this stage adopted the consultation processes outlined in the Corporate Governance Code. However, we welcome dialogue with shareholders and the Directors' Remuneration report will be put to an advisory vote at the forthcoming 2023 AGM. In addition, the new LTIP Rules, which we believe conform to best practice, are being submitted to shareholders for approval at the AGM.

The 2021 Directors' Remuneration report was approved on an advisory basis at the 2022 AGM with 99.87% of votes cast in favour.

On behalf of the Committee, I thank you for your support in 2022 and hope that you find this report increasingly helpful and informative.

Henrietta Marsh
Remuneration Committee Chair

20 March 2023

Main activities during 2022

January	Consideration of likely outcome of 2021 bonus scheme Determination of 2022 bonus scheme financial targets, personal objectives and ESG objectives for Executive Directors and senior executives Approval of revisions to the LTIP for introduction of post termination limits on share sales
March	Determination of 2021 bonus payments and deferral Consideration of the impact of employee share schemes on dilution Recommendation of 2022 LTIP awards to the Board together with performance conditions and targets Approval of gender pay gap report Approval of introduction of expense allowance for Chair in place of entitlement to certain expenses. Noting of same for NEDs.
April	Determination of vesting of 2019 LTIPs Recommendation of CSOP awards to the Board Review of remuneration of highly paid employees Approval of introduction of sabbatical policy for all employees Determination of bonus targets for new CFO
June	Tender for legal advice to Remuneration Committee and decision to appoint Travers Smith Approval of good leaver basis for retirement of former CEO
July	Review of shareholder and proxy agent feedback Review of terms of reference Review of advisors to Remuneration Committee Review of competitiveness of Executive Director remuneration Review of Executive Committee members remuneration Review of bonus scheme metrics Review of LTIP terms and decision to draft new rules for scheme Review of hybrid working arrangements for employees Review of HR system Mid-year review of appropriateness of bonus targets Discussion about inflation and less well paid employees
November	Approval of expenses policy Review of workforce annual pay increase in advance of budget Recommendation to the Board to replace CSOP scheme for certain employees with restricted shares Approval of remuneration and service contract of new CEO Approval of severance terms for member of Executive Committee Recommendation to Board that new LTIP Rules be subject to shareholder vote at AGM
December	Determination of Executive Director pay rises Determination of pay increases for members of the Executive Committee, Company Secretary and Group Counsel Approval of Chair of the Board's remuneration

Examples of how the Committee has worked towards provision 40 of the Code in 2022

Clarity	The Committee is committed to transparency and has improved disclosure. For example, this year we have improved presentation of the Remuneration Policy to allow better comparability and included a greater range of scenarios for Executive Directors.
Simplicity	The structure of the Remuneration Policy is broadly unchanged and is commonly used by premium listed companies. As described above a number of LTIP terms are being aligned with market practice.
Risk	The Committee recognises the risk of target-based plans and has sought to improve alignment in the coming year by introducing shareholding requirements for the Executive Committee. In 2022, in common with many larger businesses, we introduced an element in the bonus scheme to incentivise progress in our ESG strategy and applied it to the Executive Committee as well as the Executive Directors. Specific targets were set regarding risk management both for Executive Directors and the Executive Committee.
Predictability	A range of possible outcomes for Executive Director remuneration is set out set out on page 82.
Proportionality	There is a clear link between individual awards and the delivery of strategy, particularly through the non-financial objectives of the bonus scheme which are disclosed retrospectively in the Annual Report on Remuneration. The link of remuneration outcomes to long-term performance is primarily through the LTIP which has stretching targets based on EPS and absolute share price performance as well having vesting values which are directly linked with share price performance.
Alignment to culture	The Gamma core values were before the pandemic encapsulated in the expression "Working Smarter, Together". These core values have been further developed and expanded during 2022. There has been a particular emphasis on supportive behaviour with colleagues in order to support retention. During the year, the Committee endorsed the cost of living measures aimed at lower paid employees.

Comparator group used for Executive Director benchmarking in 2022

Avast plc

Softcat plc

Computacenter plc

RWS plc

GB Group plc

Kainos Group plc

FDM Group (Holdings) plc

Telecom Plus PLC

First Derivatives plc

EMIS Group plc

NCC Group plc

Remuneration Policy

This part of the Directors' Remuneration report sets out Gamma's Remuneration Policy with regard to its Directors.

Purpose

The Group's Remuneration Policy is designed to ensure that it can attract, retain and motivate executives and senior management of the right quality to enable it to fulfil its strategic objectives and deliver long-term sustainable growth. The retention of key management and the alignment of management incentives with the creation of shareholder value is a key objective of this policy. In addition, the Committee seeks to keep Executive Director remuneration consistent with the Company's culture and to take account of the effects of Executive Directors' remuneration on the workforce and other stakeholders.

Strategic rationale for Executive Director remuneration policies and structures

Setting base salary for Executive Directors at an appropriate level is key to attracting and retaining high quality management. Therefore, the Remuneration Committee seeks to ensure that salaries are market-competitive for comparable companies. In addition to base salary, there are market competitive benefits and pension contributions which are at the same level as those available to eligible employees across the wider workforce. A significant proportion of total remuneration is performance-based using a structure which is common among AIM traded and premium listed companies. The Group's strategy has four key elements as set out on pages 16 to 19 and is designed to enable the business to grow both its profitability and revenues by developing new innovative communications products and services, and through acquisition.

In addition, the Company has applied a policy of using share incentives across the Group. This includes awards to more senior staff under the Company Share Option Plan ("CSOP") or restricted shares, as well as both, a Save as You Earn ("SAYE"), and a Share Incentive Plan ("SIP"), the participation in which is open to all UK employees.

We believe these policies help the Company to continue to grow profitably through the successful execution of its strategy as well as providing alignment between the interests of shareholders and all employees who can share in the Company's success.

Consideration of shareholders' views on remuneration

The Company welcomes dialogue with its shareholders over matters of remuneration. The Chair of the Remuneration Committee is available for contact with institutional investors concerning the approach to remuneration.

Consideration of pay and employment conditions elsewhere in the Group

The Committee considers the pay and conditions of employees throughout the Group when determining the remuneration arrangements for Directors although no direct comparison metrics are applied. In particular, the Committee considers the relationship between general changes to UK employees' remuneration and Executive Director reward. Whilst the Committee does not directly consult with employees as part of the process of determining executive pay, the Board does receive feedback from employee surveys that take into account remuneration in general. The Committee also receives updates from the Chief People Officer. One Independent Non-Executive Director is designated as Workforce Engagement Director with specific responsibility to engage with the workforce on a broad range of matters.

Summary of policy changes for 2023

Changes to the Remuneration Policy are set out in the Remuneration Policy Table. A statement of how the Company intends to implement its Remuneration Policy in 2023 is included in the Annual Report on Remuneration.

On 3 May 2022 a new Chief Financial Officer, Bill Castell, joined Gamma and Andrew Belshaw was appointed Deputy Chief Executive Officer. In July 2022, Andrew Taylor advised the Board of his intention to retire and Andrew Belshaw became Interim Chief Executive Officer. On 30 November 2022 Andrew Belshaw was appointed Chief Executive Officer. There is a change to the normal LTIP award for the CEO as a result of this which takes account of market information gained in the recruitment process which was run with the assistance of an external agency as well as that from a benchmarking exercise.

Remuneration Policy table

Purpose and link to strategy	Operation	Potential remuneration	Performance metric	Change to policy?
Base salary				
This is the core element of pay that reflects the individual's role and position within the Group. Staying competitive in the market allows us to attract and retain high calibre executives with the skills and experience to deliver our strategy.	Base salaries are typically reviewed annually, with any changes effective from 1 January, but exceptionally may take place at other times of the year. When determining an appropriate level of base salary, the Committee considers: • Group performance; • the role, responsibilities, experience and personal performance of the Director; • competitive pressures • the general salary increase for the workforce. In addition to the above, salaries are independently benchmarked from time to time against comparable roles at premium listed and AIM traded companies of a similar size and complexity.	The actual base salaries paid to the Executive Directors and those set for the current year are disclosed in the Annual Report on Remuneration.	Not applicable	No
Benefits				
A comprehensive benefits package is offered to complement basic salary to attract and retain executives.	Reviewed from time to time to ensure that benefits when taken together with other elements of remuneration remain market competitive. Benefits for the Executive Directors currently comprise participation in the Group's life assurance and income protection schemes, which are also available to all other UK employees. Executive Directors may participate in all employee share schemes which are designed to encourage share ownership across the wider UK workforce in line with HMRC guidelines and on the same basis as other eligible UK employees. These currently include regular Save as You Earn Option Plans ("SAYE" Plan) and an evergreen Share Incentive Plan ("SIP"). In the event that an individual is requested to relocate the Company would offer them additional support. This may cover (but is not limited to) relocation, cost of living allowance, housing, home leave, education support, tax equalisation and advice and legal fees if appropriate.	The cost of providing these benefits varies year on year depending on the schemes' premiums. The Remuneration Committee monitors the overall cost of the benefits package. Participation levels in employee share schemes are in accordance with HMRC limits as amended from time to time.	Not applicable	No
Pension				
Provides a competitive and appropriate pension package. To provide retirement benefits which, when taken together with other elements of the remuneration package, will enable the Group to attract and retain executives.	The Executive Directors (together with all other eligible staff) may participate in the Group's defined contribution (money purchase) pension scheme.	Employer contribution of up to 5.1% of salary per annum is paid into the scheme or by means of a cash alternative (provided there is no additional cost to the Company). This is the same level available to eligible employees across the wider workforce.	Not applicable	No

Purpose and link to strategy	Operation	Potential remuneration	Performance metric	Change to policy?
Annual Bonus				
To incentivise the achievement of the Group's annual financial targets, or other near-term strategic objectives.	The Executive Directors and other senior executives participate in a discretionary, annual, performance-related bonus scheme. The Remuneration Committee at its discretion may determine that a proportion of any bonus that it awards may be deferred into an allocation of shares or grant of options each with a three-year vesting period and governed by the terms of the Deferred Bonus Plan. Typically, 25% of any bonus awarded to the Executive Directors is deferred into shares. Other than to the extent deferred, under the terms of the deferred bonus plan, bonuses are paid in cash, based on audited financial results. The bonus scheme rules include a clawback and a malus provision.	The maximum bonus (including any part of the bonus deferred into share awards) deliverable under the plan is up to 125% of annual base salary in the case of the CEO and 100% in the case of the CFO.	Bonus awards are based on annual performance against stretching Company financial targets (e.g. Adjusted Profit before Tax), ESG objectives and personal performance objectives for the individual Directors. Targets are set by the Committee at the beginning of each year. The Committee has the discretion to vary targets and weightings from year to year.	No
Long-Term Incentive Plan ("LTIP")				
To align the interests of executives with those of shareholders; to motivate and incentivise delivering sustained business performance over the long-term; to aid retention of key executive talent long term.	The Executive Directors and other senior executives participate in a discretionary LTIP. The plan entitles participants to an allocation of, or options over, free (or nominal value) shares after a performance period of three years (or any other period as the Committee may decide), subject to certain performance and service conditions being met. Participation is at the discretion of the Board on the recommendation of the Remuneration Committee. Awards will typically be made annually based on a multiple of annual salary. Performance conditions are set at the time of the award. The plan rules amongst other things include clawback and malus provisions and a limitation to ensure that new shares issued, when aggregated with all other employee share awards, must not exceed 10% of issued share capital over any ten-year period. From 2021, LTIP awards to Executive Directors have been subject to a two-year post vesting holding period. Dividend equivalents may be applied to awards up to their vesting date.	The Remuneration Committee would in normal circumstances expect to make annual LTIP awards to the Executive Directors at a value of up to 175% of base salary to the CEO and 150% to the CFO, all with a maximum of 200%. In the event of recruitment only, there is a limit of 400%. At threshold performance, 25% of awards subject to that performance condition vest.	The vesting of LTIP awards is conditional upon the successful achievement of financial performance conditions over the performance period, which are set at the time of the award. Each year the Committee assesses what performance conditions and associated weightings it considers appropriate in supporting the Company's strategy and longer-term objectives.	Yes. Normal award to CEO increased from 150% to 175% of salary. Ability to use five-day smoothed pricing introduced. Dividend equivalents introduced during vesting period. Length of option term changed to a maximum of 10 years in line with market practice.
Shareholding guidelines				
Encourages Executive Directors to build a meaningful shareholding in Gamma to further align interests with shareholders.	Each Executive Director is expected to build up and maintain a shareholding in Gamma equivalent to 200% of base salary. The shareholding includes beneficially owned shares, vested LTIPs on an after-tax basis and bonuses deferred into shares on an after-tax basis. If an Executive Director does not meet the guidelines, the Remuneration Committee may delay the release of 50% of LTIPs at the end of the holding period until the requirement is met. The shareholding requirements apply for two years post cessation. Shares acquired by Executives for cash rather than through deferred bonus or LTIP awards will count towards the 200% minimum shareholding requirement but are not subject to any equivalent delayed release.	Not applicable.	Not applicable.	No

Explanation of performance conditions

Reflecting the strategic emphasis on profitability, short-term performance is incentivised with an annual bonus scheme which is based on Company financial objectives such as Adjusted PBT, personal performance objectives and ESG objectives.

Long-term performance is incentivised with a performance share plan ("LTIP"), which is typically based on the achievement of demanding Total Shareholder Return and Adjusted Earnings Per Share growth targets. Given the Company's growth profile, its stage of development and the challenges of identifying a relevant peer group, the Committee considers that absolute performance goals remain more relevant than comparative performance measures.

Targets are set to align with objectives with pitching of threshold and maximum targets in the light of the Company's outlook, balancing achievability and stretch.

The Committee retains the discretion to set different performance measures and/or to set different weightings on the performance goals from year to year for annual bonus and LTIP awards.

Differences in Remuneration Policy for employees and Executive Directors

The principles behind the Remuneration Policy for Executive Directors are cascaded down through the Group. They aim to attract and retain the best staff and to focus their remuneration on the delivery of long-term sustainable growth by using a mix of salary, benefits, bonus and longer-term incentives. As a result, no element of the Executive Director Remuneration Policy is operated exclusively for Executive Directors other than the two-year post vesting holding period and the post-employment shareholding policy:

- The annual bonus scheme for Executive Directors is largely the same as that of the rest of the Executive Committee. In the UK, all are aligned with similar business objectives. In the European subsidiaries, there are objectives relating to the subsidiaries' financial and business performance.
- Participation in the LTIP is extended to the rest of the Executive Committee and several other senior managers.
- Employees who are not Executive Directors or members of the Executive Committee may receive CSOPs or restricted share awards which are share awards which do not have performance conditions and are subject only to continued employment and are issued at lower multiples of salary.
- The pension scheme is operated for all permanent employees and the Executive Directors receive the same level of contribution as the majority of other employees.

The main difference between pay for Executive Directors and employees is that, for Executive Directors, the variable element of total remuneration is greater while the total remuneration opportunity is also higher to reflect the increased responsibility of the role.

Committee discretion, flexibility and judgement in operating the incentive plans

In line with market practice and the various scheme rules, the Committee retains discretion relating to operating and administering the annual bonus and the LTIP. This discretion includes, but is not limited to:

The Discretionary Annual Bonus Plan:

- The scheme participants.
- The review of and setting of annual performance measures and targets.
- The determination and calculation of any bonus payment, including upward or downward adjustment as appropriate.
- The timing of any bonus payments.
- The determination of the proportion of any bonus award that is deferred into an award under the terms of the deferred bonus plan.
- The determination of the treatment of leavers depending on the circumstances.
- The determination of bonus for new joiners during the year depending on the circumstances.
- The determination of bonus in the event of a change in control.
- Overriding Committee discretion.

The LTIP Plan:

- The scheme participants for recommendation to the Board.
- The form and timing of the grant of an award.
- The size of awards made.
- The setting of appropriate performance measures.
- Determining the treatment of leavers depending on the circumstances.
- Withholding the release of 50% of any year's LTIP award for Executive Directors not meeting the agreed shareholding requirements
- Discretion relating to vesting in the event of a change of control of the Company.
- Recommending that the Board substitute a cash equivalent in place of shares.
- Making appropriate adjustments to awards required in certain circumstances e.g. demerger, special dividend or other similar event which affects the market price of shares to a material extent.
- Determining that it would be appropriate to amend, waive or replace any performance or other condition applying to an award, provided that any amended or replaced performance or other condition shall not, in the reasonable opinion of the Committee, be materially more or less difficult to satisfy.
- Determining that the normal vesting date of an award shall be earlier than the third anniversary of its date of grant if the timing of the making of awards is delayed for regulatory reasons.
- Overriding Committee discretion to adjust formulaic outcomes.

Malus and clawback provisions

Malus provisions apply to awards granted under the LTIP which enable the Committee to determine that the awards will be cancelled or reduced before the underlying shares are delivered to the participant. Clawback provisions also apply, which enable the Committee to determine that, following the delivery of shares under an LTIP award, the participant must pay an amount to the Company up to the market value of the shares on the date that the award vested or was exercised (as applicable). The Committee may only apply the clawback provisions during the clawback period, which will be set on the date that the relevant award is granted and will usually be three years from the date that the LTIP award vests.

These malus and clawback provisions may only be applied in certain circumstances, including fraud, material wrongdoing, failure of risk management or corporate failure, material financial misstatement and failure to meet appropriate standards of fitness and propriety.

There are also malus and clawback provisions in the Discretionary Bonus Scheme. These last for up to three years from award.

Change in policy?

No. The malus and clawback provisions are materially similar to those in the previous LTIP and the unchanged bonus scheme.

Legacy arrangements
The Company will honour existing awards, incentives, benefits and contractual arrangements made to individuals prior to their promotion to the Board and/or prior to the approval and implementation of this policy. For the avoidance of doubt this includes payments in respect of any award granted under any previous Remuneration Policy. This will last until the existing incentives vest (or lapse) or the benefits or contractual arrangements no longer apply.

Service Agreements
The Executive Directors' service agreements summary is as follows:

Key element	CEO Andrew Belshaw	CFO Bill Castell
Effective date of contract	CFO 10 October 2014 CEO 30 November 2022	1 May 2022
Notice period	12 months' notice given by either party	6 months' notice given by either party and 12 months by the Company on the occasion of change of control
Termination payments	The Company has the discretion to make a payment of basic salary in lieu of notice to terminate the employment forthwith in the event of notice being given	The Company has the discretion to make a payment of basic salary in lieu of notice to terminate the employment forthwith in the event of notice being given

The maximum notice period for Executive Directors is 12 months.

Executive service agreements are available on request from the Company Secretary.

Policy on recruitment
When hiring a new Executive Director, the Committee will consider the overall remuneration package by reference to the Remuneration Policy set out in this report. Salary and annual bonus levels will be set so as to be competitive with comparable roles in companies in similar sectors, and also taking into account the experience, seniority and the scope of responsibility of the appointee coming into the role. New Executive Directors will be able to participate in the annual bonus scheme on a pro-rated basis for the portion of the financial year for which they are in post. New Executive Directors may receive benefits and pension contributions in line with the Company's existing policy. LTIP awards are made on an ongoing basis in line with our policy for Executive Directors and other senior executives. In the year of recruitment, a higher award may be made to the new recruit within the limits of the Remuneration Policy (maximum of 400% of salary). Such an award may be spread over the two years following recruitment.

The approach in respect of compensation for forfeited remuneration from a previous employer will be considered on a case-by-case basis taking into account all relevant factors, such as the form of compensation forfeited, performance achieved or likely to be achieved, and the proportion of the performance period remaining. If any compensation for forfeited remuneration is paid, it may be awarded outside the LTIP and may be made with non-standard performance conditions or without performance conditions and with a shorter vesting period and without a holding period to reflect the profile of forfeited awards. Any such arrangements would be disclosed in the following year's annual report. This discretion reflects that available to Premium List companies under Listing Rule 9.4.2.

In the case of an internal appointment to an Executive Director role, any variable pay element, annual bonus or LTIP, awarded in respect of a prior non-Board role would be allowed to pay out according to its terms.

Discretion to vary from policy may also be exercised in the following circumstances: (1) for a short term/interim appointment (2) where the Chair or a Non-Executive Director is appointed for a short period (3) where an Executive Director is appointed mid-year, performance conditions for annual bonus and LTIP may be tailored for this or amounts transferred pro-rata by month to following year (4) where an Executive Director is hired from a location with different benefits that the Remuneration Committee sees appropriate to buy out (but not variable remuneration which is covered above) (5) relocation expenses – one off and/or ongoing including tax equalisation (6) legal and similar expenses.

Change in policy?
Yes. While, the limit of 400% of salary for LTIP awards remains unchanged, the policy on compensation for forfeited remuneration has been amended so there is greater flexibility, reflecting the flexibility afforded to Premium List companies under Listing Rule 9.4.2.

Policy on loss of office
The following sets out the Company's policy in normal circumstances with regard to exit payments for each remuneration element for Executive Directors. The Group will pay any amounts it is required to in accordance with or in settlement of a Director's statutory employment rights and in accordance with their service contract. A Director's service contract may be terminated without notice and without any further payment or compensation, except for sums accrued up to the date of termination, on the occurrence of certain events such as serious dishonesty, gross misconduct, incompetence, or willful neglect of duty.

Basic salary: This will be paid over the contractual notice period (CEO: 12 months: CFO: 6 months except 12 months by the Company on the occasion of change of control). However, the Company has the discretion to make a lump sum payment for termination in lieu of notice.

Benefits and Pension contributions: These will normally continue to be provided over the notice period; however, the Company has the discretion to make a lump sum payment on termination equal to the value of the benefits payable during the notice period.

Annual Bonus: The payment of any annual bonus would be entirely at the discretion of the Remuneration Committee and if made would normally be pro-rated to the time of active service in the year that employment ceased and be subject to the original performance conditions and policy on deferral. In such circumstances the decision of the Committee, would take into consideration the financial performance of the Company, the performance of the individual, and the circumstances of the termination of employment.

Long-Term Incentive Plan ("LTIP"): Awards are governed by the rules of the LTIP scheme at the time of award. In the case of good leavers, the plan rules specify that, on exit, awards will normally be pro-rated for time served and vest at the normal time in accordance with the performance conditions and be subject to the holding period other than in limited circumstances such as death. The Committee retains discretion to determine early vesting and to decide to waive time pro-rating if it feels that is appropriate in any particular circumstances. If an Executive Director ceases employment other than as a good leaver, any unvested portion of their award will lapse.

Post cessation shareholding requirements: The shareholding requirements, by which an Executive Director is expected to build up a shareholding (including beneficially owned shares, vested LTIPs on a post-tax basis and deferred bonuses on a post-tax basis) of twice salary apply for two years post cessation other than in limited circumstances such as death. Shares acquired by Executives for cash rather than through deferred bonus or LTIP awards will count towards the 200% minimum shareholding requirement but are not subject to any equivalent delayed release.

Change in policy?

Yes. The Remuneration Committee will have discretion to accelerate vesting for good leavers in line with market practice. Prorating for time will be by reference to the time elapsed during the vesting period whereas previously it was by reference to the performance period.

Change in control and corporate events

In the event of a change in control, for the annual bonus the Remuneration Committee will assess performance against targets, normally pro-rate amounts paid for time elapsed up to the point of change in control and settled in cash. Outstanding deferred bonus awards will vest in full.

The LTIP plan rules provide that awards will vest subject to the Remuneration Committee's assessment of the performance conditions and that awards will then be pro-rated for time. The holding period will not be applied. Awards may be exchanged for new awards if the acquiring company and the award holders consent. The Committee retains discretion to waive time pro-ration if it feels appropriate in any particular circumstances.

If a demerger occurs, distribution or other transaction which would affect the current or future value of any award, awards can vest on the same basis as for a change of control. Alternatively, an adjustment may be made to the number of shares if considered appropriate.

Change in policy?

Yes. The Committee no longer has discretion to disapply performance conditions on change of control.

External appointments

Executive Directors may accept one external non-executive directorship with the prior agreement of the Board, provided it does not conflict with the Group's interests and the time commitment does not impact upon the Executive Director's ability to perform their primary duty. The Executive Directors may retain the fee from external directorships.

Illustrations of application of the Remuneration Policy

The charts opposite represent estimates under four performance scenarios ("Minimum", "Target", "Maximum" and "Maximum assuming a 50% share price appreciation" between award and vesting under the LTIP scheme) of the potential remuneration outcomes for each Executive Director resulting from the application of the 2023 base salaries to awards made in accordance with the proposed policy for 2023. The majority of Executive Directors' remuneration is delivered through variable pay elements, which are conditional on the achievement of stretching targets.

The Remuneration Committee will review the actual remuneration outcomes taking into account the quality of performance outcomes and, if appropriate, use its discretion to adjust these, taking into account Gamma's performance, the operation of the remuneration structures and any other relevant factors, to ensure that the highest variable pay outcomes are only achieved in years with the highest quality performance.

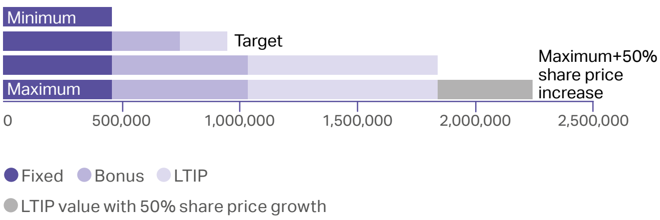
The scenario charts are based on the proposed policy award levels and are calculated on the same basis as the single figures of remuneration (on page 82). The pay scenarios are forward looking and only serve to illustrate the proposed policy. The scenarios are based on the current CEO and CFO roles.

Performance scenarios

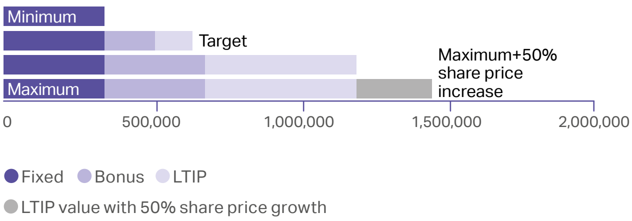
	Minimum	Target	Maximum
Base salary (2023)	✔	✔	✔
Benefits (2022 actuals)	✔	✔	✔
Pension (2023 estimate)	✔	✔	✔
Bonus	Nil	Set at 50% of maximum opportunity CEO 62.5% of salary CFO 50% of salary	CEO 125% of salary CFO 100% of salary
LTIP	Nil	Set at threshold vesting CEO 53.6% of salary CFO 37.5% of salary	CEO 175% of salary CFO 150% of salary

The fourth scenario "Maximum assuming 50% share price appreciation" reflects the assumptions under Maximum above and incorporating 50% share price appreciation between award and vesting under the LTIP scheme.

Chief Executive Officer



Chief Financial Officer



Charts do not take account of dividend equivalents which may be applied to LTIP awards.

Policy on Non-Executive Director remuneration

Purpose and link to strategy	Approach to setting fees	Other items
Chair and Non-Executive Directors' fees		
To enable Gamma to recruit and retain Non-Executive Directors of the highest calibre, at an appropriate cost.	Non-Executive Directors are paid a basic annual fee. Additional fees may be paid to Non-Executive Directors who Chair the Board, Chair a Committee and to the SID to reflect additional responsibilities, as appropriate. The level of fees paid in 2022 is shown in the Annual Report on Remuneration as well as the expected levels for 2023. Non-Executive Directors fees are reviewed annually with changes effective from 1 January each year. Non-Executive Directors and the Chair of the Board are entitled to a taxable expense allowance to compensate for costs related to travel (other than air fares) to the Company's London and Newbury offices. The Company reimburses Non-Executive Directors in respect of other expenses incurred in performing their roles including expenses of travel to other locations. The Chair's fee is approved by the Board on the recommendation of the Remuneration Committee (excluding the Chair). The other Non-Executives' fees are approved by the Board on the recommendation of the Chair of the Board and the CEO. The Non-Executive Directors are not involved in any decisions about their own remuneration.	Non-Executive Directors are not entitled to receive any compensation for loss of office, other than fees for their notice period. They do not participate in the Group's bonus, LTIP, employee share plans or pension arrangements, and do not receive any employee benefits. The amounts are set out in the Annual Report on Remuneration under Implementation of Remuneration Policy in the financial year 2023.

Non-Executive Director letters of appointment

Non-Executive Directors have letters of appointment (as opposed to service contracts) and are appointed for an initial three-year term which may be extended by mutual agreement. All Non-Executive Directors are subject to annual re-election by the shareholders.

The Chair and Non-Executive Directors have notice periods of three months from either party which do not apply in the case of a Director not being re-elected by shareholders or retiring from office under the Articles of Association. Other than fees for this notice period, the Chair and Non-Executive Directors are not entitled to any compensation on exit.

The current Non-Executive Directors' initial appointments commenced on the following dates:

Director	Date of first appointment
Richard Last	17 June 2014
Martin Lea	17 June 2014
Henrietta Marsh	16 April 2019
Charlotta Ginman	8 September 2020
Xavier Robert	8 September 2020
Shaun Gregory	1 July 2022
Rachel Addison	3 October 2022

Letters of appointment are available for inspection on request from the Company Secretary.

Annual Report on Remuneration

This Annual Report on Remuneration sets out information about the remuneration of the Directors of the Company, for the year ended 31 December 2022. The information in this report is unaudited, unless indicated otherwise.

Single total figure of remuneration for Executive Directors (audited)

Director	Year	Salary	Benefits	Bonus	Long-term incentive ("LTIP")	Pension	Total	Fixed	Variable
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Andrew Belshaw[1]	2022	392	–	420	299	4	1,115	396	719
(CEO)	2021	269	–	256	627	3	1,155	272	883
Bill Castell[2] (CFO)	2022	224	–	610	–	3	837	227	610
Andrew Taylor[3]	2022	429	–	520	481	–	1,430	429	1,001
(Former CEO)	2021	418	–	496	1,968	–	2,882	418	2,464

1 Andrew Belshaw became Interim CEO on 4 July 2022 and was appointed CEO on 30 November 2022.

2 Bill Castell joined Gamma as CFO on 3 May 2022.

3 Andrew Taylor advised of his intention to retire and stepped down as CEO on 4 July 2022. He remains employed by the Company until 4 July 2023. The figures shown are for the whole year.

Bonuses are shown on an accrued basis and include both the cash and deferred share element. Bill Castell was awarded a Special Conditional Recruitment payment of £400,000 which was paid in December 2022 to cover forfeited elements of the incentive structure he had with his previous employer maturing in the same year. It has been structured with appropriate clawback provisions. The value of the LTIP in 2022 relates to the vesting of the 2019 LTIP awards, and the value has been calculated using the share price on the vesting date of 21 April 2022. Of the LTIP value of £480,640 for Andrew Taylor, £110,397 is attributable to share price appreciation. Of the LTIP value of £298,893 for Andrew Belshaw, £68,652 is attributable to share price appreciation. In 2022, Andrew Belshaw received £13,348 (2021: £8,727) salary in lieu of a contribution by the Company to his pension of £15,304 (2021: £9,931) and Bill Castell received £7,307 (2021: £nil) salary in lieu of a contribution by the Company to his pension of £8,383 (2021: £nil).

The Directors have no rights under any Company pension schemes that are designated as defined benefit schemes. In addition to the above, the Company provides life assurance and group income protection for the Executive Directors.

Annual performance bonus 2022

The maximum annual bonus award opportunity in respect of the year ended 31 December 2022 was 125% of salary for the CEO, the Interim CEO and the former CEO and 100% of salary for the CFO. In the case of Andrew Belshaw, the maximum award has been time pro-rated to take account of his change in award level. The structure of the bonus and the objectives for the Executive Directors are set out in the table and comments below.

Measure	Weighting	Threshold £m	Maximum £m	Outcome £m	Bonus Opportunity Payable %		
					A.Belshaw	B. Castell	A.Taylor
Adjusted profit before tax[1]	75%	79.5	86.5	87.7	100%	100%	100%
ESG Objectives	5%	n/a	n/a	n/a	80%	80%	80%
Personal Objectives	20%	n/a	n/a	n/a	90%	90%	90%
					97%	97%	97%

1 For the purpose of the bonus scheme Adjusted PBT was further adjusted by the Committee to exclude due diligence costs on potential acquisitions which were aborted during the year.

The personal objectives set for 2022 and main achievements were:

Andrew Belshaw:

- Recruit a Company Secretary and facilitate handover.
- In Europe build a pipeline of potential acquisitions, build an M&A team and deliver significant acquisitions in Europe.
- Produce a three-year growth plan incorporating operating efficiencies in the UK.
- Develop plans to deliver improved operating margins in Europe.

Bill Castell:
- Take on the role of managing the public markets.
- Take ownership of Gamma's Finance Transformation.
- Continue the work on documentation of Gamma's financial processes, systems and controls.
- In conjunction with the CEO and Deputy CEO, deliver a substantial European acquisition.

Andrew Taylor
- Develop and document a Development and Retention Plan for "C" Suite executives and their direct reports.
- Launch agreed new products and commence their migration.
- Identify and deliver significant acquisitions in the EU.

The ESG objectives for all Executive Directors were:
- Demonstrate how you have embraced and supported Gamma's carbon reduction efforts.
- Demonstrate actions taken and their success in achieving diversity in long and short lists during recruitment at n-1 and n-2 levels.
- Demonstrate how you have supported the introduction of the new Risk Management Policy and Framework.

The deferred bonus award is calculated as 25% of gross bonuses earned in 2022. The number of shares over which awards will be made will be determined by the share price on the trading day prior to the date of award. The value of each individual's award in respect of their bonus has been determined as follows:

Measure	Overall bonus outcome	Bonus for 2022 £000s	Cash-settled £000s	Value of 2022 deferred bonus award £000s
Andrew Belshaw	97%	420	315	105
Bill Castell	97%	210	157	53
Andrew Taylor	97%	520	390	130

Deferred bonus awards will be granted under the Deferred Bonus Plan shortly following their award in March 2023. These awards will not be subject to any further performance conditions and will vest in full on the third anniversary of the vesting commencement date.

Details on the options granted during 2022 in respect of the deferred bonus for 2021 are below:

Director	Type of scheme interest	Number of awards	Vesting date	Face value of award[1]	Exercise price
Andrew Belshaw	Nil-cost option	4,665	31 March 2025	62	£0.0025
Andrew Taylor	Nil-cost option	9,377	31 March 2025	124	£0.0025

1 The face value of the award has been calculated using the closing share price on the day of grant, being 25 March 2022.

The Remuneration Committee exercised discretion in determining Andrew Belshaw's bonus award in respect of his personal objectives which changed during the year due to his changed role.

Long-Term Incentive Plan ("LTIP") - Vesting of 2019 LTIP awards.

Details of the share options vesting during the year are set out below:

Director	Total number of shares	Face value at grant	% Vesting	Shares Vesting	Share price[1] £	LTIP value
Andrew Belshaw	31,693	£312,500	73.7%	23,351	12.80	298,893
Andrew Taylor	50,964	£502,509	73.7%	37,550	12.80	480,640

1 The long-term incentive figure for the year has been valued using the market value of the shares that vested in 2022 at the vesting date of 21 April 2022.

The 2019 LTIP was subject to a combination of performance conditions based on annual compound growth in total shareholder return ("TSR") and annual compound growth in earnings per share ("EPS") over the three-year period. Details of the performance against these performance conditions are shown below.

Measure	Weighting	Threshold performance (30% vesting)	Target performance (100% vesting)	Actual performance	% vesting
Annual compound growth in TSR	50%	8%	15%	9.7%	24%
Annual compound growth in adjusted EPS	50%	8%	20%	28.3%	100%

The Remuneration Committee did not exercise any discretion in determining the achievement of the performance criteria.

Share options awarded during the year ended 31 December 2022 under the LTIP (audited)

During the year ended 31 December 2022 the following LTIP awards were granted. The performance conditions are set out below the table.

2022 Director	Type of scheme interest	Basis of award	Number of awards	Share price at award	Vesting date[1]	Face value of award	Exercise price
Andrew Belshaw	Nil-cost option	150% of salary	36,820	£13.24	April 2025	487,497	£0.0025
Bill Castell	Nil-cost option	150% of salary	42,763	£11.40	April 2025	487,498	£0.0025
Andrew Taylor	Nil-cost option	150% of salary	48,568	£13.24	April 2025	643,040	£0.0025

1 The vesting date is approximately one month from the date of announcement of the Group's results, which historically has been in March, and is when the Remuneration Committee determines the extent to which the performance conditions have been satisfied.

2021 Director	Type of scheme interest	Basis of award	Number of awards	Share price at award	Vesting date	Face value of award	Exercise price
Andrew Taylor	Nil-cost option	150% of salary	38,253	£16.40	April 2024	627,358	£0.0025
Andrew Belshaw	Nil-cost option	150% of salary	23,789	£16.40	April 2024	390,141	£0.0025

At the time of making an award the Remuneration Committee sets challenging long-term performance targets to align the interests of the Directors with shareholders and which, together with continuous employment conditions, must be satisfied before an award vests.

The 2021 and 2022 LTIP awards have a performance period of three years starting from the vesting commencement date. The awards will vest as follows:

- 15% of the shares if annual compound total shareholder return ("TSR") over the performance period equals 8%, and 50% of the shares if annual compound TSR over the performance period equals 15% or higher with pro rata straight-line vesting in between; and
- 15% of the shares if the annual compound growth of the Company's adjusted earnings per share between the financial years at the beginning and the end of the performance period is equal to 8%, and 50% of the shares if the annual compound growth of the Company's adjusted earnings per share over the same period is equal to or in excess of 20% with pro rata straight-line vesting in between.

Save As You Earn ("SAYE") Share Scheme

During the year the Executive Directors were eligible to participate in Gamma's SAYE Scheme which is open to all UK employees.

The Scheme is an HM Revenue & Customs ("HMRC") approved scheme open to all staff permanently employed by a Gamma company in the UK as of the eligibility date. Options under the plan are granted at up to a 20% discount to market value. Executive Directors' participation is included in the option table below:

	Options										
	Grant date	At 1 Jan 2022	Granted in 2022	Exercised in 2022	Lapsed in 2022	At 31 Dec 2022	Option price (£)	Date Exercisable	Expiry date	Market price on exercise (£)	Gain on exercise (£000s)
Andrew Belshaw	1 July 2019	2,173	–	2,173	–	–	8.28	1 July 2022	31 December 2022	10.76	5
	1 July 2022	–	1,730	–	–	1,730	10.40	1 July 2022	31 December 2025	–	–

Single total figure of remuneration for Non-Executive Directors (audited)

	Directors' Fees		Committee Chair/SID Fees		Expense allowance		Taxable Expenses		Total	
Director	2022 £000s	2021 £000s	2022 £000s	2021 £000s	2022 £000s	2021 £000s	2022 £000s	2021 £000s	2022 £000s	2021 £000s
Current Directors										
Richard Last	140	104	–	–	4	–	–	–	144	104
Rachel Addison[1]	12	–	–	–	1	–	–	–	13	–
Charlotta Ginman[2]	51	50	8	5	2	–	–	–	61	55
Shaun Gregory[1]	26	–	–	–	1	–	–	–	27	–
Martin Lea[3]	51	50	25	24	2	–	–	–	78	74
Henrietta Marsh[4]	51	50	8	8	2	–	–	–	61	58
Xavier Robert	51	50	–	–	2	–	–	–	53	50
Former Director										
Wu Long Peng[5]	20	50	–	–	0	–	–	–	20	50

1 The 2022 fee shown is pro-rated as Rachel Addison and Shaun Gregory joined the Board in 2022.
2 Charlotta Ginman is Chair of the Audit Committee.
3 Martin Lea is Chair of the ESG Committee and the Risk Committee, he also received a fee for acting as SID in 2022, Henrietta Marsh took over as SID on 20 December 2022.
4 Henrietta Marsh is the Chair of the Remuneration Committee.
5 The fee shown for Wu Long Peng is pro-rated as he stood down from the Board at the AGM on 19 May 2022.

Statement of Directors' shareholding and share interests (audited)

Directors' share interests at 31 December 2022 are set out below:

Executive Directors are required to build up and maintain a shareholding of at least 200% of base salary in Gamma Communications plc shares. Andrew Belshaw meets this requirement. Having joined in May 2022, Bill Castell is in the process of building his shareholding requirement.

			Options			
2022	Percentage of shareholding requirement	Number of beneficially owned shares	With performance measures	Without performance measures	Vested but unexercised	Exercised during the year
Executive Director						
Andrew Belshaw	318%	96,678	92,640	16,434	–	25,524
Bill Castell[1]	0%	–	42,763	–	–	–
Non-Executive Director						
Richard Last		54,975	–	–	–	–
Henrietta Marsh		2,015	–	–	–	–
Charlotta Ginman		1,000	–	–	–	–
Shaun Gregory		–	–	–	–	–
Martin Lea		14,353	–	–	–	–
Rachel Addison		–	–	–	–	–
Xavier Robert		3,000	–	–	–	–

1 Bill Castell joined the Company in 2022. He does not currently meet the shareholding requirements. The first of the LTIPs awarded to him are currently expected to vest in April 2025.

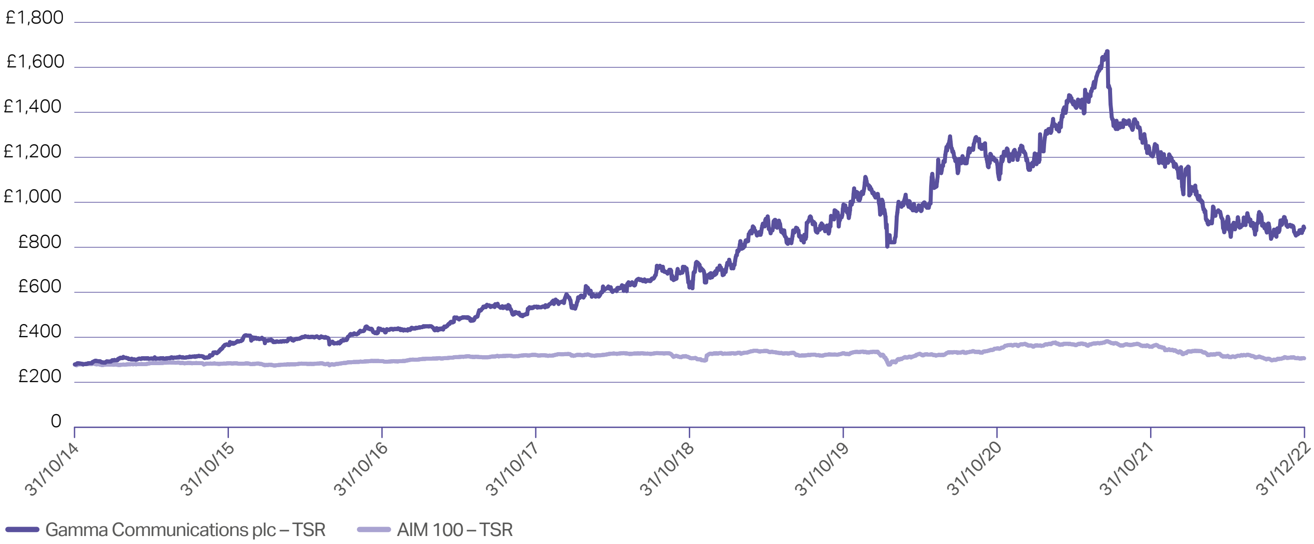
2 Andrew Taylor has been excluded from the above table as he is no longer an Executive Director. The Group continue to monitor his shareholdings.

Directors' share interests at 31 December 2021 are set out below:

			Options			
2021	Percentage of shareholding requirement	Number of beneficially owned shares	With performance measures	Without performance measures	Vested but unexercised	Exercised during the year
Executive Director						
Andrew Taylor	226%	57,173	140,724	31,125	–	108,381
Andrew Belshaw	611%	99,505	87,513	12,212	–	34,504
Non-Executive Director						
Richard Last		53,475	–	–	–	–
Charlotta Ginman		1,000	–	–	–	–
Martin Lea		13,368	–	–	–	–
Henrietta Marsh		2,015	–	–	–	–
Wu Long Peng		–	–	–	–	–
Xavier Robert		3,000	–	–	–	–

Performance graph and table

The Remuneration Committee has chosen to compare the TSR of the Company's Ordinary Shares against the AIM 100 Index because this index consists of the most comparable companies to the Group. The values indicated in the graph show the share price growth plus re-invested dividends from a £100 hypothetical holding of ordinary shares in Gamma Communications plc from the date of IPO.



Chief Executive's historical remuneration (audited)

The table below sets out the total remuneration of the individual undertaking the role of Chief Executive Officer over the last nine years for the period such individual was undertaking the CEO role valued using the methodology applied to the single total figure remuneration (page 82).

	CEO	Total remuneration	Annual bonus payment level achieved (% of maximum opportunity)	LTIP Vesting level achieved (% of maximum opportunity)
2022[1]	Andrew Belshaw	£436,056	97%	N/A[2]
	Andrew Taylor	£955,069	97%	73.7%
2021	Andrew Taylor	£2,882,813	95%	100%
2020	Andrew Taylor	£911,608	97%	N/A
2019	Andrew Taylor	£884,408	96%	N/A
2018[3]	Andrew Taylor	£655,990	100%	N/A
	Bob Falconer	£1,466,688	100%	92.83%[4]
2017	Bob Falconer	£2,243,428	100%	100%
2016	Bob Falconer	£599,760	100%	N/A[5]
2015	Bob Falconer	£2,320,287	100%	N/A[5]
2014	Bob Falconer	£544,793	100%	N/A[5]

1 Andrew Taylor advised of his intention to retire and stepped down as CEO on 4 July 2022. He remains employed by the Company until July 2023. Andrew Belshaw became Interim CEO on 4 July 2022 and was appointed CEO on 30 November 2022. The figure above show remuneration during the period of 2022 where the individual was undertaking the role of CEO.

2 LTIP excluded as it relates to the period when Andrew Belshaw was Deputy CEO rather than CEO.

3 Bob Falconer retired as CEO on 23 May 2018 and was replaced by Andrew Taylor.

4 92.827% represents the blended rate for the vesting of Bob Falconer's 2015, 2016 and 2017 LTIP schemes. These schemes achieved performance vesting percentages of 93.875%, 91.847% and 90.046% respectively.

5 Share options schemes prior to the 2015 LTIP scheme (which vested in 2017) did not have performance conditions attached to them.

Percentage change in remuneration of the Director undertaking the role of CEO

The table below outlines the year on year increase in salary, other pay and benefits and annual bonus for the year ended 31 December 2022 compared to those for the year ended 31 December 2021 for the individual undertaking the role of CEO in comparison to the wider workforce.

Andrew Taylor advised the Board of his intention to retire and stepped down as CEO on 4 July 2022 and was replaced by Andrew Belshaw as Interim CEO on 4 July 2022. On 30 November 2022 Andrew Belshaw was appointed CEO. To reflect this change we have compared the CEO's actual remuneration earned in 2021 with the remuneration earned by the Directors undertaking the role of CEO during the time they were in such a role, i.e., Andrew Taylor until 4 July 2022 and Andrew Belshaw from 4 July 2022 to 31 December 2022 and using the same methodology as in the table above and in the single total figure of Remuneration table on page 82.

The employee increases are averages for employees on the payroll at both 31 December 2021 and 31 December 2022. The employee bonus figures exclude bonuses paid in October 2022 which are advances on 2023 bonuses and were paid as part of measures to assist with cost of living.

	CEO % increase/(decrease)	Employee % increase
Salary, other pay and benefits	4.8%	8.5%
Annual bonus	4.9%	7.6%

The table below sets out the historical changes in CEO annual remuneration compared to those granted to the wider workforce as reported in previous years:

	% change in base salary				
	FY18	FY19	FY20	FY21	FY22
CEO	39.1%	2.0%	2.5%	2.5%	4.8%
Employee	3.1%	3.1%	5.3%	6.3%	8.5%

The 2018 CEO change reflects the appointment of Andrew Taylor to the role of CEO replacing Bob Falconer.
The 2022 CEO change reflects the appointment of Andrew Belshaw to the role of CEO replacing Andrew Taylor.

Pay ratio information in relation to the total remuneration of the Director undertaking the role of CEO

The table below sets out the ratio of the total remuneration received by the Group CEO to the total remuneration received by our UK employees at the median, 25th and 75th percentiles.

Year	Method	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2022	Option A	46.3:1	30.2:1	20.5:1
2021[1]	Option A	96.7:1	64.2:1	43.5:1
2020	Option A	29.4:1	20.2:1	13.4:1
2019	Option A	31.9:1	23.2:1	14.4:1

1 2021 ratio is driven by the vesting of 2018 LTIP which vested in full.

Pay data	Base salary	Total pay and benefits
Group CEO	438,237	1,391,125
UK employees 25th percentile	29,064	30,066
UK employees 50th percentile	43,475	46,026
UK employees 75th percentile	63,211	67,783

1 "Option A" methodology was selected on the basis that it provides the most robust and statistically accurate means of identifying the median, lower and upper quartile colleagues.
2 The Group Chief Executive remuneration is the total single figure remuneration for the year ended 31 December 2022 contained on page 82 pro-rated based on the individual undertaking the role of CEO. Andrew Taylor advised of his intention to retire and stepped down as CEO on 4 July 2022. He remains employed by the Company until July 2023. Andrew Belshaw became Interim CEO on 4 July 2022 and was appointed CEO on 30 November 2022.
3 The workforce comparison is based on actual payroll data for the period 1 January 2022 to 31 December 2022.
4 The total single figure remuneration calculated for each employee includes full-time equivalent base pay, annual bonuses paid, overtime, benefits, allowances and employer pension contributions.
5 Part-time workers have been included by calculating the full-time equivalent value of their pay and benefits.
6 Leavers and joiners have been included on a full-year equivalent basis but employees on reduced pay (due to sick pay, maternity leave, etc.) are included at the actual earnings for the year.

Relative importance of spend on pay (audited)

The following table shows the Group's actual spend on pay for all Group employees relative to dividends and pre-tax profit.

	2022 £m	2021 £m	Change %
Overall spend on pay, including Executive Directors	102.2	96.5	+5.8%
Profit before tax	64.9	67.2	-3.3%
Capital expenditure[1]	20.7	16.8	+23.2%
Dividends	13.3	11.7	+13.7%

1 Capital expenditure has been included in the above table as it represents a key expenditure, being the Group's investment in infrastructure to drive future growth.

Implementation of Remuneration Policy in the financial year 2023

The changes in the Remuneration Policy for 2023 are explained in the Remuneration Committee Chair's statement on page 70 and set out in the Remuneration Policy table. The principal changes to Executive Director remuneration that occurred during 2022 were: an increase in Andrew Belshaw's salary from £325k when he was CFO to £460k and in his LTIP award from 150% of salary to 175% of salary to reflect his promotion to CEO; the setting of Bill Castell's salary at £325k on recruitment in line with that of the previous CFO (Andrew Belshaw) reflecting market rates of pay.

Executive Directors

The following table summarises the Executive Director remuneration packages for 2023.

Director	Salary £000s	Benefits	Pension contribution (% of salary)	Maximum annual bonus opportunity (% of salary)	LTIP (% of salary)
Andrew Belshaw	460	–	5.1%	125%	175%
Bill Castell	341	–	5.1%	100%	150%

Salary: With effect from 1 January 2023, the salary of the CEO was increased by 0%, the salary of the CFO was increased by 5%.

Pension and Benefits: There are no changes to these arrangements for the year commencing 1 January 2023.

Annual performance bonus: The maximum annual bonus opportunity remains the same as it was in the prior year. The performance measures and weightings have been adjusted from the prior year with 60% (previously 75%) of the maximum potential bonus being based on growth in Adjusted PBT, 15% being based on Gross Profit (previously 0%), 5% on ESG related objectives and 20% based on personal objectives. The specific targets for the annual bonus for 2023 will be disclosed in the 2023 Annual Report on Remuneration.

Long-term incentive plan ("LTIP"): It is anticipated that further performance-based share option awards will be made in May 2023 following approval by shareholders of new LTIP rules at the 2023 AGM. The Committee will determine the levels, performance conditions, weighting and targets to be applied at the time of the award and will disclose them as appropriate in the announcement of the awards and in the 2023 Annual Report.

Summary of Non-Executive Director fees for the year ending 31 December 2022

The table below shows the fees payable to Non-Executive Director for each role on the Board. The Board reviews these fees annually and it was agreed that an increase of 5% would be applied to all fees with effect from the 1 January 2023, including the expense allowance.

Role	Annual Fees from 1 January 2022	Annual Fees from 1 January 2023
Board Chair	£140,000	£147,000
Senior Independent Director fee	£8,323	£8,739
Non-Executive Director basic fee	£51,186	£52,746
Committee Chair fee	£8,823	£8,739
Chair expense allowance	£4,000	£4,200
Non-Executive Director expense allowance	£2,000	£2,100

Advisers to the Remuneration Committee

During the year, h2glenfern Remuneration Advisory advised the Committee on certain aspects of the remuneration of the Executive Directors and the Chair of the Board. Fees of £40,000 exclusive of VAT were paid to h2glenfern Remuneration Advisory. h2glenfern Remuneration Advisory is a member of the Remuneration Consultants Group and, as such, voluntarily adheres to its Code of Conduct. The Committee considers the advice that it receives from h2glenfern to be independent.

Statement of Voting

At the 2022 AGM, a resolution was put to shareholders to approve, on an advisory only basis the Remuneration Committee report. 99.87% votes were cast in favour of the resolution.

This Directors' Remuneration report will again be put to an advisory vote at the forthcoming 2023 AGM. This report was approved by the Board of Directors and signed on its behalf by:

Henrietta Marsh
Remuneration Committee Chair

20 March 2023